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Тиждень
INTERNATIONAL EDITION

international edition

The Ukrainian Week

№ 4 (27) MARCH 2012

WHERE DID 6,000,000 UKRAINIANS GO?



The
Economist

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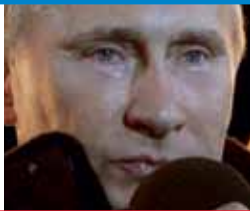
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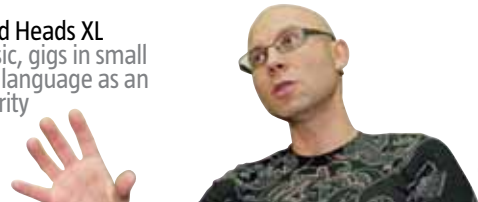
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25 February

A rally against the president titled "The Funeral of Lost Opportunities" is held in Lviv



27 February

Former Minister of the Interior, Yuriy Lutsenko, is sentenced to 4 years in jail and the confiscation of property



29 February

The US Embassy opens in a new building in Kyiv

QUOTES

OLEKSIY KOSTUSIEV prevents eavesdropping

During his visit to Georgia, the Odesa Mayor excludes representatives of disloyal mass media, such as 1+1 TV channel and Dumskaya.net, from the delegation.



BERTRAND DELANOË backpedals the Russian World

The Mayor of Paris opposes the construction of the Russian Orthodox spiritual and cultural center at a spot listed as world heritage by UNESCO.



SERHIY VOVK will face a trial

The Supreme Court embarks on a case against the judge who ruled the verdict against Yuriy Lutsenko. In 2009, Mr. Vovk faced criminal charges for illegitimate verdicts.



VLADIMIR PUTIN is reinforcing the Russian World

Mr. Putin calls on increasing Russian cultural expansion, especially in FSU countries and Central Europe.



Carte Blanche

On March 4, 2012, Vladimir Putin won the presidential election in the first round with 63.6% of the vote, a victory that was in the making for the last 12 years. The Central Electoral Committee refused to register both Grigoriy Yavlinski, a liberal politician, which resulted in his supporters staying at home, although they could have "eroded" Putin's victorious outcome, and radical political activist Alexei Navalny who, as a candidate, could have gained quite extensive coverage in the central media and most important of all, would have shown the true share of uncompromising, but non-Communist opponents of Putin among the voters.

Most of the total 96,000 polling stations were equipped with web-cameras for the real-time broadcasting of the election process on the Internet. Several instances of ballot stuffing, recorded by observers, would surely have caused a scandal anywhere in Europe. But in the post-soviet reality, the fact that the cameras had been installed and the violations had been recorded allowed Stanislav Gavorukhin, a Russian film director and head of Putin's campaign staff, to describe the election as "the most honest election in Russian history" while some of Putin's campaign staff even referred to it as "the most honest election in the world".

This was despite numerous reports of election fraud mechanisms known as "carousels" or multiple voting by well-organized groups of voters travelling from one polling station to another. Participation in the groups was proposed for payment through advertisements – largely made up of students. Others were organized by the directors of large enterprises – made up of their staff. Quite often, the groups voted on the basis of unauthorized certificates rather



than the absentee ballots normally issued for such situations.

A reporter from Gazeta.ru, an online publication, which took part in tracking and stopping people involved in the "carousel" scheme, described the technology they used. A girl who paid the students for voting for the "right" candidate told observers

The month in history

6 March 1918



The Central Council launches the administrative reform, dividing the Ukrainian People's Republic into 32 oblasts (provinces)

9 March 1814



Taras Shevchenko, one of the greatest Ukrainian poets, is born

10 March 1787



Ustym Karmaliuk, the leader of the peasants' struggle against serfdom in Podillia (1813-1835), is born

4 March



Volodymyr Klitschko wins his 50th victory with a knockout in a fight against French boxer Jean-Marc Mormeck

5 March



OSCE representatives are not allowed to see Yulia Tymoshenko. The prison administration does not even let them to speak to her on the phone

9 March



The UN Committee lifts a previously issued ban against Ukraine to trade in greenhouse gas emission quotas

for the Empire



that she was repaying money she had borrowed from her girlfriends. Meanwhile, these girlfriends simply vanished. In any case, Putin would have got more than 50% of the vote in the first round, in other words he would have won, even without the carousels. The latter were most likely applied in the big cities or districts where Putin was

not particularly popular. In Moscow, for instance, the “national leader” failed to gain half of the vote.

Both Putin’s campaign staff and Putin himself essentially declared their victory to be a victory over the “Forces of Evil”, which, according to them, are trying to ruin Russia. “We have succeeded in saving ourselves from political provocations that pursue just one goal: to destroy Russian statehood and usurp power, they will not succeed!”, Putin said at a rally at Manezhnaya Ploshchad.

Opposition members were portrayed as people hired by the cunning West. Hysteria was further fuelled by the video clips regularly shown on TV, allegedly advertising the broadcasting of several documentaries about “the real face” of the opposition.

Putin also played on what was called “class hatred” during the Soviet era. It was not for nothing that the first thing Putin took part in right after the closing of polling stations, was a TV satellite linkup with the workers of an Ural train car plant. Given the intensification of leftist, populist and anti-Western rhetoric from Mr. Putin, within the country, the old-new Russian president is going to rely ever more on voters who share his vision of Russia as a “besieged fortress”.

Foreign policy based on the values of the “greatness of Russia” is also likely to intensify. On the eve of the election, Vladimir Putin told journalists where he would start building this greatness: “The CIS is an absolute priority for us.” In actual fact, he was not asked about this, but about where he would make his first foreign visit, but Putin’s mind was apparently occupied with plans of a much grander scale than just one individual visit.

Oleksandr Mykhelson

NUMBERS

USD 5mn

is the price for a deputy seat at the Kyiv City Council, according to Oleksandra Kuzhel. She says a seat at the Verkhovna Rada costs the same

Taxpayers will spend nearly **UAH 100,000 per year**

for the rental of Viktor Yanukovich’s office at his Mezhyhiria residence, based on information from the Presidential Administration

86.2% of experts

have encountered limited access to information at Ukrainian archives, claims the Center for Insurgent Movements Research

Based on a survey by the Research&Branding Group, the number of Ukrainians who view Ukraine’s relations with Russia as tense and bad grew

2.5-fold

over the past year, from 17% in August 2011 to 41% in February 2012

37.6%

of Ukrainians belong to the so-called “electoral swamp” as they prepare to vote against all or ignore the upcoming parliamentary election according to the SOCIS centre for sociological and marketing survey

2 million

Ukrainians are Facebook users. Its audience has grown 20% since the beginning of the year in Ukraine

13 March 1938



The Russian language is introduced in all USSR schools as a mandatory subject

14 March 1939



The Government of Avhustyn Voloshyn in Khusť proclaims Carpatho-Ukraine as an independent state

19 March 1930



Lina Kostenko, an outstanding modern Ukrainian poet, is born

We Were 52 Million

Where did 6 million Ukrainians go?

Author:
Oleksandr Kramar

An all-Ukrainian census has been postponed, yet again, until 2013, according to Serhiy Tihipko, Vice Premier for Social Policy. Meanwhile, Ukraine is no longer the fifth most populated country in Europe, provided that Russia and Turkey are not taken into account, having been overtaken by Spain.

Based on official statistics, the Ukrainian population has shrunk by 6.2mn people from 51.8 to

45.6mn since 1990. By contrast, the Spanish population has grown by 8.5mn from 38.8 to 47.3mn people over the same period.

A HEAVY LEGACY

The demographic crisis, especially palpable right after Ukraine gained independence in 1991, was a well expected result of the adverse trends evolving in the country's soviet past. These included the continuously declining birth rates and life expectancy coupled with the aggravating ageing of the nation.

Before the Communists launched their socio-economic experiments, Ukraine had the fastest population growth rates in Europe, backed by high birth rates. The demographic situation changed dramatically in the second quarter of the 20th century. Forced industrialization required the most out of the workforce, leaving no energy for reproduction and this was coupled with a targeted attack on the country's rural gene pool during the 1932-1933 Famine, which prevented it from offsetting the demographic damage of industrialization. Further aggravated by population loss during WWII, the gender and age balance, as well as the motivation of the nation, was tilted strongly. Liberated from the "second wave of slavery," i.e. the ban on leaving villages without proper consent from local authorities during the forced collectivization of the early 1930s, the rural population fled in massive numbers to industrial centers, which were no places for starting a family, let alone preserving high birth rates.

In 1958-1959, the total fertility rate per woman at childbearing age in the Ukrainian SSR was 2.3, the third lowest in the Soviet Union, outnumbered only by Latvia with 1.94 and Estonia 1.95. In the 1970s, it fell below the replacement rate to 2.05 and down again to 1.84 by 1990. As a result, the birth rate shrank from 2.05% to 1.27% between 1960 and 1990. Compared to 871,000 babies born in 1960, 1990 saw only 657,000 newly-born Ukrainians.

It is a fact that the birth rate has shrunk in most developed countries. However, other factors which cause demographic crisis, such as the rising death rate and shortening life expectancy, aggravated Ukraine's demographic troubles and it was the same for the rest of the USSR in the era of "developed socialism." Unlike 1860-1960 when the death rate was pushed down from 3.3% to 0.69% thanks to progress in medicine, it almost doubled over 1960-1990, going from 0.69% to 1.21%. Average life expectancy in Ukraine decreased from 67.4 to 65.7 years.

This combination of the shrinking birth rate and life expectancy and growing death rate has multiplied the effect. As a re-

sult, the natural population growth rate plummeted fourfold over 1960-1990, down to 0.35% from 1.36%. The next decade further aggravated the trend pushing the population growth rate down sevenfold from 0.35% in 1980 to the barely noticeable 0.05% in 1990.

As was expected, the trend peaked in the early 1990s decreasing the population growth rate from -0.08% in 1991 to -0.76% in 2000-2002.

CRIMINAL INACTIVITY

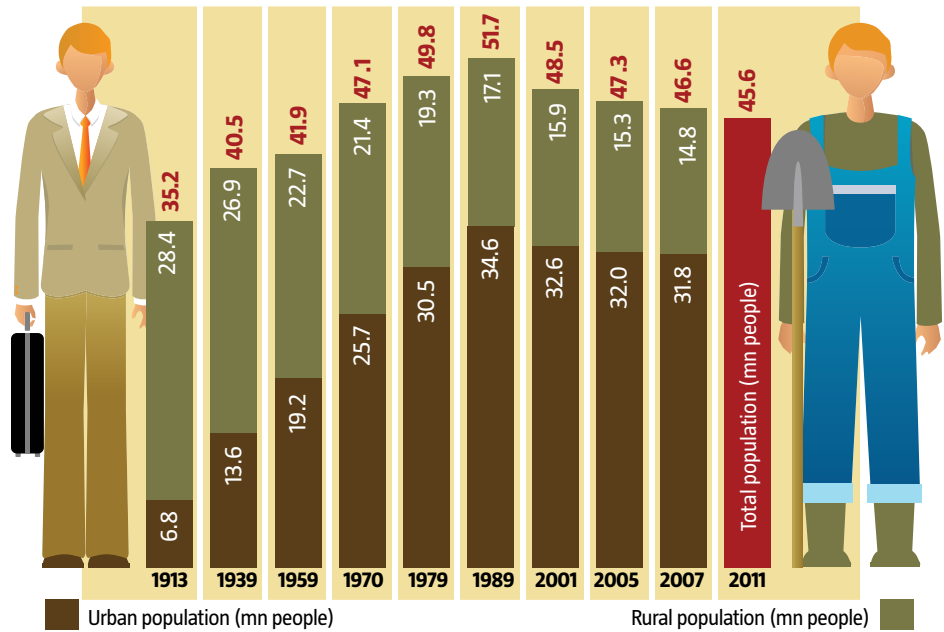
Despite the declared focus on demographic problems that are listed as one of the top priorities in the National Security Concept, the leaders of independent Ukraine have failed to take any effective steps to improve the situation. The lengthy economic crisis of the 90s resulted in the critical decline of the birth rate as every 10 women would give birth to only 11 babies, instead of 22-24 which is the replacement rate. The number of families with one child or no children rose dramatically. Infectious and parasite diseases, tuberculosis and other unnatural causes of death added to the soviet-inherited factors that spurred death rates. The accelerating decline in health amongst children and teenagers, which has resulted in just one healthy child or teenager per every four or five, poses the biggest threat to the nation's gene pool.

Migration has also contributed to Ukraine's population decline. According to official statistics, 1.22mn more people left Ukraine than moved to the country over 1994-2004. Due to obvious reasons, the scale of hidden migration, labour migration first and foremost, is impossible to calculate accurately, although Ukraine's population automatically loses at least 2 to 3 million unless Ukrainians who currently work abroad return home. The accurate number of illegal immigrants in Ukraine is also unknown, but is roughly estimated at several million.

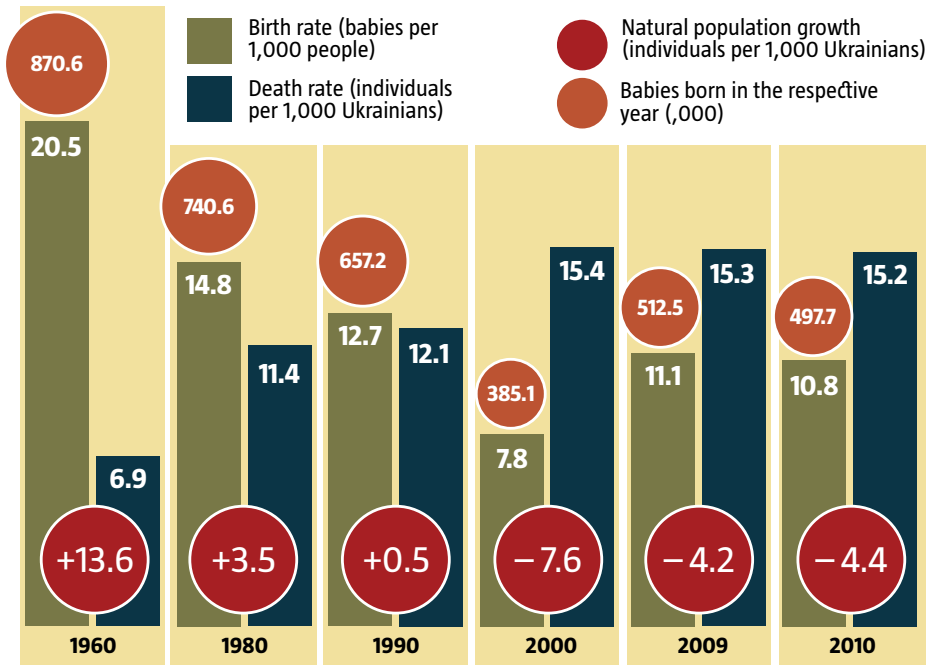
The generation shift and partial adjustment of the population to the new socio-economic environment in the early 2000s brought the first signs of improvement of the demographic scene, further supported by tar-

BORN IN THE USSR. Adverse demographic trends trace back to the country's soviet past yet have grown stronger in independent Ukraine

Dynamics of the available population (1913-2007)



Source: State Statistics Committee; censuses



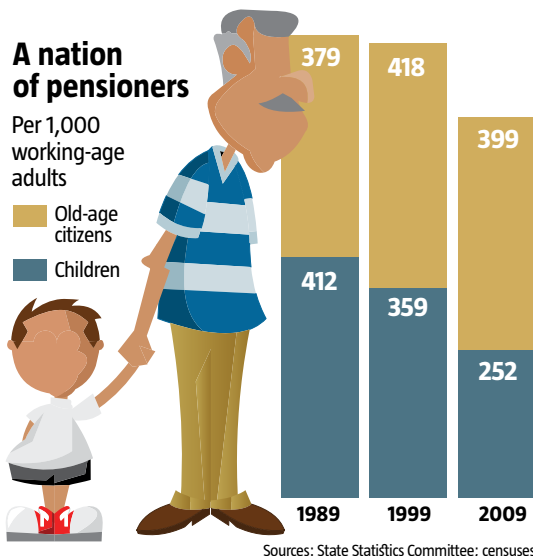
Source: State Statistics Committee; censuses

geted steps of the new government that came to power after the Orange Revolution. These included financial aid to mothers, specifically increased child birth benefits. Over 2001-2009, the number of births rose by 36%, the birth rate per one woman grew by

34%. Yet, after the latest shift in government, the positive demographic trend is likely to change for the worse. The birth rate in 2010 and 2011 was lower compared to 2009, and to add to this fewer couples got married. In 2010, the natural population de-

cline rate increased from -0.42% to -0.44%. This signaled a downturn in social expectations caused by the economic crisis and the frustration with the new government's incapacity to implement an efficient anti-crisis policy. Moreover, the policies of the Ukrainian authorities questioned their ability to take steps, which were quite weak yet available before, to support birth rate and maternity. The new government has implemented initiatives to restrict the number of people entitled to child birth and care benefits, cut the term of maternity leave and raised the retirement age for women, just to name a few.

The declining expectations of the nation, especially the youth, resulting from the lack of prospects of finding a decent job and buying their own apartment, is one of the key risks for Ukraine's demographic prospects. In one out of seven families in Ukraine, one individual lives within less than 7.5 sq m, while only 50% of the population enjoys a slightly larger living space of 13.65 sq m per person, which is the sanitary norm. Around 31% of young families have no homes of their own, thus 14% rent apartments, 11% are crowded into communal or shared apartments while 10% live in dormitories. Only 33% of young families live in their own apartments separate from their



EXPERT OPINION

Dying Out?

Ukraine's key demographic problem is a high mortality rate caused by the poor health of its population, a demographer says



Interviewer:
Bohdan Butkevych

Iryna Kurylo, head of the Department for the Quality of Demographic Processes at the Mykhailo Ptukha Institute of Demography and Social Research, Ukraine's Academy of Sciences, analyze stereotypes and problems found in Ukraine's current demographic processes for *The Ukrainian Week*.

U.W.: "Ukraine is dying out." Can this be stated with any certainty?

We can say with certainty that there is a steady trend of depopulation, i.e., the mortality rate is higher than the birth rate. Sadly, Ukraine is one of the fastest depopulating countries in the world. Only Russia, Bulgaria and Belarus can compete with us on this. We have a low birth rate, which is nothing out of the ordinary for many countries, but we also have a much higher mortality rate. Moreover, life expectancy in Ukraine is very short. We have seen some improvement in this area in the past three years, but only time will show whether or not the trend will persist. So contrary to established stereotypes, negative trends in the mortality rate, rather than the birth rate, are our main headache.

U.W.: Why are Ukrainians dying at such a high rate?

There is an entire slew of problems here. On the one hand, there are rather unfavourable social economic conditions, i.e., external circumstances from the viewpoint of an individual. On the other hand, most Ukrainians do not really live

an altogether healthy lifestyle. We have an unprecedented mortality rate caused by excessive drinking and other bad habits. Above all, this pertains to men – the share of alcohol-related deaths is especially high in this category, just like that of premature deaths (before 65) in general. Another huge demographic problem for Ukraine is inadequate working conditions. For example, we have Europe's highest mortality rate among coal miners.

U.W.: Ukrainian society has a fixed notion that a significant part of demographic losses is due to labour emigration. Is this true?

We registered a negative migration balance throughout the 1990s, i.e., more people left the country than returned. However, there has been a positive balance since 2005, although it is very small, about 14,000-16,000 people a year. Of course this is a small number, but at least we can say that the constant population drain has stopped. At any rate, it is not enough to overshadow the huge decrease caused by depopulation.

U.W.: Are Ukraine's birthrate indices very different from Europe's?

If you look at the total number of infants in relation to mothers, Ukraine has a ratio of 14:10, i.e., 1.4 baby per woman. The average European coefficient is 1.6, and Sweden (1.9) has the highest. Interestingly, the birth rate in Ukraine steadily rose in 2002-2010, and the post-crisis year of 2009 was the

parents, and 56.3% of all families live in their own homes. According to sociological surveys, the housing issue is the key reason that holds back marriages and facilitates divorces in young families. Government-funded programs are barely effective. Based on an audit of the 'Foundation to Support Residential Construction for the Youth' carried out by the Audit Chamber of Ukraine over 2002-2010, only 12% of the total due housing space was put into use over the eight year period. Less than 3% of young families out of all candidates for government-subsidized apartments got subsidized mortgage loans. In 2009, the government cancelled contracts to pay part of the

interest on mortgages issued by commercial banks to young families, yet it does continue to cover its liabilities under earlier contracts.

Demographic prospects are dim for Ukraine unless the gov-



UNDER THE CURRENT TREND UKRAINE WILL NO LONGER BE ABLE TO SOLVE THE DEMOGRAPHIC PROBLEM WITH ITS OWN RESOURCES

ernment and society dramatically change their approach to supporting young families. According to an analysis of the

current trends, the South-Eastern regions, especially Donbas, as well as some Central regions, such as Chernihiv, Zhytomyr and Kirovohrad Oblasts will quickly become depopulated. The native-born populace will keep increasing in Western and parts of Central Ukraine. Odesa Oblast and the Crimea are likely to have population growth due to their Romanian, Moldovan and Crimean Tartar components. Yet, the growing appetite for migration amongst young people and the shrinking marriage rate might turn Ukraine into a nation that will no longer be able to solve the demographic problem with its own resources alone. ■

best. Today it remains lower than the average European rate, but the gap is very small, and we can say that we are not very different with regard to this index. However, we again must return to the question of the extraordinarily high mortality rate and very short life expectancy – that is what sets us apart from all other ageing nations with a low birth rate. That is the reason why Ukraine has especially intensive depopulation.

U.W.: What caused the baby boom in the 2000s?

First, the social economic situation in the country somewhat improved, and the population adapted to the new conditions. Second, women born in the 1980s, when a relatively large number of babies were born, reached maternity age during this decade. In other words, the more mothers, the more babies. Third, the introduction of financial aid for parents with newborn children was an important factor.

U.W.: How many people has Ukraine lost in the 20 years of its independence?

About 6.2 million

U.W.: In your opinion, what should the state do to slow down, if not halt, this rapid depopulation?

The only real opportunity is to take measures to reduce the incidence of premature deaths, especially among men. This can only be done by drastically improving the health condition of the population

and changing people's attitude to a healthy lifestyle. For example, Ukrainians seem to look up to Western standards of living, individualism and hedonism, but the part of the value system linked to preserving individual health lags behind badly. In other words, Ukrainians must switch from the values of, so to speak, self-destruction to those of self-preservation on both the individual and collective level. And they have to do so in practice, not just talk about it. If you believe opinion polls, almost every Ukrainian considers health his topmost priority, but average citizens' actual actions show exactly the opposite.

U.W.: Some scholars identify a so-called black demographic belt in Ukraine, a series of regions mostly in southeastern Ukraine where the demographic situation has been constantly worse than in the rest of the country. However, if you believe official statistics, these are the regions that are doing better economically, in terms of per capita GDP and so on.

I do not know to what extent you can speak about a "stable belt" of that kind, because the situation is changing. For example, the mortality rate is high not just in Eastern Ukraine but also in Chernihiv Oblast and in Polissia. Odesa and Kherson regions have an extremely high mortality rate among women due to the lack of a good water supply. Western Ukraine has traditionally had a better demographic situation with more children born and

fewer premature deaths. In crude terms, residents of Lviv Oblast actually drink less than people in Luhansk or Donetsk Oblast and have better working conditions – and jobs – than people in the Donbas or Southern Ukraine do. We should also mention the lifestyle – it is much healthier in Western Ukraine than in the rest of the country. So, constancy lies in the difference between the demographic situations in Western Ukraine and other regions.

U.W.: The devastating processes which took the lives of millions of the best Ukrainians throughout the 20th century are also identified among the causes of Ukraine's demographic crisis. Does this factor have an impact today?

The entire past century was one huge demographic loss for the Ukrainian people. Murderous famines, the two world wars and a civil war brought about a colossal distortion in the age structure of the population. Middle-aged groups, especially able men, regularly suffered gigantic losses. Extreme conditions triggered powerful demographic waves, i.e., alternations of generations that were drastically different in size and their social-demographic composition. This caused unfavorable demographic reverberations and led to negative demographic and economic consequences later. For example, now when the sizable post-war generations are retiring, the burden will soon fall on the much less numerous generation born in the 1990s when the birth rate took a nosedive. ■

Crude birth rate in Ukraine is
14 babies per 10 women compared to the average European ratio of
16 babies per 10 women

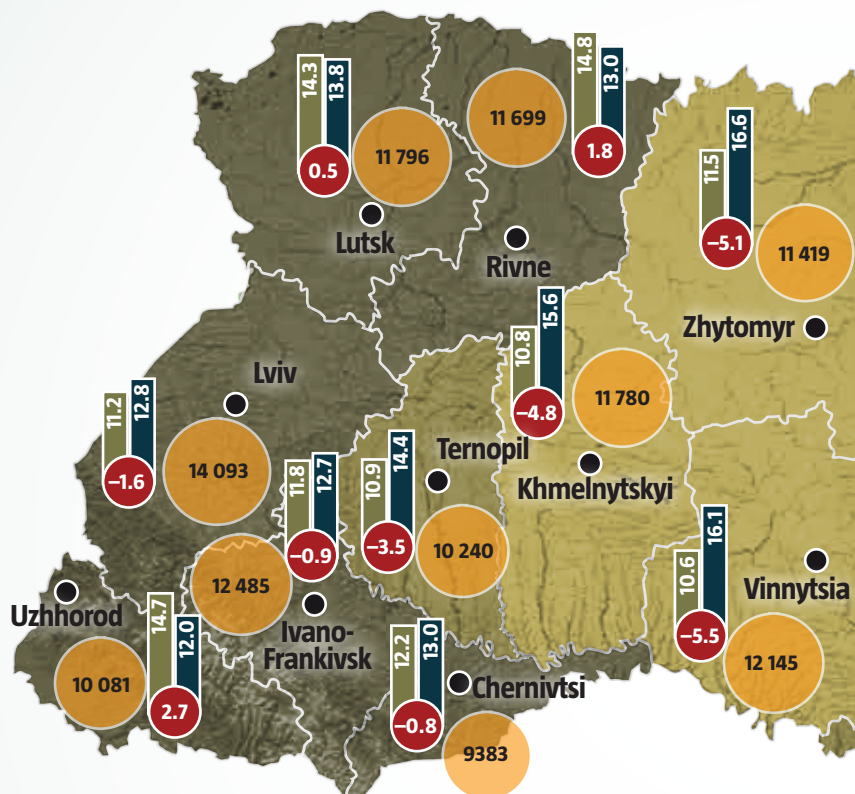
Demographic Paradoxes

The demographic situation in the West of the country is much better compared to Southern and Eastern Ukraine, especially Donbas. Macroeconomic indicators that are nominally better in the latter oblasts compared to the rest of the country, including gross regional product (GRP) and average salaries, fail to encourage locals (who previously helped those currently in power and their friends in accumulating their wealth), to raise children, work and simply live in South-Eastern Ukraine. Until recently, the rate of no-return migration from Eastern Ukraine was among the highest in

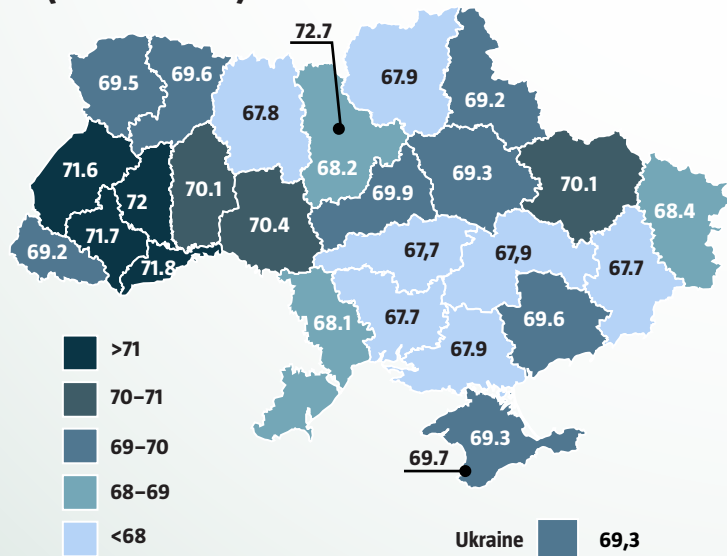
the country. This, among other factors, is a result of the huge disparity in the distribution of wealth in the tycoon-controlled economy. Also, this shows the inefficiency of the regions' extra income, when compared to the deeply-rooted tradition of families with many children in the West of Ukraine, which is the best motivation to have more children and look for means to feed and bring them up. Added to this there are factors that boost mortality rates in Southern and Eastern Ukraine compared to the rest of the country, which include industrial pollution and a worse age balance.

Natural population growth by regions, individuals

Oblast/city	1990–2010
Zakarpattia	+49 109
Rivne	+16 456
Kyiv (city)	-64 842
Volyn	-18 721
Chernivtsi	-18 946
Ivano-Frankivsk	-9052
Lviv	-81 099
Crimean Autonomous Republic	-186 534
Odesa	-256 973
Ternopil	-74 175
Sevastopol	-33 826
Kherson	-106 514
Khmelnytskyi	-168 642
Kyiv (Oblast)	-256 199
Kirovohrad	-184 303
Zhytomyr	-169 336
Vinnytsia	-248 046
Kharkiv	-442 898
Dnipropetrovsk	-493 059
Zaporizhzhia	-251 370
Mykolayiv	-136 201
Cherkasy	-233 806
Donetsk	-842 855
Luhansk	-452 647
Poltava	-293 236
Sumy	-247 615
Chernihiv	-285 265
Ukraine	-5 490 595



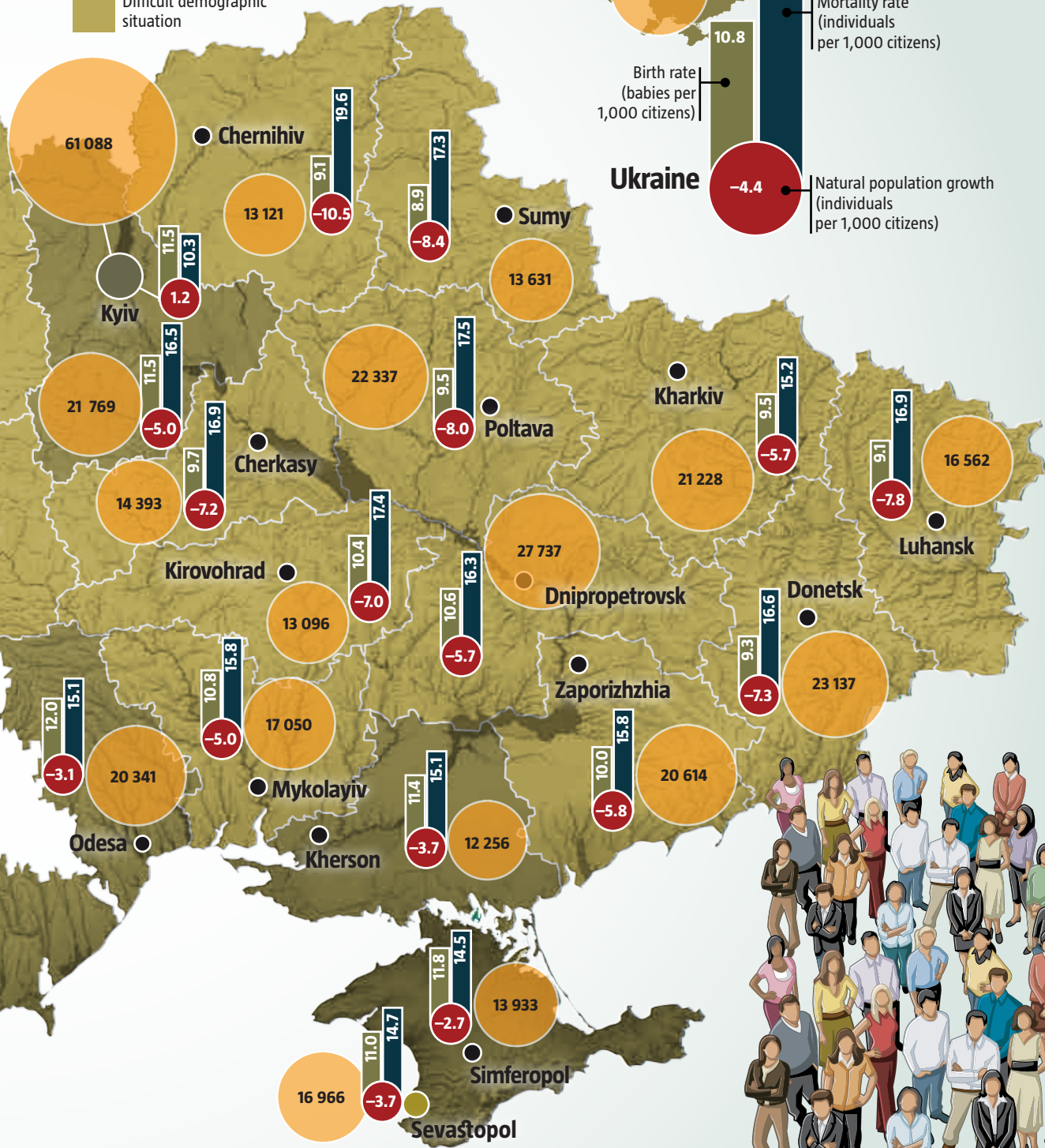
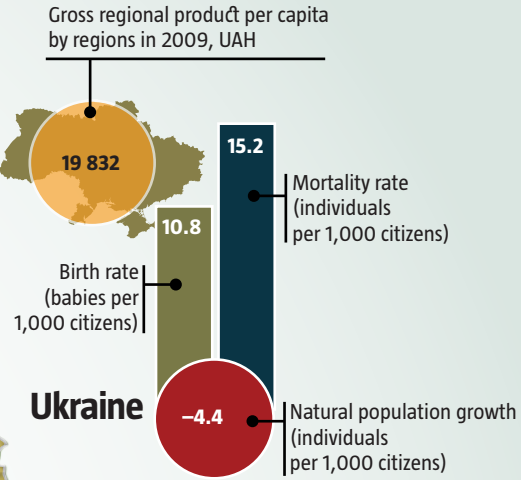
Average life expectancy (2008–2009)



THE ECONOMY FOR HOMEBOYS

The population is shrinking dramatically, especially in economically successful regions

- Relatively positive demographic situation
- Relatively difficult demographic situation
- Difficult demographic situation



Sources: State Statistics Committee; censuses

What the Nation Needs...

More than anything else, over the 20 years of its independence, Ukrainian authorities have pretended to solve the nation's demographics troubles



The nation needs astronauts!
Let's make love!
(a billboard slogan as part of the 2005 campaign to improve demography in Ukraine)

Author:
Andriy Duda

During his last press conference in 2011, Mr. Yanukovich credited his team for its “invaluable contribution” to the improvement of the demographic situation in Ukraine. “For the first time in the history of independent Ukraine, the birth rate has outpaced mortality in one third of Ukraine,” he said.

The death rate has indeed shrunk somewhat over the past two years compared to 2009. Mr. Yanukovich’s statement has once again revealed the problem Ukrainian authorities have been facing for a long time now. Yet, instead of implementing a comprehensive and long-term state policy to overcome the crisis, they have opted for targeted irregular steps that appear to be more like a simulation. Meanwhile, any positive trends, even if they have occurred

independently, are recorded in the list of their own achievements.

A FLASHBACK FROM 2004

Viktor Yushchenko, the previous president of Ukraine, promised to “reverse the declining population trend in Ukraine” and “increase one-time benefits to mothers who have given birth at least tenfold” as part of his platform back in 2004. In truth though, the trend had begun to change three or four years prior to the 2004 election campaign. However, the increased benefits were indeed one of the few successfully completed commitments. A steep increase in these benefits from UAH 760 (USD 95) in 2004 to UAH 8,500 (USD 1,065) in 2005-2007 boosted fertility levels. After the first year of program implementation, Ukraine saw significant growth, reducing demographics losses. In

2008, the benefit was raised once more, now broken down into categories. UAH 12,240 (USD 1,530) was paid for the first child, UAH 25,000 (USD 3,125) for the second and UAH 50,000 (USD 6,250) for the third and subsequent children. At the same time, steps were taken to decrease child mortality.

Overall, the five years of Orange power saw population loss almost half in Ukraine, going from 355,800 deaths in 2005 to 200,500 in 2010. In 2006, Zakarpattia pioneered as the oblast in Ukraine where the birth rate exceeded mortality by 665, although some said this was the contribution of the Roma. Still, demographic trends were improving in other oblasts, too. In 2008, Zakarpattia and the Rivne Oblast, as well as Kyiv, witnessed natural population growth followed by the Volyn Oblast in

UKRAINE GROWS OLD**Over 20 years of independence, the number of teenagers aged under 14 has halved**

	Total population ,000	Aged under 14 ,000	65 and over 65 ,000	Born children ,000	Dead ,000	Natural population growth ,000	Population growth due to immigration ,000
1990	51,556.5	11,084.2	6,174.6	657.2	629.6	27.6	78.3
1991	51,623.5	11,029.5	6,329.1	630.8	669.9	-39.1	151.3
1992	51,708.2	10,951.4	6,508.2	596.8	697.1	-100.3	287.8
1993	51,870.4	10,915.4	6,690.3	557.5	741.7	-184.2	54.5
1994	51,715.4	10,767.7	6,863.3	521.5	764.6	-243.1	-142.9
1995	51,300.4	10,528.7	6,961.1	492.9	792.6	-299.7	-131.6
1996	50,874.1	10,246.0	7,059.0	467.2	776.7	-309.5	-169.2
1997	50,400.0	9,952.4	7,052.8	442.6	754.2	-311.6	-136.0
1998	49,973.5	9,624.5	7,026.6	419.2	719.9	-300.7	-152.0
1999	49,544.8	9,206.0	6,901.6	389.2	739.2	-350.0	-138.3
2000	49,115.0	8,781.0	6,818.9	385.1	758.1	-373.0	-133.6
2001	48,663.6	8,373.3	6,844.0	376.4	745.9	-369.5	-152.2
2002	48,240.9	7,949.9	6,978.6	390.7	754.9	-364.2	-33.8
2003	47,823.1	7,569.5	7,193.5	408.6	765.4	-356.8	-24.2
2004	47,442.1	7,246.3	7,369.3	427.3	761.3	-334.0	-7.6
2005	47,100.5	6,989.8	7,507.2	426.1	782.0	-355.9	4.6
2006	46,749.2	6,764.7	7,567.2	460.4	758.1	-297.7	14.2
2007	46,465.7	6,606.4	7,603.1	472.7	762.9	-290.2	16.8
2008	46,192.3	6,501.1	7,506.7	510.6	754.5	-243.9	14.9
2009	45,963.4	6,476.2	7,317.4	512.5	706.7	-194.2	13.4
2010	45,782.6	6,483.6	6,541.1	497.7	698.2	-200.5	16.1

2009 and the Chernivtsi Oblast in 2011. Currently, there are five regions in Ukraine where birth rates exceed mortality.

In spite of an obvious demographic improvement compared to the end of the last century, the overall situation is hardly worthy of idealization. Sporadic steps, such as higher childbirth benefit, will gradually lose their allure. Moreover, demographers are ringing alarm bells: over the next 20 years, Ukraine will plunge into a demographic downturn. Since the early 1990s alone, almost 5.3mn future parents have not been born in Ukraine (as of January 1, 1990 there were 18mn Ukrainians aged under 24 compared to 12.7mn on January 1, 2011). After all, the social policy of the current government confirms that it not particularly bothered by the nation's demographic troubles, having literally wrapped up maternity support programs. Draft Law No. 9516 submitted to parliament by the Cabinet of Ministers in November 2011 is a case in point. It essentially excludes all those receiving social benefits for pregnancy and childbirth, as well as aid for single mothers, affecting some 80% of families entitled to such benefits. On the local level, social service employees are already rejecting financial aid for new mothers justifying their decision based on the families' alleged prosperity; owning a car, washing machine etc.

WE WANT 52 MILLION!

It is naïve to expect that the birth rate will automatically be boosted in Ukraine once living standards have improved. If it were that simple, fertility rates would not have dropped significantly in developed countries. The Ukrainian government should determine the development and implement of long-term strategies to raise birth rates and reduce mortality, overcome migration urges and encourage Ukrainian migrant workers to return home as its priorities.

The upward demographic trend should be backed by something other than merely childbirth benefits. Other mechanisms should be employed as well, such as developing subsidized residential construction for families with two or more children; differentiating child care benefit increase for children under the age of 3 in such families, and providing them with additional tax incentives, for instance a discount in real estate tax.

The prevention of mortality is another crucial instrument. First and foremost, this includes the most primitive preventive measures, such as campaigns against alcohol and drug addiction and smoking. According to expert opinion, alcohol is the cause of 40-50,000 deaths, drugs kill around 10,000 people and smoking takes around 100-120,000 lives in Ukraine annually. According to the World Bank, up to 94% of al-

cohol-provoked deaths in Ukraine could be avoided by taking such preventive measures.

Migration is another major demographic challenge for Ukraine. Ukrainian immigrants are perfect donors for host countries as they are well educated and experienced professionals. Neighboring Russia is essentially implementing a purpose oriented policy to offset the rapid loss of its native people with immigrants and the further assimilation of FSU citizens that are racially and ethnically close to Russians.

Some optimistic analysts forecast the return of Ukrainian migrant workers to their homeland. They say these people cannot stay in the West as their pensions will be too low to afford a decent life there. This seems quite reasonable, but first and foremost, this will affect older migrant workers. Moreover, this forecast is only true for people still working in those countries. Labor migration will clearly not change without improvements in Ukraine's economy. But the government could also implement additional mechanisms to encourage Ukrainian migrant workers to return home, such as support the establishment of businesses in Ukraine using the money they have earned abroad, eliminate the adverse effect of "social orphanage" and a campaign to discourage permanent migration, taking families along and so on.

One thing the government must realize is that the funds it saves on today's unborn children and state support to young families, will turn

IT IS NAÏVE TO EXPECT THAT THE BIRTH RATE WILL AUTOMATICALLY BE BOOSTED IN UKRAINE ONCE LIVING STANDARDS HAVE IMPROVED

into a catastrophe for Ukrainians who currently have no or few children. The goods and services needed in old age would have to be produced by people who are not being born today.

In fact, demographic improvement, increasing the birth rate and reducing mortality are all matters of national security today. Otherwise, sooner or later, Ukraine will be forced to open immigration channels as a source for augmenting the population. ■

Concrete Justice

Ukraine is governed by prison rules

Author:
Oleksandr
Mykhelson

It has become a journalistic cliché to dub an unfair verdict a “loss for the system,” but often other words fail to describe the situation. The verdict dealt to ex-minister Yuriy Lutsenko by the Pechersk Court on February 27th is one such instance. Both the court proceedings and the sentence that followed are an accurate reflection of Ukrainian policy today.

CRIME AND PUNISHMENT

When the Pechersk District Court sentenced ex-premier Yulia Tymoshenko to 7 years in jail, government representatives talked about the multibillion-hryvnia losses in state funds caused by the gas deals she had signed. In Lutsenko's case, the damage incurred by the state is formally qualified as “especially large losses,” although amounting to less than \$100,000 USD. Prosecutors accused Lutsenko of having organized an illegitimate and untimely pay raise, procuring an apartment for his driver, and excessive spending for Police Day celebrations in 2008 and 2009. According to Oleksiy Bahanets, Mr. Lutsenko's lawyer, none of the witnesses confirmed that the ex-minister was actually guilty of the charges filed against him, yet this failed to prevent the court from returning a guilty verdict.

Mr. Lutsenko will have to repay the government nearly UAH 650,000 (around \$81,000) for the two celebrations. The court also ruled to have his assets confiscated, including a three-room apartment and three cars docu-

mented by investigators following his arrest. Yet the key part of the verdict is the 4-year jail term, of which the minister has already served 14 months in a pre-trial detention center.

The main violation with which he was charged was “abuse of office resulting in significant damage” under Art. 365.3 of the Criminal Code. Such violations usually entail a 7 to 10 year prison sentence for this category of crime, yet the prosecution requested only 4.5 years for Lutsenko, and the court sentenced him to 18 months less given the fact that he has underage children and no previous sentences.

In 2005, Mr. Lutsenko notably initiated the interrogation and 4-month detention of Borys Kolesnikov, then Head of the Donetsk Oblast Council, who is now Vice Premier and Minister for Infrastructure. Although Kolesnikov ultimately did not serve the full 4-month jail term, there is still a popular belief that Mr. Lutsenko “got a year for every month Kolesnikov spent behind bars.”

MP Olena Bondarenko, who campaigned staunchly for Mr. Kolesnikov's release while serving as his press-secretary in 2005, made a revealing comment directly following the announcement of Lutsenko's guilty verdict. In response to the EU's statement of “disappointment” with the verdict, she expressed disappointment with the EU, which, according to her, had remained mute during the “repression” of 2005. Such claims suggest that members of the ruling Party of Regions view trials





PHOTO: PHIL

RESPONSE OF THE WEST

"We are disappointed with the verdict against Mr. Lutsenko, which signals the continuation of trials in Ukraine which do not respect international standards as regards fair, transparent and independent legal process."



A joint statement by Catherine Ashton, the High Representative of the Union for Foreign Affairs and Security Policy, and Stefan Füle, the EU Commissioner for Enlargement and European Neighbourhood Policy



"This verdict draws so much attention because the charges contain no trace of corruption at all. Even if the charges are assumingly justified, this is a typical mistake in office."

Pawel Kowal, Chairman of the EU-Ukraine Parliamentary Cooperation Committee in the European Parliament



"The former Minister of the Interior was not given a fair trial, and the charges of which he was found guilty are absolutely no justification for a prison sentence."

Jean-Claude Mignon, President of the Parliamentary Assembly of the Council of Europe (PACE)



"We urge Ukrainian authorities to dismiss Lutsenko and other members of the former government who are now in custody."

Victoria Nuland, the spokesperson for the United States Department of State



"The verdict... aggravates the impression of selective politically-motivated justice."

Cornelia Pieper, State Minister in the German Foreign Office



"The verdict to Yuriy Lutsenko casts doubt on the independence of the Ukrainian judiciary."

Carl Bildt, Foreign Affairs Minister of Sweden



"This is yet another case of apparent political bias and arbitrary prosecution in Ukraine."

John Baird, Foreign Affairs Minister of Canada



"The conviction of former Ukrainian Interior Minister Yuriy Lutsenko is deeply concerning and another example of the decline in respect for the rule of law in Ukraine."

David Lidington, the UK Minister for Europe

"Selective justice against opposition members and procedure violations during the process allow us to assume this is a politically-motivated case."

An official statement of the Foreign Affairs Ministry of Poland

"We consider the trial and the four-year imprisonment of Mr Lutsenko to be another evidence of selective and politically motivated justice in Ukraine and as a form of continuing political revenge against former government representatives."

An official statement of the Ministry of Foreign Affairs of the Czech Republic



against opposition members as revenge in the first place.

Clearly, the government's intent to isolate Tymoshenko and Lutsenko as charismatic leaders is unquestionable here. At the same time, the fact that Ukrainians never stood up to support those put behind bars proves that one-time Orange Revolution leaders do not pose any critical danger to the regime, at least not at this point, nor have they been a major threat in terms of organization as proven by the most recent local elections.

All this hints at the fact that the regime had no pragmatic necessity to put Mr. Lutsenko, among others, in jail. It looks like their real motives reached far beyond any reasonable motivation. Perhaps Lutsenko and Tymoshenko reminded President Yanukovich of his prison experience most frequently and painfully, prodding his deep psychological wounds and insecurities. This might have prompted him to put them through a similar experience. The two also used to be among the most radical leaders of the Orange camp both in 2004 and while in power. Thus, their imprisonment could be viewed as the result of Yanu-

4+... Lutsenko might face another term in jail under a different case

kovich's subconscious fear of a new Maidan uprising.

"REAL MEN" AND "LOSERS"

Following Lutsenko's trial, the EU Ambassador to Ukraine Jose Manuel Pinto Teixeira said specifically that President Yanukovich had not kept his promise to struggle against corruption. Underlying this statement, though, was a hint at the president's commitment to stop political repression. Unofficially, Western diplomats have been discussing this commitment for a long time. In the heat of his battle, not only did Yanukovich take intentional steps to cool down Ukraine's relations with the West, but went as far as to break his promise, which seems in complete opposition to his carefully crafted image of a "responsible" politician brought up in the proud Donbas where "promises are valuable."

In some circles, however, honesty is considered appropriate only with equal or stronger opponents. In contrast, keeping a promise given to a loser is embarrassing. In fact, dumping a "loser" is a must for a "real man," otherwise his reputation will be tarnished in the eyes of other "real men." From this

standpoint, the Ukrainian president indeed does not view Europeans as equals, as the country's tense relations with Europe hardly seem to bother him.

After all, the government has been running the country in what the press has labeled "bulldozer style" for years. Given the moves they are making, top officials including Yanukovich himself appear confident that the only path to success with a given initiative is the very tactic that brought them to power in the first place.

Viktor Moyseyenko, Chief of the Amnesty Service under President Yushchenko, provided some revealing figures in this context. According to Moyseyenko, Yanukovich restricted the grounds for amnesty of those imprisoned in his decree of September 2010 (a pardon is granted only by the president of Ukraine).

Moreover, Yanukovich granted pardons to just four people in 2011, compared to Presidents Yushchenko and Kuchma, who used to issue amnesty decrees for nearly a thousand people every year.

All branches of government are following the methods em-

SELECTIVE JUSTICE

ployed by the country's leadership. Andriy Portnov, Head of the Main Department for the Judiciary in the Presidential Administration, is responsible for judiciary reform. He mentioned a shocking figure during a recent interview: only 0.2% of Ukrainian court trials result in not-guilty verdicts. He ensured everyone that the reforms he was proposing would improve the situation. When this will happen—if it ever does—is unknown.

Ukraine's tendency to backpedal reforms could also be the result of its leadership's psychology. Paradoxically, the cult of brute force and "rule of the strong" does not always facilitate radical reform. By contrast, reforms are normally encouraged through huge incentives, such as patriotism or the desire to be remembered in history. Neither the prisons where the president spent his youth (undeservingly, according to Yanukovich) nor the turbulent businesses from which the current "elite" grew in the 1990s have welcomed any abstract ideals of that sort. The key objective of both is to get the masses to obey in order to ensure their own safety. In any case, that was the common background of many current officials, and it could not help but affect the mindset of the figures described in this article.

As to specific politically motivated criminal cases, one thing to remember is that four years for Mr. Lutsenko and seven years for Ms. Tymoshenko are not necessarily the limit. A separate case is still open against Mr. Lutsenko for allegedly issuing an illegitimate order to spy on the driver of Volodymyr Satsiuk, ex-Deputy Chief of the SBU, who was suspected of arranging the poisoning of Viktor Yushchenko in 2005. Some cases initiated against Ms. Tymoshenko during recent proceedings are also shelved and ready. Some, such as the one regarding her Single Energy Systems of Ukraine company, were renewed during Yanukovich's presidency even though their statute of limitations was long expired. In theory, this allows the ruling party to trap both Lutsenko and Tymoshenko in yet another trial immediately after their first jail terms are completed. This would be a perfectly natural solution given the way "real men" think. ■

The Ukrainian government keeps assuring its voters that they "are all equal before the law" unlike in earlier times and that even current officials end up behind bars. In reality, though, the situation regarding equality is not improving at all in Ukraine. It is possible to avoid criminal liability even for murder, including pre-meditated murder.



The Demishkan is one of the most scandalous incidents in recent years. In November 2006, businessman **Serhiy Demishkan**, assisted by two friends, kidnapped, transported out of Kyiv and murdered his 62-year old business partner Vasyly Kryvzub. The crime was particularly violent as the kidnappers first smashed the victim's ribcage then drowned him. During the pre-trial investigation, Demishkan, the son of a then Party of Regions' MP who is currently the Chairman of the State Service for Automobile Roads, was released from custody under an undertaking not to leave town. In late 2011, the two accomplices involved in the murder committed by Demishkan, Jr. were sentenced to seven and five years in jail, while he himself received a suspended sentence. After the press raised a scandal, Kyiv Oblast Prosecutor's Office stated that an appeal would be filed against the verdict.



It often happens, that incidental violations such as car accidents, involve "equal" representatives of government authorities. If this is the case, the incident can be backpedaled to please both parties. This was exactly what happened in the case of **Oleksandr Kachur**, the young Mayor of Nemyriv, a town in the Vinnytsia Oblast. In January, he ran over a top official of the Oblast SBU Department at a pedestrian crossing. The media learned of this from Valeriy Nonik, Chief of the Oblast Police Department, who also said that Mr. Kachur fled the scene of the accident, but admitted to having committed the crime after being identified by the police. Despite this admission, the Prosecutor's Office refused to initiate a criminal case against him on February 6. Notably, Oleksandr Kachur's father is Viktor Kachur, former mayor of Nemyriv who has also demonstrated his ability to come to an understanding with the law. In 2010, he faced charges of bribery and negligence. The first case was dismissed while the second one ended with a suspended sentence.



The most outrageous is the System's habit to protect its guilty "homeboys" when they violate the rights of average people, including the right to life. In November, the court dismissed the case against **Ms. Solovei**, a 29-year old employee of a local court who ran over and killed a 44-year old mother of three with her Mercedes on the sidewalk in the center of Kyiv. The case was dismissed under amnesty. A police officer involved in the murder of Ihor Indylo, a 20-year old student murdered in May 2010 in one of Kyiv's police stations, was also released under amnesty. Officers Kovalenko and Prykhodko claimed that the student they had arrested was drunk and had suffered a fatal injury when he fell off a bench. The victim's family tried to prove that the student had been beaten to death at the police station. Under the December 2011 amnesty, Mr. Kovalenko was released as the father of a five-year old child, while Mr. Prykhodko received a five-year suspended sentence.



In May 2007, a Mercedes driven by **Serhiy Kalynovsky**, the step-son of oligarch Dmytro Firtash, hit a parked Zhyguli, occupied by Ensign Volodymyr Kulykovsky. Mr. Kulykovsky died immediately while his passenger died later in the hospital. In June, Serhiy Kalynovsky was released from custody under an undertaking not to leave town - a few days later he was detained at an airport, from which he was intending to fly to Israel. After this, the oligarch's step-son was immediately hospitalized. He disappeared from the hospital on May 15. A year later, news was leaked to the media that the case was closed "due to lack of criminal grounds." The subsequent scandal forced Oleksandr Medvedko, the then Prosecutor General, to promise that the case would be reopened and that the investigator who closed it would be duly punished. To this day, there is no information on either the punishment, or the outcome of the investigation.



In September 2008, **Vitaliy Feingold**, the son of a Simferopol City Council MP, ran over and killed Anna Mishutkina, a 25-year old biker, when exceeding the speed limit in his Bentley. He was initially given a three-year suspended sentence. In August 2011, a Simferopol district court deemed him to be innocent. On December 1, the Prosecutor's Office claimed it would file an appeal against the ruling, but no new information has surfaced on the case since.

Despite all vociferous promises to "bring order" and fight corruption, in many cases, the Ukrainian Themis does not mind forgiving even attempts to damage national interests. Judge Serhiy Vovk who sentenced Mr. Lutsenko to 4 years in jail, restricted himself to giving a suspended sentence to an official charged with receiving a UAH 140,000 bribe. How many such verdicts are made all over Ukraine by judges who are not as closely watched by the press as is Mr. Vovk?

Elite-less

New appointments in the government are more of a window-dressing than an overhaul of the elite

Author:
Andriy Skumin

On 1 February, 2012, President Viktor Yanukovich approved the 2012-20 Strategy for the State Personnel Policy establishing the New National Elite, a presidential reserve of staff. The new Elite is supposed to involve the most gifted Ukrainian citizens in implementing economic reforms and offer training to prepare them for work in priority domains of public administration.

FAVOURITISM AND INCOMPETENCY

Ukrainians have for a long time been lamenting blocked career ladders in politics and public administration, i.e., channels through which every citizen can receive a real chance of entering

the establishment based on knowledge and skills.

The structure of civil service in Ukraine (including members of the Cabinet of Ministers, top officials in the ministries, government services, agencies and regional state administrations), shows that just a handful (no more than 5-8%, according to our estimates) could be said to have achieved their status through objective evaluation of their skills and experience.

FOUR REASONS WHY

First, senior public servants who make up the public administration elite are appointed personally (and absolutely subjectively) by the president according to Ukrainian laws. Neither experience nor a diploma in a relevant field is required. Second, the National Acad-

emy of Public Administration (NAPA), the institution that specializes in training government officials, does not have the reputation it needs as a body of this scale. Third, as a result of business penetrating government structures, the main criteria for appointments to public office are membership in a certain business group, personal connections, lobbying by business clans, personal loyalty, etc.

Lastly, parties have quotas for top offices. For example, the Party of Regions' parliamentary coalition partners – Volodymyr Lytvyn's People's Party and the Communist Party – had their members appointed to influential offices. Vasyl Volha, ex-chief of the State Financial Regulator who is now under investigation, took his office as part of the Communists' quota.

FACE CONTROL

Author:
Alina Pastukhova

One thought deeply entrenched in the consciousness of many Ukrainians is that a new political elite must emerge with new generations. However, we have not seen many more young faces among politicians and high-ranking officials in the 20 years Ukraine has been independent. The average age of senior Ukrainian officials is 50. Those few younger people who have entered the top echelon of power have done so primarily thanks to their influential relatives or friends rather than their exceptional talents or professional traits. In Ukrainian nepotism, not only sons, daughters and nephews but also their friends as well as lovers, drivers, personal cooks and so on are promoted. Another large category of the "new faces of the new elite" is the "timeservers" who find various ways to join whatever political force happens to be wielding power at the moment.



VIKTOR YANUKOVYCH, JR., 30

The President's son began his career back in 2006 when he was first elected to the Verkhovna Rada as Party of the Regions' member under No90. Since 2006, Mr. Yanukovich Jr. has been chairing the Subcommittee for Automobile Transport at the VR Committee for Transport and Communications. Indeed, he is an expert in transport thanks to car racing, his long-time hobby. In summer 2011, Mr. Yanukovich Jr. along with 20 other SUV owners arranged a rally at Polissia and Rivne reserves as well as Shatsk National Park, despite the lamenting of environmentalists. In 2005, the Internet Reporter website published a long list of expensive cars worth at least USD 60,000 each Mr. Yanukovich Jr. was using at that point. As MP, he was most known as a skillful voter for four rather than a sponsor of good laws.

SOVIET LEGACY

The problem with forming public administration elites came with Ukraine's regained independence, because the country took its first steps in the early 1990s led by the old elite which was a product of the soviet regime. Its representatives took all key public administration offices in independent Ukraine, from the president to his representatives in regions and districts. Additionally, so-called "red directors" (CEOs of large enterprises) – many of whom found national and state values, market mentality and democratic approaches in government policy making to be completely alien concepts – began to play an increasingly important role. Representatives of this new-old elite promoted nepotism. That burden remains with us today as we see children of high-ranking officials taking offices that offer prospects of rapid growth or access to the distribution of budget funds.

REVAMP OR ASSIMILATION?

Attempts were made in the first years of Ukraine's independence to establish ways to revamp the governing elite. On the local level, representatives of the People's Movement of Ukraine (PMU) were promoted for positions in the government. In some regions,

branches of the PMU succeeded in replacing deputy heads of regional administrations in charge of culture and education – but no regional governors or heads of financial administrations were replaced by them.

Elections to local self-governments were held in the early 1990s, and they – primarily regional councils and city councils in regional centers – became another "social lift." Their executive communities were then part of the executive branch, so the elected heads of councils who also headed executive communities automatically became members of the new

office. But this process had a limited impact. It was regulated and carefully guided, and the new appointees leaned more towards accepting the soviet rules of the game rather than bringing new standards to the establishment.

On the other hand, Ukrainian business entered the public administration elite through parliament itself. Ukraine began to gradually turn into an oligarchic economy as tycoons brought "red directors" under their control and business groups formed around key players. Representatives of these groups also ran for seats in parliament in order to protect their business interests. This was especially visible in the 1988-2002 convocation with such notable new arrivals as Inna Bohoslovka, Valeriy Khoroshkovsky and Vasylyl Khmelnytsky.

Most representatives of this business elite shared the Moscow-centred worldview and came mostly from the country's eastern and southeastern regions, where the biggest industrial enterprises were concentrated and where their business, largely based on cooperation with oligarchs or "servicing" them, was developing. However, they also had a fairly pragmatic attitude to Ukraine's independence, viewing it as, among other things, a safeguard against

OLD PARTY NOMENCLATURE MEMBERS ARE IN HALF OF ALL TOP GOVERNMENT OFFICES

public administration elite. For example, Vyacheslav Chornovil was head of the Lviv Region Council and its executive committee; Vasylyl Kuibida headed the Lviv City Council, and Vyacheslav Nehoda chaired the Ternopil City Council.

The Verkhovna Rada also played a part in changing the façade of the public administration elite in the 1990s. Representatives of the People's Council opposition group obtained access to executive

ARTEM PSHONKA, 35

Is the son of Prosecutor General Viktor Pshonka and an MP of the 5th and 6th convocations. He was pursuing a career in prosecution before entering politics. In 2005, he ascended to the office of Senior Assistant Prosecutor in the Kirov District Court in Donetsk. He was Deputy Prosecutor in Horlivka, Donetsk Oblast, when he was elected to the Verkhovna Rada in 2006.



OLHA DZHARTY, 23

Is the younger daughter of the late Prime Minister of Crimea. She is Deputy Head of the Kyiv Region Customs Office. Dzharty holds a degree in law from Donetsk National University. In the course of her brief career in civil service, she has already found herself in the center of a scandal. According to the Segodnya newspaper, she was behind the wheel of the Bentley that rammed into eight cars on the Khreshchatyk on 10 November 2011.



VIKTORIA DZHARTY, 31

Olha Dzharty's older sister, has made a stunning career thanks to her influential father. She worked in the Donetsk Region Economic Court where she first took the position of a 2nd-rate specialist and was later promoted to Assistant Judge. She was an assistant to First Deputy Head of Donetsk Region Economic Court of Appeals since December 2002 before being appointed as judge of the Donetsk Region Economic Court in 2008. On April 8, 2010, she was transferred to the office of a judge in the Kyiv Economic Court and became Deputy Chief Judge there in May 2011.

takeover by more powerful Russian players. Still, they were oriented towards lobbying their own economic interests through the institutions of power in the “fastest possible” (that is, behind-the-scenes and corrupt) way.

The weakness of the personnel policy was evident since the early days of independence. For example, MPs of the first convocations had to create the legislation of a new state. As a result, many of them ended up having a high professional level. But dozens of other highly qualified specialists outside parliament were denied opportunities to apply their knowledge and experience in civil service.

Neither were gifted youth given many chances. Newcomers were eyed with suspicion by conservatively-minded officials. “Promising” offices were filled with their children and acquaintances. There was no special body that would implement a new cadre policy. Human resource management was and is still largely viewed in Ukraine as a technical process of filling empty slots in organizational charts or as a chance to put your own people in the best offices rather than as a way to carry out a policy aimed at enhancing the quality of public administration.

The first attempts to train senior civil servants came in the

Export-oriented human resources

Sociological surveys signal a dangerous trend in the environment supposed to serve as the source of the new Ukrainian elite. Seeing few prospects of achieving success in Ukraine in its co-opted environment, young people, especially students, tend to opt for migration. Based on the Ukrainian Character survey held in March 2011 by Sophia center, a lot more people aged 18 and in their 20s are ready to leave their country compared to older age categories with 50.4% vs 42.4% among people aged 30-39. According to data by Mykhailo Ptukha Institute for Demography and Sociological Surveys published in mid-January, over 59% students aged 16-26 from Kyiv, Zaporizhzhia, Ivano-Frankivsk, Odessa, Uman and Khmelnytskyi, are eager to leave Ukraine. The only thing that could convince the youth to stay in the country is an urgent and radical change of the government and the quality of its policy. A socio-psychological survey by the Institute of Social and Political Psychology under the National Academy of Educational Sciences shows that 56.9% of young people (compared to 49.8% of middle-aged and 46.3% of older Ukrainians) think it is high time for the opposition to lead the nation against the current government incapable of running the country.

50.4%

of Ukrainians aged 18-29 are ready to leave the country



MYKOLA HERMAN (KOROVITSYN), 32

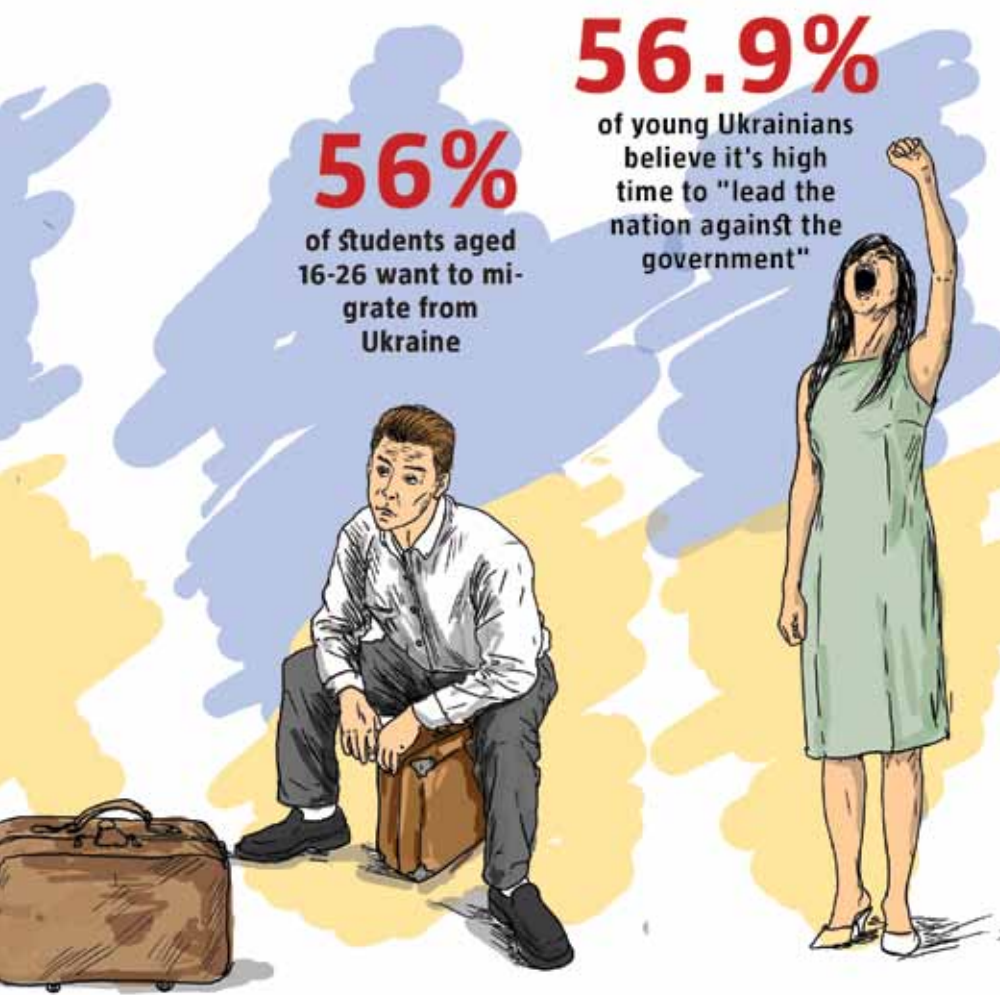
Is the son of Presidential Adviser Hanna Herman. He was appointed Deputy Minister of Emergency Situations under Nestor Shufrych but lost his office when the latter resigned. Herman previously was an assistant to MP Taras Chornovil. Sources in the Ministry of Emergency Situations say that after Shufrych's resignation, Hanna Herman tried to unsuccessfully persuade his successor, Viktor Baloha, to keep her son in office.



ARTEM SHCHERBAN, 37

Is a Party of Regions MP and the son of Volodymyr Shcherban, the infamous ex-governor of Sumy and Donetsk regions. He is said to be one of the closest friends of Viktor Yanukovich, Jr. He embarked on his political career in 2004 when he was elected member of the Donetsk Regional Council. Two years later, he entered parliament on the Party of Regions ticket. He is a regular face in glossy magazines which typically report on his love affairs, expensive purchases and appearances at glamorous parties. He reportedly owns four VIP-class cars worth at least \$70,000 each. In his interviews he likes to brag about his knowledge of women.





1990s. But the Institute of Public Administration and Local Self-Government, which was originally set up by the Cabinet of Ministers and later renamed NAPA and attached to the President of Ukraine, never turned into a foundry of public administration talent for several reasons.

First, teaching methods were inadequate. Second, no distinctly higher status was conferred upon graduates of NAPA compared to those who matriculated at other colleges. Nor were they guaranteed job placement – there were a number of cases when NAPA graduates were unable to even return to their earlier places of work. Third, appointments of senior officials were placed, directly or indirectly, within the remit of the president without the need for any probation or trial period. Competitive procedures have been used exclusively with regard to administrative officers (categories 3-7), while appointments to higher offices are still made by the president or other government institutions.

OLIGARCHIC CLIENTELE

The circulation of the elites was greatly hindered during Leonid Kuchma's second presidential term, when an oligarchic model for government decision-making was fully established in Ukraine. ▶

YEVHEN HOLOVIN, 31

Is the son of Constitutional Court Justice Anatoliy Holovin. He has been deputy head of the Kyiv Oblast Administration since April 2010.

Prior to that he was director of the Ukrbud-1 company and did not have any experience in civil service.



YULIA SIHAL, 21

Is the daughter of BYuT renegade MP Yevhen Sihal and is now a member of the Kyiv Regional Council. She was elected on a Party of Regions ticket, even though her father had not yet been expelled from BYuT. She chairs a permanent commission on agricultural development in the regional council, while agribusiness is one of her father's areas of interest – he is the honorary president and cofounder of Complex Agromax in Kyiv Oblast.



SERHIY ARBUZOV, 36

Has headed the National Bank of Ukraine since December 2010. He is considered to be close to Oleksandr Yanukovych, the elder son of the Ukrainian president. In

May 2010, the government appointed him Chairman of the Supervision Council at state-owned Ukrximbank. Prior to that, Arbusov chaired the board of governors in the Donetsk branch of Ukrbusinessbank, a bank reported to be closely linked to Oleksandr Yanukovych. Medinvešttrade, the company to which the infamous Mezhyrrihia estate was transferred from government property, opened an account in Ukrbusinessbank. However, Arbusov is believed to owe his steep ascent to his mother Valentyna, who is an old friend of the Yanukovych family and Chairman of the Board of Governors in the All-Ukrainian Development Bank, controlled by the president's elder son.



MAKSYM MELNYK, 22

Is the son of Party of Regions MP Petro Melnyk who runs the Tax Academy in Irpin. Despite a lack of experience, he does his best to serve the country: he is a member of the Kyiv Oblast Council and, at the same time, holds a position in the Service Department working for the Head of the State Customs Service.



Since the late 1990s, most governments' decisions reflected a fine balancing act between several competing clans: Hryhoriy Surkis-Viktor Medvedchuk, Viktor Pinchuk and the Donetsk group. All of them lobbied the interests of large businesses and promoted their own people and their children for influential offices.

The declarations made by the Orange government about separating business and the government, which was supposed to stimulate an overhaul of the establishment, remained largely on paper only. One of the reasons is that large business was also very well represented on their team. (Think about Oleksandr Tretyakov, Petro Poroshenko, Yevhen Chernovenko, David Zhvania and other close associates of Viktor Yushchenko, as well as the oligarchs who "surrendered" to BYuT.)

The leaders of the Maidan essentially turned out to be made of the same soviet material as their opponents. In 2005, over 19,000 government officials (a little less than 10% of the total, which is around 270,000) were fired. However, in many cases they were replaced by civil servants who were no better but simply loyal to the new powers-that-be.

The new government declared its intent to attract young people

who had diplomas from Western universities, but this plan failed, too. First, concrete mechanisms were never found for enabling the policy and second, the issue of motivation remained unresolved (a Harvard graduate was unlikely to agree to a monthly salary of \$500-\$1,000).

The main thing was that no one was committed to finding solutions to all these problems which were known long in advance. Consequently, those who entered civil service on the wave of the Orange Revolution with a desire to change the situation found themselves in the minority, while their initiatives were buried under the pretext that they were "currently irrelevant" or "needed further elaboration."

ANOTHER IMITATION

The current leadership of the country is turning reforms into advertising campaigns. The public administration reform, in particular "creating a new elite", is no exception. But the idea to set up a presidential cadre reserve seems to be especially strange.

Why is it "presidential"? If it refers to the president's appointees and their offices, such a reserve already exists. Moreover, a special procedure for its formation was established five years ago by

Cabinet of Ministers regulation No. 272 dated February 21, 2007. It pertains to category I-III civil servants who are appointed or whose nomination is approved by the president and the government.

If, however, it refers to a reserve for all public officials (which



BIG BUSINESS OWNERS HAVE GOT INTO THE PARLIAMENT DISGUISED AS "ELITE"

does not make much sense, because the president does not appoint most of them), this reserve has been formed by now. Furthermore, these two reserves have proved to be critically inefficient in practice.

The content of the New National Elite idea does not stand up to criticism, either. A pilot project carried out by the Presidential Administration shows that this reserve will in no way change the way the "reformist" cadre are trained and selected.

According to public information from the Presidential Administration, the program includes three stages: 1) Training Leaders in the Public Sector (an eight-day course); 2) workshops on working in the public sector (8-10 days); and 3) employment in the public

OLES DOVHYI, 31

Is the son of the MP Stanislav Dovhyi (4th through 6th convocation). He joined the Kyiv City Council as a member of Leonid Chernovetsky's "young team." He was elected Secretary of the Council by the pro-mayoral majority and orchestrated the passage of a number of scandalous decisions regarding land distribution. After the Party of Regions "took over" Kyiv and Chernovetsky lost power in the capital, Dovhyi was removed from office. But he continues to search for ways to remain in the political elite, including by forging new family relations. In November 2010, he



married Kateryna Horina, daughter of the Party of Regions MP Iryna Horina. He has adopted some unsavoury methods of pleasing the electorate from his former patron.

OLEKSANDR KLYMENKO, 31



Head (May 2010) and then Head (September 2010) of the Tax Administration in Donetsk Oblast; Deputy Head of the State Tax Service of Ukraine on 18 February, 2011. He is believed to be close to Oleksandr Yanukovych and is said to owe his advancements in civil service to this friendship.

A Donetsk native, has been the head of the State Tax Service of Ukraine since October 2011. After Viktor Yanukovych was elected president, Klymenko's rapid promotion began: First Deputy

VLADYSLAV KASKIV, 39

Was an adviser to the Economy Minister in 2000, an Orange Revolution activist, a coordinator of the Pora civic campaign, an advisor to ex-President Viktor Yushchenko, NUNNS MP, head of the State Agency for Investments and National



Project Management under President Yanukovych and so on. Government teams have changed, but his talent of finding a common language with everyone has helped Kaskiv to stay afloat in any circumstances. Most experts say that the efficiency of the state agency Kaskiv is heading has been close to zero. Nevertheless, unlike most renegades whom the Party of Regions jettisoned, Kaskiv is still in office.

sector. If this is the president's "new elite," it is too bad for the nation. It would be ridiculous to assume that a civil servant, to say nothing about a top official, can be trained in three weeks.

Therefore, when looking at the president's strategy, one must wonder: What is the point of setting up another cadre reserve instead of improving existing ones? Notably, on 10 January, 2012, Yanukovich signed a new law on civil service which eliminated cadre reserve in government bodies starting from 1 January, 2013.

WHAT TO DO NEXT?

There is no need to reinvent the wheel. We can and should use the best world practices in training civil servants. And we have to completely change our approaches to the cadre policy in order to produce specialists that will be able to implement reforms and modernize the public administration sector.

Initially, we ought to introduce transparent procedures for filling senior administrative offices and set requirements regarding the education and experience of administrative work that successful candidates must possess.

The next step would be to reform NAPA, which is currently issuing diplomas indiscriminately and producing mediocre special-

ists. But instead of turning it into a large training center, as some are suggesting, we need to adopt the experience of European, Canadian and other schools in training civil servants.

For example, the *École Nationale d'Administration* is one of the world leaders in training senior officials. A two-year course includes, apart from studies, nearly four months of internship. Its graduates have a comprehensive view of civil service and are able to participate in the most difficult decision-making processes. Germany's Higher

bodies in foreign countries to give Ukrainians training opportunities in which they will acquire practical experience in specific offices rather than attend a several-day lecture course or workshop.

Ukraine faces the urgent issue of strategic planning with regard to the government cadre policy. There is a need for a new public administration elite that will know where national interests lie and assume responsibility for their realization. This elite will have to be prepared to not only make tough decisions but also efficiently provide public administration services.

People who pursue such ambitious goals like overhauling the national public administration elite must believe in what they are doing rather than merely create the illusion that they are implementing real changes. Ukrainians do not need documents for documents' sake or strategies for strategies' sake. They need results. So when the government makes public statements about the presidential cadre reserve, it must know that it has nothing in common with public relations. It is not an image-boosting project, because it cannot have short-term results. There are doubts, however, that Bankova Str. is aware of that fact. ■

MAIDAN LEADERS TURNED OUT TO HAVE THE SAME SOVIET MINDSET AS THEIR OPPONENTS

School for Public and Municipal Administration and the Canada School of Public Service combine theoretical knowledge with several-month internships.

Of course, the idea of having a cadre reserve should not be discarded. But it should include transparent selection (testing) and a system for upgrading the professional level of the "reservists": staff rotation, further training, self-education and so on.

At the same time, agreements should be signed with government



YURIY PAVLENKO,
36

Was one of the representatives of the Orange team. He embarked on a political career when he became member of the Kharkiv District Council in Kyiv at the age of 19. Under Yushchenko, he was Minister for Family, Youth and Sports. When Yanukovich rose to power, he decided not to join the opposition and has been the Authorized Representative of the President for Children's Rights since the summer of 2011.

VALERIY PYSARENKO,
31

is a graduate of the Attorney Academy. He first joined the Verkhovna Rada with BYuT in 2006. But in September 2010 he was expelled from the BYuT faction for voting in sync with the pro-government parliamentary majority. Pysarenko is believed to belong to the group of Andriy Portnov, an ex-BYuT member who agreed to work in the Yanukovich administration in 2010.



MYKOLA LEVCHENKO,
33



is a Party of Regions MP and Secretary of the Donetsk City Council. He began his career in 2001 as a school history teacher and headed the Department of Public Relations in the Donetsk City Council in 2003-2004. He is infamous for his Ukrainophobic statements.

IRYNA BEREZHNA,
35

Was first elected to parliament in 2007 under No. 151 on the Party of Regions' list. In 2009, she received the New Generation of the Year award in the All-Ukrainian Person of the Year rating. However, she is known to the public at large only as a notary at the popular show *Dancing with the Stars* and as an avid lover of expensive clothes, accessories and watches as evidenced by her numerous photo sessions for glossy magazines and appearances at glamorous parties.



A TRADE AND DEMOGRAPHIC DONO

Russia's accession to the WTO signals a renewed effort to draw Ukraine into a Eurasian union

Author:
Oleksandr
Kramar

Russia has officially joined the World Trade Organisation. This may have far-reaching consequences for Ukraine – albeit more in geopolitics than in trade or economy. And Russia's partners in the Customs Union may soon follow suit and also become WTO members.

Unlike Ukraine, Russia does not derive any obvious benefits from its WTO membership. Two-thirds of Russia's trade volume is energy resources, which are not governed by WTO rules. In contrast, other products that are competitive on world markets, such as metal and grain, are much less significant in the structure of Russia's economy and exports. And yet Russia has greatly expedited WTO membership negotiations in the past year, essentially agreeing to demands set by its partners, which is something it had previously avoided. It even de facto recognized Georgia's customs borders that include Abkhazia and South Ossetia. It appears that the Kremlin is now willing to make sacrifices for the sake of an ambitious goal.

UKRAINE AND THE CUSTOMS UNION: THE PATH IS NOW CLEAR

While the Ukrainian leadership kept repeating like mantras its declarations about Ukraine's unchanged European choice, Putin always retorted: "We are not against it. We, too, are for integration from Lisbon to Vladivostok." Nevertheless, the WTO was an immediate obstacle preventing Ukraine's membership into the Customs Union. Its founding members did not have WTO membership, and the prospect of complicating its relations with WTO partners had a cooling effect on even the most persistent supporters of Ukraine's Eurasian



integration in the current government. Russia also had problems with Armenia and Kyrgyzstan – other potential members of the Customs Union and the Eurasian union, which already have WTO membership. In this context, with Russia, and later other Customs Union members joining the WTO, this final obstacle has been removed.

This may also explain the 'unexpected change' of Vladimir Putin's stance on a free-trade zone in the CIS during the October summit of CIS leaders in Saint Petersburg, and his refusal to condition progress in the gas issue on Ukraine's immediate accession to the Customs Union. The agreement that was reached suggests the following scenario.

Without making any sudden moves to the East, Ukraine will gradually lead negotiations with the EU up a blind alley and will wait to see "the first results of the performance of the Customs Union," according to Viktor Yanukovich. By the end of 2012, Ukraine's membership in the Customs Union and perhaps even in the Common Economic Space will be a done deal. All of this will be accompanied by mandatory assurances that Ukraine is ready, and even wants, to further integrate with the EU.

The integration and notification processes have been launched de facto: the Free-Trade Agreement has been signed with the CIS. In Saint Petersburg,

Russia had been negotiating its WTO accession

18 years

DR FOR RUSSIA?



DRAWING BY IHOR LUKIANCHENKO

Prime Minister Mykola Azarov essentially undertook the bringing of Ukraine's legislation in line with the technical regulations of the Customs Union. Moreover, Ukraine has even pioneered a revival of the rouble zone by agreeing to switch to the rouble in its payments to Russia.

Meanwhile, a systematic campaign to brainwash the public is continuing in Ukraine. Speaker Volodymyr Lytvyn and Deputy Prime Minister Serhiy Tihipko have clearly said that if the EU puts forward some "excessive demands," Ukraine may choose "the economically advantageous membership of the Customs Union." How Ukrainian society will react to this is another matter, but the formal excuse – "Europe has

turned us down" – is essentially ready to be employed. What remains to be done is to continue, and even step up, political repressions and frustrate the ratification, if not the signing, of the Association Agreement with the EU. But in fact, this has already happened.

The Ukrainian government is being actively prodded to go along this path. For example, Party of Regions MP Valeriy Konovaliuk has been very active recently. In November 2011, at the roundtable 'What will Ukraine's economy gain and lose from joining a free-trade zone with the CIS and the EU?' he announced the creation of an interfaction group that would, "be lobbying for the Eurasian vector of Ukraine" in parliament. The motivation is noteworthy: Konovaliuk wants to preserve the non-competitive structure of Ukraine's economy. He believes that we need to not only evaluate prospects, but also understand that, "in many fields (biotechnology, machine building, the industrial complex and agribusiness) we cannot compete with European producers to some extent." He was unable to offer any reasonable reply to the question: "On this approach, what will change tomorrow if it has not changed in the past 20 years?"

These 'movements' by Konovaliuk are too revealing to be ignored. They dovetail with the way Putin has been blackmailing Yanukovich: "You are either friends with us, or the electorate is not friends with you." Konovaliuk's 'interfaction group' may become precisely the platform around which to rally pro-Russian 'pragmatists' who favour steps towards Russia-inspired integration projects.

THE EURASIAN UNION WILL BE MORE ASIAN THAN EUROPEAN WITHOUT UKRAINE

UKRAINE, A FUSE AGAINST THE 'ISLAMIZATION' OF RUSSIA?

The Kremlin is in a hurry to complete integration processes as soon as possible. First, there is an economic stimulus. Russia has problems whose solution will re-

quire an influx of resources. Second, the 'land-collecting' enterprise will be psychologically incomplete if the Kremlin fails to include Kyiv, "the mother of all Rus' cities." Furthermore, the integrationists have one more concern: Putin's brainchild, the Eurasian Union, risks becoming more Asian than European without Ukraine.

With Russia's population dwindling, the proportion of the Asian population (almost completely Muslim) is growing in leaps and bounds. If the current demographic trends persist, the Caucasian and Volga Region's peoples will exceed 19-20 million by 2020, while the number of Russians and other European peoples, and nationalities that can be actively russified, will drop to 110-112 million. If Putin succeeds in making the Eurasian Union a reality by 2015, its ethnic composition will look like this: 117-118 million 'Russians' (counting Russified European minorities), over 80 million Muslims in Central Asia, the Caucasus and Volga Regions, and 7-8 million others. Thus, the russian-speaking population will have to co-exist in a new supranational entity with a comparable conglomerate of peoples who will compete for resources.

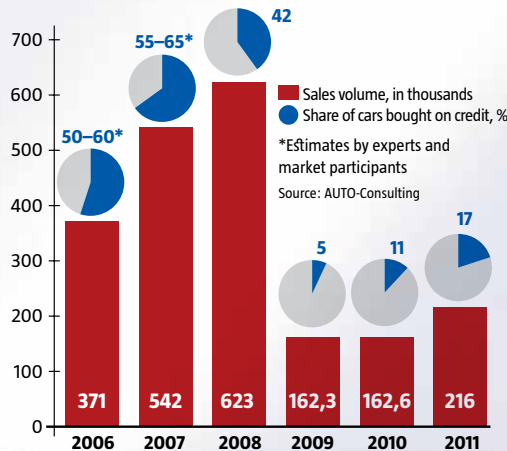
Average Russians are very much concerned about this prospect, as is proved by past ethnic attacks. That is why Russian politicians have resorted to chauvinistic and often xenophobic slogans. For example, "For Russians!" was the key election slogan of Vladimir Zhirinovskiy, leader of the Liberal Democratic Party. The communists have promised to restore the nationality firm in passports and legislatively fix the status of Russians as the state-forming nation. A number of more conservative forces have started discussing the need to create the ideology of 'liberal nationalism' as opposed to the Kremlin's imperialism.

However, Moscow is not going to abandon its plans to drag Central Asian and Caucasian countries into its union, especially considering their rich natural resources. At the same time, the demographic factor will have to be set off, and Ukraine's population of nearly 45-million may be just what Russia needs. ■

"Ready, Set, Go!"

Ukraine is experiencing an automotive boom even as the worldwide car industry struggles. Demand was driven up in 2011 by lobbying politicians, car dealers, the mass media and even the National Bank

Reving the engine
Car sales picked up in 2011



Author:
Andriy Berezhansky

2011 was marked by a sharp increase in car sales volume in Ukraine. The trend has continued into 2012 but has slackened off somewhat. Few expected this kind of paradox. Market participants and experts projected a 10-15% increase in sales volume in 2011, given favourable circumstances and availability of bank loans. A total of 216,000 new cars, up by 33% from the previous year, were sold in Ukraine in 2011, according to AUTO-Consulting. People even had to wait in line to purchase certain models – something we have not seen since pre-crisis times – while dealers, inspired by the booming market, began to open new car dealerships and service centres.

The financial aspect of the situation is astounding. According

to AUTO-Consulting, Ukrainians spent a sum comparable to a monthly national budget – €3.6 billion, up by 35% from 2010. One third of all purchases fell within the €6,500-10,000 range, while cars that cost €10,000-15,000 and €15,000-22,000 accounted for roughly 20% (each group) of the total sales volume. A new car cost an average of €16,300 in 2011.

THE OBVIOUS AND THE IMPOSSIBLE

Many experts and car market participants offer traditional explanations for this unlikely trend, citing official indices of economic development which turned out to be much more optimistic than previously predicted. They reason that the GDP increased by 5.2% rather than 4.5% and the inflation rate was 4.6% instead of the projected 8.9%, while the income of

the population increased by an estimated 20% in 2011. Moreover, the dollar-hryvnia exchange rate was surprisingly stable. “Car sales grew largely on higher consumer confidence. The economy went from a stage of sustainable growth (largely owing to exports) to a phase when the dynamics depend on domestic demand and investments. Moreover, the above trend was largely linked to revived bank lending,” says Iryna Mykhaliyeva, chief of the Department for Marketing Communications at UkrAUTO Corp.

Oleksandr Sokolov, head of the analytical department at PRO-CONSULTING, begs to differ: “It would be adequate for the condition of the economy if car sales remained at the level of 2010.” President of the Ukrainian Analytical Centre Oleksandr Okhrymenko is also careful not to put too much weight on the macro-economic factor: the real, rather than officially declared, inflation rate in Ukraine was 17-18%, he says. Other experts also cite an inflation rate close to 20% and note that a higher standard of living in Ukraine is largely illusory and is linked to a redistribution of national income through increased fiscal pressure on and control over businesses. The real income and profit of small and medium businesses, which are the core client group for car dealers, dropped in 2011. “The contribution of small enterprises to the national GDP fell from 14.2% in 2010 to 13% and medium businesses from 37% to 35%. The number of individual entrepreneurs dropped by 4% to 1.8 million. Moreover, some businessmen shut down their operations but are still registered,” Sokolov says.

The importance of bank loans should not be overestimated as a factor in car sales. According to AUTO-Consulting, loans were used to purchase a little over 11%

of cars (17,000 vehicles) in 2010 and 17% (38,000) in 2011. This amount is both considerably large and rather small. To compare, 250,000 cars were bought on credit in 2008. The question still remains: Where does the 33% increase in car sales in 2011 come from? Consider, moreover, that an average loan did not exceed €10,000 and in most cases fell in the range of €7,000-8,000 in 2011. This means that loans accounted for 8-11% (€300-400 million) of the car sales pie.

GROWTH FACTORS

The key to understanding the car sales boom in 2011 is a noticeable increase in the number of cars purchased with cash: 178,000 in 2011, up from 148,000 in 2010. Ninety percent of all cars were purchased by individuals, so one is led to wonder: How did Ukrainians come by so much money?

It normally takes 3 to 4 years to save enough money to buy a decent car. Few people have managed to increase their savings during the crisis. So the reason, as we can see, is that Ukrainians pulled out their old savings and took them to car dealerships. "Many people found they lacked the money to buy an apartment. Our compatriots do not have a habit of investing in gold. But a car has traditionally been an attractive option," Sokolov explains. Earlier, economist Erik Nayman estimated that by early 2009, Ukrainians had \$48 billion in hard-currency cash savings, which was *four times* the hard-currency deposits at the time. So there was a latent, effective demand for cars in Ukraine. But why was it realised precisely in 2011?

To a large extent, the surge in demand was caused by rumours that customs duties on imported cars would be raised in 2011. A lot was said to this effect in the Verkhovna Rada and even more in the mass media. For example, in June 2011, some people publicly called on the government to protect Ukrainian car manufacturers through higher customs duties on imported vehicles. In July,

the Interdepartmental Commission on Foreign Trade even launched a special investigation. There were fears that higher customs duties (34% and 47%), quotas and other unpleasant things would be introduced. Political statements were even made that the conditions Ukraine agreed to as it joined the WTO would be revised. None of that happened – the customs duties were not revised, and only the excise duty on cars was raised by 9%. However, car sales volumes shot up, which suggests a planned campaign to stimulate demand.

Sales peaked in September-October when the National Bank of Ukraine issued a regulation under which financial institutions had to request and make copies of IDs whenever an individual wanted to exchange currency. This somewhat unhealthy interest on the part of the central bank made Ukrainians uneasy, especially considering that Belarus completely banned currency exchanges for individuals at the time. The prospect of being left with a pile of dollars or euros salted away and not easily exchangeable was quite palpable and unappealing. Add to this the analytic reports about a hazy outlook for currencies due to their excessive issuance. In a word, car sales in Ukraine exceeded, as has been said above, €3.6 billion in 2011 with prices going up by 5-7% on average.

Will this trend continue in 2012? "We predict a car market of 250,000 vehicles. The contributing factors are economic stabilisation, a stable hryvnia exchange rate, expanded automotive lending, financial infusions leading up to Euro 2012 and the elections," Mykhalieva says. But independent experts assure that 250,000 is too optimistic a figure. The slumping economy, declining income of the population, and more expensive car loans will be working against the car dealers. However, demand may be fueled through another PR campaign. Watch the news. ☐

To celebrate the **WORLD DOWN SYNDROME DAY, UKRAINIAN CHARITABLE ORGANIZATION "DOWN SYNDROME"** together with its fluffy friends from **The Charity Chicken Foundation (Netherlands)** invites you on **March, 24, 2012** for the night of fun and surprises **"TASTES LIKE CHICKEN KIEV 2012"**. Great live music with the guest Irish musician **PETER CARROLL!!!** Feeling lucky? Raffles galore throughout the night with plenty of fantastic prizes up for grabs! All proceeds go to the first and the only in Ukraine **DOWN SYNDROME EARLY DEVELOPMENT CENTER**. We expect over **200 guests** so this is **an event not to be missed.**

Come and join us at **O'Brien's Irish Pub (17, Mykhailovska Str, from 8 p.m. until LATE!!!)** for an egg-cellent night that will leave that all-too-familiar taste in your mouth!

To offer prizes for our Raffle or to buy Raffle tickets please contact **Tania Mykhailenko, mikhailenko@downsyndrome.org.ua** or **066-4875703**. We would be grateful for any suggestions and support.



Ukrainian
Charitable Organization
Down Syndrome





PHOTO: REUTERS

Too Many Cars, Too Few Buyers

Luxury cars are speeding ahead; lesser brands are stalled

German autobahns are unlike motorways elsewhere—on some you can drive as fast as you like. Germany’s car industry is also in a class of its own. Its three big premium brands, BMW, Mercedes-Benz and Audi (part of Volkswagen), are working flat-out to meet demand for their beautifully engineered, stylish motors. The emerging world’s new rich love them. Germany’s domestic car market is doing nicely, too: sales grew by 9% last year.

The contrast with the rest of Europe is stark. Car sales fell by 2% in France, 11% in Italy and 18% in Spain last year. And status-conscious consumers in China are not interested in cars that are merely pretty good. So Europe’s volume—ie, non-premium—carmakers are in trouble. France’s Peugeot-Citroën, Italy’s Fiat and Opel-Vauxhall (the European arm of GM, America’s

biggest carmaker) have all seen their European sales fall. To shift their wheels, they have to offer eye-watering discounts, sometimes 20-30% off the list price (see charts). Britain’s car market also shrank, by more than 4%. But its carmakers, now mostly foreign-owned, enjoyed an export boom and their production rose by 6%.



THE TROUBLED EUROPEAN VOLUME MAKERS HAVE TO CONTEND WITH VOLKSWAGEN

On February 15th Peugeot-Citroën’s parent, PSA, said its car-making business had an operating loss of €92m (\$121m) last year. Fiat’s boss, Sergio Marchionne, recently revealed that the Italian maker had lost €500m last year in Europe. As *The Economist* went

to press, GM was expected to reveal heavy losses at Opel-Vauxhall, to add to the \$14 billion that its European division is said to have lost since 1999.

Last year 13m new cars were registered in the European Union, 2.5m below the peak in 2007, taking the EU car market back to where it was in 1997. Sales will fall again this year, for the fifth successive year: Peugeot-Citroën predicts a 5% fall across Europe and a 10% drop in France.

In the wake of the 2008 financial crisis, many European governments propped up car sales with scrappage schemes that subsidised motorists to trade their old bangers for new models. But all they seem to have done is bring forward purchases that would have been made anyway, and overall they have not saved jobs, says Ferdinand Dudenhöffer, a car expert at the University of Duisburg-Es-

sen. In January France's car sales were 21% lower than a year earlier, when its scrappage scheme was still in force, with Peugeot-Citroën and Renault especially badly hit. Peugeot, the weaker of the two, wants to cut 6,000 jobs.

PER ARDUA AD ASTRA

The combination of falling sales, idled production lines, deep discounts and rising losses makes Europe's weaker volume makers look rather like GM and Chrysler did before they were bailed out by the American government and pushed through bankruptcy proceedings. But unlike pre-crisis Detroit, Europe's troubled makers are not turning out clunky, unreliable lemons. Fierce competition has forced them to improve greatly the quality of their cars, says Richard Bremner of Autocar magazine. Each will have some impressive new models to display at next month's Geneva motor show. For example, Peugeot is pinning its hopes on the 208, a new "supermini". Fiat will launch a larger version of its 500 minicar. Opel will launch a souped-up version of its Astra family car.

However, building good cars is not enough when rivals are doing better still. First, the troubled European volume makers have to contend with Volkswagen. The German firm's huge scale, global spread and "slightly premium" image allow it to drive on ruthlessly down the outside lane of Europe's price war. Max Warburton of Sanford C. Bernstein, an investment bank, notes that since 2000 VW's European market share has risen relentlessly, from 16% to 24%. With its ability to match rivals' discounts, it looks capable of pressing on until others start going bust, he reckons.

Peugeot, Fiat and Opel also face intense competition from Asian producers, especially South Korea's Hyundai and Kia, which are continuing to build capacity in the Czech Republic and Slovakia respectively, as well as importing cheap, sharply styled cars from back home. Last but not least, they are seeing the top end of their market being nibbled away by the German premium makers, which have broadened their ranges of cheaper entry-level cars: BMW with the Mini and 1 Series, Mercedes's A-Class and Audi's A1. The premium carmakers have

proved far more successful at getting motorists to identify with their brands, and at finding out what people will pay extra for.

One possible reason for this, muses Thierry Huon of Exane BNP Paribas, a stockbroker, is that the bosses of the German firms tend to be lifelong "car nuts", whereas the French carmakers' bosses tend to have parachuted in from other industries. Peugeot's Philippe Varin came from Corus, a steelmaker; Carlos Ghosn of Renault from Michelin, a tyre maker.

Renault has had some success with the low-cost models produced by its Dacia subsidiary in Romania. But as far as investors are concerned its main asset is its shareholdings in Nissan of Japan, in Mercedes's parent company, Daimler, and in Volvo Trucks. As a new report from HSBC notes, in 2007 Renault's own carmaking operations were in effect valued at €11 billion; recently the market has given them a negative valuation of around €7 billion.

Peugeot-Citroën likewise has a stake in Faurecia, a successful maker of parts. But like Renault it is heavily dependent on the weak west European market. It is also worryingly dependent on selling cars in kit form to Iran, which account for 13% of Peugeot's sales (compared with around 6% for Renault), and which would be vulnerable to any conflict over Iran's nuclear programme. Renault has gone further than Peugeot in internationalising its production—this month it opened a new plant in Morocco. Peugeot wants to follow suit but seems to have doubts about whether it can afford a big planned expansion into India.

FIAT LUX BAD

Fiat has been suffering from a decision taken in the midst of the financial crisis: to hit the brakes on its investment in developing new cars. Given the resulting sales slump, it is fortunate that its decision to buy a controlling stake in Chrysler has turned out so well. In its bankruptcy Chrysler was shorn of much of its excess capacity in North America and various other liabilities. It has now bounced back to profitability. Without it, Fiat would be in dire straits.

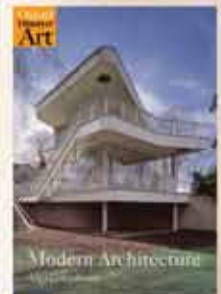
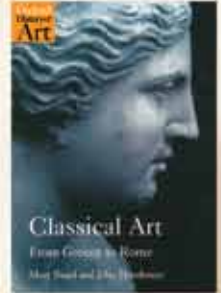
However, Fiat cannot keep running up such huge losses in Europe. Mr Marchionne admits »



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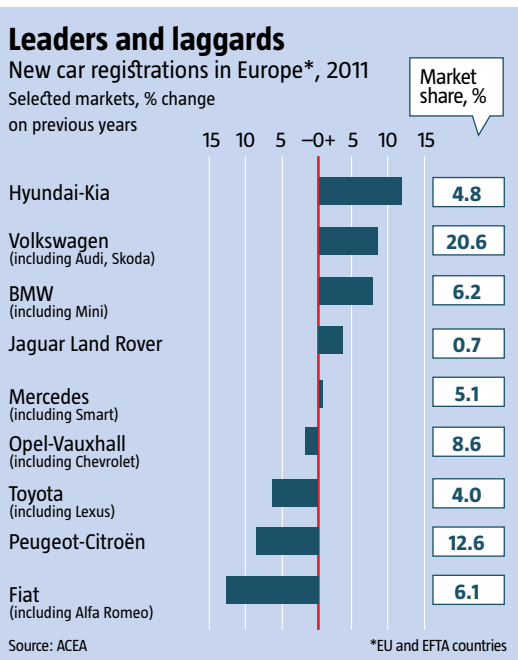
that it needs another partner to create a global carmaker with the scale to take on VW. In recent weeks speculation has centred on a marriage with Peugeot. But to work, this would require big production cuts in one or both companies' home countries, which might be too politically controversial. Ditto a Fiat-Opel union. Given its near absence from booming Asian markets, Fiat's ideal partner would be a firm like, say, Mazda, now seeking a new relationship after its divorce from Ford, or Suzuki, another Japanese maker which is trying to unwind a cross-shareholding with VW.

Likewise, Peugeot-Citroën might fare better with an Asian bride: Frédéric Saint-Geours, an executive close to the founding Peugeot family, insists that besides any suitor needing to have a compatible strategy and potential synergies with his firm, a condition of any alliance would be that his company remains independent. But it is intriguing that the big achievement of his boss, Mr Varin, at Corus was to sell it to Tata, an Indian giant (with a growing carmaking division).

GM dallied with selling Opel-Vauxhall in 2009 but changed its mind. Now, as its losses persist, there are signs that it is losing patience again. GM has recently put several new directors on Opel-Vauxhall's board, including Thomas Sedran of AlixPartners, a consultancy which advised GM on its turnaround. On February 8th the Wall Street Journal quoted unnamed GM sources as talking of closing some of its European division's plants.

The abortive sale has left the Opel brand even more "soiled" in continental Europe, says Autocar's Mr Bremner. The Vauxhall brand, under which its cars are marketed in Britain, is still the country's second-biggest seller, but it is believed that 80% of its sales go to fleet and company buyers, who expect even bigger discounts than individual motorists.

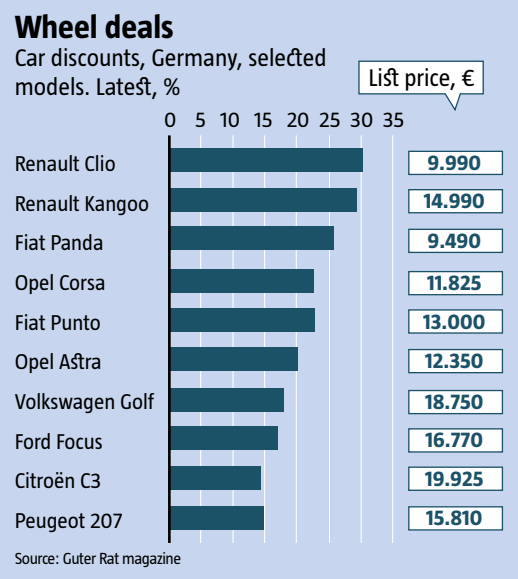
As the losses mount in European volume carmaking, it is becoming ever clearer that the continent is simply making too many cars in too many factories. Christoph Stürmer of IHS, a data provider, reckons that in Europe (including Russia and Turkey) there was capacity to make about 25.5m



Fiat lost EUR 500mn in 2011

cars last year, but only 20m were actually made. This year he expects capacity utilisation to fall from 79% to 70%, as sales fall and the Koreans and German premium carmakers open new production lines.

Recent cost cuts may have reduced European carmakers' break-even utilisation rate to perhaps 75%, says Mr Stürmer. But that still means capacity must fall by about 1.2m cars for the industry to break even. Closing Opel-Vauxhall's Bochum plant in Germany and Ellesmere Port in Britain, as GM is reportedly contemplating, would cut only about a third of this.



There have been some cuts and cost savings: Opel and Fiat have closed a factory each; Saab, a Swedish carmaker, has recently gone out of business; and Mitsubishi of Japan is giving up a factory in the Netherlands. Several companies have struck deals with unions to cut labour costs, and with other carmakers to collaborate on developing new technologies. But this will probably not be enough.

Making cars in Europe is fearfully expensive. A Renault executive told a French Senate inquiry this month that it is €1,300 cheaper to make a Renault Clio in the company's plant in Turkey than in the Flins factory in France. As new capacity is built at a rapid pace in emerging markets, such cost differences will get even harder to ignore.

Cutting capacity is costly, however. By Mr Warburton's back-of-an-envelope calculation, if GM closed Opel-Vauxhall, laying off its 40,000 workers might cost, say, €200,000 each—a painful €8 billion.

Another obstacle is politics. When Peugeot announced its planned job cuts, its boss was summoned before President Nicolas Sarkozy, who has also grumbled about Renault's delocalisation of jobs to foreign plants. Politicians are obsessed with assembly plants, which some see as a symbol of national virility. This is perverse. Renault argues that the value added in assembly is only 15% of the total. It and Peugeot-Citroën are most concerned to keep high-value engineering and design work, and the production of engines and transmissions, at home and would like to move more assembly work to cheaper places. It seems a reasonable survival strategy, if the politicians would let them.

Europe's struggling volume makers have all been trying to move their brands upmarket, launching higher-priced small cars—such as Fiat's new 500L minivan—in the hope of becoming as profitable as the German premium makers. This is another sensible idea. But moving upmarket takes decades, as Audi's painstaking ascent since the 1980s has shown. Opel, Peugeot and Fiat don't have that much time. ■

I PARK LIKE AN IDIOT



They're not waiting for the Ukrainian highway patrol to become honest or for drivers to start respecting the rules. Activists from the social movements "I Park Like an Idiot," "Road Control" and "I Drive Well and Sober" promote ethical conduct among drivers

Author:
Anna Kalenska

Photo:
blonde.in.ua
parklikeidiot.com.ua

Disorder rules the roads of Ukraine: pavements and lawns are turned into parking lots, trams wait hours for police to remove yet another SUV parked in their way, and passers-by are killed by drunk drivers, while the highway patrol abuse their office in pursuit of another penny.

STICKING IT TO BAD DRIVERS

Is a carelessly parked car blocking the path of passers-by or public transport? The activists of "I Park Like an Idiot" use paper, scissors, glue or coloured stickers as their weapons against irresponsible drivers. Anyone can join the movement, and the frustration-venting arsenal is unlimited. "I stick parking instructions to their windshields with white glue," Lilia Krysiuk from Kyiv says. "Believe me, after he cleans it off of the windshield once, he'll think twice before leaving his car in the wrong place again." Lilia also designed and printed her own stickers to help in her little war for free pavement.

The *I Park Like an Idiot* project is popular all over the world. Drivers readily invest their own money to make their opinions heard by their impolite colleagues. Stickers displaying scolding or uncensored remarks can be bought in packs of 20, 40 or 100 costing \$10, \$15 and \$30 respectively.



I'm the Beetles and this is my Abbey Road

In Russia, the website idiotparking.ru has been in operation since 2003, selling stickers and offering pictures of awkwardly parked cars for download. "Do you park like an idiot? Let the nation know its heroes!" the project's initiators say.

Ukraine has plenty of these "superheroes." Many websites highlight the issue, including the most popular blackcars.com.ua, blonde.in.ua and parklikeidiot.com.ua. The websites' creators are not easy to contact, since the "idiot" drivers whose cars have been photographed or adorned with stickers are likely to try to find them as well. Activists pass on the stickers personally at meetings arranged on Internet fo-

ums. At one point, parklikeidiot.com.ua was shut down but the domain was eventually released for public sale. Yevhen Mudzhyri, blogger and author of numerous test-drives, bought the address in November 2011. The website already had several dozen pictures of "parking experts" by then. "This improvised whipping post unwittingly pushes drivers to park carefully and according to the rules," the blogger explains. He says many "parking incidents" result from a lack of parking lots, which deserves forgiveness, especially when drivers leave their cars only for a few minutes. Yet the alert paparazzi are there, ready to take a picture and post it on the website. "Sometimes I fear that someone might post a picture of my car on the website," Yevhen says. "That would be funny. Even though the pictures are moderated before they are posted, I would surely post the one with my car parked in the wrong place," he promises.

CRUSHING HIGHWAY ANARCHY

Life is not so easy for careless parkers in Poland. Maciej Zborowski from Gdynia says that such drivers often find their cars scratched or tires slashed. The names of Polish websites campaigning against parking abuse employ a colorful vocabulary and their stickers are often quite obscene. In January, one activist arranged a competition for the Biggest Highway Loser of 2011 between Gdansk, Sopot and Gdynia. In Włodawa, pictures of improperly parked cars can end up on the municipal police website. »

A few years ago, the “Green Bombers” declared war on careless parking in Moscow. The ultra radical group of environmentalists targets cars parked on lawns, staining them with paint. As a result, the owners suffer both moral and financial damage. According to the Green Bombers, one paint attack is enough to dissuade a car owner from ever parking his vehicle in the wrong place again. They turn a blind eye to arguments about the lack of parking space. “If the environmental police are not effective and drivers are stupid enough not to realize they are ruining the city by parking their cars on lawns, we must act on our own,” the activists insist.

The Mayor of Vilnius also campaigns against unauthorized parking. A video shot this summer features him boarding an armoured vehicle to crush a car left parked over a bicycle lane. The Mayor scolds the car owner, removes the broken glass, gets on his bike and pedals away. Obviously, this is just a video, yet it communicates the mayor’s standpoint clearly.

However, experts recommend that the activists be cautious in real life. According to lawyer Olena Loznytisia, the owners of vehicles that violate parking rules or ruin the lawns could face a fine of only UAH 225 under the Administrative Code, while damage done to someone’s car leads to criminal liability. Under Article 194 of the Criminal Code of Ukraine, intentional destruction or damage of someone’s property resulting in significant losses can lead to a fine of UAH 850 or imprisonment for up to three years in some cases. Experts recommend that activists demand that their local authorities set up parking lots rather than take risks by damaging someone’s property.

The fines issued for unauthorized parking are currently barely functioning in Ukraine. By law, the highway patrol cannot issue a parking ticket without the driver present behind the wheel. Often, they do not wait until the driver returns because they can earn more money pursuing other violators in the meantime. Iryna Bondarenko, coordinator of Kyiv’s Association of Cyclists, believes the initiative to solve the problem should come both from the authorities and the public. Following the European model, Ukraine could develop underground parking lots, create sep-



You're not a tram, move around



Don't see no signs behind my new tinted windows



Calm down, dude! An invalid parking here...



Oops, didn't notice the stone thing I dragged for 20 meters. Who left these on the sidewalks anyway?

arate lanes for public transport, introduce high fines for unauthorized parking, and ban downtown parking. Some of these measures rapidly affected the situation in Bogotá, the capital of Colombia, while the Netherlands solved their parking problem through social activism. There, various campaigns arranged by the public coupled with oil crises forced the nation’s leaders to restrict the use of private transport within cities. Currently, over half of the population rides bicycles. “Activists should not only place stickers on cars,” Ms. Bondarenko claims. “They should also promote amendments to the currently flawed laws that essentially allow drivers to park their cars wherever they wish.”

A SAFE TOWN

On 13 January, a drug intoxicated driver hit a group of teenagers, killing one and leaving 10 with serious injuries. The deceased, Svitlana Zuikova, was a student at Taras Shevchenko University’s Technology and Design College in Luhansk.

The girl’s friends launched a campaign called “AutoSafe Luhansk,” which was later joined by seven volunteer groups from her university. The students made around 1,000 stickers and leaflets using their own funding and distributed them throughout the city. Leaflets regarding liability for drunk driving from the Code of Administrative Violations were given to highway patrol officers and stickers saying “I drive well and sober” were handed out to drivers. Volodymyr Moroz, the leader of Luhansk University’s student trade union, says that drivers like the initiative and are ready to fully support it. The campaign includes spreading messages in social networks and automotive forums.

Surprisingly, the local highway patrol headquarters has agreed to support the initiative. The Luhansk road police are going to create stickers and leaflets at their own expense for later distribution by volunteers.

HIGHWAY PARTISANS

It looks like the creators of roadcontrol.org.ua are not getting any support from the State Auto Inspection Authority. The website features revealing and scandalous videos highlighting illegal actions carried out by the road police. Desniansky District



I'm highway patrol. Can't you see that? I'm the boss here and I can do whatever I like



I was hurrying to catch the subway, so I parked right next to the underpass



I was good at maths in school. Still counting everything down to an inch



Nobody's going anywhere as long as I'm here

Court ruled to shut down the website temporarily on 14 February based on an appeal from Hennadiy Hetmantsev, a highway patrol officer, against Rostyslav Shaposhnykov, the project owner.

Last summer, Mr. Shaposhnykov and the officer had an argument. The driver asked the officer to let him use the patrol's cabin bathroom and was refused. The argument was recorded on a video camera and posted on the Road Control's website titled "Kobra' officer bans Road Control from using the bathroom." Comments on the article triggered the shutdown, as anonymous users allegedly left insulting comments regarding Mr. Hetmantsev. The project authors claimed they would appeal against the decision and transfer the hosting to Germany. While activists were busy moving servers abroad, roadcontrol.com.ua replaced the site temporarily as "Road Control Partisans."

On 16 February, the court cancelled its decision to shut down the website. According to Yehor Vorobyov, head of Road Control's press service, the campaign has never had any sponsor support and all of their activities are conducted at their own expense. The project's initiators are not going to halt their war against the road police's tyranny. "We want Ukraine to no longer be a third world country," he says. "We cannot change everything, but we have taken on this small part of the job. And we're seeing some progress."

The activists have launched a website dedicated to Mr. Hetmantsev alone. A few days after its debut, the site was already as popular as roadcontrol.org.ua. Mr. Vorobyov claims that Road Control has nearly 20,000 visitors daily, but the number of hits skyrockets as soon as Mr. Hetmantsev does something extraordinary. "People who ban such information do not realize what the Internet is," Mr. Vorobyov says. "I suppose they don't realize what democracy is. It will exist as long as the global web does."

Anyone can join the existing movements or create their own. The most important thing is to believe that joint efforts can change the situation. Of course, this means moving beyond mere talk and taking action. ■

¹ A special-purpose unit of Ukrainian Road Police that fulfills special and dangerous orders

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Church Opposition

Metropolitan Sofroniy Dmytruk talks about the intrigue surrounding the election of the Primate of the Ukrainian Orthodox Church of the Moscow Patriarchate

Interviewer:
Anatoliy Khlivnyi

The records of the Ukrainian Orthodox Church of the Moscow Patriarchate's (UOC MP) Holy Synod, held on 21 February, states: "Relieve the Most Reverend Oleksandr Drabynko (the personal secretary and right-hand man of Metropolitan Volodymyr – ed.) from his position as Head of the Foreign Church Affairs Department of the Ukrainian Orthodox Church (UOC) and Editor in Chief of the UOC's official website". The Synod essentially drew a line under the conflict between the supporters of UOC MP's autocephalous faction and the pro-Russian wing, which wants to divest it of its "self-governing status with extensive autonomous rights." The "autonomists" understand that should there be an open conflict, they will be given a "non-canonical" and "renegade" status, while Moscow is reluctant to see a stronger Ukrainian Orthodox Church of the Kyiv Patriarchate (UOC KP), which the "autonomists" are most likely to join, if the split does indeed occur.

The Ukrainian Week talks to Sofroniy Dmytruk, Metropolitan of Cherkasy and Kaniv, who is possibly the only UOC MP Bishop to publicly support the necessity of establishing a united autocephalous church in Ukraine.

UW: Your Eminence, you are often referred to as the leader of the pro-Ukrainian wing of UOC MP, unlike

the clergy that supports the idea of organizational unity with the Russian Orthodox Church. Do you see yourself as such?

– No, I don't, because a leader is someone who is in the front, followed by others. This is not about me. I'm simply a Ukrainian who cares about his nation and, of course, its faith. I have a clear, well-justified and unchanging position regarding the church issue. I support the Ukrainian course as the only one. I do not deviate from my standpoint and unlike others, I'm not afraid to express it.

UW: Do you have many supporters in the UOC MP?

– I'm not sure, I haven't counted them, but I know they exist...

UW: Agafangel, the Metropolitan of Odesa and Ismail, is known to be one of your top ideological opponents. What can you say about him and other promoters of the Russian World?

– Metropolitan Agafangel is an ethnic Russian and a supporter of all things Russian. His only course is to reinforce the Russian World. In general, I respect Russian bishops who serve here for protecting themselves and their viewpoints. It would be worthwhile to learn this from them.

The Russian World promotes the unity of the three Slavic states and people. We are immediately told that our desire to run the church on our own, separates us. Still, there has never been such unity in the form of three Rus nations. Our autocephalous status, just like that of any other church, does not divide or sep-



arate us from Orthodoxy. It is merely the possibility of being equal among equals.

UW: Are you saying that the status of a self-governing church with extensive autonomy, which the UOC MP now has, is not enough?

– Needless to say, the UOC MP currently has pretty extensive powers. Nobody from outside can instruct us on how to elect our leader and consecrate bishops. We open monasteries on our own, create new dioceses and do not transfer any funds to Moscow, although this information is often distorted. Yet, this status is neither in line with the historical background, nor with current reality. Kyiv Rus existed way before Moscow emerged on the map. Kyiv is the cradle of Orthodoxy. This was where all the culture, education and roots of architecture originated. After the col-



PHOTO: IGOR YEFREMOV

lapse of Kyiv, we lived in different countries for many years. Two metropolies emerged - in Kyiv and Moscow. Moreover, 30 years after Ukraine's "unwise son" Bohdan Khmelnytsky annexed Ukraine to Russia, its church was annexed to the Russian church, but against the will of the people. And this was done by hangers-on, pardon my language, who wanted fame and in no way cared about their people, in spite of being church leaders. But now, we are once more living in different states, with different constitutions, rules, leaders and plans for the future. Why don't we have the right to even think about living our own lives in our own church life as well?

This is not merely about the autocephaly of the UOC MP, but about the unity of all branches of Orthodoxy in Ukraine under one local synodal autocephalous church.

UW: When could this unification happen?

- Not during my lifetime. Perhaps, in 100 or 200 years. I'm not saying we should do this today. There are some obstacles on the way to unification. We should start negotiations and think about who we can join and how to do this. Did Russians benefit from the unification of the Russian Orthodox Church with the Foreign Church, which was referred to as the renegade church? Of course, they did. The same thing will ultimately apply for us. When we unite and act together, this will be good, since nothing can unite people more than the church. This is a complex process. The Russian Orthodox Church (ROC) does not need a strong Ukraine with a strong church. If our church united with the Kyiv Patriarchate, it would become the

THE UNITY OF THREE RUS NATIONS PROMOTED BY THE RUSSIAN WORLD HAD NEVER EXISTED

biggest Orthodox community in the world, in terms of the number of parishes. The second largest would be the Romanian, followed by the Russian.

UW: Since we have mentioned the Kyiv Patriarchate, how do you feel about its leader, Patriarch Filaret Denysenko?

- I know him very well. As the Metropolitan of Kyiv, he accepted me as a renegade, as someone everyone else was afraid of and refused to accept. There was this omnipotent organization - the KGB - which I refused to cooperate with as student of the Moscow Theological Academy, after which, I was the target of a KGB-arranged car accident, but I survived. I was later forced to quit the academy and ended up in Ukraine. I appreciate his good deed because he was the only one who accepted me and gave me a place in the church without any fear. He proposed that I become a bishop four times but I refused, because I didn't think I deserved the mission at that time. My fourth refusal incensed him. Still, I respect him because he treated me as a human.

UW: Why do you think there was no recognized autocephaly in 1991 and why was there a split in Ukrainian Orthodoxy?

- It's not for me to judge, this will be done by history. I can only say that it involved politics, when the Communist and atheist Leonid Kravchuk interfered with church processes - also human ambitions. The one, who failed to become a Patriarch in Moscow, decided to become one in Ukraine.

Yet, there was one more key reason. When Georgian, Serbian, Bulgarian and other churches were founded as autocephalous institutions, they were united in their goal, while we were like a circular firing squad. Not all of us want autocephaly and even those that do are often afraid to say so, I just don't know why.

UW: Are you in contact with representatives of other confessions in the Cherkasy Oblast? Have you ever had any conflicts, including over property?

- We don't meet, each does his work as best as he can. But we have no conflicts. Any war causes losses on both sides and no-one needs that.

UW: Do you feel that the current government is interfering in church affairs?

- There is a separation between our church and the state and the less Ukrainian and foreign politicians interfere in the process of establishing a united autocephalous church here, the better. We do not object to finan-

cial help from the government, but the issue of autocephaly is the purely internal matter of the church.

UW: Several months ago, Metropolitan Agafangel called himself "the pre-eminent member of the Holy Synod". Could this be a signal that he wants to head the UOC MP, given the long-standing poor health of Metropolitan Volodymyr (the current Primate) and rumors of his impending retirement?

- The fact of the matter is that for the duration of the Primate's illness, his functions are executed by the next person in the church ordination, i.e. the first person to have been consecrated as a bishop. Metropolitan Agafangel is such a person. In this case, the word "pre-eminent" can be a synonym for "the next highest rank in the church ordination." But no matter how much he or any other cleric wants to be a metropolitan, these are only their private ambitions. As long as Volodymyr is alive, nobody can remove him. Even if Metropolitan Volodymyr cannot lead the church due to the state of his health, no-one has the right to replace him. He was appointed by the "Sobor"¹ (Synod) and only the Sobor has the right to decide his fate in this position, not to mention his successor. I believe that the new Primate of the UOC MP, whenever this may be, will ultimately be a Ukrainian.

UW: You once said that Ivan Mazepa was your role model. Why is this?

- Even now, I'm not afraid to repeat myself. For me, Ivan Mazepa is a role model of an Orthodox Christian. The fact that he was a politician, and that which involved politics, was one thing. But I always ask one question of those who say that he was a traitor: "Whom did he betray?" Who entitled the bandit, Peter the Great - and I call him a bandit because he was the one to send his general Menshikov to kill everyone in Baturyn, the then hetman capital, all of them, from babies to old people - to anathemize Ivan Mazepa? Actually, they did not anathemize Mazepa himself, but a dummy of the hetman, which they carried around the town and burned down. The problem is that we often confuse church life with politics. ■

¹ A sobor translated as assembly into English is a council of bishops and other clerical and lay delegates for important matters.

Privatization Targets C

The party in power lays an eye on museums, cultural heritage and “sects”

Author:
Viktor
Yelensky

Two years after the presidential election, it dawned on the ruling party that though it seemed everything in the country had been completely privatized, there were still two huge promising assets left. The first one is, of course, land, and the powers-that-be are already doing the groundwork to get that in their hands. The second is Ukraine’s historical-architectural gems and cultural masterpieces that span centuries. Therefore, in order to rectify this unfortunate situation, a three-pronged campaign was launched in early 2012.

TARGET NO. 1: MUSEUMS

The first step was to purge museums. The directors of the Kyiv Pechersk Preserve, St. Sophia of Kyiv, National Art Museum, National Taras Shevchenko Museum, National Museum of Folk Architecture and Everyday Living, etc. were dismissed with one fell swoop. The Minister of Culture failed to provide any adequate argument to justify the pogrom. In short, you can “figure out the rest yourselves,” as the president advised all of us with inimitable charm several months ago. While the “unfinished intelligentsia” was trying to “figure it out” and come to itself, it was hit with a new blow: the people installed in the vacated offices were so far removed from the fine and sensitive art of managing museums that the most impressionable historians and culture specialists nearly fainted. Timid inquiries from con-

fused specialists about possible strategies for growth, a programme or at least prospects as seen by the newly appointed directors drowned in happy giggling. But journalist Tetiana Chornovil convincingly exposed the likeliest strategy for “protecting” historical artifacts: she recently found ancient cannons dating back to the Crimean War that were stolen from a quay in Sevastopol. They were discovered in a resort area privatized by the same people who obtained the infamous Mezhyhiria estate from the state, which they now possess

TARGET NO. 2: CULTURAL HERITAGE

But this was just the beginning. In January 2012, Party of Regions MPs submitted a bill to parliament which would remove over 130 entities located in the Kyiv Pechersk Lavra and the Pochayiv Lavra from



ulture

the List of Outstanding Specimens of Cultural Heritage not Subject to Privatization. Their explanatory note used some convoluted language with references to “the annual increase in the number of Ukrainian citizens who ... consider themselves believers,” “instilling moral and spiritual values” and “the need for further legislative provision of the citizens’ constitutional right to freedom of consciousness.” However, the religious buildings mentioned in the bill are now being used by a church. Do the sponsors of the bill not understand the difference between using sacral buildings for their original purpose and privatization? What does a permit to privatize church buildings in which people pray have to do with restoring justice? What is the special connection between “instilling moral and spiritual values” and transferring a 1888 bathhouse to private property? How can “the ruins of the 11th-century Dormition Cathedral” be privatized in principle? What about the Near and Far Caves? Cloistral walls? If you think these are emotions and fantasies, I urge you to read an addendum to Bill No. 9690. Party of Regions MP Vasyl Horbal, a co-sponsor of the bill and a member of the Presidium of the Inter-Council Presence of the Russian Orthodox Church, assured the Euronews channel that “it was not about privatization” and that such arguments were invented by those who had never read the bill. Nevertheless, the bill is aimed at precisely that – making all listed objects available for privatization, from the Gate Church of the Trinity (1106) to the buttressing wall of the Upper Lavra, from the Belfry (which is a landmark of Kyiv) to the sundial and the chapel standing over the crypt of a governor general. In a word, it is a large-scale scheme that will cause irreparable damage to Ukrainian culture and will inevitably aggravate both the civic and religious confrontation in the country.

TARGET NO. 3: “SECTS”

Both pogroms – of museums and of the two lavras – are so impudent that the attention of the pub-

lic concerned about culture had to be directed elsewhere. So at the exact time that the museums were being purged and the privatization of Old Rus’ masterpieces was being prepared, a number of media outlets uttered a concerted cry about ominous sects from which Ukraine allegedly had to be freed. The “sectarian threat” is a seasonal topic. It pops up before every election. MPs whip up a furore as they register asinine “antisectionarian” bills and then quietly withdraw them, as did MPs Ihor Rybakov and Vladyslav Lukianov last time. This topic can be twisted to fit anyone’s agenda, because both “misguided” Orthodox Christians and Evangelical Christians, whose brethren in faith are leaders of the world’s most developed countries, have been branded as “sectarians.” At the same time, this topic is mean, mendacious and doomed to failure.

It is mean because it is part of the overall strategy aimed at splitting the country. It is a tool and technology similar to well-timed despair over the Russian language, the UPA or NATO. It is mendacious because the targets of this year’s “winter campaign” are Evangelical Christians, Baptists and Christians of the Evangelical Faith who are no sectarians even according to an absolutely neutral sociological typology. The reason



ATTACKS ON MUSEUMS AND TWO LAVRAS ARE SO IMPUDENT THAT THE ATTENTION OF THE PUBLIC HAD TO BE DIRECTED ELSEWHERE

is that they do not escape from the world but want to improve it based on Evangelical foundations. They unite hundreds of millions of people in different countries (hundreds of thousands in Ukraine) and are active in political, economic, civic and cultural life. Here are a few figures. The Pentecostals, who are portrayed as a bugbear by newspapers, keep 18 orphanages and 6 family-type children’s homes and provide aid to 46 government-run boarding houses. They also finance 56 highly efficient rehabilitation centers for drug and alcohol addicts and pay for resort trips for

over 10,000 orphans, children from underprivileged and large families. The list goes on.

In order to label these people (or other Protestants) “sectarians,” a person must have the same level of knowledge, legal awareness and conscience as Inna Bohoslovska who at one point earnestly questioned Oleksandr Turchynov about the canonicity of his “sect” before a stunned TV audience.

Finally, the antisectionarian theme is doomed to failure. An attempt to set citizens against people of other faiths, “sectarians,” etc. crashes against Ukrainians’ traditionally high religious tolerance which reaches back to the era of Kyivan Rus. Over 75% of the respondents polled by the Razumkov Center in 2011 believe that “any religion that proclaims the ideals of the good, love and mercy and does not threaten the lives of other people has the right to exist” and/or that “all religions have the right to exist as different ways to God.”

The takeaway from this campaign is as follows. First, the Strategy for Developing the Cultural Sphere, which Viktor Yanukovych urged to be elaborated in November 2011, is already being implemented. There will be no other. The text that will be published on official websites one day can be ignored – it will have nothing to do with reality.

Second, the only thing that can stop our national heritage from being embezzled, our society from being split, our citizens from being set against each other and interdenominational relationships from being aggravated is organized civil resistance. Ukraine’s churches and religious organizations have a special place in this movement. At one time, they were able to avert a large-scale interdenominational clash in Ukraine, reach certain understanding and even build real, albeit fragile, models of cooperation. They also succeeded in sustaining pressure exerted on parishioners to make them switch to another church. They did not keel intact the system of relations between the state and the church in Ukraine and preserved religious freedom which the current leadership attempted to destroy with special vigour throughout 2010. Similar or even bigger tests from the “friendly” government lie ahead. ■

Unknown Eastern

In the 1930s, millions of Ukrainians were killed and russified in Eastern Slobozhanshchyna and the North Caucasus

When redrawing administrative borders, the leadership of the Russian Empire always turned a blind eye to the ethnic borders of the people inhabiting them. The goal of creating ethnically mixed provinces was to hamper national consolidation within the “great and undivisible” Russia and facilitate assimilation with the titular Russian nation. Restored after the collapse of the Romanov’s empire in 1917-1920, Ukraine immediately faced the dilemma of the annexation of Eastern Ukrainian territories, which at that time, were part of Voronezh and Kursk Provinces, the Don Army Oblast, Kuban and the Stavropol Province.

THE FAILED ANNEXATION

When shaping the territory of the UNR (Ukrayinska Narodna Respublika) or Ukrainian People’s Republic in November 1917, Central Council officials viewed Eastern Slobozhanshchyna as part of Ukrainian autonomy. Under the UNR law dated November 29, 1917, the Central Council announced the election to the Ukrainian Constituent Assembly in Putivl, Grayvoron and Novyi Oskol Counties of the Kursk Province, and Ostrogozhsk, Biriutski, Valuyski and Boguchar Counties in the Voronezh Province. However, this region remained beyond the Ukrainian government’s control as the war with the Russian Bolsheviks unfolded.

After the Treaty of Brest-Litovsk was signed with the Central Powers, the Central Council issued a law on the administrative division of Ukraine, dated March 2-4, 1918 whereby the Podonnia territory covering ethnic Ukrainian counties in the Voronezh and Kursk Provinces with Ostrogozhsk as its center, was integrated into the UNR. Belgorod County was divided between the Kharkiv and Donetsk Oblasts of the UNR. However, the declara-

Author:
Oleksandr Kramar

tion failed to transform into the actual integration of these territories into Ukraine, which only became possible under the Hetmanate of Pavlo Skoropadsky.

AN ETHNIC DEVIL’S TRIANGLE

After the Bolsheviks overthrew the Hetmanate and occupied the Dni-

pro territories of Ukraine, Eastern Slobozhanshchyna and Podonnia were once again annexed to Russia. Administratively, the then Eastern Ukraine became part of the Kursk and Voronezh Provinces, as well as the North Caucasus territory of the Russian Socialist Federal Soviet Republic (RS-



Ukraine

FSR). The 42,000 km² covered by the two provinces was home to 1.4mn people or 63.7% of the total 2.2mn population, who still considered themselves to be Ukrainians, in spite of decades of systematic russification. Yet, this huge territory along the Ukrainian border, larger than the Kursk Oblast itself, failed to become a separate administrative unit.

In the 1920s, even the administration of the Ukrainian SSR,



ethnic groups in 1926



Eastern Slobozhanshchyna (parts of Kursk and Voronezh Provinces adjacent to Kharkiv, Sumy and Luhansk Oblasts)

Based on the 1926 census, 1.4mn or 63.7% out of 2.2mn of people inhabiting 42,000 sq km admitted they were Ukrainians

The number of Ukrainian population in some counties of the North Caucasus based on the 1926

County	Population, 000	Ukrainians, 000	The share of Ukrainians in %
Kuban County (less Krasnodar)	1,315.3	866.9	65.9%
Salski County	471.6	207.2	43.9%
Chornomorski County (less Novorossiysk)	211.75	88.45	41.8%
Armavir County	922.7	305.1	33.1%
Total	2,921.3	1,467.7	50.2%
Krasnodar	157.3	48.6	30.9%
Novorossiysk	65.5	15.5	23.6%
Total	3,144.1	1,531.7	48.7%

with its extremely limited powers, insisted on reviewing the border between the two republics of the single Union. Their arguments were based on the all-Union census held in December 1926. More than 4.5mn Ukrainians lived on Russian territories bordering Ukraine. Nearly as many Ukrainians lived in Western Ukrainian villages that belonged to Poland. However, the eastern parts, even if ethnically Ukrainian, were never annexed to the neighboring Kharkiv Oblast of the Ukrainian SSR. As a result, Kharkiv, the then capital of Ukraine, was actually a border city, while the border cut through inherently ethnic Ukrainian territories.

BELGIUM IN A STEPPE

Covering an area of 293,600 km², which was larger than the UK today and comparable to modern Italy or Poland, with a population of 8.2 million, the North Caucasus was bigger than any other USSR republic, other than Russia and Ukraine. Without the autonomous mountain republics, its territory covered the current Krasnodar Krai, Stavropol Krai and Rostov Oblast. The ethnic and language structure of the territory was somewhat similar to the modern Belgium or Switzerland, since the territories of the Free Don and Kuban that were an ethnic mix of Ukrainians and Russians became the foundation of the North Caucasus province after the Bolshevik occupation in 1924.

The rural population, which accounted for over 80% of the total population, remained half-Ukrainian and half-Russian, 2.7mn each, in 1920s. The traditionally russified cities were dominated by “Russians”, with 0.99mn compared to 0.34mn Ukrainians. Still, the share of urban population in the overall structure of the territory inhabitants was still quite low at that point. Meanwhile, the Ukrainian rural population made up the majority in five provinces bordering the Ukrainian SSR, including the Taganrog, Don, Donetsk, Kuban and Chornomor Provinces. It accounted for 900,000 of the 1.4mn-strong total population of the Kuban Province, 206,000 of 376,000 in the Donetsk Province, and 191,000 of

265,000 in the Taganrog Province. Provinces located farther from the border had 30% to 50% of Ukrainians. The latter were only few in the industrial Shakhty-Donetsk County.

SOVIET CYNICISM

While stigmatizing the Polish occupational regime for persecuting and assimilating Ukrainians in Halychyna, Volyn, Kholmshchyna (Chelm Land) and Pidlyashya (Podlachia), official soviet propaganda cynically ignored the reasonable requests of the latter to annex Eastern Ukraine to the Ukrainian SSR within the “brotherly Union.” In the meantime, the Bolshevik regime, despite its declared intent to resolve the national issue fairly, continued to implement its policy of forced russification, which was traditional for all versions of the Russian empire, while Ukraine’s proposals to divide administrative units along ethnic borders were consistently ignored.

In the mid to late 1920s, these territories underwent partial “ukrainianization”, limited to opening schools and cultural-education institutions as well as the publication of a limited number of books in Ukrainian. It soon emerged, though, that the position of Eastern Ukraine within the Russian Federal SSR proved to be much worse than that of Western Ukraine under “feudal” Poland’s rule, despite the constant ethnic, cultural and religious discrimination of Polish Ukrainians.

ANNIHILATION OF EVERYTHING UKRAINIAN

Despite the defeat of the Kuban People’s Republic, Kuban Cossacks continued to resist the Bolsheviks. Compared to the guerillas of the Greater Ukraine described in “The Black Raven”, a novel by Vasyl Shkliar, who were active until the late 1920s, Kuban guerillas continued their war against the soviet regime until the late 1930s and a small unit led by Milko Kalenyk remained until the Germans ▶

¹ Ethnic Ukrainian territory that are currently in Kursk, Belgorod and Voronezh Oblasts in the Russian Federation and part of the Sumy, Kharkiv and Luhansk Oblasts in Ukraine.

² The equivalent of the current Ukrainian territory, with the exception of Crimea and Halychyna.



arrived in 1942. Under yet another surge of Stalin’s repression on the verge of 1920-1930s, the rural Kuban population felt ever more nostalgia for the Kuban People’s Republic, while new insurgent units often used “Long live free Kuban!” as their slogan.

The regime responded to this with terror, the key elements of which were the 1932-33 genocide of Ukrainians and the mass deportation of “kurkuls” – wealthier farmers, from Eastern Ukraine. Collectivization hit Ukrainians living in Eastern Slobozhanshchyna and North Caucasus much harder than those living in the Ukrainian SSR. An instruction “On Grain Collection in Ukraine, North Caucasus and the Western Oblasts” by the Communist Party Orgburo and the Council of People’s Commissars of the USSR, signed by Joseph Stalin and Viacheslav Molotov, dated December 14, 1932 had a clear underlying ethnic motive. Ironically, the directive also condemned ukrainianization, suggested that it should be stopped and those “guilty” of starting it should be sentenced to 5-10 years in a GULAG. The regime required that all record-keeping in

DEKULAKIZATION. Collectivization and famine were the tools used to sweep Ukrainians out of Kuban

“ukrainianized” provinces of the North Caucasus, as well as all newspapers and magazines published in Ukrainian, be switched to Russian. By autumn, school children were taught in Russian, too.

This resulted in not only the physical killing of Ukrainians, but also their ethnocide on ethnic Eastern Ukrainian territories. When passports became mandatory in December 1932, they massively wrote “Russian” in the “nationality” column. This stuck tight in their minds as well. The census, held 10 years after the previous one (early January 1937), showed the unusual and catastrophic disappearance of Ukrainians from the above-mentioned territories.

Their number dropped threefold in the Kursk and Voronezh Oblasts, which had once been Ukrainian, from 1.4mn to 0.55mn. In North Caucasus (less autonomous republics) it shrank 10-fold from 3.1mn to only 310,000.

After the deportation of part of the local population, a directive issued by the USSR Military Inspection Council signed by Mikhail Tukhachevski allowed demobilized Red Army soldiers

to settle on these territories, however, people born in Ukraine or the North Caucasus were categorically prohibited from doing so.

TESTING RUSSIFICATION MECHANISMS

Today, the official share of Ukrainians in regions where they had been a relative or absolute majority just 80 years ago, is no more than 1-4%, while the existence of the true Eastern Ukraine is history. Its only heritage is the sad experience of losing a mass of ethnic Ukrainians in the East. Based on sociological surveys, the local descendants of one-time Ukrainians are among the fiercest opponents in the RF of Ukraine’s independence and its development, which is separate and distinct from that of Russia.

Russification mechanisms, well-tested and perfected on these territories, focused on fostering hostility in Ukrainians to the concept of national sovereignty, were later extended westward to the Ukrainian SSR. Although the process was suspended, or at least cut back in the early 1990s, its effect can still be seen in many eastern and southern regions of Ukraine today. ■

The 1932-1933 Famine in the North Caucasus killed nearly **1mn** people

In 1933-1937, **746** Ukrainian primary schools in Kuban were transformed into Russian schools

Ukraine Is On the Way to Isolation

I am often asked how radical the West is prepared to be in exerting pressure on Ukraine in response to the curtailment of democratic foundations. I would not use the concept of pressure in this case. Democratic countries may take radical steps only if a situation emerges in a country that contradicts all fundamental principles of modern humankind. Ukraine has problems of a totally different type. Its leadership keeps saying that it wants to become democratic; but the difficulty is that the foundations of democracy are not yet in place in the country, even though there is a pretence that they exist and are developing, and that the shortcomings are just the problems of growth.

The Ukrainian political system has a great fundamental flaw – it has not been able until now to put in place even the preconditions for the operation of government-controlling bodies. The opposition, the Constitutional Court, the Audit Chamber, the judiciary and the mass media do not de facto have either the opportunities or the mechanisms necessary to carry out oversight. Meanwhile, a government must always be under control to be democratic. The entire world is now talking about German President Christian Wulff who was forced to resign over allegations of abuse of office. This is the first such case in the history of the Federal Republic of Germany. The sum that a German prosecutor will investigate is minute: a loan issued on preferential terms to purchase a house. This money does not stand in comparison with the sums that are sometimes brought up when Ukraine is swept by scandalizing rumours. In Ukraine such facts do not lead to any serious consequences, while in Germany Wulff will also have to explain why, at one point in time, his one-day stay in a hotel was paid for by someone else. I do not think that the prosecution will call his actions crimes, but he will no longer be the President of Germany. He is most likely to be succeeded in office on March 18 by Joachim Gauck, a former East German dissident, human rights advocate and Protestant pastor.

Many politicians note that Ukraine gained freedom 20 years ago, which is a fairly long time. Western neighbours have done quite a bit to help establish democratic principles here. But the situation with democracy in Ukraine is now much worse than even in the early days of its independence. One of our respected politicians, Günter Verheugen, former European Commissioner for Enlargement, used to say on numerous occasions that Ukraine could become a member of the European Union. But now he is forced to admit that Kyiv is increasingly closer to a situation known as isolation.

Instead of focusing all efforts on the interests of the country, the Ukrainian government is busy, above

all, with its own affairs – what they call vested interests. It is not drawing closer to a dead end in its relations with the entire Western world – it is already there. It seems that Ukraine is in the same situation with Russia. All of this is a consequence of the short-sighted policies of your current leadership. You need to find a way out of this cul-de-sac as soon as possible. And this is only feasible if the Ukrainian government manages to find the correct solutions and is willing to implement them.

Meanwhile, no-one in the top echelons of the Ukrainian government can tell us whether honest cooperation is indeed possible between our countries. No one in the West can understand how the political government of Ukraine can do what it is doing to former Prime Minister Yulia Tymoshenko. At the Eastern Partnership summit in Warsaw last September, German Chancellor Angela Merkel met with Ukrainian President Viktor Yanukovich. She made it unambiguously clear to him at the time that further rapprochement between Kyiv and the EU would hinge directly on Ukraine following the rule of law and that the future of the Ukraine-EU Association Agreement depended on the trial proceedings against opposition politicians. Yanukovich said then that if Tymoshenko paid the money Ukraine lost due to its gas supply agreement with Moscow, she would be able to go free. Or did he say it in jest? Merkel was offended, because it is not customary to speak like that in the West. It was not some personal fireside chat. The summit was a political event, and a very important one for Ukraine at that. There was real hope then that urgent issues of rapprochement with European Union would be solved.

It is clear to the West that Tymoshenko was tried not over money but for political reasons – in order to prevent her from running in the future elections. In democratic countries, government representatives have immunity in connection with their political decisions. I have said on numerous occasions that the European Union is not suing former German Chancellor Helmut Kohl for having failed to set up a pan-European economic and financial space at the time when the euro was introduced. He is not being

charged with that, even though it is clear now that it was a mistake, a case of political short-sightedness. What about the actions of Greek politicians when their country entered the euro zone? They manipulated statistical data and submitted untruthful information about the country's financial situation. But as far as taking those who were involved to court? No-one is even thinking about that today; it is unimaginable.

Any country that wants to join the European Union must not only sign documents about principles but also implement them in practice. Unfortunately, this is not the case in Ukraine. ■



Author:
Dietmar Stüdemann,
economist,
German
Ambassador
to Ukraine in
2000–2006

**A GOVERNMENT MUST
ALWAYS BE UNDER
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ROCK-N-ROLL. MADE

Vadym Krasnooky, Mad Heads XL band leader, talks about trends in music, concerts in small towns and the Ukrainian language as an element of national security

The Mad Heads band was born in 2004 as a trio of guitar, double-bass and drums. The newer, XL part, included wind instruments which added new tints of ska, reggae and folk music to their crazy rock-n-roll drive. This ultimate blend has been firing clubs and pubs as much as it has festivals and stadiums for almost two decades now.

I have never worked a day in a “normal job.” Actually, I had so many choices other than music in life. I graduated from the welding department of Kyiv Polytechnic Institute, so I could have easily become an engineer. But music had been my passion since early childhood. I didn't think of it as a profession for a very long time because my parents would have nothing to do with it, especially rock music, which I liked most of all. It was even funny to think of rock-n-roll as job in the reality of soviet Ukraine. Still, I found whatever I did to earn a living was connected to music. At one point, for instance, I was a radio DJ.

I remember the first money I earned from music. We played on Andriyivsky Uzviz during a 'Kyiv Day' celebration. We used to hang out there with other rock fans and on this particular day people started throwing some money into our hat. We weren't actually doing it to earn anything, it was just for fun. But I remember clearly that we then spent all money on beer and the party went on. In the mid 1990s, we began to play more or less professionally and people started paying us for what we did. We were young, lived with our parents and didn't need much. Affording new guitar strings was quite enough for us.

At one point, we played our ‘alternative’ music to what was then ‘alternative’

Interviewer:
Bohdan Butkevych

music. We were totally anti-pop and nonconformist. Nirvana was everybody's idol of the alternative music scene back then, but we played something that was quite different even from that. I guess that's why the only member of the band that has stayed from the beginning is myself. I kept looking for people who could help me implement my creative ideas and lived the same lifestyle. In 1994, I found the drummer and my younger brother was old enough by 1996 to start playing double bass. That made our trio of soul mates.

The only thing you can be sure about in the years of independence is that Ukrainian music has emerged and turned into a



WE HAVE SUCH A HUGE MUSICAL RESERVE THAT IT COULD EASILY TURN INTO A BIG PART OF OUR NATIONAL EXPORTS, SUCH AS REGGAE AND SKA FOR JAMAICA

part of real life. During the first 10 years of independence people didn't really understand why we didn't sing in Russian, although we used to sing in English mostly. Still, we always presented ourselves as a Ukrainian band.

If people listen to rock-n-roll, it means we're pop musicians. But, the genre we play is actually rock music. What's more, our style is non-typical even for Ukraine. Actually, we started a certain style which newer and younger bands later followed.

FROM PUBS TO THE STARS
Ukrainian rock music is just a group of Ukrainian musicians playing that style. I'm not sure there is something born exclusively in Ukraine in the style

that makes it totally different and unique from everything else. I mean, musicians here often integrate ethnic motives into rock music but that's not a purely Ukrainian trend. It's rather an echo of the global trend that combines ethnic and national elements with modern music. Yet, as long as all this is not popular abroad, we can hardly talk of Ukrainian rock music as a cultural phenomenon. Therefore, we need our own Emir Kusturica or Goran Bregović who would reveal our uniqueness in a way the audience abroad would understand.

Music makers in Ukraine are the real national producers. Those who produce steel and shout out they are feeding the country are in fact less important than musicians are. The latter create intellectual property, a long-term investment, unlike just some metal stuff. Sadly, the world still thinks of Ukraine as the land of a few sports celebrities and Chernobyl. Meanwhile, we have such a huge musical reserve that it could easily turn into a big part of our national exports, such as reggae and ska for Jamaica.

Local musicians are afraid to experiment. They keep looking back at what's being played in Moscow or around the world. Getting something non-typical to TV or radio through the censorship of musical bureaucrats is next to impossible. Unlike local radio stations that are more open to experiments and innovations, large networks in Kyiv often work with well-tested playlists from other countries, primarily Russia.

No hit song – no pop artist. That's rule No1. Popular music is all about popular songs. The rest, including scandals, charm and show, is of course important

E IN UA

yet a secondary element. There should be a hit song to serve as a musical reference to the performer. Clearly, a hit song and a good song are two different things. Hit songs are like viruses: they multiply in geometric progression. The best option is for a good song to become a hit song but that's not always the case. There are no instructions on how to make a hit song. It often takes a good combination of a catchy phrase with a message and a catchy melody that sticks in the listener's head. And, of course, it's important to never stop discovering new things in yourself.

Pubs that play live concerts are the key drivers of progress in music. It was the pubs in Kyiv and all over Ukraine where music began to develop. Never mind that it's music with beer. Rock-n-roll has grown from it. Whoever wants music without beer can go to the philharmonics. Any young band all over the world begins its career in pubs. They start with playing covers

while looking for contact with the audience and their own unique style. The main thing is to have these stages, even if they're tiny. I remember the first 10 years of independence and our life when every suitable concert hall was for disco parties only. I'm happy now to see so many places where people come to get something different. We often perform at pubs for the sake of experience and communication with the audience. That's where the new Ukrainian music culture is being born. That's where the alternative live show business is emerging.

Any music traces back to folk art. This is true both for classical music and popular music. Lately, though, the only progressing musical elements include the quality of recording and concert show technologies that should be powerful enough to impress the audience. American and British rock cultures that have been the models in pop music have virtually exhausted themselves. That's why world music has been growing more and more popular. The artists are trying to find something in other cultures. The only matter is

how to use and present these ancient roots. You can put together a choir of women wearing traditional outfits and singing songs the way they did 300 years ago, but that will only appeal to few people. It's also hard to make rock music of the same quality as the Americans or the British do. Rock-n-roll is their tradition and they will immediately hear you're not a Brighton-born band. And American rock music is based on country music, although we rarely hear or understand the connection. Rock musicians only began selling more records than country performers a few years ago in the US. That's the power of the folk tradition in a country that is a symbol of rock music.

OWN VS FOREIGN

The language is what makes any voice sound interesting. Apparently, singing in Russian is much more profitable for producers because it covers a huge market. Ukrainian pop musicians singing in Ukrainian in the mid-2000s were a temporary phenomenon that faded away quickly. Still, some people have always ▶

PHOTO: IVAN CHERNICHEN



PHOTO PROVIDED BY THE BAND



sung in Ukrainian and always will because it's a matter of self-identification. Because it's something only we can do and something we can do only here. When Ukrainian artists switch to Russian, they have no reason to stay in Kyiv from any perspective. They'd be better off moving to Moscow which offers a much bigger market and much more money. An artist who wants to be a Ukrainian one will keep singing in Ukrainian.

The language is as important in terms of national security as gas is. A country that speaks a foreign language opens its doors wide for the country whose language it speaks. Isn't it better though to have your own fuel than import it from somewhere else? The same thing is with the language. We should pay a high price to use a foreign language. The nation that speaks its native language will surely protect the state, and Russia, for instance, realizes this perfectly well. That's why it invests so much into developing the Russian language abroad.

Most Ukrainians never hear live music. Synthesizers

MAD HEADS XL DISCOGRAPHY

There Is Hope, 2005



The Best Moment. A Compilation of the Best Hits and Ballads, 2007



Forever, 2008



UkraineSKA, 2011



or dumb phonograms replace everything. The audience sees no difference between a record and live music because they have nothing to compare it to. Moreover, they have no idea how much fun listening to a good live band can be. Sadly, this is yet another signal of the extremely low level of culture in Ukraine. Whenever we come to a town to perform at a celebration, we see that the locals have just one concert per year and the performers are someone the organizers choose rather than the audience.

It takes American bands 3-5 years to learn what Mad Heads has learned in Ukraine over 20 years. Ukrainian musicians have little experience playing live concerts. Still, a musician should play at least 100 concerts per year, even if it's in pubs with only 50 clients. The endless jamming sessions in underground studios and homework can never replace a real live experience. Rock concerts are the connection with the audience in the first place. Western musicians have much more opportunities than we do. Any band that has ambition in another country has so many clubs

to play in. Even beginners can play 100 concerts if they do it right. But self-pity is not a way out for us. Since we live in a different environment, we have a chance to come up with something totally unique and exclusive.

Musicians are often in the limelight. They must have a firm civil standpoint. The artists who support some politicians and their platforms can do so if they vote for the politicians and want others to do the same. The problem is when the artists don't like or care about politicians or politics, yet they sing to support them because they get a good paycheck. That's a moral handicap.

I've been thinking of adding a DJ to my band for a while now. I haven't found one so far. And I'd like to try and play our music with a symphonic orchestra. But we have this specific musical basis I would like to stick to. I know nothing about music outside it; I mean music that's totally different from rock-n-roll. I wouldn't stand in front of the mike for two hours and just sing without moving a finger. It's just not my thing. ■

Primitive and Dull! Hit Song?

Ukrainian music with socially sensitive lyrics is never played on radio and TV. Program managers simply do not want to take risks and opt for “background style” music with primitive lyrics instead

Author:
Sashko
Polozhynsky,
Tartak band
leader

Once, I talked to a program director of a TV channel about our ‘Telling No One’ video which featured the UPA, Ukrayinska Povstanska Armiya or the Ukrainian Insurgent Army in English. He said his channel did not play political videos. That surprised me. What kind of politics was he talking about? Our video was all about patriotic sentiments. Still, he said the Ukrainian Insurgent Army was politics in Ukraine. Meanwhile, the channel did play political and socially sensitive videos of Western bands, including Linkin Park and System of A Down. All the director had to say to this was that few people in Ukraine understood what Western artists were singing about. So, socially sensitive lyrics in English are okay, while the same thing in Ukrainian is not because the audience will understand what the artist says. Another TV channel called our video a provocation. Still it was, at least, played once a year there. Most Ukrainian radio stations prefer “background music” today. They follow a few criteria when setting up their playlists. First and foremost, music should not burden the audience. Secondly, both the arrangement and the message should not draw any particular attention. Therefore, the lyrics should be as simple as possible, basically the more primitive the better. Radio stations have obvious motives: why play sensitive songs that might stir up trouble when they can play a well-tested song? Moreover, the Ukrainian audience is not too picky and will swallow anything cooked up in the mass media kitchen. I remember that while I was travelling in Argentina last year, I listened to the local radio a lot. Just like other countries, other than Ukraine, Argentina has many radio stations focused on specific music styles. Some play heavy music while others broadcast Latin American or classical music, or simply international hit songs. What caught my ear, though, was that I really liked the music no matter which radio station I had on. Alas, I can’t say the same thing about Ukraine as I surf through

the radio stations. We are losing to Argentina because Ukraine remains a post-colonial country, especially in terms of music. From time to time people get more excited about Ukrainian culture, including modern Ukrainian music, but it all fades away too quickly. Why is that? The factors which cause this situation are many. Perhaps one is that people who take up the promotion of Ukrainian culture often do it in an awkward and primitive way.

But we must remember that the social component in music is one of the tools which can affect the mindset and upbringing of the younger generation. This component must be available both in Ukraine and worldwide. Our troubles here result from the global problem in some way. Music sometimes helps to reach out to a modern young person often hidden inside an individual cocoon. Just look around: school kids and students can often be seen walking around town with their headphones on. It is the headphones that deliver the music to them and they understand the world through their music.

Lately, Lyapis Trubetskoy¹ and Noize MC² have caught the public’s attention largely because they sing about social issues. Ukraine also has artists who are not popular but tackle sensitive issues in their music. Eventually, some gain a little popularity, mostly on the Internet. A few years ago, a song called ‘We Have BYuT (Yulia Tymoshenko’s Party) In Our Village’ sparked a furor after it was posted online. Later, everybody was singing ‘These Are Good Times, My Brother’ by Okean Elzy. Radio stations played it quite often. Also, the audience liked ‘They’ve Dumped Me’ and ‘People as Sea Ships’, both social songs performed by Skriabin. Currently, new songs that tackle sensitive social issues continue to appear but they are having a harder time getting through to the radio or on to the silver screen. ■

¹ Lyapis Trubetskoy is a Belarusian rock band that has been openly opposing the latest developments in Belarus and the Belarusian government.

² Noize MC is a Russian rapper, singer and actor.

FILMS

On the Other Side of Silence

Director Myroslav Slaboshpytskyi is working on “The Tribe”, a full-length film about those who can neither speak nor hear, where conversations can be seen rather than heard

Berlinale 2012 saw the presentation of “The Tribe”. Mr. Slaboshpytskyi’s future film has a non-verbal concept making it an innovation in modern sound cinematography, relying on moves, gestures and situation alone. This is probably the key reason, why SNG Film, a well-known Dutch company that has been funding independent directors from all over the world for 30 years now, has supported the project. Mr. Slaboshpytskyi shares some details of his upcoming creation with *The Ukrainian Week*. **Shooting will begin in September 2012.** We’re auditioning actors right now and already have one, Vasyi Stiopkin (a deaf and mute professional actor with 30 years of acting experience at the Rainbow theater and teacher of sign language - ed). **I came up with the idea about 20 years ago** when I was at university, inspired by my school years.



I went to a school next to a boarding school for kids who couldn’t hear or speak. We would occasionally fight and play football with its students so the recollections from my youth are quite rich. Later, I thought I could make a film based on those memories. That’s how the short film “Deafness” was born. The idea of a full-length sequel came to my mind spontaneously. **I literally drafted the script and the entire project on my lap, in front of my computer.** I like social networks. They are a real blessing since

Events

March 15 – April 22 — **Easter egg festival**

Downtown Lviv
This spring, artists, local people and guests will turn the City of Lions into an Easter egg museum. Lviv will be adorned with Easter eggs made of all kinds of material, from flowers and chocolate to balloons, styro-foam, wood, twigs, etc., decorated in the widest possible range of patterns. Anyone can join the Easter celebration. The only condition is

to make your own Easter egg. Participants are given a relevant sticker while their “exhibit” will be displayed for all to see.



MARCH 2012

March 26, 7 p.m. — **Ballet Premiere Night**

National Opera House (50, Volodymyrska St., Kyiv)
The incredible Nina Ananiashvili will visit Ukraine for the first time with the Zakhari Paliashvili Opera and Ballet House ballet company from Tbilisi. On this night, several ballet premieres from well-known choreographers will be seen, including Duo Concertant where George Balanchine integrated musicians into the production; Falling Angels by Jiří Kylián as a perfect combination of a dance and a drum composition; Charms of Mannerism, in which choreographer Alexei Ratmansky recreated an entire epoch of culture, and Sagalobeli filled with Georgian motives by Yuri Posokhov.



March 31, 7 p.m. — **Wadaiko Yamato Show**

Ukrayina National Palace of Arts (103, Velyka Vasylkivska St., Kyiv)
The powerful vibration of Japanese drums is the trademark of Yamato, a group known and welcomed all over the world. Musicians set rhythms, which are immediately caught by the audience or alternatively, follow the pulse of the hall, causing a furor among the audience, merging the drummers and the audience into one. Taiko samurais made their debut in 1998 as the winners of the Edinburgh Festival. It is said that: “When people hear the rhythm of Japanese drums, they feel life beating more strongly within themselves”.

any meeting takes so much more time compared to an online chat. I received a letter from a friend who took my "Deafness" to the Berlinale and asked me to send him the new film I was working on. That's when I came across the Hubert Bals Fund (HBF). Funnily enough, I first heard about it in the 1990s. When its representative came to the Molodist film festival in Ukraine, I asked him if HBF would fund a project from Ukraine. He said they would only support something by Kira Muratova. But in 2010, I decided to send them my documents and received the first portion of funding from them (to write the script – ed).

The audience will not notice the lack of words. It will be a pantomime film. The deaf and mute "speak" with their lips and bodies as expressively as they do with their "fingers". Movement and a lot of physical action will be the central component of the film. Just think of the Turkish "Honey" that won the Golden Bear two years ago or the Hungarian "Turin Horse", which was awarded the 2011 Grand Prix at the 2011 Berlin International Film Festival, the most important aspect of which are movement rather than words, which are almost non-existent.

Once I'm done with the preparations, I have to provide a draft of the film to the fund for reporting purposes. People who are in charge of selecting films for various forums, including the Venice, Locarno, Cannes and Toronto film festivals, also apply to HBF for new projects. I could benefit from this. We must start shooting in September 2012 in Kyiv since the film begins with the first school day ceremony of the graduating class on September 1. We'll continue in winter 2012-2013 because we need snow and by summer 2013, we'll complete post-production and make a copy.

Yaroslav Pidhora-Hviazdovsky

CD

To Every Town Its Rights and Style (Vsiakomy horodu nrav i prava) by Nina Matviienko and Kostiantyn Chechenia's Bygone Music Ensemble

The CD is based on the lyrics of Hryhorii Skovoroda, a traveling Ukrainian philosopher from the 18th century, and anonymous writers whose texts were restored from ancient manuscripts and prints by Kostiantyn Chechenia, himself a musician and art expert. Nina Matviienko's singing is beautifully arranged with lute, percussion, lyre, recorder and pipe. This collector's edition is for those who like soothing and "intellectual" music.



The Awakening by Flëur (Probuzhdeniye)

The talent and skillful management of this Odesa-based band make every new CD highly anticipated. This year, this was especially helpful for Flëur who recorded and distributed this new collection of songs thanks to voluntary financial donations from fans, which is not something every band can expect. On the one hand, the record offers 13 beautiful new songs. On the other hand, though, there is a feeling that the band's style has become frozen in time and lost most of its experimental zest.



Heavens by Illusions

A debut record of the band founded by two members of the Fairy Dream Town band and pianist Yehor Hrushyn leans towards neo-classical rock. Acoustic guitar, cello and violin – the three instrumental components of the CD – sound solid. Half of the tracks are instrumental compositions, even more interesting than the songs on the record, the romantic maxims of which can sound naïve to many and the vocals - too emotional for this type of music.



April 3, 7 p.m.

Chris Botti

Zhovtneviy International Center of Culture and Arts (1, Instytutska St., Kyiv)

American trumpet-player and composer Chris Botti is going to give the Kyiv audience the pleasure of soothing jazz tunes. Since the recent start of his solo career, he has released five albums and recorded over 1,000 songs. His music is saturated with sensuality and emotion. In the past, Chris Botti toured the world with Sting and played with the legendary Joni Mitchell and Paul Simon.

Currently, Botti is touring on his own with great success, and is already considered to be one of the best trumpet-players of our time.



April 4 – 28

"French Spring in Ukraine"

Kyiv, Sofiyska Ploshcha, Ye BookStore (3, Lysenka St.), Lavra Gallery (17, Lavrska St.)

The now traditional annual festival of French culture will open with a theatrical performance at Sofiyska Ploshcha. Organizers have yet to reveal all the details, but they promised to make the festival as impressive and colourful as in previous years. Many forms of modern French art will be displayed over the course of four weeks. Visitors will see exhibitions, movies, theatrical performances, meetings with experts of French cinematography and many other, no less exciting events.



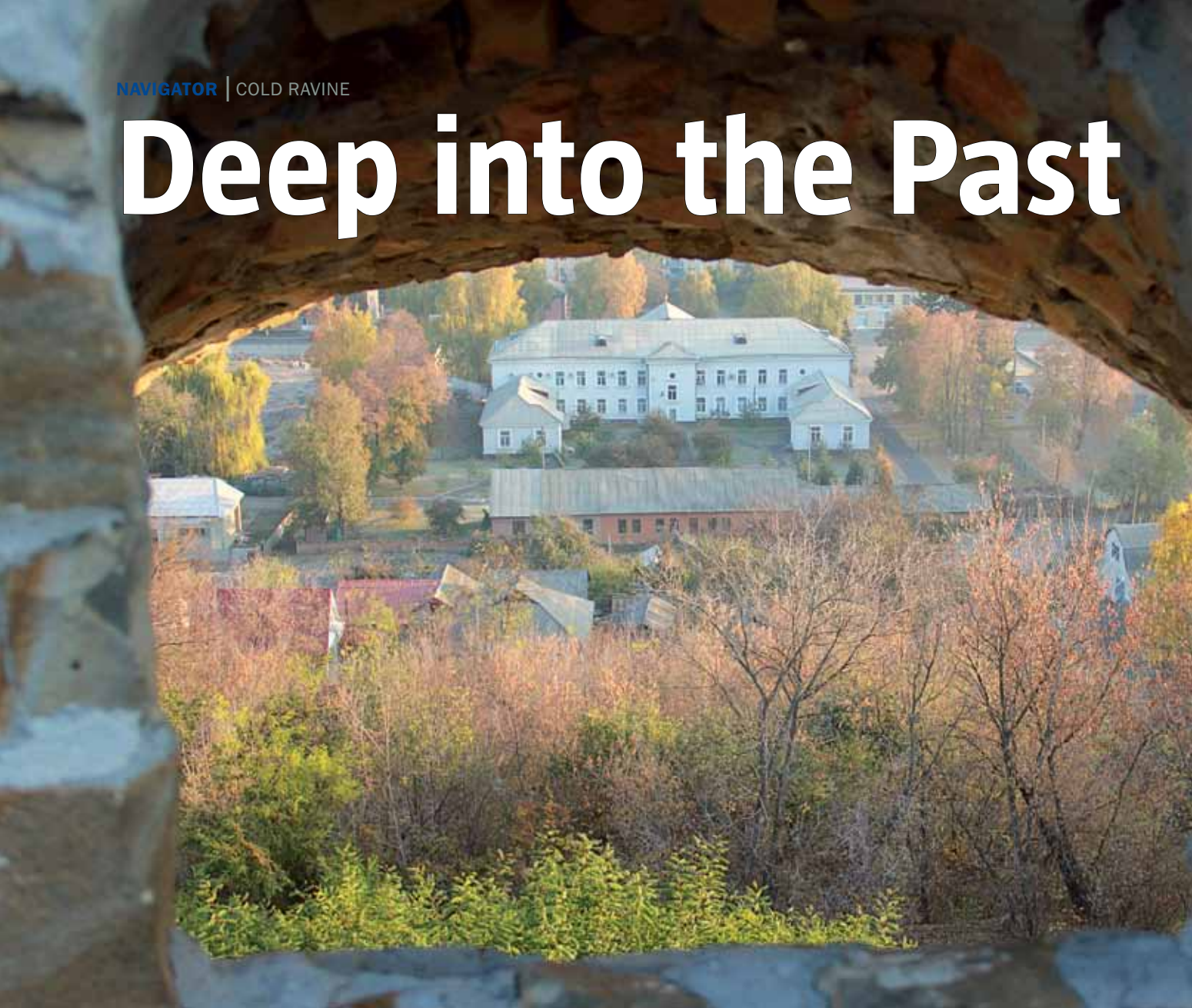
March 24, 4 p.m.

Presentation of Zebra short films

Ye BookStore (31, Nezalezhnosti St., Ivano-Frankivsk)

Thomas Wohlfahrt, founder and Director of the Berlin Literature Workshop, will present several short films, which were included in the program of Zebra, the biggest biannual festival of poetry and video poetry in Europe. Opening in October this year, it will also feature "The Travelers," a film by Ukrainian director Ihor Strembitsky. On March 26, Mr. Wohlfahrt will hold the presentation in Goethe-Institut at 12/4, Voloska St. in Kyiv.

Deep into the Past



The national reserve for history and the arts has undergone some major changes over the past six years

Author:
Oleh Repan

When I first arrived here, the only things that could possibly lure a tourist to this place were the locale’s natural beauty and some ruins. Today, the reserve has it all. Petro Doroshenko’s bastion at Zamkova Hora or “Castle Hill,” the St. Peter and Paul Church, and the Hetman’s Residence have all been renovated—and those are just the

changes made to the Chyhyryn complex. Improvements have been made to other parts of the reserve as well, including Subotiv, Medvedivka and the lesser-known Stetsivka, explaining the recent fivefold increase in tourist flow.

I came to love these places from a different angle. I’ve loved the Kholodnyi Yar or “Cold Ravine” located in the reserve for its tranquility and its forests, where one can lay out in a sleeping bag near the Illinska Church and enjoy its delicate moonlit





PHOTO BY VASYL CHERNYSH

PHOTO BY VASYL CHERNYSH



A LOCAL UNDERGROUND

Although no one really knows exactly when the locals began their prolific digging, one thing is certain: they've become quite good at it. The local territory is perfect for subterranean hideouts, since the underlying material is mostly composed of sedimentary rock. Tunnels dug in this soil can be preserved for centuries provided that they are well ventilated. The part of Motrona's Monastery that is hidden from the average tourist's eye is proof that the local builders knew this secret. The hill is pierced with ventilation holes, so tourists should be careful where they step.

Visitors cannot access most of the secret corridors as the entrances are blocked with earth. This is for the best, though. In the early 1930s, three curious tourists from the Lenin's Testament commune got into the old monastery caves, and were found four days later. They got lost near the exit yet failed to find their way out of the underground labyrinth. Today, tourists can see only a small passage 20 meters long that hints at the monks' skillful digging. Experts say there had once been several corridors leading to nearby ravines so that enemies couldn't find anyone even if they broke into the monastery.

Subotiv, the home village and residence of Bohdan Khmelnytsky, has underground tunnels as well. Modern cellars confirm the long-standing digging tradi-

tion. Some of them are masterpieces created by masters of pick-axes and spades. They feature the same proportions of width and height (i.e. one to two) and semi-oval vault form, as dungeons dating from earlier times. Often, new cellars were dug in the same spots where ancestors had created theirs a few hundred years prior. One local found a brick from the 17th century with a dog's footprint on it when expanding his cellar.

The locals also have a long-standing tradition of creativity. Residents of Subotiv say that

THE LOCAL TERRITORY IS PERFECT FOR SUBTERRANEAN HIDEOUTS SINCE THE SOIL IS MOSTLY SEDIMENTARY ROCK

some underground tunnels from the Cossack era led both to Chyhyryn, which was 7km away, and as far as Motrona's Monastery, which was 30km away! The tunnel to the latter was wide enough for a man to ride through it on horseback.

As he designed the defensive system for his home village of Subotiv, Bohdan Khmelnytsky included some underground corridors there. According to Viktor Huhlia, director of the local reserve office, the hetman allegedly created three underground tunnels branching out from the Illinska Church. One of the tunnels

domes. Once, as we hiked through the ravine loaded with backpacks, we came across a small forest lake. Even one of the students whose family has lived in this place for generations said, "I would expect a view like this somewhere in New Zealand."

Today, the risk is running into a crowd of tourists. Most of them come here just to take pictures in the legendary Cold Ravine, eat some buckwheat pancakes and rush home.

More persistent tourists will find another, more intense path. Just walk a little farther from the popular trails and you are sure to meet some expert hikers who will show you a side of the Cold Ravine that average tourists never get to see.

QUOTE
 "...two of their 'homes' were camouflaged. Each could easily house at least 50 people. Cossacks built an underground stable for 50 horses nearby. All three dug-outs were interconnected with corridors so that people could visit each other without going outside for no reason."

The Black Raven by Vasyi Shklier



PHOTO BY VASYL CHERNISH

certainly linked the fortified stone church, which served a military purpose in addition to its religious role, to the castle's defense tower. The corridors were partly studied in the 1950s, but heavy rains around the turn of this century resulted in two chasms within 15 meters of the church. One of the corridor walls still features holes that once held torches. Underground corridors existed beneath the Subotiv Castle, too, causing the earth to sink here from time to time. A few of them have already been explored. Under the most pessimistic expectations, the corridors stretch for several dozen meters under the surface.

More recent tunnels were dug during the War for Liberation. The Cold Ravine partisans fought against the Red Army consistently until 1922, still attacking them sporadically in 1925. From 1919-1921, the partisans often killed Bolsheviks, although the latter avoided going to the Cold Ravine villages unless absolutely necessary. The most persistent Bolsheviks had the fate of the special "anti-bandit" unit of the Petrograd Emergency Committee to fear. Nearly 200 well-trained thugs from the unit entered the forest but none returned. Following the incident, partisans could be spotted wearing the unit's cozy leather jackets. But that time passed and the partisans were eventually forced to hide underground to continue their struggle for survival.

UNCONCEALED HIDEOUTS

First, an old "Jeep" from the soviet era carries us down the forest path. Then, the only way to get farther is to walk. One of our companions grew tired during the first day of the tour and said: "Poor Bolsheviks! Can you imagine how bad it was chasing our guys in these woods?" As my friend Yurko and I continued through the thick forest, the phrase repeated in my mind. However, Yurko promised to show me some real hideouts he had learned about from elderly Cold Ravine partisans that he had met when they were still alive.

My impression of the first hideout was that Vasyl Shkliar had told the truth in his novel, *Black Raven*. It was really huge. It could easily house 50 or at least 30-40 people. A big room was cut into the slope with ventilation holes in the ceiling. Many parts of it were ruined because the hideout was dug in clay. Wooden pillars were put inside to support the ceiling and their fragments are still there. The Cold Ravine hideout was totally different from that used by the UPA, *Ukrayinska Povstanska Armiya* (Ukrainian Insurgent Army), in 1940s and 1950s. For enemies that reached it, the hideout was impossible to miss, so the partisans guarded it from nearby posts.

There were also other underground arrangements could ensure safety at home. A man

THE COLD RAVINE tunnels often looked like vaults

named Benedykt Panteliyovych once lived on the bank of a small river between the Kirovohrad and Cherkasy Oblasts. He had fought in the First World War, and when he witnessed the terror of the Bolsheviks, he joined the Cold Ravine partisans. To make sure the Emergency Committee officers did not catch him at home, he built three underground corridors from his house and yard. One began under his house, another was under his well and included a hideout, and the third one was under the barn. With all corridors interlinked, Benedykt's yard looked like a chunk of cheese. The corridors did not lead to the ravine, which was far from the yard. Instead, they led to yet another smaller tunnel dug under the entire village, which plunged into the ravine. Eventually, the underground maze turned out to have been linked with virtually every village yard. These people must have loved digging – and they definitely knew how to do it well.

SACRED CAVES

Next to the Onufriyivsky Monastery, crowning a hill near the village of Chubivka and the Cold Ravine are sacral underground tunnels. They pierce the entire monastery hill with only straight sections stretching some 300-400 meters based on the gaps in them. Nobody knows when the corridors were built. The first mention of the monastery traces back to 1604, but some ascetics might have settled here much earlier. From 1996-2000, Cherkasy archeologists cleared and explored 70 meters of the monastery caves. They included a small underground church, monastery cells and twisted circular corridors.

Our most recent visit to the Onufriyivsky Monastery was a pleasant surprise. Father Erast was kind enough to have the caves opened for us. The monks are slowly working there. They have already cleaned up 200 meters of the corridors. Now, they are laying brick on the walls and building a church there. Slightly confused by the unfinished work, they invited us to come back in spring when they will have "completed construction." ■

MODERN FOLKLORE

In the late 1990s, a group of "black archeologists" visited the Cold Ravine with state-of-the-art equipment. They discovered underground holes and descended into them. Professionals who earn their living with this sort of work should have been familiar with the risks inherent in working in old dungeons and underground corridors. However, this team of treasure hunters apparently saw something they had not expected! Having woken up in the caves the next morning, the terrified team rushed back to the safety of Cherkasy, never to return to the underground tunnel



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