

international edition

The Ukrainian Week

№ 8 (31) MAY 2012

LOST THE SHIRT OFF HIS BACK



Playing with Europe using underhand rules,
Yanukovich has led the country to an impasse.
The threat of the loss of statehood
in Ukraine is greater today
than at any time during its independence

The
Economist

Featuring selected content
from The Economist

WWW.UKRAINIANWEEK.COM

FOR FREE DISTRIBUTION

OPEN LETTER FROM UKRAYINSKY TYZH DEN

Ukrayinsky Tyzhden will no longer take part in the MMI Ukraine and RMI Regions marketing research conducted by TNS Ukraine.

A comparison of the analysis conducted by ***Ukrayinsky Tyzhden*** with the data in the TNS MMI 2011/4 report has revealed discrepancies between the indicators of its actual presence in specific oblasts and the estimates reflected by TNS Ukraine.

For example, the actual readership of ***Ukrayinsky Tyzhden*** in Kyiv, our key region, is 3.5 times larger than in TNS MMI 2011/4 research estimates.

In our opinion, this proves that the market researcher is working incorrectly.

However, even if professional standards should be improved, the assessment system itself will not allow advertisers to spend their advertising budget as effectively as possible. Given the specific nature of their survey questions, the research conducted by TNS Ukraine actually determines the number of people who know the brand, rather than the actual readership of the publication. As a result, publications with very limited print runs, particularly the ones that sell well, but invest into outside advertising, find themselves in top positions of TNS ratings, while publications with a popular content, that accordingly print and sell many copies find themselves in the bottom.

International practice is based on providing advertisers with transparent information on the number of copies every publication sells on the one hand, and the quality of its audience on the other. Certified print runs help to determine the first indicator, while competition among companies conducting market research encourages them to research the second.

In Ukraine, however, TNS Ukraine has a monopoly on market research. Moreover, with no requirements to certify print runs in Ukraine, the company also determines the readership of publications as a monopolist.

Advertisers basing their decisions on TNS ratings alone, risk placing their advertisement in publications people hear about but do not read, thus overpaying for a non-existent readership, while mistakes in the measurement process could nullify the logic of the decisions they have approved.

In our opinion, the establishment of transparent rules on the printed media market corresponds with the interests of both advertisers and publishers. With this priority in mind, ***Ukrayinsky Tyzhden*** will no longer use research that has been conducted by TNS Ukraine.

Ukrayinsky Tyzhden Management Board

BRIEFING



Replacing Victory Parades with Commemoration

4

FOCUS

A Taste of Isolation: Bankova Street's hopes to manipulate the EU have crashed and Europe shows Ukraine that it cannot integrate with its current government



6

POLITICS

Vitali Klitschko: "The opposition should unite in the Parliament"



12

Questions without Answers: It is currently too early to talk about any strategic vision of the nation's development in UDAR



15

SECURITY

Black Sea (In)Security: Recent geopolitical transformations in the Black Sea region and Caucasus present serious challenges, while offering opportunities for Ukraine to reinforce its national security

18



Giorgi Baramidze talks about Russia's view of Georgia as a dangerous role model for other post-soviet states

20



Lesson Not Learned: Continuing its cooperation with Russia in nuclear engineering, the Ukrainian government is putting the country at risk and could repeat the mistake of Chernobyl

22

Piracy at Sea: James Greene on its real impact on Ukraine

24



A Tax Noose for the Sick Economy: What is suffocating Ukrainian business?

26

ECONOMICS

The Perils of Panflation: A virulent monster is dangerously out of control. Let us slay it together

29



Hospitality Triumphs over Greed: Many Ukrainians are willing to host foreign football fans at their homes for free

30



Kitsch vs Authenticity: Pseudo-Ukrainian souvenirs are flooding the Euro 2012 market. *The Ukrainian Week* offers tourists some tips to finding authentic products

32

SOCIETY

Culture Shock: Timo Hellenberg talks about how Ukrainian laws, that allow people to abuse animals, can destroy the image of the nation

35



There Once Was a Dog: Many Ukrainians are willing to sacrifice their careers and health to help abandoned and crippled animals

36



A Continental Union: The Treaty of Rapallo between the Weimar Republic and Soviet Russia paved the way to a revival of German military power after the First World War

38

HISTORY

The Death Match Myth: Artistic excuses for twisting history



42

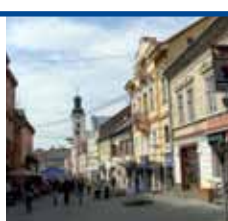
Age Means Nothing: Artist and playwright Les Podereviansky talks about his personal evolution and people that never change

44



NAVIGATOR

Small City Lights: Exotic and vibrant, Uzhhorod presents a striking mix of its multiethnic past and present



48

international monthly edition
The Ukrainian Week

The Ukrainian Week № 8 (31) May 2012

Founder: ECEM Media Ukraine LLC **Publisher:** The Ukrainian Week LLC

First published in January 2010

State registration certificate 16412-4884P of March 13, 2010

Bohdan Andriytssev, Director, ECEM Media Ukraine LLC

Serhiy Lytvynenko, Editor-in-Chief, The Ukrainian Week

Natalia Romanec, Shaun Williams, Editors;

Anna Korbut, Translator

Mailing address: PO Box 2, Kyiv, 03067

Publisher address: vul. Mashynobudivna 37, Kyiv 03067 Ukraine

E-mail: office@tyzhden.ua, **Tel.:** (044) 351-1300

www.ukrainianweek.com

Print: TOV SKIMP, TOV ART STUDIYA DRUKU; vul. Boryspilska 15, Kyiv

Ordering number: 6917-12. Print run: 15,000

Sent to print on 18 May 2012

Free distribution

3 May



Ukraine and Belarus stop the trade conflict. Ukraine renews the import of Belarusian milk and the export of beer to Belarus

7 May



Vladimir Putin is inaugurated. Prior to the inauguration, there are mass skirmishes and arrests of opposition members in Moscow

8 May



Viktor Yanukovich cancels the Yalta Summit, since most of those invited refuse to come

QUOTES

JAN TOMBINSKI is coming to Ukraine

The Polish diplomat is appointed Head of the EU Delegation to Ukraine after five years of representing Poland in the EU. He will replace Jose Manuel Pinto Teixeira who is leaving this summer



ŠTEFAN FÜLE warns the government

"We believe that the rejection of the association process would be a betrayal of the people... But this does not mean that we will compromise on issues of democratic values"



RINAT AKHMETOV no more politics

The oligarch's top managers ban any political activities in his companies. Earlier, he announced that he would not run in the up-coming parliamentary election



NINA KARPACHOVA leaves Ukraine

According to BYuT-Batkivshchyna representatives, the ex-Ombudswoman leaves Ukraine "because of pressure from the Prosecutor's Office"



Estonia commemorates those who died in WWII, as well as the victims of repression and the crimes of occupational regimes, on 8 May following the Western European tradition

Replacing Victory Parades With Commemoration

The official soviet tradition of celebrating Victory Day as one of the greatest 'red' dates on the calendar was firmly entrenched under Leonid Brezhnev. In 1965, the Presidium of the Verkhovna Rada issued a decree to announce 9 May a state holiday and a day-off for the first time after 1946. The grand celebration with military parades and patriotic elements was aimed at re-

viving and widely entrenching the myth of the Great Patriotic War and the great victory of the soviet nation.

For that same purpose, the soviet practice of celebrating 9 May was exported to FSU countries. In 1951, Czechoslovakia introduced the Day of Liberation by the Soviet Army, which was celebrated with a flow of appreciation to the USSR for liberating the

The month in history

12 May 1954



The Ukrainian SSR joins UNESCO

16 May 1817



Mykola Kostomarov, Ukrainian historian, ethnographer, writer and public activist, is born

17 May 1887



Donbas miners go on strike for the first time

9 May



Yulia Tymoshenko stops the hunger strike and is examined by a German doctor



10 May

The Cabinet of Ministers declares Shell and Chevron as the winners of the tender to develop the Yuzivka and Oleske shale gas fields in Ukraine with 4.05 and 3trillion cu m respectively

16 May



The Court of Appeal upholds the verdict in the Yuriy Lutsenko case

Czechs and Slovaks from Nazi oppression. From late 1975 until the end of the GDR, East Germany celebrated Victory Day instead of Liberation Day, which was celebrated on May 8th prior to that, following the soviet tradition. Paradoxically, the Germans had to celebrate victory over themselves.

Shortly after the early 1990s transformations, FSU countries dropped the Moscow-imposed interpretation of how the war with Hitler ended. Czechoslovakia, for instance, changed Victory Day into the neutral Day of Liberation from Fascism, putting it off to 8 May a year later, like in Western and Central Europe. Unlike in the era of socialism, they quit pompous military parades replacing them with the placing of symbolic flowers at the graves and memorials of WWII victims. Ukraine, in contrast, has preserved the soviet ideological burden of 9 May ever since 1991 as an integral part of the Victory Day celebrations organized by the government. Viktor Yushchenko's attempts to insert a national statehood component into the celebration by referring to the defeat of Nazism as "Our victory is the celebration of the Ukrainian statehood", was the peak of all efforts to integrate elements of the soviet story into a national context. Mixing soviet rituals with all kinds of honours for war veterans and Ukrainian Insurgent Army fighters, coupled with calls on reconciliation and unity, not only brought no expected historical compromise, but aggravated the confrontation in society on the ground of opposing WWII memorial models. An obvious thing at that point was that a totally new vision of WWII, and Ukraine's role in it, were the only things that made transformation of the tradition to celebrate 9 May possible. Mr. Yushchenko's eclecticism resulted in a defeat in the attempts to walk away from the soviet historical legacy.

After Viktor Yanukovych came to power, the pompous celebrations of the "common victory" in a typical Brezhnev style with parades and soviet propaganda campaigns were reincarnated in a perfectly predictable way. Deep inside, the propaganda campaigns were aimed at the basic South-Eastern Ukraine electorate of the party in power in, while on

the outside they perform the symbolic function of a historical curtsy to Russia as a strategic ally. However, the celebration and excitement with aggressive anti-fascist rhetoric overshadows the understanding of the real human dimension of the last 'Great War' and wipes out the possibility of asking whether Ukraine had any 'victory' of its own in WWII. Commemoration of Ukrainians that were killed in the war should become an alternative scenario to the tradition of celebrating May 9th. A UN General Assembly Resolution dated 22 November 2004 is specifically oriented at this interpretation of the defeat of Nazism. It introduced commemoration and reconciliation days for the victims of WWII in the international calendar on May 8th and 9th. The resolution states that member-states can have their victory, liberation and celebration days, yet it offers all member-states, UN organizations, NGOs and private entities to commemorate WWII victims on one, or both of these days.

Baltic States opted for this option to celebrate the defeat of National Socialism. Estonia commemorates those who died in WWII, as well as the victims of repression and the crimes of occupational regimes, on 8 May following the Western European tradition. That is when official events with the nation's leaders and foreign diplomats take place and flowers are carried to the Holocaust Memorial in Klooga and the military cemetery of the Estonian Army. The new model of commemorating the day when the war with Hitler ended fits well into the European policy of reconciliation and unification. In 2005, the Day of Europe, celebrated on 9 May, was declared as the day of reconciliation and forgiveness. Attempts to construct a new model of European memorial days based on the traumatic experience of totalitarianisms, 23 August, is entrenching itself in EU commemorative practice as the Commemoration Day for the Victims of Totalitarian Regimes, allowing people to realize that a victory of one tyrant over another involving Western countries never gave ultimate piece to the world.

Oleksandr Pahiria

NUMBERS

Based on the Association of Outdoor Advertising estimates, Ukrainian politicians will spend

USD 2bn

on their election campaigns

NJSC Naftogaz of Ukraine records a loss of

UAH 4.1bn

for the period January-March 2012, which is almost three times higher than Q1'11 losses

EUFA reports that

50,000 tickets

for Euro 2012 will be available in free sale while 95% were sold online

According to German broadcaster ARD,

53% of Germans

support political and economic sanctions against Ukraine

Research by Transparency International reveals that standard kickbacks in the Ukrainian public procurement sector are

60%.

The rate has tripled over the past eight years

82.2%

of Ukrainians have not bought a single book by a Ukrainian writer in the past year, reports a survey by the Research & Branding Group

Based on the Freedom House findings published in late April 2012, Ukraine plummets from 115th place in 2009 to **130th**, alongside South Sudan in the Freedom of the Press 2011 index

18 May 1944



Based on an order from Joseph Stalin, Crimean Tartars are deported en masse from Crimea

21 May 1892



The first electric tram in the Russian Empire is launched in Kyiv

24 May 1882



Kyrylo Stetsenko, Ukrainian composer, conductor and public activist, is born

25 May 996



The Church of Our Lady, the first stone church in Kyiv Rus, is consecrated in Kyiv

A Taste of Isolation

Bankova Street's hopes to manipulate the EU have crashed. Europe has let Ukraine know that it cannot integrate with its current government, but the issue of an efficient alternative remains open



Author:
Oleksandr
Kramar

It is becoming increasingly clear that the hopes of the Bankova Street, a common informal name for the Presidential Administration, to turn the Euro 2012 championship into proof of its "European character" and a trump card for its election campaign are going to fail. Europe will do everything

possible to clearly and unambiguously show Ukrainians that their current government is what is driving the country into isolation.

The Yulia Tymoshenko case has finally forced Europeans to abandon their "diplomatic correctness" (for which Ukrainian leaders had much hope as they

consistently ignored "non-binding European recommendations") even earlier than could have been expected. Moreover, Kyiv has actively precipitated the change by playing the all-sides-are-equal game and pursuing what was essentially its own version of "sovereign democracy." Ukraine's State Peni-

tentiary Service turned down a request from Francois Zimeray, French ambassador-at-large for human rights, to meet with Tymoshenko on 19 April, and Rebecca Harms, co-chair of the Group of the Greens/European Free Alliance in the European Parliament, received a similar denial on 27 April. That same day she and the other co-president of the group, Daniel Cohn-Bendit, asked UEFA President Michel Platini to make a statement about the political situation in Ukraine, arguing that "it appears to be impossible to attend the tournament ... while Yulia Tymoshenko remains in prison and while she is being refused access to medical assistance provided by doctors she can trust."

However, what carries more weight for Viktor Yanukovich, who after all heads the Ukrainian state rather than Ukraine's Football Federation, are the demarches by political leaders – presidents, heads of governments and ministers of a number of European countries, including the key player Germany, and the leadership of pan-European and transatlantic structures.

A SUMMIT OF EMPTY CHAIRS

Invitations to participate in the Yalta Summit of Central European heads of state, which was scheduled to take place on 11-12 May, were turned down almost at the same time by the presidents of Germany, Austria, Slovenia, the Czech Republic and Italy. These officials were gradually joined by the leaders of most of the other countries that have traditionally participated in the summit: Estonia, Latvia, Romania, Bulgaria, Montenegro, Albania, Bosnia and Herzegovina and Croatia.

As of 8 May, only four presidents – of Poland, Slovakia, Moldova and Lithuania – had confirmed their participation. In Lithuania, the prime minister met with the president and asked her to use the summit to openly criticise Yanukovich for the way he has handled Tymoshenko. Subsequently, the Ukrainian government was forced to essentially admit its isolation and scrap the summit three days before its scheduled beginning. (Formally,

it was postponed indefinitely due to most presidents being unable to participate.)

EURO BOYCOTT

President of the European Commission José Manuel Barroso and a number of European commissioners have already refused to attend Euro 2012 matches in Ukraine. NATO Secretary General Anders Fogh Rasmussen said he will not be able to come to Ukraine during the championship, and a scheduled visit of a NATO delegation to Kyiv was cancelled altogether. German Chancellor Angela Merkel, representatives of royal families and governments of Sweden, Belgium, the Netherlands and Spain said they could cancel their trips to the European football championship in Ukraine if there were no positive changes in the Tymoshenko case. Prince William of Britain, who is the president of England's Football Association, announced his decision not to come to Ukraine. Spain's Foreign Affairs Minister José Manuel García-Margallo said in an interview for ABC newspaper that the Spanish national team could refuse to come onto the field in Kyiv if it makes it to the final. According to him, this scenario is already being discussed with Germany and Poland, but it may only be implemented as part of a con-



Carl Bildt, Sweden's Minister for Foreign Affairs

"We are increasing pressure on President Yanukovich of Ukraine. He must unblock the European future of his country."



THE EU IS ALREADY DEVELOPING ALTERNATIVE STRATEGIES THAT WOULD SHOW UKRAINIANS WHO IS THE REAL BARRIER BETWEEN THEM AND THE EU. NAMES ARE BEING CALLED OUT OPENLY

certed boycott by all European national teams.

And this is just the beginning. With the tournament just weeks away, we are already counting those "likely to not come." The situation may eventually change so drastically that we will be counting those "likely to come" – as was the case with the Yalta Summit. Now should any influential European leader publicly choose to visit Ukraine during the tournament, he will

have to explain why he has gone to Ukraine rather than why he refused to go. Sigmar Gabriel, the leader of Germany's Social Democratic Party, has already said that European politicians that dare come to Ukraine during the Euro 2012 tournament "must be careful not to become cheerleaders for the regime... If you have any doubt, you should not visit the country," he said. His party is a member of a group of European Socialists in the European Parliament which was until recently partners with the Party of Regions and tried to defend it in conflicts with European institutions.

DENYING THE OBVIOUS

Employees of Ukraine's Foreign Ministry had to make fools of themselves as they denied obvious facts, often causing even sharper messages from the EU. For example, Oleh Voloshyn, chief of the Foreign Ministry's Department for Information Policy, said that the refusal of European politicians to participate in the Yalta Summit should not be perceived as a demarche. Information about Merkel's possible refusal to come to Ukraine for Euro 2012 was dismissed as a canard. In response, German government spokesman Georg Streiter confirmed the information on 30 April and emphasised that "any visit to Ukraine will depend on Tymoshenko's future and honouring human rights and freedoms."

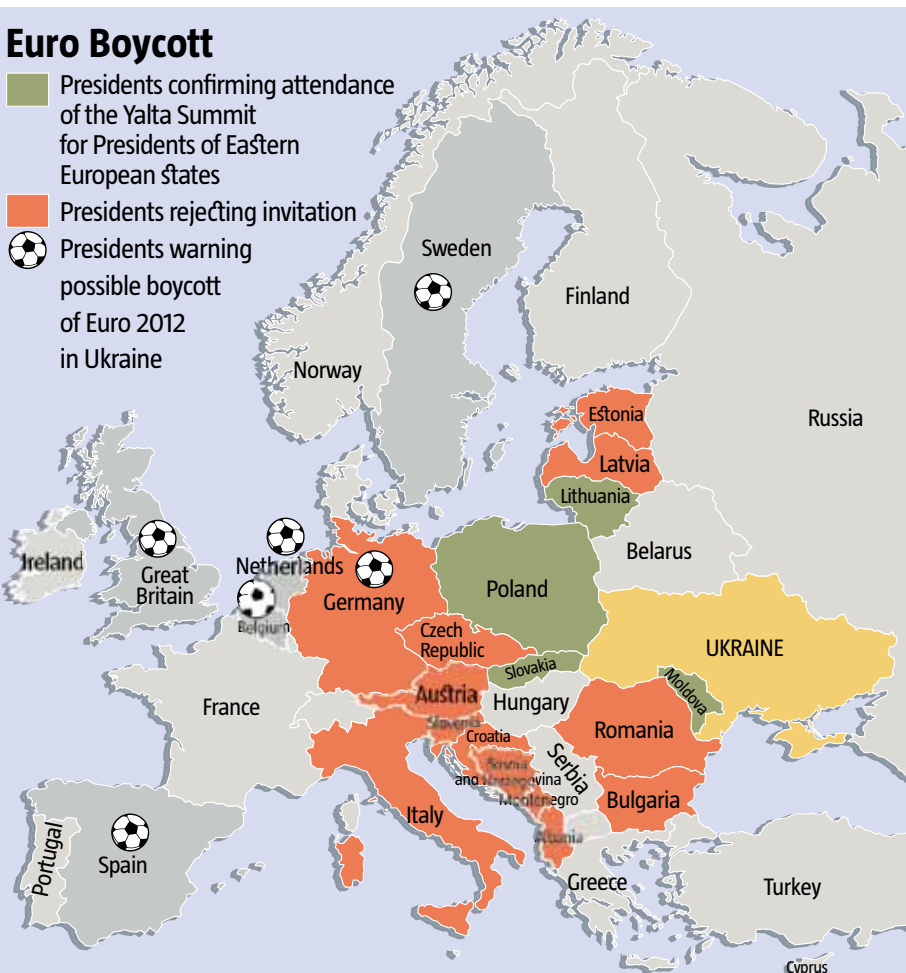
On 1 May, Ukraine's representative to the EU Kostiantyn Yeliseev said calls to boycott Euro 2012 "translate political dialogue into the language of ultimatums." However, he left unanswered the question of what European leaders are to do as the current Ukrainian government has on multiple occasions demonstrated that it does not understand civilised language. Instead, Ukraine's Foreign Ministry published statements in the style of soviet propaganda: "An attack against a grand hope undermines chances of former members of the socialist camp to prove that in terms of economic, human and scientific potential they are already prepared to turn from Europe's debtors into new engines of its development." ▀

Official Kyiv has decided to go into attack mode, accusing European politicians of “disrespect for millions of Ukrainians”: Ukraine’s Foreign Ministry claims that calls to boycott the championship will in practice hurt the image of this grand sports event and will damage the interests of millions of ordinary Ukrainians who support different parties or take no interest in politics at all. Mykola Azarov has tried to lay the Ukrainian government’s fault at Europe’s door by arguing that Europeans “want to humiliate our entire people and our country.”

However, the EU is already developing alternative strategies that would show Ukrainians who is the real barrier between them and the EU. Names are being called out openly. Specifically, Carl Bildt, Foreign Affairs Minister of Sweden, a country that joined Poland in lobbying for the Eastern Partnership initiative and the EU-Ukraine Association Agreement, said straightforwardly: “We would like to appeal to President Yanukovich to unblock the European future of the Ukrainian people, the Ukrainian nation. He is blocking it himself... We are interested in bringing Ukraine back to Europe, and this is why we want to help Tymoshenko.”

At a meeting with Bundestag’s Christian Democratic MPs, Chancellor Merkel discussed the idea that instead of boycotting the championship, European politicians could come to Ukraine but sit with ordinary fans in the stadiums, avoiding VIP seats. This would be a visible sign of distancing themselves from the Yanukovich government and a symbol of union with the Ukrainian people. Westwelle even warned that “politicians, athletes, the mass media and fans will not waste any opportunity to express their attitude toward human rights violations in Ukraine” during the European football championship.

In any case, it is already clear that the hopes Bankova Street pinned on Euro 2012 – macro-economic, advertisements and political – are failing. Moreover, the European public is beginning to view Yanukovich as an odious figure alongside with Slobodan



Milosevic, Muammar Gaddafi and Alexander Lukashenko. Soon he will not be able to shed this negative image no matter how much he wants to. The reaction of European political elites to the Ukrainian government's refusal to release repressed members of the opposition and give them access to political life,

YANUKOVYCH'S MINDSET IS PUSHING HIM INTO THE HANDS OF PUTIN'S INNER CIRCLE, WHICH IS INTIMATELY FAMILIAR WITH THIS TYPE OF WORLD VIEW

albeit partly forced, has been unexpectedly sharp and, most importantly, steadily growing. It is also a warning that “guided” parliamentary elections in autumn will be unacceptable and an indicator of the scale of the EU’s possible reaction.

BALANCING THE IMPOSSIBLE

The impression is that Yanukovich’s inner circle is stubbornly ignoring the fact that it is impossible to play the self-sufficiency game in the international arena when you are, in essence, the poorest country in Europe and one whose government employs Lukashenka-style methods and enjoys the support of less than 20 per cent of the population. Alternatively, someone in his inner circle may be diligently working his tail off to earn a salary paid by Russia while skilfully pushing his formal leader into an abyss. The championship will come and go, while Yanukovich’s isolation and leaders’ reluctance to shake hands with him will stay. (Incidentally, Philipp Lahm, captain of Germany’s national football team, has already called on UEFA President Michel Platini to clearly declare his position on the situation in Ukraine, because he himself would “do some serious thinking” before holding out his

hand to Yanukovych if the latter happened to appear at a match.)

Attempts to manipulate Europeans through cynical claims about "the independence of Ukrainian judicial and law enforcement systems from the executive government" or by black-mailing them with a possible change of Ukraine's foreign-policy course have proved to be unsuccessful. The EU does not need "its own Lukashenka." President Yanukovych's authoritarian evolution has been so evident and even demonstrative that European politicians can no longer ignore it. This is because in truly democratic societies, in contrast to Ukraine, public opinion normally sways a political leader. In light of this, more "practical" sanctions may ensue depending on how the situation develops.

Western isolation comes at a time when Ukraine's relations with Russia are essentially frozen. Moreover, Moscow has delivered several blows against Yanukovych. First, it has already condemned the way in which he has handled his political opponents. Moscow has pronounced it to be too compromising even for a country with "rich totalitarian traditions", as Dmitry Medvedev chose to put it. Second, Russia has followed Germany in offering to provide medical treatment to Tymoshenko on its territory. Moreover, the Kremlin insists that there was nothing criminal in Tymoshenko's actions when she signed gas agreements with Moscow and that her conviction is unjustified.

Two years after the first Kharkiv Treaties were signed, gas contracts have yet to be revised. Moreover, observers have reason to expect Vladimir Putin to step up pressure on Ukraine during his next presidential term. Given the mounting discontent inside Russia and the absence of prospects for improving Russia's own socioeconomic well-being, foreign-policy expansion remains the only possible argument that the Russian president has in order to stay in power. At the same time, support for Yanukovych among the pro-Russian electorate is constantly dropping, freeing up space for a new Moscow-oriented and Kremlin-controlled political project.



Guido Westerwelle, Germany's Minister for Foreign Affairs

"Politicians, athletes, the media and fans will not miss the opportunity during the European Championship to make a statement against the abuse of human rights in Ukraine..."



Philipp Lahm, German National Team Captain

"In the current political situation in Ukraine, I don't find things that reflect my views on basic democratic rights, on human rights, on issues such as personal freedom or freedom of the press... I think he (Michel Platini, UEFA President - ed.) should take a position. And I'm curious what he has to say... I'd have to give it (... if the German team happens to play in the match and Ukrainian President Viktor Yanukovych might offer to shake your hand on the winners' platform. - Spiegel question) some serious thought."

Under these circumstances, the growing isolation of the Yanukovych administration by the EU and the United States will make it even more vulnerable to Russian pressure, but this realisation is unlikely to influence the Western policy on Ukraine. The reason is the same: the Ukrainian president is decreasingly seen as an acceptable partner. So Europe will provoke Ukraine's pro-Russian drift by searching for ways to dethrone Yanukovych as a barrier to EU-Ukraine relations rather than by its competition with Russia over Ukraine.

Observers have increasingly noted that the special psychological mindset of Yanukovych and his inner circle prevents them from coming to a rational decision to seek compromise with the civilised world. They are used to following "notions" (of the criminal world) and are afraid of appearing weak to their own men: one who yields to pressure and shows weakness, can no longer be a leader. European pressure is set to grow and the true correlation of forces will stay the same, which will aggravate the inadequacy and psychological incompatibility of the Ukrainian president with European politicians.

Yanukovych's mindset is pushing him into the hands of Putin's inner circle, which is intimately familiar with this type of world view. In the context of Putin's expansionist policy, Ukraine may soon face the dilemma of choosing between Putin and Yanukovych. And then the Russian leader may prove to be a more acceptable option to pro-Russian Ukrainians.

THE PROBLEM OF AN ALTERNATIVE

Therefore, it is vital for the opposition to fill the vacuum after the Yanukovych regime is deposed and do so by proposing a transformation of the country that meets Europe's expectations rather than by mechanically replacing the outgoing government. Otherwise the edifice of the state may fall together with the Donetsk leadership.

The problem is that the opposition is not up to the task at the moment. It lacks an awareness of the need to dismantle the post-

Soviet oligarchic-monopolist model of society together with the unfair justice administration system. Instead of raising the level of political culture, preparing people for assuming responsibility for their own future and fostering civil self-organisation and activity, the opposition is churning out populist slogans and messianic, paternalistic illusions: it only needs the right and good tsar on the throne; as if a couple of extraordinary personalities with their professionalism and high moral virtues are able to compensate for inefficient mechanisms. The opposition lacks a clear plan of immediate steps to be taken in the first 10, 100 and 500 days after obtaining power. Furthermore, opposition forces are not prepared to support and fulfil a plan regardless of who will lead the government, parliament and individual ministries.

BECOMING INVOLVED

For their part, European leaders should not limit themselves to statements that the Ukrainian elite is authoritarian and failing to meet their expectations or fulfil the modernisation and European integration tasks the country faces. European politicians ought to make a clear commitment to provide comprehensive support to politicians who prove they are mature enough to carry out fundamental transformations in Ukraine. This is needed in order to avoid mistakes and waste opportunities, as was the case in 2005-2006. They have to realise that in a transitional society that must constantly resist a force pulling it back to the USSR, support for healthy forces by the majority of a pauperised society is short-lived. If the new leaders fail to make irreversible changes quick enough, disillusionment may lead to a revanche of reactionary forces, such as in 2006 and 2010. At the same time, if Ukraine is pulled into Putin's authoritarian project, this will spell not only a fiasco for the Eastern Partnership policy but will also make the Russian model more attractive to certain formerly socialist countries and further spur the Kremlin to expansion, this time in detriment to a crisis-stricken European Union. ■

HOW TO SAVE

The leading Western media have written much and mostly negative about Ukraine in the past few weeks, focusing on Euro 2012 boycott by European presidents for the bad treatment of Ms. Tymoshenko

Süddeutsche Zeitung

QUOTED BY SPIEGEL ONLINE, GERMANY

Kyiv cannot afford to break with the European Union, and especially not with Berlin. The question arises as to why Yanukovich will not accept Chancellor Angela Merkel's peace offering: to allow the opposition leader to travel to Berlin to receive medical treatment. Not only would Yanukovich be praised for a humanitarian gesture, but it would also put an end to his international isolation. Yanukovich would gain latitude in dealings with Putin, whom he clearly does not like. The Russian Prime Minister is supposed to have repeatedly uttered disparaging remarks about the man from eastern Ukraine. Altogether it is unclear to what extent Yanukovich has an overview of the political situation. It could be that the entourage that he has built up around him shelters him from a portion of the media influence, which of course does not make him more inclined to take on a bigger responsibility for the Tymoshenko case as well as other abuses. There is also an argument to be made that the eastern Ukrainian steel barons have lost influence over the presidential office in Kyiv in favor of the pro-Russian gas lobby.

The German government has a huge psychological advantage. Germans are traditionally looked upon favorably by Ukrainians, as much in the Russian-influenced east as the Catholic west of the country. If Merkel continues to place diplomatic pressure on Yanukovich, she can be assured of the support of the Ukrainian press, which can still claim freedom of expression thanks in part to the help of Tymoshenko's campaign during the Orange Revolution eight years ago. The Chancellery is therefore doing well to put Yanukovich under renewed pressure, while avoiding sharp words in public.



POLAND

[German politicians] are afraid of the powerful Russia and will not get involved in an argument with it. But Ukraine is a border country, a black hole in the heart

of Europe. The boycott of the Euro 2012 will not bring democracy to Ukraine, however it can convince the pro-European part of Ukrainian society that Europe is leaving it to its own devices when it is in trouble.



ESTONIA

Sports and politics are intertwined in Ukrainian football... The championship was designed as a prestigious project that the nation's political elite would benefit from. The Europeans' decision to boycott the tournament was right. What other message could the European political elite send to the Ukrainian society when opposition leader Yulia Tymoshenko is being treated so badly? [...] A fair question now would undoubtedly be, whether European politicians will be as critical when looking at the Olympics in Russia's Sochi in 2014 or the 2014 Ice Hockey World Championship in Belarus?



UK

Kyiv has pursued what it calls a "multi-vector"

foreign policy: in effect, playing Moscow and Brussels off against each other. The Kremlin wants Ukraine to join a customs union; Yanukovich has so far resisted. But the Euro 2012 fiasco leaves him isolated and weak, forced to look eastwards rather than westwards. The row isn't about football but Ukraine's geopolitical destiny. Do its current rulers want to adopt European values? Or is the aim of Yanukovich, an old-school apparatchik hewn from tough Soviet clay, to create his own mini-version of Putinism?

Tymoshenko has adroitly focused the west's attention on the dark things that have been happening in Ukraine since she narrowly lost to Yanukovich in the country's 2010 presidential election. During her election campaign, she warned that Yanukovich would rip up Ukraine's nascent democracy; her aides talked condescendingly of Yanukovich's "Soviet mental map". Not enough voters believed her. She was proved right more quickly than anybody expected... Many Ukrainians are now dissatisfied with the country's entire political class, seeing it as venal and self-serving.

WE UKRAINE

The Economist

UK

In some ways Mr Yanukovich is using similar tactics to those of his autocratic neighbour, Alyaksandr Lukashenka, in Belarus. He has flirted alternately with Europe and Russia, in the hope of extracting concessions from both, yet yielding nothing serious to either. He wants the associa-

tion agreement and he needs Western support for another IMF bail-out this summer. Should he get neither, he may turn to Moscow for help—which he would get only with unpleasant conditions.

This probably will not end well for Ukraine. **The unfortunate Ukrainians find themselves not only at the mercy of their predatory ruler but also cut off from Europe.**

And it creates a headache for the West. The fear is that Mr Yanukovich could allow his country to fall under Russia's sway...Such a setback for 20 years of Western efforts to bolster Ukraine's independence is a grim prospect; EU countries should make clear to Mr Putin that it would damage relations with Russia.

Fears of Russian influence must not be allowed to dictate a soft response to Mr Yanukovich's autocratic ways. He tends to treat friendliness as weakness, pocketing the proceeds. **Instead, the EU should tighten the screws on the president and his Donetsk business associates—while also finding ways to hold out hope to ordinary Ukrainians.**

High-level political boycotts are a good place to start. Several heads of state, including those of Germany and the Czech Republic, are rightly refusing to attend an east European summit with Mr Yanukovich [...]. The EU's political leaders (but not its soccer teams) should also boycott matches in Ukraine during the Euro 2012 football championships, which it is jointly hosting with Poland.

Off the pitch, the EU should press for fair parliamentary elections in October, sending as many observers as it can. Financial supervisors must apply money-laundering laws stringently to the huge sums flowing out of Ukraine to Austria, Britain, Cyprus and elsewhere. EU countries should withhold visas from those directly involved in the abuse of power. Yet at the same time they ought to make it easier for other Ukrainians to visit the West for study, trade and tourism. And they should do more to explain to Ukrainians the potential benefits of their association agreement, including the possibility that it might ultimately lead to EU membership. **The West's quarrel with Ukraine is with its president, not with its people.**

Not all is lost. Ukraine's political culture, and its press, remain vibrant and unpredictable. The next big test will come in October, when Ukraine is due to hold parliamentary elections. Two opposition parties—Ms Tymoshenko's Batkivshchyna and Arseniy Yatsenyuk's Front for Change—have said they will run as a united block. A Razumkov Centre poll puts their support at nearly 27%, against 23% for the Party of the Regions. Mr Yanukovich may find himself faced with a dilemma: does he act against his political instincts and allow his party to lose seats, or does he double up on his Donbass style and move the country one step further towards Belarus-like isolation?

The New York Times

USA

"There are two models on offer, Argentina in 1978 and Moscow in 1980," said an article in the German weekly *Die Zeit*. In Argentina, the World Cup soccer championship "proceeded unhindered despite many protests" against the junta in power at the time, while the Moscow Games were "boycotted by 64 countries including the United States and West Germany after the Soviet Union invaded Afghanistan. Europe's behavior in Ukraine "must probably fall somewhere between the two. But, in another place and time, the sporting boycott of white-ruled South Africa, which prevented foreign teams from visiting the country and hampered its ability to send its players overseas, took a cumulative toll on the apartheid regime.

The South African sporting boycott, though, was matched for many years by a tightening array of other penalties designed to squeeze the economy and turn the land into a pariah state.

No one is planning a comparable broadside against Ukraine. Since the days of the South African boycott, moreover, much has changed in international sports, notably the amount of money involved in sponsorships and broadcasting rights for events like soccer and motor racing. The European tournament in Poland and Ukraine is to be broadcast live in more than 200 territories around the world.

Even as protesters took to the streets of Bahrain last month in a renewed upsurge of protest, the Formula One Grand Prix, canceled a year earlier as the Arab Spring spread along the shores of the Gulf, went ahead as if nothing untoward were happening beyond the race-track.

Too much money and too much prestige were at stake to allow protest to sabotage high-ticket sports.

euobserver.com

BELGIUM

Usually, it is American or Russian diplomats using straight talk to make a point and have the full backing of powerful states behind. EU's diplomatic modus operandi is usually different. The EU has long been known for the fact that most of its diplomats are soft-spoken and controversy-shy project managers happily disbursing EU assistance, but avoiding tough political issues. Not least because their backing from 'home' can be less straightforward since the EU itself is so affected by many different, if not conflicting, member states preferences. **In any case the EU has usually been a nice diplomatic pet, much easier to ignore than US or Russia. But not anymore.**

Vitali Klitschko:

"The opposition should unite in the Parliament"

Vitali Klitschko's Ukrainian Democratic Alliance for Reform (UDAR) refuses to run under a single party list with Yulia Tymoshenko's Batkivshchyna and Arseniy Yatseniuk's Front of Change in the upcoming parliamentary election. From now on, it is the only opposition political force other than the 'united opposition' that is confidently crossing the 5% threshold. In his interview for *The Ukrainian Week*, Vitali Klitschko shares his vision for processes within the opposition, yet leaves some questions unanswered.

UW: Why won't your party run under a single party list with other opposition parties?

– The opposition should win the election. The only chance to win is to distribute our forces in the best possible way. Some in the opposition said that whoever is not with us is with Yanukovych. I think those statements were more populist than sincere. Whoever is against Yanukovych is with us, I would say instead. What we must seek today is common ground rather than foes within the opposition.

Our goal is to have a majority in the Parliament. Unification does not always result in synergy. In politics, 5+5 does not always make 10.

We should unite in the Parliament. For that we must win in first-past-the-post (FPP) constituencies and protect our votes under party lists. At the same time, rather than decide who runs in specific FPP constituencies, we should hold primaries. Politicians have proposed to meet and decide whom we will nominate. The only thing they forgot was to ask the voters: whom do they want to see? Only candidates with the most support in a given constituency can run as the opposition. Moreover, we all should support popu-

lar candidates nominated by civil society.

The primitive mistakes we made in the Obukhiv mayoral election were a warning for us. So I hope we won't repeat them in FPP voting in the upcoming parliamentary election. It's the people, not party bosses like Klitschko, Yatseniuk, Turchynov or anybody else, who should decide this. Only this approach will give us the best possible outcome.

UW: How will the single list with Batkivshchyna and the Front of Change affect your party's prospects and the talk about a single list of FPP candidates?

– Their merger is their internal matter. I don't want to comment on it because we respect the decision of these two parties. But I have made myself clear: we are running separately. If somebody wants to join us, we'll have a synergy that gives us a better result. The people that join us have spotless reputations, professional qualities and moral values that are in line with ours, and we'll unite to win.

UW: Will this decision make the talks on a common opposition FPP list any more difficult?

– They have only merged at this point. We are in the process of negotiations. Hopefully, we will soon have some results to present to the public.

UW: Are other opposition forces demanding any concessions in terms of candidate distribution in the common list for the parliamentary election in exchange for supporting you as candidate for the Kyiv mayoral post?

– Politics is a search for compromise. I believe we can find the golden mean in this matter that will be good for all political forces.

UW: Will other opposition parties support you?

– Currently, the two leading candidates are Vitali Klitschko and Oleksandr Popov, now Head of the Kyiv City Administration. Other candidates are over 15% behind. Any other candidate, self-nominated or running from the opposition, will work hand in hand with the ruling party to steal my votes. This will be a purely technical candidate from the party in power. Let's call a spade a spade here.

UW: Will there be any chance of running under a single FPP list from the opposition in the parliamentary election if other opposition forces do not support you in the Kyiv mayoral election?

– Consistency is what matters in politics. The public should know people who declare one thing and do the opposite – and that is your task as journalists to draw public attention to this. This signals that they are false and will treat voters the same.

UW: So, the Kyiv mayoral election may be a Rubicon: if the opposition does not support you, it will reveal how false its intentions are and there will be no single list in the parliamentary election?

– It makes sense to support one opposition candidate who is the most popular in a specific region. Faked polls aside, I am now nearly 8% ahead of Mr. Popov. We will avoid the mistakes Batkivshchyna made in the 2008 mayoral election when it nominated Oleksandr Turchynov and Leonid Chernovetsky was ultimately re-elected. It's up to them to decide whether or not they will do this again, but then everyone should know whom to blame for the opposition's defeat in the election.

UW: Where does UDAR's funding come from?



– A big portion of the funding is my money. Clearly, this isn't not enough, but we also rely on middle and small business. Many people are reluctant to sit and wait until something better comes around. They are ready to strive for change. Business owners tell us they are not ready to declare themselves to the public because they risk their cause and the jobs they give to others. Notably, they are not oligarchs. These business owners mostly support regional and local entities or projects, not the party on the whole. I mean, they support people they know personally who will protect the interests of Ukrainians in local councils and in the Parliament, and stand with the principles our party is committed to.

UW: What are the chances for your campaign sponsors to act arbitrarily after the election, especially if the candidates they support in the regions get through to the Parliament under the FPP system, or if they themselves are elected as MPs? Could they repeat the Kyiv Council scenario where some influential businessmen quit your party, including Dmytro Andriyevsky, Lev Partskhaladze and Andriy Myrhorodsky, UDAR's key sponsors at that point, who left UDAR or were expelled from the party in 2010?

– The party is about team play, not Klitschko alone. We unite around principles we commit to, not one person. The most important thing we have is independent decision-making. I will do my best to not become someone's puppet or a prisoner of circumstance. A lot of people come to our party, but we don't accept money and I'm not selling anything. I don't want to make the same mistake other parties have made when a sponsor comes around to fund the party that gets through to the Parliament, and begins to earn his money back immediately. Such political projects have zero prospects. I want to build a party, not a project, with my team.

UW: Clearly, you're not selling your party, but people can use your reputation and public confidence in you to get through to the Parliament. They can claim they share your values and do whatever they like once elected. »

– I'd like to stress once again that no person can buy anything in our party. I don't sell party list positions. If someone supports us financially, this does not guarantee that the person gets into the Parliament automatically. We need the electorate in the regions and FPP constituencies to vote for us. For that, we have to provide reputable candidates, not just rich people. We scrutinize how our regional branches work and how much support they gain from the public. We even hold a sort of a competition for our oblast branches: whoever gains the most support will get to our party list which we will set up openly and transparently. The most important thing is that they should have high morals, and I'm responsible for that.

UW: Who will be the top five in UDAR's list?

– I don't want to get ahead of myself. We will set up the list at our party convention. This will all be public information.

We have many young well-educated people with good principles and a European vision for Ukraine's development. That's our key motivation. These criteria are much more important than someone's celebrity status. Mine is quite enough for us.

UW: This is not about celebrity status. Responsibility is always personified. Who, other than you, will be personally responsible for the party's achievements or failures? Is this going to be you alone?

– No. Our party list will include people known regionally. They are not well-known at this point, but they are qualified in law and economy. These are people who are ready to undertake responsibilities. That's how all parties evolve in civilized countries: people obtain the initial party experience in regions, progress as politicians and move on to nationwide politics.

I realize I haven't answered your question. But be patient, please. We can meet after our party convention¹ and I will give you answers about everyone.

UW: What is your ideological platform based on? UDAR declares itself a socio-liberal party



32.2%
of voters in Kyiv are going to vote for Vitali Klitschko in the mayoral election. He is running slightly ahead of Oleksandr Popov, currently Head of Kyiv City State Administration

Source:
survey by the Social Monitoring Center and O. Yaremko Ukrainian Institute for Social Survey

10.1%
of Ukrainians that are going to the parliamentary election will vote for UDAR compared to 26.8% for Batkivshchyna and the Front of Change and 23.3% for the Party of Regions

Source:
14-19 April survey by the Razumkov Center

¹Mr. Klitschko was interviewed before UDAR party convention that took place on 28 April in Zaporizhzhia

while seeking to join the European People's Party.

– What do you mean? The European People's Party also promotes a liberal economy.

UW: How will you present yourself? Are you liberal or conservative? What is your ideology?

– We've had many debates about who we are. We should answer our voters on the interests, ideals and principles we protect, on the criteria and values we promote and on our objective.

UW: So, what are they?

– We are a right-centrist party. European integration is our key goal. Mentally, historically and geographically, we are Europeans. The only things that make us very distant from Europe are standards of living and the rules of politics. Therefore, our goal is to change this in order to place the citizen, with his or her rights and freedoms, in a central place.

UW: How do you view Ukrainian identity? What should the nation's integration and consolidation be based on? How do you see the need to shape national history in contrast to the common history of the Soviet Union, and the prospects of the Ukrainian language?

– Ukrainian politicians are used to taking the differences between Western and Eastern Ukraine as the starting point because the issues of the language, history, religion and NATO often raised by politicians are fueled intentionally. In fact, we Ukrainians are much more interested in how confidently we can face the future and whether we have a chance to get a good education, health care services, good jobs and salaries. For us, this is what matters much more.

I agree that this should be an identity matter because we all live in Ukraine. But we should remember that we have over 70 ethnic groups in this country, and many different regions, languages, religions and histories. Playing games with these things will get us nowhere. We should be tolerant about language, history and religion—it's our future that should unite us. It's how we want to see our country, an economically powerful and politically stable one

where every citizen feels confident about the present and the future.

Ukrainian should be the only official language. This is identity. There is no question about it. We can speak any language we like but speculation on this issue should stop.

I really want UDAR's platform to be put into practice and we're taking responsibility for that. It's very important for us to communicate our principles, who we are and where we are heading, why we are here and what we want to do.

UW: So how do you personally answer these questions? What should we unite around?

– We are Ukrainians.

UW: Who are Ukrainians? Are these all people living in the territory of Ukraine or do they need to have something in common?

– Who are Ukrainians? Skin colour doesn't matter....

UW: We're talking about self-identification, not ethnic or racial things...

– ...nationality, language and religion do not matter. It's about something different altogether. Someone lives in Ukraine? Does this person love Ukraine? Does this person see his or her future in the country? That is much more important.

UW: What kind of future?

– We are building a country with democratic standards where a human with his or her rights and freedoms is top priority; this is the most important value. Then comes European integration. We all realize that the path other Eastern European countries have chosen leads to political stability, economic development, better quality of life and protection of rights. That is the main objective of our party.

UW: Are you ready to convince society that unpopular decisions should be made even if they put your popularity at risk?

– If you make a necessary yet unpopular decision, you need to explain to people what benefits it will bring in the short-term that all Ukrainians will see later on. As a politician, I am ready to make unpopular decisions but I need the voters' support to do so. ■

Questions Without Answers

Vitali Klitschko's rapid political ascent is due to his readiness to say what most voters want to hear. Yet, it is currently too early to talk about any strategic vision of the nation's development

Vitali Klitschko's background is a success story of reputation gained in sports converted into a political asset with proactive civil activity in between. In 2000, Mr. Klitschko joined UNESCO's Education for Children in Poverty programme. In 2003, he and his brother Volodymyr founded the Klitschko Brothers' Charity Foundation. Mr. Klitschko often visited events arranged by Oleksandr Omelchenko, the then Kyiv Mayor. He supported the Orange Revolution. On 12 December 2004, he devoted his victory in a boxing match to democracy in Ukraine and raised an orange flag. Since 2005, Vitali Klitschko has himself been involved in politics, leading the Pora-Reform and Order Party (Pora-PRP) bloc. His bloc entered the Kyiv City Council after the 2006 election, but Mr. Klitschko lost the subsequent mayoral election to Leonid Chernovetsky. His bloc later failed to cross the 3% threshold in the parliamentary election. In the early election in spring 2008, Pora-PRP doubled its seats in the Kyiv Council, but Mr. Klitschko lost the mayoral election once again – this time not only to Leonid Chernovetsky, but also to Oleksandr Turchynov.

After Viktor Yanukovych came to power in April 2010, Vitali Klitschko founded the Ukrainian Democratic Alliance for Reforms (UDAR). Over the past two years, its popularity with the electorate has tripled, the support of those who are going to vote in the election for its leader climbing to an impressive 10%. First and foremost, this is the result of a permanent need for new faces and a new quality of political forces in Ukrainian politics. Arseniy Yatseniuk and Serhiy Tihipko benefited from this earlier, only to first lose momentum,

then support, when they had to answer some tough questions, as the novelty effect faded. Vitali Klitschko can count on proactive support from the middle class and the youth who see him as a successful self-made man.

The main advantage of UDAR is the fact that it does not have a government-tarnished reputation, while Mr. Klitschko and his team have no background in corruption. By contrast, Klitschko's Bloc often opposed the grabbing of municipal property by Leonid Chernovetsky's "young team" in the Kyiv City Council. Many of the bloc's members who got into the Kyiv Council in 2006 and 2008 ended up as crossovers, but Mr. Klitschko insists that he has learned his lesson and will be more cautious from now on. In the spring of 2010, the mass media started buzzing that he was having talks about possible closer cooperation with the Party of Regions, his election as Kyiv mayor or appointment as secretary or head of Kyiv City State Administration. He himself denied these allegations. In fact, he is too European-oriented to lean towards the post-soviet authoritarian Belarus-Russian model that the current Ukrainian government is continuing to develop. It is doubtful whether Mr. Klitschko would taint his reputation by collaborating with a regime that is ever more associated with political repression by the international community.

VAGUE IDENTITY

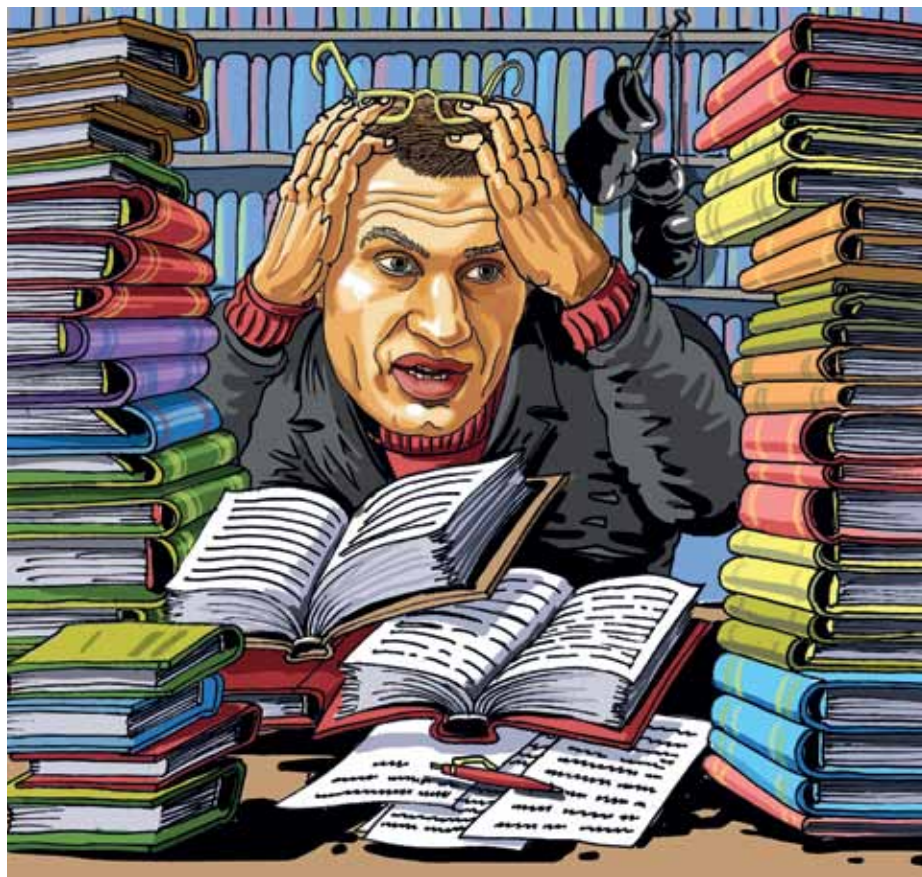
Meanwhile, it is still difficult to ideologically define Vitali Klitschko and his party. In all likelihood, they are counting on this so that every electoral group is able to find something to identify with in them.

Despite promoting itself as a right-centrist force, comparisons to Germany's Christian Demo-

cratic Union and the wish to join the European People's Party, UDAR's platform documents define it as a socio-liberal party whose key objective is to take part in developing a social state and the implementation of the principle of social equality. Clearly, this course would be more in line with the Social Democratic Party of Germany, not the Christian Democratic Union, if put in the German political context.

Mr. Klitschko speaks Russian, but he is learning Ukrainian and now speaks it fairly well. He is aware of the significance of an official state language as a symbol of national identity, but misses the point that it should be used as a basis for the real, albeit gradual consolidation of the nation, rather than as a ritual attribute for public use on individual occasions, such as public administration, politics or education. UDAR's platform was essentially designed to please everyone as it does not give a clear list of endangered languages while highlighting the need to protect languages other than the official one in Ukraine. Thus, it effectively creates an environment for protecting the Russian language that dominates the media, mass culture and business, and restricts the use of Ukrainian in these spheres.

Given his personal and family background, Mr. Klitschko honours WWII veterans while avoiding talk about UPA, the Ukrainian Insurgent Army, as something he is not familiar with. Most likely, Mr. Klitschko does not know the history of the national liberation movement in Ukraine well enough, but cannot help but understand that the picture of WWII painted by soviet propaganda is also far from being true. He believes that all controversial points in history and religion can be ignored as being



provocative, while joint projects, in addition to the common will to join Europe (on which everyone has their own vision), such as the athletic achievements incarnated by Klitschko brothers among others, can consolidate the nation. Based on this, he hopes to become a compromise figure for voters in different regions.

In fact, though, it is hard to think about how national identity can be strengthened based on the “historical, value and language diversity” of the regions and ethnic groups in the Ukrainian post-colonial reality, as UDAR’s platform suggests. The vision of one big state with the historical vision, value concepts and language traditions of a “common state”, still dominates in some oblasts, identifying with the “Russian world” rather than with Ukraine specifically, and backing the revival policy of the Russian leadership in the FSU.

SAFETY OR RELIABILITY

UDAR’s platform on geopolitical choice, national security and foreign policy priorities is vague. It

criticizes the current government’s will to “review strategic objectives and priorities based on circumstances and the will of other countries on such important issues as collective security and the dislocation of foreign military forces on the territory of Ukraine, yet offers no reasonable and clear alternative.

The platform is actually a kind of remake of the infamous multi-vector policy that UDAR proposes replacing with “multi-partnership” based on “effective multilateral relations.” At the

MR. KLITSCHKO BELIEVES THAT ALL CONTROVERCIAL ISSUES CAN BE IGNORED AS BEING PROVOCATIVE

same time, it puts organizations, the essence and role of which vary significantly for Ukraine, such as the UN, the Council of Europe, the EU, NATO and OSCE, on one priority level. Its geopolitical strategy is “to simultaneously use all available cooperation instru-

ments” rather than “to force a choice between two alternatives.” This essentially means balancing between different centers of influence, with the EU, Russia and USA being on an equal footing. Having said this, Russia appears to have an unjustified high status. All three are clearly recognized as global leaders, as opposed to regional leaders, while Ukraine’s relations with Moscow are interpreted as “vital for Ukraine”. At the same time, there is no clear position on the continued presence of the Russian Black Sea Fleet in Ukraine while the platform only mentions a vague intention “to regulate the terms and the conditions of the presence” of the Russian military base in Crimea.

As a result, instead of a clear European and NATO choice, UDAR has taken on the concept of cooperation within the “Great Europe” supposed “to remove numerous challenges in Ukraine’s foreign policy orientation and make them less urgent”. In fact, though, it is an attempt to fit in with Vladimir Putin’s geopolitical, strategy spelled out in a special platform provision in his latest election campaign. It entails the deconstruction of the Euro-Atlantic space, replacing it with a “Europe from Lisbon to Vladivostok,” in which Moscow is counting on a dominant role. For Ukraine, this will effectively mean a return of the “heading to Europe with Russia” concept.

Even the European integration declared as UDAR’s strategic objective actually boils down to the priority of “European standards” – a concept characteristic of United Russia and the Party of Regions – while EU membership or lack thereof, is secondary. According to its agenda, the European vector sets the direction of transformations within the country, thus ensuring the integrity of state policy in implementing European standards of social, political and economic life and creating the necessary diplomatic background for European reforms within Ukraine. Meanwhile, the feasible goal of EU integration outlined in the agenda only determines the ratification of the Association Agreement and the FTA. ■

Black Sea (In)Security

Recent geopolitical transformations in the Black Sea region and Caucasus have presented serious challenges while also offering many opportunities for Ukraine to reinforce its national security

Author:
Oles Oleksiyyenko

In a series of articles published during Russia's last presidential election, Vladimir Putin outlined plans to increase the country's energy, geopolitical and military impact, reclaim its status as a key link in the future structure of Eurasia, and squeeze the US out of the Eastern Hemisphere.

PATH OF LEAST RESISTANCE

Meanwhile, Russian foreign policy records show that given few options for expansion westward and over the Baltic States, the Kremlin has typically focused on the region of least resistance to the south, including Black Sea and Caspian Sea states and Central Asia. None of those is yet able to compete with Russia in terms of its military, economic or demographic capacity. As resistance to the growing impact of China in Central Asia is an unrealistic objective, the Kremlin is likely to see its increased presence in the Black Sea region, including the Caucasus, as a priority.

In addition to the intensified activity in the Caucasus that accompanied Mr. Putin's previous ascent to power, with Russia's military intervention against Georgia in 2008 marking his shuffle to the premier's office, preparations have been made for an expanded Russian naval presence in the Black Sea. At this point, Russia's Black Sea Fleet has only one submarine. According to the Fleet's Commander, Rear Admiral Aleksandr Fedotenkov, it should have seven by 2017. New naval ships are currently being built at Baltic shipyards. In summer of 2011, Major General Aleksandr Otroshchenko, Chief of Russian Black Sea naval aviation, stated that strategic aircraft, including TU-

23M3 bombers, must be returned to the Black Sea Fleet.

Clearly, this is why the Kremlin wants new concessions from Ukraine in terms of its Black Sea Fleet and the green light to "upgrade" its weapons, which will in fact end up increasing in size and number as well. On 20 April, Grigoriy Karasin, Russia's Deputy Minister of Foreign Affairs, mentioned that a series of new deals had been drafted regarding the movement of Russian military units beyond their deployment areas and the crossing of Ukrainian borders by ships, supply vessels, aircraft and military staff of Russia's Black Sea Fleet. The Kremlin is also developing a backup base in Novorossiysk that could become the key deployment point for Russian Black Sea Fleet reserve troops if talks with the current Ukrainian government fail to achieve the desired results or if a new government revises the terms.

In 2005, the Russian government approved a federal programme to develop the Black

Stroy (Special-Purpose Construction Company), the builder of the base. Regardless of whether the increased Sevastopol armaments lead to concessions from Kyiv, Russia will still increase its military presence in the region through its base in Novorossiysk.

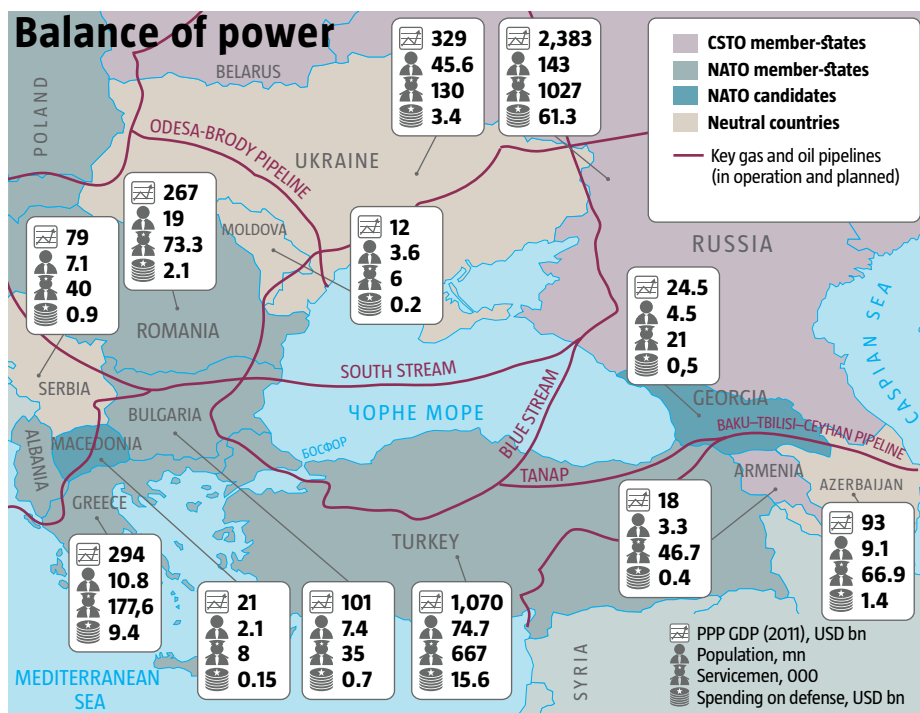
Apart from the ambition to expand its influence in the Black Sea region, Russia is motivated by Georgia's consistent movement toward intensified collaboration with the US and NATO integration, as well as Turkey's growing authority in the region. Russia's Blue Stream gas pipeline, as well as the yet-unfinished South Stream and Burgas-Alexandroupoli pipelines will add to Moscow's incentives, now economic, to increase its military presence.

NEO-OTTOMANISM

Turkey's growing influence in the region and its intensifying policy regarding its neighbour states, especially countries that had once been under the control of the Ottoman Empire, are plain to see. Neo-Ottomanism is the newly-coined term for this. Of course, at this point, emphasis is being placed on a new hegemony based on soft power, trade and economic dependence, thus orienting the region toward Ankara. Turkey's swiftly growing economy, including the 16th fastest-growing GDP worldwide, contributes to this. By now, Turkey has become the biggest market for some of its neighbours. Ukraine is no exception: it exports more goods to Turkey (worth USD 3.95 billion in 2011) than it does to any other European country. To boost its economic capacity, Ankara is working hard to liberate itself from energy dependence, including dependence on Russia, as well as on gas transported through »

AS TURKEY AND RUSSIA INCREASE THEIR INFLUENCE IN THE REGION, THE EU AND THE US SEEM LESS INTERESTED

Sea Fleet on the territory of the Russian Federation from 2005-2020. It will cost the government nearly RUR 92 billion or over USD 3 billion. Given Mr. Putin's recently declared military ambitions, the programme may eventually receive much more than that. In 2010, the Russian government spent RUR 2.8 billion (nearly USD 90 million) to set up the base in Novorossiysk. Funding for 2012 is estimated at RUR 9 billion (USD 300 million) according to Spets-



Ukraine, Romania and Bulgaria that had once constituted a large share of the goods it imported and consumed. Meanwhile, Turkey will impose a similar dependence on itself among states in the region. In addition to attempts to monopolize the flow of gas and oil from the Caspian Sea region, this includes the intention to take over most transit of Russian fuel to Europe and the Mediterranean. Firstly, South Stream, if eventually built, will operate exclusively in Turkey's economic zone. Secondly, Ankara keeps restricting the transit of fuel cargo, primarily tankers carrying Russian oil, through the Bosphorus.

Moreover, Turkey's leaders would like to completely take over maritime trade between the Black Sea states and the outside world. In April 2011, Turkey's Premier Recep Tayyip Erdoğan voiced his intention to build a shipping canal between the Black Sea and the Sea of Marmara by 2023 and to relocate all flow of cargo there from the Bosphorus. Unlike the Bosphorus, which is regulated by international agreements, the new canal will be owned by Turkey alone, giving it the power to decide on tariffs and regulations for foreign vessels.

Turkey is trying to restore its status as a key state in the Islamic world, at least in the Middle East, while distancing itself from Washington by supporting only US initiatives that it can benefit from. Meanwhile, it appears ready to get involved in an open conflict with America's strategic allies in the region. One example was the supply of "humanitarian aid" to Palestine that brought Ankara and Tel Aviv to the brink of an armed confrontation.

BETWEEN MOSCOW AND ANKARA

As Turkey and Russia increase their influence in the region, the EU seems less interested, and

KYIV COULD ESTABLISH RELATIONS ON AN ALLIED BASIS WITH ANKARA UNLIKE WITH MOSCOW

more pre-occupied with its own problems. The region also risks losing its priority status for the US as it plunges deeper into the confrontation with China in the Asia - Pacific region. As a result, the presence of the EU and US in the Middle East is likely to remain soft, limited to the support of consistent and voluntary allies.

Washington is unlikely to abandon support for Georgia and the neutral buffer states that continue to resist Russia's ambitions to absorb them, yet are not ready for more intense collaboration with the US. However, this will restrict the scale of US support and the array of measures used. In this case, the White House may actually benefit by counterbalancing the influence of Russia and Turkey, supporting the latter until a certain point in time, thus turning Turkey's focus away from the Middle East to the Black Sea region to a certain extent.

Strengthening Turkey and cooling its relations with the rest of the EU while reducing US attention to the region could lead to significant transformations in Greece's geopolitical objectives. Athens might have to look for a more effective "partner," and Putin's Russia would make a plausible candidate. The issue was raised by a local pro-Russian party during recent elections in Greece. Some say this might help Moscow negotiate the rental of a Greek naval base to replace its base in Syria in the event that Assad's regime is overthrown.

The base in Greece, however, could eventually have a much more powerful effect, aimed at not only increasing Russia's presence in the Mediterranean and the Horn of Africa where the Russian Navy is now performing anti-piracy operations, but also at becoming a significant factor in keeping warships of unaffiliated countries out of the Black Sea. Moreover, Greece, which is now trying unsuccessfully to clamber out of debt, could be the starting point for a renewed Russian presence in the Balkan States including Serbia, Macedonia and Bulgaria. Pro-Russian lobbyists are becoming more and more proactive there. This could lead Bulgaria to the group of countries loyal to Russia given Turkey's growing ambitions and its current joint economic projects with Moscow.

If the presence of NATO and the US in the region fades and the EU Southern Gas Corridor hinges on Turkey, then the geopolitical split of the South Caucasus into pro-Russian and pro-Turkish countries will center on

the energy factor. Moreover, the possible overthrow of the current regime in Iran would wipe out the last remaining multi-vector policy options for the Caucasus states. If that happens, they will have to choose between Moscow and Ankara. Tbilisi and Baku will opt for Ankara while Erevan will grow even more pro-Russian (the two countries agreed in 2010 to extend the lease of a Russian military base in Armenian Gyumri until 2044).

Nuclear weapons will remain Russia's key advantage over Turkey, but past decades have proven that a country of Turkey's size and power has a good chance of catching up with its competitors by developing its own nuclear weapons. If that happens, it may add some nuclear flavour to the confrontation in the region.

IN PURSUIT OF A PERFECT BALANCE

In this Russian-Turkish model of the Black Sea region, it is important for countries that are equally disinterested in falling under Russian or Turkish influence to find ways to keep outside powers focused on this part of the world. This means either maintaining a US presence or reviving Germany's interest to counterbalance Russian influence and the growing impact of Turkey, at least for some of the Black Sea states, including Ukraine, Moldova, Romania and possibly Bulgaria and Georgia. Otherwise, Kyiv and Bucharest will have to decide which of the two potential regional hegemonies would be most acceptable and tactically beneficial. Collaboration with Turkey should be a clear priority for Ukraine as long as the biggest threats to its sovereignty and national identity come from its northeastern neighbour. This would allow Ukraine to walk away from Russia. In the current situation, Kyiv could establish relations on an allied, if not totally equal, basis with Ankara. Unlike Turkey, the best that Russia can offer Ukraine is a satellite role, while the worst case scenario would be a gradual loss of sovereignty and dissolution under Mr. Putin's neo-imperial project.

Thus, Ukraine should focus its efforts on launching a re-

gional Black Sea security entity possibly involving all Black Sea states, excluding Russia and its determined allies. The best option would be to set up an entity supported by a nuclear power, meaning the US, and involving European countries that seek real containment of the Kremlin in the region, such as the UK, Poland and the like. This would be a Baltic-Black Sea entity without a defined intra-regional leader, such as Turkey (which will happen if the scale of collaboration is restricted to the Black Sea region and the Caucasus). Thus, Kyiv would be left with some space to affect the decision making process.

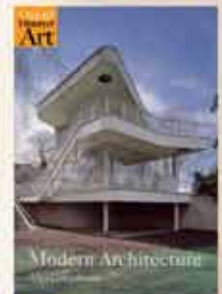
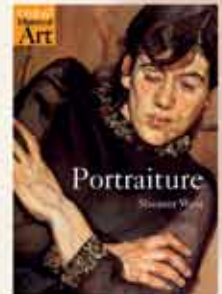
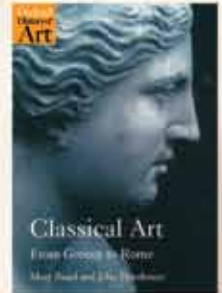
After all, a Black Sea entity involving Turkey and Ukraine, but not Russia, could become an efficient tool in solving the region's energy security dilemma, even if Turkey plays the key role in fuel transit. Its army's power would guarantee that outside forces would not intervene in the South Caucasus once again, repeating the scenario of Russia's 2008 intervention in Georgia. This would secure the key energy transit communications of the Black Sea and European states with the Caspian region.

Moreover, a possible US military operation against Syria and Iran could provoke a revolution in the European energy market as the gas export potential of Turkmenistan, Iran and the Persian Gulf Arab states is considerably higher than that of Russia. Firstly, they have much larger reserves of gas, and secondly, Russia consumes much more gas domestically, especially in the cold winter months. At the same time, the natural conditions for gas extraction and transit in these states are no more challenging than those in Russia, while the distance to key consumers in Europe is comparable to the distance from Russia's key gas fields in the Arctic Circle and remote parts of Siberia. In contrast, the main factor restricting the export of Asian fuels to the EU in recent decades was almost exclusively the political risk associated with strained relations between Western countries and dictatorships in potential fuel supply and transit states. ■



History of Art series at Ye Bookstore

Looking at art history from a fresh perspective*



Kyiv
3, vul. Lysenka
tel: (044) 235-88-54

www.book-ye.com.ua

Giorgi Baramidze:

"Russia believes that the Georgian factor should be eliminated"

Georgia is the most recent example of the serious threats that the Black Sea states are facing. Its dynamic and successful domestic reforms coupled with the intention to determine its own foreign policy prompted Russia to apply informational and economic pressure followed by direct military assault in 2008. Russia seems to view Georgia as a dangerous role model for other post-soviet states. At the 5th Kyiv Security Forum held on April 19-20, *The Ukrainian Week* talked to Giorgi Baramidze, Georgia's Vice Prime Minister for European and Euro-Atlantic Integration, about the current threats to Georgia's security and its role in the region.

UW: How has Georgia's security status changed since Russian intervention in 2008?

— Russia is now preparing for large-scale military exercises called "Caucasus-2012" in addition to exercises under the Collective Security Treaty Organization (CSTO).

UW: What does this signal? Is this an attempt to put pressure on Georgia before the upcoming parliamentary election using the slogan "vote for peace," meaning voting against the party in power that irritates Russian leaders?

— Sadly, we cannot rule out any of the possible scenarios. Notably, both the Caucasus 2012 (that will have the same format as Caucasus 2008, only on a larger scale) and CSTO maneuvers will be held just a few weeks before the October parliamentary election in Georgia.

We are also concerned by official statements that Russia is ready to take part in an unknown conflict if there happens to be a confrontation between the West and Iran. We don't think Russia

Interviewer:
Oleksandr Kramar

will be involved in any confrontation on either side. So, I don't understand which conflict they are referring to. Moreover, Moscow will hold the exercises on Russian territory near the Georgian border, on Armenian territory, and on the occupied territories of Abkhazia and Tskhinvali (South Ossetia).

There has also been this strange interest in the Georgian election and the statement that

GEORGIA HAS VIRTUALLY REVIVED ITS STATUS AS THE CENTRAL CAUCASUS STATE

the Kremlin would coordinate some of its actions with a certain part of the opposition. Naturally, we're concerned by all of this. But don't panic: we're on the alert! And it's not just us. Our Western partners are all aware of this. Unlike in 2008, there is the EU Election Observation Mission. The world gained some important insight back then and Russia's aggression will no longer catch anyone by surprise. Before August 2008, many couldn't have imagined such a conflict; they didn't believe that Russia would attack even though they were warned of its consistent preparation for the invasion. Today, unfortunately, that has become reality and everyone is watching the situation closely.

Pressure from Russia could also target the Georgian economy. If there is any potential tension in the air, investors will surely have a harder time making the right decisions. Perhaps the Kremlin is hoping to cripple Georgia because it sees the country as an obstacle on the path to fulfilling its imperialistic ambitions. Specifically, these include plans to create a Eurasian Union, which we see as an attempt to revive the USSR. This is totally unacceptable both

for Georgia and for many other states. Yet, in Russia's eyes, removing the "Georgian factor" is an absolute must.

UW: Georgia has recently become a NATO aspirant country. What are the objectives of this programme? Is it a sort of replacement for the NATO Membership Action Plan?

— This is a purely de jure status. It's more of a political declaration. The term will apply to Georgia as well as three other Western Balkan countries that are already NATO Membership Action Plan (MAP) participants. Considering that the countries are all placed together with Georgia in the same format, naturally, the political context may provide some signals about how the situation will evolve in NATO.

In fact, Georgia already has much more than MAP at this point. We have the annual national plan which is the only MAP component used annually by every country that commits to it. Moreover, we have one mechanism and one political decision. The mechanism is the "NATO – Georgia" Commission that doesn't provide any MAP, but it's already operational in Georgia. The political decision is a clear and understandable statement by NATO member-states that Georgia will join NATO. That is an unprecedented declaration made in Bucharest in 2008.

It mentioned Tbilisi and Kyiv but Ukraine is currently not moving actively in that direction. Georgia moves independently, and in this context, NATO aspirant status can surely be seen as a big step forward.

It is common knowledge that Georgia is prepared for NATO membership in many aspects, yet we realize that it has much farther to go compared to other recently accepted candidates. We know

Georgia's corruption perception index was

1.8
in 2003 with
10 for zero corruption
and 0 for total
corruption. In 2011,
it soared to

4.1

In 2003, the average
salary in Georgia was

**USD
60**
per month compared
to

**USD
400**
in 2011

In 2005, Georgia's
PPP GDP was

**USD
3.500**
compared to
**USD
5.500**
in 2011

that this is achievable and Georgia is ready to wait a few years – not too long, though. Naturally, we will wait as long as needed, but we believe that the parliamentary and presidential elections will help to pave the way.

UW: Are you saying that you don't expect any changes after the Chicago Summit in May?

– As you know, it will not be about NATO enlargement. That is one point. As to other decisions, we believe that the key thing NATO can do for us there is to properly assess the progress Georgia has made in various aspects, from the struggle against corruption to reforms of the military, law enforcement and security authorities.

Georgia has made significant progress in all key spheres. We expect this to translate into NATO's clearer position on Georgia's membership prospects. That would be progress for us. I would like to stress once again that we want to join NATO, but its member-states are going to decide on that after the elections in Georgia. NATO member-states have already decided that Tbilisi would be a member.

Of course, we wonder how they view this and how they plan to implement their decisions since it's not Georgia alone that we're talking about, but NATO as well – to what extent it fulfills its signed agreements. Therefore, the Chicago Summit will hopefully be yet another step toward Georgia's membership – a real one, even if not final. And we'll see what happens next.

UW: How does Georgia see the growing impact of Turkey in the Black Sea region and the Caucasus that has virtually evolved into a kind of "neo-Ottomanism"? The two nations had troublesome relations until the early 20th century.

– We see no threat in Ankara's activity. What happened in the past is history. Modern Georgia and Turkey are establishing relations based on the interests of

their people. The two nations have close political and economic ties, a visa-free regime and electronic ID cards for border crossing. Turkey is among the top three investors in Georgia and the leader in terms of tourist inflow. This shows that our relations are evolving in a civilized manner.

UW: President Saakashvili has lately been promoting the concept of a united Caucasus. What does he mean? How realistic is this given the conflicts between some countries in the region?

– He's talking about the integration based on the abundant history of relations between Caucasian nations rather than a political union or border removal. They've often had tough relations, yet they always remained interconnected. Therefore, cultural integration, as well as economic and trade integration to some extent, and an intensified dialogue in education, science and so on, are the crucial things to discuss.

Georgia has always been the heart of Caucasus culture. Thus, we want to make a good contribution to it. By now, Georgia has virtually revived its central status as a result of its developing infrastructure, democracy and reforms. The interest of representatives of all Caucasian states and nations proves this. And our intention is to have a good impact on their lives.

UW: Everyone can now see how successful the reforms in Georgia have been. Could a change of gov-

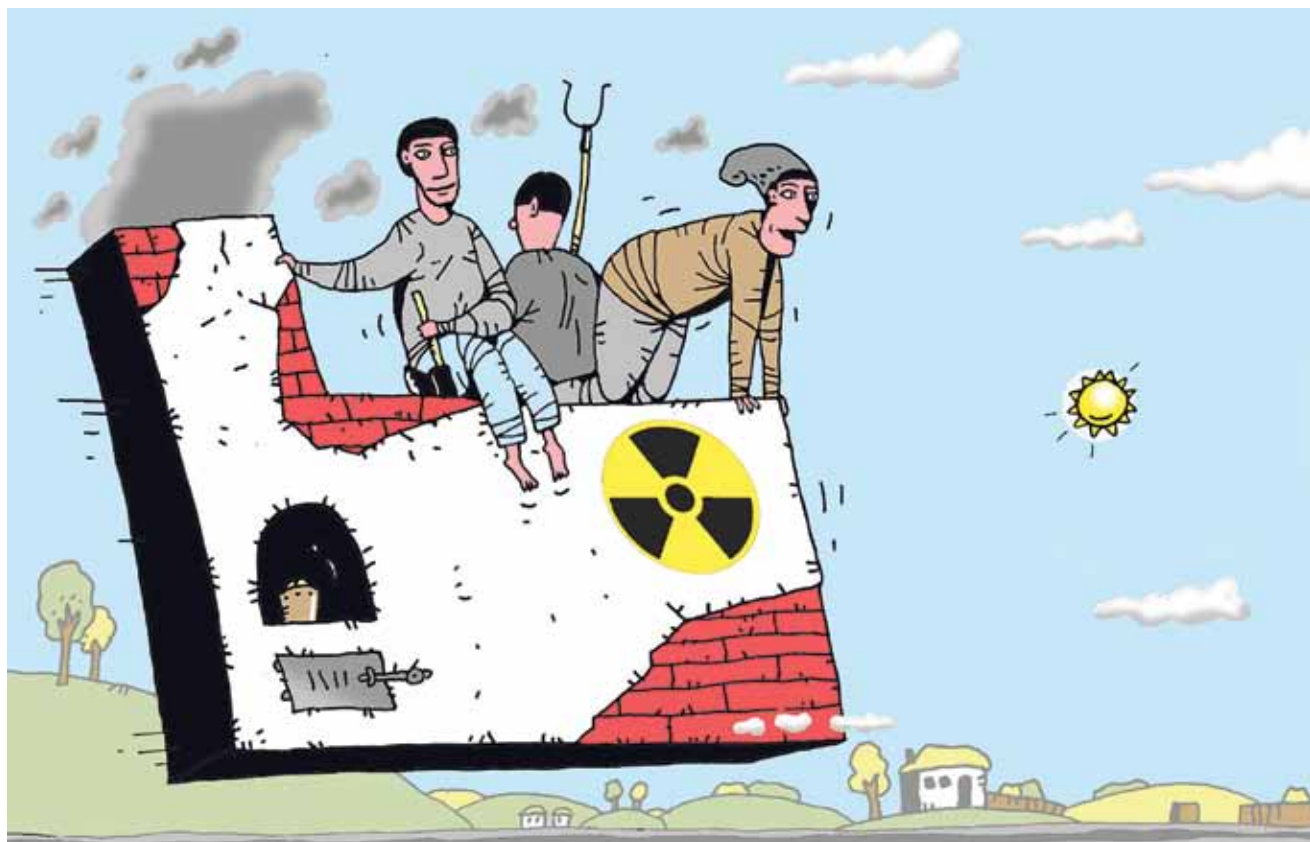
ernment threaten these reforms?

– The Georgian people have, first and foremost, guaranteed the permanence of the reforms, because their mentality has changed dramatically. They are no longer a post-soviet nation. We have passed that stage and are now building a modern democratic state. The nation is making an intense contribution to the process. ■



Lesson Not Learned

Continuing its cooperation with Russia in the nuclear engineering sector, the Ukrainian government is putting the country at risk and could repeat the mistake of Chornobyl



Author:
Anatoliy Hrytsak

BIO
Anatoliy Hrytsak is a nuclear power engineer who was on the crew servicing the first power-generating unit of the Chornobyl Nuclear Power Station at the time of the accident. He witnessed the catastrophe and was involved in the clean-up effort.

In all the time that has passed since the Chornobyl disaster, it has not been legally recognised that the cause was the deficient design of the RBMK-1000 (high-power channel-type) reactor. The court found only the operating staff guilty in 1987, not the representatives of higher bodies, such as the Ministry of Energy and Electrification, the Nuclear Supervision Agency and the Igor Kurchatov Institute of Atomic Energy (the chief designer of the RBMK reactor), without the approval of which, it was impossible to conduct any experiments at the power plant. Russia has absolutely no interest in studying the true causes of the accident, because if the deficiencies of the RBMK design are legally recognised, it would be put in such a

light, that even third-world countries would refuse to cooperate with it in the nuclear engineering sector.

THE DANGER IS STILL THERE

At the time of the Chornobyl disaster, 14 RBMK-1000 reactors were in use in the USSR: four each in Chornobyl, Kursk and Leningrad and two in Smolensk. Immediately after the Chornobyl explosion, a complex of mandatory measures to increase their reliability was developed. This is actually the key to understanding the causes of the tragedy. The list of the reactor's deficiencies is very long: various experts have listed 15-32 flaws in the design and even departures from nuclear safety norms that were effective in 1986. The main cause was a large positive steam coefficient of reactivity. It

cannot be eliminated without completely redesigning the entire reactor, so all reactors of this type that continue to operate at Russian power plants, are operating in violation of the above-mentioned norm of nuclear safety. The last such reactor in Ukraine was shut down in 2000. However, the Smolensk Nuclear Power Plant, which has three RBMK-1000 reactors, is located on the Desna River, which flows into the Dnipro, while the Kursk Nuclear Power Plant (with four such reactors) stands on the Seym River, a tributary of the Desna. In other words, until the last RBMK-1000 reactor is shut down at these nuclear power plants, they pose a potential threat to Ukraine.

Ukraine is now using 15 VVER (Water-Water Power Reactor) reac-

tors at four of its nuclear power plants. Moreover, two more reactors of this type are scheduled for construction. Their design was made by Russian specialists working in the same entities that created the RBMK reactor. Moreover, one of the leading nuclear design institutes of the RF in the field of nuclear technology was named after Nikolay Dollezhal, one of the “co-authors” of the worst ecological disasters in the world. This means that we are dealing with “companies” whose reputation is tarnished by the Chernobyl disaster.

WHY RUSSIA?

Our country can cooperate with and purchase reactor designs and nuclear technology from any developed country in the world. But we have invariably chosen Russia: the design of their VVER reactor, the fuel it requires and the technology for the production of own fuel for a nuclear power plant, etc. There is only one explanation for this phenomenon: the nuclear lobby in Ukraine finds it easier to embezzle budget money together with Russia's nuclear lobby. Cooperation in the nuclear energy sector with the merely the technologically backward Russia, is a threat to Ukraine's national security, particularly in terms of the monopolization of this sector by one country-supplier.

At the 26 April 2011 summit of donor states in Kyiv, dedicated to the 25th anniversary of the Chernobyl disaster, Russia First Deputy Prime Minister Igor Sechkin said that stress tests had been successfully carried out at all Russian nuclear power plants following the Fukushima-2 accident. They were tested to see if they were able to withstand an earthquake with a magnitude of 10 points and a 14-metre-high tidal wave. But there is no way that there can be such waves on any of the rivers – the Desna, the Seym and the Don, all of which are 3-4 metres deep – on which the Russian nuclear power plants are located! As far as earthquakes are concerned, not a single plant was designed to withstand tremors that exceed a magnitude of 6.0 points. Proof of this is the Crimean Nuclear Power Plant: its launch, scheduled for 1988, was scrapped when it was discovered that earthquakes measuring 8.0 points on the Richter scale are possible on the peninsula as opposed to the designated 6.0 points. The plant was simply shut

down. So exactly how were Russian nuclear power plants able to “theoretically” withstand such earthquakes and tsunamis if such NPP designs don't even exist? It appears that this whole story regarding successful stress test is simply lies on the state level.

Another example that suggests that something is rotten in the nuclear sector of Russia: the main Russian TV channels showed Rosatom's President, Sergey Kirienko, reporting to the then Prime Minister, Vladimir Putin, that nuclear power plants were being built in Russia that could withstand a plane crash. How can this be? In 1986, as helicopters were dropping sand, lead, clay, etc. on the fourth reactor in Chernobyl, one pilot missed and dropped a parachute,

build it, while Russia is nowhere in sight. To put it simply, Poles have understood that there is no way that the designer of a Moskvich can ever build a Mercedes.

A “PROFESSIONAL” APPROACH

The lessons of Chernobyl, and now Fukushima, prove that nuclear energy should only be approached professionally and that safety should be of primary importance. All factors have to be taken into account, from the human factor to technical aspects. Meanwhile, the commercial approach has prevailed over the professional one in Ukraine. The desire of a group of people to fill their pockets could turn into a tragedy for the entire people and the state as a whole.

The current state of affairs in Ukraine's nuclear sector is cause for serious concern. What immediately catches the eye is the lack of a comprehensive approach to solving problems, such as the construction of a safe geological repository for high-level waste (HLW) and HLW containing transuranic isotopes, the establishment of an infrastructure for taking nuclear power plants (first and foremost, the Chernobyl NPP) out of operation and so on. Cadres are engaged in the management and control in this sector, who have little knowledge of nuclear issues. A person whom I have known for 15 years as having very little to do with nuclear reactors recently spoke on TV about the advantages of VVER reactors over other types. It was with great surprise that I learned that he was the Executive Director at Ukraine's Energoatom and was later promoted to a Cabinet of Ministers office. In another example, on live TV, I heard a person with a PhD in physics, who is directly involved with nuclear reactors, confuse such fundamental concepts in the physics of nuclear reactors as prompt and fast neutrons. In all likelihood, such “specialists” have been appointed to high offices with the help of Ukraine's nuclear lobby which wants to push through its business projects and needs people who are easy to negotiate with.

We need to choose a reliable, decent and tested partner in order to avoid begging money from the entire world to build another “sarcophagus”. We cannot afford to implement technology, the safety of which has not been conclusively proved. ■

COOPERATION IN THE NUCLEAR ENERGY SECTOR WITH THE TECHNOLOGICALLY BACKWARD RUSSIA IS A THREAT TO UKRAINE'S NATIONAL SECURITY

11 reactors similar to those at Chernobyl power plant still operate in Russia. Kursk Nuclear Power Plant with four reactors stands on the Seym River, a tributary of the Desna. Smolensk Nuclear Power Plant has three and stands on the Desna that flows into the Dniro

carrying a load of nearly two metric tonnes of sand, dolomite, etc. onto the roof of the central hall of the third reactor. It went through the roof and, fortunately, fell next to the reactor. The consequences of a crashing plane would have been much more serious. Russia is currently operating 11 reactors that are similar to those in Chernobyl.

This type of “advertisement” based on blatant lies must at the very least be cause for concern. Moreover, we have already had the bitter experience of such bluffing. In the early 1980s, Academic Dollezhal, one of the creators of the RBMK reactor, gave his assurance that this reactor was completely reliable and safe, so much so that it could even be installed in Moscow's Red Square. As it turned out, the opposite was the case.

An example of a thoughtful approach can be found in Germany, which shut down the Nord Nuclear Power Plant in 1990, citing the failure of its VVER reactors to meet nuclear safety regulations. The EU advises its new members to abandon Russian-made VVER reactors for the same reason. Poland recently decided to build its first nuclear power plant. France and two American-Japanese companies have submitted bids to design and

Piracy at Sea Has Reached

Author:
James Greene

What do Ukrainians think about Somali piracy? For many, the natural answer might seem “Maya khata z kraiu...”¹

A scant two decades after the Soviet Union collapsed, Ukrainians can be forgiven for feeling isolated from far-away global events over which they feel little influence. Their thoughts are understandably closer to home, on getting (or keeping) a good job and good home, on their family's safety, on building their and their children's future. Talk of new security threats – of terrorism, failed states, cybercrime, piracy – can seem like stories of a far-away land, detached from the realities of everyday Ukrainian life. Yet the real impact of Somali piracy shows that these phenomena, like a stone thrown in water, cause ripples that have an effect thousands of miles away.

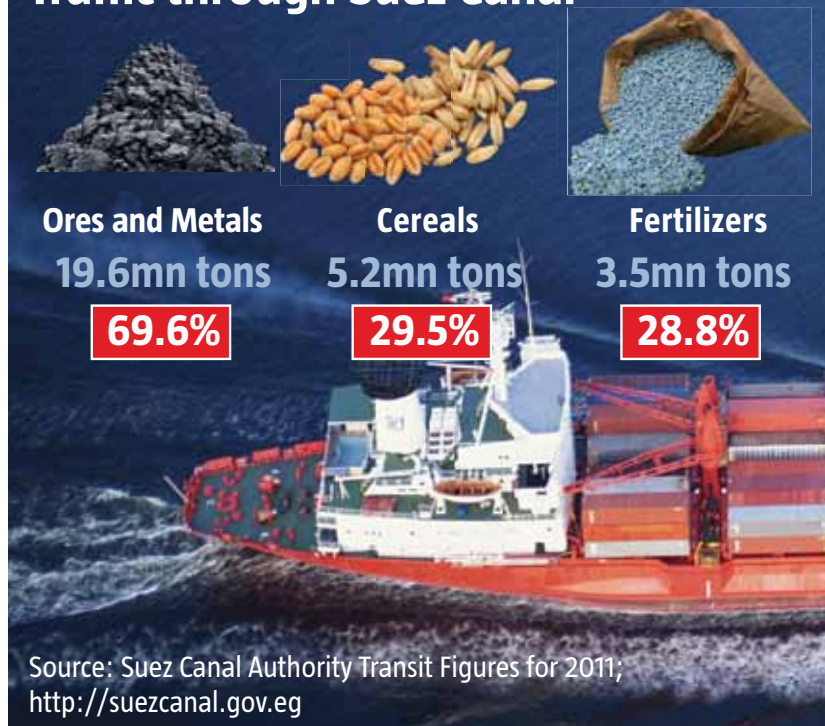
The impact of piracy on Ukraine is real. On 26 March, a Ukrainian crew member was among the 23 sailors taken captive by Somali pirates when they seized the MV Eglantine, a Bolivian-flagged merchant vessel that had been sailing near the Maldives. He joined of five other Ukrainians in captivity – sailors captured on board the Italian-flagged M/V Enrico Levoli last December. In 2011, six Ukrainians from the MV Blina spent ten months in captivity; since 2008, over 140 Ukrainian sailors have been victims of piracy. Many have suffered brutal torture and abuse; at least two have been killed.

Of today's global security challenges, piracy may have the most disproportionately large impact on Ukraine. Although Ukraine's merchant fleet is relatively small (900 vessels or 1.8% of the world total) the country has between 80,000 to 100,000 merchant seamen – around 8-10% of the world's total. Supported by more than twenty higher education establishments that train

Ukrainians are the most frequent victims of assaults by sea pirate, being second only to the Filipinos. Every fifth crew member kidnapped by sea terrorists is Ukrainian, says the Ombudsman in a report “On the Protection of Seafarers' Rights in Ukraine”. The key challenges facing seafarers during their work include pirate attacks, the lack of social protection and unemployment. In addition, the report highlights that in 2011, 323,750 people received a seafarer certificate in Ukraine. 112,691 are now employed on crews on Ukrainian and foreign-owned vessels. “Failing to find a job at home, seafarers are willing to work for foreign companies without initially asking about employment terms and salary. They are happy with little pay and are willing to do any work, therefore most people find themselves in trouble, such as delays in the payment of salaries and zero social guarantees,” the Ombudsman says.

¹ Literally, “my home is on the outskirts” – a Ukrainian saying meaning “it doesn't concern me.”

Ukraine's share of Southbound Cargo Traffic through Suez Canal



seafarers, Ukraine is the third largest contributor of commercial crews in the world, second only to Russia and the Philippines. Taking into account demographics, Ukraine arguably has the world's greatest concentration of merchant sailors in its workforce. And thus the greatest exposure, as a country and a society, to the human cost of piracy.

The Ukrainian economy also bears substantial costs from piracy. Ukraine is a maritime country, with 2,782 km of coastline, one of the world's best navigable river systems, and substantial maritime trade. Much of Ukraine's maritime export transits areas affected by piracy – through the Suez Canal and into the Red Sea, the Gulf of Aden off the Somali coast, and the Indian Ocean. The risk is particularly acute in key export areas (see table).

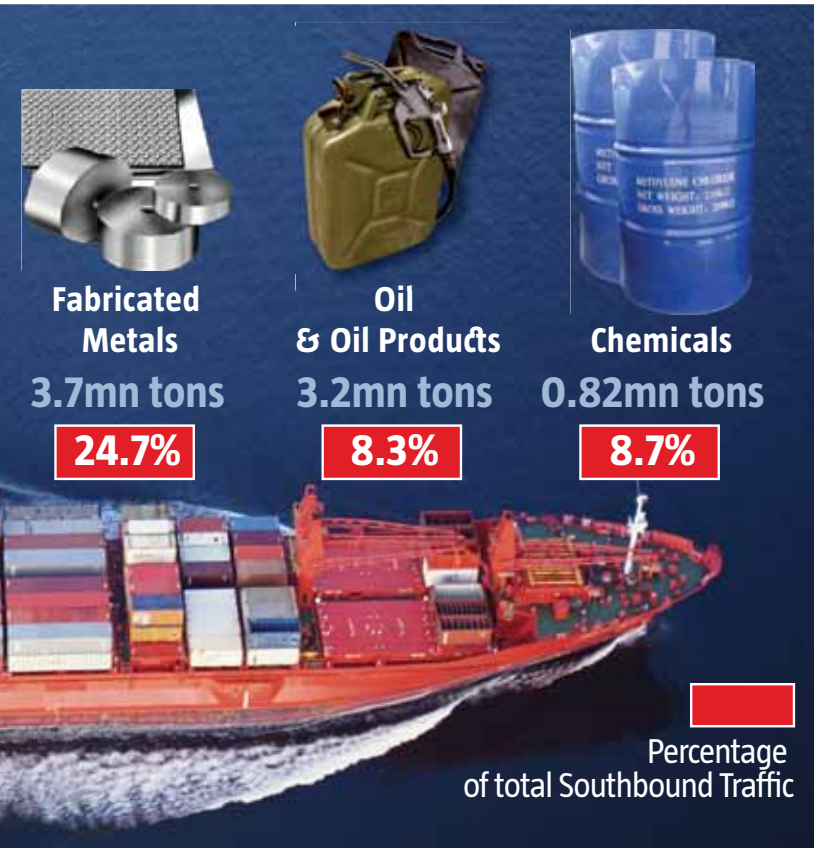
With an outsized share of its goods exposed to piracy, Ukraine

undoubtedly bears a disproportionate share of the estimated \$7-12 billion dollar annual cost of piracy to the world economy. Insurance costs and protective measures add over \$300,000 to the cost of each voyage. For ships that re-route around Africa, the cost is \$1 - \$10 million per trip – and additional transit time that reduces a ship's annual cargo lift capacity by 17%. These costs are passed on as increased transportation fees, cutting into profits for Ukraine's exporters, shippers, and producers – and raising prices for purchasers, thus lowering demand for Ukrainian products.²

The only way that Ukraine can counteract the human and economic cost of piracy on its citizens and economy is through the framework of multinational cooperation. Of the international orga-

² See The Economic Cost of Maritime Piracy, One Earth Future Working Paper, December 2010.

al Impact on Ukraine



EXPERT OPINION

Piracy on the seas illustrates the global and extraterritorial nature of contemporary threats



Oleksiy Melnyk,
director for
foreign policy and
international
security
programmes at
the Razumkov
Centre

Just like any other complicated issue, the fight against piracy on the open seas requires a comprehensive approach. Attempts to simply use force quickly backfire and merely localise and reduce the threat while

being unable to completely remove it. At the same time, this in no way diminishes the importance of international anti-piracy operations carried out by NATO, the EU and their partners. It is too early to report significant success, but military presence coupled with other measures to increase security and awareness of crew members have removed the sense of impunity that pirates used to enjoy.

The problem lies not only in the absence of necessary resources, even though these limitations together with a common understanding of the threat are the main incentives for international cooperation. Countries that have almost no cooperation in other areas have teamed up to fight Somali pirates. Malaysian, Saudi Arabian, Pakistani and even Iranian military vessels serve on duty next to NATO and EU ships.

Piracy illustrates the global and extraterritorial nature of contemporary threats. To Ukraine, it poses a large-scale threat of disrupting the security and reliability of sea transportation and is a direct risk to our citizens who seem to suffer from pirate raids more often than others. Ukraine's own merchant navy was destroyed in the 1990s, but according to the sailors trade union, 50,000-60,000 Ukrainians continue to go to sea under the flags of various countries and thus there is a constant risk that they may be captured by pirates.

Rescuing them is largely up to vessel owners, but the state is sometimes forced to intervene. If an event makes headlines, it turns into an extraordinary situation, and often the government then steps in with material and nonmaterial help. Of course, this is a grand opportunity for some politicians to pose for photo-ops with rescued crew members. But if the problem is approached calmly and seriously, there is no alternative to active participation in international measures.

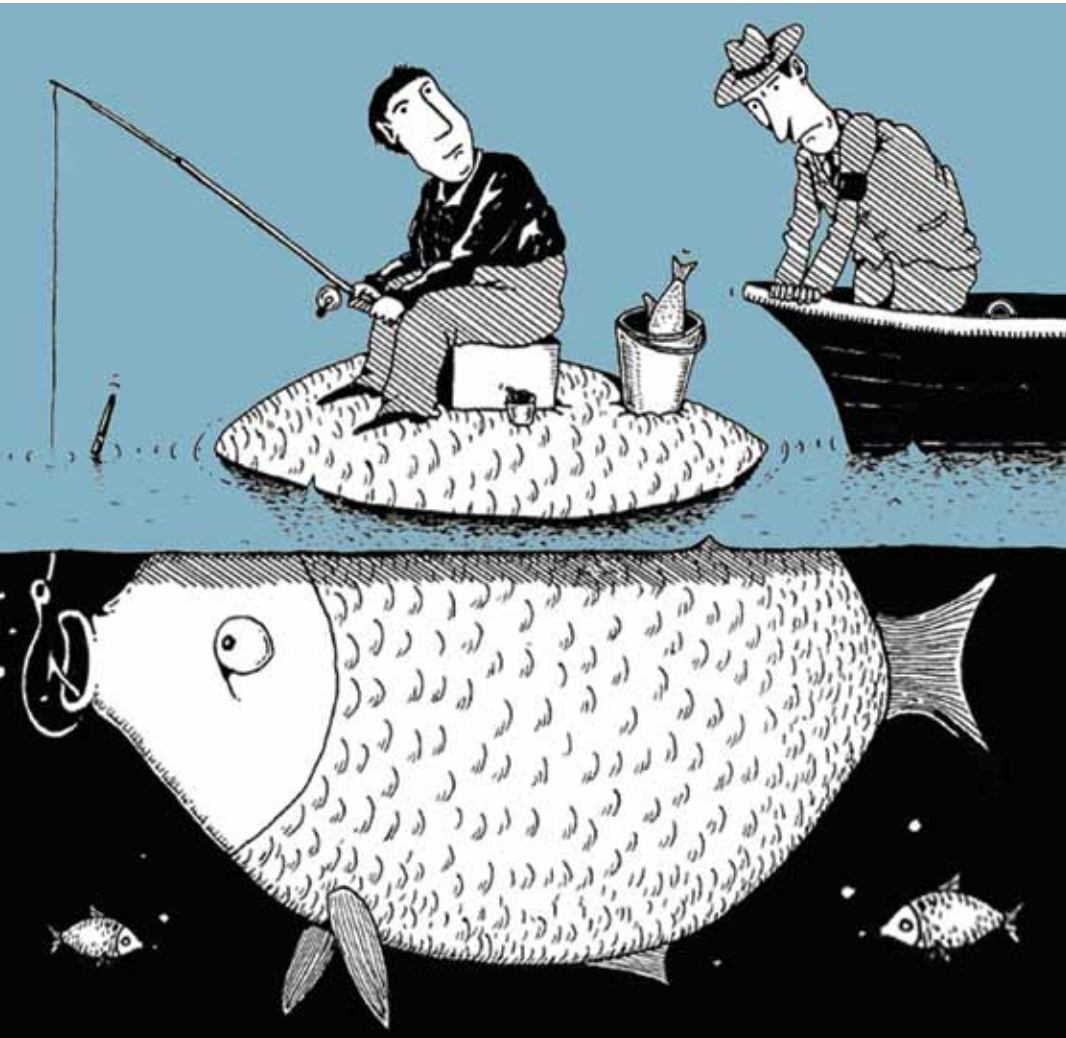
The armed forces will practice skills and adopt the best practices through participation in such operations as Atalanta (EU) or Ocean Shield (NATO), while Ukraine will make a contribution to increasing the security of sea navigation and the world in general.

nizations with which Ukraine works, only NATO (and increasingly the European Union) has the capabilities to counter a piracy threat that covers an area of ocean as large as Western Europe.

I witnessed the dawn of NATO-Ukraine cooperation on countering piracy firsthand in October 2005, when a friend serving as duty officer at Ukraine's Ministry of Foreign Affairs called to request NATO's help in responding to the capture by Somali pirates of MV Panagia, a Ukrainian-owned vessel with 22 Ukrainian sailors on board. While NATO did not yet have its own dedicated anti-piracy effort, the headquarters for NATO's maritime Operation Active Endeavour quickly put Ukrainian authorities in touch with NATO member countries that had ships and aircraft in the area. These were able to monitor the track Panagia, which was ransomed some five weeks later, together with its crew.

In the ensuing seven years, Ukraine has become an active participant in NATO maritime operations. Ukraine's Navy has deployed ships for extended operations with the Alliance's Operation Active Endeavour in the Mediterranean on five occasions. Based on that foundation built by joint efforts, Ukraine is currently preparing to deploy an An-26 patrol aircraft to participate in the EU's Atalanta anti-piracy operation this coming October. That aircraft's valuable sea surveillance capability will substantially increase the effectiveness of international anti-piracy patrols – and in doing so, directly contribute to protecting Ukrainian citizens from the dangers of piracy, and Ukraine's economy from its costs. A textbook case of how, in today's world, nations can only protect themselves by pooling their resource and pulling together. ■

Tax Noose for a Sick Economy



DRAWING BY HOR LUKANCHENKO

Author:
Volodymyr
Lanovi,
President
of the Centre
for Market
Reform

The way the primary income of Ukrainians and Ukrainian businesses is re-distributed through the allocation of tax, pension and social entitlement funds reflects the government's indifference to their needs. It goes beyond reasonable finance centralization and cuts the share of productive economic spending—including salaries, individual and corporate income

and investment—in the GDP through fiscal charges, as it did in 2010-2011 from 60-63% to 52-54%. Lending and tax aggression hits Ukraine's unproductive business sector hard.

The local tax system largely results from the struggle between bureaucracy and entrepreneurship. It emerged from new capitalist-era taxes layered over old soviet fees and charges. Bureau-

crats have been winning this struggle as they continue to increase their impact on society and execute financial re-distribution persistently and steadily, introducing new taxes and charges almost every year as part of the strategy. According to the Paying Taxes 2011 report by the World Bank, Ukraine has 135 taxes in various forms, which is the highest index in the world. Before 1992, it had 20-22. With this huge fiscal power in hand, officials control a growing share of social funds and have the necessary tools to punish or show mercy to taxpayers.

Government officials often say that the share of budget and pension flows in Ukraine's GDP is nearly 40%, no higher than that in Germany or Italy. What they leave out, though, is that this moderate burden on producers often leaves some paying just a few taxes, while others pay more than they should. If the rules were the same for all and were universally obeyed, the abovementioned tax and pension burden share would amount to 65-70% of the GDP. Therefore, most companies find paying taxes in full unaffordable as they often exceed business income. Businesses thus become tax debtors that face the threat of property seizure and the loss of ownership. Conducting private business in this situation is a risky undertaking. Neither Germany nor other countries have tax rates at 150-300% of the company's income, yet this is commonplace in Ukraine. Meanwhile, privileged corporations usually pay 10-12% of their net profit to the budget. As a result, some pay while others stuff windfall profits into their pockets, even if the average figures are the same as in Western Europe.

Actual tax rates are absurdly high in Ukraine, yet many companies evade paying them by using political privileges, personal deals or slipping into the shadows. Thus, the total fiscal pressure goes beyond all reasonable limits. In practice, the tax system is based on feudal rather than legal terms.

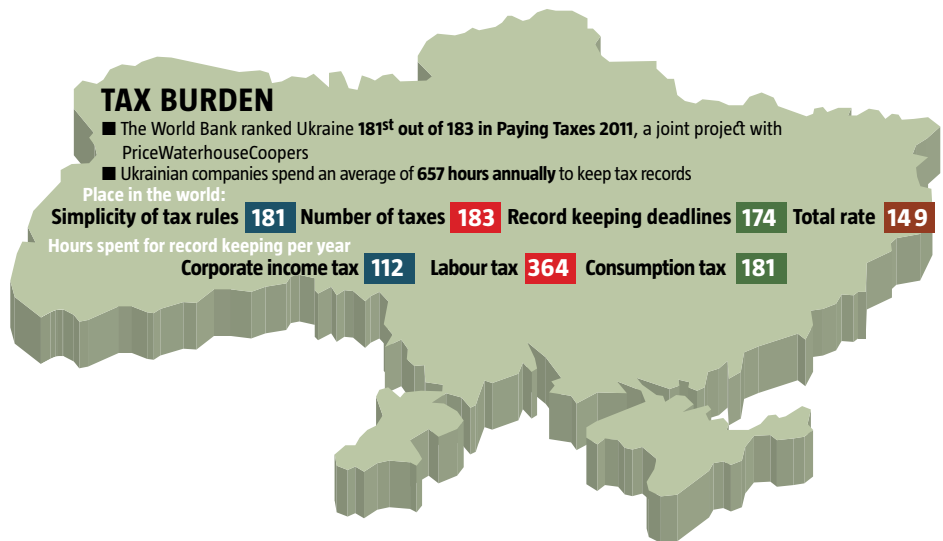
The pressure on entrepreneurs peaked when the Tax Code was passed in 2010. It neglects constitutional principles that protect individuals, private ownership and the right of individuals to legal protection in dealing with law enforcement authorities. Also, it made it possible for officials not to report to the public. Taxpayers were deprived of opportunities for timely judicial review of the actions of officials and the ability to make material or other claims against them. At this point, bribery is flourishing. The seizures of business assets that paralyze day-to-day operations have grown more frequent. Court appeals often end in favour of the government. The Tax Code has virtually suspended the effective laws of Ukraine that used to regulate bankruptcy, banking and other activities as the fiscal service now has the priority right to manage the assets of debtor companies.

Using tax authorities to bully entrepreneurs out of political battles unless they are on the side of the Party of the Regions is another big issue. This democratic country is sliding down into a semi-totalitarian enclave. The economic consequences of these "reforms" won't remain hidden for long: businesses will crumble, workers will leave the country, assets will flow out and illegal deals will increasingly replace investment. These trends are already plain to see. However, this is a perfectly natural response from the business community signaling an inevitable economic downturn.

International organizations are right to list Ukrainian tax systems among the most burdensome in the world. According to the World Bank, only the Central African Republic and Belarus are worse than Ukraine.

Below are some of the unacceptable components of Ukraine's tax system.

The first one is the tax businesses pay to the pension and social funds. For most com-



panies, it totals 39% of the payroll varying by industry (45% in coal mining). This rate was effective in the soviet times. In Europe, the tax ranges from 0.5% in Denmark to 33-35% in France, Italy and Slovakia (see chart), with the average EU rate at nearly 22%.

Ukraine has to gradually cut taxes on payroll to facilitate new jobs in labour-consuming industries. The average tax rate should be brought down to the European 22-24% diversified by industries, which means 4-5% lower for textile, engineering and service (household, hotel, restaurant, repair, legal and other) industries and higher for raw material production.

The tax rate for corporations in Ukraine should be cut alongside the implementation of individual retirement savings insurance to cover employees of all categories and age groups. Individual contribution rates should be decreased regressively for various salary and income rates: low-income categories should pay 25% or the highest contributions, while the richest should pay 5-6%. The average rate

of arov's cabinet managed to do was increase the retirement age and cut retirement benefits to some categories. The reason is plain to see: even MPs do not control the Pension Fund and bureaucrats are tempted by the opportunity to manage billions every year.

Individual income tax is the second component.

Ukraine has only a vague principle of applying different tax rates to different types of income. Employed taxpayers pay 17% to the budget, while the owners of profitable assets pay only 5% of their income that includes dividends and income from rent and royalties, while interest on deposits is untaxed. Legal entities that own small businesses pay a flat tax at two rates: 3% if registered separately as VAT payers and 5% for those who pay VAT as part of the flat tax. That is the percentage of their total income, i.e. all money and goods received free of charge. Thus the apparent discrimination: unlike the owners of property assets, salaried workers and small business owners pay a certain tax regardless of whether they have profits or losses. Moreover, the salary tax rate was raised by 2% twice from 13% in 2006, while the tax on dividends and other income from assets has not changed since it was introduced in 1994.

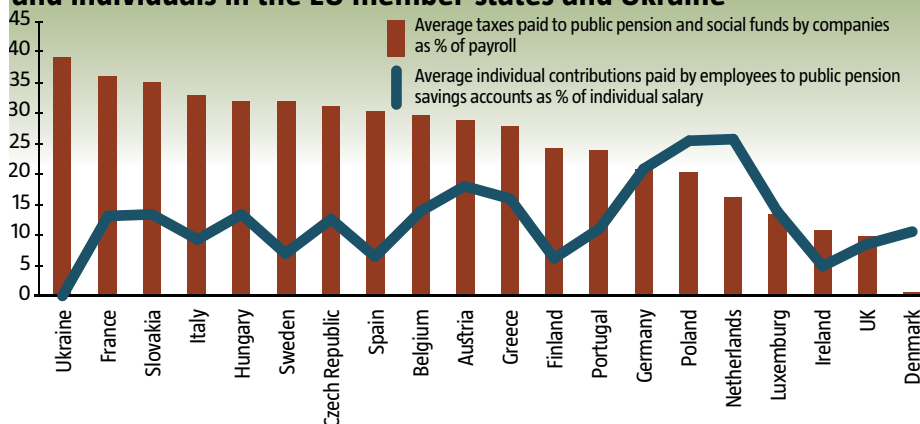
With this approach, the fiscal burden on the owners of enterprises, stocks and other assets seems lenient. Why is that? This category of taxpayers embraces big asset owners skilled at controlling government initiatives and the voting of some factions in the par-

THE PRESSURE ON ENTREPRENEURS PEAKED WHEN THE TAX CODE WAS PASSED IN 2010

of individual accumulation contributions should amount to 17-18% of the earnings.

The current government seems to care little, if any, about such innovations. The only thing Mr. Az-

Average taxes paid to pension and social funds by companies and individuals in the EU member-states and Ukraine



liament to prevent the passing of inconvenient laws.

Payroll taxes are clearly burdensome and raising them signals the neglect of average Ukrainians. This policy looks wrong and obsolete.

The tax burden on small businesses in Ukraine proves the intent to squeeze them out of the national economic process more than anything else, while governments in civilized countries do their best to support their SMEs. Europeans have developed a different model: small business owners often buy patents (the right to conduct business) and act freely with no statements or taxes. Bigger business operates under unified rules that provide for no special simplified tax systems.

The third component of Ukraine's tax system, unacceptable as it is today, is corporate income tax. The drawback of the local practice of collecting this tax is frequent violation of the taxpayers' rights at the stage of calculating their income rate. This is the unique practice of the tax administration that has nothing to do with the rules and standards of civilized countries. They apply all kinds of tricks to diminish gross expenditures and overstate income on the books of companies they inspect. For this purpose, they remove the costs of R&D, educational campaigns, written-off technological deficiencies, promotions, the repayment of loans taken earlier and payment for products obtained from flat-tax payers as excessive expenses from the statements. Also, they apply understated rates of capital depreciation and do not index the cost of

In 2012, fiscal charges lowered the share of productive economic expenses in the GDP from **60-63%** in 2010-2011 to **52-54%**



PRIVILEGED CORPORATIONS IN UKRAINE PAY 10-12% OF NET PROFIT AS TAX

EU member-states have no taxes that amount to **150%** of corporate income. However, this sometimes happens in Ukraine

depreciated item renewal. They look for forged breaches and errors in tax statements. All controversial aspects are interpreted in favour of tax inspectors. They have many more similar tricks that look like traps created intentionally through corrupt loopholes.







In this situation, companies that report legitimately and have no administrative protection in fact pay 50% rather than 23% of their income to the budget compared to the corporate income tax rate at 19% in Poland and Slovakia, 17.7% in Hungary, 15% in Lithuania and Latvia, 12.5% in Ireland and 0% in Estonia. How can

Ukraine compete with them and how can it possibly draw investment?

All this results in bribery, wasted time and effort waiting in queues to visit tax inspectors, a lack of firm rules for financial transactions making it nearly impossible for companies to plan their development strategies far ahead and increases risks, the decline of private financial funds and the expansion of grey economy.

The manipulation of laws and selective taxation often used by tax inspectors can easily ruin the whole tax system. It will bring less and less revenue to the budget, eventually leading the government and its model to bankruptcy. The state will no longer be able to fulfill its functions. ■

The Total Tax Rate lists total tax burden in Ukraine among the highest in post-soviet republics

	Georgia				
15.3%	13.3%	0.0%	2.0%	10	
	Kazakhstan				
29.6%	16.2%	11.5%	1.9%	38	
	Moldova				
30.9%	0.0%	30.2%	0.7%	44	
	Latvia				
38.5%	6.5%	27.2%	4.8%	81	
	Lithuania				
38.7%	0.0%	35.1%	3.6%	83	
	Armenia				
40.7%	16.6%	23.0%	1.1%	94	
	Azerbaijan				
40.9%	13.8%	24.9%	2.2%	95	
	Russia				
46.5%	9.0%	31.8%	5.7%	123	
	Estonia				
49.6%	8.0%	39.2%	2.4%	134	
	Ukraine				
55.5%	10.4%	43.3%	1.8%	149	
	Kyrgyzstan				
57.2%	8.9%	21.5%	26.8%	152	
	Belarus				
80.4%	22.0%	39.3%	19.1%	173	
	Tajikistan				
86.0%	17.7%	28.5%	39.8%	175	
	Uzbekistan				
95.6%	1.6%	27.1%	66.9%	176	
	Total tax burden				
	Total income tax rate				
	Total labour tax rate				
	Total tax rate on other payments				
	Place out of 183 in the world				

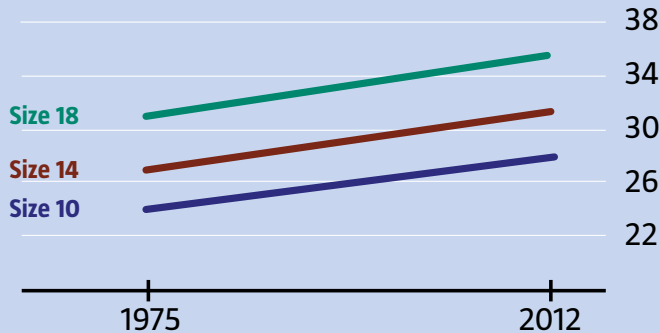
Total tax burden
 Total income tax rate
 Total labour tax rate
 Total tax rate on other payments
 Place out of 183 in the world

Source: 2011 study by the World Bank and PriceWaterhouseCoopers

The Perils of Panflation

A virulent monster is dangerously out of control. Let us slay it together

Women's clothing in Britain
Average waist measurement, inches



In American universities almost **45%** of graduates now get the top grade, compared with **15%** in 1960

Price inflation remains relatively subdued in the rich world, even though central banks are busily printing money. But other types of inflation are rampant. This “panflation” needs to be recognised for the plague it has become.

Take the grossly underreported problem of “size inflation”, where clothes of any particular labelled size have steadily expanded over time. Estimates by The Economist suggest that the average British size 14 pair of women’s trousers is now more than four inches wider at the waist than it was in the 1970s. In other words, today’s size 14 is really what used to be labelled a size 18; a size 10 is really a size 14. (American sizing is different, but the trend is largely the same.) Fashion firms seem to think that women are more likely to spend if they can happily squeeze into a smaller label size. But when three out of four American adults and three out of five Britons are overweight, the danger is that size inflation reduces women’s incentive to eat less. Meanwhile, food-portion inflation has also made it harder to fight the flab. Pizzas now come in regular, large and very large. Starbucks coffees are Tall, Grande, Venti or (soon) Trenta. “Small” seems to be a forbidden word.

Inflation is also distorting the travel business. A five-star hotel used to mean the ultimate in luxury, but now six- and seven-star resorts are popping up as new hotels award themselves inflated ratings as a marketing tool. “Deluxe” rooms have been devalued, too: many hotels no longer have “standard” rooms, but instead offer a choice of “deluxe” (the new standard), “luxury”, “superior luxury” or “grand superior luxury”. Likewise, most airlines no longer talk about “economy” class. British Airways instead offers World Traveller; Air France has Voyager. Sardine class would be more honest. The value of frequent-flyer miles is also being eroded by inflation: it is increasingly hard to book “free” flights; they cost more miles, and redemption fees have increased. This was inevitable: airlines have been issuing so many miles (for spending on the ground as well as in the air) that the total stock is worth more than all the dollar notes and coins in circulation. Central bankers would shudder at such reckless inflationary policies—were they not themselves earning triple miles up in first class.

Some other strains of inflation have more serious economic effects. One example is grade inflation, the tendency for compa-

rable academic performance to be awarded higher grades over time. In Britain the proportion of A-level students given “A” grades has risen from 9% to 27% over the past 25 years. Yet other tests find that children are no cleverer than they were. A study by Durham University concluded that an A grade today is the equivalent of a C in the 1980s. In American universities almost 45% of graduates now get the top grade, compared with 15% in 1960. Grade inflation makes students feel better about themselves, but because the highest grade is fixed, it also causes grade compression, which distorts relative prices. This is unfair to the brightest, whose grades are devalued against those of average students. It also makes it harder for employers to identify the best applicants.

FIGHT THE FLAB

Employers are themselves distorting the jobs market with job-title inflation, which has recently accelerated because a fancier-sounding title is cheaper than a pay rise. Firms are awash with an excess of chiefs and directors, such as Director of First Impressions (receptionist) and Chief Revenue Protection Officer (ticket inspector). This is not just a laughing matter. Job-title inflation has economic costs if it makes the jobs market more opaque and makes it harder to assess the going pay rate.

Inflation of all kinds devalues everything it infects. It obscures information and so distorts behaviour. A former German central banker, Karl Otto Pöhl, compared inflation to toothpaste: easy to squeeze out of the tube, almost impossible to put back in. The usual cure, monetary and fiscal tightening, will not work for panflation. Women will never squeeze back into their old clothes unless they reject size inflation. Instead, it is time for everybody to tighten belts (literally) and fight all sorts of inflationary flab. ■

© 2012
The Economist
Newspaper
Limited. All
rights reserved



KHARKIV IS LOOKING FORWARD TO EURO 2012: Viktoria Skliarova sees the tournament as a great opportunity to demonstrate Ukrainian hospitality



Hospitality Triumphs over Greed

Many Ukrainians are willing to host foreign football fans at their homes for free

Author:
Anna
Kalenska

Photo:
Olha
Ivashchenko

Hotels in Ukrainian Euro 2012 host cities have raised their prices three- to tenfold leading up to the tournament. In Kyiv, offers priced at UAH 30,000 have become commonplace. A three star hotel offers rooms for nearly €400 instead of the usual €80. Landlords have followed suit, renting three-room apartments in Donetsk “Khrushchевkas,” low-cost concrete-block apartment buildings, for €1,500. Even a suite at the famous Burj Al Arab in Dubai costs less. Outraged, the Western media quoted UEFA President Michel Platini as stating that “bandits and crooks” were the reason for soaring prices in Ukraine.

Until then, the government had been reluctant to act. The fact that hotel speculators have been ignored for so long is because the owners of most four-

and five-star hotels in Ukraine represent big businesses that sponsor the ruling party. The Antimonopoly Committee promised the public that it would impose fines worth 10% of annual income on hotels whose prices skyrocketed. As the championship draws closer, hotel prices have indeed been reduced slightly. Yet, rather than resulting from a fear of fines, this was influenced more by a lack of demand for foreign tourist lodging, which fell drastically short of expectations. The hotel price gouging scandal prompted many fans to think twice before going to Ukraine for Euro 2012.

Unlike the government and hotel owners, common Ukrainians are willing to save Ukraine’s image in deed rather than in words, inviting foreign fans to stay at their homes for free. The “Welcome to Ukraine - Ласкаво

просимо до України” Facebook page allows Ukrainians to post their offers and foreigners to find hosts. It took just a few days for nearly 500 members to take part. Eventually, a new website called rooms4free.org.ua was set up that offers lodging in other places in addition to championship host cities, and not only during the tournament. Community activists have been promoting the site on European football fan forums.

WELCOME TO UKRAINE

Ihor Pylypchuk, a Kyiv resident and one of the movement’s initiators, volunteered to invite European visitors free of charge. His 15-year old son, a true football fan, met a boy from Valencia on an online football forum. The Spanish team will play in Poland but it is most likely to get to the semi-finals, therefore its fans will have to go to Ukraine. The Valen-



cia-based fan looked up hotel prices in Kyiv and found nothing cheaper than €300-400. “That’s primitive speculation,” Pylypchuk laments. “The huge flow of tourists just fuels the appetites of those looking for quick and easy money. What impression will this give foreigners? What will they think of us?” He did not hesitate to invite the Spanish fans to stay at his place for the tournament.

The German press has been buzzing the most about problems with the championship’s preparations. Jochen Gößmann of the Berlin-based B.Z. tabloid is interested in Ukraine not only as a journalist, but also as a fan of football and Eastern Europe. His wife is from Almaty, Kazakhstan, so she speaks Russian and Jochen is learning it, too. Given their linguistic trump card, they thought attending the championship would be simple. While planning the trip, though, they found it difficult to find lodging. “It’s just insanely expensive,” Natalia shares. “But our friends helped. We’ll stay at a colleague’s place in Lviv and a friend’s place in Kyiv.” The “Welcome to Ukraine” community helped them find a place to stay in Kharkiv.

THE ART OF HOSPITALITY

Viktor and Viktoria Skliarovy, the Kharkiv couple that invited the Gößmanns, have already hosted the owner of a Dutch tourist agency and a couple from Germany. A guide and ethnogra-



EURO PRICES

Kyiv
hostel \$40-62,
hotel \$400-3,169

Lviv
tent for two \$93
hostel \$45-100
hotel \$500-700

Kharkiv
cottage outside the
city \$35-45
hostel \$40-60
hotel \$500-700

Donetsk
place at the fan
camping pavilion
\$164
hotel outside the city
\$200-300
hotel \$1,180-1,966

Source:
booking.com

pher, Viktoria previously visited the US through a cultural exchange programme. She lived in Kharkiv’s sister city, Cincinnati, for one month and stayed with two families there for free. “I remember that month as the happiest time in my life,” she recalls. “I learned so much about them and told them about my country and our traditions. I taught them to cook Ukrainian dishes.” She joined “Welcome to Ukraine” immediately and volunteered to hold two free workshops. The first one will help people who learned English in the past to remember some language basics, like giving foreigners directions to the stadium or interesting sights in Kharkiv. The other workshop will be called “The Art of Hospitality.” “I want to teach about how people communicate in different countries,” Viktoria said of the class.

She and her husband spoke with the Gößmanns on Skype regarding their travel plans. “We’ll show them around town on the first day,” Viktoria explains.

SUITE LIFE IN KYIV

“The bedroom has a king-sized bed and a large couch. Located on the sixth floor with a view of the national opera house, the suite features a skylight, a huge triangular bathtub and marble floor, and is soundproof. It is equipped with everything you might need, from a washing machine to a teakettle. You can have English or continental breakfast served in your room, and a special vegetarian or diet menu cooked for you,” goes the apartment advertisement. On the day of the Sweden-England game, it will cost UAH 13,000 (ar. €1,280 or \$1,625) per night for two people or UAH 28,000 (ar. €2,760 or \$3,500) for three.

“Then we’ll go on a small shopping tour or travel to Skovoroda’s well at the Babayiv Forest, and watch the game that evening. On the third day, we’ll have a cooking workshop. I’ll teach them how to cook our authentic food—probably buckwheat and mushroom holubtsi (cabbage rolls).”

OPEN DOOR SEASON

Some of the hospitable Ukrainians willing to host foreigners at their homes have been less lucky. Retiree Serhiy Ovcharenko goes online every day waiting for messages from European fans. He lives in a four-room apartment with his wife, son and mother, in Horlivka, a town 30-minutes from Donetsk by bus. He plans to give two rooms to European fans, although his worry is that one room has no television or air conditioner and Europeans might dislike the living conditions. “Most Ukrainians are average hospitable people,” he says. “I don’t mind European fans coming and staying at my place. The championship will last only two weeks, anyway. They can stay here, no problem.” Serhiy speaks a little French and German, but no English. His neighbor is a teacher of French so he can use her as an interpreter if necessary. “I’m embarrassed by the oligarchs seeking to make a fortune off of everyone and everything. I’m embarrassed for my country. I’m not a fan of football, I’m a fan of my country,” he explains. ■

Kitsch vs A

Pseudo-Ukrainian souvenirs are flooding the Euro 2012 market. Below are some tips to help tourists find authentic products instead

Author:
Anna
Kalenska

Photos:
Andriy
Lomakin

An army of matrioshkas, ushanka hats and gaudy head wreaths can be found everywhere from Andriyivsky Uzviz to kiosks in underground passages and tourist fairs in Carpathian villages. Finding an authentic Ukrainian gift to remind you of your trip is next to impossible. And how would a tourist know what authentic Ukrainian souvenirs really look like? Foreigners often come to Ukraine after they traveled half of the world, including Poland. Warsaw souvenir stores display painted eggs, embroidered shirts, wreaths and sopilkas (wooden flutes), covering virtually the entire range of authentic Ukrainian souvenirs. Unlike Ukraine, Poland has a clear strategy to promote the Polska brand and the impact is already showing, which is why Ukraine is the one that has to fight for its place in the competition. It's doubtful whether football fans will take time to conduct a detailed research of Ukraine's history and culture in guidebooks, because frankly, they have different priorities: football, beer and women. Still, they will buy a few souvenirs. The only question is what culture it will represent: Chinese, Russian, Soviet or Ukrainian?

GOODS WITH NO BACKGROUND

Magnets, key rings, flags, matrioshkas and even Ukrainian dolls mostly come to Ukraine from China, Vietnam, Malaysia and the like. Volodymyr, a clerk at a souvenir kiosk, says nearly 40% of his goods are made in China. Others swear that virtually all of their goods are made in Ukraine. Natalia, a vendor at another souvenir

kiosk, says that many vendors prefer to not reveal the real origin of their goods as they risk losing their clients. "Tourists have become pickier these days," she says. "They look for what's written on the article. They won't necessarily buy it if it says Made in China." Those involved on the souvenir market, say that the share of Asian produced goods is often as high as 80%, although getting an exact figure is difficult due to the large share of no-name goods, says Natalia Voloshyna, Executive Director of the Association of Manufacturers and Importers of Advertising Souvenirs in Ukraine (AMIASU). "These items of unknown origin have quality certificates that are forged or invalid in Ukraine, if any at all," she expands. "Worst of all, the goods can be toxic and dangerous." According to Ms. Voloshyna, for a long time now, Europe has been calling on Ukraine to drop its uncertified products and focus on environmental and social responsibility instead. Currently, souvenirs made in Ukraine are losing out to cheaper Asian mass produced copies, but their big competitive advantages include good quality and artistic value, notes Oksana Shevchenko, Director of Souvenir, a Kyiv-based workshop. Her company has been producing souvenirs since 1968 focusing on painted and lacquered wooden plates and boxes, and inlaid straw items. She works with wholesale clients who sell her exclusive souvenirs on Andriyivsky Uzviz and in stores. But Chinese craftsmen are plaguing local souvenir makers, Oksana laments. "The Chinese take pictures of our goods on Andriyivsky Uzviz and glue the patterns onto their cups and plates."



The handful of Ukrainian artists or craftsmen cannot compete with China's manufacturing capacity. Maryna Senchylo, the owner of *Mriyi Marii* (Maria's Dreams), a workshop/store that sells exclusive ethnic souvenirs, says that this is the effect of the underdeveloped souvenir market in Ukraine and the lack of effective management. Moreover, craftsmen who work in

Authenticity



spite of not having an official registration, add to the challenge.

LOOKING FORWARD TO THE EURO

According to the estimates of the Ministry of Economic Development and Trade, the inflow of tourists for Euro 2012 will boost Ukraine's real GDP by 0.8%. The souvenir market is looking for-

ward to the tournament as well. Based on AMIASU estimates, the advertising souvenir segment of the entire souvenir market earned nearly USD 50m per year in 2010-2011 with a projected 10-15% increase in 2012. This is not simply because of the championship, but due to companies increasing their budgets for the purchase of promotional and business souvenirs.

MADE IN UKRAINE: Hand-made authentic souvenirs are more expensive than the Chinese run-of-the-mill things, yet they offer better quality and artistic value

On the whole, European companies see good prospects on the Ukrainian market for promotional souvenirs, although kickbacks and price dumping are currently fueling competition therein. Still, Europeans claim this is just a stage that will end sooner or later. Local businesses were earlier tempted by the prospect to earn a pretty penny on the production of »



A COCKTAIL OF CULTURES:
The army of matrioshkas with Cossack batons and USSR caps chases tourists everywhere



souvenirs depicting official Euro 2012 logos. Today, Warner Bros., UEFA's exclusive license holder, has all the rights. Oksana Shevchenko says that it is doubtful that Ukrainian firms would buy the license. Some thought of buying one jointly but that also carries many risks. "The license to produce goods with Euro 2012 logos is very expensive," the expert explains. "So it only makes sense for big players that own extensive retail chains to get one." Based on experience with nation-wide events, souvenirs with national symbols will be the most popular, no matter what. This offers good prospects for the producer of the unofficial symbol of the upcoming championship – the *zozulytsia* (a clay whistle, also known as an *ocarina*). Souvenir designers believe that it is next to impossible to make a fake *zozulytsia* because it is always made by hand. It is already available online at around UAH 60 (€5.9 or \$7.5). The Souvenir workshop does not intend to buy any licenses though, because all producers will make souvenirs with Euro 2012 logos anyway without them. "I reckon that 70% of all souvenirs will come from China," Ms. Shevchenko claims. "And the fans will mostly be young people opting for cheap souvenirs rather than wealthy tourists."

DERKACH VS VUVUZELA

According to Maryna Senchylo, the *zozulytsia* is not the best symbol for the tournament, since a national souvenir should be light and portable, not merely symbolic. The best options are textile and print souvenirs. "Why does nobody care about people wanting to carry something light in their luggage," Ms. Senchylo wonders. "Can't it be an article of clothing? Why does it have to be clay?" As an alternative to the African vuvuzela, Maryna proposes the *derkach*, the Ukrainian folk version of a ratchet or a rattle. The wooden toy, consisting of two boards and a gearwheel makes a loud and pleasant sound. Hoping for the *motanka dolls*, ethnic fabric dolls often used for ritual purposes, to sell well is less promising, the expert warns, although they appear in stores and displays more and more often these days. "Foreigners don't like them, see-

ing them as a sort of voodoo doll," she claims, proposing Cossack Mamay, painted eggs and Maria Prymachenko's images as an alternative option. Oksana Tseatsura, the owner of the Ukrainian Renaissance art workshop, believes that the sun, the moon and floral designs are the most apt images for national souvenirs, particularly sunflowers, painted eggs and the cross. "I give the Euro 2012 symbol, using a sunflower, having transformed it into a football with torn petals, a low grade in terms of composition, colours and detailing," she says offering the easiest solution to the ethnic souvenir dilemma. "The government should offer a tender," she claims. "The artists will come running. The best one will be selected and there won't be any more failures like this one."

GREETINGS FROM CHORNOBYL

As long as the government fails to conduct tenders to design and promote the "Ukraine" brand, the market will continue to spontaneously churn out its own priorities. The newest products seem to have a nuclear Chernobyl face. Souvenir vendors sell Moroccan-made T-shirts with the Hard Rock Café Chernobyl slogan and a menu printed on the back that includes cesium, radium and plutonium. Vendors claim that there is great demand for them among both foreign and Ukrainian buyers. Ms. Shevchenko is concerned about this approach. "Tourists buy souvenirs which are supposed to remind them how beautiful Ukraine is," she laments. "Taking home a card with a burning nuclear reactor is hardly the best option." Ms. Voloshyna couldn't agree more on that. "It's not the case where you could ethically earn a penny on it," she says. At the same time, she assumes that such things could be made of environmentally friendly recycled materials. This could inspire an exciting project on an international scale, if promoted effectively. So far though, few are concerned with this issue, since government authorities are busy with other things, as always. The only hope is for the righteousness and social responsibility of business. But who cares about Ukraine's image somewhere in a Chinese or Moroccan factory? ■

Culture Shock

How is it possible that Ukrainian laws and culture allow people to abuse animals and destroy the image of the nation?

Coming from Finland and living in Kyiv is an interesting combination of two different European cultures. When I ask my fellow countrymen what they know about Ukraine, I am often met with a pretty long silence. Then somebody might come up with an honest answer, "hrmm...well...it's pretty big". Yes, the country is actually enormous, comparable to France, I might answer. Anything else, I ask? "There is the European Football Championship, the Euro-2012." Yes, correct. But then again, the debate could shortly turn towards something completely different, such as "Hey, we lost that bloody battle something like 6-0 to the Russians there!" (10,000 Finns and Swedes were lost in Poltava in June 1709). It soon becomes clear that other socio-political issues like Chernobyl, the Orange Revolution, or Ukrainian Euro-integration, are not the hottest issues on the agenda when my countrymen are looking at Ukraine from outside. Nor are possible corruption issues or the never-ending pipeline policies vis a vis the EU and Russia. What really comes up often, are more down to earth topics, such as the unique Ukrainian nature, the astonishing Ukrainian women who draw the attention of foreigners at Khreshchatyk, and another, less shining factor. Bad treatment of stray dogshas has drawn the attention of half of Europe in recent months, thanks partly to the attention on UEFA preparations.

When one thinks how the foreigners look at your country it might be surprising for locals that issues that they think are important, are often not. None of the friends I have spoke to in China, Europe, Hong Kong or United States about ordinary life in Ukraine have mentioned, for instance, the "hot topics" such as the Tymoshenko trial or corruption as their major concern, even though these are issues closely followed in this country. However, the way some young Ukrainian men have hunted and openly tortured animals, mainly stray dogs, have raised a strong dislike and feeling of sickness worldwide. Questions often arise as to how it can be legal and culturally possible for several young men to be allowed to destroy the reputation of their native country by torturing innocent and completely helpless dogs with the most brutal instruments and means in modern times? How is it possible that relevant

authorities have not taken proper (or any) action against this sickening brutality? I have spoken to several influential businessmen living and working in Kyiv. Something must be done, if not for the sake of the dogs (only), then for the sake of the international image of Ukraine. There are already tens of thousands people in Europe who are boycotting the UEFA cup thanks to these few sadists who have been allowed to practice their torture of animals across the country. Is it worth it? Even if the Ukrainian authorities did not really pay attention the alarming problem of stray cats and dogs, they should read their economics. Money talks, when somebody walks.

However, as we who live in Kyiv know, some steps have finally been taken. I and my spouse recently visited Shelter for Animals at 2, Veteraniv St. in Nove Zalisyya, a village in Kyiv Oblast. It protects up to 500 dogs collected from the worst conditions, either from households or the streets. Most of them have undergone medical treatment and surgeries to save their lives. One might expect that a shelter of this size would have a solid public budget. The truth is completely different. I must say that it is easy to be grateful to people who work there. Some of them have left their regular work, just to do something meaningful with their lives. We donated a modest 60kg of dry dog food. That was just a drop in the bucket, which is sorely needed, as in Kyiv alone, there are up to 30,000 stray dogs. I promised to continue donations and to talk to others about their facility in order to generate more help for the dogs.

In my home country, Finland, the number of strays is about zero. The same goes for Sweden, Norway and Denmark. There is no room in these societies for the idea that a dog would be running the streets without half of the city being mobilized and essential

emergency response authorities (police, fire service and animal rescue units) being activated to save a dog, 24 hours per day.

One can recall the famous ancient Roman adage: the measure of a civilization is its ability to handle a disaster and to protect the weakest. So, let's just admit it. It is high time for those in charge to take appropriate measures and not waste any more time on this issue. Do it for the sake of the dogs, or for the sake of the country and its economy. It's your call. ■



Author:
Timo
Hellenberg,
Director of
Hellenberg
International

**THOUSANDS OF
EUROPEANS BOYCOTT
EURO 2012 BECAUSE OF
THE SADISTS THAT
TORTURED STRAY DOGS**

There Once Was a Dog

Apart from the known dog torturers in the country, many Ukrainians actually drop their careers and sacrifice their health to help abandoned and crippled animals

Author:
Anna
Kalenska

The issue of stray animals has never been more acute in Ukraine. Dog hunters, mobile crematoriums and poison found in sandpits where children play, result in the many on going protests of animal rights campaigners and the international community, tainting Ukraine's image abroad. On 31 March activists in many cities of Ukraine, Russia, Germany and other countries went on an international rally against the killing of stray animals before the Euro 2012. Unfortunately, pretending that stray dogs do not exist is much easier than solving the problem. Yet thankfully, there are still many Ukrainians who prefer to help the animals instead of mistreating them.

PRIVATE SHELTERS

Four years ago, Lilia Yemelienko moved to a private house near Kyiv with her husband and daughter. "I used to work as a PR and key account manager," says Lilia. "I have a lot of experience in the industry. Now I work with dogs. That's just what I do." The family keeps over 30 stray dogs, which are mostly German shepherds. She has now spent the past 18 years rescuing animals. "It all started with the first dog we found," the owner of 'Aviary No 1' recalls. "We talked to other people who picked up stray animals and asked them what else we could do. In 1999, I co-founded the 'Yasnohorodka' shelter and decided to open my own one at a later time. Big shelters mostly op-

erate to keep animals, while we find and treat them and then look for new owners." They eat six kilos of porridge and meat daily, plus the sick animals need additional special food. This takes time and effort. Dogs come to the shelter due to a variety of reasons. Lada, a German shepherd, was abandoned by her owners in downtown Kyiv. The Yemelienkos picked her up, had her surgery done and took care of her until she finally recovered after a long recuperation. They spent two years searching for new owners but she had grown attached to the family over that time, so they have decided to keep her. Newcomers to the shelter are all seen by a vet. They then go through quarantine, are cleaned of parasites and vaccinated. After that, the Yemelienkos look for their old owners and find new ones if the old ones fail to show up.

Back in Kyiv, Lilia used to bring the dogs she picked up to so called 'mini hotels' for animals. They are kept there, for about UAH 10 per day, until their caretakers find new homes for them. Sometimes she would keep up to 17 dogs at a time, paying all the expenses on her own. After the family left Kyiv, they built spacious kennels for the German shepherds outside and left four rooms in the house for small and sick animals.

According to Lilia, there should be a comprehensive way to solve the stray animal problem in Ukraine which includes catching,



sterilizing and vaccinating them. Also, the government should raise public awareness. "People have no idea why animals need to be sterilized, they say it's unnatural," Lilia comments. "Meanwhile, they think it's okay to drown or just leave the new puppies from their own dog out to die."

Counting all animal mini shelters in Kyiv and the suburbs is a challenge. Some old ladies keep 15 dogs and tell no one about it. Most volunteers do not tell the exact number of animals they help, even people they know, fearing troubles with neighbours or utility services. Anastasiya, another shelter owner, lives in Kyiv. Just like the others, she did not tell us how many dogs she takes care of. Working as an illustrator, she never thought she would have her own shelter someday. It all started for her when a friend once asked her to help take a sick dog to the vet. It turned out that the dog's back was broken and no shelter would take it. The girls refused to put the dog to sleep and took it



PHOTO: ARSEN FEDOSEENKO

home. Thanks to social networks and special forums, they treated Liubchik, the dog, and bought a wheelchair for it in the US. By then, Anastasiya had already picked up a few more dogs. Eventually, the mini shelter called 'Liubchik's Home' emerged where crippled dogs are now taken care of.

Some dogs stay with Anastasiya's parents but there is still too little space for all newcomers. "People were happy to take the animals and we found new families for many dogs before the crisis," she says. "Then they stopped all of a sudden. That's why our shelter is now overloaded." Keeping sick dogs is not cheap. Food, treatment, surgery, animal hotel stays and paid announcements on the Internet for 15 dogs cost over UAH 8,000 per month. Fortunately, most funds come from volunteers who donate to the mini shelter. Yet, Anastasiya complains that many people treat animals terribly in Ukraine, in addition to the lack of funds. "Seeing how

dogs are continually tortured and killed is so stressful," she laments. "It is a sad fact that we have to save someone virtually every day."

SAVED ON THE ROADSIDE

Pokrovske is a village on route from Donetsk to Zaporizhzhia. No one can count exactly how many animals are killed on the roads

THERE SHOULD BE A COMPREHENSIVE WAY TO SOLVE THE STRAY ANIMAL PROBLEM IN UKRAINE WHICH INCLUDES CATCHING, STERILIZING AND VACCINATING THEM

there almost every day. Viktor Bitner, a 78-year old villager, picks up dogs which have been injured on the main road. Once, he was director of the local silicate plant. Coming home from work one day, he saw a car run over a dog. "I took it home and took care of it," Viktor recalls. "The dog lived a long,

happy life with me." With time, more and more crippled animals appeared in his backyard. He saved them from the roads, wells or trees where their owners just hung the dogs up and left them.

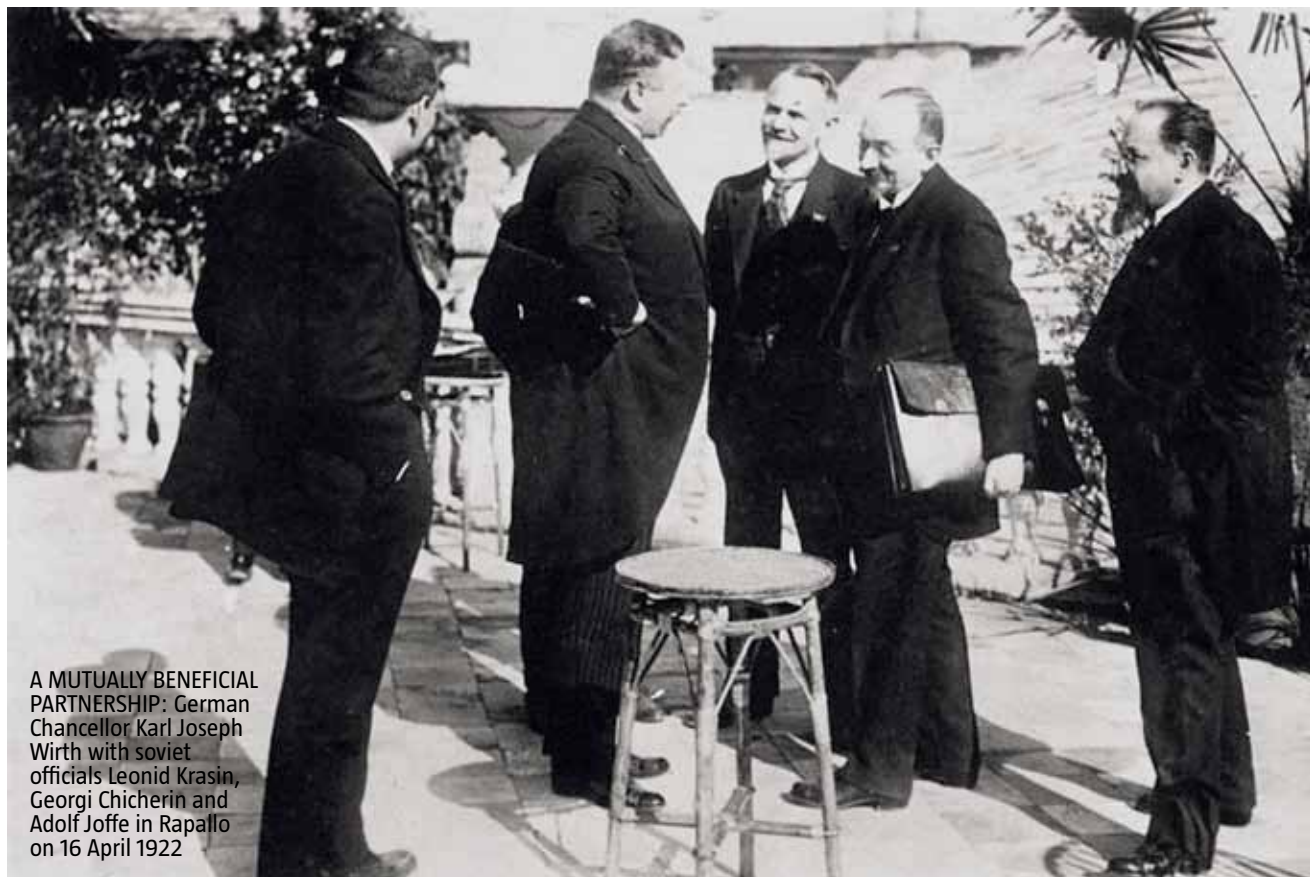
Mr. Bitner has saved hundreds of animals and has built homes for them. Three times a day, the dogs eat bread and ground up bones. This menu, along with the necessary medical treatment, costs UAH 3,000 monthly. Mr. Bitner's pension is only UAH 1,100 per month so he fixes sewage and gas equipment to earn an extra penny, and all this despite suffering from cancer himself. He also has no family to support him, but he still refuses to give up.

Mr. Bitner risks his own health and life for the dogs. Natalia Krymska, a volunteer at Fidelity, a Dnipropetrovsk-based animal protection association, says that not all locals share his affection for dogs. They have tried to beat him several times to steal the money he spends on his dog kingdom. Fortunately, volunteers offer their support to Mr. Bitner. They bring food and medicines for the dogs and also for Mr. Bitner himself. The funding comes through donations from people who learn about the mini shelter and its owner through the Fidelity community. Animal rights advocates drafted a programme for the humane treatment of animals and made many attempts to submit it to the Dnipropetrovsk City Council, but did not have much success. It was only the upcoming Euro 2012 football championship that finally made the Council accept it for consideration. Hopefully, it will be passed and implemented after all.

The people in Ukraine who care about animals, then take up the initiative to save them and set up animal shelters, cannot dramatically change the situation nationwide. "This, first and foremost, is the government's task," Lilia Yemelianenko says. "Volunteers are an incentive, but not the main driver in solving the problem." These people should continue to put pressure on local authorities and demand that they find civilized solutions and provide affordable aid to stray and sick animals that need a home. Ukraine will then be a much nicer place for everyone, and especially for the animals themselves. ■

A Continental Union

The Treaty of Rapallo between the Weimar Republic and Soviet Russia paved the way to a revival of German military power after the First World War



A MUTUALLY BENEFICIAL PARTNERSHIP: German Chancellor Karl Joseph Wirth with soviet officials Leonid Krasin, Georgi Chicherin and Adolf Joffe in Rapallo on 16 April 1922

Author:
Andriy Rukkas

After Germany suffered a defeat in the First World War and signed the humiliating Treaty of Versailles in June 1919, all of Berlin's foreign policy efforts were aimed at only one goal—breaking through international isolation and attaining complete internal independence and self-determination of the country's foreign course. The Weimar Republic was weak after the war, which forced its government to seek allies in the international arena to realise its economic projects and diplomatic plans for revising the Treaty of Versailles. After losing all of its overseas colonies Germany turned its attention to Soviet Russia, which emerged after the fall of the Romanov Empire and the following civil war, as a powerful source of

raw materials and a sales market for Western goods.

At the same time, Bolshevik Russia, also devastated by the First World War and the civil war, sought to revive its industry and was in great need of equipment, new technology and specialists. So it was no surprise that cooperation with Germany was extremely fruitful and beneficial to the Bolsheviks. Politically, it was a step towards ending international isolation for both sides and also a kind of trump card for Berlin in the grand game it was playing against the victor states.

A NOSEDIVE

In 1921, the Entente states invited Vladimir Lenin's government to participate in an international conference to settle contentious issues

concerning the West's economic claims against the Kremlin. If these issues were resolved, the European countries involved promised to officially recognise the Bolshevik government. In April 1922, the Genoa Conference, involving 29 states, including Russia, Great Britain, France and Germany, was launched.

Western governments set forward their demands to Moscow: paying off the debts incurred by tsarist Russia and later the Provisional Government (18 billion roubles in gold), restoring Western property nationalised by the Bolsheviks within the territory of the former Russian Empire, scrapping the monopoly on foreign trade, opening the way to foreign capital and discontinuing



revolutionary propaganda in Western countries.

On its part, the Red government put forward its own counter-claims: compensating the damage caused by foreign intervention during the Civil War (39 billion roubles), securing wide economic cooperation based on long-term Western loans, adopting the soviet programme for the overall reduction of arms and banning "the most barbaric methods of warfare". Finally, the negotiations stalled due to both sides being unprepared for a political compromise.

However, a rift began to show in the Western camp during the conference. As a result of its dire political and economic situation Germany decided in favour of uni-

lateral cooperation with the Bolsheviks. On 16 April 1922, the Soviet People's Commissar for Foreign Affairs Georgi Chicherin and German Foreign Affairs Minister Walther Rathenau signed a treaty in the town of Rapallo near Genoa.

This document envisaged establishing full diplomatic relations between Soviet Russia and the Weimar Republic. Both sides reciprocally withdrew their claims to wartime damages and compensation for military spending. Berlin recognised the nationalisation of German property in Soviet Russia and renounced any claims against Moscow. Both states recognised the principle of maximum facilitation as a basis for their political and economic relations and undertook to actively develop economic

contacts. The treaty was open-ended. On 5 November 1922, it was extended to cover three other soviet republics – Ukraine, Belarus and the Transcaucasian Federation, which soon joined Russia to form the Soviet Union.

A MEASURE OF RAPPROCHEMENT

The significance of the Soviet-German Treaty of Rapallo was extremely great for both sides. It became one of the first international treaties signed by Berlin after the First World War based on principles of equality, mutually beneficial cooperation and non-interference in domestic affairs. The document embodied the idea of peaceful coexistence between the two countries, thus laying the foundation for the development of their political and economic relations in the interwar period. The sudden rapprochement with the Bolshevik government opened the prospect of rapid economic revival for Germany based on beneficial trade relations with Soviet Russia and "brotherly" soviet republics.

Finally, the treaty ended Germany's international isolation and enabled it to exert efficient pressure on the Entente states to make them revise their foreign policy regarding Berlin. Chancellor Karl Joseph Wirth, who would later receive Stalin's award for strengthening peace, even announced a turnaround in Germany's foreign policy.

At the same time, soviet representatives in Rapallo succeeded in establishing a precedent of international recognition of their government by one of the leading Western countries, which worked as a belt drive that put the diplomatic mechanism into motion, speeding up the recognition of the Bolshevik dictatorship by Western states and the end to Russia's international isolation.

BREAKING THE VERSAILLES CHAINS

When all was said and done, many people in Germany itself did not take the Treaty of Rapallo well. Representatives of the biggest concerns, the military lobby and right-wing social democrats spoke out against it. Foreign Affairs Minister Walther Rathenau, who signed the treaty, was killed by terrorists from a rightist paramili-

HEADING FOR
BERLIN: Georgi
Chicherin
and Nikolai
Kreštinski in
Berlin in 1925



AN ALTERNATIVE BASE:
Fokker fighter aircrafts purchased
secretly from the Netherlands were
used to train German pilots at the
Lipetsk flight school



CHEMICAL
WARFARE
SCHOOL:
German
delegation
poses at Tomka,
Reichstag's
secret object in
Saratov Oblast,
where chemical
warfare was
tested

tary organisation. The governments of nine countries, including Great Britain and France, said they were against the Soviet-German treaty. However, Germany issued a statement in response saying it was unable to revoke the commitments it had undertaken before the soviet state.

This persistence and firmness on the part of Berlin was explained, above all, by the great interest German generals took in military cooperation with Soviet Russia. General Hans von Seeckt, the first commander and de facto organiser of the German Army (Reichswehr), said at one point: "It is only in a close connection with Great Russia that Germany maintains a chance to revive its status of a powerful state... England and France are afraid of a union between two continental states and try to prevent it in every way. Thus, we strive for it with all our strength... Our policy re-

garding both tsarist Russia and a state headed by Kolchak or Denikin would be the same. Now we need to put up with Soviet Russia – we have no other way out." In one of his other speeches the general spoke even more straightforwardly and frankly: "If Germany sides with Russia, it will become invincible, because other countries will then be forced to deal with Germany keeping Russia in mind."

FRIENDSHIP FOR THE BENEFIT OF WAR

In May 1921, nearly one year before the Treaty of Rapallo was signed, Germany's Ministry of Defence and the Bolshevik military began secret negotiations centred around Berlin's aid in strengthening the soviet military industry. (In order to build a modern and powerful army, the Bolsheviks badly needed large-scale technical assistance and financial injections

from abroad.) Moscow counted on German subsidies to lay the foundation of its own aviation, chemical and other sectors of the defence industry.

Meanwhile, the Germans had their own vision. Russia was not a signatory to the Treaty of Versailles and hence was not interested in keeping it, especially in terms of the military restrictions imposed on Germany. Russia's tremendous natural riches and testing grounds, far-removed from the inquisitive eyes of Western observers, offered perfect opportunities for training German officers and developing and manufacturing weapons prohibited by peace treaties. This made the Germans especially interested in official negotiations with soviet representatives. Von Seeckt personally informed Wirth on their progress. The negotiations ended on 11 August 1922 resulting in a secret agreement. In November 1922, the Bolshevik government and the Junkers company agreed to build an aviation plant in Fili, a town near Moscow.

In order to expand military contacts, Berlin sent a delegation headed by General Hass, chief of a Defence Ministry department, to Moscow in February 1923. As a result, the sides agreed to build a chemical plant to produce poisonous substances (the Bersol stock company). Two months later, another agreement was signed to upgrade Russian military plants and supply artillery shells to the Reichswehr. A representation of the Reichwehr, with the inconspicuous name "Moscow Centre" and Colonel Hans von Thomsen as its chief, was launched to coordinate the activities of German companies in the Soviet capital.

In July 1925, a flying school was set up in Lipetsk to train German pilots and parachutists. The next year, two testing grounds for gas shells, one near Moscow and the other in the Saratov Oblast, as well as a tank school in Kazan were built. Blohm und Voss, a German ship-building concern, was expected to upgrade a submarine plant in Mykolaiv.

Concurrently, regular exchanges of military specialists took place with Germans coming to soviet construction bureaus in the aviation, machine-building, artil-

lery, tank and chemical sectors. Conversely, noted Red Army commanders, such as Mikhail Tukhachevsky, Ieronim Uborevich and Avgust Kork, received training in Berlin. At the same time, German generals Walther von Brauchitsch (the future commander in chief of the Wehrmacht's land troops), Walther von Reichenau (commander of the 6th army during the Barbarossa Operation), Wilhelm List (participant in the blitzkriegs against Poland and France in 1939-40), Heinz Guderian (commander of the 2nd tank group during the attack on the USSR in 1941) completed training in the USSR. High-ranking officers of the Weimar Republic, such as Hans von Seeckt, Kurt von Schleicher and Werner von Blomberg, were involved in writing Red Army service regulations.

In compliance with the bilateral agreements, Germany, and particularly the Reichswehr, tried to become the Soviets' main supplier in the aviation and chemical industries in 1922-23, thus securing a dominating influence on these industrial sectors. Starting from 1925,

Lipetsk flight school
trained
120
German fighter pilots
and
100
pilot observers
over 1925-1933

bilateral cooperation began moving to a new level as the Germans started to exert more effort to have the maximum impact possible on the Red Army in terms of its organisation, tactical training and so on.

REASONS FOR RAPPROCHEMENT

Before Hitler's rise to power in 1933, Soviet-German relations were built on mutually beneficial and mutually necessary foundations.



THE MOLOTOV-RIBBENTROP PACT OF AUGUST 1939 WAS A LOGICAL CONTINUATION OF THE GERMAN-SOVIET RAPPROCHEMENT OF THE 1920S

The two countries drew closer to each other, because together they could oppose the Western states. Sensing the need to cooperate with the Bolsheviks, the Weimar Republic not only refused to attack Russia in early 1920 but also strengthened friendly relations with it through

the Treaty of Rapallo, thus forcing the Entente powers to first limit post-war sanctions and later revise them in Germany's favour.

In its turn, Soviet Russia, which was in international blockade and isolation, found an advantageous economic partner in Germany. Berlin took successful diplomatic steps to make the best use of these relations, skillfully bypassing the Versailles limitations.

To the Weimar Republic, the Soviet Union was the only equal and fully-fledged partner with which it was able to pursue its foreign policy until 1933. The best proof of it is found in the secret military cooperation which, on the one hand, prepared firm ground for the revival of Germany's military power after the First World War, and on the other, upgraded the Bolshevik defence industrial complex. The Molotov-Ribbentrop Pact of August 1939 under which two dictators, Hitler and Stalin, divided Central and Eastern Europe and started the Second World War, albeit not at the same time, was a logical continuation of the German-Soviet rapprochement of the 1920s. ■



BUSINESS IN KYIV... MADE EASY.

Located in the city centre, InterContinental Kiev offers all guests business centre services, personalised concierge service plus free WiFi in all areas. Additionally you can order a limousine transfer or upgrade to access our Club lounge while our team look after your comfort and safety.

So when work is done, you can relax in the Spa, visit b-hush, our rooftop night spot or help yourself to free beer and soft drinks from your minibar. You take care of business; let us take care of the rest.

Do you live an InterContinental life?



INTERCONTINENTAL
KYIV

For more information or to make
a reservation please contact us at
+38 044 219 1919

In over 170 locations across the globe including KYIV • LONDON • NEW YORK • PARIS

The Death M



Author:
Oleh
Slabospytsky

Ukkraine's State Agency for Cinema issued, with some restrictions, a distribution permit for the scandalous \$10-million-budget Russian-Ukrainian film 'The Match' in April this year. The film caused a tsunami of criticism from the Ukrainian public, historians and independent film experts due to its anti-Ukrainian character and the plot being built on a propaganda myth invented in the USSR. Several NGOs even urged Ukraine's Minister of Culture to ban this film from distribution in Ukraine altogether. In their turn, the producers accused mythical Ukrainian "ultranationalists" of stirring up a campaign against their film.

So what was all the fuss about? Well, it was the fact that a dubious war episode was picked for the film's plot: a game between Ukrainian and German football teams in Nazi-occupied Kyiv in 1942. The filmmakers assert that their desire was to instill patriotism and pride for the historical past in Ukrainians prior to the Euro-2012 tournament. However, all attempts to find the historical basis for the film's plot run up against a web of soviet

myths which Russians are once again trying to spin in Ukraine.

As always, all accusations of historical untruthfulness are rebuffed by the producers with references to the artistic component. At the same time, the pre-premiere viewings and individual frames from the film's trailer suggest the exact opposite. For example, in the film Ukrainian is spoken only by Kyiv policemen, while average Kyiv residents are all Russian-speaking. All collaborationists carry blue-and-yellow bands, even though they were no longer used in 1942. Ukrainian actor Ostap Stupka's character wears one of them. And this is not the first time he has played in dubious Russian films: he also played the part of a blood-thirsty UPA fighter in *'My iz budushchego-2'* (We Are from the Future – II) several years ago.

So what actually happened in 1942? The fact is that Ukrainian sporting life continued under Nazi occupation: over 150 football games were played, and there are even known cases of boxing matches being held during that time. The inhabitants of the city were setting cultural life on its



track, and all these events enjoyed a relatively calm atmosphere.

On 22 June 1941, a Dynamo-TsSKA match was scheduled to open the Stalin Republican Stadium (now the Olympic Stadium) in Kyiv. However, war broke out against the USSR, and most players volunteered for the Red Army, and only some stayed in Kyiv after the Wehrmacht entered the city.

They had to earn a living under German occupation; so many noted athletes took up jobs at the bread-baking plant owned by Czech Josef Kordik (who was recognised as a Volksdeutsche. – **Ed.**). He was particularly keen on football, so the 'Start' team was put together with eight Dynamo and three Lokomotyv players who practiced at the Zenit stadium. It is sometimes claimed that they played in red uniforms to emphasise their commitment to the Soviet Union, but this is nonsense and the claim was even later denied by the players themselves.

The team played a total of 10 games: against the Ukrainian Rukh on 7 June (7:2), a team of Hungarian soldiers on 21 June (6:2), a German artillery unit team

Match Myth



ES LEBE DIE DEUTSCHE ARMEE:
Is the wrong spelling of WWII slogans
on the sets part of the artistic twisting
of history, too?



on 28 June (7:1), Kyiv's Sport (11:0) on 6 July, the RSG team of German railroad workers (6:0) on 17 July, the Hungarian MSG Wal (5:1) on 19 July, a rematch against the Hungarian GK Szero (3:2) on 26 July, the Flakelf team of German anti-aircraft gunners on 6 August (5:1), a rematch against Flakelf on 9 August (5:3) and a rematch against Rukh (8:0).

And it was the particular game on 9 August that official Soviet historiography built the myth about the Death Match around. Propaganda had it that the Ukrainians played against a specially trained team of Germany's Luftwaffe, while in truth, it was actually Flakelf; a team composed of ordinary anti-aircraft gunners, pilots and mechanics. Eyewitnesses Markar Honcharenko and a son of one of the football players, Mykhailo Putystin, negate testimonies about Germans conducting themselves in a rough, provocative manner on the field. Moreover, both teams went home after the match. The main claim – that the Ukrainians won the game for which they were later shot by the Germans – is very much opposite to reality, because

PLAYING A JANISSARY:
Ostap Stupka's involvement in Russian films with a patently anti-Ukrainian tone has become a tradition

the Ukrainian team then played their next game on 16 August.

Indeed, after the abovementioned victorious series of games, seven 'Start' members were actually put in the Syrets concentration camp on 18 August 1942. The exact reason for their arrests remains unknown. However, there are several versions as to why. Shvetsov, the coach of the Rukh team, believes that the arrests took place after his team played against Start. It was revealed at this time that Start included former Dynamo players who were NKVD agents. Another cited reason is the theft of meal from the bread-baking plant for which the football players were blamed. Six months later, on 24 February 1932, the Nazis began to carry out mass shootings in Kyiv after another attack by the communist underground, and three Dynamo players – Oleksiy Klymenko, Ivan Kuzmenko and Mykola Trusevych – happened to fall victim to this tragedy.

The lives of other Start players took different paths, but they were not directly linked to the 9 August match and its result. Some of them were forced to work at enterprises

located in Kyiv; others were shot for being NKVD agents, while two (Heorhiy Tymofeev and Lev Hundarev) even served in the German police for which they were later repressed by the Soviets.

For some strange reason the Ukrainian government clearly enjoys such Russian films as 'The Match', with their updated interpretation of Soviet myths about the Second World War. The "international heroic-patriotic campaign" under the title "St. George's Ribbon 2012" was launched by some organisation called The General Military Union of Ukraine before 9 May. In December 2011, the Ukrainian government said it was planning to show, free of charge, feature films and documentaries about the Great Patriotic War in state and community-owned cinemas and cultural institutions. So it was expected that The Match would have no problems obtaining a distribution permit. Despite another portion of social populism the electoral support for the ruling party is still critically low, and thus it is forced to urgently mobilise, as it has done before, the "patriotic" resource. ■

Interviewer:
Yuriy Makarov

Getting an interview in the middle of a rehearsal was easy: the cult writer and artist does not live the life of a celebrity. Instead, he tries to enjoy the process, no matter what it may be.

UW: This is not the first attempt to bring your plays to the stage. The first one failed. The second one, Pavlik Morozov directed by Andriy Kritenko, was staged a year ago. My impression is that your pieces are self-sufficient, and their image as theatre pieces is only a mask. What is it about the stage that lures you in?

— Whatever should happen always happens. These pieces have lived a long life and they will get to the theatre sooner or later. Actually, I didn't do anything to bring them there. It just happened. I love theatre! I mean I love to work with Kritenko. This is not our first project. We staged *The Orgy* based on Lesya Ukrainka's writing. I was involved as a stage designer. The joy of creative interaction is our key motivation. We both do what we like and radiate the energy that excites everyone else. That's the law of art, I don't know any others.

UW: Aren't you concerned about your popularity as a writer overshadowing your fame as an artist?

— There is no other way. Most people think in words. Only some think in images and they are painters. They, and a few others around them, are the only ones who understand all this. This is a self-contained system. Gaining fame as an artist is next to impossible. Why do people paint? Because they cannot help but paint,

PHOTO: ANDRIY LOMAKIN

AGE MEANS NOTHING

Artist and playwright Les Podereviansky talks about his personal evolution and people that never change

that's all! Words are easier to grasp, therefore they'll always prevail. What is the worst question to ask an artist at an exhibition? "What were you trying to say with your painting?" He said what he wanted to say, but he didn't say it in words because it didn't translate into words. Actually, I used this trick in my latest exhibition at the Collection gallery. I put an explanatory note next to every painting so that visitors would read it and leave me alone. But the painting always comes first. I can write 100 explanatory notes for each one.

UW: I've recently learned that colleges offer separate courses on your writing. What do you think about that?

– I hate it. People should hate everything colleges and schools stuck in their heads. I, for instance, hated all the Russian and Ukrainian literature I was taught in school. I only began to really read books on my own when I grew up. Schools cultivate revolt, so I don't want my writing to be in school programmes.

UW: I don't think there is a single journalist who hasn't asked you about profanity in your pieces. Even 10 years ago, a swear word spoken or written, much less published, caught the eye for a moment. Now I see young people saying the 'f' word with no hesitation at all. Does this mean that the profanity in your writing no longer serves its purpose?

– You want censored words – try reading Shakespeare's originals in Old English. His poems were not something noble ladies would read. A friend of mine, a UK literature expert, confirms this. This has never been an issue for me. When I describe a character, he should speak the language he speaks. I never liked falsehood. Once when I was in the army I went to the library and asked for a book about the army. They gave me a book of short stories where a captain tells a private, "Mr. private, would you be so kind to..." Of course, I knew this wasn't how captains talked to privates. In real life, it was something like "You, f...ing son of a b...tch, get over there, fast!" The author does not own anything in my plays. My

characters speak the language they speak, no more and no less. There is no scandal in it. As to the attitude towards profanity in the writing, civilized countries have only two taboos: murder and child pornography.

UW: Ok, does this signal that reaching out to today's spoiled audiences is becoming more challenging?

– All we have to worry about at this point is the quality of the play. We've involved August Birkle, a well-known avant-garde

haven't changed since the 1970s. They have the same jokes, the same swearwords, the same dirt. And the same love.

UW: No, people were afraid in the 70s...

– They still are.

UW: People are less afraid today. I heard a great anecdote about this. A guy bought an SUV and took his friend for a ride. "Why don't you use your turn signal?" the friend asked. "I didn't buy an SUV to use the turn signal," the guy answered. This guy who is afraid of nothing at all has become the new protagonist.

– They all come from that same time, the time of *The Dreams of Vasilisa Yegorovna*. They are all the same people. They would be different if they came from a European environment. I see no difference at all. If we had given people SUVs in the 70s, they would have done the same things they do now. The only difference was that they had no SUVs.

UW: What about the younger generation?

– It's a great generation, actually...

UW: I don't disagree. But they often use words that I have to look up in online dictionaries. Don't you ever feel a bit behind the times when you talk to young people?

– You know, I never tied myself to my generation. I never have any nostalgic feelings about "my time." I've seen old 30-year olds and young 80-year olds. Generation means nothing to me. Every generation has stupid people and people who are able to think. The former always prevail. The only thing I don't like about them is how they use the Internet. The web offers us huge opportunities for self-education and self-sophistication. Meanwhile, they treat it like a public toilet at a bus stop somewhere in a remote province. Whatever they used to write on walls and fences, they now write on Facebook. We lived in a closed society with little access to information, while they have access to everything. They should have grown smarter and better educated than us, but for some reason they haven't. ■



THE AUTHOR DOES NOT OWN ANYTHING IN MY PLAYS

composer and performer. Andriy Kritenko invited him from Germany. Gortchitza will sing in it and Peter Mueller will arrange the lighting. He was involved in Pavlik Morozov but he actually works at La Scala.

UW: Critics describe your writing as the continuation of Sam Beckett's and Eugène Ionesco's line. You said in an interview that you strive for the quality of Ancient Greek drama. But that drama reflected reason, the plans of gods or fate. That is something opposite to the chaos of absurdity. How do you reconcile this?

– Actually, I have been evolving. I began to write in the army, inspired by its environment of absurdity. My first play really was totally absurd. Then I began to write more realistic pieces. I was always interested in juxtaposing opposites, things of opposite textures: colorful and faded, glossy and matte, smooth and rough. When opposite textures collide, they sparkle.

UW: Are you reacting to the growing concentration of absurdity in our lives over the past year or two?

– I have never been tied to the evils of the day. My art would grow outdated very quickly if I had been. I'm not interested in newspaper satire. Instead, I'm interested in things that existed yesterday, exist today and will exist tomorrow. Clearly, I can't separate myself from reality but I see no big difference between the pieces I wrote 20 years ago and the things I'm doing now. People

FILMS

A Genuine Act

Austrian actor and director Karl Markovics talks about intuitive play, honest films and life after an Oscar

Karl Markovics first came to Kyiv as an honorary guest of the Week of Austrian Cinema festival. *Atmen* (Breathing), his debut work as a director, won the grand prix at the Molodist festival last year. He is best known for *The Counterfeiters* where he played a Jewish fraudster from Odesa who found himself in a Nazi concentration camp and was forced to forge the currencies of the enemies of the Third Reich. In 2008, it won an Oscar for Best Foreign Language Film and brought world renown to director Stefan Ruzowitzky as well as to Markovics who played the main part.

I don't feel like there are any personalities who define the nature of European cinematography today. Maybe that was the case earlier when Pasolini or Truffaut were in vogue, but even then, you couldn't really say at that time that any particular people defined European cinema. These things are said post factum, when people become classics. We may well find some people who have had a dramatic impact on European cinema in 10-15 years from now. I cannot name any names, because I'm not a typical filmmaker who constantly draws inspiration from his colleagues' works. Ordinary life interests me much more than art.

I constantly study people, no matter where I am. I have watched very different types of people in the two days I've spent in Kyiv — absolutely ordinary people: street sweepers, parking attendants, policemen and taxi and bus drivers. I noted what they look

BIO

Karl Markovics

Karl Markovics, theatre and film actor, scriptwriter and director, was born in 1963 in Vienna. His career as a film actor began in 1991. He gained recognition for playing Inspector Stockinger in the Kommissar Rex series. He played in *Come Sweet Death* in 2000. *The Counterfeiters*, a Stefan Ruzowitzky film in which Markovics played the protagonist, won the Best Foreign Language Film Oscar in 2008. He debuted as a director and scriptwriter with *Atmen* (Breathing) in 2011. In 2012, he played in *Yedynyi shliakh* (The Only Way) directed by Ukrainian Daria Onyshchenko (Ukrainian-Serbian-German production).



Events

6 June, 4 p.m.

Ye Bookstore

Talking About Borders: Life in the Time of Change (3, Lysenka vul., Kyiv)

Supported by the Austrian Federal Ministry for European and International Affairs and the Austrian International Association of Writers, the Austrian Playwright Competition has been held in Eastern European countries annually, initiated and supervised by director Christian Papke, since 2005. It is aimed at discovering talented playwrights in

Eastern Europe and presenting their pieces to the German-speaking audience.



9 -30 June

I Love Kiev festival

Lavra Gallery, the Druzhby Narodiv Arch (1, Lavrska, Kyiv; downtown Kyiv)

This year, the urban fest will last three weeks, not the usual few days. It introduces those who live in Kyiv and city guests to modern Ukrainian art and all of its beauty. This year's programme is full of exciting events including concerts, fashion shows, exhibitions, films, workshops to make graffiti, collect bicycles and many other things. I Love Kiev will have free DIY space for representatives of various subcultures who will present their specific activities to the public.

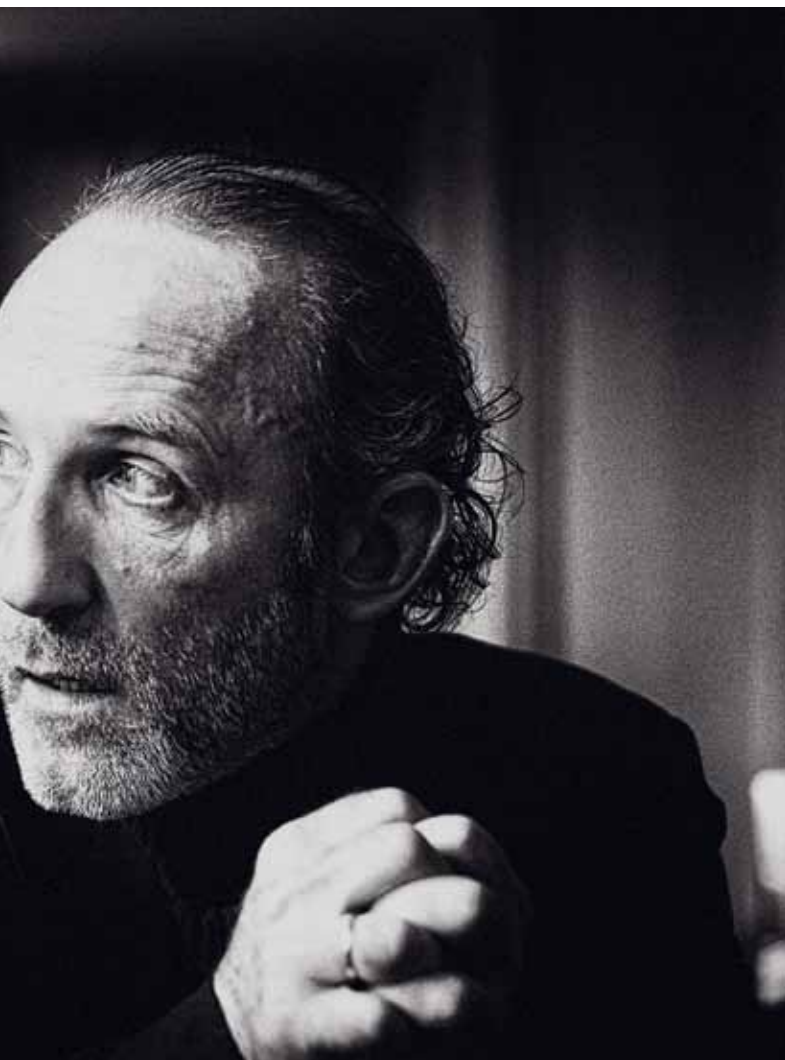
12 June, 6 p.m.

Prosto Rock 2012

Chornomorets Stadium (1/20 Marzaliyevska vul., Odesa)

The fifth Prosto Rock has invited Linkin Park, a popular US rock-band, to play in Ukraine as a headliner this year. Their much anticipated performance will be the first time the band plays in Ukraine, and hopefully it will not be their last time. Garbage, another legendary rock band, will play before LP. Ukrainian fans have been waiting for Garbage to visit Ukraine for years. Festival organizers are not disclosing who else will play this year but they promise only good surprises to the audience.





like on the outside and how they stand. I pay attention to things like that. At the end of the day, I often ask myself about how much I have stored in memory and why I am so much into it. I study people this way or another all the time. So I rarely need to learn something new to play a particular part.

An actor is only an actor when he can imagine things well. I don't want to be an imitator. As I played Sigmund Freud, I didn't want to imitate him. What I was interested in was how I would have conducted myself if I had been him and what I would have done in a particular situation having the notions of this person and his time.

My life changed very little after the Oscar. I still don't have an agent – just like before. I've got more invitations to castings and have played more frequently. The most important thing that the Oscar changed for me personally was increasing my internal confidence that I've attained something in life. It has grown so much that I finally dared to do something I have always wanted – create my own film. After the Oscar (which was won by the film, not myself personally, but it was still a production and part of the success), I felt I didn't have to prove anything to anyone anymore, including myself. Now as I make films, I feel like I haven't done anything else before. I feel like I'd been preparing for this my entire life, and that's actually true.

There is no advice I would give to a beginner director. I would make a poor teacher, and I've never studied myself: I did not go to acting or cinema school; I didn't need it. The only thing I would recommend is that you have to think twice before you do it. Don't overestimate yourself. You shouldn't think that if you have an idea, it is exactly what is needed, and you are already a director. If you've had serious doubts but are unable to think about anything else and this is all you can do, and there is nothing else in the world left for you to do, then you need to do it.

Interviewer: Inna Zavhorodnia
Photo: Andriy Lomakin

13 June, 7 p.m.

Noel Gallagher's High Flying Birds

International Showroom (15, Brovsky Prospekt, Kyiv)

Godlike Genius, as Noel Gallagher has been called since recently for the NME Award he got, will soon visit Ukraine with his rock band. As part of their big tour, Noel Gallagher's High Flying Birds will play *Everybody's on the Run*, *Dream On*, *The Death of You and Me*, *AKA... What a Life!* and other songs from their debut album. Vibrant tunes, deep lyrics and godlike sound make their style unique and impossible to imitate.



22-23 June, 5 p.m.

Krayina Mriy (Dreamland)

Spivoch Pole (Sichnevoho Povstannia vul., Kyiv)

Authentic and natural, the international ethnic festival indeed creates a dreamland where music and live communication take over state-of-the-art technologies. The huge space of ethnic and world music unites people into one stream of energy bringing positive thinking and a good mood. Apart from music, guests will see arts and crafts, folk dance workshops and all kinds of literature and theater performances. For the first time ever, the festival will be an official part of the Euro 2012 programme.

29 June – 1 July

The Best City.UA

Novoselytsia park (12th km on the Dnipropetrovsk-Pavlohrad driveway)

The Best City.UA is the first three-day open air music festival in Ukraine. The organizers call it a music explosion. They have invited many popular Ukrainian and foreign musicians. By now, The Rasmus, Apollo 404, London-based White Lies and DJ Joachim Garraud have confirmed their performance. Ukrainian VV, Boombox, Druha Rika and Russian Bi 2, Splin and DDT will join them on stage.



Small City Lights

Exotic and vibrant, Uzhhorod presents a striking mix of the multiethnic past and present



Author:
Oleh Kotsarev

Photos:
Larysa Didenko

At first glance from the railway station, Uzhhorod resembles a southern coastal town. The local plants, scents and colours have a slight southern flavour to them. Uzhhorod's latitude is virtually identical to that of Northern Crimea. By the time the first of Kyiv's trees begin to blossom, Uzhhorod is already full of green lawns, blossoming jasmine and local sakura revealing its first petals. However, the city is also no stranger to the occasional April snowfall.

STREET CONTRASTS

Uzhhorod is very compact. It takes just a day or two to see all of its interesting sites. The small city center urges tourists to walk rather than drive, offering great opportunities to get some exercise in the fresh Carpathian air.

The first site is located right at the railway station. At this unexpected location, arriving visitors are greeted by a memorial to Heorhiy Kirpa, the late transportation minister, including his bust and info about the railway guru's life and work—although bored passengers

waiting for their trains aren't likely to crowd around to see it. The railway square is also named after Kirpa, who built the city's glamorous new railway station.

The next modern attraction is not far. A huge newly built Orthodox church in pseudo-Pskovsk style peeks out above the Carpathian foothills and delicate little houses. Some locals call it Samarkand due to the distinctive shape of its domes. The Moscow Patriarchate, though, seems to have little concern for aesthetics. Its only purpose is to make its voice heard among the patriots of

UZHHOROD MENU

Bograch is a thick soup with meat, bell peppers, potatoes, carrots and spices

Banosh is a porridge consisting of corn-flour boiled in sour cream

Chovlent is meat with beans and hulled barley cooked in a pot.

Young wine is easy to overdrink. If you do, your Uzhhorod friends will tell the next guest about your adventures in town before he drinks his deceptive dose

Coffee – the locals are dead sure that the best coffee in Ukraine is served in Uzhhorod. Make sure you don't compliment coffee from Lviv or elsewhere in front of them

Lunch at Pid Zamkom café, Detsa u notaria (a shot at the notary's) or *Ruta*, a soviet-looking café at the bus station. They have inexpensive and delicious food and decent visitors

MUST SEE

Take a look at the local book store called *Bovt Ivana Petrovtsia Fainy Knyhy* (The Store of Ivan Petrovtsiy : Good Books). It offers books focused on Ruthenia and Zakarpattia, including interesting rare publications from different countries in different languages. In 2005, I found the Ukrainian Futurism anthology there. Published in Nyiregyháza, Hungary, the book had long disappeared from other Ukrainian bookstores.

Detsa u notaria translated as "a shot at the notary's" is another display of local flair decorated with funny pictures, inscriptions and items.

Zakarpattia, often derogatively named *banderivtsi*, after Stepan Bandera, one of the leaders of the national movement in Western Ukraine.

Just a few minutes walk from the railway station, Uzhhorod's downtown is free from aesthetic dissonance. The historical heart of the city is very elegant and fairly well preserved (**photo 1**). Unlike many other Ukrainian cities, it doesn't look as if some wild strangers settled in and reduced everything to a post-war state. However, the city still boasts plenty of uneven pavement and piles of litter to satisfy tourists looking for a grittier experience.

Elegant Secessionist buildings line countless charming streets, the most beautiful of which is the pedestrian-only Corso St. Its name comes from the Roman Via del Corso, once a place for horse racing and other entertainment. Built in the 17-18th centuries, St. George's Cathedral looks laconic and fits well into its



PHOTO: OTIEHA MANCHENKO



ARTISTIC LIFE

Every spring, Uzhhorod hosts *Bereznevi Koty* (March Cats), an erotic art festival, *Zakarpatska Humoryna* (Zakarpattia Comedy Festival) and *Knyha-Fest*, a book fair



surroundings. The more pompous and monumental Holy Cross Greek Catholic Cathedral (**photo 6**) and Bishop's Residence are located next to St. George's Cathedral. Independent of the Ukrainian Greek Catholic Church, the Greek Catholic Church of Zakarpattia was established after the 1646 Union of Uzhhorod.

The local castle appears less impressive than those in Lutsk or Ostroh, yet it is charming and well preserved. Within the castle, one can find a museum of local history and the ancient foundation of the castle's church. The observation platform offers a view of the entire city. Next to the castle wall is the Museum of Folk Architecture (**photo 3**) featuring bell towers and houses with wood-shingled roofs.

The pretty premises of the *Zhupanat*, formerly a local administration building, host a church and wine cellars next to an art museum with paintings by Yosyp Bokshai, Adalbert Erdeli, Andriy Kotska and other members of the Zakarpattia School. They painted in unique vibrant colours and combined Carpathian folk elements with a soft mid-twentieth century modernism.

Lovers of earlier artistic eras will learn from local guides that the Giotto-like Renaissance frescos on some walls of the St. Anna Church (**photo 5**) in Horiany, a village that is now part of Uzhhorod, trace back to the 16th century. According to some

NOTE:
Make sure you buy your ticket to Uzhhorod in advance. Virtually every place in Ukraine has direct transport connections to Uzhhorod, but the inflow of tourists can result in sold-out trains and buses.

sources, the rotunda-like church was built in the 11th century. This minimalistic and beautiful church crowning a picturesque hill is not to be missed. It is one of the few destinations in Uzhhorod that is not located within walking distance.

MULTIETHNIC TRANSCARPATHIA

Uzhhorod is among the most multi-ethnic cities in Ukraine. Its streets buzz with Ukrainian, Russian, Hungarian, Romani, Slovakian and Romanian. The impression is that Hungarian and Ukrainian have grown more popular in public venues over the past decade, although the locals speak their own dialect of Ukrainian rather than the common language. Some refer to it as a separate Ruthenian language while others think of it only as a dialect. In any case, numerous borrowed words make it strikingly different from the literary Ukrainian language. Even the local Greek Catholic church masses sound exotic.

Traces of Hungarian culture in Uzhhorod are the most visible of all, as Hungarians ruled the city for most of its history. They left many names, monuments and buildings as reminders, and the local cuisine has much in common with Hungarian cooking.

The Russian element is exotic and surprising for many in Uzhhorod. The Uzh river bank (**photo 2**) hosts a small chapel built by Russian



émigrés who ended up in Uzhhorod after fleeing revolutionary turmoil in Russia. In soviet times, military and border guard servicemen joined them.

Uzhhorod, the city on the Uzh River, is unimaginable without the Roma. They live a more settled and less criminalized life here than in other parts of Ukraine. Still, they are segregated from other ethnic groups who tend to dislike them. Slovaks can be seen driving cars with Slovakian license plates and listening to Slovakian radio stations. The border with Slovakia lies virtually within the city's limits, with Sobranetska St. leading right to it.

The only traces of Jews and Czechs, by contrast, are a few nice synagogue buildings, including the Great Synagogue (now the Philharmonic Society) (**photo 4**) built beside the Uzh in the Czech constructivist style of the 1930s. The city's name also bears a Czech trace. Prior to being annexed to Czechoslovakia, Uzhhorod was called Ungvar. The sakura trees were planted under the Czechs, too. And Czech signs, now rare, serve as another reminder of their former rule. One is at the Pid Zamkom ("By the Castle") museum café decorated with other rarities including old cameras, hundreds of old bottles, placards, photographs, washstands, newspapers and cameras.

And make sure you taste the misleadingly light young wine of Zakarpattia! ■

DICTIONARY
Domú – home
Sio – hello
Aino – yes
Levesh – soup
Shvablyky – matches
Krumpli – potatoes
Paradychky – tomatoes
Tengerytsia – corn
Poi hevka – come here
Ondyka – there

¹ A Ruthenian writer



O'BRIEN'S IRISH PUB



- The best breakfast in the city (8.00-12.00)
- Business lunch (12.00-15.00)
- Traditional Irish dishes (8.00-2.00)
- Live sports broadcasts on two big screens and numerous TVsets
- We take orders for parties & banquets



We accept
all kinds
of credit cards

17a Mykhaylivska str.
Tel. (+38044)279-15-84
www.obriens.kiev.ua



Double Coffee®
brewed properly.



PartyTime
15% discount for all alcoholic cocktails
From 21:00 to 07:00

Kyiv, vul. Mykhailivska 6
(+38044) 591 1836

Kyiv, vul. B. Khmelnytskoho 42
(+38044) 591 1835

Kyiv, vul. Konstantynivska 6
(+38044) 591 1837

Kyiv, Moskovsky Prospect 34 A
Entertainment Center BlockBuster
(+38044) 591 1838

Business Lunch with another approach



Mille Miglia restaurant, Radisson Blu Hotel, Kyiv
22 Yaroslaviv Val Street, Kyiv 01034, Ukraine
Tel: +38 044 492 2255
radissonblu.com/hotel-kyiv

Radisson BLU
HOTEL, KYIV



B O O K S T O R E



ALL BOOKS FROM UKRAINE ONLINE

O N L I N E B O O K S H O P

WWW.BOOK-YE.COM.UA/SHOP