Ukraine sticks to pro-Europe path

KIEV -- Sound economic interest means Ukrainian President Viktor Yanukovich will stick to pursuit of a place in Europe's mainstream despite the West's anger at the jailing of his opposition rival Yulia Tymoshenko, analysts say.

The question is: will it still be on offer?

The former Soviet republic appeared on Wednesday to be standing again at an East-West fork in the road in terms of its future orientation after a trial which the European Union and the United States say was politically motivated.

On the face of it, EU condemnation of the seven-year sentence imposed on Tymoshenko could alienate a leader who has already tilted policy towards Moscow and push him into the Kremlin's arms.

But while Yanukovich has taken important steps to improve relations with Russia, notably granting a 25-year extension to its Black Sea fleet in Crimea, he has resisted overtures to join a Russia-led customs union and has stressed European integration as a policy priority.

Most analysts say he will hope to ride out the EU's displeasure, possibly appearing European leaders by finding a way to secure Tymoshenko's early release, and press ahead with steps towards a trade deal with the bloc despite risking the ire of Russia — the main supplier of gas to Ukraine and Europe.

The creation of a free trade zone with the EU, a key part of a wider association agreement, holds out huge opportunity for Ukraine, an exporter of steel, chemicals and grain, and for the industrialists who are important backers of Yanukovich.

"The Free Trade Zone with the EU will bring Ukraine in every year US\$30 billion against US\$9 billion from the customs union," analyst Taras Berezovets of Berta Communications said.

The choice is clear for the men who stand behind Yanukovich, he added.