

international edition

The Ukrainian Week

№ 14 (37) SEPTEMBER 2012

WHO CREATED THE MANIPULATIVE MEDIA SYSTEM IN UKRAINE?

THE LACK OF A MEDIA MARKET
MAKES IT EASY FOR YANUKOVYCH
TO CONTROL THE FOURTH POWER



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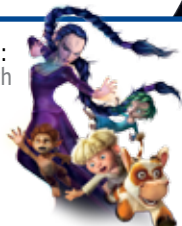
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**29 August**

The Higher Special Court for Civil and Criminal Cases rejects Yulia Tymoshenko's appeal to overturn the decision of the Pechersk Court and to close the case against her for lack of evidence

15 August

Unknown people destroyed the tent city of protesters against the language law in Kharkiv

The Only "Regional Language"

Recent developments signal that the Kolesnichenko-Kivalov language law is aimed at the renewed Russification of all Ukrainians regardless of their ethnic backgrounds

The regional language has been officially adopted in oblasts where the Party of Regions (PR) has won recent national and local elections and holds a majority in local and city councils. These include the Oblast Councils of Odesa, Mykolayiv, Kherson, Zaporizhzhia, Dnipropetrovsk, Donetsk, Luhansk and Kharkiv Oblasts, and the City Councils of Odesa, Sevastopol, Kharkiv, Krasnyi Luch and Pervomaisk in Luhansk Oblast, and Ismail City Council in Odesa Oblast.

The regional status was only granted to the Russian language in each and every of the abovementioned oblasts and cities. This contradicts its sponsors' declarations that the law would comply with the European Charter for Regional or Minority Languages. No language other than Russian, including those that are truly endangered and need protection, has ever received official protection. First Deputy Head of the PR faction in the parliament Mykhailo Chechetov explained his party's reasoning, stating, "46 million people understand two languages – Russian and Ukrainian. Not Bulgarian, Hungarian, Romanian, Jewish–Yiddish or Hebrew or whatever you say. Only a handful of people understand those languages. We're talking about two languages here that the whole nation understands."

This standpoint prevails among local authorities in majority PR districts

and is shared by the country's leaders, suggesting that the language law is aimed at reviving Russification rather than protecting endangered languages. For instance, Ismail's City Council ruled to make Russian an official regional language while refusing to grant this status to Bulgarian, despite the fact that the local Bulgarian minority amounts to more than the necessary 10% based on the latest census. Ismail Mayor Andriy Abramchenko offered a typical soviet-style comment: "having the Russian language as the language of communication for Ismail's more than 80 different ethnic groups" is enough. Andriy Fedoruk, Head of the Donetsk Oblast Council, said that other city councils may follow suit and try to introduce other regional languages – Greek, for instance – yet they should think twice about where they will get the money to pay for the initiative.

Surprisingly, representatives of minorities within the PR who could have used the party's influence to promote the interests of their ethnic groups are actually making excuses for the party, a situation that parallels that of minorities in the Communist Party of the USSR. They insist that there is no need to secure special status for the languages of their ethnic groups within the PR because they were well off before the law. For instance, Ivan Popescu, a PR member and representative of the Romanian community in

Bukovyna, Western Ukraine, said that there are already plenty of Romanian schools, and officials and police officers in Romanian ethnic regions spoke the language before the new law was passed. Therefore, they do not need urgent implementation of the language law. However, he failed to address the question of why parliament passed the law in the first place.

Minority languages are now irritating the PR, especially as opposition MPs grow more proactive on their behalf. Opposition MP Hennadiy Moskal has threatened to sue Andriy Kliuyev, Chair of the National Defense and Security Council, for responding in Ukrainian to a request written and filed in the Rusyn minority language. Later, he filed another request to Mykola Azarov in Yiddish, probably to find out whether he, like Mykhailo Chechetov, views Rusyn and Yiddish as languages that 'just a handful' of people speak. Now he is continuing the experiment among regional authorities. In turn, the law's sponsors were forced to drop some of its clauses. For instance, they recommended canceling the requirement to print voting ballots in the languages of different ethnic minorities.

Paradoxically, the only territory in the South where Russia has not yet become an official regional language is Crimea, where the share of ethnic Russians is over 50%. The reason for this actually lies in the PR's reluctance to

The month in history

6 August 1928

Andy Warhol, a leading American pop-artist of Ukrainian origin, is born

16 August 1941

Decree No. 270 is issued in the USSR, whereby all prisoners of war are classed as traitors

18 August 1941

NKVD blows up the Dnipro Hydroelectric Power Station, killing 100,000 Red Army soldiers and locals

12 August



The 2012 Summer Olympics end in London

10 August



The Polish Ministry of Foreign Affairs recalls the staff of its consulate in Lutsk as a result of a corruption scandal

8 August



Viktor Yanukovich signs the notorious language law

6 August

The Sevastopol Administrative Court bans the "Ukraine without Yanukovich" campaign in the city

language"

provide equal status to the Crimean Tatar language—or even the Ukrainian language—neglected there as a result of Constitutional violations. Until recently, Russian was de facto the only official language and the local authorities were openly unhappy about official correspondence with Kyiv being held in Ukrainian, the only official state language. Crimean Tatars have already shown concern with the fact that the local authorities are backpedalling the implementation of the law. They suspect that the administration will raise the 10% requirement to 15-20% or introduce some other amendments to the law to prevent any language other than Russian from receiving official regional status.

The language law's implementation makes it possible to actually impose Russian on Southern and Eastern Ukraine, including the regions of Kharkiv, Dnipropetrovsk, Zaporizhzhia, Kherson, Mykolayiv and the north of Odesa Oblast which are still largely Ukrainian-speaking despite the long lasting Russification campaigns of the Soviet era. Today, we may be seeing the revival of Russification efforts through well-targeted government policy. As oblast councils introduce Russian as the regional language in their oblasts, they encourage smaller territorial units to do the same. As a result, oblast authorities may begin to demand employees of public entities, companies and organizations to speak the regional language (i.e. Russian) and ignore the requirement to use Ukrainian as the only official state language due to ambiguities in the law.

Oles Oleksiienko

Mykhailo Chechetov makes it clear that the language law has nothing to do with the protection of national minorities and their languages



21 August 1627



The first printed dictionary of the literary Ukrainian language by Pamvo Berynda, a Ukrainian writer, poet and cultural figure, is published

24 August 1991



Ukraine gains independence after the approval of the relevant Act by the Verkhovna Rada

31 August 1919



The Ukrainian People's Army and the Ukrainian Galician Army free Kyiv from the Bolsheviks

3 September 1992

Ukraine becomes a member of the International Monetary Fund and the World Bank

Sleeping Beauty and Bread Crumbs

In lieu of an effective media market, Ukrainians will have to realize that they are deprived of the “Fourth Power” in yet another crisis period, something that the Yanukovich and the Kremlin regimes are using to their advantage

Author:
Samiylo Vors

At first glance, the situation in the Ukrainian media does not differ significantly from that in many developed country: print runs shrink, the television is becoming debilitated and the pensive consumer is switching to the net. It too has restrictions, but apparently, the opportunity for people to express themselves does, after all, remain... careful! Things are not what they seem! Who said that? Doctor House, or was it one of the heroes in Matrix?

In fact, the difference between the media and the web is crucial, similar to that between live and fake flowers, freedom and imitation thereof. What is currently unfolding in the Ukrainian mass media sector is a large-scale simulation of market, competition, the free exchange of ideas and social responsibility. The outcome is completely satisfactory for the current government because it keeps the existing relations in society intact.

QUASI MARKET FLAWS

Huge disproportions are the first things that catch the eye in the media market: top places in the audience coverage ratings of the print media (and the chart of advertisement revenues respectively) go to niche glossies. The list of champions is a mix of daily newspapers, weeklies and monthlies. With informational publications removed from the mix, serious newspapers and magazines are beaten by tabloids – how can this be possible? Is something wrong with the readership?

Understanding the system for measuring a publication's success

in Ukraine clears things up. The success of a printed publication has nothing to do with its print run. Ukraine has no print run certification and every publisher reports numbers that are impossible to verify. Sometimes, there is an impression that the number is picked at random, reflecting desire rather than reality. Therefore, advertisers tend to rely on the regular sociological surveys of a single agency, TNS. It determines market “leaders” and assesses the delusive criteria of the “popularity” of a publication through selective polling in cities with a population of more than 50,000, on the basis of which, equally delusive “audience per issue” data is determined. Advertisers tend to choose the top five “leaders” from the TNS rating. As a result, publications relying on the agency's rating, are more concerned about finding effective ways of spending money on promotion, so that as many Ukrainians as possible remember the title of their publication, than about improving their quality (content) and increasing the print run. Experts realize that this is not the right way to do it: one issue of a serious newspaper cannot be read by fifteen people – it would not survive. Even so, it is on the basis of this poll that ratings are determined, and according to which advertisers buy space.

Hence, the disproportions which neither experienced media experts nor average consumers notice. There is an excess of business publications with 50-80% of business content, such as Kontrakty (Contracts); Business; Kommersant (Businessman); Delovaya Stolitsa (Business Capital); Vlast Deneg

(The Power of Money); Forbes. This comes from the stereotype thrust on advertisers that the readership most capable of paying for the magazines is the one reading these publications, but isn't this too much for a country with such a weak business climate?

Tabloids are underdeveloped. Their function is clearly performed by equally underdeveloped publications. Good quality and influential daily press is hardly present. Discrimination against Ukrainian-language press is palpable in a country where two thirds of the population speak Ukrainian. And there is an abnormal number of publications that are franchises or simply branches of powerful foreign players, especially in the general readership segment. These include Komsomolskaya Pravda v Ukrayine (Komsomol Truth in Ukraine); Arguments and Facts in Ukraine; Kommersant; Izvestia v Ukrayine (News in Ukraine) and others.

This raises a reasonable suspicion: clearly, the major players are perfectly happy with the status quo? This seems to be true as the Ukrainian “market” is perceptibly monopolized. On the one hand, the small circle of media owners allows control of the “market” in general, because it's difficult to rid oneself of the suspicion of an agreement between them, and on the other, government control over media owners.

A closer look at each individual player reinforces the initial suspicion. UMH Group, better known in Ukraine as Ukrainian Media Holding, chaired by Borys Lozhkin is an example of the most successful publisher which, from a business perspective, looks perfectly transparent



A typical newspaper stand: Just a few Ukrainian-language publications are barely noticeable in the sea of the Russian-language press



and is listed on the Frankfurt Stock Exchange. The company has been on the market for 12 years. Its Ukrainian portfolio includes nearly 30 print publications and several large online projects, most of which are mentioned above. It is presented as the "No. 1 publisher on the advertising market". UMH's total declared print run is over 200mn copies. The holding has been present in Russia for nearly ten years and its partners include Vladimir Potanin, one of Russia's top oligarchs. On the whole, the company is profitable even though the annual EBITDA worth USD 18mn in 2010 is hardly an outstanding success. However, it is no secret that some of its publications consistently incur losses. No other option is possible in Ukrainian circumstances. In that case, what is the point of the business? Why does one portfolio contain publications that are directly competitive with each other, such as *Korrespondent* and *Focus*, for instance?

These questions are not superfluous, because in such a sensitive and socially important industry as the media, the presumption of guilt should be applied until the opposite is proven. Assuming that a monopoly agreement truly exists, this could explain the distortions. The warped system dictates its terms to competitors, advertising agencies, and consumers. This is not to say that these distortions satisfy all the players. In May 2012, *Ukrayinsky Tyzhden/The Ukrainian Week* discontinued participation in TNS Ukraine's marketing research, measuring print media readership, after its own analysis revealed discrepancies with TNS MMI 2011/4 data, which significantly distorted the real presence of the publication in some regions. Literally two months ago, another scandal broke, as several well-known publications, including *Business*, *Delovaya Stolitisa* (Business Capital), *Vlast Deneg* (The Power of Money) and *Kontrakt* (Contracts), publicly ended their cooperation with TNS Ukraine. They did so after *Korrespondent* and *Focus*, both part of Ukrainian Media Holding, were switched from the general to the business category, since in their view, they do not qualify as such. These publishers believe that the current situation in print media readership research does not reflect the actual popularity of publica- »

PHOTO: ANDRIY LOMAKIN

tions, and the research cannot be used as a proper tool for planning an advertising budget “because some publishing holdings use it to manipulate advertising budgets.”

In fact, the measuring system prevents advertisers from spending their budgets efficiently. TNS Ukraine’s questionnaire is worded in such a manner, that it actually determines the number of people who know the brand rather than the actual readership. Therefore, publications that have small print run which sells well, but invest in advertising, get to the top of the TNS rating, while those offering content the readers are interested in and a large print run, most of which is sold, end up at the bottom. International practice is based on the fact that advertisers receive transparent information on the number of copies every publication sells on the one hand and the quality of its audience on the other. The first is based on certified print run data, the second – by means of the competition between research companies. In the reality of Ukraine, TNS Ukraine has a monopoly in conducting research on the printed mass media market, and since the certification of print runs does not exist in Ukraine, this company also determines the readership of publications from a monopolist standpoint. Therefore, advertisers, relying solely on the TNS rating, risk placing their ads in publications that people have heard of, but never read, thus overpaying for a non-existent readership. This suggests that “the situation is under control”...

The volume of the advertising market itself is overstated, since it is determined by guesswork. Those conducting the assessment multiply the number of advertising pages by the prices reported by the publication. However, everyone knows that the actual prices paid by advertisers are much lower than those indicated in price lists. What is worse is the fact that the unfair split of the already small advertisement pie and the resulting poverty of most newspapers and magazines facilitates something that should, in theory, ruin the reputation of any publication, yet is essentially routine for virtually all of them in Ukraine: the publication of specially ordered articles without the “advertisement” sign or in the vernacular “plugola”. Sometimes, prudent and democratically-oriented editors see no way out, other than printing a specially

Too small to feed them all

Virtually all print publications operate with losses because the print press advertising market is too small. One or two major media holdings run the market and control advertising through manipulation



ordered article in their publication because they simply have no other sources of income. Some journalists get used to this practice and often write articles or programmes to order, thus confirming the general opinion that all journalists can be bought and sold.

The final consequence of this distortion of priorities, is public distrust of the press as a whole, a sharp decline in social capital and a crisis of values, making it easier for governments and oligarchs to manipulate society. Just look around – isn’t this what you see in the Ukraine of 2012? The problem with freedom of speech in Ukraine is that Yanukovich & Co are taking advantage of the lack of a mass media market in Ukraine and the rules dictated by major media holdings. Thus, the government is actually helping to implement Russian scenarios concerning Ukraine, particularly its inclusion in the so-called “Russian World”. For instance, the Ukrainian-language segment is disappearing from the newspaper and magazine market. According to the Book Chamber of Ukraine, the total print run of Ukrainian-language newspapers has halved over the years of indepen-

dence, while the print run of Russian-language publications has grown by 150%. Over the past 20 years, the share of the annual print run of Ukrainian magazines has fallen from 70% to 10%, while that of Russian-language publications has skyrocketed from 18% to 90%. Only one third of all publications are in Ukrainian today. This is one of the consequences of the myth imposed on advertisers that the readers of Ukrainian-language publications are not well-off enough to buy the things they advertise. This is blatant manipulation. A notable example of this is Kontrakty, a Ukrainian-language business magazine, which earned the highest income from advertising of all other business publications. It lost its leadership after the introduction of its Russian-language version. However, such manipulation succeeded. Many Ukrainian-language publications have closed down over the past few years, since they could not survive without income from advertising, as revenues from subscriptions and retail sales do not, as a rule, cover the cost of paper and presence in retail chains. The latter is also caused by the monopoly factor, which makes it ridiculously expen-

sive to get onto the shelves. In the meantime, only one or two publications in Ukraine can sell at prices that cover their expenses without losing a significant amount of their readership.

Food for thought: the UMH Group portfolio does not include a single Ukrainian-language publication.

NO PICTURE, NO SOUND

Qualifying radio as mass media in Ukraine is hardly reasonable or even possible. An absolute majority of radio stations are purely for entertainment. Radio Era, the only socio-political radio channel in Kyiv, does not even try to hide its miserable state as it gives away its air-time to so-called "joint projects." Today, Era has turned into a branch of the state-owned Radio Rossii (Russian Radio) with all relevant consequences.

As for television, it is undergoing what appear to be confusing processes, which can be easily explained from the "presumption of guilt" perspective. After the change in the administration of Ukraine two years ago, several dozen hitherto unknown new channels joined the TV advertising market – already limited at that point, with an annual value of USD 400-425mn. Meanwhile, the state regulator kicked out the two most bothersome broadcasters: the Kyiv-based Channel 5 and TVi, which specialize in socio-political programmes and are known for their openly independent position. Notably, most Ukrainians still watch analogue television while cable is only available in big cities. Since these two unruly channels were kicked out by the regulator, they have been having problems with local operators who have started to delete them from their packages for obscure reasons, without any explanation.

A lot of questions are also raised regarding GfK, a company that measures TV ratings. In June, a small broadcaster complained about leaked information regarding the list of addresses where audience measuring devices, known as people meters, were installed. This opens the door for uncontrolled manipulation with supposedly objective popularity indicators, on the basis of which, TV companies determine the price for their advertising time. Mykola Kniazhytsky, Director General of the TVi channel, has noticed obscure

changes in the measuring device, whereby several viewers who were particularly loyal to one button or another, were suddenly removed. Coupled with the tax police raid on TVi and resulting in the initiation of a criminal case for alleged tax evasion after this issue had been won by the TV channel in court, a picture emerges of undisguised administrative pressure.

After the two violators of the peace were removed from the widely accessible media pool, they found themselves on its sidelines with ratings ranging from 12th to 20th places. As for the leaders, comprised of a never-changing pool of six channels, they are full of confidence. They just have one little problem: they are all unprofitable, which doesn't surprise anyone. According to reliable estimates by experts, revenues from advertising on television mounted to USD 400mn

UKRAINIAN SOCIETY HAS BEEN DEPRIVED OF ITS FOURTH POWER IN YET ANOTHER CRISIS PERIOD OF ITS HISTORY

in 2011 while expenditures totaled USD 800mn.

Everything becomes clear when one remembers that all leading TV companies are owned by a handful of Ukrainian oligarchs, such as Dmytro Firtash, Viktor Pinchuk, Ihor Kolomoyskyi and Rinat Akhmetov. For them, television is a tool of political influence rather than business. Several media managers insist that they increase the capitalization of assets for their owners through operating expenses, but this explanation seems lame in view of the upcoming election.

Against the backdrop of the transformation that leading TV brands have undergone over the past few years, whereby fully-fledged media with their powerful informational blocks have turned into purely entertaining tabloid projects, this no longer matters that much. Ukrainian society will have to realize that it has been deprived of its fourth power in yet another crisis period of its history. There is nothing left other than to escape to the internet where the business component is still small, as online resources account for a mere 2% of the advertising market and the government's ability to control it is limited. But even here, the govern-

ment's attempt to influence independent online resources was observed. LB.ua, one of the most visited websites in Ukraine, has recently been sued for violating the secret of correspondence and privacy, although the plaintiff renounced his claim against the internet publication. As long as Ukraine does not turn into another Belarus or China, at least in the internet, it can count on its territory of freedom. However, this does not guarantee good quality journalism.

ONCE MORE ABOUT FREEDOM OF SPEECH A LA UKRAINE

On 2-5 September, Kyiv will host the 64th World Newspaper Congress and the World Editors Forum. Despite the potential importance of the event for the development of the Ukrainian media market, increased interest in both the market and Ukraine in the world and the integration of Ukrainian journalism in the world professional community, in truth, this year's forum is addressing a range of specific features, that raises doubts as to how useful it will be under the existing circumstances and format. In fact, the idea to hold the forum in Kyiv was initiated by the Yanukovich regime in the spring of last year. In May 2011, Viktor Yanukovich wrote a letter to Christoph Riess, the CEO of the World Association of Newspapers and News Publishers, proposing that the congress and forum be held in Kyiv. Obviously, the current Ukrainian government, under which Ukraine dropped to 130th place in Freedom House's Freedom of Press index because of the growing control of the government over the mass media, is pursuing its own personal interests that have no bearing on those of Ukrainian journalism. Quite the contrary, they may pose a threat to freedom of speech.

There is a risk that the government will use the newspaper congress, just like it did the Euro 2012, to legitimize its regime in the eyes of the West, create a positive informational background to neutralize news about pressure on the freedom of speech and authoritarianism in Ukraine, and create the illusion that Ukraine still has democratic freedoms, it's alleged democracy and European vector. Mr. Yanukovich's press-service has already posted the expectations of the Presidential Administration from the congress on its website to-

¹ Bankova Street is the location of the Presidential Administration

gether with the announcement of his letter proposing that the forum be held in Kyiv, stating: "Ukraine is confidently moving ahead towards a democratic society and the development of an independent mass media", "transparent and efficient rules for access to public information have been introduced in legislation and the investigation of the Georgiy Gongadze's case has been significantly intensified", "these measures are an important step for Ukraine in its European progress; they will once more confirm Ukraine's choice as a state willing to strengthen democratic values to which freedom of speech and the press is integral". Officials at Bankova' expect that these theses will be confirmed in the world information space as a result of Kyiv hosting the congress.

According to Oleksandr Kurdynovych, the Head of the State Committee for Television and Radio Broadcasting of Ukraine, the authorities are going to allocate less than USD 0.8mn, which is no more than 15% of the cost of the forum and the congress, from the state budget, with the rest being covered by major private sponsors. One of the initiators of the event being held in Kyiv is a media holding with an ambition to monopolize the print media segment in Ukraine. The official communications partner is the Ukrainian Media Development Institute, chaired by Olena Hromnytska, the former press secretary of Leonid Kuchma, who then worked at Rinat Akhmetov's media holding. The journalists there claimed that she published specially ordered articles flattering the government. The general partner of the congress is the DF Group, a group of companies owned by another oligarch, Dmytro Firtash. This appears symptomatic.

Obviously, the purpose of such measures is the symbolic establishment of the dominant positions of monopolist media holdings, securing their roles as "legislators of fashion", and the marginalization of other participants on the Ukrainian media market that are not incorporated in the existing government-oligarch conglomerate, continue to demonstrate the independence of their own position and avoid the pursuit of maximum commercial effect at all costs. Oleh Nalyvaiko, President of UNIAN, one of the biggest news agencies in Ukraine controlled by the government, made an expressive comment: "The congress

will be attended by managers who are used to resolving specific issues: how to increase a print run; earn more money; attract advertisers; minimize costs, etc. I think this tone will prevail. This is what Ukraine needs right now. If we politicize all of this and begin to discuss other things, we will talk the congress to death."

At the same time, congress participants should realize that their position will define whether they approve the political course of the current president (who is both an initiator and a VIP-speaker at the forum) with their participation and especially potential silent consent, thus facilitating the regime's legitimization, or on the contrary, use the forum to show Yanukovych & Co the inadmissibility of the situation regarding the intensified attack on freedom of speech under the cover of ever more cynical declarations about the creation of an environment for the development of free press in Ukraine.

The forum will be attended by such renowned journalists as Gwen

ited, who opposed state regulation of the press market in Australia. Surely after Mr. Yanukovych's speech, they will not be silent and ignore the obvious facts of the current government's ever more aggressive attacks on the freedom of speech, which has been attested to by reputable international organizations?

The problems with freedom of speech in Ukraine are not limited to pressure on independent media. A series of successful media projects sponsored by Ukrainian oligarchs have been reformed in cases where sharp criticism of the government was an unwanted irritant for the regime.

Instructions from above on how to cover or not cover certain events or issues, forbidding any positive information about opposition forces have been reinstated at state-owned media. The scope of self-censorship has intensified in the leading media. Managers loyal to the government have been appointed to top positions in several influential media together with a relevant change in editorial policy. UNIAN, one of the most longstanding news agencies in Ukraine, is an example of this. Some journalists left their TV channels in protest against the unacceptable censorship of their materials. Access to socially important information has been restricted for journalists, in spite of the passing of a relevant law. There has been gross interference on the part of government representatives in the work of journalists without any administrative or criminal punishment. All these facts have accompanied the development of the Ukrainian media market over the past two years. Meanwhile, they did not stand in the way of the dynamic growth of business empires owned by media tycoons loyal to the government, which had an adequate level of self-censorship.

All told, the important task of congress participants will be to avoid blessing and mothballing all the abovementioned problems of the Ukrainian media market and showing Yanukovych and all other Ukrainian participants, that the freedom of speech situation in Ukraine is not satisfactory and that it is moving in the wrong direction. It is crucial to show that international events, such as the congress, - significant as they are - cannot be used as a rehabilitation tool for the authoritarian policy of the current Ukrainian regime. ■



WILL CONGRESS PARTICIPANTS SHOW YANUKOVYCH THAT INTENSIFIED ATTACK ON FREEDOM OF SPEECH IS INADMISSIBLE?

Lister, Executive Director of "The Namibian", a newspaper founded during the South African occupation of Namibia as the "voice for the voiceless", promoting the idea of its independence and recognized as a world press freedom hero by the International Press Institute in 2000; Erik Bjerager, President of the World Editors Forum, who is also Editor-in-Chief and Managing Director of the Danish newspaper Kristeligt Dagblad, a determined advocate of freedom of speech and the press; well-known US investigative journalist David Boardman, Executive Editor and Senior Vice President at The Seattle Times, and member of the Board of Directors at the Center for Investigative Reporting, the Steering Committee of the Reporters Committee for Freedom of the Press; Caroline H. Little, President and CEO of the Newspaper Association of America and President of the American Press Institute; and Greg Hywood, Chief Executive and Managing Director at Fairfax Media Lim-

Walking the Tightrope



PHOTO: UNIAN

It is election season in Ukraine. Parliamentary polls are scheduled for October 28th, and last week marked the official start of campaigning. It also brought a respite for the country's only remaining independent TV channel, TVi: tax evasion charges were formally dropped against Mykola Kniazhytsky, its director.

A raid by tax police on the channel's offices on July 12th drew widespread condemnation from press freedom groups and a statement from the United States envoy to the OSCE, a regional security organisation. Mr Kniazhytsky says American and European Union diplomats in Kyiv also applied pressure privately and that attention from the international media, including CNN, helped. This, all agreed, was another example of Ukraine misusing the law to stifle dissent.

Eventually even Viktor Yanukovich, the president, voiced his concern: "It is critically important for a democratic country to protect freedom of speech and prevent pressure on media," he declared. Yet it is hard not to feel that what Mr Yanukovich is aiming for is the minimum level of freedom needed to keep international institutions quiet, and no more. With Ukraine still in the doghouse over the jailing of Yulia Tymoshenko, the former prime minister (who heads the opposition's list of candidates despite being barred), further evidence of foul play in these polls could lead to visa bans and asset freezes for Mr Yanukovich's associates. The easing of pressure on TVi would suggest that such threats do not fall on deaf ears.

TVi should survive at least until polling day. The channel is not

out of the woods yet, however. It was denied a digital licence last year. Certain cable providers are refusing to carry it. It is easy to see why the channel riles the authorities. Programmes such as Exclamation Mark routinely expose large-scale corruption, while satirical shows mock the country's leaders. Its independence is guaranteed by an editorial board that includes such luminaries as Poland's Adam Michnik. Crucially, says Mr Kniazhytsky, TVi's owner has no other business interests in Ukraine.

The rest of the country's television output is controlled either by oligarchs close to the government, or directly by the government. As the elections approach, the good news stories multiply. Favourite at the moment is the success of the Euro 2012 football tournament, which Ukraine co-hosted with Poland (though viewers of Ukrainian television could be forgiven for not realising that Poland played a role). Though it failed to attract as many foreign fans as the country had hoped, Euro 2012 won plaudits for its smooth running and good atmosphere.

Opinion polls do show a small boost for the ruling party after the tournament. But Ukrainians remain deeply unsatisfied with their economic situation, and increasingly angry about corruption. For this reason, a channel like TVi genuinely riles the authorities.

Many analysts are convinced that Mr Yanukovich's Party of Regions could not win an election that was truly free and fair. According to Petro Burkovskyy of the National Institute for Strategic Studies, the Party is walking a tightrope. The polls (and the media climate in which they are held) must be fair enough to avoid sanction. But they must also secure a majority for the ruling team in parliament. The TVi case tested the boundaries - probably not for the last time. ■

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A Big Silence



Author:
Yuriy
Makarov

A journalist exposed a conman: the latter had stolen USD 150mn on a single shady oil rig deal. His first reaction: “a journalist can be bought – someone paid him for the publication”. For the most part, the internal world of crime is unknown to me, but all of a sudden, my interest is piqued: does he really believe this? He does indeed. A rational person from the world of material relations that has formed in Ukraine, does not assume that the press is capable of being guided by its own logic and not fulfill someone else’s order – those of competitive politicians or hostile business. The worst is the fact that not even a typical consumer of the printed word believes this: he/she is convinced in advance that all newspapers, magazines and internet resources exist exclusively in order to milk clients and deceive readers. No other functions are expected of them in the eyes of the contemporary Ukrainian.

So what are these functions, in reality? Not to entertain the average person – there are shows such as Holos Krayiny (Voice of the Country) and Rozsmishy Komika (Make the Comic Laugh) for this. And even, however strange it may seem, not to give information on an earthquake in Italy, or to be more precise, this is not of primary importance, in spite of the formal determination of “Mass Media”. The press is a body, with the aid of which a nation comprehends itself; finds and determines its own problems. No, there are also other means of articulation, for example gatherings, meetings, artistic practices, Ukrainian folklore and ultimately – the Maidan. But art operates with coded messages, which not everyone will want to decode, and it’s too noisy on the Maidan, so for the most part, voices sound like falsetto. The mass media expresses that, which cannot be expressed in a different manner. Have you ever had a nightmare: something frightful is moving towards you, but you are simply frozen? And the main thing – you are unable to utter a single word – your throat is paralyzed ... This is how society feels – deprived of the possibility to express itself. Not shout or swear, but find the necessary words. If a problem is not pointed out, it is impossible to be aware of it, and without this awareness, the problem cannot be eliminated. The press – is the voice of Ukraine. They say that in the East, this takes place in a different manner: the market, the mosque... What do you think of the results? Impressed? Western civilization developed a relevant body of the social organism by evolutionary means. It works. Right now, nothing can take its place: neither anecdotes, nor get-togethers at the kitchen table or in a bar, nor a rock ballad, rap-patter, nor a bard’s song.

But what about the blogosphere? People still express their views, in different formats of internet-journals, social networks, etc, on urgent issues, discuss sore points, coordinate public opinion and even agree on common actions, even more strongly. And even so, the mass practice of the several years of the existence of this phenomenon demonstrates that in an amateurish regime, such mechanism works on the level of a substitute, sorry, crutches. A hundred amateur healers will not take the place of one qualified doctor. In the media, even a qualified specialist in a specific sphere will lose to a journalist, simply because the latter is executing (to be more accurate, should execute) the role of an independent, neutral medium, in other words, a mediator. He – is a filter, he – is the guarantor of verification, he – is the trust factor (if only!) This machine operates in this manner and no other: communication does not take place without a mediator, thus, the people are becoming mute.

Wait, a vicious circle is forming: without a free press there is no fully-fledged civil society, and without a civil society, there can be no question of a free press! Why is it that in countries enjoying a stable democ-

racy, the pressrun of even the most renowned newspapers reach seven figures, while in Ukraine, a pressrun of 50,000 (by the way, this figure is not confirmed by anything other than the words of the editorial office) – is the max? Surely not simply because post-totalitarian nations are sated with official newspapers such as Völkis-cher Beobachter and Pravda? Not

**THE PRESS IS A BODY,
WITH THE AID OF
WHICH A NATION
COMPREHENDS ITSELF;
FINDS AND DETERMINES
ITS OWN PROBLEMS**

true, during perestroika, starved Ukrainians consumed the printed word by the million. And then? And then we became convinced that newspapers and magazines, TV channels and sites – are nothing more than a derivative of a business empire, while the journalists themselves are merely sergeants in this hierarchy, moreover they are not overly conscientious. For a bribe, they will even sell a tank ... pardon me, a column.

Where is the way out? This subject of discussion is not for a short column, however there can only be one very general answer: start with yourself, otherwise, the “chicken or the egg” dilemma will ultimately confuse you. If this has already happened, the mass media has to demonstrate to society that it has the ability to be, if not objective (to a large extent this is conventionality and fiction), then at least unbribable. Consider this wish to be on the fine line between idealism and idiocy, but this is the very end of the string, that has to be tugged at, in order to untie the huge knot of the main problem. The problem called “Ukraine”. ■

A Step Away From Free Election

European MP Elmar Brok: "No-one in Kyiv should expect that everything will be over and forgotten after a falsified election"



Interviewer:
Milan Lelich

The Chairman of the European Parliament Committee on Foreign Affairs says that in actual fact, parliamentary elections in Ukraine can already be considered to be undemocratic.

By preventing Yulia Tymoshenko and Yuriy Lutsenko from participating in the parliamentary election, the Ukrainian government could have passed the point of no return in its relations with Europe. At this time, the main foreign affairs person at the European Parliament and deputy of the European People's Party, does not want to talk about specific steps, but warns that "The EU and the European Parliament will find the right answers at the right time."

UW: Mr. Brok, do the members of the EPP group understand that neither Yulia Tymoshenko, nor

Yuriy Lutsenko have any way of participating in the upcoming parliamentary election?

– It is intolerable that Ms. Tymoshenko, Mr. Lutsenko and other opposition politicians at all levels are not allowed to participate in the election or are being treated unfairly. Politically motivated judgments and court cases are destroying the opportunity for a free and fair parliamentary election this autumn.

UW: All the same, will the EPP group evaluate the Ukrainian parliamentary election as being free and democratic if Ms. Tymoshenko and Mr. Lutsenko do not participate, which is now a fact?

– The Ukrainian election cannot be considered free, transparent and fair. It is a blatant violation of the rule of law and democ-

racy. I hope that the Ukrainian authorities will find a way to return to democratic principles.

I would like to stress once more that this is not just about the Tymoshenko and Lutsenko cases, but also about others, particularly on the local level. Sadly we are forced to witness opposition politicians being put under pressure and placed at a disadvantage. A free and fair election is not just a question of the technical procedure on Election Day.

UW: Will the EPP group make any public statements regarding this situation?

– Politicians from the EPP group have made numerous public statements about these issues. Together with my colleague Michael Gahler, we published a statement on 12 July, in which we are calling for the fair treatment of the opposition and expressed our concerns that President Yanukovich is leaving the ranks of respected democracies. Joseph Daul, the Chairman of the EPP group, Wilfried Martens, President of the EPP and many EU governments have given clear messages.

UW: Is it worth waiting for a new resolution from the next plenary session of the European Parliament regarding the political situation in Ukraine, which will be taking place in September?

– The European Parliament and the European Union as a whole will continue to monitor the situation in Ukraine very closely. Unfortunately we have to say that the chance for a free and fair election is becoming slimmer and slimmer. The European Union and the European Parliament will find the right answers at the right time.

No-one in Kyiv should expect that everything will be over and forgotten after a falsified election.

UW: Nearly three months have passed since the last resolution of the European Parliament about the situation in Ukraine. Do you see the Ukrainian government taking any steps towards fulfilling the recommendations noted in the resolution?

– No - so far, all I can see is the Ukrainian government moving further and further away from these recommendations, thereby causing greater isolation. ■

Yuriy Lutsenko:

I'm afraid of excessive micro leadership ambitions within the united opposition

Interviewer:
Milan Lelich

Previously jailed for political reasons and recently sentenced to two more years in yet another case, the ex-Minister of the Interior offers his opinion on processes within the united opposition, mistakes in selecting candidates for the parliamentary election, the importance of removing the current regime and the wasted chance to reform the law enforcement system when he was Minister.

UW: Arseniy Yatseniuk is essentially taking over the Batkivshchyna party. What is your opinion on this?

— Yulia Tymoshenko was and will always be the leader of Batkivshchyna. This is not purely for historical reasons. Even in jail, Tymoshenko is still central to Ukraine's domestic and foreign policy.

To be honest, I don't fear the so-called takeover of Batkivshchyna. I'm afraid of the excessive micro leadership ambitions within the united opposition. The crucial task of the Yatseniuk-Turchynov tandem today is to make sure of its leaders' firm stand as a team and the consistency of future Batkivshchyna MPs. National interest depends on this as does the personal test of Yatseniuk.

UW: Do you see Arseniy Yatseniuk as an opposition leader who has come to replace Yulia Tymoshenko?

—Yatseniuk is definitely the leader on the united opposition's list. Will this lead to him being an alternative to Yanukovich in the presidential election? Only the outcome of voting for party lists will tell. In any case, such status is not determined by party or inter-party lists. If we have taken the lesson of the democratic forces' defeat in 2010 to heart, we should be planning nationwide primaries for opposition candidates. When the time comes, I will offer an organizational model for this process.

UW: How do you see the future of People's Self-Defense? The united opposition has virtually deprived some of your allies, including Yuriy Hrymchak and Taras Stetskiv, of the opportunity to get into parliament. Does this signal a victory of opportunistic principles over Ukrainian interests? How were you involved in the formation of the united opposition's election list?

— I was and continue to be confident that unification and regeneration is the only possible strategy to win over the retro-totalitarian regime of the Party of the Regions and the Communist Party of Ukraine. This is why People's Self-Defense joined Batkivshchyna in March.

Continuing this line, I was a fierce opponent of party quotas and publicly suggested that the united opposition should invite leaders of public opinion to its party list and nominate the most well-known MPs, including People's Self-Defense members, in the majority constituencies in which they were originally elected to parliament. The only exception I asked for was for Yuriy Hrymchak, an MP from the Donetsk Oblast who is facing criminal persecution for proactive resistance to the anti-Ukrainian Kharkiv deals.

I only found out about the mistakes you mentioned, and others, after the united opposition's meeting. If I had not been in prison I would probably have had more impact. However, I think there is still time to provide support for Taras Stetskiv, Oles Doniy and other candidates, who are completely loyal to Ukrainian interests in majority constituencies.

On the whole, it's worth noting that the united opposition has rid itself of scandalous people on their list despite all of its flaws and has become a realistic alternative to the ruling mafia.

UW: Was the nomination of Iryna Lutsenko a joint decision between yourself and your wife?

— Nominating Iryna Lutsenko was not our initiative. We don't need a mandate to remind people of our surname or to pass on food to me in jail. Still, I think Batkivshchyna did the right thing. I hope Iryna will continue to struggle against the Party of Regions' lies and misdoings as she has for the last 18 months during my legal proceedings.

For us, this nomination is a response to Yanukovich's persecution. It has failed to eliminate the Lutsenko factor. Moreover, Iryna's experience, education and principles will serve as a solid foundation in her fight for the three Ds — the de-communisation of consciousness, the de-criminalization of politics and the de-monopolization of the economy.

Just give us some time and you'll see that the Lutsenkos' have a common style of attack and openness of evaluations.

UW: You are likely to be transferred to prison soon. Will you promote the united opposition among the inmates? How many votes can the united opposition expect from your prison?

— I'm more impressed by the approach of a jailed Symon Petliura. He was at this very Lukianivska prison and still planned a successful overthrow to revive the Ukrainian People's Republic, although different people were in power back then. Despite orders of the then Hetman Pavlo Skoropadsky to hold Chief Otaman Symon Petliura criminally liable, Skoropadsky's Minister of Justice and Chief of Staff reported: "Petliura is a not a criminal, just an enemy." He was released shortly thereafter.

UW: If you could meet with Viktor Yanukovich right now, what would you tell him?

— I don't think that Yanukovich misses me to the extent that he would come to the detention center. And it only makes sense to talk to people who hear



PHOTO: UNIAN

and understand what they are told. Over the two and a half years of his rule, Yanukovich has proved to be totally deaf and ignorant of what others think.

This is why I said in my last speech at the Pechersk Court, that Batkivshchyna and the Party of Regions were not two parties. The former is an imperfect democracy and the latter is a perfect mafia. One can criticize democracy and make it resign. With a mafia, there is nothing to talk about. It has to be won over.

UW: How is it possible to prevent mistakes in the selection of partners, such as your links with David Zhvania?

— I don't consider my one-time relations with David Zhvania to be a mistake. I wish that every party could have a sponsor like him with no political, economic or business

A TWIST OF FATE. Yuriy Lutsenko who looked most ready to implement the Prisons for Bandits! slogan from the Orange Revolution as Minister of the Interior, realized his responsibility for the wasted opportunity to reform the law enforcement system when he himself ended up in jail

instructions for the party's faction in the Verkhovna Rada. In 2007-2009, I worked with David Zhvania, who spoke Ukrainian and believed in Ukraine's European prospects. Everything that happened after Yanukovich's victory is David's personal tragedy — a denial of political and human values.

Sadly, the price paid, was a group of traitors at People's Self-Defense. And they were not just random people. I knew them all from many years in the opposition and the government. But the new government has brought new rules to politics. It has bought the poor and intimidated the rich. There is just one way to prevent people from switching sides in parliament — choose people whose reputation and principles matter more to them than their fear and money. Such people are few but they do exist.

UW: You have been in power several times. What was your biggest mistake then?

— After the democratic forces won the 2007 election, I agreed to head the Interior Ministry with Viktor Yushchenko's guarantee to remove the Prosecutor General he had appointed, who was blatantly accommodating the Party of Regions, and to reform law enforcement and the judiciary.

My mistake was not in the fact that I believed this, even though within a month, Yushchenko continued his suicidal war against BYuT and completely rejected all these plans.

My biggest mistake was in coming to terms with this. After a few attempts to arrange cooperation with Our Ukraine-People's Self-Defense and BYuT, I was no longer bothered with politics and focused on the Interior Ministry. Without a parliamentary majority, I could no longer conduct the radical reform of the penal determination system. So I did what I could within the framework of legislation. That's how we eliminated such phenomena as "thieves in law" and "supervisors" in the Ukrainian economy; banned the free sale of tramadol, which fueled a surge of drug addiction among the young; and reduced the number of people killed and injured in car accidents from 2,000 to 1,500. We caught the most corrupt officials in Ukraine's history from both the blue-and-white, and orange camps. We smacked Crimean separatists on the wrists and taught Russia's Black Sea Fleet to coordinate its maneuvers with the Ukrainian government. We ensured free assembly and cleaned up over a million "dead souls" prior to the election.

Still, without an independent court and an objective prosecutor's office, all of this was temporary. I was wrong. I should have taken on more, crawled out of the Interior Ministry trench and publicly demanded that the president and the premier act together to reform the Interior Ministry, the Prosecutor General's Office, and the courts. Of course, this was the competence of the Speaker of the Verkhovna Rada, the Minister of Justice and others. Moreover, it is doubtful whether anything would have worked out under conditions of this irreconcilable "domestic war" of democrats. But I could have at least tried. ■

Leading Without Lea

Yanukovich's regime has turned Yulia Tymoshenko into a symbol of resistance, yet her real influence on the opposition is waning

Authors:
Milan Lelich,
Oleksandr
Mykhelson

Ukraine has created a new tradition: celebrating the anniversary of the regime's opponent imprisonments. Yulia Tymoshenko's allies arranged a photography exhibition and released 365 pigeons in Kyiv and 365 red and white balloons tied together in the shape of a heart near the Ukrainian Railway hospital where Tymoshenko was being held. She was also sent 365 roses. Indeed, they put on quite a show for the media.

In reality, the atmosphere was a bit too festive. It has long been rumoured that Ms. Tymoshenko's imprisonment will prove beneficial to some opposition members. After all, she is becoming a mere symbol, and opposition leaders can speak on her behalf while she has no real influence on the developments within the United Opposition.

THE LEADER IS THE LAST TO KNOW

On December 7, 2011, the BYuT-Batkivshchyna parliamentary faction changed its head. Ivan Kyrylenko, known for his full loyalty to Tymoshenko, was replaced by Andriy Kozhemiakin, an SBU general and Oleksandr Turchynov's man. BYuT MPs explained anonymously that their faction would likely col-



THE OPPOSITION IS RE-ADJUSTING TO THE KLITSCHKO, YATSENIUK AND TIAHNYBOK FORMAT

lapse under the pressure of "arguments" mentioned by Roman Zabzaliuk, a BYuT MP who allegedly pretended to have switched to the Party of Regions and uncovered their plans to weaken the opposition and win the parliamentary election (see <http://ukrainian->



week.com/Politics/43218 or issue #3(26) for more details).

This seems plausible, as Ms. Tymoshenko could not effectively run her faction or party from behind bars. Eventually, control was established over the BYuT-Batkivshchyna majority. Still, its achievements orchestrated by the Turchynov-Kozhemiakin tandem appear dubious. Firstly, their MPs de facto supported an election law that played into the hands of the Party of Re-

gions. Secondly, they failed to arrange any visible resistance to the language bill sponsored by Party of Regions MPs Vadym Kolesnichenko and Serhiy Kivalov. Nor did they manage to neutralize Natalia Korolevska's party project.

Notably, neither average members of her party nor most MPs knew her standpoint on all of these issues. According to some sources, she herself learned about the developments in her party after they ac-

Leadership



PHOTO: UNIAN

tually happened. These included the replacement of faction head Kyrylenko and the passing of the election law that was convenient for the government more than anyone else. Moreover, Tymoshenko deemed her party fellows' votes in favor of the election law "a mistake" and said that they did not follow her recommendations to "avoid sitting at one table with gamblers" during her meeting with Commissioner Štefan Füle.

According to *The Ukrainian Week's* sources, Oleksandr Turchynov personally compiled nearly 55% of BYuT's list in the United Opposition and Ms. Tymoshenko did not play a decisive role in the process. "Turchynov is playing his own game and cares little about Tymoshenko," sources say. Serhiy Vlasenko, Ms. Tymoshenko's lawyer, confirmed this when he stated openly that she had not seen the final list.

Insulted BYuT members who did not end up on the part of the list that will get through to the parliament say that Mr. Turchynov chose the candidates based on their personal loyalty to him and their contribution to the party budget. Unlike them, a group of people close to Tymoshenko (including aide Mykhailo Livynskiy, Antonina Boliura and Yevhen Shaho, long-time allies from her days with Single Energy Systems of Ukraine) ended up below 80. As a result, they have no chance of getting into parliament.

A SYMBOL OF RESISTANCE

Clearly, in a situation of its own creation, the government is ready to take all efforts to prevent Yulia Tymoshenko from being made into a hero like Burma's Aung San Suu Kyi, an opposition leader whose popularity and political weight outlived 20 years of house arrest.

However, the government has very few options. Even if it keeps Tymoshenko behind bars until the upcoming parliamentary and presidential elections and "leaks" new videos revealing her as a "cunning sham" from time to time, or blames her for all kinds of crimes in the distant past, it will hardly manage to damage her popularity or reputation in the world.

Public opinion in Ukraine and abroad is based on a firm belief that Ms. Tymoshenko is behind bars for one single reason: Viktor Yanukovich is afraid of her. The more the public is outraged with his rule and the nearer the 2015 presidential election, the more haunting Tymoshenko will be for him. Meanwhile, as an anti-Yanukovich figure, she will grow more and more popular among the opponents of the current president.

The question is whether the opposition will manage to convert this popularity into political support in the election under the current circumstances. The supporters of Klitschko, Yatseniuk, Tiahnybok

and other well-known opposition leaders will remain loyal to their leaders if forced to choose between them and Ms. Tymoshenko.

The available opposition is reconfiguring itself to fit these leaders and the process has become irreversible. Ms. Tymoshenko can still return to politics, yet she will do so as a symbol of "popularity gained through suffering" rather than as an independent political player.

The beheaded Batkivshchyna party failed to survive as a united political force and even the members who remained in opposition were forced to adjust to the new arrangements between Yatseniuk, Turchynov and Klitschko. For every one of these members remaining in the opposition compromising evidence can be found linking them either to the administration or to some of its influential representatives.

Another plausible suggestion is that the government has found ways to influence the new leaders of Ms. Tymoshenko's party and faction. Turchynov and Kozhemiakin do not necessarily get envelopes with instructions from the Presidential Administration before important votes, yet the impression is that they are forced to stay away from some sort of a "red line." Perhaps this was the reason for their surprising behavior on issues that are crucial for the country and supporters of the United Opposition. The insulted BYuT members revealed examples of the "red line": allegations against a relative of Kozhemiakin and the prosecutor's warning to open a case against Turchynov. Both cases never evolved into anything bigger.

In any case, the year Ms. Tymoshenko spent in jail proved that the party still associated with her name is no longer hers. The longer she remains behind bars, the less motivation any politician will have to refer himself to the Tymoshenko camp.

Thus, the authority of the "Yulia factor" in society will grow for politicians appealing to the electorate in opposition to the Yanukovich regime. Tymoshenko will be the embodiment of firmness and consistency in the struggle against the current president, despite the well-known facts from the pasts of such politicians suggesting that they are ready to collaborate with the Presidential Administration. ■

They Call Themselves the Opposition

There are no blatantly odious characters among the United Opposition's parliamentary candidates, yet some might easily jump ship after the election

Author:
Andriy
Skumin

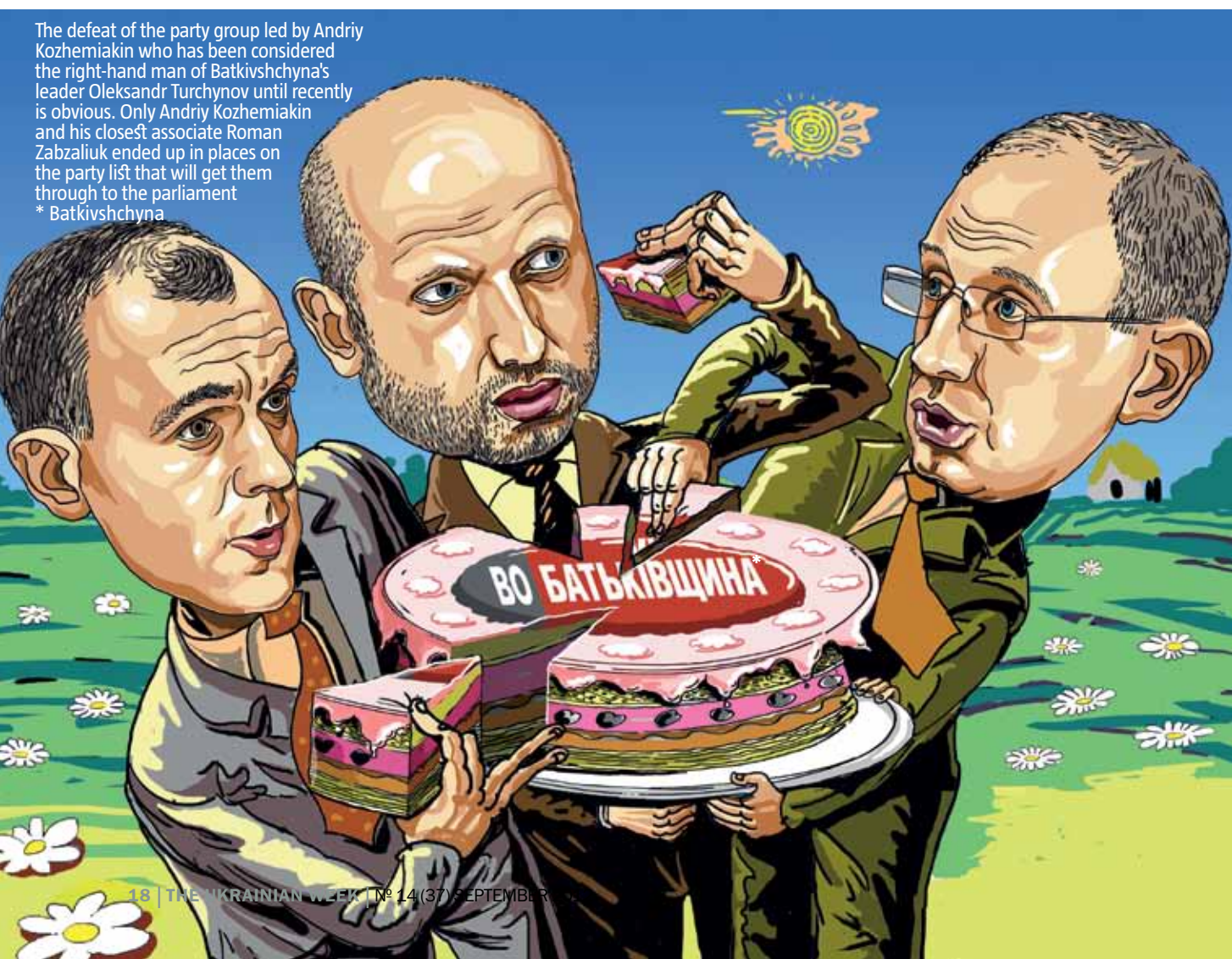
The Party of Regions' hopes of crashing the opposition camp by raising the election threshold and banning political blocs have been dashed. The pre-election party congresses, where the candidate lists were compiled, revealed that the opposition was able to minimize the damage caused by the amend-

ments to election legislation made in 2010. In particular, the splintering of opposition electorate votes due to dummy parties and hopeless outsiders is likely to be less considerable in the forthcoming election than some predicted.

The United Opposition will have two formats in the 2012 election: in the party election lists, a

united Batkivshchyna (Fatherland) and Front Zmin (Front of Change) list including the NGO Hromadska Pozytisia (Civil Position), and in simple-majority constituencies, the United Opposition plus Svoboda (Freedom). The absence of Vitali Klitschko's UDAR from the joint opposition list will not impair the opposition camp,

The defeat of the party group led by Andriy Kozhemiakin who has been considered the right-hand man of Batkivshchyna's leader Oleksandr Turchynov until recently is obvious. Only Andriy Kozhemiakin and his closest associate Roman Zabzaliuk ended up in places on the party list that will get them through to the parliament
* Batkivshchyna



since Klitschko's party will easily clear the 5% threshold on its own. Moreover, assessments by *The Ukrainian Week* show that its independent performance in the election will bring the opposition at least a dozen or two seats (that is, of course, unless UDAR chooses to team up with the Party of Regions).

The United Opposition was able, albeit at the very last moment, to find an acceptable format for politicians who have political projects of their own. These include Anatoliy Hrytsenko, Oleksandra Kuzhel, and Mykola Katerynychuk (although he is not quite happy with the arrangement, since he will have to run for parliament in a first-past-the-post constituency). Otherwise, running independently, they might spread opposition votes thin.

The successful wooing of the Crimean Tatars is another achievement of the United Opposition list under the brand of Batkivshchyna. The opposition's new ranks include Mustafa Dzhemiliev, chairman of the Mejlis, the central executive body of the Crimean Tatars. However, another Mejlis leader, Refat Chubarov, was placed in the humble 111th place. Now that the ill-received Anatoliy Mohyliov has taken the reins in Crimea following the demise of Vasyl Dzharty, the Party of Regions is expected to lose a portion of its Crimean Tatar electorate. Thus, in political terms, the participation of Mejlis representatives may prove even more lucrative for the United Opposition than expected.

TRADING OLIGARCHS FOR TURNCOATS

The absence of unpleasant figures such as Kostiantyn Zhevahov, Davyd Zhvaniya, Oleksandr Tretiakov, and other moneybags is an obvious advantage of the United Opposition's joint list. For the last two months, it has been rumoured that they would be added to the list. However, Mykola Martynenko did end up in the safe part of the list – apparently as a sort of a tribute to him as the leader of the NU-NS (Our Ukraine – People's Self-Defense) bloc in the incumbent parliament. This is necessary because his signature is required to approve members of district and precinct election commissions

from the faction. Thus, today he plays a paramount role as he allows the United Opposition to control the proportion of NU-NS presence on the lists. On the other hand, Martynenko's 17th place (which is virtually 15th, considering that Yulia Tymoshenko at No.1 and Yuriy Lutsenko at No.5 hardly stand a chance of being registered as candidates) raises numerous questions. In 2005, then Prime Minister Tymoshenko notably denounced him as one of President Yushchenko's notorious "dear friends," who were only "good at stealing."

The United Opposition list also includes bread tycoon Yuriy Tryndiuk, who controls up to 5% of Ukraine's bakery market. He is known for his friendship with odious ex-prosecutor general Sviatoslav Piskun. Both men are believed to be related through their spouses, and Tryndiuk reportedly runs a business together with Piskun's wife, Svitlana. Tryndiuk is presented at No.74, which scarcely leaves him a chance of being elected, yet his very presence in the ranks of Batkivshchyna and on the party list is abhorrent to many oppositionists.

Overall the list leaves the impression that United Opposition leaders tried to forestall defections from the future parliamentary faction. According to *The Ukrainian Week's* estimates, potential turncoats represent no more than 10-12% of the passing part of the list (approximately the top 60 or 70 candidates). This is significantly fewer than in the BYuT and Our Ukraine factions in the previous parliaments. Besides, most of them are candidates from Front of Change, a party without prior experience in parliamentary campaigning.

It also seems that during the preparation of the united candidate list, partners in the opposition pseudo-bloc did not widely utilize their right to veto. Many observers and opposition MPs were surprised by the inclusion of a group of people with very little previous contact with the opposition. Why was, for example, Denys Dzendzerskiy honored with No.34? It is common knowledge that until recently, he was member of the United Centre's political council, displaying no oppositional inclination whatsoever.

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The “risk group” of potential defectors in the new convocation of the Verkhovna Rada includes the Tabalov political dynasty from Kirovohrad Oblast. No.49 in the passing part of the list was taken by Oleksandr Tabalov, a Kirovohrad businessman, one of the 200 wealthiest in Ukraine. His son Andriy is running for parliament in Kirovohrad’s first-past-the-post 99th district. Tabalov Sr. is no stranger to politics. However, his business associations with members of Shcherban’s Liberal Party and the Party of Regions serve to discredit him as an oppositionist. Although today the Tabalov tandem is aligned with the Front of Change, both father and son are very likely to defect the moment they set foot in parliament.

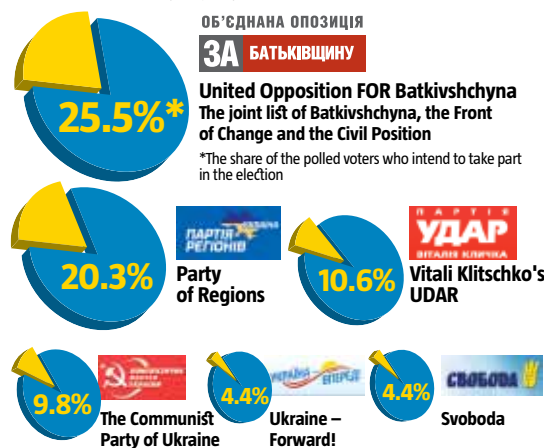
Front of Change candidate Serhiy Faiermak (No.39) could also be added to the same risk group. President of the Board of Directors at Industrial Hardware Association LLC, Faiermak was a member of the Socialist party of Ukraine during Vasyl Tsushko’s governorship of Odesa Oblast, but later came to sponsor the Front of Change. As a co-owner of Stalkanat, he was recently forced to move abroad due to raider attacks. In Odesa he is seen as an Orange oligarch. However, *The Ukrainian Week* is informed that he is on good terms with the Party of Regions. Thus, Faiermak’s parliamentary career is easy to forecast: one attack from the tax administration or the prosecutor’s office (just as it occurred last January) will be enough for him to align himself with the Party of Regions’ faction or become an independent MP.

THE OPPORTUNISTS

What is clearly positive about the United Opposition list is the fact that it does not include individuals who only yesterday were labeled “ Tymoshenko’s quota,” but were never strong champions of the opposition. First of all, this concerns the former Prime Minister’s relatives and colleagues from the United Energy Systems of Ukraine. Thus, her aunt Uliakhina was not included in the list, while Boliura and Shaho were placed low and have no chance of getting into parliament. It was this “politically indifferent” group within the BYuT that placed the bloc in the

The Party of Regions is losing supporters while the United Opposition’s popularity has stabilized

The latest opinion poll by the Rating sociological group shows that the Party of Regions has lost several per cent (largely due to the growing support of the Communist Party in Donbas and Southern Ukraine where every fifth voter is willing to vote for it) and the United Opposition has a stable rate which means, though, that the joining of Anatoliy Hrytsenko and his Civil Position to Batkivshchyna and the Front of Change has not added potential votes to the United Opposition. Over the past two months, the number of voters ready to take part in the election has grown with the most proactive voters found in the North, West and East of Ukraine and the most inert voters in the South and Donbas. For the first time in the past 10 years, the Communist Party’s rate has hit 10%, and Volodymyr Klitschko’s UDAR has gained another 1.5% over the summer. 40% of those polled are likely to vote for opposition candidates in their first-past-the-post districts while 27% are going to support candidates from the party in power.



Source: Opinion poll by Rating from July 2012

spotlight for incessant harsh criticism. Firstly, this was sheer nepotism and cronyism; secondly, the above-mentioned “indifferent” group consistently offered unpleasant surprises at parliamentary votes. For instance, these MPs backed a draft resolution supporting official observance of the anniversary of the Komsomol, the Communist Youth League.

However, it turns out that family interests come before public

PARTIES THAT HAVE NO CHANCE OF CLEARING THE THRESHOLD ARE STILL UNLIKELY TO SPREAD THE OPPOSITION VOTES THIN

ones, even for imprisoned oppositionists. In the passing part of the list, next to Martynenko, is Iryna Lutsenko, wife of the imprisoned former Minister of the Interior. It is being argued backstage that this came at the personal request of her husband, a man who has been publicly mocking “Yushchenko’s

cronies” for years. But nepotism is not the only problem. Several of Yuriy Lutsenko’s most devoted and consistent comrades in arms may end up below the line. In particular, Yuriy Hrymchak, one of the men who were not afraid to actively oppose the notorious Kharkiv deals, was dismissed with a mere No.91. The cynicism of the situation is aggravated by the fact that without MP immunity, he risks being indicted on criminal charges. The prosecutor’s office is ready to launch proceedings against him. The inclusion of Mrs. Lutsenko in the list is perhaps one of the opposition’s worst gaffes in this election.

The appearance of Tetiana Donets in the passing part of the United Opposition list can also hardly qualify as a sensible decision. Donets’s only merit is that her parents used to be Tymoshenko’s fellow Hromada party members. This young lady made history in gossip columns as a former girlfriend of Vasyl Horbal, a banker and Party of Regions MP. No further comment is necessary.

“Political qualifications” (or the absence thereof) should absolutely be taken into account when compiling election lists. Yet it appears that the United Oppositionists overlooked this criterion, and not infrequently. Thus, the passing part of the list includes Vasyl Derevliany, campaign manager of the defunct Party For Ukraine. His name is associated with the BYuT’s failure in the snap elections called for the Ternopil regional council in 2008. Local BYuT leadership led by Derevliany initiated a parliamentary ruling demanding an early termination of powers at the Ternopil regional council. But when it became clear that the BYuT was losing the early election, they tried to backpedal and cancel it. That step failed, BYuT boycotted the polls, and thus could not gain a single seat in the local legislature. This election marked the beginning of Tymoshenko’s defeat in the western region of Halychyna: while her Batkivshchyna party garnered 51.57% of the vote in the 2007 parliamentary election, support for the party shrank to 35.67% in the first round of the 2010 presidential election. Furthermore, in the 2010 Ternopil city council election, Batkivshchyna only managed to glean a negligible 3.3%. If it had not been

for Derevliany and others like him who failed in the major BYuT constituencies, Tymoshenko might have been president today instead of a prisoner. Yet it is rumored that Derevliany is fanatically devoted to Oleksandr Turchynov, which explains a lot.

THE INJURED

There are far fewer vacancies in the passing part of the United Opposition's list than those who would claim them, convinced that they have earned a seat in parliament. It is only logical that right after the final name was approved, a whole cohort of injured claimants arose. Serhiy Mishchenko, a BYuT MP in the present convocation, refused to hide his emotions and threw tantrums over his hopeless rank of 142. Mishchenko has already announced his withdrawal from BYuT-Batktivshchyna "for moral reasons" and publicly chastised those responsible for the compiling of the list.

However, there are a few among those hurt who have every reason for resentment. Andriy Shkil's productivity as a member of

parliament may be questionable, but putting him in the hopeless 87th place only means that he may end up back where he came from: behind bars. Criminal charges are still pending against Shkil for his alleged participation in the "Ukraine without Kuchma" protest action of 2000-2001, while acting as a leader of the UNA-UNSO (Ukrainian National Assembly – Ukrainian National Self Defense). His fellows in the case Mykola Karpuk, Ihor Mazur, Oleh Buriachok and others have long done their time and been released, whereas for Shkil the threat of imprisonment looms increasingly large.

Oleh Bilorus, Serhiy Shevchuk, Vasyl Kuibida, Yuriy Kliuchkovsky and others were also humiliated with low positions on the list that are totally incongruent with their contribution to oppositional and legislative activities. Such active MPs as Serhiy Teriokhin and Ksenia Liapina, too, were undeservedly sent to compete for seats in simple-majority constituencies, which effectively deprived them of any prospects of getting into parliament. In any case, their

contribution is much more valuable than that of, say, Liudmyla Denysova, former Minister of Social Policy (No.38), Mrs. Lutsenko, or Ms. Donets.

Still, the United Opposition has a chance to rectify the mistakes it made while compiling the election list. Under Article 61.4 of the Law On Elections of People's Deputies of Ukraine the Central Election Committee may void a candidate's registration if his or

THE OPPOSITION STILL HAS A CHANCE TO GET RID OF THE MOST ODIOS FIGURES BY CONVENING A CONGRESS AND PASSING THE APPROPRIATE DECISION

her party submits a relevant application no later than 12 days prior to the polling date. This means that the opposition still has a chance to get rid of the most odious figures by convening a congress and passing the appropriate decision. ■

Business Lunch with another approach

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Government in the Service of Monopolies

Despite feigned efforts to fight monopolies and foster a competitive environment, Ukraine's government is working to strengthen the position of business groups closest to its own leaders

When asked which book he was reading, a Ukrainian oligarch pulled out Ayn Rand's *Atlas Shrugged*. "I really like it," the billionaire said. Rand refers to US antitrust policy as something close to the world's greatest evil, standing in the way between America's most proactive class and the earnings they deserve. It looks like Ukraine's Atlases have nothing to worry about.

The government uses two antimonopoly approaches. Officially, those in power condemn monopolies, passing a national program to develop competition in Ukraine from 2013-2023. When the cameras are off, however, they support companies that dominate the markets and are owned by people close to the administration.

The state plays a major role in the establishment of monopolies. A typical scenario involves the authorized purchase of strategic companies and their concentration. "There is no punishment for officials who authorize the establishment of big cartels. If specific people were held liable for these decisions, they would probably be

Authors:
Oleksandr Kramar,
Maria Zaslavska

more careful," comments Oleksandr Zholud, an analyst at the International Centre for Policy Studies.

A good example is the position of Rafael Kuzmin, First Deputy Chair of the Antimonopoly Committee, who insists that Dmytro Firtash and Rinat Akhmetov, two Ukrainian tycoons referred to as key Party of Regions' sponsors until recently, are not monopolists. Meanwhile, independent economists estimate that DTEK, a group of power plants owned by Rinat Akhmetov,

monopolist. The group is owned by Ihor Kolomoyskyi and Hennadiy Boholiubov who are still outside the Party of Regions. However, Mr. Kuzmin admitted that the Antimonopoly Committee had no proof of Privat Group's monopolistic activity because its different companies are owned by various offshore entities.

Ukrtelecom, a major Ukrainian telephone operator, has recently been bought by a little known company linked to the president's family, according to *The Ukrainian Week's* sources. Prior to being sold to private investors, Ukrtelecom had been on the list of natural monopolies dominating the nationwide markets for local telephone service and telecommunication channel rental. However, it was removed from that list in June 2011 although the company controls nearly 70% of the city landline telephone market and 75% of the intercity and international telephone connection markets.

THE WINDOW-DRESSING COMMITTEE

Despite its enormous staff of 229 at its headquarters and 559 at re-

THE ANTIMONOPOLY COMMITTEE FAILS TO EFFECTIVELY PREVENT THE GROWING MONOPOLIZATION OF THE UKRAINIAN ECONOMY

controls over 35% of the electricity supply market. Dmytro Firtash's entities control 100% of facilities producing ammonium nitrate and nearly 50-60% of ammonia and urea production facilities. Meanwhile, Mr. Kuzmin refers to the Privat Group as a mo-

OVERPROTECTED

Oligarchs who enjoy the administration's loyalty are actively accumulating assets. Thus, the scope of monopolization is increasing in more and more spheres of the Ukrainian economy



Rinat Akhmetov

- Illich Steelworks – 75%*
- DonetskAgroMash (Agricultural Equipment) OJSC – 50.05%
- Zaporizhstal (Zaporizhzhia Steel) OJSC – 50%
- Bank Renaissance Capital JSC – 100%
- Keramtekhanizatsia OJSC (geological surveys) – 50%

- Capital Service OJSC (geological surveys) – over 50%
- Horlivka Engineering Plant – 94.9%
- Rovenky Antracite State-Owned Enterprise – 49-year concession
- Sverdlov Antracite State-Owned Enterprise – 49-year concession
- Bilozerska Coalmine, Donetsk Oblast – 95.4%
- KyivEnergo JSC, energy supply company – 71.82%
- ZakhidEnergo, Western Ukraine energy supply company**

gional branches as of December 31, 2011, the Antimonopoly Committee has failed to effectively prevent monopolies from increasing their hold on Ukraine's economy.

According to its official data, the most competitive markets included those for trade, intermediary services and agriculture, while the least competitive ones were some sectors of the fuel and energy industry, transport and communications, and utility services. Still, the Antimonopoly Committee turns a blind eye to the industries where real monopolization affects the public indirectly. These include mining and steelworks, chemical industry, construction, auto manufacturing, and a slew of agriculture sectors, such as the supply of equipment, harvesting and storage of food, as well as food processing. These industries are owned by powerful oligarchs who utilize their top government connections to place pressure on the Committee. Virtually all Ukrainian dollar billionaires have their assets concentrated in these few industries.

Another factor that hampers the struggle against monopolists is Ukraine's legislation, which, unlike American antitrust laws, does not qualify a company's monopolist position as a violation. Thus, a company may control 50% of the market and nobody will pay attention provided that it tolerates other players (at least from the Antimonopoly Committee's standpoint, even though the Committee may be encouraged to take a selective approach).

Antimonopoly authorities in developed countries disclose the registers of private corporations displaying elements of domination. Even the Russian Antimonopoly Service keeps a record of commercial entities whose share



FAMILY BUSINESS:
While Renat Kuzmin is fighting against corruption by jailing political opponents of the current government, his cousin Rafael Kuzmin turns a blind eye to monopolies owned by oligarchs close to the administration as the Antimonopoly Committee's First Deputy Chair

PHOTO: UNIAN

on a certain market exceeds 35% or commercial entities that dominate in specific markets. Meanwhile, the Ukrainian Antimonopoly Committee's press service

is required to keep a record of natural monopolies, but not other monopolies." How effectively can the state protect competition by following this procedure?

Given the Antimonopoly Committee's annual reports, its operation is focused on confirming the amount of work it has completed over the course of a year in order to justify its cost rather than to discover and eliminate the monopolization of specific markets. The measure of its efficiency is the number of in-

AUTHORITIES ARE OFTEN USED AS TOOLS OF PRESSURE ON THE RIVALS OF THE FEW CHOSEN ONES

told *The Ukrainian Week* that "Under the effective Law on Natural Monopolies, the Committee

- KrymEnergo, Crimean energy supply company – 45%
- DonetskOblEnergo, Donetsk Oblast energy supply company – 30.6%
- DniproOblEnergo, Dnipropetrovsk Oblast energy supply company – 50%
- Kyiv Hotel, Donetsk
- Kyiv Central Department Store – 23%
- Leonardo Business Centre, Kyiv – 100%
- Donbas Pharmacy, chain of chemists in Donetsk – 100%
- HarvEaſt Agricultural Group, Agricultural holding – 100%
- Dnipropetrovsk Television Service, Channel 34 – over 59%
- Pivdenniy (Southern) Sea Port Terminal LLC – over 50%



Dmytro Firtash

- Nadra Bank -89.97%
- Stirol Concern OJSC – 90.3%
- Cherkasy Azot PJSC, Cherkasy – 75.6%
- Severodonetsk Azot Association, Luhansk Oblast – 100%
- UkrAgro NPK PJSC, Cherkasy Oblast – 100%
- MSP Nika-Tera Ltd. special-purpose sea port – 100%

- Zaporizhzhia Gas PJSC

*Hereinafter, a stake purchased through linked entities

**No reliable information on the purchased stake is available

spections and revised complaints about antimonopoly law violations, the rate of monopolization aggravation compared to the previous year, and the amount of fines paid to the public budget which are later spent on the Committee. In fact, though, expenditures on the Committee are many times higher than the rates of antimonopoly fines. Meanwhile, the fines, just like any other tool of influence, should only be used for the purpose of real demopolization of the economy and the support of competition, which Ukraine currently lacks. Ukraine is 117th - seventh from the bottom - in the economic freedom survey published jointly by the American CATO Institute, the Canadian Fraser Institute and over 50 expert centers. Even other authorities including Ukraine's Audit Chamber note the Antimonopoly Committee's inefficiency. Year after year, the Audit Chamber writes in its annual reports that Ukraine has not yet established a system to counteract and prevent monopolies, adjusted its antimonopoly legislation to the EU competitive policy standards, systemized and monitored violations in the markets for commodities by branches, analyzed the competitive status of commercial entities, or examined monopoly (dominating) entities. The Antimonopoly Committee does not report the outcome of violations or its response to discovered violations, the amounts of illegal profits, or financial standing of violators. Experts believe that this may signal backstage arrangements between violators and representatives of the authorities that are in charge of supervising them.

To conduct market analysis, the Committee should cooperate

with the relevant regulators of the financial sector, telecommunications, infrastructure, agriculture and other sectors. When asked by *The Ukrainian Week*, the Antimonopoly Committee representative said that it collaborates with the National Committee for the Regulation of Communications and IT, National Committee for the Regulation of the Energy Sector and the Council for Electricity Wholesale Market. Yet these authorities do not conduct effective control either. The Audit Chamber's report on the efficiency of spending by the National Committee for the Regulation of the Energy Sector in 2008-2011 said: "the Committee's existing system to control monopoly companies on Ukraine's energy market is inefficient, therefore their violations of the legislation have become systemic. The Antimonopoly Committee often failed to

posed penalties worth a total of more than UAH 289.8mn (nearly USD 36mn) while only UAH 12.2mn (USD 1.5mn) reached the budget.

The procedure for imposing fines is non-transparent since there is no methodology to define fine rates and the criteria for doing so are not disclosed. Moreover, purely nominal sanctions are often imposed that do not match the benefit the violators gain from their anti-competitive actions. In 2010, five operators of the oil product market were dealt a combined fine of UAH 139,000 (nearly USD 17,000) as a result of unjustified gas and diesel price increases. In 2011, fines imposed by the Antimonopoly Committee totaled at UAH 43.5mn (USD 5.4mn) with at least 20 cases resulting in penalties that exceeded UAH 100,000 (nearly USD 12,000) per each. The biggest fines included UAH 6mn (USD 0.7mn) for SlavAgroPromService, a wholesale fuel trader; UAH 1.68mn (USD 0.2mn) for Poshovy Mahazyn (Post Store), an info service; UAH 1mn (USD 125,000) for DniproAzot, a chemical plant; and UAH 0.5mn (USD 62,500) for Kherson OblEnergo, an electricity supply company in Kherson Oblast. Notably, none of these were controlled by pro-government oligarchs at that point.

Meanwhile, the Antimonopoly Committee mostly focuses on sectors suggested by the government, which often looks like a political instruction. The government tends to wait until just before elections to point out what it calls "unjustified price increases" on consumer markets which, however, are most often perfectly in line with the market situation. This serves to mitigate the effects of inflation on the re-



UKRAINE'S LEGISLATION DOES NOT QUALIFY A COMPANY'S MONOPOLIST POSITION AS A VIOLATION

apply any relevant measures against violators."

The inefficiency of government policy to protect competition is proven by the situation concerning the payment of fines. It looks like the Antimonopoly Committee uses fines as the key proof of their influence on the violators of antitrust rules. The Committee boasts multimillion UAH penalties while in fact these do not come close to the amount of profit earned by companies caught red-handed. Moreover, only a portion of the fines goes to the budget. In 2009, for instance, the Antimonopoly Committee im-

OVERPROTECTED



Ihor Kolomoiskyi and Hennadiy Boholiubov

- Windrose airlines – 100%
- Belbeck Airport, Sevastopol – 100%
- PoltavaEnergo – 72% (jointly with Kostiantyn Hryhoryshyn)
- Izumrud real estate complex –

23 buildings in Kyiv

- 1+1 TV studio; Kino, Tak TV + and Real Estate TV channels, Odesa – 100%



Yuriy Kosiuk

- ProdAlliance LLC, Kyiv – 100%
- Kanivske LLC, Cherkasy Oblast – 100%
- Ridnyi Krai Joint Venture, Khmelnytsk Oblast – 100%
- InterAgroTrade Joint Venture, Sumy Oblast – 100%
- InterAgro Joint Venture, Sumy Oblast – 100%
- Start LLC, Khmelnytsk Oblast – 100%

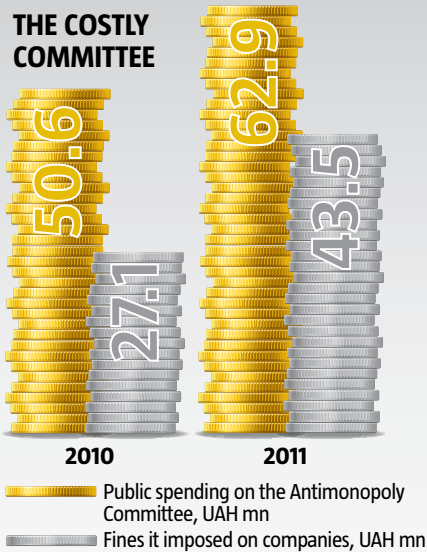
- Balance LLC, Khmelnytsk Oblast – 100%

- Ukraine Cooperative, Khmelnytsk Oblast – 100%

THE ILLUSION OF STRUGGLE

Despite the Antimonopoly Committee's show-off efforts, its effectiveness remains questionable while conditions for competition on Ukrainian markets are deteriorating

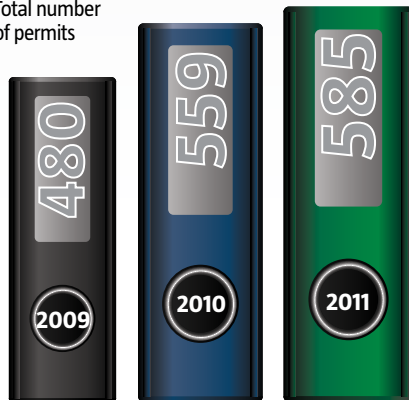
THE COSTLY COMMITTEE



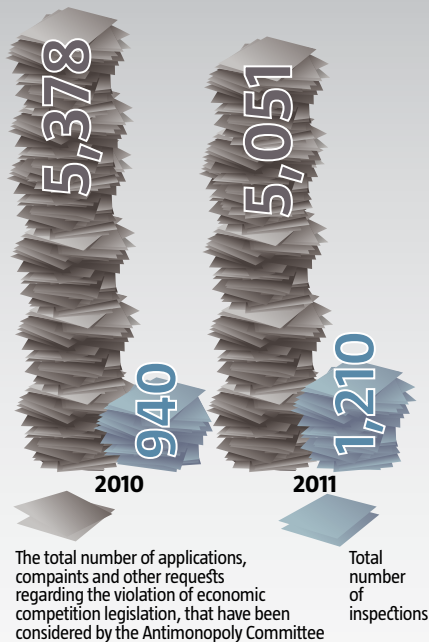
THE EVER GROWING APPETITE OF MAJOR PLAYERS

The number of permits authorizing the concentration of commercial entities, including mergers and takeovers, issued by the Antimonopoly Committee

Total number of permits

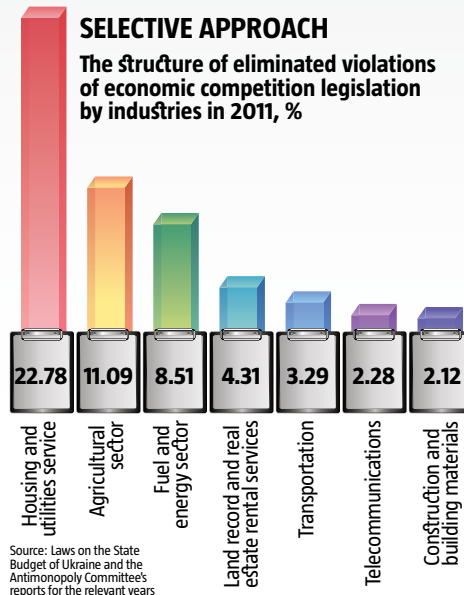


THE NUMBER OF APPLICATIONS AND REQUESTS RECEIVED BY THE ANTIMONOPOLY COMMITTEE AND INSPECTIONS CONDUCTED BY IT



SELECTIVE APPROACH

The structure of eliminated violations of economic competition legislation by industries in 2011, %



Source: Laws on the State Budget of Ukraine and the Antimonopoly Committee's reports for the relevant years

game's popularity. Therefore, few are surprised that the Antimonopoly Committee mostly looks at the agricultural sector which includes markets for foods such as bread, flour, sunflower oil, eggs, milk, butter, sugar and so on, or local level sectors. Thus, the monopoly or dominating status was mostly abused in the housing utilities sector in 2011 – it accounted for 32.5% of all violations revealed.

All things said, the general situation is as follows. There is no list of dominating companies. Corporations close to the administration may enjoy indulgence in the antimonopoly sector. Economic policies meant to protect free markets are blocked by the lack of efficient collaboration between authorities, and meanwhile are used more and more often to apply pressure to the rivals of favored monopolists. The judiciary only helps violators evade fines.

In 2011, President Yanukovich instructed the Antimonopoly Committee to focus on examining the unions of multi-apartment block owners. Thus, in summer 2011, it performed over 3,000 inspections of these unions. In 2012, before the upcoming election, the Antimonopoly Committee's priorities include protection of entrepreneur and consumer rights, and interests in sectors of social significance. These include bread production, markets for administrative, housing, utility and ritual services, the pharmaceutical industry, and others. These measures act as "social pain killers," yet they do not disturb the monopolistic foundation of Ukraine's economy or the industries whose current "oligarch vs. riffraff" model of society continues to hamper Ukraine's progress. ■



Andriy Verevsky

- Allseeds Group Public Co. Limited (sunflower oil) – 94%
- Russian Oils, – 100%
- Black Sea Industries (sunflower oil production) – 100%
- Vesna LLC, an agricultural company, Kirovohrad Oblast – over 50%
- Osiivske LLC, Vinnytsia Oblast – over 50%
- Enselko agricultural holding – 100%

- Sugar Union UkrRos agricultural holding – 71%
- Enseoko Agro agricultural company, Khmelnytsk Oblast – over 50%
- Nyva Vesniane agricultural company, Mykolayiv Oblast – over 50%
- Nyva Bereznehovate agricultural company, Mykolayiv Oblast – over 50%
- Sluch Agro agricultural company, Khmelnytsk Oblast – over 50%
- Ukrainian Black Sea Industry LLC, Odesa Oblast – 100%



Oleh Bahmatiuk

- Vinnytsia Meat OJSC – over 50%
- ProdContract OJSC – over 50%
- Bon Exim LLC – over 50%
- Rice PJSC, agricultural holding – 100%
- Dakor West PJSC, agricultural holding – 100%
- Townsends – nearly 50%
- VAB Bank – over 50%

A Cure to Fend



Author:
Volodymyr Lanovy,
president of the Centre for Market Reforms and former Economy Minister of Ukraine

First things first – the **healing of Ukraine's economy must go hand in hand with structural reform and technological upgrading of assets.** The way to accomplish this is to have free market distribution of investments. This in turn is possible only with regard to private investments as they are the only kind that targets maximum profits and can rapidly react to growth in new sectors. The macroeconomic model of financial redistribution and monetary and price stability must also foster this process. Macroeconomic leverage is inefficient in conditions of monopoly and centralisation as it requires a free, competitive and self-regulating market system.

For capital to flow to new economic sectors, freedom of entrepreneurship needs to be secured and the state must stop supporting outdated production facilities. For innovative projects and enterprises to emerge it is especially important to expand the sector of small and medium business, which is the most flexible sector in terms of market supply and the most financially disciplined regarding its commitments. Another key factor is citizens having direct access to stock markets and incentives to own shares of stock and other corporate rights. Protection of rights, freedoms and operational opportunities of small-scale stockholders ought to be among the top items on the government's agenda.

Converting degraded fixed assets into financial resources that serve the needs of society is another aspect of overhauling the structure of capital. This conversion will take place if chronically unprofitable enterprises are shut down, hopelessly indebted ones run through bankruptcy proceedings and administrative price fixing in state-run corporations is removed. The process will be facilitated if high amortisation rates for fixed assets and a property tax on large commercial objects are introduced, while gov-

ernment holdings and companies are demonopolised.

An influx of private investments will be significant if citizens become the main investors, because their total income accounts for the largest share of GDP. Investment incentives – to make bank deposits, savings on individual pen-

sion accounts and investments in stock and housing construction – arise when there is financial stability and the population's real income is growing.

The stability of finances and prices is achieved when market economic mechanisms are self-regulating and all economic entities – from



off Poverty

an individual to the entire state – have equal rights. Any lawless action by the government that skews naturally-established distribution, exchange or consumption of goods will disrupt the balance and lead to the inefficient use of national resources. In this context, the government and the NBU need to limit their interfer-

ence in bank liquidity, interest rates, lending policy and the commitments and material liability of financial institutions, including sorting out the debacles caused by defaults on loans.

Household incomes will rise as a result of structural economic reform (one that favours highly profitable industries), higher labour efficiency, more jobs and a higher employment level. Another contributing factor would be market distribution of investments, largely through a free stock market, and bank credits to finance business project issued on the criteria of profitability. Market investments may also be a result of cutting budget spending on government purchases and subsidising selected enterprises, as well as downsized government borrowing and lower corporate and household income taxes. A priority measure would be to scrap VAT and discontinue the NBU's practice of refinancing state banks and debt securities of unprofitable state corporations.

Motivation to work and do business will only be possible if the government clamps down on criminal and corrupt methods of enrichment, embezzlement of budget money, illegal ways used by certain individuals to secure political and property rent, illegal activities to secure monopolistic super-high profits, behind-the-scenes deals to appropriate government property, and so on.

More jobs and a higher level of employment could be facilitated through lower deductions companies must pay to the pension and social funds and exempting small businesses from these payments. Real tax reform is needed, reform that would cut red tape, put a ban on lawless dispossession of taxpayers of their property, stop the curtailment of their civil rights, introduce a defined-contribution pension system, annul the turnover tax on small businesses, etc. This reform would have to be the starting point for a dynamic expansion of small business.

An improved investment climate and financial stability are certain to

attract foreign capital to Ukraine. Direct foreign investments will facilitate technological upgrades of production facilities and increase their competitiveness. Then the surplus of the country's foreign trade and current payment balance will be real.

Ukraine's success depends also on how useful the budget policy is. National finances should be used to meet the needs of society's social and humanitarian development, as well as certain important national needs, such as security, large production infrastructure, utilities and social infrastructure. Budget financing of these needs must be at least doubled or tripled.

Social and humanitarian development has to do with science, education, spiritual and physical culture, healthcare, environment, housing and utilities, computerisation, as well as providing social aid to the underprivileged and socially vulnerable citizens. It makes sense to not only increase spending in this area but also fundamentally change the financing formulas – money should be allocated not proportionally to the size of staff, but in light of the volume of services needed by employees. The system of social benefits also needs to be profoundly reformed: benefits should go to the

MOTIVATION TO WORK AND DO BUSINESS WILL ONLY BE POSSIBLE IF THE GOVERNMENT CLAMPS DOWN ON CRIMINAL AND CORRUPT METHODS OF ENRICHMENT

poorest, the disabled, the sick, etc., rather than being awarded for "merits before the state" in continuation of the Soviet totalitarian tradition. The bulk of social and humanitarian payments should be disbursed from local budgets.

The special area of countryside infrastructure and agricultural production also needs enhanced financial support. There is no doubt that a different method to distribute and allocate finances from the state budget is needed: through bank accounts directly to farms, bypassing regional and local budgets and thus the greedy hands of local bosses.

The pay-as-you-go pension system dominates in Ukraine, and finances are transferred from the state budget to the deficient State Pension Fund. But deploying a de-



financed-contribution system would quickly fund that deficit and enable faster growth of payments made to low-income pensioners.

Budget spending in other areas needs to be cut and gradually cancelled. We need to leave the practice of providing various government assistance packages and recapitalisation for bankrupt companies and banks in the past.

The budget system needs to become less centralised. The local budgets of villages, towns and cities need to be filled autonomously with reliance on a local tax base and without subsidies from the national budget. Only certain regions that are recognised as depressed should be subsidised.

An efficient macroeconomic model calls for an adequate macroeconomic management system. This system differs from the existing one in three aspects: the government structure, functions performed by government agencies and the quality of top officials in these agencies. There is no need to keep so many deputy prime ministers and ministers, who largely busy themselves with their own affairs while in office. Reformed ministries and agencies need to include those that run the national economy in general and perform the special function of administration at the same time rather than managing certain groups of enterprises (industries, sectors, etc.). Such linear-type ministries do not have the right to exist, with a possible exception of the ministries of energy and agriculture.

The structure of the Cabinet of Ministers does not need to duplicate that of the ministries. It should be minimised, leaving only units that draft government decisions. Government agencies that provide services to citizens should be disbanded. (These services are to be provided by the private sector.) Also, needs Ukraine to do away with all directorates, agencies and state committees subordinated to ministries that perform largely the same functions as the latter but on a smaller scale or represent central government bodies in the regions.

Government administration bodies need to be stripped of administrative-structural functions regarding sectors, markets, groups of foods, etc. They should not be used as transit stations in the money flow from the treasury to

end recipients, i.e., they should not have the status of central financial distributors. Instead, their main functions should be to develop and implement financial-economic regulations that stimulate the development of the country.

Certain markets recognised as natural monopolies should be regulated by special national commissions, but they should be appointed by the parliament and not be subordinated to the government. As well, they should not regulate prices (as they do now) but control over monopolies, including prevention of abuse.

As far as the quality of top officials is concerned, it would be most sensible to appoint renowned

accompanied by external convergence of our institutes, structures, legal norms, knowledge, languages, values, standards, rules, relationships and procedures.

In general, with this value system in place, conceptual changes in macroeconomic regulation should secure a dynamic development of the country and a steadily increasing standard of living. **Tentative estimates show that the above-mentioned transformations could yield the following results:**

The total losses of enterprises will shrink to one-fourth or one-third of their current level in 4-5 years, which will bring an additional UAH 100 billion per year to the country. The profits of profit-making companies will rise by 15-20 per cent, which is another UAH 30-40 billion.

Indirect taxes (around UAH 190 billion at present) will go down by 20-25 per cent and pure government loans (UAH 117 billion as of 2010) by 75-80 per cent.

The inflation rate will not exceed 3-4 per cent per year; the budget will have a surplus of 1-1.5 per cent of the GDP, while the hryvnia exchange rate will not drop by more than 1-2 per cent per year.

Bank loans to enterprises may increase by 400-500 per cent, reaching UAH 200-250 billion, with the interest rates of about 6-7 per cent.

Investments into capital assets will double at the very least, rising to UAH 300-350 billion, while portfolio investment may grow by 6-8 times (to UAH 100-120 billion).

The national economy may employ approximately 2-2.5 million more people, and at least 2.5 million Ukrainians can be expected to return from emigration.

The ratio between social and pension payments and salaries will change due to higher levels of employment, and the deficit of the Pension Fund filled under the pay-as-you-go system will be history.

End consumption will reach a totally different level. The real income of the population may grow by 45-50 per cent, while hryvnia savings will double at a minimum.

Ukraine may post Chinese-like GDP growth figures, while international exchanges boost the country's gold and currency reserves and guarantee the security of household net worth. ■



UKRAINE REMAINS A PROVINCIAL EUROPEAN STATE THIS IS WELCOMED BY THE RULING CLASS, WHICH CAN PRESENT ITS ACTIVITIES AS PERFECT AND UNSURPASSED

specialists capable of thinking in national, country-wide terms rather than big capitalists.

A separate issue is **the quality of interaction between the economy and society and the external world**, from international exchanges to merging national markets. Today Ukraine gives the impression of being an island isolated from international processes rather than part of a large modern continent. Ukraine is still hiding behind a high wall as if it provided extra security and the country remains a marginal, provincial European state. One reason for this is that Ukrainian prosecutors and judges are resistant to all universal human values, Roman law and international courts and tribunals. This situation is welcomed only by the ruling class, which can leverage it to impose its thoughts and priorities on people and present its activities as perfect and unsurpassed in performance. Limited international exchange and high barriers to cooperation and transactions constrain the best macroeconomic factors and models. In any case, their application in Ukrainian reality produces a much more modest effect than in open national systems that are integrated into the world community.

Therefore, internal financial-economic improvements must be

Charles Beigbeder:

“Ukraine’s agricultural potential is the largest in Europe”



Interviewer:
Ivan Riabchiy

What associations does the name Beigbeder have for the average Ukrainian mind? Of course, books and films: 99 *Francs*, *L'amour dure trois ans* – but that is Frédéric Beigbeder, the writer, film director, literary critic, and advertiser. Another, with the same surname, is the writer's brother who is also a very versatile person. Charles Beigbeder founded Self Trade, a financial services company, and became one of the pioneers of European internet banking. Later, he advantageously sold the site to DAB, a German bank. Afterwards, Beigbeder founded and led an energy and telecommunications company named PO-WEO, which still remains France's biggest private agent on the

gas and electricity markets. This, he also sold for a profit; however, he retained his presidency over the Board of Directors.

Today, Charles Beigbeder owns Gravitation, an industrial and financial holding, whose sphere of interests includes, in particular, green technology (Green Alliance Company). He controls, via the Gravitation Group, the agricultural holding AgroGeneration, which owns 51,000 hectares of farming land in Ukraine (in Zhytomyr, Sumy, Ternopil, and Lviv Oblasts). Also, he was an honourable guest at the business forum 'Rencontres Ukraine' (Meeting Ukraine), which was recently held in Paris."

UW: You still continue your business in Ukraine, despite the much-spoken about crisis. Why?

– The answer is very simple: your country's agricultural potential is the largest in Europe. Ukraine is close to the EU and therefore our cultures have quite a lot in common. Also, you have plenty of well-trained experts. So, when we were starting out in 2006-07, the choice was obvious: we must go to Ukraine. There then followed a complicated stage of finding partners, investing, and so on.

UW: What was your first impression of Ukraine?

– You won't like it, I'm afraid. I was staying at a hotel which was not really very comfortable, and got food poisoning. But all in all, I had the impression of a huge country on the verge of a complete overhaul. By the way, since then (and that was in 2007) a lot has changed. Luxury hotels and good restaurants have appeared. Kyiv is a beautiful city and is comfortable to live in."

UW: Does your company have any problems with Ukrainians – say, on psychological or world-view levels?

– We have hardly fired anyone. Those who began with us, hired five years ago, are still working with the company. They are mostly young people, very motivated, friendly, and dynamic. A graphic example, if you like: at the very beginning our farm managers were afraid to break bad news..."

UW: Indeed, typical for Ukraine –

– ... while we tried to explain to them that it's okay, you should share everything, you should be transparent. It is better for us to be the first to learn bad news, before our shareholders get it!

UW: How have the political developments in Ukraine affected your business? You began under one team in power, and continue under another.

– The situation is now less stable, indeed. We are less confident about the future. In 2010 Russia suffered from numerous disastrous wildfires. This calamity brushed Ukraine too, and the government ordered export targets; it came as a bad surprise. Luckily, we were able to store most of our produce. Then, rent for land jumped twofold, without any warning. Now, land legislation is being debated, and it is very unsettling. We, investors, would like our voice to be heard.

UW: Do you see any other sectors in Ukraine's economy being attractive for investors?

– In my view, it is worthwhile investing in renewable energy. I might be interested, for one. But at present I am not prepared to take such a step. You need long-term contracts, pre-payments for the produced electricity – but I doubt that the government will be able to keep its promises, at least for the first three years. And even if I do have trust in Ukraine's government, you cannot say the same of banks. They will merely refuse me the loan. ■

The Importance of Being Re-Independent



Author:
Erkki
Bahovski

20 August 1991 is the Estonian Re-Independence Day. Namely, on that day just a few minutes before midnight, the Supreme Council of Estonia declared Estonia independent and some days later the international recognitions began to pour in.

The way Estonian independence was declared and what was written in the Supreme Council's declaration continue to influence Estonian society today.

The big question remaining is why it took so long for the Supreme Council to declare Estonia independent, given that the coup in Moscow started on 19 August 1991. The answer may lie in the fact that by 19 August 1991 there were two centres of power in Estonia which both claimed to be legitimate – the Supreme Council and the Estonian Congress. The latter had been created in order to coordinate the action by which the Estonian citizenry was to be founded. This meant that every Estonian could obtain a card from the Congress to prove that they themselves or their parents or grandparents had been living in Estonia before 17 June 1940 (the day the Red Army entered Baltic state).

Thus, before independence was to be proclaimed, a settlement had to be reached between the Supreme Council and the Estonian Congress. The latter was afraid that the Supreme Council would declare Estonia independent from scratch, e.g. without mentioning the republic's legal continuity. However, the situation was not comparable to the dual powers in Russia after the February Revolution in 1917 when the Provisional Government and the Petrograd Soviet fought bitterly against each other. In Estonia, many members of the Supreme Council also belonged to the Estonian Congress, and no blood was shed.

All in all, the negotiations were held quickly (it has to be remembered that the final result of the coup was unknown and Tallinn was full of Soviet tanks) and finally the declaration included a reference to the legal continuity as well as to the re-establishment of diplomatic relations.

The word 're-establishment' was not an accidental choice. It gave many countries a smoother option to recognize Estonian independence, Finland being notably one of the best examples. By way of a tradition from the Cold War era, Finland was trying to

keep good relations with the Soviet Union until the very end, but the coup forced Finland to take sides. Still, a blunt recognition of Estonia's independence would probably have evoked a stronger reaction from Moscow than the re-establishment of diplomatic relations.

Legal continuity also meant Estonia could reclaim assets the nation had before 17 June 1940 in foreign countries (mainly embassy buildings and gold). Estonia did not have to apply for membership in many international organisations (like the IOC) since its status there was simply renewed. All in all, the reference to legal continuity gave rise to many favours for Estonia in terms of foreign policy.

However, in terms of integration, legal continuity meant trouble. If Estonia had declared itself independent as a new country, it should have granted citizenship to all its inhabitants, not only those who had roots in Estonia before 17 June 1940. By 1991, about one third of the population was Russian-speaking and as subsequent events showed, they were left without any citizenship on the grounds that

neither they nor their parents or grandparents lived in Estonia before 17 June 1940. A huge majority of them had arrived in Estonia during the Soviet era, perhaps the only exception being the Russian Old Believers who had settled in the country

THE CONCEPT OF LEGAL CONTINUITY ALSO BROUGHT ALONG THE OPPORTUNITY TO CLAIM THAT THE SOVIET UNION HAD OCCUPIED ESTONIA

at the end of the 17th century.

The concept of legal continuity also brought along the opportunity to claim that the Soviet Union had occupied Estonia. Thus, immigration from other parts of the Union was against the Geneva Convention which forbids bringing in civilians under occupation. As a result, a majority of Russian-speaking people in Estonia found themselves illegal. This controversy haunts Estonia even today, although many Russian speaking people have obtained Estonian citizenship. Accusations of being forcibly assimilated into Estonian society and of being discriminated against still continue to come from the Russian government. This is the price Estonia pays for adhering to the concept of legal continuity.

Last year, Estonia celebrated its 20th anniversary of re-independence. Some people are counting the years still to pass before Estonia will exceed the 22 years (1918-40) it was independent before the war. This will take place in 2014. By then, Estonia will have been independent for a total of 45 years. ■

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Money Games

Hundreds of millions of hryvnias allocated from the state budget to prepare for the 2012 Olympics, sometimes proved “too little” even for drinking water or good gear. Athletes say money has been used inefficiently

Author:
Valeriya
Burlakova

Ukrainians earned 20 medals at the 30th 2012 Olympics in London, putting the country's Olympic team in 14th place out of 204 participating nations. For a country that seems to think about its sports programmes only in the run-up to an election, this is a decent result. Still, compared to previous summer Olympics, these Games showed a clear drop in mastery.

MORE MONEY, FEWER MEDALS

The authorities are trying to make excuses after having planned to claim a successful result in the Olympics as one of their own achievements. Nevertheless, they do not appear very persuasive. “Good for us”, Ukrainian Youth and Sports officials said of the Games, “we are ahead of Spain, Canada and other countries with much better developed sports and economies”. “Preparations for the

2012 Olympics were fully financed,” these officials report. “This year UAH 72.172mn was allocated for the final stage of preparation for Ukraine's participation in the London Olympics”. Just UAH 37.849mn was allocated for the Beijing Olympics in 2008.

In fact, Ukrainian athletes paid for their own preparation, some finding sponsors among businessmen and politicians. For example, the medals won by weightlifters and boxers are said to be more or less due to generous patrons.

“Ukrainian boxers have never showed better results at the Olympic Games (Ukrainian men's national team has taken the highest place of the entire Ukrainian team, having won five medals, including two gold, one silver and two bronze ones. – Editor).” Ukrainian world boxing champion, professional boxer and coach Andriy Synepupov said. Synepupov ended his amateur ca-



reer in 1990 and found professional boxing to be a very different sport with another level of budgeting and financing. At the same time, he said today's amateurs also have good training bases and gear. “This can be proved by the boys' achievements and the fact that they are saying that everything is okay”, he added, “If things were not okay, they would switch to professional sport. Since they are not switching, everything must be fine. Also, former boxers and even people who never boxed but are simply passionate about the sport often volunteer as sponsors”.

“The effect of the Klitschko brothers” is a special Ukrainian term for this. More money is invested in popular boxing, and consequently, it dominates over other Olympic sports. Financing of other sports is dropping based on the principal of “no results – no money”, as the new Olympic champion Yuriy Cheban (canoe-single, 200 m) remarked.

Indeed, there are many sports fans ready to support boxers and other Olympic competitors, but “charity” of this sort is often made for personal promotion and not out of kindness. Such PR is necessary for both entrepreneurs and politicians. The latter need it badly now, just before the elections. So it is of no surprise that “Olympic Passions”, a TV program by popular anchorman Savik Shuster, was conducted in Russian and in-

SPARTAN TRAINING BASE: Even with millions allocated for athletes to prepare for the Olympics, the authorities failed to provide convenient living or training conditions for them



PHOTO: UNIAN



PHOTO: VALERIYA BURIAKOVA

cluded political “product placement”. The names of some powerful representatives whose financial support helped a certain athlete win a medal, were mentioned in the program sometimes for no apparent reason at all.

Things like this often approach the boundaries of the absurd. For example, press secretary for Liudmyla Yosypenko, who lost her bronze medal in heptathlon due to protests from the German team, explained to *The Ukrainian Week* that should one want an interview with the athlete, one must talk about “her patrons” among other things.

CONCENTRATION CAMP FOR OLYMPIC SPORTSMEN

Though many athletes gained from sponsorships, most Ukrainian Olympians still had to count on state support. And yet some of them never received it, despite declarations about the state allocating a total of UAH 560mn for athlete preparation ahead of the 2012 Olympics.

Some Ukrainian delegations lacked even the bare essentials and many spoke openly of their trials before the Olympics. For instance, the athletes’ training base near Kyiv not only lacked air conditioning, elementary sleeping accommodations (athletes had to buy their own mattresses to avoid backaches), clean toilets, necessary sports gear and so on, but also water and food. “They gave us

SPARTAN BASE

Having allocated millions for preparation ahead of the Olympics in London, the state could not provide its athletes with the bare essentials for training. Medals won by Ukrainian athletes These Olympic Games in London brought very few medals to Ukrainian athletes.



OUT OF STABILITY

Will Party of Regions political engineers have the good sense not to rate the 2012 Olympics as the authorities’ achievement?

half a litre of water a day, and it was not the best water. When we asked where the water was, they said we should wait... But we were not asking for lobster, we’re asking for water!” athlete Yelyzaveta Bryzgina said, expressing her indignation before the Games.

Athletes were also fed as modestly as possible. “I’d like to have better conditions and better food, at least before the Olympics, especially in the cafeteria”, World and Europe triple jump champion Olha Solodukha told television journalists. Yet, despite her hardships she still won a bronze medal in London.

The state allocated UAH 205 a day per one Olympic participant for food and more than a few of the athletes think some money

ered stadium with proper conditions”. Gymnasts have problems, too. “I was really sorry for them, when watching their performances,” Denys said. “They are modest, patient and industrious. But they don’t have the bare essentials for training”.

Currently there is also another problem – there is no new generation to be raised as future Olympic champions. “Sports is not popular in our country, and the authorities do not care about popularizing it,” Sylyantiev says. “It is more difficult to choose a sportsman out of ten, than the best out of a thousand. There is no effective competition in Ukraine.”

State authorities only remember sportsmen, he said, when they need them for PR, and that is when they suddenly start talking about prize money for medals. Those athletes who do not win a medal get practically no material compensation.

“Twelve years ago our swimmers who participated in the Olympic Games got nothing but one suit per athlete. These Ukrainians felt ashamed,” Sylyantiev. “This year it was even worse. The swimmers paid for their own suits, because the ones provided by the state were the wrong size or torn. One of them told me it was impossible for him to swim in the suit he received and all of his training proved to be of no use at all”.

Unlike in previous Games, Ukrainian swimmers did not win any Olympic medals in 2012. ■

MANY UKRAINIAN ATHLETES LACK SOME BASIC CONDITIONS FOR TRAININGS

was simply stolen. “Money allocated for athletes is used inefficiently”, 2000 Olympic Gold swimmer Denys Sylyantiev told *The Ukrainian Week*, “There should be more thorough control over the use of money”.

Sylyantiev also said that many Ukrainian Olympians do not have the bare essentials for training. “It is a general problem, in all regions of the country. Not only swimmers lack training bases. For instance, track and field athletes lack a cov-

Faster, Higher, No Longer

Is it time to update the Olympic credo?



On august 5th millions of people will watch the 100-metre final at the London Olympics. Many will wonder if anyone can repeat Usain Bolt's feat in Berlin in 2009, when the Jamaican clocked 9.58 seconds, lopping 0.11 seconds—aeons in a sprint—off the previous world record, which he set at the 2008 Beijing games.

One person who thinks this unlikely is Mark Denny. Another 0.11 seconds would take the time below what Dr Denny, from Stanford University, reckons is the absolute limit of human athletic performance in the 100-metre dash.

In 2008 Dr Denny published a paper in which he crunched through the highest speeds achieved each year in running events from sprints to the marathon, some dating back to 1900 (see chart). A statistical technique

called extreme-value analysis discerned trends and the maximum possible deviations from them. For the 100 metres, the human speed limit is 10.55 metres per second. This translates to 9.48 seconds.

Predicting the limits of human athletic prowess has been a popular parlour game among number crunchers. One study from 1992 had female marathon runners drawing level with men by 1998, to complete the 42.195km (26.2-mile) course in just under two hours and two minutes. (The current male record remains 1.5 minutes slower; for women it is 12 minutes slower still.) A more recent analysis from 2004 suggested that male and female 100-metre times will converge in 2156, at 8.08 seconds.

Nowadays sport statisticians view such calculations as flawed because they relied on linear ex-

trapolations. They prefer to fit data to variants of a “logistic” curve. This produces an S-shaped plot more in line with the intuition that performance starts off relatively flat. It then goes through a period of rapid improvement as more people take part and more systematic approaches to training and nutrition get more out of them. It finally levels off as athletes inch towards the most a body can manage.

This already seems to be happening. According to Dr Denny female marathon runners have, in effect, reached their peak. In a 2010 study Geoffroy Berthelot, of France's National Institute of Sport, showed that performance in 23 out of 36 track-and-field events has stagnated since 1993. The remaining 13 have seen only small increments.

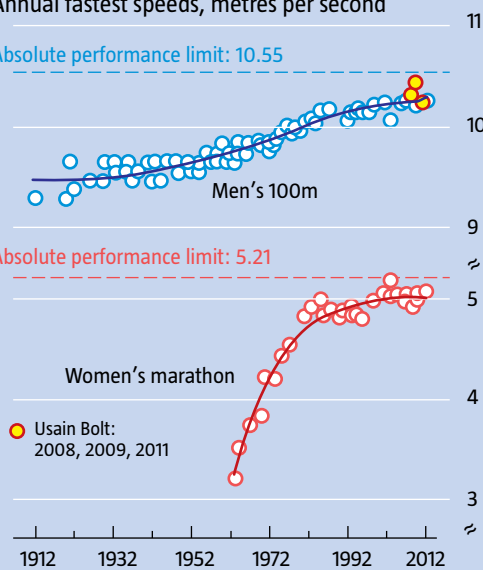
In swimming, Dr Berthelot found that all 34 events have seen

Hitting the wall

Annual fastest speeds, metres per second

Absolute performance limit: 10.55

Absolute performance limit: 5.21



Sources: Journal of Experimental Biology; IAAF; The Economist

improvements since 2000, though this may have been aided by the now banned slick, full-body swimsuits which helped competitors in Beijing smash 22 world records. Before 2000, performance in 16 events had been becalmed, though not in the 400-metres individual medley, which may explain why China's 16-year-old Ye Shiwen shaved a second off the world record and in the final leg stoked controversy by being quicker than the men's medley champion. But Alan Nevill, of Wolverhampton University in Britain, reckons this is within the bounds of possibility for the 400-metres women's free-style: a proxy, albeit an imperfect one, for the last leg of the medley.

Drugs and technological tricks aside, ensuring that future Olympics live up to their motto of "faster, higher, stronger" may thus require some other performance-boosting tricks. Steve Haake, of Sheffield Hallam University in Britain, points to a notable blip in the figures for the 100-metre dash. In 1968 the average of the best times of the top 25 athletes was much better than trend. This, Dr Haake explains, is because those Olympic games were held in Mexico City. At an altitude of 2,240 metres the air there is a fifth thinner than at sea level, providing 20% less drag—a boon to sprinters who, unlike their endurance counterparts, run anaerobically, and so need not worry

about the diminished supply of oxygen.

Eight of the 25 best times that year were recorded at the games, and most of the remaining 17 were at higher-than-usual altitudes where athletes prepared for the main event. The reduced drag may have helped Bob Beamon's 8.9-metre long jump, in which the American added 55cm to the world record. Of that, 31cm was down to a tail wind combined with the altitude.

Statistics suggest that feats like those of Messrs Bolt and Beamon are increasingly improbable. But are they impossible? Peter Weyand, of Southern Methodist University in Texas, has shown that whereas the peak force which elite sprinters apply to the track is more than four times their body weight, they can squeeze even more out of their muscles. Dr Weyand found that the forces generated while athletes hopped on one leg as fast as they could on a high-speed tread-

mill were roughly twice as high as during running at top speed. This translated into 30% more ground force.

Since ground force is the main determinant of sprinting speed, Dr Weyand's results imply that human muscles are capable of producing enough oomph to propel sprinters one-third faster than Mr Bolt's 2009 record. The reason they have not is that in the normal, two-legged gait the foot is in contact with the ground for only around one-tenth of a second, 0.05 seconds less than when hopping. As a consequence, muscle fibres do not have enough time to contract to their full potential. Although tapping all this force while sprinting seems biomechanically inconceivable, there may be scope for slight alterations in training and gait, focused on increasing the peak power available to sprinters. For his part, Dr Denny would be thrilled to see any athlete breach his limits, but he isn't putting any money on it. ■



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After the Olympics

People in Britain today feel as though they have just been at the best party of their lives, have a rather sore head and are dreading the return to work

Author:
Michael Binyon, UK

The London 2012 Olympics were generally seen, not only by the British but also by scores of other countries, as the most successful Games for many years. And Britons, whose first instinct was to grumble, complain and voice fears that the Olympics would be a disaster, are euphoric. Amazed that nothing went wrong - no terrorist attacks, no scandals on or off the sporting venues, no disastrous hold-ups in the transport systems - they are now indulging in a rare burst of pride, patriotism and self-congratulation.

But beneath the triumphant headlines, everyone - politicians, sports authorities and economists - are warning the nation that the big challenge of the Olympics is still to come. How can the spirit of optimism, hope and joy which permeated the Games be nourished and put to good use in other ways? What will be the future of the lavish new sports facilities erected in east London, and how can they be properly used? What, in short, will be the future legacy of London's third Olympic Games in 104 years?

In 2005 London won the Games in Singapore largely because it promised to do what few other Olympic cities have done in the past - take the facilities built to accommodate the world's athletes for just two weeks and use them after that to make a permanent change to British sports provision and to the training of future athletes. But just as the joy of Singapore was, for London, brutally cut short the next day by the terrorist bombings in the capital on July 7, so the 2012 Games now face the brutal reality of life after the closing ceremony.

David Cameron, the Prime Minister, is fully aware of the task. He knows the country is facing a huge anti-climax. He knows that political bickering will resume, that recent dismal economic figures are piling pressure on the government and that harsher stories will soon fill the space on television and in newspapers occupied for two glorious weeks with pictures and films of Britons winning gold medals.

He moved swiftly, therefore, to announce on the day of the closing ceremony that he had appointed Lord Coe, head of the London Organising Committee, to take responsibility for delivering the promised legacy. As the golden boy of British athletics, Sebastian Coe had won gold medals in the 1980 Moscow Olympics, and for the past seven years has passionately lobbied for improvements in British sport, using lottery money to fund more facilities and training. The results have been impressive. In Atlanta in 1996 Britain won one gold medal; in London the country won 29.

Most of the main Olympic buildings have already been earmarked for future use. Some will be dismantled and re-erected elsewhere in the country where there are few good facilities. Most will remain at the heart of the Olympic Village, which will itself become a main sporting venue for London, a training centre for top athletes and a big tourist attraction. It is intended to be open to the public less than a month after the Paralympics, which begin on August 29 and last until September 9.

The key question, however, is money. Will British sport receive the high funding that boosted performance in the run-up to London 2012? The Government

ALMOST PERFECT: Olympic constructions in London will remain the heart of athletic and tourist life in the UK after the games



had planned a steep cut in the 125 million yearly grant for Olympic sports. Now, with hopes rising for Rio, this has become politically impossible. Funding will be kept at the same level until 2016, and schools will be ordered to include

THE COUNTRY BELIEVES IT HAS FOUND A NEW HARMONY THAT IT IS KEEN TO SHOW TO THE WORLD: TOLERANCE AND ACCEPTANCE HAVE GENERALLY WORKED

sports training as part of the curriculum for all pupils. The government is also keen to encourage more private sponsorship.

More difficult is the question of maintaining the Olympic spirit. Most commentators have paid special tribute to the 70,000 Games volunteers, of all ages, races and professions, who got up before dawn to take up their positions at railway stations, first-aid points and pedestrian crossings to guide, help, comfort and encour-

SUCCESSFUL INVESTMENT INTO SPORTS
In 1996, the UK won one gold medal in Atlanta. In 2012, it won **29** in London



PHOTO: REUTERS

age the many thousands streaming to the Games. They were picked from around 200,000 people who applied. All were given uniforms. Many were given some training. Is this a model that could be applied to other areas? Could volunteers be encouraged, trained and supported to work in larger numbers in schools, community centres, youth clubs, in the health service and in all the areas where government funding is not enough or is being cut?

Many Britons would like this spirit of altruism to continue. But it is not easy. People will turn out on a special occasion; most are not willing to be recruited as free labour to make up for shortages in schools and hospitals.

Can the Olympic success also be turned into tangible material advantage for Britain? In some ways, the answer is yes. The Games were the best tourist publicity and investment advertising anyone could have wanted. Billions of people across the world saw pictures of London. There is nothing the Government can do about Britain's poor weather, but



SAD LEGACY: Objects constructed for the 2004 Olympics in Athens are mostly neglected today. The British are confident that they will avoid the "Greek syndrome"

it hopes that an image of relaxed friendliness - not the usual picture most foreigners have of Britain - will encourage inward investment. Government ministers used the Games to hold political discussions with dozens of world leaders and also with businessmen visiting London. No new contracts have been announced, but initial contacts have been made in many important fields.

Hope that the Games would deliver an immediate bonanza in London's shops were unrealistic and not realised. Few people came to London to go shopping, visit theatres and museums or spend money outside the Olympic venues. London businesses complained that this August was the quietest they have seen for years. Streets were empty, shops deserted. But many visitors be planning a return at some future date.

Two deeper questions are now being debated in post-Olympic Britain. What have the Olympics done for Britain's place in the world? And what have they told Britain about its own self-image and its understanding of the kind of society it is today?

The image, most Britons hope, has been improved. But it has also changed. Gone is any reference to the imperial past, the Second World War, the traditions of Shakespeare, the aristocracy and ceremonial. Instead, as the opening ceremony showed, Britain is very much a multi-cultural nation. Black Britons were essential to Olympic success. Mo Farah, the double gold winner of the 5,000 and 10,000 metre races, is hailed today as the greatest British hero. He is a Muslim who came to Britain as a refugee from Somalia at the age of 8. Coping with the strains of a multi-ethnic and multicultural society has been difficult for many in Britain. But the country believes it has found a new harmony that it is keen to show to the world: tolerance and acceptance have generally worked. Above all, Britain is proud of its sense of humour. Even the Queen took part in the opening ceremony jokes.

This same debate is also going on about the country's own self-image. Are non-white Britons now fully accepted as equals by the white majority as fellow Britons? Are the traditions of tolerance still as strong as ever? Can the idealism of young people prevail over what has become a cynical and often shallow public culture? It proved possible to change the way Britons behaved towards each other in public during the Games. If that change can be maintained, then the Olympics will have left a permanent and positive legacy. ■

Fast Down the Rails

The turbulent history of electric trams



OPENING OF
THE TRAM RAILWAY:
Trams were the main city
transport in Lviv until the
mid-20th century

The Ukrainian Week offers a series of articles about technological inventions which have changed human history and induced civilizational progress and modernization of the economic, social and cultural landscape. This story tells about trams, the first urban means of transport.

The origins of the oldest urban public transport date back to the beginning of the impetuous age of technological progress, industrialization and urbanization. The boom in urban population, growth of city areas, industrial development and the pace of life acceleration brought about the need to develop urban transport. Thus the tram was to put an end to urban chaos, to lay the basis for public transportation in large cities and make it easier for workers to get to plants and factories and for sellers to get to city markets.

FROM HORSE TRAM TO ELECTRIC VEHICLE

The first trams originated in the British Isles (Wales) in the begin-

ning of the 19th century and used horses. Unlike carriages, horse trams moved along rails and pulled heavy metal coaches with open or closed wagons. Despite an early start, "horse vehicles" were slow to win popularity in the big cities of Europe and North America in the first half of the 19th century. They were gradually displacing horse-drawn omnibuses, the predecessors of modern buses. The principal trouble with horse trams was the inconvenient exploitation of animals usually having to work several hours per day, needing maintenance and care. Moreover, they left a lot behind to clean up.

But in spite of these defects (not really apparent at that time), horse trams were the first to start

regular passenger transport in big cities. They were very popular with citizens, proof of which is the fact that in the mid 1880s, the United States had 415 carriage companies with trams covering over 6,000 miles a year and providing 188m passengers with transport. The invention of the steam engine replaced "horse vehicles" with steam power trams and cable cars, but it was the electric current that brought the greatest potential for developing this means of transport.

The electric tram is the brainchild of the genius engineer and inventor Werner von Siemens. His Siemens & Halske company opened the world's first tram line between Berlin and Lichterfeld in 1881, and in the same year electric

trams started moving along the streets of Paris.

The United States established their urban electric transport independent of Europe. The first American tram was launched in 1885 thanks to inventor Leo Daft, and a year later, Pittsburgh, New York and Cincinnati had their own tram lines. It was in 1885, too, that Minneapolis opened a tram designed by another inventor, Charles Van de Poule. The final flourish was added by engineer Frank J. Sprague, the inventor of the world's first trolley system.

THE COST OF A MISTAKE

The first tram in Ukraine was launched in Kyiv in 1892. Its creator, engineer and businessman Armand Struve also organized the construction of a railway bridge across the Dnipro River (currently Darnytskyi Bridge in Kyiv), the first centralized water supply and gas lighting system.

Kyiv's electric tram was launched in Kyiv due to a curious incident. Struve managed to get a concessionary right to establish the first city network of horse tram lines in 1881, after a tough competitive fight. But the first year of transport exploitation brought the inventor big losses. Horses tired quickly on Kyiv's steep slopes and were unable to pull heavy tram cars full of passengers an entire day. A tram required 10 animals a day to operate.

After this, Armand tried to use locomobile (steam tram) in difficult areas, but this was not cheaper, and so the inventor decided to have an electric tram — the latest European innovation — run down Kyiv streets.

The administration of Kyiv telegraph, fearing electric engines would interfere in the work of electricity and telegraph networks, strongly opposed new means of transport. Some city council deputies, in particular those linked to the owners of stud farms, were quick to support the telegraphers. But the engineer managed to set the project in motion after getting Kyiv millionaire Lazar Brodsky involved.

The first two trams were built based on American designs at the Russian Kolomenskiy machine building plant in which Struve was a shareholder. The tram was tested by the official commission



THE TRENDSETTER: Kyiv Herbrand tram at Fundukleyivska Street, now Bohdana Khmelnytskyi St, early 20th century

on 9 June and passenger transport was successfully launched on 13 June 1892. Kyiv citizens must have been proud of the event, as it was the first tram in the Russian Empire.

Other cities were quick to adopt the idea of city electric transport. Having estimated the prospects of the business, offers from foreign companies rolled into Ukraine. The next electric tram was launched by a Belgian company in Katerynoslav (currently Dnipropetrovsk) in 1897. It was the third tram of that type in Ukraine (after Kyiv and Lviv) and

1917 revolution. Belgian businessmen later took over the Kyiv tram network. The city authorities tried to buy out the profitable industry and induced a lingering confrontation with the foreign investor wanting to either keep its share in the business or at least gain the highest possible profit. But in the end the revolution made losers out of both parties. In 1919, the tram business was nationalized by the Bolsheviks.

CITY BRAND

Ukraine's second electric tram was launched in Lviv in 1894, when the city authorities announced a tender for the transport system. The reasons were quite mundane — horse trams could no longer cope with the volume of passengers. Siemens & Halske won the tender and launched the Lviv electric tram line on 31 May 1894. This was the fourth tramway in the Austro-Hungarian Empire.

But local horse carriers blemished the almost perfect project. The first local tram was pelted with tomatoes and rotten eggs. A wife of one of the carriers, Lviv newspaper wrote, "proposed to a tram something totally impossible to make and accompanied the proposition with relevant gestures". In short, the woman proposed the vehicle "to kiss her ass". Lviv carriers' reaction was natural, as the tram was ruining their business. Still, progress could not be stopped and city electric trams even appeared in Chernivtsi before World War I.

New trams drastically changed the look of the cities. It is hard today to imagine cities cleaning up straw dumps and the

THE TRAM WAS TO PUT AN END TO URBAN CHAOS AND TO LAY THE BASIS FOR PUBLIC TRANSPORTATION IN CITIES

indeed in the entire Russian Empire. Saint Petersburg got its first electric tram only in 1907.

The Nijvel company (Belgium) launched transportation in Odesa in 1910. Electric cars also operated on the streets of Yelysavethrad (currently Kirovohrad) before the

TRAM DEPOT: Tram repair garage in the 1930s





smell of excrement. As horses faded away, streets stopped being cobbled. Trams also started playing a social role. It was now normal for citizens to have tram stories and jokes, to make acquaintances and even fall in love while in transport.

The Lviv tramway line functioned in spite of all the political and military turbulences of the first half of the 20th century and later became one of the cultural brands of the Western Ukraine capital. The tram business was almost devastated during World War II, in particular due to the shooting and bombing that was part of the Soviet assault in September 1939 and the Red Army's seizing the city in July 1944.

The tram line was suddenly halted in 1947. Due to after-war "population exchanges" between Poland and the Ukrainian Soviet

Republic, all the Poles were evicted. As Poles made up 80% of the city tram management, Lviv had to recruit railway personnel and experts from Eastern Ukraine to fully resume transport.

CONTRASTING DEVELOPMENT

At the beginning of the 20th century, the tram won popularity in the biggest cities all over the

number of people from their homes to work. Compared to underdeveloped motor transport, trams were cheap and efficient.

In 1920, all the largest cities of the world were covered with tram rails. But at the beginning of the 1930s the development of trams in Europe and North America began to differ from developments in the USSR. In the West, trams began to lose the competitive struggle with other means of transport — buses and private cars. Besides, there was another electric rival — trolleybuses which required a cheaper infrastructure. As a result, in 1930s tram development slowed, while after the World War II city streets were already full of private cars, gradually turning trams into anachronisms.

In 1971, French President Georges Pompidou said that the city had to accept the motor car.

IN 1920, ALL THE LARGEST CITIES OF THE WORLD WERE COVERED WITH TRAM RAILS

world. City expansion, active industrial and technological progress made public transport a crucial issue, as it was necessary to organize the transport of a great



CHEAP PUBLIC TRANSPORT: Trams were extremely popular in the USSR due to the ill-developed car industry

His words depicted the world trend in urban transport. During the 1960s and 70s, trams almost disappeared from the city streets of North America, France, Great Britain, India, Turkey, Australia and so on. Meanwhile, the situation in Germany, Austria and Belgium was completely different. There trams were not only still used, but also modernized; the tram's native land was not willing to give up its invention — a desire which proved to be a good decision.

At the end of 1970s, motor transport development led to new urban problems, namely the deterioration of city environments and huge traffic. Smog, traffic jams, noise and a lack of parking places became a city routine. Municipal administrations had to spend significant funds on bus fuel due to high oil prices. As authorities faced the need to protect their environments, more ecologically-friendly public transport was found in a revival of trams.

To achieve this, engineers needed to encourage car drivers to use trams, which required a new attitude to the old-fashioned transport. New electric tram designers provided their vehicles with futuristic looks. In 1978 new tram lines were established in Canada and later in the Netherlands, France and Great Britain. For places where it was impossible to put rails, experts proposed an alternative of trams on tires with the vehicle moving with the help of wheels and one rail.

The tram revival process included one more interesting detail — the majority of car drivers refused point-blank to sit on a bus or a trolleybus, but willingly used rail transport. Mostly due to this, the tram finally won the competitive struggle with trolleybus.

The USSR did not have any of these highs and lows, as trams never disappeared from Soviet city streets. Instead, the Soviet Union modernized them, in particular by establishing express tram lines in Kyiv and Kryvyi Rih. This was due to the fact that in contrast to Europe and America, cars were a luxury for the average Soviet citizen and most of the population had no alternative to surface transport, apart from trams.

The situation in Ukraine changed radically after independence in 1991. A huge number of private cars and minibuses reduced the scale of surface passenger transport by trams. Meanwhile insufficient financing has led to the deterioration of tram lines. In many cities, trams have essentially disappeared. In Kyiv, a public movement has been set up called Kyivans for Public Transport, whose members demand the city's tram and trolleybus networks be preserved. Now Ukrainian cities are facing the same problems their Western counterparts faced in the 1970s. Traffic jams have already led many drivers leave their cars in the parking lots and use the subway or tram instead. ■

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Taste the MBA on Welcome Day

Dagmar Ostrzhanska:

“People need something to identify themselves with. What should it be? Language of course!”

The language issue is a tool for speculation in Ukraine, the Ukrainian book publishing industry is being ruined and the country sticks to its traditional cultural isolation, while many European countries use their diplomatic missions for active representation of their humanitarian sectors. What is more, they induce Ukrainians into dialogue. Dagmar Ostrzhanska, director of the Czech Centre in Kyiv tells *The Ukrainian Week* of Czech-Ukrainian cultural relations, the Ukrainian art underground and the language inertness of Ukrainians.

U.T.: Could you describe the establishment of Czech cultural centres? Were they initiated by the state?

Yes, it was a state initiative. Czech centres were subordinate to the Foreign Affairs Ministry. ‘Sister states’ of the former social camp, including Romania, Bulgaria, Hungary, USSR and Poland, all had similar centres. After 1989 and various geopolitical changes new centres were founded in Western Europe, America, Japan and Ukraine of course. In general most of our centres (22 in total) are located in Europe. They deal mainly with the representation and promotion of Czech culture in the world. I’d like to mention that in 1996 when the Czech Centre in Kyiv was being established negotiations were on the way as to the establishment of a similar Ukrainian centre in Prague. I don’t know why they were unsuccessful.

U.T.: Is modern Ukrainian culture presented well enough in Ukraine?

There are interesting places here, but one has to search for them. In general many events are held in Ukraine in fact, but they are, let us say, underground ones. One has to make some effort to get any relevant information or pay attention to acquaintances’

Interviewer:
Yuliya
Stakhivska



I SPENT FIVE YEARS LEARNING UKRAINIAN AND I'M OFTEN SURPRISED WHEN THE LOCALS DO NOT SPEAK IT

recommendations about certain events. There are very few announcements and posters advertising events of really high quality. For instance, I am not interested in mainstream, while there is plenty of information about that. The issue concerns galleries too, it is difficult to find them as they are often hidden in enclosed streets. It is totally different in the Czech Republic and the rest of Europe, where showcases of galleries and bookshops are available in central

streets. Though, you know, I have never regretted spending time on ‘cultural searches’ in Ukraine.

U.T.: What challenges do you have working in the Czech Centre in Kyiv?

It is a rather complicated area. For instance, we don’t have our own gallery, unlike similar centres in Moscow, Paris and New York. So I have to look for exposition halls by myself and deal with gallery keepers who mostly treat the issue as simple business instead of cultural support. There are real supporters of course, but most of them are only willing to work on terms of leasing. Such a peremptory approach leaves no room for a gallery itself, as it should surely have its own concept and interests.

U.T.: Speaking of gallery halls, Czech contemporary art and David Černý, for instance, come to mind. Are there any joint projects with Ukraine in this area?

It is weird, but our countries have not even signed an intercultural cooperation agreement yet. It means everything we are working on is our way ‘from the bottom’. But there is no point in waiting, action is needed. That is why we

want to organize a seminar for seven art curators. It will be a real journey including visits to Czech museums, galleries and exposition centres to get your managers acquainted with the area and to awaken their interest. Next year we are going to organize an exposition of three modern Ukrainian artists in the gallery of the Czech Centre in Prague. That will be a joint project with curator Mykola Skyba. Meanwhile, we would like to see our painters at the next Ukrainian ‘Arsenale’. It will be quite a surprise if the Czech Republic will not be presented either at the biennale, or at the Sculpture Festival in the Botanical Gardens, meaning that our country is absent on the world cultural map.

U.T.: Which Czech writers are going to visit Ukrainian book events this year?

Books are also important for us of course, as they last long. We have a Ukrainian partner, Tempora publishing house, working jointly with us on four books to be published next year. We have also established a translators’ competition together with the Consulate General of the Czech Republic. There will be new publications based on the competition’s results. The Czech Culture Ministry also provides us with support and grants for translations of our literature abroad. Unfortunately, publishing houses lack information about it, thus we are calling on them to cooperate. Besides, currently we are deciding which writers are to visit the Lviv Publishers’ Forum. Famous authors, namely Jaroslav Rudiš, are to participate. Moreover we are planning to translate *End of Punk in Helsinki*, a novel by Mr. Rudiš. We are also working on the publication of Petra Hůlová’s novel about emigrant Ukrainians living in the Czech Republic. Translations of *Hovno hoří* (Shit on fire) by Petr Šabach and children’s fairytales by Markéta Baňková are also on the way. We’d also like to publish three plays by



“In terms of Czech films, I recommend Protector (Protektor in Czech) by Marek Najbrt and Alois Nebel, an animated drama directed by Tomáš Lunák”



Václav Havel which would be a good suite for a new book *Disident Václav Havel* by Daniel Kaiser, which is now available in Ukrainian bookshops. We are interested in further cooperation, as Ukrainians probably know too few Czech writers or novels. They often mention nothing but *The Good Soldier Švejk* by Jaroslav Hašek and stories by Bohumil Hrabal.

U.T.: What general trends in modern Czech literature could you highlight?

I have already mentioned Petra Hůlová, Jaroslav Rudiš and Petr Šabach. Mostly they are translated in Scandinavia, Germany and Austria. Almost all our neighbouring countries know these writers. There is also an interesting young writer Kateryna Tuchkova. Her novel *Exile of Hertha Šnirh* deals with complicated points of the country's history. The thing is that Czechs' cool tempers are always a cover for laziness. Let's think of the fact that we were not protecting our country, when the Germans came. We did not fight and surrendered; only borders were defended. There was another point of this sort, namely expatriation of numerous Germans living in the Czech Republic after 1945, they were evicted or killed. Kateryna Tuchkova's book tells about a woman from Brno, where a large German community had lived. A people can only realize its mistakes over time, as it is very difficult to be fair after a war.

U.T.: Which Ukrainian writers are familiar to Czechs?

Those particularly interested in this issue might mention modern authors, such as Oksana Zabuzhko, Yuriy Andrukhovych and Serhiy Zhadan. These are the authors actively visiting book events in the Czech Republic.

U.T.: What about those who have no particular interest in the issue, what do they know of Ukraine in general?

Ordinary Czechs are aware of the only thing about Ukrainians, namely of their 'work', they know nothing about your culture. I was not a fan of Euro 2012, but, it was the event which made many people in the world aware of the existence of Ukraine. I had a similar experience when I went abroad

in 1992. Many people were sympathetic to me saying "Oh, Yugoslavia! You're going through a war...". Europe knew nothing of the Czech Republic's existence! For instance, the French were really surprised to know we have a border with Germany! They often thought we were refugees... But Vaclav Havel helped the Czech Republic; he was not only a president and artist, but also a citizen of the world, opening our country to others. Meanwhile, Euro 2012 has helped you; it turned out to be an advertisement for you.

U.T.: Your Ukrainian is really good! Where did you learn it?

Well, I had Ukrainian studies and art history as my major in Brno University. Later I had a training course in Kyiv and worked in the Crimea.

U.T.: We are currently witnessing the bilingual problem of Ukraine becoming more acute. How do you think the public should respond?

The Czech Republic is known to have got rid of this problem a long time ago; it has been 150 years now since we had a language 'turn'. Since then the Czech language has had a position equal to German, while nowadays we don't discuss the issue at all. Czechs had no issues of this sort even when living together with Slovaks within a single republic.

Having been here earlier I was always irritated by the number of people not speaking Ukrainian, I even felt offended. I spent five years studying it, while some of the locals do not speak it and use *surzhik* (a mix of Russian and Ukrainian – Ed.). I am usually surprised at being asked to pay in roubles in a store and point out that I have nothing but hryv-

nias. I don't like conflicts in general and I think it is wonderful to know more languages. There is another issue – I'm not sure Russian speaking people actually know this language. Russians do not think so at least. People need something to identify themselves with. What should it be? Language of course! I think everyone should figure out what the words 'native country' means for him and/or her. Foreigners are always amazed at the local language issue. They are mostly unaware of your historical peculiarities, that's why they perceive only facts, namely the one that they have come to an independent country where many people speak a different language. ■





Eternal Questions on Film

A feature documentary by director Oleksandr Balahura is a summary of the past 15-20 years in Ukraine of sorts

Author:
Yaroslav
Pidhora-
Hviazdovsky

Life *Span of the Object in Frame* began with a photograph taken by Oleksandr Chekmeniov seven or eight years ago at Privoz, a huge market in Odesa. The girl on the left of the picture told the director that the main character of the photograph – the woman sleeping under the counter – used to be a homeless red-haired beauty. She froze to death on the street after an illegal operation to remove her organs.

UW: Don't you think it's too presumptuous to plan a

conceptual and serious full-length documentary feature film at a time when people are mostly interested in movies that entertain them?

– Yes, everything becomes a “product” these days but some things cannot be valued from a commercial perspective. It's simple: opera and music, especially classical music, cannot live by market rules because they will not survive or transform into something different – and that's what is happening right now. Even after a hundred years, cinematogra-

phy is still art that continues to comprehend and explore itself. It is still able to raise important questions and I hope we do so in our film. We spent three years searching for funding. Everyone realized that this was not a project that would bring profits. In this sense, its value was unknown. I'm not trying to be a snob here, but I have to say that I wanted to make it the way it is now. When you find something that is of concern to you, when you want to do something about it and it is done sincerely, there will be people that

are also concerned about it as well.

You see for us, this film is a sort of tour and adventure. At the same time, we're doing our best to remain ourselves, not lose ourselves and continue raising important issues. As always. Times today are different to what they were before – faster and more urgent, something that cinematography and television use today, but it is a terrible thing that affects people. The possibility to manipulate is endless these days and propaganda films – old and new alike – are all based on it. Albeit weaker than before, but it still exists. A person holding such a weapon must be morally ready for this and know what to say and how to say it. Previously, when people were poorly educated, this weapon took the form of words, which were treated responsibly. Before writing something, monks would apologize to God by saying "I'm helpless and humble". Hence the phrase: "A thought once uttered is untrue."

UW: Your film is a compilation of old photographs of people, birds, animals and buildings. It's also black and white. Is this nostalgia for the past or is it just a stylistic tool to reflect your world-view?

– A film is never made just for the sake of it. It always focuses on something – love, war or nostalgia – and it is necessary to determine how it will be shot. In other words, a film is always a film about a film. It's about the material and the attitude towards it. Take a sculptor: he thinks about how to make his sculpture before he begins, because the material and the language in which you talk to it are extremely important. How do you say "I love you"? Take *Romeo and Juliette* or *Tristan and Isolde* – everything was about how they and their feelings were portrayed. Film is the same. You take material that does not lie to you – a photograph that you can use as you like. You can focus on parts of it, experiment with it and move along and away from it, and it will still be the same. This embodies the maxim that cinematography is all about editing. You also have to remember that you are playing and answering certain moral questions: how far can you get in the game and what exactly do you want to do.



OLEKSANDR BALAHURA is a the director of more than 20 documentary films. He graduated from the History Department of the Taras Shevchenko National University of Kyiv. Mr. Balahura was awarded numerous prizes. He has worked at the Ukrainian Film Chronicle Studio for 10 years. Mr. Balahura has lived in Italy since the late 1990s.

UW: Interestingly, you don't play this game by modern rules. You use the rhythm from the past with the slow speech of a narrator behind the scenes and the slow flow of stills...

– It all depends on what you want to say and how to deliver it. You have probably seen the trailer. It will be different in the film. Some episodes are quick and energetic. Others are slow. We are dealing with a piece of reality because the photograph is part of it, and then we discuss it: why did it emerge and why someone pressed the shutter button at this specific moment? But we don't fully understand the sense of what happened and why it happened this way. Eadweard Muybridge, an English-American photographer of the late 19th and early 20th century, is one example. He catalogued motion and I don't think he realized completely what exactly he was a part of. Today's photograph can have a totally different sense in 30 years time, compared to what we wanted it to be. A photograph lives a life of its own.

UW: Its life or yours? Do you show the reality of a photograph or your vision of it? The question

not. It has many entertainment elements and staged episodes, but is a document, because it concerns serious issues.

UW: Is there an underlying social message in your film? Can the "irreversible 15-20 years" you mention at the beginning, pertain to Ukrainian society as a whole? Are you saying that we failed to notice what happened because we were not looking outside the box?

– It's not even about us being absorbed in ourselves and failing to notice what is around us, but because we contemplate it in depth, thinking only for and about ourselves. Our film has this self-irony. We don't offer recipes. We only ascertain the state and try to figure it out. In truth, this is a general universal situation, when a person loses himself/herself in life and looks for a way out – something that everyone understands.

UW: Rarely can what you plan in your head and write on paper be embodied in films. Remember Tarkovsky's *Stalker*, when you enter the room of wishes? What did you receive once you entered?

– You've touched upon an important thing. It's like an amateur video – you shoot picnics, birthdays and people on the street and at some point, it becomes time – something bigger than a picnic and people. What I'm trying to say is that you never know what will happen later, no matter what you do: write a book or shoot a film. Even doing this, it feels as if you are entering this Tarkovsky's room. It's a risk because you have no idea what you'll come out with. It's a matter of sincerity, soul, heart and responsibility. You should remember that at the end of the road, you will have to pay. But to do something, you have to enter the room. So, you always have to enter it. Tarkovsky's *Stalker* is great in this respect, because he explained how it functions: you enter the room of wishes every time you say or do something. Every day. So, should you be silent? But silence is also an expression. The wish you take into the room is what matters. And don't enter it if you can stay away. Or enter it if you can't. ■

PARADOXICALLY, A FEATURE FILM OFTEN TURNS OUT TO BE MORE DOCUMENTARY THAN A DOCUMENTARY FILM

is whether your film is a document, the truth or yet another manipulation?

– The definition of a genre is often misleading. Some, such as Michael Moore, do it intentionally, as a manifesto. Some do it unintentionally – someone can think they are creating the truth with such beliefs, but in fact, the film will not be truth. Paradoxically, in this sense, a feature film often turns out to be more documentary than a documentary film. It immediately reveals the cards, saying that we will play the history of a Danish prince for you on a specific Thursday of a specific year. On the other hand, a documentary film which represents itself as such, is often not. I'm not sure if *Life Span of the Object in Frame* is a documentary film or

CARTOONS

The Hero, the Son of a Hero

Serhiy Havrylov, scriptwriter and creative producer,
on *Mykyta Kozhumiaka*, the first Ukrainian full-length 3D-cartoon

Author:
Yaroslav
Pidhora-
Hviyazdovsky

Work on the first Ukrainian full-length 3D cartoon, “Mykyta Kozhumiaka” should be finished by the end of the year. It is based on the Ukrainian story about Kyrylo Kozhumiaka, but the cartoon is a compilation of the imagination and most diverse legends, books and other cartoons. *The Ukrainian Week* spoke about the forthcoming 3-D film with Serhiy Havrylov, its screenwriter and creative producer.

UW: Your project is based on the famous character from Ukrainian folktales. It can be said that they are a safe option for animation and cinema as a whole, which Americans consider to be comics?

— Just like American comics, all legends and myths are based on archetypes: a social misfit, who overcomes adversities and becomes a hero. And just like original legends and subjects, there are not so many of these archetypes.

But of course, it's always easier to use stories that everyone understands as a basis. The story of Kyrylo Kozhumiaka, is the story of a dragon-slayer that is known throughout the world. Since our project was commercial from the very start, it's impossible to recoup the project on just the Ukrainian market, so we are counting on the West. Having said this, it's very difficult to break onto the market — The only things associated with Ukraine at this stage are the Klitschko's, Shevchenko and Chornobyl. We have learned that the Ukrainian story about Kozhumiaka is appreciated in Europe, Asia and America. This is story about a little boy who is different from his parents and is searching for his own identity. When he finds himself in a magical world, it turns into reality. We did not base it only on the legend. I was interested in learning the legend about Kyrylo during the process of the film's development and finally reach the

concept, which is now beginning to dominate in the world — evil cannot be conquered by evil. It's as if Kyrylo did the right thing — killed the dragon. But in stories from the East, it is impossible to ultimately kill a dragon: if you destroy it, you become a dragon yourself, having absorbed all the evil that was inside it. So in our cartoon, we chose a somewhat different path: in the instance before Kyrylo is going to kill the dragon, his hand stops ...

UW: You began work in 2007, but you only applied for the cinema project tender of the newly-established State Cinema Agency last year. Why so late?

— In truth, we received funding from a private source five years ago, which fully covered all necessary expenses. But in 2008, in the heat of the crisis, our investor went bankrupt and the project ground to a halt. We were trying to sell it to someone else until 2011. We failed, and only

Events

20 September, 6.30 p.m.
A Ballet Spectacle

The Odesa Opera and Ballet Theatre (1, Tchaikovsky Prov., Odesa)

An exotic fusion of classical and modern ballet elements in one show makes the Ballet Spectacle unlike any other ballet show the audience has ever experienced. Fragments of classical ballets from the grand masters of the past were expertly complemented with ideas from renowned modern choreographers, directors and choirmasters from Ukraine and Russia. A unique aspect of the show is that most of the performances and music in the programme will premier on the Odesa stage.



20 September, 7 p.m. —
The Last Klezmer of Halizia

The Lviv Philharmonic (7, vul. Tchaikovskoho, Lviv)

Klezmer is the non-religious music of East European Jews, performed in a unique style. Some say that, similar to other folklore traditions, Klezmer music was passed down from generation to generation, from father to son. Pianist Leopold Kozłowski, known as the only authentic performer of Klezmer music and the last representative of the local Brandwein Klezmer dynasty and his music theatre will share the mystery of the Klezmer sound and performance with the audience.



21–23 September
Odesa JazzFest 2012

Odesa Oblast Philharmonic (15, vul. Bunina, Odesa)

Music lovers have the opportunity to catch some late-September jazz on the Black Sea coast, which will host a four-day jazz festival. The fans of swing and improvisation will enjoy the performance of legendary Polish jazzman Zbigniew Namysłowski and his quintet who will play in Odesa for the first time. A tasty cocktail of jazz, ethno rock and indie pop will be presented by Georgian vocalist Atina Kornelius, and the Klazz Brothers from Germany will please the audience with dance jazz covers of classical pieces by Mozart and Schubert.

applied to the state once we understood that the project could die altogether. Everything has changed now: after the Cannes cinema market, 40 countries have already expressed interest in acquiring the rights to show the film after its completion in December of this year, simply on the basis of the trailer. We already have a Ukrainian distributor, B&H, we are in negotiations with American and German companies on the sale of distribution rights throughout the world... Actually, we were aware of our goals from the very start, and understanding that the rest of the world would have a hard time pronouncing *Mykyta Kozhunyaka*, our English friends, after digging around in the Oxford dictionary, found an equivalent – Niki Tanner. However, there are many interpretations, and among them, “Tanner” is not the most wide-spread one.

UW: The Moscow-based Melnitsa studio took the course of updating the language of its heroes and filling it with slang and actual allusions, that can be easily understood by the masses. What did you choose?



– We have one hero, Rysyk, who speaks in slang, just like the children of today. But the main issue is the subject. From the very start, we decided not to make an exact division between good and evil: in other words, this is white, and this is black. We never wanted to kill anyone – and we didn't. Our anti-hero is a witch, who wanted to destroy the world, ultimately gets better – because this is what the child wanted.

At the end, the witch, mocking Mykyta as only an adult intellectual can ridicule a child can, asks: “What good do you see in me?!” To which he responds: “You are very beautiful”. It's as simple and candid as that, after all Mykyta, just like every child, sees only good in everything he sees ... In truth, by 2008, the screenplay was very com-

plex, we worked really hard to make it the way it is now.

UW: In a recent interview, for some reason you compared the film to *Harry Potter* as far as depth and scope is concerned...

– In *Harry Potter*, society is clearly divided into “wizards” and “muggles”, where only one caste, only those chosen could practice magic. In our cartoon, everyone has access to sorcery and everyone can become a sorcerer, providing they stick to eight rules. Harry Potter killed Voldemort, while Mykyta Kozhunyaka does not kill the dragon, but accepts it within himself. The point is this: there is no need to kill anything within yourself; it's better to come to terms with it... I understand that this is quite daring. But we wanted to combine a commercial format with spiritual and meaningful messages. We were concerned with some things and we tried to reflect them. So the words “first Ukrainian cartoon blockbuster” are only at the top, while the contents make up a very personal product, a very personal film. It's made up of our ideas, for example forgiveness, the acceptance of everything because everything we have comes from God. If you want, this cartoon can be called a compilation of a range of different ideas with the national Ukrainian characteristics. ■

BIO



Serhiy Havrylov

He has been involved with TV commercials since 1997 (Master-Video, now – Star Master). His clients include the most famous brands and chain agencies. In 2006, he created the renewed *Vechirnya Kazka* (Bedtime Story) with Drimka the bear cub, in a 3D format for Channel 1. He then received a proposal for the creation of the first full-length cartoon as a screenwriter.

21–29 September

GogolFest

Abandoned experimental mechanic plant (6, vul. Budindustriyi, near Vydubychi metro station, Kyiv)

The biggest cultural and art event is returning to Ukraine. Festival founder Vlad Troitsky and his Dakh theatre are preparing to stage the story of Judith, the biblical heroine who saved her city from destruction. The actors will also present the trilogy of *Macbeth*, *King Lear* and *Richard III*.

Other events at the festival will include new academic music, art-house films and an art project from Pavlo Hudimov. Folk band DakhBrakha will accompany the presentation of *Earth*, the legendary film by Oleksandr Dovzhenko.



27 September

Nazareth

Docker Pub

(25, vul. Bohatyrska, Kyiv)

Docker Pub celebrates its 10th anniversary with legendary rock bands, such as Nazareth, one of the brightest hard rock bands on the British scene of the mid-1970s. As part of its world tour, the band will play songs from its latest album called *Big Dogz*, as well as its old hits *Broken Down Angel*, *Love Hurts* and many more. This is not the first time that Nazareth is performing at the Docker Pub. Their last concert at this venue was in March 2011.



28–30 September

Coffee in Lviv, the 4th Urban Festival

Ploshcha Rynok (Market Square) (downtown Lviv)

All coffee lovers and fans of intense aroma and tart flavours, are invited to a cup of coffee at the annual coffee festival hosted in Lviv. The black fragrant drink will be served in every small and large cafe in town, as well as on rooftops and in cellars. Each will serve its own individual version. Coffee-brewing experts from all

over Ukraine will do their best to please their visitors with a taste of coffee they will not forget until the next coffee festival in Lviv.

Rocky Steppe

Mykolayiv Oblast's attraction is the energy of the turbulent Southern Buh and the virginity of its granite prairies

Author and
photos:
**Marichka
Paplauskaite**

"Can you feel what this air is like? Delicious, juicy, so good you can spread it on bread," says Vadym breathing deeply. He came to Korabelka with a group of tourists from Mykolayiv to celebrate the holidays. Korabelka is the name given to the area where the small River Korabelna flows into the Southern Buh (**photo 1**). We descend from the road down into the valley. The air is truly great – it smells of grasses, warmed by the rays of the sun. On this rocky path, every other step causes lizards to slip out from underfoot. A small peninsula appears in front of us. We set up camp here, under a well-formed bridge between the two rivers.

A VILLAGE OF COSSACKS AND OSTRICHES

Part of the group remains at the camp while another takes a short bus-ride to Myhiya in the Pervo-

maisky district. "It's an ancient village. A Cossack winter camp was founded here in the early 18th century," says the guide, Oleksandr. "Legend has it, that once upon a time, Turkish territories were on the other side of the river. When Cossacks lit their fires at night, they flickered in the distance, which is where the village got its name from. They also say that this is the birthplace of Cossack Mamay. I'm not sure this is true, but one of the islands on the river bears his name."

Today however, there is little evidence of the legendary past. Just about one house in three along the road is ruined, and the road bridge in the middle of the village has a long hole right down the middle. On the other hand, for some reason, the local restaurant welcomes guests in English and German, offering ostrich dishes.

The old power station (**photo 4**) is nearby. The red-brick build-

ing appears to be frozen. The wheels that were once turned by turbulent water are now covered with rust in places. There is a warning sign before the narrow path to the bay – entrance to the waterworks is prohibited. But the bungee rope, hanging over the water just under the wall of the power station, clearly indicates that the locals are ignoring the ban. A fabulous landscape lies in front of the facility: flat, mirror-like water abruptly breaks off, creating a small waterfall, flowing rapidly, gaining strength at each subsequent rapid, going on and on until it finally disappears around the corner.

A RAFTING PARADISE

Most cars on rural local roads carry rafts (small inflatable boats). "People often raft down the river here. They train and compete here. These are the second most

1



difficult rapids in Ukraine,” says Oleksandr.

Within a few minutes, we can see the training for ourselves **(photo 3)**. They can be seen from the cliffs rising above the river. At the bottom, as if on the palm of a hand, the channel makes a sharp turn, which is where we see several rafts, about 10 rowers in each and a couple of single-person canoes, that throw themselves into the elements one after the other. They try to fight the current, but the water carries them back and often tips them over. But they don't give up – they circle around and plunge into battle once more.

An abandoned granite quarry lies ahead. People have left a huge wound in the cliffs, which go into the depths of the earth in spiral circles. It is now filled with calm and clean water, reflecting the blue sky. “They say that when the granite became radioactive, the quarry was closed in such a hurry, that an excavator was forgotten at the bottom. It is supposedly still under water at a depth of 60 meters,” says our guide. “My friends planned to dive into the so-called Black Lake to see if this is true. But I don't know if they succeeded.”

THE RANSACKED MILL

It was already raining in the morning of the next day, but we still choose to do some more wandering. We cross the river to the other »



WORTH SEEING:

Hydroelectric Power Station

A former water mill, built in Myhiya by the Skarzhynsky family, which, during the Soviet era, was reconstructed as a hydroelectric power station.

The Myhiya Rapids

A network of rapids and rifts in the Myhiya and Southern Buh River region. The water (boating) tourism route is the second most difficult one in Ukraine

Black Lake

An abandoned granite quarry, on the site of which a large lake was formed

Water mill

The ruins of the old water mill in the village of Semenivka. It was used as a warehouse for a while and was ransacked in the 1990's

side of the river and go towards the village of Semenivka. "Yesterday a travel guide competition was held on the opposite hillside. This was the perfect spot from which to watch who was running where, and how others searched. In some cases people were constantly walking back and forth around the control point but could not find it," shares Oleksiy, a member of our group. "This competition was organized by people from Pervomaisk. There were few willing participants – only one bus and nearly 10 cars."

This is not the first time that Oleksiy has visited these places, so he knows a lot of stories. "At one time, there were difficulties in growing trees here, just as in most parts of the region. There was a landowner, Skarzhynsky, who established a tree nursery in his native village, Trykraty, not far from here. He worked on acclimatizing trees and bushes, brought to him

from South America and Western Europe. They were then planted all around the area. We will walk past a rare old poplar. They say that Skarzhynsky himself planted it. Well maybe not by him personally but definitely during his lifetime."

A little further on from poplar, which does indeed look majestic, we find what we were looking for in spite of the rain: the ruins of the old mill. It was probably a nice building once upon a time, but now, all that's left are bare, half-ruined walls, through which trees are growing. "This mill was probably built during Tsarist period. It was closed in the 1960's and the building that had always been kept in good condition, was used as a warehouse. In the 1990s it was ransacked. People came in cars and dragged out all the iron, which could be sold as a scrap. This is what that's left, but it could have been a tourist attraction," notes Oleksiy sadly.



TOURISTS' CORNER

On the way back, we meet a young man who is collecting the ropes that are tied to the pillars of the bridge. It appears that jumpers often use this bridge. We also met a group of a rock climbers from Mykolayiv. They train on the rocks next to our camp organizing the jumping as entertainment for themselves. "We jumped yesterday. But not today – all the ropes are wet from the rain," says the young man.

The sky finally clears in the afternoon and the rock climbers begin their training (**photo 2**). There is only a small piece of land at the foot

HOW TO GET

THERE:

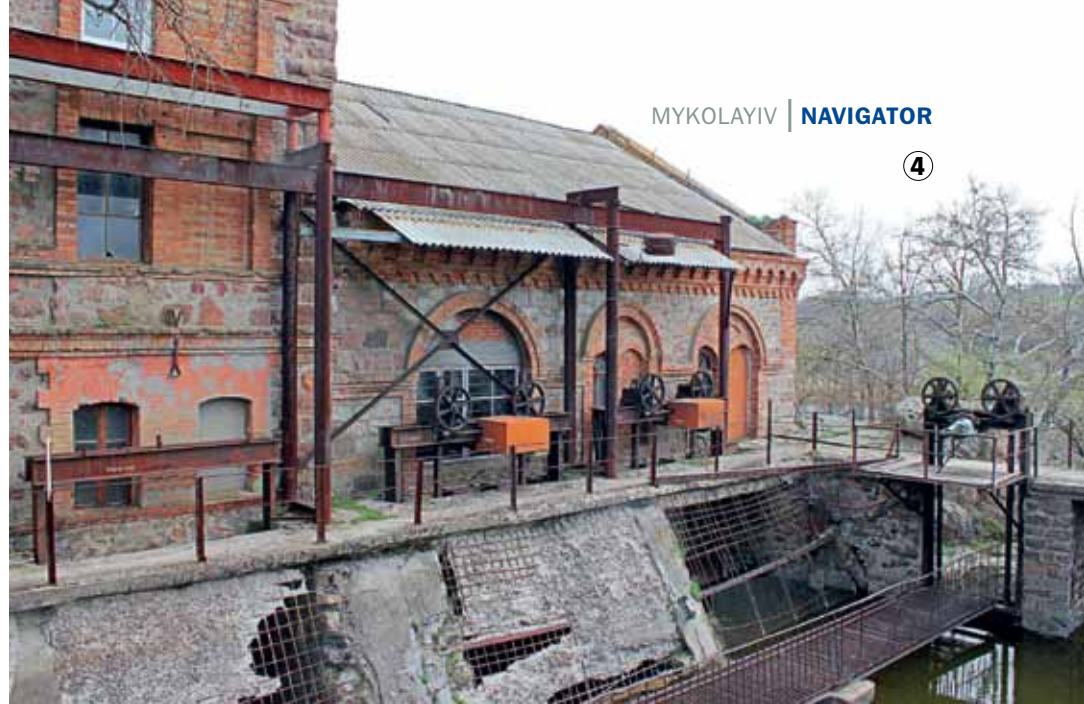
Take the train to Mykolayiv, then take buses and fixed route taxis going to Pervomaisk





of the rocks, where those ensuring the safety of the climbers stand. All spectators sit on the other side of the river, which can only be crossed with the aid of two taut cords.

“My trips to Korabelka are a traditional opening of the season,” says Alla, an experienced tourist, when talk turned to the fate of these places and tourism. “The only difference is that my earlier trips involved more sport. Here we prepared for serious treks in the Caucasus, for example. Now it is all about having a rest. Some young people still continue our tradition – hiking is a way of life for them, as it once was for us,”



she says of the boys and girls training on the nearby rocks.

She also says that the regional Granitno-Stepove Pobuzhzhya (Granite Steppe Buh Area) nature reserve, which is where we actually are, is the winner of The 12 Wonders of Mykolayiv contest. “Potentially this is a great place for tourism and it could even bring fame to our region. But it seems that no one needs this, neither the government nor the locals,” adds Oleksandr. “This might even be better for us – we have our own little corner where we can hide from civilization and all everyday problems. Some cell phones don’t even get a signal here.” ■

THE GRANITE STEPPE

This nature reserve in the southwest of Mykolayiv Oblast is located in the part of the Ukrainian Shield, which hasn’t been covered by sea for nearly 60 million years. There are massive granite boulders on the rocky banks of the tributaries of the Southern Buh River, that are 40-60 meters tall. This area was granted the status of a nature reserve in 1994. The park covers an area of 6,267 hectares and has a unique ecosystem. About 900 species of vascular plants, more than 9,000 species of insects and nearly 300 species of vertebrates grow here. The variety of fish found here includes, for example, the Dnipro barbel (of the carp family), which is only found in this area. The Danube shemaya (royal) fish, the Aesculapian snake, the yellow-bellied snake, the Saker falcon, the booted eagle, the European otter and badger are among other rare inhabitants of the Buh region. In all, 86 species of flora and fauna in the Buh region are on the endangered list. Plant and animal relicts of Mediterranean and Alpine origin can also be found here.





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