

# Report on the Mission to Russia, Ukraine and Slovakia

## *Council of American Ambassadors*

The Council of American Ambassadors sponsored a mission to Russia, Ukraine and Slovakia from September 15-28, 2005. The delegation, which counted seven former United States Ambassadors, visited Moscow, Kyiv and Bratislava.\*

The purpose was to investigate each country's current political and economic situation and the state of relations with the United States, Putin's Russia, and its sphere of influence in Eastern Europe, Ukraine's post-Orange Revolution climate and Slovakia's standing following its recent entry into the European Union (EU) and the North Atlantic Treaty Organization (NATO).

Besides briefings by US Ambassadors William J. Burns (Moscow), John Herbst (Ukraine) and Rodolfe Vallee (Bratislava), the delegation met with host country government officials including H.E. Vasiliy Istratov, Acting Director for North American Affairs at the Ministry of Foreign Affairs in Moscow, H.E. Oleh Shamshur, Deputy Minister of Foreign Affairs in Kyiv, and H.E. Eduard Kukan, Minister of Foreign Affairs and H.E. Magdalena Vasaryova, a State Secretary of the Ministry of Foreign Affairs in Bratislava.

Although the delegation visited each city for a very short time, members came away from the trip with several lasting impressions.

### A New Look in Moscow

In Moscow, delegates who had participated in a previous Council mission to Moscow in 1994 hardly recognized the city. Large billboards and upscale shops line the main boulevards, and Bentleys are parked in front of exclusive five-star and very well guarded hotels.

Politically, as reported by the American press, Putin is the definite strong man. Responding to Chechen terrorism, he has gradually recentralized power, sometimes silenced dissenters and is now shutting down foreign nongovernmental organizations whose aim is to promote human rights and democracy.

A few oligarchs control the majority of the economy, which is still heavily reliant on natural resources. Corruption is highly palpable, and Putin's economic policies and pension reforms have been unable to bring the masses out of poverty. Consequently, the

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\* *Editor's Note: The Council delegation included: Magalen O. Bryant, Kathryn Davis, Bruce S. Gelb, Lueza Gelb, Cynthia George, Glen A. Holden, Gloria A. Holden, Roy M. Huffington, James C. Rosapepe, Diana Davis Spencer, Robert D. Stuart, Jr., Lillan Stuart and Timothy A. Towell. CAA staff members, Claudine J. Flé and Carolyn M. Gretzinger, accompanied the group.*

gap between the poor and the rich has grown to one of the largest in the world. There is growing disenchantment with capitalistic ways and a fervent nostalgia for Communist times when Russia was recognized as a major world player. It is not uncommon to come across pro-Communist demonstrations in the streets of Moscow.

In spite of some disagreements on Iraq and other issues and recently voiced concerns by the United States concerning human rights violations in Russia, bilateral relations are still good, a factor highly attributable to the personal relationship between Presidents Bush and Putin.

### Whither the Orange Revolution?

Our delegation arrived in Ukraine on the heels of a political shake up. Amidst allegations of corruption, President Yushchenko had just dismissed his whole cabinet including the very charismatic Prime Minister Yuliya Tymoshenko, a key architect of the Orange Revolution.

During our stay, the Parliament first rejected the nomination of Yuriy Yekhanurov, President Yushchenko's choice for the new Prime Minister, but ultimately approved it after Yushchenko made a coalition deal with the former Communist party. The question on everybody's mind was whether the Orange Revolution is over and whether Ukraine would once again become very pro-Russian.\*\* Most of our interlocutors agreed that the answer could not be given yet, but that the highly pro-western and pro-United States attitude of Ukraine may change.

Some of our business interviewees were very optimistic about the investment climate in Ukraine while others, especially those in the oil and gas sector, spoke of barriers to investment. In addition, Ukraine is plagued with a relatively low rate of economic growth and high unemployment.

### Slovakia: A Surprise

In Slovakia, our delegation was surprised to find that what used to be the poor half of Czechoslovakia had risen to the status of regional leader.

Slovakia has a young dynamic team in government. These technocrats have pursued innovative fiscal and economic policies that have paid off. As a result, Slovakia became a member of the EU and recently joined NATO. Out of all three countries, Slovakia was the most pro-United States—despite deep cuts across the board in the US

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\*\* *Editor's Note: According to a March 30, 2006, article posted on CNN.com, Viktor Yanukovich's Party of Regions made a strong showing in elections held on March 26. It captured "32.12 percent [of the vote], a lead of nearly ten percent over former Prime Minister Yuliya Tymoshenko's bloc, which had 22.27 percent, according to full results from [the vote], which are still preliminary. Yushchenko's party was in third place with 13.94 percent. Yushchenko, whose job was not at stake in the election, has come under growing pressure to reunite with his former Orange Revolution partner, Tymoshenko, rather than reach out to Yanukovich, whose fraud-marred attempt to capture the presidency in 2004 triggered the Orange Revolution mass protests."*

public diplomacy and cultural exchange budget. We also were reminded regularly that Slovakia has troops in Iraq.

Challenges remain however, including a high unemployment rate and large disparities between Bratislava and the rural areas.

### Conclusion

Overall, delegation members came away with the definite impression that the pre-1991 Soviet empire no longer exists. Former eastern bloc territories including Ukraine and Slovakia have developed their own national identities, their own democratic governments and have put in place economic and fiscal reforms with varying degrees of success. In Russia, while Putin cannot stand for reelection (his term ends in 2008), he most likely will continue to wield considerable influence in Russian politics for the foreseeable future.