

# STRATEGIC PARTNERSHIP OF UKRAINE: DECLARATIONS AND REALITIES

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**Abstract.** The strategic partnership of cooperation is a higher step than conventional relationships. Conditioned by specific interests of the parties, such cooperation is possible between those partners who have mutual territorial claims and have mutual commitment to the territorial integrity. At the same time with many partners (it's quantity is about 20), Ukraine has no simple partnership and cooperation, a lot of them received the status of "strategic partners, but often they are not the states, whose national interests in strategic areas corresponds to the current interests of Ukraine. It should be noted that today among the countries that have been declared as the strategic partners of Ukraine, not all of them support national interests in the present. Ukraine, appeared as an independent state, began use new methods of international cooperation, without adequately developed strategy for their use. Some problems facing the country, can be solved, other must be taken into account in determining its development strategy. Therefore, the subject of the research is global and specific problems that consider issues of economic security and partnership in Ukraine in modern conditions. **The objective of the paper** is to study options for a strategic partnership in Ukraine by improving the institutional mechanism to coordinate the integration processes. The article is based on studies of foreign and domestic scientists. **Practical implications.** Formation of effective international cooperation of Ukraine in the context of globalization, the choice of strategic partners on the basis of mutually beneficial cooperation. **Results.** The analysis of Ukraine's cooperation with Russia; the features of the largest modern regional associations; reasonably objective need for Ukraine's integration into the regional associations; recommendations on the necessary measures to accelerate the process of deepening Ukraine's integration with the EU.

**Key words:** globalization, strategic partners, global market, economic, political and military spheres, cooperation, integration, competitiveness.

**JEL Classification:** F02, F63, F69

## 1. Introduction

Globalization as one of the most significant processes in modern world economy is manifested not only in the expansion of the scope and substantive forms of international cooperation, involved into global system of countries, but also increased their interdependence.

The result of the deepening internationalization process are interdependence and interaction between national economies. It can be perceived and interpreted, as the country's integration into the structure, which becomes close to the single international economic system. Although great part of the global product is consumed in the producing countries, national development increasingly linked to global structures and become more versatile and diverse than it was in the past.

The process of globalization runs in a highly polarized world system in terms of economic power and opportunities. This situation is a potential source

of risks, problems and conflicts. In these circumstances, countries are looking for some new forms of business cooperation, one of the form of which – is long term strategic partnership relations (Kizim, M.O., Dodger P.V., Omarov S. A., 2010, p. 75; Geets, V.M., 2006, p. 43; Pivovarov, A., 2008).

The relevance of this work lies in the fact that the strategic partnership today has an important role in the formation of Ukrainian foreign policy. Ukraine, like other countries in the world, chooses its strategic partners, and its selection is based on the strategic vision of its own way of development, clear recognition of national interests and ways to implement them.

That relationship with key strategic partners identified as the priority directions of Ukraine's foreign policy strategy, they determine stable positions on the international political scene, and, accordingly, internal political and economic development as well.

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## 2. General principles of strategic partnership

Strategic partnerships, as a rule, is based on the following principles:

- common interests of partners in fruitful cooperation, mutual recognition of strategic relationships;
- willingness to consider the interests of other parties to achieve strategic objectives, even when such action is ambiguous in terms of appropriate personal gain;
- mutual renunciation of discriminatory actions against one another;
- long-term nature of the partnership, as it is set for a long time;
- availability of effective mechanisms to implement this relationship format;
- consolidation of the legal content and mechanisms in bilateral strategic partnership documents cooperation as strategic objectives should not change depending on the change in leadership in both countries;
- discipline, consistency and predictability, implementation partners of their obligations;
- high efficiency strategic partnership;
- impact of such cooperation should feel both sides, not only public and political elite, but also economic actors, ordinary citizens of both countries.

It should be noted that the analysis related to comparing Ukraine to other countries in the world rankings, allowed to define such global problems what affect it and that should be consider when drawing up the strategic development objectives of the country:

### A. The social sphere:

A.1. The demographic component: depopulation and population aging by reducing life expectancy.

A.2. Income component: income polarization within the country; the backlog of Ukraine from the world's leading countries in terms of incomes of the population; lack of self-supply of the population for certain types of food.

### B. The economic sphere:

B.1. Natural-resource component: the exhaustion of domestic fuel and energy resources; dependence of the economy on the rise in price of fuel and energy resources.

B.2. Scientific and technological component: the gap from the world's leading countries in moving to a new technological structure; slowing down scientific and technical progress.

C. Environmental sphere: climate change and global warming; waste and recycling; atmospheric pollution; depletion of freshwater resources.

### D. Political sphere:

C.1. The possibility of partners significantly promote the interests of Ukraine in the international arena;

C.2. Their attitude towards Ukraine as a strategic partner;

C.3. The active development of relations with Ukraine in the context of regional integration.

In addition, Ukraine's economy inherent following specific national issues:

- the economic sphere: low competitiveness of the economy; low levels of economic freedom; low levels of free enterprise; high tax burden, lack of reforms and the complexity of the tax; low level of attractiveness for foreign direct investment; low level of creditability and high probability of default.
- the environmental sphere: low level of renewable energy; lack of purposeful policy in the field of ecology.
- the sphere of government: political instability; low quality and efficiency of public administration; high levels of corruption.

## 3. Actual issues of the strategy partnership in Ukraine

Sustainable development in every country depends on ensuring its economic security. The main problems of economic security in Ukraine in the order of priority of their decision are the following (Artemov, I.V., 2008, p. 24):

- demographic security: a negative balance of natural population growth; high infant mortality; depopulation; low birth rate of the population; high demographic burden on the working-age disabled population;
- scientific and technological security: a low proportion of the state budget expenditures on science; low share of enterprises introducing innovations; a small number of specialists who perform scientific and technical work; poor value for the share of basic research, applied research, scientific and technical development, scientific and technical services performed on its own; a small amount of industrial property embedded objects;
- macroeconomic safety: a significant negative balance of the current account balance; low level of relations GDP per head to the average value in the EU; a small proportion of disposable income of non-financial corporations in the gross disposable income; low level of relations GDP per head in the world average;
- food security: a population of under-consumption of vegetables, fruits, berries, nuts and grapes, milk and dairy products, meat and meat products;
- financial security: low share of long-term insurance; a large amount of cash; small volume of premiums; large amounts of trade balance deficit;
- energy security high energy intensity of GDP; small volumes of oil transit; insufficient investment in the fuel and energy complex; small volumes of coal mining;
- industrial safety: small volumes of liquidation of industrial assets; high degree of depreciation industry; low share of machine building in industrial production.

So, Ukraine, like any other country in the world has internal problems that are global, but specific to each state. Therefore, foreign policy should contribute the solving of pressing domestic problems and achieve the strategic goals of the country. One of the effective tools for implementing foreign policy is to establish strategic partnerships with partners that allow to combine efforts to achieve the vital internal and external strategic objectives.

The relations of strategic partnership involving their special status, that is a higher interstate relations in several

important areas. Strategic partnership is the geopolitical interdependence, sometimes – geographical, cultural and historical closeness of the two states. In some cases, the search for strategic partners, driven by the desire of the state, become a regional or world leader.

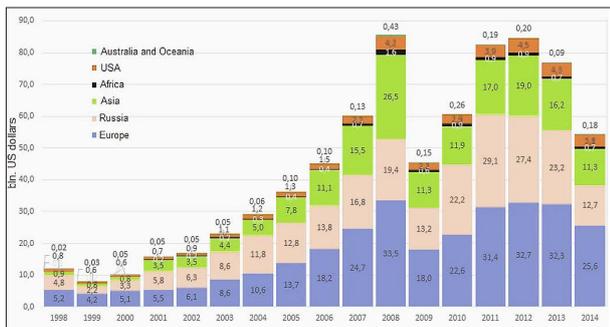
Strategic partnerships can be built only after the formulation of their own strategic goals without it the country cannot define its strategic partners Over the past six years, the strategic partners of Ukraine announced at least 20 countries in Europe, Asia, North and South America. Among them – Azerbaijan, Belarus, Bulgaria, Georgia, Israel, Canada, China, Moldova, Germany, Poland, Russia, Romania, Slovakia, USA, Turkey, Hungary, Uzbekistan, Finland (Ministry of Foreign Affairs of Ukraine, 2012).

Unbalanced declaration of strategic partnership relations transforms this form of effective instrument of foreign policy of Ukraine for abstract political rhetoric, questioned the consistency of its foreign policy. Strategic goals of cooperation within the strategic partnership should not change depending on the change in leadership in both countries. The strategic partnership is based on the following principles (Shamraeva, V.M., 2012; Izha M., Kaduk N., Ovchar A., 2013):

1. Mutual partners interest in effective cooperation, strategic nature definition of the partnership.
2. The willingness of the partners to consider the national interests of each other, creation of compromises to achieve common strategic goals.
3. It is desirable that strategic partnerships were equal.
4. The long-term nature of the partnership.

Table 1  
Priority of Ukraine's relations with other states in the polls

Country	Citizens, % of respondents	Experts % of polled
Russia	86,9	80,0
USA	65,5	66,0
Belarus	64,5	9,0
Germany	62,0	62,0
Kazakhstan	59,9	–
Poland	50,8	52,0
Canada	50,5	7,0
Uzbekistan	48,8	9,0



Source: State Statistics Committee, 2015  
Fig. 1. Import of goods in Ukraine (1998-2014)

5. The presence of mechanisms for implementing the strategic partnership.

6. Legal consolidation of the content and strategic partnership mechanisms in mutual documents.

7. Consistency and predictability of partnership, strict implementation of obligations.

8. High efficiency of strategic partnership.

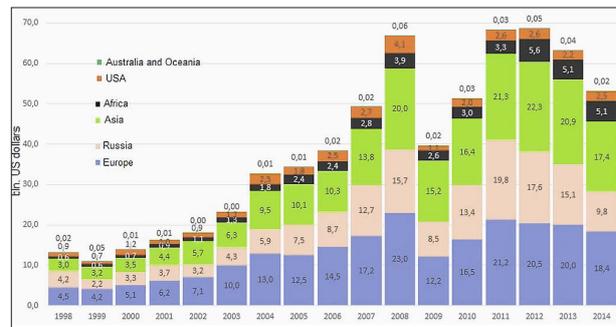
The current practice of the declaration of strategic partnership relations causes the mostly skeptical attitude of parliamentarians and experts in Ukraine. Near two thousands respondents were interviewed in all regions of Ukraine. The theoretical sample error – 2.3% (M. Pashkov, V. Chaliy, 2000). The consensus in opinion of citizens, experts and leaders of deputy groups consisting of around four strategic partners of Ukraine – Russia, USA, Germany and Poland – before the military conflict in the South-West of Ukraine (Table. 1).

Key areas of strategic partnership, and in the opinion of the public and professionals, and leaders of parliamentary factions and groups, are: trade and economic, political and security spheres (Table. 2).

The key areas of strategic partnership of Ukraine: economic, political and state spheres security. The signs of the vital importance of partnership in the economic sphere are: a significant proportion of partner countries in the export / import of goods and services, significant amounts of foreign investment, the presence of large joint projects in priority branches in Ukraine. From the combination referred to indicators to strategic partners of Ukraine in trade can be attributed Russia and Europe (Fig. 1, 2).

Table 2  
The most important spheres of Ukraine's cooperation with strategic partners according to surveys

The scope of cooperation	Citizens, % of respondents	Experts % of polled
Trade and economic	65,0	74,0
Security (military and law enforcement)	36,0	41,0
Political	22,0	54,0
Financial	16,0	4,0
Scientific and technical	14,0	14,0
Environmental	8,0	4,0
Humanitarian	3,0	4,0



Source: State Statistics Committee, 2015  
Fig. 2. Export of goods from Ukraine (1998-2014)

However, the current state of bilateral relations in this area cannot be considered a strategic partnership with Russia a reliable and mutually beneficial.

#### 4. Main directions of development of strategic partnership between Ukraine

Motion for European Parliament Resolution nowadays identify: "At present Russia as a result of actions in Crimea and eastern Ukraine, can no longer be considered as, or considered" strategic partner" – the document says. In addition, members of the Europarlament require from Russia to "stop destabilizing effect on the EU borders", and also expressed concern over Russian support and funding of radical and extremist parties in the EU member states." (Committee on Foreign Affairs, 2015).

A lot of bilateral agreements on cooperation and friendship, intergovernmental, interdepartmental, agreements within the CIS between Ukraine and Russia are still in force. Thus, Ukraine international politics is quite acquired attributes of duality. On the one hand, the Verkhovna Rada passed a resolution that it recognizes Russia as the aggressor, and the other – leaving the current The Agreement on Friendship, Cooperation and Partnership between Ukraine and Russia (Treaty on Friendship, Cooperation and Partnership between Ukraine and Russia). In the first paper of this document is written that Ukraine and Russia – strategic partners (Verhovna Rada, 1998). Denounced in June 2015 five interstate Russian-Ukrainian agreements on military cooperation – a drop in the bucket in comparison with the number of acting. Ukrainian diplomats are trying to explain to his foreign colleagues why we have chosen this way and consider it the best, but that experts can not understand.

For Ukraine, the energy component of external relations is particular importance. Signs of the importance of partnership in the energy sector can be a considerable part of the partner country in the exports / imports of energy and services; significant amounts of foreign investments and credits allocated to the development of the energy sector; participation in international large-scale energy projects, the possibility of new energy technologies. When choosing a strategic partner of Ukraine it is necessary to take into account the need to diversify energy sources. The economy has recently significantly strengthened attractiveness of energy cooperation. Ukrainian specialists may be involved in the development of nuclear energy in Poland. Current plans include construction of the first nuclear power plant by 2020.

For today signed the Framework Agreement on construction in 2016 on the border Gas Interconnector length of 110 km and a capacity of 10 billion cubic meters. per year. For Ukraine, the implementation of such project is a strategic victory: first, the Ukrainian state will have access to gas from Polish LNG- terminal; Secondly, using the Interconnector, Kyiv will have access to the German gas market; Thirdly, the construction of 110 km of pipeline will positively affect the regional economy, ensuring growth

of new working places and more. It should be emphasized that the expansion of technical capacity through the construction of interconnector will allow Ukrainian state in the short term, substantially reduce purchases of Russian gas (International Centre for Policy Studies, 2015).

The strategic partner of Ukraine also became Australia. At a meeting with the Director General of the Australian Bureau of safeguards and non-proliferation (ASNO) Robert Floyd representatives of the Ministry Energy and Coal Industry, and underlined the importance of strategic significance the diversification of energy sources to Ukraine, in particular in the field of nuclear energy (Ukraine expands international cooperation to diversify energy sources., 2015).

The growth of Ukraine's cooperation in the energy sector to the level of strategic opportunities, provided the implementation of major international energy projects, which will ensure the diversification of energy sources. In such a case, the real opportunity to become a strategic partner of Ukraine in this sphere have following states: Azerbaijan, Georgia, Germany, Poland, USA, Turkey and Uzbekistan.

"It is natural that in the modern Ukraine new content gets strategic partnership between Ukraine and the United States, which is manifested in different forms and at different levels – from the President, the Supreme Commander of the soldiers," – he said at the open ceremony of Ukrainian and American Military exercises "Fiarles Guardian-2015" on the range in Yavoriv Lviv region (Poroshenko, P., Radio Svoboda 2015).

In the sphere of political relations between Ukraine and countries, announced its strategic partners, an important criterion is the potential of the real support of Ukrainian interests in the international arena. In this regard, the United States can be identified, as a country, the most noticeable impact on the development of the situation in the world, and has a strong position in international organizations. In turn, for the implementation of the foreign policy interests of Ukraine are also important and contacts with Russia and China – influential states, permanent members of the UN Security Council. To promote Ukraine into the EU is vitally important deepen contacts with Germany, Britain and France. It is very important that the individual strategic partners of Ukraine have competing objectives and Ukraine is often at the crossroads of conflicting interests. Moreover, such "problem situations", even when they decide to concessions by the Ukrainian side, often complicate her relationship with one partner, and does not improve with others. This is especially significant of such sensitive areas as the arms trade, peacekeeping operations, the construction of nuclear power plants, energy transit exports of high technology, cooperation within international organizations, whose interests intersect (NATO, the Tashkent Treaty, EU, CIS, GUUAM, and others).

Ukrainian-Polish relations over the past twenty years certainly have acquired the features of this strategic partnership. Poland is deservedly considered the main lobbyist of Ukraine in Europe, and in Ukraine, the Polish

experience is seen as an example of reform and European integration. Military cooperation between Ukraine and Canada and Germany is deepening. Important strategic partners of Ukraine are UK, Germany, France and Poland, and partners – Canada, Australia, Japan, the Baltic countries, Sweden, Norway and Romania. In the military sphere can be considered an important partnership that provides for its adequate military assistance in case of aggression or actually contributes to strengthening the defense capability of the state and create the conditions under which Ukraine could locate its own military conflict.

Main directions of the strategic decisions in Ukraine are the defense capability increasing; the armed forces reform, intelligence, counterintelligence and law enforcement agencies; public administration reform and the fight against corruption; integration into the European Union and the Distinctive Partnership with NATO; providing national security in foreign policy (the rejection of non-alignment, cooperation with NATO, the US, China, the UN, G7 and G20); ensuring economic, energy, environmental and information security.

The complex nature of relationship and poses the interests of Ukraine in the military sphere in dependence on the development of contacts between the two countries. In the case of military aggression Ukraine can count on political, economic, diplomatic, informational nature by almost all countries, the announced strategic partners (probably more significant, based on the capacity of countries, would support the United States, China, Germany, Canada). But, no state can give Ukraine really crucial military assistance. In the field of military cooperation, Ukrainian side most actively cooperates with countries, willing to provide financial support for such cooperation. This is primarily the US, UK, Canada, Netherlands, Germany.

## 5. Conclusions

The question of "strategic partnership" is closely linked to the issue of Ukraine's geopolitical choice. During the independence years political and scientific elite of Ukrainian state worked out several models of geostrategic foreign policy of Ukraine, and in the context of these

models the question "strategic partnership" is quite relevant, because it helps to identify and understand the main priorities of Ukraine in the international arena and the main goals that put forward the strategy of Ukraine's foreign policy to its national interests.

In Ukraine strategic partnership tool does not work in favor of its interests and used haphazard and chaotic. Strategic Partnership with Ukraine loses value to those countries from which Ukraine could get real benefit.

Most of the announced partnership are declarative. The shape of the existing memorandums, declarations and charters – the general documents that do not define specific areas of cooperation and contain detailed plans for implementation. The official list of countries who are strategic partners of Ukraine, does not exist. Twenty-proclaimed partnerships correspond to only eight real bilateral documents signed with Azerbaijan, Bulgaria, Georgia, Canada, Poland, United States and Uzbekistan. All other partnerships are either purely rhetorical verification – such as with China, Israel, Finland, Argentina, Slovakia, Germany and India – or collectively considered as a group with a common feature – such as geographical neighbors Ukraine, links to which are served in the order Verkhovna Rada of Ukraine "On main directions of foreign policy of Ukraine." This approach is equally absurd like "oral" passing laws and, as a result, devalues strategic partnership as a tool of foreign policy. The main strategic directions of state authorities activity to strengthen the position of European integration Ukraine – is accelerating the pace of reform, fighting corruption, building civil society, improve economic legislation. Thus, the problem of strategic partners selection and revision is important for Ukraine and needs further consideration. It is therefore necessary to adopt legislative documents, taking into account the common interests of partners; a list of areas of cooperation, common approaches to international problems; responsibilities and obligations of the parties; factors that may be contrary to the interests of the partner countries; institutional mechanisms for implementing the strategic partnership.

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## Наталія ДЕМЧЕНКО, Елена КОЗЫРЄВА

### СТРАТЕГИЧЕСКОЕ ПАРТНЕРСТВО УКРАИНЫ: ДЕКЛАРАЦИИ И РЕАЛИИ

**Аннотация.** Стратегическое партнерство является приоритетной ступенью сотрудничества по сравнению с обычными отношениями. Обусловлена конкретными интересами сторон, такое сотрудничество становится возможной между теми партнерами, которые не имеют взаимных территориальных претензий, зато имеется взаимная приверженность принципам территориальной неприкосновенности и нерушимости границ. Среди стратегических партнеров Украины, согласно заявлениям и документам, было около 20 стран, при этом отношения со многими из них не выходят за рамки простого партнерства. Это связано с тем, что в число "стратегических партнеров" зачислялись не те государства, чьи национальные интересы по стратегическим направлениям совпадают с интересами Украины, а только те, с которыми у нее были просто хорошие отношения. Следует отметить, что сегодня среди стран, которые были объявлены стратегическим партнером Украины, не все из них поддерживают современные национальные интересы. **Предметом исследования** является глобальным и конкретные проблемы, которые рассмотрены вопросы экономической безопасности и партнерства в Украине. **Целью работы** является изучение вариантов для стратегического партнерства в Украине путем улучшения институционального механизма для координации интеграционных процессов. Статья основана на исследовании произведений зарубежных и отечественных ученых. **Практическое значение.** Формирование эффективного международного сотрудничества Украины в контексте глобализации. **Результаты.** Анализ сотрудничества Украины с Россией и странами Европейского Союза (ЕС); особенности крупнейших современных региональных объединений; разумно объективная необходимость интеграции Украины в региональных ассоциаций; рекомендации по необходимым мерам, чтобы ускорить процесс углубления интеграции Украины с ЕС; наличие общих взглядов и подходов к ключевым проблемам международной политики, глобального и регионального развития; существования соответствующего межгосударственного соглашения с определением обязанностей сторон в достижении целей.