

Development of business relations between Ukraine and Austria

By

Євгеній Затишний



Ties between Ukraine and the “Western” world have been strong since centuries and are gaining momentum at present, especially with a view to the Association Agreement with the European Union. An important role in this process is played by international and bilateral Associations, whose main mission is to promote the development and strengthen international relations in the fields of civil society, business and culture.

Today we are talking to the President of the Ukrainian-Austrian Association, **Mr. Alfred F. Praus**, specifically about the development of business relations between Ukraine and Austria.

Strengthening public relations between Austria and Ukraine

Dear Mr. Praus, tell us please what your Association is doing in Ukraine?

The main mission of the Ukrainian-Austrian Association is to foster social relations between Austria and Ukraine and to develop initiatives and projects in the social, cultural, civil and business sectors, striving to expand and strengthen the network of cooperation between Austria and Ukraine. Simply put, we help Austrian entrepreneurs discover and enter into the Ukrainian market for themselves and learn its rules, as well as vice versa. Such task is facilitated not least by special trainings on intercultural communication and management that we are offering on university and business school level mainly to the Ukrainians who are eager to enter the Western European business arena. To name just one example of our B2B-projects we are already following up: recently I have been entrusted by the President of International Institute of Business (IIB, the largest business school in Ukraine) to search for and identify a presumptive partner University of Applied Sciences in Austria for a cross-M(B)A programme. And there are already some industrial B2B-projects in the pipeline as well.

How difficult is it to do business in Ukraine?

This is really not easy to answer. Ukraine is having a war in the Eastern part and this is not only an internal but also international problem. The international media coverage of the war is distorting the picture and image of Ukraine. As a result, many people are not aware that the occupied area and zones where the war is waged are accounting for less than 15% of the whole Ukraine and that meanwhile everywhere else Ukraine is partly even flourishing country. However, I believe in Ukraine and its future, because otherwise I would not do what I am doing. When I started to work and develop projects here, some things seemed to me incomprehensible or at least strange. This mainly concerns the approach to business and business negotiations, and above all, how short-sighted is the attitude towards business profitability and pay back in Ukraine. In Austria, business plans are elaborated widely on the expectation of a certain perspective and gradual development;

whereas in Ukraine, people aspire to take maximum short-term profit. Meanwhile I do understand that such mentality is the result of centuries of uncertainty, crises and even wars. In Austria and elsewhere in the Western world, there are rules that have been formed for decades or even centuries including do's and don'ts in business. In Ukraine, a culture of doing business is just beginning to emerge. There is practically no oligarchy in Western Europe, while in Ukraine it was, until recently, impossible to deny the sometimes even decisive influence of wealthy people on the political, social, cultural and other spheres of life of the country. And, as it seems to me, not much is currently changing in this respect.

Ukraine has always been a very relevant topic in Austria



What is known about Austria in Ukraine? In fact, in due time, quite a large part of the territory of Ukraine was part of the Habsburg Austrian-Hungarian Empire.

Of course, Ukraine was and is a very topical subject in Austria. The descendant of the imperial dynasty, well-known, highly esteemed and influential politician Otto von Habsburg was, I am tempted to say, even a lobbyist of Ukrainian interests. For a long time he headed such a serious organization as the International Pan-European Union and made a lot to ensure that Ukraine's European integration aspirations were understood and supported in the West. Unfortunately, sometimes such defenders of Ukrainian interests abroad as the deceased son of the last Emperor, made more for Eurointegration than, in fact, many Ukrainian politicians.

How influential is the Russian lobby in Austria?

I sometimes have to communicate with businessmen and government officials who actually make this lobby up. And you can believe me, these people are pragmatic and intelligent. In addition, the Russian Embassy conducts regular activities aimed at popularizing Russian culture in Austria, not speaking of the spread of so-called fake news. Such measures are aimed at creating a positive image of Russia, and counter-propaganda is, sad to say, not widely perceived. Even the relevant authorities of the European Union in this respect sometimes find it difficult to confront this kind of information pressure, not least with a view to the fact that business interests are often overriding application of international law and ethics. Please keep in mind that the relation of Russia to Ukraine is approximately 10:1 in terms of bilateral trade with the European Union. The outcome of the recent parliamentary elections in Austria has made the forming of a coalition of the new People's Party with the rightist Freedom Party very probable and this might produce a certain proneness to Russia. Putin has officially visited Austria a number of times. In my time as chairman of an international industrial group I had been introduced to him at one of these state receptions. This encounter lasted for maximum one minute: his eyes — cold and smart. You have a very serious and dangerous enemy.

European Future of Ukraine

What does the Embassy of Ukraine in Austria do? How effectively does it oppose the Russian influence?

I do not intend and would have no right to judge your Embassy. Of course, it is vividly fighting for the interests of Ukraine, sometimes even with a substantial portion of emotion. However, unfortunately, the Embassy of Russia, as far as I can see from Ukraine, is acting more actively. However, I should point out that Ukraine has many reliable and true friends in Austria, not to speak of the considerable Ukrainian community.

Do you believe in the European future of Ukraine?

Of course, I do. The best proof for that is that I have been living and working in Ukraine for almost ten years now and that I am currently building up Ukrainian-Austrian Association. Ukraine inspires me to work and strive for better future for this country.

Ukraine has chosen a complicated but correct way. And the most important thing is that you are not going to leave it!