Ukraine Dumps EU in Favor of Russia

By Anatoly Medetsky

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A deputy wearing a T-shirt in support of Yulia Tymoshenko on Thursday. **Gleb Garanich**

Ukraine on Thursday suspended its course toward closer ties with the European Union in a major victory for Russia.

The Ukrainian Cabinet made the move just a week before a summit with the EU where the parties were planning to sign an association agreement, which would yank Kiev from Moscow's embrace.

The Cabinet cited "interests of national security" for the stunning reversal of the country's policy, telling various ministries to turn to Russia and other former Soviet republics in an effort to improve Ukraine's economy.

"The said ministries have also been instructed to resume an active dialog with the Russian Federation," the Cabinet said, according to a statement on its website.

Ukraine would also "work with" the Russia-led Customs Union and the Commonwealth of

Independent States, or CIS, the statement said.

A larger Ukrainian economy would provide more parity in relations with the EU, it said. The country's economy declined 1.3 percent in the first nine months of this year, compared to the same period last year.

President Vladimir Putin's spokesman said Thursday that Russia welcomed Kiev's desire to improve trade ties with Moscow, signaling satisfaction with a Ukrainian government's decision to suspend preparations for a landmark trade pact with the EU.

"We welcome the desire to improve and develop trade and economic cooperation," Putin's spokesman, Dmitry Peskov, said, Reuters reported. He called Ukraine a "close partner" and said Russia would respect any decision it made about the EU deal.

The Cabinet made the surprise decision after Ukrainian Prime Minister Mykola Azarov came from Russia where he took part in a meeting of CIS prime ministers, which he described as "one of the most successful meetings," in a separate statement on the Cabinet website. He discussed building up bilateral economic cooperation and trade with his Russian counterpart Dmitry Medvedev.

In Thursday's decree, the Cabinet proposed creating a trilateral commission between itself, Russia and the European Union, which would look at ways to advance Ukraine's economic development. Ukrainian President Viktor Yanukovych first voiced the idea at the end of last month following a meeting with Putin in Minsk.

Opposition and European politicians bristled at the news of the turnaround.

Failure by Yanukovych to sign the agreement with the EU now would amount to "state treason," provide "grounds for impeachment," opposition leader Arseniy Yatsenyuk said in comments about the diplomatic turnaround, Interfax reported. He also called for Azarov to resign.

Swedish Foreign Minister Carl Bildt said Ukraine hit the brakes because of Russia's threats of trade retaliation in recent months.

"Ukraine government suddenly bows deeply to the Kremlin. Politics of brutal pressure evidently works," he said on Twitter.

Russia briefly stepped up customs inspections at the border with Ukraine in August; demanded immediate payment of the huge debt for natural gas; and warned it would tear up numerous cooperation deals should the former fellow Soviet republic sign the EU agreement.

Bildt added that shunning the EU would be a bane for Ukraine's declining economy.

It "will hardly help to turn away from EU reforms and toward Russia," he wrote. It "kills FDI [Foreign Direct Investment] prospects."

Earlier on Thursday, Ukraine's pro-presidential parliament rejected a set of bills that would have fulfilled a key condition for integration with the EU.

All six bills would have allowed the release of jailed former Prime Minister Yulia Tymoshenko, something the EU demanded in return for signing an association agreement with Kiev at a summit set for next week.

The EU sees Tymoshenko's seven-year prison sentence for abuse of office as politically motivated, as she was the strongest challenger to incumbent president Viktor Yanukovych during the latest elections in 2010.

"It is President Viktor Yanukovych who is personally blocking Ukraine's movement toward the EU," Yatsenyuk told parliament in an emotional speech after the vote to free Tymoshenko failed, the AP reported.

President Vladimir Putin had warned after the vote in Ukraine's parliament that if the trade agreements were signed at the upcoming EU summit in Lithuania, Russia "could not leave the gates with Ukraine as wide open as they are today," RIA Novosti reported.

Yanukovych previously objected to Tymoshenko's release, but the bills offered a compromise of letting the former prime minister — who suffers from a back problem — leave jail to travel to Germany for medical treatment.

The parliament, which is dominated by Yanukovych's allies including his Party of the Regions, failed to muster enough votes to pass the bills, as two top EU envoys looked on. Opposition lawmakers responded with chants of "Shame! Shame!" and urged Yanukovych to pardon Tymoshenko through a presidential decree.

In theory, Yanukovych could have made such a move before the summit begins in the Lithuanian capital Vilnius on Nov. 28. Or he could have allowed Tymoshenko to walk out of prison by having the parliament pass the legislation next week.

Yanukovych took a harder line in the talks with the EU in recent days, following a closed-door meeting with his Russian counterpart Vladimir Putin.

Yanukovych was away on a visit to Austria on Thursday and did not comment on the reversal.

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