

Bimonthly January-February No 1 (XXV)/2017

20 PLN (w tym 5% vat) | 10 EUR | 12 USD | 7 GBP

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New Eastern Europe



THE ART OF REVOLUTION

High stakes in Ukraine

From revolution to reform

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The two basic social demands from both the Orange Revolution and EuroMaidan have been to stop corruption and the oligarchy as well as to take the country along a European path. Since 2014 the reform process in Ukraine has continued, albeit at a slow pace. The success of the reforms, however, relies not only on political developments, but on the presumption **that Ukraine continues to exist as a state** and that the ongoing conflict in the eastern region does not spill over into more territories.

Recent political developments in Ukraine have received much less western media attention. An effect that is sometimes called “Ukraine fatigue” is observed and enhanced by numerous corruption scandals related to the country. However, negative impressions should not allow us to forget about the importance of Ukraine’s success to Europe’s security. Neither should they completely overshadow the country’s sectoral progress that is praised by experts and international partners alike. That is why a better understanding of the present political situation in Ukraine and its recent historical roots can help secure its successful development.

Post-Soviet heritage

The collapse of the Soviet Union 25 years ago had left Ukraine in a transitory state. A new economic elite emerged, many of them became intertwined with

organised crime. For business people in the newly independent state – much like the majority of other post-Soviet states at that time, including Russia – a wide horizon of opportunities emerged. Yet at the same time, both business and personal risks were equally high since competitors would revert to criminal methods when dealing with rivals. While this turmoil is rather a subject of criminology than political science, its political implications for Ukraine's development should not be underestimated. The new elite entered into a complicated relationship with some of the old economic elite (of the Soviet times), those who were able to adapt to the new market conditions. The latter, often dubbed “red directors”, used to be, as the name implies, directors of large-scale Soviet enterprises. They knew how these businesses worked and enjoyed authority among the workforce and local residents. They often had the first pick in the privatisation process of the early 1990s.

It is no wonder, then, that the new business elite entered into fierce competition with the old elite over existing resources. Yet, in a dialectic fashion, they also drew closer together – eventually building a marriage of convenience. State officials themselves often played a role in this process by setting the rules that were convenient to their preferred actors. Thus, many western investors who had attempted to enter the Ukrainian market soon left. This was in stark contrast with the situation in the Central European or Baltic states, which aggressively targeted foreign investment.

This heritage is directly related to the present condition of Ukraine. By seizing control of the Ukrainian economy, the oligarchic elite exerted influence over the state apparatus. A cluster of elites – often called “clans” by Ukrainian commentators – bought their “pocket” parties and talking heads in order to advance their interests. It is an open secret that an MP could receive, at times, millions in hard currency for a single “proper” vote.

The state, in turn, had been performing the role as arbiter, allowing the various “clans” to co-exist and compete in a relatively peaceful fashion. This function was especially evident under Leonid Kuchma, who was rightly accused of corruption and having ties with oligarchies.

Throughout the post-Soviet period, the Ukrainian state had performed the role as **arbiter**, allowing various “clans” to co-exist and compete in a relatively peaceful fashion.

Expectations and regress

With the success of the Orange Revolution came a new president – Viktor Yushchenko – who was expected to deal with the oligarchic heritage. However, not only

did Yushchenko's Ukraine fail to deal with the problem of oligarchy or corruption, the state carried on with its arbiter role, introducing only cosmetic changes. A lack of domestic reform, coupled with the slow pace of foreign policy, brought a quick end to Yushchenko's rule. By mid-2008, when the EU made a decision to open talks with Ukraine on an association agreement, Yushchenko was already growing unpopular. Soon afterwards, especially when the global financial crisis hit Ukraine, it became clear that he would lose the 2010 presidential election.

Exploiting popular dissatisfaction and a mass desire for welfare improvement, Viktor Yanukovych – who was once thought to be out of the political game for good after losing to Yushchenko – received the upper hand over his opponents. He was clearly affiliated to one of the strongest clans in Ukraine – the “Donetsk clan”, and spearheaded by such oligarchs like Rinat Akhmetov. Soon after being elected president, Yanukovych tailored the rules of the game to fit his interest group by pressuring the constitutional court to overturn the 2004 amendments. Ukraine reverted from a parliamentary republic back to a “strongman” kind of presidency. After Yanukovych came to power, events developed quite quickly. He aimed to install a “vertical of power” akin to that of Russia (and Vladimir Putin). He redirected cash flows for personal favours and created a new clan which became known as “the Family” – a term that was also used by members of the clan itself (in a mafioso style). By doing so, he partially lost the support of the old Donetsk clan.

What followed is well-known. Under pressure from Moscow, Yanukovych suddenly refused to sign the EU Association Agreement. A group of protesters gathered on the Maidan, the central square in Kyiv. They were soon attacked by riot police under false pretences, but the next day tens of thousands of angry Ukrainians came out on the streets, initiating a large-scale anti-government campaign. This culminated in the February 2014 bloodshed and eventual escape of Yanukovych. Shortly afterwards, Russia annexed Crimea and pro-Russian protests erupted elsewhere in south-east Ukraine. The protests were inspired by Crimea: a desirable solution was to accede to Russia without any significant open conflict. Yet those plans failed, and in most regions the protests did not gain enough momentum. Only in eastern Ukraine did open conflict erupt, with separatist groups receiving material support from Russia – a fact denied only by the official Kremlin, not even by certain Russian nationalist groups who welcomed such moves. Afterwards the non-recognised, self-declared states of the “Donetsk People's Republic” and the “Luhansk People's Republic” emerged. As a result of this turmoil, the Ukrainian economy suffered a massive blow. This is the situation that now faced by the new Ukrainian president, Petro Poroshenko, who was elected in May 2014.

New president, old expectations

The demands by civil society, mobilised for mass protests – as in 2004 – did not differ much from those voiced ten years prior. The two basic requirements were the introduction of anti-corruption (and anti-oligarchy measures) and European integration. There was an additional dimension, brought in by the nationalist groups who played a significant role in the 2014 EuroMaidan and actively contributed to Ukraine's military capability in the ongoing conflict. Unlike 2004, when the nationalists were basically marginalised in the protest, the far-right had significant bargaining power to push through their cultural and ideological programme.

It is precisely to them – and to the more moderate and passive Ukrainophiles – that the government appealed by launching the so-called “de-communisation” process in 2015. The Bolshevik regime was condemned as criminal, now on par with Nazi Germany; as a consequence, Soviet-related toponyms were ordered to be renamed and later that year the Communist Party of Ukraine was outlawed. Yet while the far-right considered these changes their “victory”, they also rightfully saw the de-communisation process as a reluctant step by a regime that was otherwise not ideologically nationalist. In particular, Poroshenko's regime was an easy target in corruption accusations and crony capitalism from the start, especially since Poroshenko himself was a long-time oligarch. There were probably not so many Ukrainians that would idealise him and international observers of the time were also cautious. Many viewed him as simply the “lesser evil”, especially since he (together with Arseniy Yatsenyuk as prime minister) promised the public exactly what they wanted – drastic reform, pro-West foreign policy and more than a pinch of patriotic rhetoric.

It was hardly surprising to analysts that the subsequent years in Ukrainian politics were characterised as a conflict between two tendencies: one towards preserving the old, corrupt and ineffective regime, the other directed at modernisation, transparency and following best foreign practices. The government itself presented a visible mix of the two, as ministers included foreign and domestic technocrats alongside well-known corrupt figures. Sometimes the conflict between them would burst into flames – such as when the Lithuanian economist Aivaras Abromavičius resigned over influence attempts from one of the key figures in the Petro Poroshenko Bloc.

To complicate things further, Yatsenyuk was replaced by Volodymyr Groysman, a former mayor of Vinnytsia and later parliamentary speaker. While Groysman earned recognition as a progressive mayor, there was no doubt that he was “promoted” as a trusted figure by Poroshenko, who has some of his main assets in the Vinnytsia region. Moreover, Groysman was chosen over Natalie Jaresko, a Ukrainian economic expert from the US diaspora, who served as minister of finance in

the preceding government and directly helped stabilise the economic situation. Ukrainian experts voiced their concern over the possible erosion of democracy even before that move. When Groyzman was a speaker of parliament, references to the new “Vinnytsia clan” in power had appeared in the media. Today, as Poroshenko exercises factual control over the government and has a fairly loyal parliamentary majority, and as the Ukrainian judiciary has not gained any real independence from the state over the past three years, such concerns have become more prevalent.

External pressure

What prevents the regime from fully restoring the old ways, with the “Vinnytsia clan” at the helm, is two-fold. First, Poroshenko is highly dependent on western approval both because he has pledged to be a pro-European president and cannot

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afford an open conflict with his western counterparts, and because Ukraine requires the support of foreign creditors to restore its economic growth. But at the same time, domestically, Poroshenko has to face a public that is much more active than ever. The Euro-Maidan and subsequent actions in support of Ukrainian soldiers in the Donbas conflict have mobilised a population to an extent unseen. Accordingly, thanks to reformers in the ruling structure and to this two-fold pressure, Ukraine introduced a series of reforms during the past three years, such as e-procurement implementation, the opening of property registries and mandatory electronic income declarations for of-

ficials. But the public is still highly critical because some of these reforms, such as the hike in utility prices, were socially painful, and others reforms are sectoral and therefore not directly experienced by all.

The expert community is much more ambiguous on summarising the changes from 2014–2016. A Carnegie Europe expert poll found that despite not having defeated corruption or the oligarchy a good foundation for future changes has been built. Amanda Paul of the European Policy Centre added that, “[Ukraine] has made more progress in the last two years in terms of economic and political reforms than in the two preceding decades”. The West, together with the Ukrainian public, shares the credit for these achievements. It is expected, in particular, that having fulfilled the required criteria Ukraine will receive a visa-free travel regime with the EU, a development that 40 per cent of the public see as important.



Photo: European Commission

EU High Representative for Foreign Affairs and Security Policy Federica Mogherini embracing Ukrainian President Petro Poroshenko. The success of reforms in Ukraine requires both western support and the presumption that Ukraine continues to exist as a state.

The reform process, however, requires domestic stability and control over one's territory. Ukraine, in this regard, is now an illustration of the realist and neo-realist postulate that security is a basic need of the state. The success of the reforms relies on the presumption that Ukraine continues to exist as a state and that the ongoing conflict in the eastern region does not spill over into more territories. Moreover, despite the fact that the conflict has been kept at a low scale since early 2015, there are fears that there might be new outbursts. Therefore, insecurity (directly or indirectly) has a debilitating effect on Ukraine's perspective.

No reforms without security

There is no obvious solution to the current situation. Joining NATO, while the most ideal in terms of guaranteeing security, is currently out of the question. Not only are the formal membership requirements violated, with an ongoing territorial conflict, the very goal of joining NATO is to enter a system of collective defence

guaranteed by Article Five of the Washington Treaty. Therefore it is highly doubtful that other members would risk Ukraine's membership in fear of escalating the conflict with Russia. Even if nothing happens initially, western nations will still be facing the prospect of having to protect a large country directly on the Russian border. This is also at a time when the much smaller Baltic states are in fear over their security and are not certain how exactly western politicians would react to a Russian attack.

Ukraine does, of course, receive military and material assistance from NATO, the EU and some individual member states. While it can reduce casualties and material losses, Ukraine still needs international military co-operation in order to improve its response capability and to serve as a stabilising factor. A possible answer to this challenge might lie outside the currently existing institutional framework; the answer could be a joint security structure of Central and Eastern European states, which lie between the Baltic and Black seas – often referred to as Intermarium. Such a project, which is supported by Polish President Andrzej Duda, could also include deeper co-operation in various areas such as infrastructure. This bloc would evidently be aimed at protecting itself from a possible Russian threat at a time when it is unclear how (or how fast) NATO would react in the region.

Moreover, the project would entail close Polish-Ukrainian co-operation at its core. However, any meaningful Polish-Ukrainian alliance would first have to address the ideological façade of the new Ukrainian regime. This, to a large extent,


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refers to the policy of Ukrainian memory. To some degree, the far-right's version of national history includes characters and events that are controversial from a Polish perspective. It is understandable why many Ukrainians glorify OUN-UPA (an insurgency force in western Ukraine during the Second World War), and Stepan Bandera as one of its leaders in particular. After all, the UPA soldiers did fight the Soviets, continuing their struggle long after the war was over.

Nonetheless, for Poles, UPA is responsible for the ethnic cleansing which took place in Volhynia (Wołyń in Polish). There is hardly any chance Poland will be able to quickly overcome this matter for the sake of rational co-operation. The decision to rename one of the avenues in Kyiv after Bandera definitely does not help matters either. These developments have also resulted in a rise of domestic anti-Ukrainian sentiments in Poland.

While there are voices in Ukraine calling for “self-reliance”, it is evident that in one of the poorest European countries, such an idea just cannot work. For co-operation to work, a common historical narrative, devoid of black-and-white

definitions, would have to be established. Otherwise, it is difficult to imagine that the Polish public would accept deeper co-operation with Kyiv – especially when such an alliance is more in the interest of Ukrainians than Poles.

Finally, what the West can do for Ukraine, other than contributing to its security, should be to continue stimulating future reforms in Ukraine rather than rewarding those already implemented. The visa-free regime case, should it end successfully, is a good example of how conditionality can work. It has established clear and transparent criteria with a desirable end. With continued pressure from international partners and Ukrainian society, the Ukrainian government will have no choice but to move forward on the path that eventually will turn out to be beneficial for the country's citizenry as a whole. A multi-dimensional international security co-operation is the only thing that can help Ukraine stay on its feet during such challenging times. 

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