UKRAINE IN EUROPE (Geographical location and geopolitical situation)

Geographical setting

Ukraine is predominantly located in the southern part of eastern Europe between 44 and 52° of northern latitude and 22 and 40° of eastern longitude (*Figure 1*). Its territory spans 1,316 km from the west to the east and 893 km from the north to the south. Geographical extremes are the town of Chop (Transcarpathia) in the west and the village of Chervona Zirka (Luhans'k oblast) in the east; the village of Hremiach (Chernihiv oblast) in the north and the headland of Sarich in Crimea in the south. From the south the coasts are lapped by the waters of the Black Sea and the Sea of Azov.

The Ukrainian state is located on the interface of large physica-geographical units, such as the East European Plain and the Eurasian Mountain Range (partly comprised of the Carpathians and partly the Crimean Mountains). Plains constitute the overwhelming majority of Ukraine's territory (95%). With the exception of the aforementioned mountains, the topography provides adequate opportunity for agriculture, industry and residential housing, as well as for the development of infrastructure, including the transport network. There are a variety of natural zones within the portion of the East European



Plain that falls within Ukrainian territory, namely, mixed forests, broad-leaved forests, forest steppe and steppe. They differ in geomorpho-

logical and climatic conditions, the characteristics of water regime and soil cover, as well as the internal structure of landscape complexes.

State territory

A largely independent state named Ukraine first appeared on the map of Europe in 1918 when, in concluding the Peace Treaty of Brest-Litovsk (March 3, 1918), Soviet Russia was bound (amongst others) to recognise the Ukrainian People's Republic, with an area of 553,000 km². Previously, Kievan Rus' (in 1000 about 1,500,000 km²) and the Cossack State of Bohdan Khmel'nyts'kyi (in 1654 about 282,000 km²) could be considered the predecessors of modern Ukrainian statehood.

The Peace of Riga (March 18, 1921), bringing to a close the Polish-Ukrainian/Soviet hostilities following the First World War, awarded western Ukrainian (Galician and Volhynian) territories to Poland. It was largely due to this that the territory of the Ukrainian Soviet Socialist Republic (formed in 1922 as a constituent republic of the Soviet Union) extended over 451,600 km² between 1922 and 1938. As a result of WWII, in 1939 and 1940 Soviet Ukraine re-

ceived 92,568 km² from the previous territory of Poland and 25,832 km² from Romania. At the same time, in 1940 Ukraine submitted the territory of the present-day separatist Dniestr Republic (2,500 km²) to the enlarged Moldavian Soviet Socialist Republic (established on August 2, 1940). Due to the annexation of Transcarpathia (from Czechoslovakia) and to the transfer of 2,848 km² to Poland in 1945, the territory of Soviet Ukraine increased from 567,500 km² to 577,500 km² between late 1940 and the end of 1945. This territorial data was slightly modified in 1951 as a result of a Polish-Soviet exchange of minor border areas near the San and Buh rivers (577,600 km²). The present-day territory of Ukraine (603,700 km²) was established with the transfer of Crimea from the Russian Soviet Federative Socialist Republic to the Ukrainian Soviet Socialist Republic in 1954 (on the 300th anniversary of the union of the Cossack State of Khmel'nyts'kyi with Russia).

Ethnic territory of Ukrainians

The present-day boundaries of Ukraine do not coincide everywhere with the ethnic territories of Ukrainians. In certain border areas, Ukrainians live side-by-side with Russians (e.g. Crimea, Donets'k, Luhans'k, Kharkiv, Odesa oblasts), Moldovans, Romanians (Chernivtsi, Odesa oblasts) and Hungarians (Transcarpathia). At the same time, Ukrainian ethnic areas can be found in some border regions of neighbouring states (e.g. the Prypiat' region in Belarus, the Don area and Kuban region in Russia, the Maramures area in Romania, and northeastern Slovakia).

The historical core of the Ukrainian ethnic territories are the regions west of the line of

Chernihiv – Kyiv – Vinnytsia – Chernivtsi, which represents the major part of the original homeland of all Slavic people. Due to the colonisation of the sparsely populated or uninhabited steppe areas, the eastern zone of the Ukrainian ethnic territory moved up to the line of Poltava – Zaporizhzhia – Uman' during the 16th and 17th centuries, and extended further, in the 18th century up to the line of Rossosh – Donets'k – Kherson. The most recently populated parts of the present-day Ukrainian ethnic area are the coastal lowland of the Black Sea and Crimea, where Ukrainians settled during the 19th and 20th centuries.

Boundaries

Present state borders of the country had been formed during the time of the Soviet Union's existence, into which Ukraine was incorporated. According to principles of international law, former administrative borders of the USSR (after its dissolution in 1991) were inherited by Ukraine as one of the legal successors, thus they had turned into state boundaries.

The current boundary with Russia was formed in the period between 1925 and 1928; the eastern border section with Belarus in 1920. The western Ukrainian borders were drawn almost exclusively in the years preceding and following the Second World War (as the neighbouring states are currently named: with Poland in 1939 and 1945, Slovakia and Hungary in 1945, Romania in 1940 and 1945, and with Moldova in 1940). The Ukrainian borders of 1945 were modified by a minor Polish–Soviet territorial exchange in 1951 and by the transfer of Crimea from the Russian S.F.S.R. to the Ukrainian S.S.R. in 1954. Thanks to basic treaties with neighbour-

ing states (e.g. Poland (1992), Hungary (1993), Russia, Belarus, Romania (1997) Ukraine has experienced hardly any border disputes following the break-up of the USSR – with the exception of Romania over Zmiinyi (Snake) Island in the Black Sea, and with Russia over Tuzla Island in the Kerch Strait.

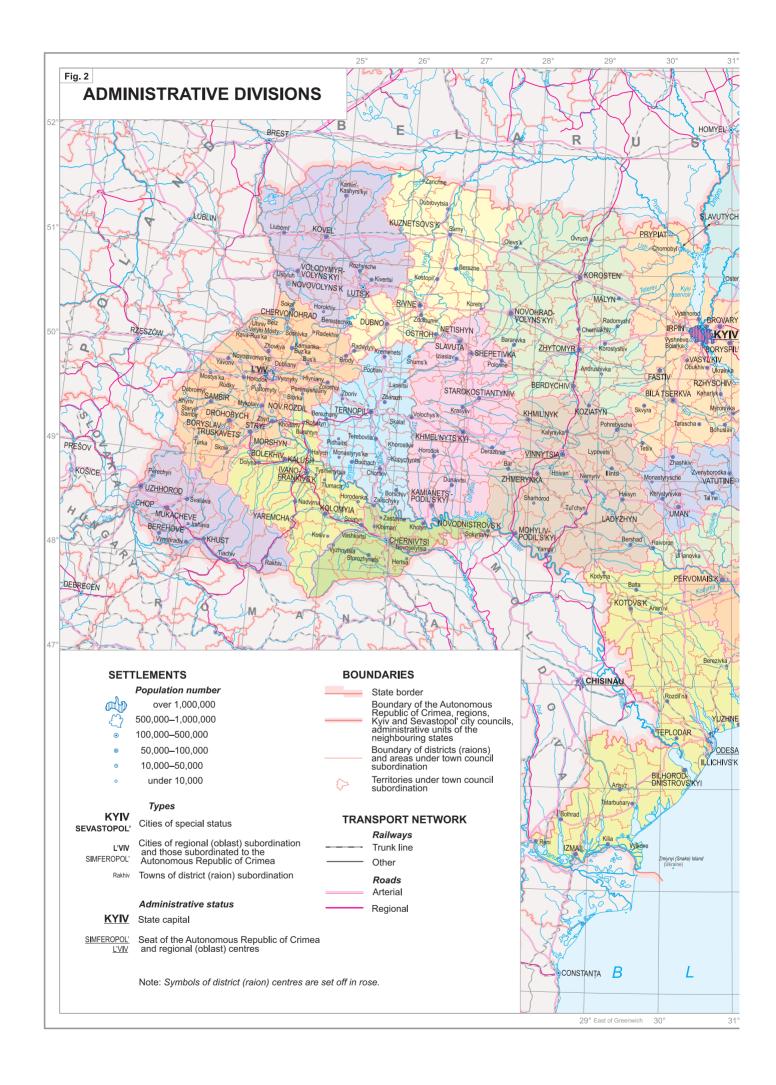
Currently, land boundaries total 5,684 km in length (according to neighbouring states this is disputed and alleged to be 5,619 km – disputed figures in brackets []) in the following quantities (in km) broken down by country: Russian Federation – 1,955 [2,292], Belarus – 1,084 [975], Poland – 542 [529], Slovakia – 98 [98.5], Hungary – 135 [137], Romania – 608 [649.4], Moldova – 1,202 [939]. Of the 2,782 km long Ukrainian coastline, maritime borders make up 1,959 km (Black Sea – 1,559 km, Sea of Azov – 400 km). Ukraine asserts a maritime claim on its territorial sea extending 12 nautical miles (about 22 km) from the coast, and an exclusive economic zone extending 200 nautical miles (about 270 km).

Administrative divisions

According to its constitution Ukraine is an unitary state, the territory of which is subdivided into 24 regions (oblasts), one autonomous republic (Crimea) and two cities (municipalities) of special status, the Ukrainian capital Kyiv and the important Crimean naval base, Sevastopol' inhabited overwhelmingly by Russians (*Figure* 2). In the 20th century the first subnational administrative–territorial units were called "hubernia" (province) until 1923, from 1923 until 1932 as "okrug" (county) and since February 27, 1932 as "oblast" (region). Between their emergence and 1954, the number of oblasts increased from 5 (Kyiv, Dnipropetrovs'k,

Kharkiv, Odesa, Vinnytsia) to 26 as a result of administrative reforms and an increase in state territory. Currently there are 24 oblasts which is the result of the incorporation of Drohobych into L'viv in 1959 and the changing administrative status of Crimea from oblast to an autonomous republic in 1992.

Oblasts are subdivided into a total of 490 raions (districts); 177 cities with oblast status and 279 towns of raion status. Until 1923, raions were termed "povit" (county). Their number decreased due to administrative reforms, from 706 (1923) to 600 (1986) and then to 490 (2007).





Ukraine's place in the European pattern of economic development

After 1989, the change in political, economic and social systems in the eastern part of Europe, the disintegration of socialist federal states (USSR, Yugoslavia, Czechoslovakia) along with territorial, ethnic and religious conflicts significantly disturbed the economies of the post-communist countries.

The scope and duration of this economic crisis, which was frequently accompanied by rampant inflation, varied from country-to-country.

GDP BASED ON PPP VALUATION
IN SELECTED EUROPEAN COUNTRIES
Million
USD
(1988–2006)

2,500,000

2,500,000

1,500,000

1,500,000

Netherlands

Sweden

Hungary

Ireland

O

Sweden

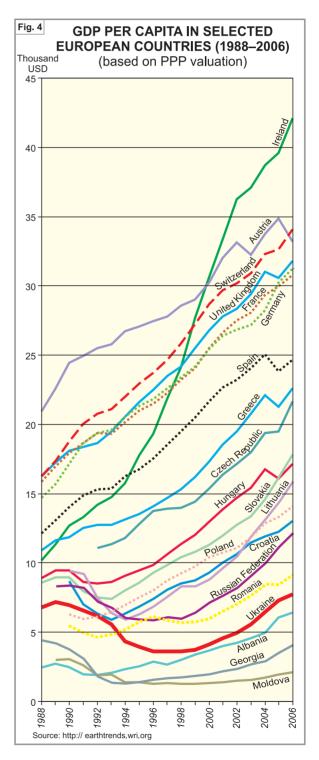
Romania
Hungary

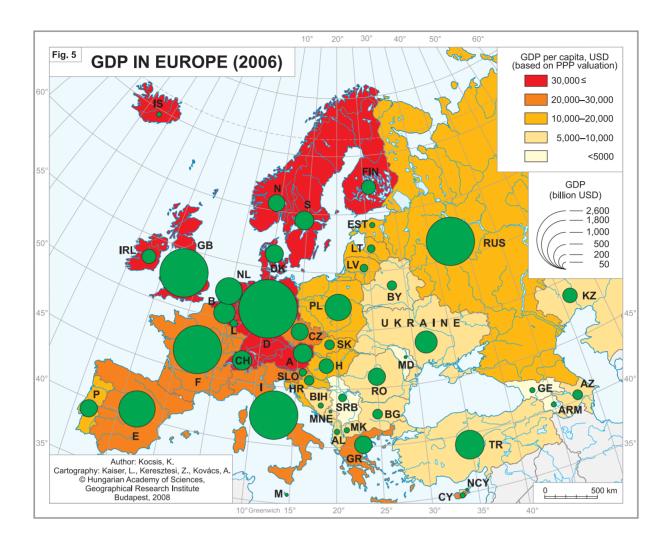
Ireland

O

Source: http:// earthtrends.wri.org

Owing to the timing of economic restructuring and privatisation, the introduction (or the absence) of shock therapy, the bottom in time and extent shifted from west to east and aggravated, the annual GDP had shrunk (in





comparison to the levels witnessed in 1989) by 10–15% in the Visegrad countries by 1991–1992; 20–30% in Southeast Europe by 1992–1993 and 30–40% in the Baltic states by 1993–1994. GDP had also sunk by approximately 30% in Belarus and the Russian Federation by 1997–1998, by 51% in Ukraine by 1995–1998 and by 58% in Moldova by 1998–1999.

The level of GDP last seen in 1989 only returned in Poland after 5 years, 7 years in Hungary and Slovakia, 11 years in Croatia, 12 years in Bulgaria and Romania, 13 years in Latvia and Lithuania and 14 years in Russia.

It is estimated that Ukraine will reach this level in 2007 (after 17 years), Georgia in 2009 (20 years) and Moldova in 2011 (22 years). Over the same period the developed western nations had increased their GDP by 80–110% between 1989 and 2006 and, it was Ireland (a nation of 4.2 million inhabitants) where – like an economic miracle – GDP growth reached 343% over the

period mentioned. Ireland's GDP is half that of the 11 times more populous Ukraine.

When examining GDP per capita (30,000 USD or more, based on PPP valuation) the richest countries of Europe are to be found in the western part of central Europe and in north and northwest Europe (*Figures 3 through 5, Table 1*).

In several post-Communist countries – in addition to the effects of economic restructuring – devastating military conflicts and the serious damage that ensued has also contributed to the present situation.

As a result, GDP per capita in Moldova, Georgia, Armenia and Serbia with Kosovo falls below 5,000 USD. In this respect Ukraine was ahead of Romania, Bulgaria, Lithuania and Belarus in 1989, but for the time being, with its figure of 7,700 USD GDP per capita, it belongs amongst the group of less affluent countries in Europe.

Table 1. GDP data of selected European countries (2006)

Carrahan	GDP per capita, USD	GDP PPP total	Population number
Country	(based on PPP valuation)	(in million USD)	(in thousands)
Ireland	41,842.5	177.2	4,234.9
Austria	33,705.9	279.5	8,292.3
Switzerland	33,630.3	252.9	7,520.0
Germany	31,405.7	2,585.0	82,310.0
United Kingdom	31,397.9	1,903.0	60,609.1
Sweden	31,284.1	285.1	9,113.3
Netherlands	31,238.6	512.0	16,390.0
Italy	29,339.3	1,727.0	58,863.1
France	29,187.8	1,871.0	64,102.1
Spain	23,932.6	1,070.0	44,709.0
Greece	23,593.9	251.7	10,668.0
Czechia	21,521.9	221.4	10,287.2
Slovakia	17,646.5	96.4	5,460.0
Hungary	17,356.8	172.7	9,950.0
Lithuania	15,747.6	54.0	3,431.0
Poland	14,229.4	542.6	38,132.2
Russian Federation	12,185.3	1,723.0	141,400.0
Bulgaria	10,437.1	77.1	7,390.0
Romania	8,855.5	197.3	22,280.0
Turkey	8,545.0	627.2	73,400.0
Belarus	8,323.7	80.7	9,700.0
UKRAINE	7,684.7	355.8	46,300.0
Serbia	4,412.4	44.8	10,160.0
Georgia	3,976.3	17.8	4,474.0
Moldova	2,162.7	9.0	4,148.0

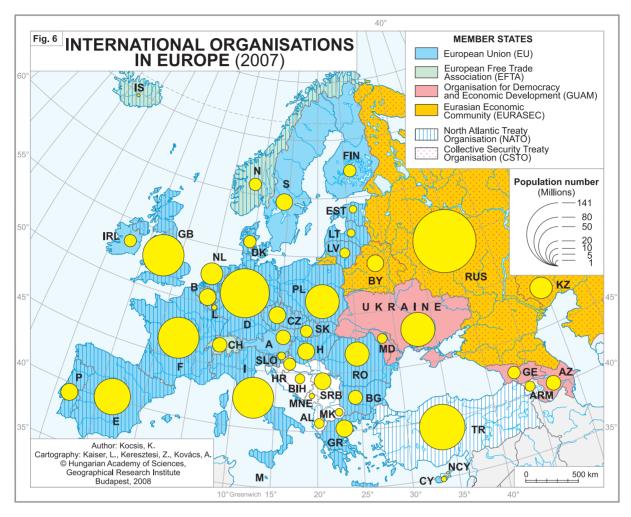
Source: www.cia.gov.cia/publications/factbook

Ukraine and the European international organisations

During the time of the collapse of the USSR, and immediately following this, several economic and military organisations emerged throughout the post-Soviet space. The disintegration itself coincided with the establishment of a loose confederation called *Commonwealth of Independent States* (CIS) formed by the former member republics of the USSR (with the exception of the "Baltic three") on December 21, 1991, essentially for the promotion of a "civilised divorce". (According to western analysts the real aim was to maintain the influence of the Russian Federation.) These days, the organisation is formal in character with the withdrawal of Turkmenistan in 2005 and the growing passivity of Georgia, Ukraine,

Azerbaijan and Moldova, seeking orientation toward the West.

The latter four, using their initials, established *GUAM Organisation for Democracy and Economic Development* on October 10, 1997 with Kyiv as its center and a declared objective of counterbalancing Russian influence, yet, as a commanding necessity maintaining a close and friendly relationship with Russia for it plays a decisive role in all their economies (*Figure 6*). A common interest in efforts to resolve "frozen conflicts" in their territory (Abkhazia and South Ossetia in Georgia, Nagorno-Karabakh in Azerbaijan, Transnistria in Moldova) also unite these GUAM countries located in the buffer



zone between Russia, the EU and NATO and blaming problems for the presence of Russian military forces.

It was primarily the involvement of Ukraine and Georgia that encouraged the formation of a new bloc called Community of Democratic Choice (CDC), the aim of which was also to reduce Russian influence. The group was formed in December 2005 with the participation of Ukraine, Georgia, Moldova and the post-Soviet Baltic states, joined by Romania, Macedonia and Slovenia. The Eurasian Economic Community (EURASEC) proclaimed a union of customs and tariffs within the CIS on October 10, 2000 (effective since May 31, 2001) consisting of Russia, Belarus, Kazakhstan, Kyrgyzstan, and Uzbekistan following its accession in 2006). In this organisation, with its market of 208 million people, Ukraine is merely an observer and – with a future wish to join the EU - rejects the acquiring the status of becoming a fully fledged member. An important factor in Ukraine's geopolitical situation is its status as a maritime power.

This partly explains why Ukraine is a founding member of the *Organisation of the Black Sea Economic Cooperation (BSEC)* formed on June 25, 1992 (effective since May 1, 1999) with the participation of the six countries with coastal access to the Black Sea along with another six: Greece, Albania, Serbia, Moldova, Azerbaijan and Armenia.

Apart from the foundation of economic organisations, the post-Soviet space seems to have additionally stimulated the emergence of a military-security bloc. On May 22, 1992 Russia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Armenia of the CIS member states signed a *Collective Security Treaty (CST)*. Another two former republics, Azerbaijan and Georgia joined before it became effective (April 20, 1994) but they withdrew in 1999 due to their western political orientation.

The remaining members reorganised the military bloc under the name *Collective Security Treaty Organisation (CSTO)* with its seat in Moscow. With the NATO accession of neighbouring Hungary and Poland in 1999, followed by Slovakia and Romania in 2004, Ukraine has found itself in a ring of CSTO and NATO military unions and due to growing Euro-Atlantic sympathies it has of late emphasised its intentions to join NATO.

Ukraine and the European Union

In 1991, the year of the dissolution of the USSR, the TACIS program (Technical Assistance to the CIS) was launched by the European Community (EC), supporting post-Soviet countries (excluding the Baltic states) during the transition process towards democracy and a market economy. During the period between 1991–2006, Ukraine received €2,413.2 million from the EC (66% of it in the framework of the TACIS program). During the last years, the European aid focused on the following priority areas: support for institutional, legal and administrative reform; the private sector and economic development; and support in addressing the social consequences of transition. Relations between Ukraine and the EU are based on the Partnership and Co-operation Agreement (PCA) which entered into force in 1998. This agreement is the framework for political relations between the EU and Ukraine, fixing the primary common targets and fields of collaboration in the economy: trade-links and investment; technological, scientific and cultural cooperation. No doubt somewhat thanks to the fact that Ukraine has achieved Most Favoured Nation and Market Economy Status in its relationship with the EU, the community has become Ukraine's second largest trading partner. During the period between 1996-2006 the ratio of current EU members in Ukraine's total foreign trade increased from 24.6% to 33.6%, parallel with the decline in share of the Russian dominated EURASEC from 50.4% to 43.2%. It is remarkable that during the same period, the share of the Russian Federation in Ukrainian foreign trade decreased from 45% to 26.9%, which is a reflection on the country's decreasing dependence on Russia.

Ukraine is a very important transit country with oil and gas pipelines running from the east towards the EU. At the same time, the country may become an electric energy supplier and

Ukraine is eager to become integrated into the energy network and market of the EU and south eastern Europe. Along with the safety of the hydrocarbon transport pipelines, nuclear safety forms an important part of energy collaboration. The European Atomic Energy Community – Ukraine Agreement for Cooperation on the Peaceful Uses of Nuclear Energy was signed in 1999 and has been effective since 2006. The EC has provided extensive support to Ukrainian Energoatom to modernise its nuclear power plants to meet internationally recognised safety standards, and the EC is also the largest contributor to the Chernobyl Shelter Fund, which works to rehabilitate the Chernobyl site. EC assistance has amounted to €621.1 million in the framework of TACIS Nuclear Safety between 1991-2006.

Since 2007 the relationship between the EU and its eastern neighbours (as a replacement for the TACIS program) has been regulated by the European Neighbourhood and Partnership Instrument (ENPI), in the framework of which an EU-Ukraine Action Plan was adopted in 2005. The specific priorities of this Action Plan are the coordination of Ukraine's legislation with EU law, trade and investment, energy, environmental protection, transport and infrastructure, science and technology, and cross-border co-operation. A particularly important objective of the Action Plan is the convergence and integration of Ukraine's transport infrastructure into the European transport networks, including Pan-European Transport Corridors. EU-Ukrainian political dialogues cover the following topics: democracy, human rights, regional and international issues, along with security threats (e.g. terrorism and disarmament). Lately Ukraine and the EU have been intensifying their cooperation on foreign and security policy issues (e.g. in Bosnia, Macedonia and Transnistria).