



We had a strong beginning. In the wake of Ukraine's independence, Canada made some important moves first. The first Western country to recognize Ukraine as a sovereign state. The first to break from the agreement over Ukraine's repayment of the multi-billion dollar foreign debt inherited from the former Soviet Union, and the first to grant a \$50 million line of credit to Ukraine.

But there was little follow-up. Soon the federal government embarked on a one-sided approach to countries in the former Soviet Union, superficially giving the impression that we are supporting Ukraine, but behind the scenes pursued a Moscow-centred orientation. It can be seen in the disproportional amount of aid given to Russia compared to Ukraine. It can be seen in the Prime Minister's pledge to double the aid to Russia at the special summit in Vancouver last April, with no mention for Ukraine. It can be seen in our slowness in establishing our presence in Ukraine. And it can be seen in our insistence that Ukraine must abandon its nuclear arsenal without firm security guarantees.

SECURITY

Let me start with the latter point.

Canada has strongly criticized Ukraine for dragging its feet on the removal of 176 strategic nuclear missiles to Russia for destruction. It has threatened to withdraw humanitarian aid. It has withheld technological assistance to revamp the Chernobyl reactors because Ukraine has not signed the START treaty.

This position has some merits. There are good reasons for Ukraine renouncing membership in the nuclear club. We should be concerned that Ukraine is the only holdout to the implementation of START I and II which would drastically reduce the nuclear arsenals of the U.S. and the former Soviet Union. We should be concerned by the risk of proliferation. We should also be concerned by a recent Washington Post article which suggests that Ukraine is seeking operational control of its nuclear weapons.

Evidence also shows that the Ukrainian security concerns are real and urgent.

1. We must not ignore that in Ukraine's view the potential enemy today is not the United States or NATO, but Russia. Russia remains a formidable force. It has three times the population and is many times the size of Ukraine. Ukraine has lived through decades of oppression and suffering under the Soviet regime. Twelve million Ukrainians were murdered at the hands of Stalin's government. Important potential disputes are still looming: ownership of the Black Sea fleet, control of the Crimea, ownership of Ukraine's nuclear arsenal.

2. Troubling recent events also explain Ukraine's more demanding attitude with respect to strategic nuclear weapons. In a gesture of goodwill, Ukraine removed all tactical nuclear weapons from its territory to Russia. But Russia has yet to live up to its commitment to give material compensation to Ukraine for the warheads, and provide evidence that these weapons have been dismantled.

3. There are still worrisome claims on Ukraine originating from the Russian Parliament and some extremist radical forces in Russia.

4. Ukraine has no oil and gas of its own; it must rely on Russia for uranium and other energy supplies, which puts it in a position of vulnerability. There is conflict over the price of oil imported into Ukraine from Russia, which has risen 300 times over the past year. As well, Russia has reduced its shipments of oil to Ukraine because the government has not paid bills for past deliveries.

As the chief of Ukrainian Parliament's Foreign Affairs Commission has stated: We all agree that we "must change arms into guarantees". But we should also recognize that there are a number of critical issues:

1. The granting of security guarantees to Ukraine by the nuclear powers -- the permanent members of the U.N. Security Council (through a legally binding political document, to be accepted by nuclear powers,

committing these countries to the non-use of nuclear weapons against Ukraine, the non-use of conventional armed forces, or the threat of force against it);

2. The provision of realistic assistance to Ukraine in financing a nuclear weapons elimination program in Ukraine;

3. The designation of future use of nuclear components of the strategic and tactical warheads located in Ukraine or those that were earlier removed from its territory for dismantling in Russia.

These demands only restate generally accepted principles of international law, particularly as stated in the CSCE Final Act of 1975 and the Paris Charter for the New Europe.

Our policy must therefore be more sensible. Rather than echoing the US's hard-ball tactics, we should refrain from economic pressure in the resolution of this dispute. All this does is send a signal to Ukrainians that they are isolated and must therefore think about how to defend themselves.

Given our close historical ties with both Ukraine and the U.S., we must attempt to become a more honest broker between the two.

Our aims should be:

1. Persuading Russia to give stronger guarantees, backed by international sanctions. Working toward a guarantee to maintain and safeguard Ukraine's integrity and protecting its borders from a possible nuclear attack.

2. Developing a whole new security structure for Eastern Europe by strengthening the CSCE, and by offering eventual membership in NATO.

3. Tackling the issue of transferring weapons to Russia and the level of compensation allocated to Ukraine by the U.S. for the dismantling process.