The ukraine crisis: a general overview

Business



With the Ukraine crisis at a relatively low point, it's time to review why the crisis started.

The crisis started to emerge when thousands of protesters occupied Kiev's Independence Square, insisting on ousting the former Ukrainian president. What were (and are) they protesting for? What spurred the protesters was a trade pact. For almost a year, Victor Yanukovych (the president of Ukraine) insisted on signing the pact. But on November 21st, 2013, he backed out. What would the trade pact have done for Ukraine? The pact, known as the EU's "Eastern Partnership," would have created closer political ties and generated economic growth for Ukraine. It would have opened borders for trade and set the stage for industrialization and inclusion into the EU.

Why did Yanukovych decide to not go through with the deal? He decided to backpedal from the deal from multiple reasons. One of his main reasons was Russia's opposition to it. Russia threatened Ukraine, it's much smaller neighbor, that it would increase gas prices, hurting Ukrainian industry and making heating, in the middle of the winter, also much more expensive. If Ukraine allies with Russia, it would get much cheaper gas prices from Russia. Now that we know the chief reasons for the crisis and unrest in Ukraine, let's take a moment to analyze the outcome: A new temporary revolutionary government emerged, which ousted former president Viktor Yanukovych. Vladimir Putin, president of Russia, sent soldiers to Crimea (a region in Ukraine).

Since Russia's only warm water port is located in Sevastopol, Crimea, Russia was forced to invade due to the fact that the first thing the new government

did was to end the lease of the port to Russia. Due to this, Crimea is threatening to break away, and join Russia. A vote is scheduled to occur soon. Another major reason all this is happening in Crimea is because the majority of the population is ethnic Russian, and they want to break away from Ukraine. When a vote was taken, 95% of the population voted for Crimea to join Russia.

This was all under the barrel of a gun and may not have been fair. For this reason, many countries (including the U. S.) are placing sanctions on Crimea and Russia.