

Simone Attilio Bellezza

A Non-Aligned Bridge? Ukraine after Yanukovych's Election Victory

On February 23rd, 2010 Prime Minister Yulia Tymoshenko withdrew her Ukrainian High Administrative Court appeal against the election results – a fact that seemed like a *de facto* recognition of Viktor Yanukovych's victory in spite of her persistent refusal to acknowledge the new President. Unlike the events of 2005, after the success of the Orange revolution, Ukraine now seems to be able to draw more stable international attention on its future alignment from Russia, the European Community and the United States. But to understand properly what is going on in Kiev and its possible future role in international politics, we need to re-consider the results of five years of Yushchenko's presidency.

2004 Ukrainian Presidential Election Re-Considered: Yushchenko loses, Kuchma wins

In January 2005 Viktor Yushchenko was inaugurated as Ukraine's President, after he was granted a third election thanks to the protests of thousands of people who had peacefully occupied the central squares of all the main

cities to complain about electoral fraud in the second turn. In 2001, a strong opposition movement to then President Leonid Kuchma had arisen, after the scandalous killing of the journalist Georgiy Gongadze, who was found decapitated in November 2000 apparently on Kuchma's orders¹. Afraid that Ukraine would transform itself in a Russian-like regime with no possibility of real leadership alternation, the Ukrainians took the side of Yushchenko and Tymoshenko, who declared their will to fight the widespread corruption and the excessive power of oligarchs.

Once in power, Yushchenko rapidly disappointed all hopes of radical change. First, he was the victim of his own desire to negotiate and find a compromise with the old power: his veto of a second decisive round of privatizations, which would have limited the influence of the Kuchma-related oligarchs, was one of the main reasons for the conflict with his former ally Tymoshenko, and led to her

1 These facts are carefully recounted in A. WILSON, *Ukraine's Orange Revolution*, New Haven-London 2005, pp. 51-57.

No. 185 - MAY 2010

Abstract

Kuchma's 2004 constitutional reforms actually prevented any meaningful reform and left the oligarchs in their place.

On his part Yushchenko, victim of his own desire to find a compromise with the old power, vetoed a second round of privatizations, which would have limited the oligarchs, causing a fierce contrast with Tymoshenko and her dismissal.

After his election, Yanukovych made approve an unconstitutional modification of the parliamentary regulations, strengthening his role to the detriment of other institutions. Ukraine needs a firm leadership, in order to remedy the very high public debt. Yanukovych's grab on the power testifies to his will to be the sole political leader in the country.

In order to widen its action in Ukraine and confront Russia, the European Union should form the future Ukrainian leading class by widening cultural and university exchanges: an "Europeanization" of Ukraine's best forces is the most profitable long-term project that the Eu has at its disposal.

Simone Attilio Bellezza was awarded a doctorate in European Social History at the Ca' Foscari, University of Venice in 2007. In 2008 he was Eugene and Daymel Shklar Fellow at the Harvard Ukrainian Research Institute, and he presently holds a scholarship at the High School of Historical Studies of the University of San Marino.

The opinions expressed herein are strictly personal and do not necessarily reflect the position of ISPI.

early dismissal in September 2005.

Secondly, and more meaningfully, Yushchenko was the victim of Kuchma's constitutional reform, which turned Ukraine into a semi-presidential system right on the eve of the elections.

This institutional restyling did not entail purely political consequences, like the rather uncomfortable cohabitation with Viktor Yanukovich as Prime Minister in 2007, which culminated in the anticipated dissolution of the Ukrainian parliament, the *Rada*.

As it deprived the President of important prerogatives such as nominating regional governors, and created a stronger Council of Ministers opposed to Presidential Administration (today called the Secretary), this constitutional asset provided the oligarchs with many centers of political power, which could be exploited in order to maintain prominence over Ukrainian society.

As Sophie Lambroschini clearly stated, «Increasing the powers of the Parliament and of the Council of Ministers, the constitutional reform offers to the clans new opportunities of influence: the Rada, which from now on "elects" the Prime Minister, expands its efficiency. While, under Kuchma, the clans acted through the intermediation of the President, now they have at their disposal, thanks to the Parliament's vote, a direct political lever on the executive power. Although the oligarchic "pocket-parties" typical of the previous epoch disappeared overnight from the Rada, representatives of the different

financial and industrial groups keep filling MPs ranks»².

This system implied constant conflict between the presidential secretariat and the cabinet of ministries, actually preventing any meaningful reform and leaving the oligarchs in their place.

Unable to carry out the reforms or effectively intervene in economic policy, Yushchenko recovered the "father of the nation" role, devoting himself to an objectionable nation-building process in quite strong nationalistic terms. Just after the first round of the 2010 elections, Yushchenko fulfilled this role, by conferring the honor of Hero of the Nation on Stepan Bandera, the leader of the Organization of Ukrainian Nationalists during World War 2, who had temporarily collaborated with the Nazis. Although many a Ukrainian may consider this as the umpteenth useless measure of a President who was actually incapable of changing the impoverished everyday life of his country, controversy over national memory has once again inflamed the electoral campaign, revealing the old President's intentions.

2 S. LAMBROSCHINI, *Genèse, apogée et métamorphoses du présidentielisme clientéliste en Ukraine*, in «Revue d'études comparatives Est-Ouest», 39, 2008, 2, p. 142; "pocket-parties" (*kyshen'kova fraktsya*) is a disparaging Ukrainian expression designating those parties that slavishly obey the orders of their boss, often a businessman; today the Yulia Tymoshenko Bloc is referred to in this way by its opponents.

2010 Ukrainian Presidential Election Re-Considered: Tymoshenko loses, Kuchma wins again

Many an observer, including Taras Kuzio³, has pointed out that since the end of 2009 Yushchenko has supported Yanukovich over Tymoshenko in a number of ways. Yushchenko removed the Kharkiv and Dnipropetrovs'k governors, who had expressed support for Tymoshenko, and six ambassadors in countries where Tymoshenko had won more votes⁴. In December 2009, meetings between Yanukovich's Party of Regions and Yushchenko's Nasha Ukraina spread the rumor that after Yanukovich's election the former President would support a government led by his own henchman Yekhanurov. Finally, between the two rounds of election, the President approved a minor reform of election rules, opposed by Tymoshenko and supposedly favoring Yanukovich, with the proclamation of Stepan Bandera and Roman Shukhevych as national he-

3 T. KUZIO, *Eurasia Daily Monitor*, vol. 7 issue 31, February 16, 2010, <http://www.jamestown.org/programs/edm/> (last access March 15, 2010).

4 It is very difficult to know precisely how many Ukrainians live abroad; official estimates vary from 5 to 10 million. According to the Ministry of Foreign Affairs, in the last elections just under 35,000 Ukrainian citizens voted abroad (especially in Russia, the USA and Canada), and Tymoshenko won 66% compared with Yanukovich's 33%. Since the final difference between the two candidates was nearly a million votes, those voting abroad do not seem to have played a crucial role in attributing victory to Tymoshenko.

roes⁵. This led to a radicalization of the electoral campaign, forcing Tymoshenko to play the Ukrainian nationalist role and weakening her Russo-phile political line.

In fact, although defeated in the presidential elections, Yulia Tymoshenko was still Prime Minister with the support of Parliament, whereas Yanukovich's Party of Regions was unable to constitute a majority, unless one of the parliamentary groups withdrew its support and declared itself ready for a new coalition. According to the constitution and parliamentary regulations, after the dismissal of a government, the President should appoint a new Prime Minister only if parliamentary groups can find an agreement for a new coalition, because the President is seen as the arbiter of a parliament elected on a proportional (not nominal) basis. As Yushchenko could not be re-elected, he was quite probably working to play a major role in a broader coalition, getting rid of his former ally Tymoshenko.

However after winning the elections with a very meager margin, Yanukovich was not inclined to share his power with a cumbersome ally, as Yushchenko had. On March 9, just a couple of weeks after he assumed office, Yanukovich made the parliament approve a modification of the parliamentary regulations, allowing single members to

join the government coalition. The reform, rightly defined a "constitutional coup d'état" by Tymoshenko, transforms the President from an arbiter of parliamentary equilibrium into an active subject who proposes the government and works to build a majority around it. By freeing MPs from loyalty to the party in which they were elected, Yanukovich recovered Kuchma's personal way of administering power, with the office of President being the pivot of the whole institutional system.

On March 11, Mykola Azarov won a vote of confidence from Parliament, leading a government with many MPs originating directly from Kuchma's circle, while Tymoshenko, who is not a member of the Parliament, was forced to contend for the role of head of the opposition with the young Arseniy Yatsenyuk, who formed a shadow-government within the Rada.

The "Bridge between East and West" policy and the "Stability and Reform" coalition: a realistic assessment

As Yanukovich never hid his intentions to implement a somewhat friendlier policy towards Russia (e.g. promising to extend the term by which the Russian fleet will have to abandon Crimea's ports), his first official visit was to Brussels, just as Yushchenko's was to Moscow. Meanwhile, Yanukovich wrote an open letter to the Financial Times in which he expressed his will to make Ukraine a "bridge between East and

West"⁶. The government coalition – which includes the Party of Regions, the Communist Party, Lytvyn's (the Parliamentary Speaker) bloc and a few deserters from Tymoshenko's and Yushchenko's parties – presented a program entitled "Stability and Reform". Its initial aim seems to be the «essential improvement of the investment climate, including an administration simplification and a decrease of tax pressure, a state-based granting of the inviolability of property rights and a reinforcement of the institution of property as the basis of market economy, a simplification of the system of receiving licenses, a lowering of the pressure on business from the part of controlling authorities»⁷. All this public relations activity has the clear goal of reassuring foreign investors, and particularly international institutions such as the International Monetary Fund and the European Union, that Ukraine will become a loyal economic partner notwithstanding its privileged future relationship with Russia.

But economic stability is also what Yanukovich promised the Ukrainians, whose most urgent problem is making ends meet. And to improve its economy, above all Ukraine needs firm leadership able to make unpopular decisions in

5 Roman Shukhevych was the head of the military brand of Ukrainian nationalists during World War 2. After the war he continued armed resistance against the Soviet authorities and died in combat in 1950.

6 V. YANUKOVYCH, *Ukraine will be a bridge between East and West*, in «Financial Times», February 17, 2010, p. 1.

7 The government program has been published in many Ukrainian newspapers, this quote is from the www.pravda.com.ua article of February 24, 2010 (last access March 16, 2010).

order to remedy the very high public debt. Yanukovich's strict grab on the power position, shown in the reform of parliamentary regulations, testifies to his will to be the sole political leader in the country. The new Prime Minister, Mykola Azarov, is a good friend of Rinat Akhmetov, the Donetsk businessman whose group (SCM Holdings) accounts for a third of Ukrainian GDP. Other members of the government, such as the Minister of Justice Oleksandr Lavryno-vych or the Minister of Cabinet Anatolii Tolstoukhov, come directly from Kuchma's clan. Three billionaires have been appointed ministers too (Serhiy Tigipko, Borys Kolesni-kov and Andriy Klyuev), while the millionaire Valery Khorosh-kovsky has been chosen as head of the SBU (former KGB), where he seems to be a fish out of water but has already declared a restriction of access to pre-1991 documents. Yanukovich has publicly declared that Russian will not become a state language, but the new and strongly contested Minister of Education and Scientific Research, Dmytro Tabachnyk, is an overt supporter of this option and openly contests the national interpretation of Ukrainian history, especially regarding the man-made famine of 1932-33 (the so-called *Holodomor*⁸) and the role of

8 The 1932-33 famine was caused by the forced collectivization of Stalinism; because of food (especially grain) requisitions, 3.5-5 million people died of starvation in Ukraine in just one year. Interpretation of the famine (i.e. whether Stalin planned it on purpose in order to crush Ukrainian resistance to Soviet power) is much disputed among professional historians.

the nationalist partisans in World War 2.

Actually Yanukovich is renovating Kuchma's "multi-vector" policy, according to which a non-aligned Ukraine tries to get the best from both the West and Russia. Therefore the replacement of the former Minister of Foreign Affairs Poroshenko with Konstantyn Hryshchenko, a diplomat formed in the old Soviet school, implies a halt in the process to integrate Ukraine into NATO and the EU. On the other hand, Akhmetov's economic interests in the West and Ukraine's dependence on Western financial support (its external debt exceeds \$30 billion) are good guarantees that Yanukovich will not cut off Ukraine's link to Europe or Canada⁹.

The energy market is the first decisive field of action of the

Since 1991 the new Ukrainian national state (and all Ukrainian Presidents) have considered the famine the biggest ever national trauma, and a 2003 parliamentary vote even declared it genocide; the history of the memory of the famine from 1933 until its institutionalization is described in D.R. MARPLES, *Heroes and Villains. Creating National History in Contemporary Ukraine*, Budapest-New York 2007. A complete survey of the history of the famine in Italian is in G. DE ROSA - F. LOMASTRO (a cura di), *La morte della terra. La grande "carestia" in Ucraina nel 1932-33*, Roma 2005.

9 Although the Ukrainian community in Canada (nearly a million people) is not the biggest abroad, it is certainly one of the most active and rich; Canadian-Ukrainian cultural and even political associations have always had very strong ties with Ukraine (including during the Soviet period), resulting in Canada being one of Ukraine's strongest political and economic allies.

new presidency, in which Yanukovich will have to plainly choose between Russia and the European Union. The return of Yuriy Boyko, former president of Naftogaz, to the Ministry of Fuel and Energy seems to imply the revival of the old speculative circle as the head of gas-pipeline enterprises. However, the Ukrainian-Russo-European consortium on gas projected by Yanukovich could represent an occasion for a more honest and stable management of the gas market. A lot depends on how much the European Union will be able to take an active role towards Ukraine.

Thinking of the worst and a hint for the future

However after only a couple of months, Yanukovich seems to be less strong than the day after his election. The reform of parliamentary regulations may have been granted a *laissez-passer* by the Constitutional Court, but it has been criticized and has re-boosted opposition to its leaders. Both the 29-member Council of Ministries and the 24-member Committee on Economic Reform are too weak and too big to actually carry out the reform that the country needs. All the power and opportunities for change are in the hands of the new President, whose promise of increased salaries depends on the International Monetary Fund's concession of a loan. Consequently, it is quite probable that he will not foster any real economic reform if it would harm his poor electors and thus compromise his popularity.

In addition, Yanukovich seems willing to reduce freedom of

expression: the appointing of Khoroshkovsky as the head of the SBU and Yehor Benkendorf at the National Television and Radio Company are clear signs of a move in this direction¹⁰. On the other hand however, after 5 years of Yushchenko's presidency, Yanukovych cannot count on the unconditional support of the SBU nor of the state bureaucracy in order to establish an autocracy as in Belorussia.

A final consideration, the Tabachnyk case, will help us evaluate Ukraine's situation. After his appointment as Minister of Education and his statement that Western Ukrainians were not real Ukrainians¹¹, a vast protest movement has arisen in all educated strata of the population and especially among students in the western regions, of course: the sons of a nation-building process dating back to Ukraine's first president Leonid Kravchuk, that experienced no interruption

10 Yehor Benkendorf is the son of a famous Ukrainian director, Andriy Benkendorf. He is Director General of the Inter television company (owned by Khoroshkovsky), whose channel openly supports Kuchma and the Party of Regions to the extent that Yulia Tymoshenko refuses to take part in its political debates.

11 In an article published by the Russian newspaper «Izvestia» on September 23, 2009, Tabachnyk re-examines the history of World War Two in Ukraine, claiming for example that «the reunion of Galicia to the Ukrainian SSR put together into one administrative and state institution two different people, two opposed civilizations». The Russian version of the article is still available on-line, http://www.izvestia.ru/politic/article_3133320/ (last access April 19, 2010).

throughout the Kuchma and Yushchenko years, were simply unable to accept a person who denies the Ukrainian identity as it has been conceived from 1991, and has once again put forward the old Soviet bias about “little-Russians.”

Although the opposition was not able to oust Tabachnyk from his post with a parliamentary vote, he was forced to declare that he will keep his personal views separate from his institutional work. Just a few days ago, the former Education Minister Ivan Vakarchuk was re-elected rector of L'viv's Ivano Franko National University, one of the country's best and freest universities. In a nutshell, as historian Alexander Motyl has suggested in an article in the Kyiv Post¹², Yanukovych and his clique may manage to keep all the power posts in their hands, but if they do not promote reforms and grant freedom, they will re-create the conditions that led to the Orange Revolution in 2004.

But this time the next test will be the Parliamentary elections in 2012, right after the European football championship. If on the one hand some host cities have not even begun to build their stadiums, on the other Yulia Tymoshenko and Arseniy Yatseniuk are already preparing themselves to force Yanukovych into cohabitation with a hostile new government.

12 A.J. MOTYL, *If Yanukovych does not change course, he may inspire revolution*, in «Kyiv Post», April 1, 2010, http://www.kyivpost.com/news/opinion/op_ed/detail/63008/ (last access April 6, 2010).

What the European Union has not done, and it what should do now

In the past five years, the European Union has continuously frustrated Ukrainian aspirations to join the Brussels-led political and economic community. Partly because of dissatisfaction with Ukrainian low standards in economics, political stability and corruption, and partly because of worries about the problems of a further enlargement to the East, European politicians have relegated Ukraine into the “Eastern Partnership”, a program thought to also include Middle-Eastern countries with no real initiative to promote their integration into the EU. Yushchenko's inconsistent policy and the economic crisis have done the rest, spoiling any real opportunity to improve Ukraine's position in the two main fields of action of visa-granting to Ukrainian citizens and tax-free trade. In spite of this, over the last eight years the volume of trade between Ukraine and the EU has tripled and exceeds trade with Russia by a third.

On the other hand, Russia has developed a «strategy to counter EU soft power in the neighborhood by presenting itself as an alternative model»¹³, while real prospects of integration into the EU are inevitably fading away. As Popescu and Wilson have singled out, Russia has established its influence by spread-

13 N. POPESCU - A. WILSON, *The Limits of Enlargement-lite: European and Russian Power in the Troubled Neighbourhood*, London 2009, p. 29.

ing a message of brotherhood with other East-European countries, increasing its trade volume, granting or abolishing visas to workers who wanted to immigrate, supporting its neighbors irrespective of their political situation, and improving its international media network (especially newspapers and television) in a language (Russian) that is easily understood by the majority of the population¹⁴. All this has resulted in stronger Russian influence on Ukraine as well, detectable, for example, in the desire to completely re-define the policies toward Russia that also characterized Tymoshenko's presidential program. Such a strategy has significantly weakened the European Union, consolidating Russia, a non-democratic state which could become both an economic and a political threat.

Yanukovich's election and Obama's resettling of US foreign policy have irremediably compromised Ukraine's admittance to NATO. Nevertheless, the Sevastopol port loan is still to be discussed and both the US and the EU can still benefit from year-to-year collaboration with Ukraine in international engagements. Ukraine still represents a potentially growing economy where European enterprise could realize profits.

In order to widen its action in Ukraine and confront Russia's power, the European Union should be able to exploit two major opportunities to foster both its soft and hard powers in three main fields:

- the EU should not only accept the proposal of a three-member consortium over the gas question, but also ask for a similar organism to cope with other major problems, such as the problem of the Russian fleet and more generally the Crimea. The strengthening of the EU Joint Cooperation Initiative in a framework of collaboration with Moscow could result in European capacity to help the Ukrainian government avoid conflict with Russia;
- such a solution should also be found for the area of free trade between Ukraine and the EU: in particular, Brussels needs to avoid being excluded from the Ukrainian market by a customs union pact between Russia, Ukraine and Kazakhstan. This last goal can be achieved by exploiting the second of the above-mentioned opportunities: the 2012 European soccer championship. By pressuring Ukraine to carry out a passport reform (introducing biometric passports, for instance) and strengthen border surveillance, on the occasion of this sports event, Europe will finally be able to grant Ukrainian workers easier rules for obtaining visas – and freer movement of workers is the first step to economic and cultural interconnection;
- finally, the EU should not neglect to improve its purely soft power. As Andrew Wilson has wittily proposed, the European Union is able to influence and form the future leading class of the

country by widening and improving cultural exchanges, especially during university studies, through «a vast expansion of the Erasmus scheme»¹⁵. Granting more university scholarships to the best Ukrainian students will actually result in positive people-to-people exchanges, and in practice build those cultural bridges between Ukraine and Europe that Yanukovich seems unable to create himself. Helping independent university institutions (such as the Kyiv-Mohyla Academy and L'viv's "Ivan Franko" University), or even co-financing a European University in Kiev following the example of the European University for Belarus, would also be effective factors of change.

Only a clean cultural break with the post-Soviet mentality will guarantee the serious engagement of Ukraine in the fight against corruption and tax-fraud, which are the most meaningful and painful problems of Ukrainian society as a whole. Therefore, broad "Europeanization" of the best intellectual and scientific forces of Ukraine is probably the most important and profitable long-term project that the EU has at its disposal.

14 *Ibidem*, pp. 30-38.

15 A. WILSON, *Dealing with Yanukovich's Ukraine*, in «Policy Memos of the European Council on Foreign Relations», March 20, 2010, p. 5.

WHO IS WHO

Viktor Yanukovich: in spite of his conviction for robbery when he was 17, in the USSR he became a transport manager and a member of the Communist Party. Governor of the Donets'k region from 1997, he was appointed Prime minister in 2002 by Kuchma, who openly supported him in the 2004 presidential elections. Prime minister in 2006-2007, he won the 2010 presidential elections.

Viktor Yushchenko: after beginning his career in the Soviet bank system, he became chairman of the National Bank of Ukraine in 1993, a post he held until 1999, when he was appointed Prime minister by Kuchma. After his dismissal in 2001 he became the head of the opposition. In the 2004 presidential elections was the head of the Orange Revolution and won the third extraordinary turn.

Yulia Tymoshenko: a former Komsomol member and a successful Ukrainian businesswoman, entered politics in 1996. Deputy prime minister in the Yushchenko cabinet, joined the opposition to Kuchma in 2002, after the scandal of the killing of the journalist Gongadze. Yushchenko's ally during the Orange Revolution, she was prime minister in the first months after the revolution and again in 2007-2010.

Leonid Kuchma: a Soviet manager of a missile industry, he won the 1994 and the 1999 presidential elections. Head and arbiter of the oligarchical business system in Ukraine, was definitely discredited by the scandal of the journalist Gongadze, whom he allegedly ordered to kill in 2001. Together with Rinat Akhmetov, the richest man in Ukraine, he is the patron of Yanukovich's political career.

La ricerca ISPI analizza le dinamiche politiche, strategiche ed economiche del sistema internazionale con il duplice obiettivo di informare e di orientare le scelte di policy.

I risultati della ricerca vengono divulgati attraverso pubblicazioni ed eventi, focalizzati su tematiche di particolare interesse per l'Italia e le sue relazioni internazionali e articolati in:

- ✓ Programma Africa
- ✓ Programma Caucaso e Asia Centrale
- ✓ Programma Europa
- ✓ Programma Mediterraneo e Medio Oriente
- ✓ Programma Russia e Vicini Orientali
- ✓ Programma Sicurezza e Studi Strategici
- ✓ Progetto Argentina
- ✓ Progetto Asia Meridionale
- ✓ Progetto Cina e Asia Orientale
- ✓ Progetto Diritti Umani
- ✓ Progetto Disarmo
- ✓ Progetto Emergenze e Affari Umanitari
- ✓ Progetto Internazionalizzazione della Pubblica Amministrazione

Le pubblicazioni online dell'ISPI sono realizzate anche grazie al sostegno della Fondazione Cariplo.

ISPI
Palazzo Clerici
Via Clerici, 5
I - 20121 Milano
www.ispionline.it

Per informazioni:
ispi.policybrief@ispionline.it
ispi.policybrief1@ispionline.it