

THE LESSONS  
OF EUROMAIDANS

DEPENDENT UKRAINE & WAYS  
TO RESIST RUSSIAN PRESSURE

ECHOES OF THE HOLODOMOR,  
80 YEARS ON

international edition

# The Ukrainian Week

№ 22 (64) DECEMBER 2013

## THE RAPE OF EUROPE



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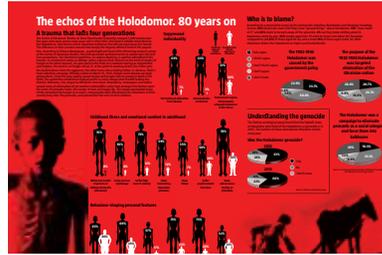
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# Yanukovich Fetches Independence. From Europe

The Eastern Partnership Summit in Vilnius brought no good news. This was not inevitable

Author: Roman Malko

**W**hen Yanukovich arrived to the reception for EU member-state leaders at the palace-turned-museum of Lithuanian rulers on November 28, everyone still had a glimpse of hope. Few, if any, European leaders dreamt of signing the Association Agreement, yet many said that a declaration of intentions could be signed and the postponed association process would be resumed a few months later.

“The door remains open for Ukraine,” politicians commented on camera and said they believed that Yanukovich would change his mind in private conversa-



PHOTO: REUTERS

tions. Some said that Poland's Foreign Minister Radoslaw Sikorski even told Ukrainian activists that their "president is crazy!"

Vilnius buzzed all Thursday that Yanukovich would meet with German Chancellor Angela Merkel the next day and she was hopeful to talk him into a coalition. On Thursday night, however, rumours spread that the meeting was cancelled because Merkel allegedly saw no sense in talking to Yanukovich. He rejected the concessions Europe was prepared to take so why carry on with useless conversations.

We will hardly find out what these concessions were. People

close to the negotiation process mentioned USD 50bn. European Council President Herman Van Rompuy and EU Commission President Jose Manuel Barroso who met with Viktor Yanukovich before the reception on Thursday night allegedly offered this amount as an EBRD loan for Ukraine. According to the sources, the offer left Yanukovich indifferent – he must have found it not generous enough.

We are not sure whether Yanukovich actually rejected a USD 50bn loan after his government had struggled to get at least USD 15bn from the IMF, but he may well have. Big people have big appetites. It is currently unclear whether there is any limit to those appetites or whether the whole deal is actually about them. The impression is that the process is guided by more reasons than money alone.

At a post-summit briefing, Lithuania's President Dalia Grybauskaitė said that Ukrainian delegation had come to Vilnius with a clear decision to not sign the Association Agreement, even though Yanukovich's speeches had been so vague up until the very day of the summit that even somber skeptics still hoped for a miracle.

The miracle did not happen. Apparently, Angela Merkel did meet with Viktor Yanukovich on Thursday morning since both arrived last and almost simultaneously to the summit. But this could be wishful thinking. Yanukovich entered first, shook hands with Dalia Grybauskaitė, Herman Van Rompuy and Jose Manuel Barroso, and went to hang out with Europe's top people. Angela Merkel rushed in next and everyone headed to the summit room.

Both journalists and European politicians must have been wondering why Ukraine's President came to the summit at all. Eventually, they got tired of thinking of that – or anything concerning Ukraine during the second part of the summit, as if Ukraine did not even exist and the association never was on the agenda. Only persistent reporters still tormented politicians for their diplomatic "such is life but the door stays open".

By the end of the summit, everyone got tired of the "open door". Still, it signaled that Europe, at least formally, keeps insisting that it needs Ukraine. Perhaps, the Ukrainian elite would change its mind by the Riga Summit in 2015 or the Ukraine-EU Summit in March 2014, Dalia Grybauskaitė assumed. And the door is open again, Van Rompuy repeated. Yanukovich was the only one keeping silent and smiling as Vice Premier Serhiy Arbuzov talked about risks that scared the fearless Ukrainian government.

After the Vilnius Summit, Ukrainians have another date for commemorating their crushed hopes. By contrast, Moldova, Georgia and Azerbaijan will celebrate their small victories. The door to normal life is open much wider for them now. In the near future, Moldova is hoping to go visa-free with the EU – the process has already started. Azerbaijan has also simplified its visa regime with Europe. Even Belarus claimed ready to start negotiations to simplify border crossing.

It is too early to make projections on what will happen next. Europe has made a few clear points. One is that the door is open, at least in words. Negotiations may continue, though nobody understands what they can focus on in the current situation. Europe does not put forth new requirements to Ukraine and is waiting for us to fulfill what we haven't yet. From what European politicians say, the impression is that they have given up on Yanukovich. And they are not going to involve Russia in the talks as Premier Azarov wanted. Barroso and Rompuy made a clear point that a third part is redundant in negotiations on bilateral relations.

Ukraine's President was one of the first to leave the Eastern Partnership summit. He cancelled his press conference scheduled to take place in the afternoon, got into his car and disappeared. The room rented for the press-conference stood empty and rumours that it would be postponed or held for a few loyal journalists vanished along with the smoke of the President's car, and the hopes of Ukrainians. ■

Read more  
on p. 6



# The Big Bluff

The disruption of association with the EU revealed two crucial things. One - Ukraine has proven incapable of acting as an independent state. Two - European and American policies in Eastern Europe failed because rhetoric was the only thing confronting Putin's pressure

**Authors:**  
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**Kramar, Alla**  
**Lazareva**

In 2010, Viktor Yanukovich became the head of a state where the middle class, economically independent and effective, constituted a small part of society. It was not represented in politics and unprepared to protect its own interests and those of the state. Given the lack of effective institutions of civil society, it had no instruments to efficiently control, let alone influence politicians. As a result, both the government and the opposition failed to act in the long-term interests of the nation.

Over the past three and a half years, these negative trends have intensified. The consolidation of power crushed the system of checks and balances and hampered the activities of the narrow circle of those involved in politics and big business. Disregard for economic laws, the discrediting of the judiciary and law enforcement, attacks on SMEs and business overall, as well as thriving corruption and raider attacks – all this had been in place before 2010, but Yanukovich has taken it to the next level.

For the first two years, those in power blamed anything they were criticized for on their predecessors. Then, a steep devaluation of hryvnia in 2008 eased the impact of trade and foreign currency deficit and boosted the competitiveness of Ukrainian producers. All of this was accompanied by cash inflow from foreign and domestic investors seeking high yields on government borrowings undertaken to cover the budget deficit. This drove the national debt from UAH 318bn in 2010 to UAH 550bn in 2013. The post-crisis recovery of foreign markets further contributed to this.

However, the impact of these factors was quickly exhausted.

This became palpable by the 2012 parliamentary election and particularly afterwards. It became ever more difficult for the government to meet its budget obligations; local budgets frequently saw their accounts frozen, and unfixed budget categories were underfinanced. Businesses experienced growing tax pressure; state-owned and private banks were forced to buy government bonds to help it patch holes in the budget. For political purposes and a wide-scale bribing of voters before the

parliamentary election, tax authorities forced businesses to pay taxes in advance. The election is long over, but the practice continues. According to The Ukrainian Week's sources, the tax administration is now demanding that businesses pay advance income tax for January-February 2014.

The trust of Western investors and creditors was short-lived. It was lost as soon as they realized that nobody was going to implement the reforms widely advertised in 2010, and the government and



the central bank (National Bank of Ukraine, NBU) ignored economic laws while opting for brutal administrative pressure instead. Ukraine lost options to attract foreign funding other than FDI. Lately, the latter have only grown because of investment from offshore areas (**see Scarecrow for investors**).

The government and the NBU may have covered the deficit by printing money covertly. This is actually happening, to a certain extent. However, with the overvalued hryvnia, which is manually maintained, this has been leading to a steep decline in the balance of payments. This, in turn, has been aggravating the foreign currency deficit while Ukraine's international reserves have almost halved since April 2011, from USD 38.4 to 20.6bn. Ukraine is virtually in default.

### DON'T BLAME IT ALL ON EXPORTS

Yanukovich has two options to solve this. One is to implement

radical reforms. The other is to transfer the funding of the deficit to foreign partners. The prospect of a geopolitical choice between the EU and the Customs Union seemed to be the perfect opportunity. The troubles were blamed on the trade war with Russia and the "disastrous effect" of the Association Agreement with those in power demanding "compensation for the loss of the Russian market" from the EU.

"The billion euro which the Ukrainian President and Premier have submitted as financial assistance from the EU for the signing of the document cannot be viewed as compensation for the loss of the Russian market," ex-Polish President Aleksander Kwasniewski tried to clarify the money controversy on the day before the Vilnius Summit. "The billion euro offered under the framework of the Agreement is aimed at general projects, not for the support of the Ukrainian



**EU Enlargement Commissioner Stefan Füle:** "Our offer has never been meant as a beauty contest with anyone or about who puts more on the table"



## YANUKOVYCH HAD TWO POSSIBLE SOLUTIONS: RADICAL REFORMS OR GETTING FOREIGN PARTNERS TO COVER UKRAINE'S FINANCIAL DEFICIT

This negative dynamic evolved as the CIS free trade zone agreement came into effect. This was before the start of the trade war with Russia, caused largely by three factors. The first was the economic slowdown in Russia that made its market shrink. The second was the Kremlin's long-term policy whereby Ukrainian producers were ousted from the Russian market in favour of domestic ones. This long-term consistent protectionism has had a negative impact on Russia's partners in the Customs Union, Belarus and Kazakhstan (**see Tug 'O' War at ukrainianweek.com**). The third factor is the politically motivated restriction on the import of Ukrainian goods. These have long been in place in an effort to force Kyiv to fully integrate into the Customs Union, not just reject association with the EU. Without this, Ukrainian exports to Russia will not see any long-term improvements.

### WHO WILL PAY YANUKOVYCH?

From the very beginning, the only thing that mattered to Yanukovich was to find someone to pay for the failures of his first term as president and provide a ▶



**Poland's President Bronisław Komorowski:** "Ever since Ukraine gained independence, it has always been maneuvering between integration into Western Europe and the East. It can now miss its historic chance."

PHOTO: PHIL

financial impetus that will help his reelection.

EUR 150-165bn was the amount that the Ukrainian government wanted. "The Ukrainian government has not provided any arguments to support this data," UK Ambassador Simon Smith said in his interview for the *Kommersant* publication. "The EU is not an institution that covers budget deficits."

Once it became obvious that the EU would only give money if Ukraine implemented a number of reforms, some of them painful and unpopular in view of the upcoming 2015 presidential election, Yanukovych no longer saw any point in the association. Premier Mykola Azarov said in parliament that the "last straw (urging the Cabinet to suspend preparations for the signing – Ed.) was the stance of the IMF outlined in the letter received by the government on November 20". It said that the IMF was prepared to refinance Ukraine's debt of USD 4bn to it, not issue new loans in the amount of USD 15bn that Kyiv was asking for.

As a result, Yanukovych continued his "consultations" with the Russian regime, albeit secretly. The ongoing negotiations to set up a gas transportation consortium that intensified last week are one element of this process. While the nation is out on the streets rallying for association with the EU, Energy Minister Eduard Stavtyskyi admits to journalists that he is in the process of negotiating a bilateral consortium to exploit the Ukrainian gas pipe.

### EUROPE IS INEVITABLE

While Yanukovych turned down association with the EU, he doesn't seem to have any guarantees from the Kremlin. Off-record, Russian officials deny alleged deals on a gas discount for Ukraine and say that loans for Ukraine are only possible if it joins the Customs Union.

Still, there are factors preventing Yanukovych from fully rejecting association with the EU during his presidency. One is the fear that Putin may let him down, and his regime will not last long without external support. Even if Russia grants the gas discount, Ukraine will only



**Premier Mykola Azarov:** "Russian leadership has stated clearly that the signing of the Agreement means that it makes no sense to further discuss trade and economic regimes. We were told clearly: we are ready to discuss the problems in a tripartite format but you should postpone the signing of the Agreement, then we'll sit at the table for negotiations, and then sign it."

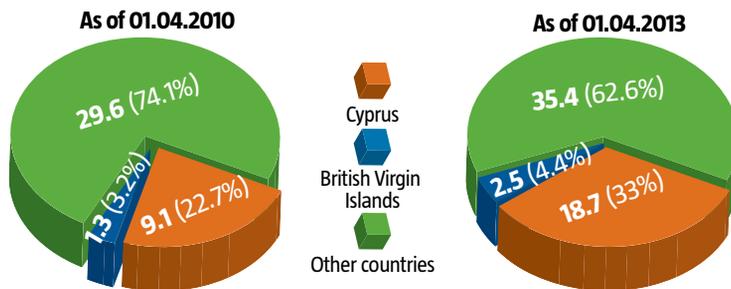


**Co-Chair of the European Parliament Monitoring Mission, Aleksander Kwasniewski:** "The EU negotiates with candidate-states as sovereign entities provided that they decide that they want to hold these negotiations... I can't imagine that the EU can come to terms with Russia which wants to have Ukraine in the Customs Union, and the Eurasian Union in the future."

### Scarecrow for investors

While the amount of attracted FDI declines annually, the share of investment from Cyprus and British Virgin Islands has constituted 2/3 of all investment growth over the years of Yanukovych's rule

#### DFI to Ukraine, USD bn



save USD 1-1.5bn. Meanwhile, the IMF will not help Ukraine refinance its debt after the failed association. The European factor in the 2015 election is another weighty reason.

Whatever the result of the Vilnius Summit, Yanukovych will no longer be seen as a European integrator. He will be blamed for ruining the possibility of accession to the EU at the finish line.

This once again gives the opposition a monopoly for European integration. The fact that Yanukovych failed it, coupled with attempts to surrender strategic objects of Ukraine's economy to Russia in exchange for some mitigation from it will serve as a mobilizing factor for society. Therefore, people will vote for the opposition candidate (and, more importantly, take to the streets to protect their choice) as someone who expresses their European choice rather than as an individual candidate in the presidential election. In contrast, Yanukovych will be associated with dragging Ukraine into the Customs Union or self-isolation in a grey area between the European and Eurasian unions. Today, after a shift of generations, the share of supporters of Ukraine's European vector is far higher than that of opponents – even higher compared to 2004 when the Orange Revolution took place.

Europeans, who seem to rely too many expectations on the ability of Ukrainian society to elect a president in 2015 who will lead Ukraine to Europe should take a closer look at what's going on. They should not underesti-

mate specific problems of the authoritarian post-Soviet state where the election can be simply rigged – or falsified with all kinds of more sophisticated mechanisms. This will be easier to do this time since, in contrast to 2004, Ukraine has no clear and single alternative to Yanukovych. In an open clash for power which the current president values more than the EU or Russia, the problem of divided opposition will make it more vulnerable and less effective.

Meanwhile, the failed association opens new doors for a more proactive play on the Ukrainian field for the EU. The latter should realize that it is not possible or reasonable to deal with the current president. Thus, it should focus its efforts on proactive support of an alternative to the current government in three major areas.

One is Ukrainian opposition. Europe should help it organize more effectively and resume the European integration focus. Another one is support to the institutions of civil society that could exert pressure both on the government and the opposition, thus forcing them to act in the interests of democratization and European integration. The third area is various groups of influence within the government, particularly big business. The EU and US have tools to urge them oppose the scenario whereby Yanukovych can stay in power at any cost. This could be reinforced with an ongoing warning of personal sanctions against Yanukovych and his closest circle. ■

# The Mother-Empire Awaits

## Why Ukraine could not help but find itself in Russia's grip

**T**here was a brief euphoria. The President's incomprehensible and unexpected manoeuvre has baffled and disarmed both the opposition and the public, not to mention his loyal subordinates.

It was euphoria that initially hindered obvious parallels with yet another East European dictator: Alexander Lukashenko also actively flirted with the EU, and the latter took his escapade seriously, but the "father" merely intended to play Brussels and Moscow in turn. More than likely, Viktor Yanukovich himself, by opening his arms to the West so quickly, simply played a fool without having a specific result in the form of a signed Association Agreement in mind – although some experts, as well as **The Ukrainian Week**, warned that the European game was a bluff against Putin from the very start. Anyway, the logic of his actions – the logic of a person forced into a dead-end by his own appetites and phobias, was in no way conducive of a happy end.

Ukraine's harsh reality is that, after 22 years of formal independence, it still has thousands of business, political and cultural ties with its former metropolis. Many top officials, authorized to make key decisions were born in Russia, and most importantly, have the Russian mentality. Many business owners with close ties in the government own property in Russia. Some oligarchs who gained their wealth from speculations with hydrocarbons have the sources of their wealth in Russia. The market for technologically outdated products is in Russia. Some of it can be improved to comply with international standards. The rest is useless anywhere other than the former USSR. Many media policy makers have their roots in Russia. And many from the artistic elite gravitate towards Russia – or its royalties that are way higher than in Ukraine. Russia uncompromisingly dominates the Ukrainian media space. Finally, and this is key, Russia continues the feudal type of relations that are traditional for an empire – and the basis for interaction of the ruling elites and power hierarchy in all countries that remain in the post-Soviet orbit. These types of relations are about ignoring laws, personal loyalty, obedient and powerful law enforcement authorities, and control over any profitable activity. This leads to corruption, wilfulness, lack of protection for citizens and entrepreneurs. Breaking such a matrix is far more difficult than upgrading equipment and technical regulations to meet EU standards. So, Ukraine's independence is still a fiction to a certain extent.

We do not have illusions: nowhere on the planet is there complete and total independence. We have long lived in a single world, where everyone is indi-

rectly dependent on others: on oil prices, markets, terrorism and hot spots which provoke uncontrolled migrations, on technological challenges and global trends. Established countries take these dependencies into consideration and try to minimize them.

To protect itself from external pressure, Ukraine should have first of all implemented a range of measures to make it self-sufficient in a number of spheres. One is consistent language policy to support identity and mark a cultural border that would be real, not symbolic. Another one is free press not surrendered to an ideological opponent. Others include strict obedience of law enforcers by the law, full legalization or ousting – into exile or prison - of mafia clans, and support to SMEs to provide consistent growth, not stay around GDP growth rates that are close to zero. Plus, protection of foreign investors in order to benefit from sustainable cash inflow to the economy and technological upgrade. Real energy diversification. Independent judiciary that would deliver fair verdicts in conflicts, not keep every citizen, including top officials, on the leash of uncertainty.

In general, a sovereign state should gain all these complex yet technical aspects on its own. Ukraine didn't. As a result, it has the insatiable post-Soviet elites, nascent civil society, unceasing negative influence of the "older brother", and indifference of the international community. Ukraine has missed its chance twice: immediately after gaining legal independence and after the massive uprising in 2004 which only led to the rotation of figures

and symbols. Neither the government, nor the opposition, nor society expected to include a decisive break with the past in their agenda. At the current stage, association with the EU could have been a fortuitous chance and served as a crutch to help Ukraine get back on its feet. Europe could not and should not have taken the place of Ukraine in tackling any current tasks. However, even the formal implementation of certain rules, which the rejected agreement would have required, could have: a) pushed the so-called elites to gradual systematic reforms; b) helped civil society to stand up for its rights within the limits of intelligible universal procedures.

Viktor Yanukovich can savour the illusion that he has outwitted Putin and Barroso as much as he wants. Ukraine is not Belarus, and he is not the "father" - the stakes are different here. Without European crutches, he will be unable to avoid being swallowed up by the mother-empire, where he is awaited hungrily. But this is the subject of the next discussion. ■



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Yuriy Makarov

**UKRAINE IS STILL AN IMPERIAL PROVINCE, WHILE ITS INDEPENDENCE IS A FICTION TO A CERTAIN EXTENT**



# After the EuroMaidans

In November 2004, the Orange Maidan began with a semicircle of tiny tents, located around the Stele of Liberty. Tens of thousands of people only appeared on the following day. In November 2013, the people appeared first. Around 100,000 people gathered in downtown Kyiv to protest the decision of the Ukrainian government to refuse to sign the Association Agreement with the European Union. The scale of the action came as a complete surprise to both the

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organisers and the participants, not to mention the government. Everyone thought that after the Orange fiasco, Kyivans would never create another Maidan.

The chaos in the actions of politicians can be explained by their unpreparedness for the scale of the rally on November 24. As popular blogger, Roman Shraik, said, hot on the trail of events: “The worst expectations of the opposition came to pass: 100,000 people came out”. The tents were

put up by the stage in front of the Ukrainian House only next night, with hand-written posters saying The people’s deputy’s reception office hastily attached to them. In 2004, such a sign was a formal ban for the police or utility company workers to take them down since the law allowed MPs to conduct meetings with people anywhere, other than on the territory of secret facilities.

The Law On the Status of People’s Deputies has not really



changed since then. The reality has. In Viktor Yanukovich's Ukraine, where MPs are stripped of their mandates on the order of his Chief of Staff, no-one would pay any attention to the signs on the tents.

This time, the government decided against an escalation of violence. The tent city near Ukrainian House was only attacked once by the special police on the night of November 24-25. The police pushed away the rally to make way for traffic at Yevropeyska Ploshcha (European Square). Then, clashes were reported on November 29.

There are reasons for such a peaceable disposition. On the one hand, decision-makers did not want to appear like authoritarian leaders dispersing a pro-European meeting, in the eyes of the West (with which they are still toying). On the other hand, it appears that the government counted – and still does – on organizational impotence of the protesters.

When the government first announced suspension of preparations for association with the EU on November 21 also labelled as Black Thursday, several hundred people gathered at Maidan Nezalezhnosti, the Independence Square, to start a timeless rally demanding that President Yanukovich signs the Agreement at the Vilnius Summit on November 28-29, in spite of Russia's blackmail. And another decision was made: politicians would not be involved in EuroMaidan and no party symbols or flags would be present.

This comes as no surprise. The profound discrediting of the

opposition during Yanukovich's rule is the consequence of not just well-planned provocations on the part of the government, but the lack of orientation – or betrayal – by this very opposition.

The EuroMaidan was no exception. It is still not clear why, on the afternoon of November 24, when the amount of protesters at Yevropeyska Ploshcha reached 100,000, Oleksandr Turchynov and Arseniy Yatsenyuk called on the protesters to go to the building of the Cabinet of Ministers. At that point, it was surrounded by many units of special police and athletes hired to cause provocations and beat protesters – opposition leaders knew it. As a result, the athletes or radical protesters attacked the police and started a series of fights.

As soon as the first clash erupted, Arseniy Yatsenyuk, Yuriy Lutsenko and several Svoboda MPs stood between the police and protesters, calling on the latter to remain calm. This signals that there was no “planned provocation” on the part of opposition leaders. Nor was there coordination for the huge rally.

This gave the civil Maidan every reason not to trust politicians. However, without politicians, the speeches of civil activists were doomed to fail and disdain from those in power. On Tuesday, the political and civil Maidans announced that they pursued a common goal. The same thing happened in Lviv, the second largest rally after Kyiv, where already on Sunday, students and activists did not allow politicians to speak at a crowded rally with up to 30,000 people according to various estimates.

**EUROMAIDAN IS THE BIGGEST PROTEST SINCE THE ORANGE REVOLUTION. It could be the start of a serious confrontation between the government and the pro-European majority**

Today, all EuroMaidans face a question: what is their further strategy? The opposition submitted a draft law to dissolve the Cabinet of Ministers, as promised, but it will never be passed – and everyone knows this. The dissolution of the Verkhovna Rada and the impeachment of the president, which opposition leaders called for at Yevropeyska Ploshcha on November 24, is even more unlikely. Despite this, politicians are once more calling on people to gather by the Verkhovna Rada on December 5, when MPs will (or maybe not) possibly decide on a motion of no confidence to Azatov's Cabinet of Ministers.

The participants of the EuroMaidan that set the goal of forcing Yanukovich to sign the Agreement seem to be even more disoriented. They don't know what

## UKRAINIANS SEEM TO BE OVERCOMING THE 2004 SYNDROME – DISILLUSION AND APATHY

to do after the predictable failure of their mission. Most of these people are journalists, experts and public activists, in other words, those who understand the hopelessness of the opposition's “plans” and at the same time, do not accept the vision of radicals.

The latter, on the other hand, are in their element. After Yanukovich officially failed to sign the Association Agreement, everyone on EuroMaidans – and beyond – will have to decide for themselves how they will act under these circumstances. ■



# Transnistria – Moldova: Along a Non-Existing Border

As Moldova initials the Association Agreement in Vilnius this fall, the Kremlin will increase pressure on Chisinau. This may lead to another escalation of the Transnistria conflict

**Authors:**  
**Damien Dubuc**  
**and Sébastien**  
**Gobert**

Last summer, the future seemed bright for Vera Semionova. Her agricultural cooperative had been handicapped by its archaic equipment for many years. Its members had finally put together the means to purchase a new tractor. “Banks in Chisinau had approved the loan. We had chosen the tractor and we were about to sign”. And then? Nothing. What is the point of investing in an expensive machine if cabbage and potatoes cannot be moved from fields to market places? Vera lives in Dorotcaia, a town of 3,700 people in mid-west Moldova. “91% of our land is on the other side of the road,” she sighs. The road is the border with Transnistria. Since its secession 22 years ago, the tiny strip of land escapes all control from Chisinau.

## ALONG THE BORDERLINE

“We repeatedly need to come up with new documents. If we want to carry more than a given quantity, we have to pay tariffs to move our products from our country to our country! And don't forget the multiple fines, for that or that reason,” Vera complains. At least now, she is able to go and work on her fields. “From 2004 until 2006, this so-called government in Tiraspol prohibited farmers to go there,” Grigore Polichinski recalls. A former Primar or Mayor of Dorotcaia, he is the current head of Dubăsari Raion. “Since then, it is possible to take the products back. Yet they have to obtain a special authorization from Yevhen Shevchuk (President of Transnistria – Ed.)”. Since December 2011, the 45-year-old Shevchuk is the new strong man ruling over the self-declared Pridnestrovian Moldovan Republic (PMR). “No one recognizes this pseudo-state, not even Russia. Yet

Shevchuk decides on life and death there,” Grigore Polichinski adds. The agricultural exploitation contracts he delivers have to be renewed every year. This makes it impossible to expect successful outcome of any investment.

Although no one seems to have forgotten the violent fights that occurred here in 1992, the situation seems peaceful along the borderline. Temporary border posts have been in place for a while. Peacekeepers, that is to say mostly Russian soldiers, attentively monitor each crossing. Most of the 500,000 Transnistrian citizens hold Moldovan, Russian or Ukrainian passports to compensate for the uselessness of the Transnistrian one. Hundreds cross daily, as they study, work and live on both sides of the borderline. “Officially, we do not recognize the border. So our policy is to ensure the free movement of people on our territory”, Eugen Karpov, Moldova's Vice-Prime Minister in charge of reinte-

gration, explains with confidence. Yet, when it comes to solving the issues of Dorotcaia's farmers, his government proves powerless.

The borderline affects not only farmers. “Every morning, the local school is used by Dorotcaia's pupils. In the afternoon, the premises are reserved for some 170 pupils who travel from Grigoriopol which is 20 kilometers away, on the other side,” school director Eleanora Cercavschi says. “The Romanian-language school in Grigoriopol was closed down back in 2002. Tiraspol does not want anyone to learn Romanian in Transnistria. Our pupils want to study in their native language. So they have to cross the border every day, together with their teachers.” In October 2012, the European Court of Human Rights in Strasbourg found Russia, in place of non-acknowledged Transnistria, guilty of the violation of Eleanora Cercavschi's and many others plaintiffs' rights to education.



ALONG THE BORDER OF THE UNRECOGNIZED STATE: Chisinau is trying to reinforce its state borders as it seeks a visa-free regime with the EU. Tiraspol resists this

They still wait the EUR 1mn compensation Russia has to pay them.

There are only eight Romanian-language schools left in Transnistria. Chisinau's government supplies them with textbooks and pays the exorbitant rents Tiraspol asks for. As for Grigoriopol's pupils, the only solution has been to pay for four buses driving back and forth, every day for about 12 years now. "It is a long way. In winter, the road is dangerous. Plus, we come back home late. Extra-curricular activities, it's not for us," 16 year-old Vasile complains. Many of his schoolmates gave up already. The exiled school has lost more than 300 pupils since 2002. Vasile is determined to keep up with this exhausting daily routine. His future is at stake: he wishes to become a surgeon but Transnistrian diplomas are worthless but in Moscow. Each border crossing is a necessary step towards university. Given the local circumstances, he sees his future in Romania, if not beyond.

### THE DISTABILIZING INTEGRATION

Moldova confirmed its choice for enhanced European integration by initialing the ambitious Association Agreement with the EU at the Vilnius Summit. Encouraged to secure the country's borders in order to achieve a visa-free regime with the EU, the Parliament decided in early October to install six Migration Offices along the internal borderline. Tiraspol sees it as a threat to the free movement of its citizens.



"This is only for foreigners. Nothing changes for inhabitants of Transnistria. They will be able to travel as freely as before," Vice-Prime Minister Eugen Karpov reassures. Yet, the move might stir up tensions. As Russian Vice-Prime Minister Dmitry Rogozin warned in September, Chisinau's pro-European policy might lead to Moldova definitely losing its chance to regain control over its separatist province. As a side effect, he indicated, it might also initiate problems with the supply of Russian gas to Moldova. "I hope you won't freeze," he warned.

Such declarations are merely the continuation of tensions that have been fuelled over the past few months. "In late April, a few dozen Transnistrian separatists tried to install four new border posts at the exit of the village," Varnița Mayor Alexandr Nichitenko recounts. His Moldovan village lays about 15 kilometers from Tiraspol. "Our citizens have reacted promptly and everything was solved quickly when security forces arrived. We cannot accept more checkpoints. Crossing would become even more difficult, and we have to work on erasing the division, not marking it."

A June decree by Transnistria's President Shevchuk stipulated a clear marking of the borderline, covering several Moldovan-ruled villages, including Varnița. "Just another provocation," Alexandr Nichitenko tells, seemingly jaded. "As long as we keep contact with the other side, it is ok. What we try to do is to make our side as attractive as possible. So the people there would actually want to reintegrate. That's the way the Berlin Wall fell down." Outside the recently-renovated city hall, a green garden and nicely covered streets try to produce a fresh impression of prosperity.

Yet, once the crumbling border post is passed, the arrival to the city of Bender, a port town in Transnistria, is impressive, as imposing monuments line up along neat streets and well-kept buildings. "First, there is no reason for Transnistrians to want to join Moldova. Second, plenty of Moldovans move to this side!" Transnistrian journalist and one of Shevchuk's supporters, Grigori Volovoi, concludes. "This is no secret. We live better on this side. Gas and heating, rent and food: everything is cheaper." The explanation is quite

simple: Russia sends quantities of so-called humanitarian help and offers extra USD 15 to each pensioner on a monthly basis. As the average salary is below USD 250, USD 15 makes a difference. Most importantly, Gazprom ships gas for free to Transnistria yet sends the bill to Moldova. "Were Moscow to give up on Tiraspol, this puppet state would not last two months," says Oazu Nantoi, Program Director at the Institute of Public Policy in Chisinau.

Russian support is to become more crucial than ever in case Moldova establishes a free-trade zone with the EU. Many Transnistrian

## RUSSIAN SUPPORT IS TO BECOME MORE CRUCIAL THAN EVER FOR TRANSNISTRIA IN CASE MOLDOVA ESTABLISHES A FREE-TRADE ZONE WITH THE EU

Moldova's GDP is USD  
**2,038,**  
according to the  
World Bank (2012)

**25%**  
of Moldova's GDP  
comes from  
remittances from its  
citizens working  
abroad

**17.5%**  
of Moldovans live  
below poverty line

Transnistria's  
population is  
**509,000**  
people (2013)

Russia allocates  
nearly USD  
**1bn or  
USD  
32.2bn**  
to the unrecognized  
republic annually as  
"humanitarian aid"

businesses, many of which are controlled by oligarchs from Russia, are registered in Chisinau and export about 40% of their output to the EU, thanks to a preferential trade system. Transnistrian businesses may lose out because of the implementation of new rules. "Never forget that Russia still deploys over 1,000 'peacekeepers' and keeps a large ammunition warehouse there", Oazu Nantoi warns. "One should not exclude military provocations in the wake of the economic unrest that is to come."

Within Transnistria itself, secret services, which name did not upgrade from Soviet-time KGB, are also here to ensure the survival of the authoritarian regime. "People are afraid. There is much less protest than before," Mihai Dirul from a village called Lunga warns. This retired truck driver used to be one of the fiercest opponents of Transnistrian secession. His wife and son live in Chisinau. He visits them often thanks to his Moldovan passport. Yet he considers the border as "the wall of the Warsaw ghetto. I fought for the integrity of Moldova. And the worst now is that Chisinau refuses to pay me a pension, because I live on this side. There, they talk about reintegration. But I see that have already abandoned us." ■

# The EU's Door Stays Open

International politicians, experts and diplomats comment on Ukraine's abrupt turn from the EU, massive protests and what may come next



**"THE EU LOST ITS KEY GEOPOLITICAL GAME TO RUSSIA"**

Leonidas Donskis, MEP

Unfortunately, the decision to suspend preparations for the Association Agreement may isolate Ukraine from the EU for some time. Lithuanian Presidency in the EU Council was and continues to be nearly a perfect chance for Ukraine to get things done as Lithuania and Poland pursue the most pro-Ukrainian foreign policies in the EU (the only EU country in the Old Europe that can be added to this club seems Sweden).

The only thing that appears as beneficial here is the awakening of Ukrainian civil society and of the nation's democratic and pro-European segments. The bad thing is that the EU lost its key geopolitical game to Russia which was incomparably more aggressive than the complacent and vain EU. For now, Russia will know for sure that the EU has yet to work out a policy vis-à-vis large and internally divided potential newcomers to the club, such as Ukraine and Turkey. More than that, the EU proved incapable of distinguishing between soft power and geopolitical maneuvering without with no major player will be able to achieve its strategic goals.

The situation is grim and deplorable, yet it is not hopeless. Passionate and strong responses of the people of Ukraine will force Viktor Yanukovich to make some inevitable corrections in his stance towards the Association Agreement. He will be confined to difficult maneuvering in Vilnius where he promised to come and where he will try to make it up to both the EU and Russia. Sooner or later he will have to make up his mind, as the 2015 presidential elections cannot fully dominate his agenda – the crisis of Ukraine's economy can be tackled and solved only by fundamental EU investments and IMF, rather than candies and carrots that Vladimir Putin will offer him before the elections.



**"INDEED, I NEVER BELIEVED YANUKOVYCH WAS ALL THAT INTERESTED IN INTEGRATING WITH THE WEST"**

David Kramer, President of Freedom House

President Yanukovich's decision to end negotiations with the European Union is a disaster for Ukraine's efforts to integrate with the West and bodes very badly for democracy in Ukraine over the next 15 months, if not longer. While I agree with much that has been written and said about Vladimir Putin's pressure on Yanukovich to not sign the agreements in Vilnius, the blame ultimately falls on Yanukovich's shoulders. He could have resisted that pressure but chose not to do so, possibly in part because of money promised to him by his Russian counterpart. Instead, Yanukovich's legacy will show that he closed the door to Europe and caused major damage to Ukraine's efforts to integrate more closely with the West. Yanukovich values staying in power at any price to be more important than advancing the interests of his country. After all, he fears what might happen to him and his family were he to lose power. Indeed, I never believed Yanukovich was all that interested in integrating with the West.

None of this is good for Yulia Tymoshenko, who is unlikely to be released from prison before the presidential elections in early 2015. Yanukovich is both obsessed with and terrified of her and feels his prospects for reelection are better if she remains in jail. In rejecting the European path, Yanukovich is also likely to resort to any other measures necessary to stay in power, including the recently-passed legislation that would prohibit Vitaliy Klitschko, his strongest political rival, from running for the presidency. Eliminating the second round of the election would be another alarming move that must be prevented, as that would be done in the hope that the opposition would splinter the vote and he'd win a plurality. All this means that the election is shaping up to be very ugly, if not rigged, and that would represent a huge setback for Ukraine's democratic gains.

Dark days are upon Ukraine in light of Yanukovich's decision, and while it would be understandable if the EU were frustrated in dealing with Ukraine, the situation would be made worse if both the EU and U.S. turned away completely from Ukraine. Perhaps it's time to consider targeted sanctions against certain Ukrainian officials for their complicity in human rights abuses and anti-democratic behavior. It is heartening to see so many Ukrainians turn out in Kyiv and other cities to protest Yanukovich's decision. They are the people whom we need to continue to support, for they offer a brighter, better, more democratic future for Ukraine.



**"I WOULD LIKE TO EXPRESS MY FULLEST SUPPORT TO THE HUNDREDS OF THOUSANDS OF UKRAINIANS WHO TOOK TO THE STREETS ALL OVER THE COUNTRY TO SHOW THEIR COMMITMENT TO UKRAINE'S EU PATH"**

Jerzy Buzek, MEP and former President of the European Parliament

I am very disappointed by a sudden unilateral decision of the Ukrainian authorities to suspend the signing of the Association Agreement. And this disappointment among the colleagues in the European Parliament and other EU institutions is quite common. I find quite puzzling how drastically Ukraine changed its geostrategic vector on the very doorway of the Vilnius Summit. After so many years of the hard legislative work and the European integration reforms - being only two

steps away from full implementation of so called Füle list - the Ukrainian authorities turn their back on the EU. This is a very unexpected move. Using this opportunity I would like to express my fullest support to the hundreds of thousands of Ukrainians who took to the streets all over the country to show their commitment to the Ukraine's EU path. Such a big civic mobilization confirms that the EU's offer is of big importance for the Ukrainian citizens.

I hope that the voices of wisdom of EuroMaidans, heard so well in the EU, will also be heard by the Ukrainian authorities.

The Vilnius Summit is a historic opportunity for the EU and Ukraine. And it would be very unfortunate if such a chance was missed.

Of course there is still "life after the Vilnius Summit". Ukraine will remain Poland's and the EU's neighbor. We will continue cooperating. The terms of such cooperation will be decided after the Summit.

The important question remains open: what will Ukraine do after the Summit regarding the EU? As of now, this is very unclear.

I strongly believe in the European future of Ukraine. We as the EU have to reassure the Ukrainian citizens that the door will never be shut on their European hopes and aspirations. We will continue supporting student exchanges, research projects and people-to-people contacts.



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**"IF THE ASSOCIATION AGREEMENT WERE SIGNED AND IMPLEMENTED GRADUALLY, OUR COOPERATION COULD BE ON A BIGGER SCALE, PARTICULARLY IN THE ECONOMIC AREA"**

**Ivan Pocuch, Ambassador of the Czech Republic to Ukraine**

After the Vilnius Summit, regardless of its result, the Czech Republic will continue cooperation with Ukraine both within the EU framework, and on the bilateral level. If the Association Agreement were signed and implemented gradually, our cooperation could be on a bigger scale, particularly in the economic area. I believe that the undeniable priorities in cooperation under the EU framework are the soft issues, such as the support of student exchange where Ukraine has huge unused potential – in the Erasmus + programme, for instance. The Czech Republic will continue to support the chosen projects as part of our transformation-oriented cooperation. From our own recent experience, we know how complex the problem of political and social transformation is. We are ready to help Ukraine in this. However, the Association Agreement could be of invaluable help.



**"THE DECISION SHOWS THE UNACCOUNTABILITY OF THE GOVERNMENT IN THE BIGGEST NEIGHBOURING COUNTRY IN THE EAST"**

**Rebecca Harms, MEP and member of the EU-Ukraine Parliamentary Cooperation Committee**

The decision shows the unaccountability of the government in the biggest neighbouring country in the east. The situation shows also the weakness of the European Russia strategy. The EU seemed helpless after Russia started the trade war against Ukraine and other countries of the Eastern Partnership. While the EU is now still keeping the doors open for the agreement the citizens of Ukraine are reacting very strong. EU and Ukrainian flags give the colour to the huge wave of protests that started on Sunday and continued with strong marches of students in any cities on Monday. Those citizens again on the Maidan and other places show the duties of EU: we have to support those citizens who still hope for close EU relation, for democratic development and better life. And we have our own European interest in a stable and good development in our neighbourhood.



**"THE ASSOCIATION AGREEMENT PRESENTS THE BEST OPPORTUNITY FOR UKRAINE TO MODERNISE AND TRANSFORM ITS INSTITUTIONS AND ECONOMY"**

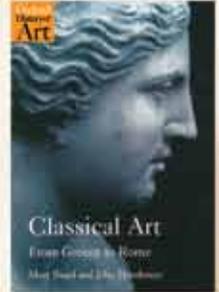
**Simon Smith, Ambassador of the United Kingdom of Great Britain and Northern Ireland**

As the Foreign Secretary William Hague has said, we think this is a missed opportunity. But the door for Ukraine to sign the AA remains open, and the decision to sign remains in Ukraine's hands. We believe that the Association Agreement, including a Deep and Comprehensive Free Trade Area, presents the best opportunity for Ukraine to modernise and transform its institutions and economy, and to build a more prosperous and stable future for the Ukrainian people.

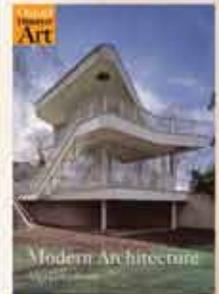
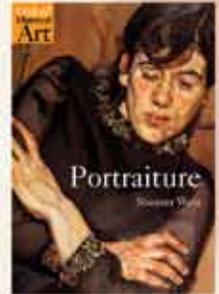
At present, the Agreement is a comprehensive long-term plan of action in the mutual interest of Ukraine and the EU. If signed, it would open a new phase in our relationship. It would kick-start serious work on both sides to ensure effective implementation. For Ukraine, successful implementation would promote the realisation of sustainable benefits for the people, in terms of an independent judiciary, transparent and rules-based practices in the business environment, and protection of human rights and freedoms.

The Ukrainian Government has told us that it does not want to sign the Association Agreement. So it appears that one thing we will not be doing after the Summit is celebrating signature! But we will continue to promote the substantial benefits of the Agreement, and of Ukraine's progress in future on the European path. We are absolutely convinced that this is the right choice for ensuring that a strong and independent Ukraine successfully faces the challenges of the 21<sup>st</sup> century.

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**“UKRAINIAN LEADERS HAVE CHOSEN SHORT-TERM BENEFITS OVER LONG-TERM ONES”**

**Jacek Protasiewicz, Vice-President of the European Parliament**

I am very disappointed by the decision of the Ukrainian government. It means that Ukrainian leaders have opted short-term benefits over long-term ones. Meanwhile, it does not mean that the door of association is ultimately closed... I hope that the Ukrainian government will hear the voices rallying on Maidan and take a responsible decision that would benefit Ukraine in the long run.



**“UKRAINE HAS ENTERED THE PERIOD OF POLITICAL INSTABILITY. IT WILL LAST AT LEAST THROUGH THE PRESIDENTIAL ELECTION”**

**Wojciech Kononczuk, Centre for Eastern Studies**

The Ukrainian government hopes that it will manage to come to terms with Russia on the stabilization loan and revision of the gas deals in return for the postponed accession with the EU. This may happen during the next few months but Kyiv will hardly really benefit from this. A return in the Ukraine-EU relations weakens Ukraine's position in negotiations with Russia and will fuel further destabilization of the internal political situation.

The “pause” in the Ukraine-EU relations caused by Kyiv's decision may turn out to last a while. In theory, the Association Agreement may be signed in the fall of 2014 or shortly before the presidential election. However, it looks like the current decision of the Ukrainian government will remain in force even a few months later. The future of the Ukrainian-European relations and of the document (the Association Agreement – Ed.) depends first and foremost on how democratic the presidential election in 2015 is. The actual crisis in the Ukraine-EU relations, unclear prospects of getting assistance from Russia and probably the high political price of it, as well as the difficult economic situation and civil activity means that Ukraine has entered the period of political instability. That period will last at least through the presidential election which will be the biggest test of Ukrainian democracy and outline the direction for Ukraine's development for the years to come.



**“THE SLOVAK REPUBLIC STILL SEES EASTERN PARTNERSHIP AS A POLICY IN WHICH WE CAN JOINTLY ACCOMPLISH GREAT SUCCESS FOR THE BENEFIT OF ALL OF US”**

**Pavol Hamžik, Ambassador of the Slovak Republic to Ukraine**

The Slovak Republic was surprised by this decision since both parties had invested a huge amount of energy, efforts and time into the preparations of the Association Agreement, and the progress of mutual relations to a new level. The Slovak Republic still sees Eastern Partnership as a policy in which we can jointly accomplish great success for the benefit of all of us. Meanwhile, we believe that the EU is the most attractive civilization model and a stabilizing factor in our part of the world. The Slovak Republic respects Ukraine's sovereign decision; it will support constructive and systemic deepening of the EU-Ukraine relations further on. We are still interested in developing intense political and economic relations between Slovakia and Ukraine. Ukraine is a close partner and the closest neighbour of the Slovak Republic.

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# Succeeding in Spite of the State

## Honest Bulgarian firms specialise, stay small and steer clear of the government

**M**ILEN GEORGIEV'S father had bought him a kit of cheap magic tricks. That was lucky, because it helped the young Bulgarian figure out the sleight-of-hand in the hustlers' three-card con trick at an open-air market in Sofia. Over ten weeks, Mr Georgiev made 1,000 lev (then around \$18 at official rates), while getting just 90 lev a month on his student stipend. The hustlers started turning him away.

"This was good capital at this

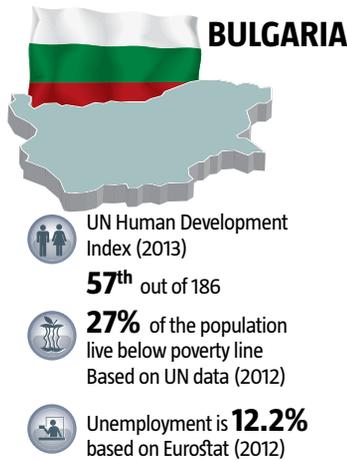
corrupt country in the European Union. Bulgarians often say that winning a government contract is impossible without corrupt connections. Krasen Stanchev of the Institute for Market Economics in Sofia says the government breaks contracts into chunks, to discourage big foreign companies from bothering with them.

Bulgarians took to the streets this year, in daily protests in front of the parliament. (The spark was the nomination of a well-connected but otherwise unqualified

found Walltopia, now the world's largest maker of climbing walls for gyms. With the trim physique and energy of a climber himself, Mr Penchev thinks that only mediocre bosses spend their time griping about the government: "Complaining is a national sport in Bulgaria." Walltopia sells to 50 countries, and because its walls are considered structures, it must get building permits for them. Although he acknowledges the problems in his country, he says "California is much worse. France is dramatically worse."

The biggest problem Bulgaria has is the education system, Mr Penchev says. In particular, he laments the generation educated just after the fall of communism. They lost the communist era's discipline, but had not yet learned Western ways. Kiril Asenov agrees. Asked his top three priorities from the government, he repeats: "Increase education spending ten times." His father founded Arexim in 1991 by dismembering a forklift for parts that he used to make an injection-moulding machine. Arexim now makes precisely engineered plastic parts for the likes of Bosch and Siemens, two German high-tech manufacturers. Mr Asenov sees foreign firms moving some low-skilled work to Bulgaria. But growth in any higher-value-added work will be constrained by the quality of schools and universities.

The formula for business success in Bulgaria seems to be to specialise, produce for export and stay small enough to avoid upsetting powerful interests. Anything requiring the state's support (skilled labour, infrastructure) will take forever arriving. Bulgarian entrepreneurs say things are not as bad as they were. But EU membership and years of rising living standards have raised ordinary people's expectations. If businesses meet them it will be despite the government, rather than with its help. ■



time," he says. It was 1991. He and a friend went into business. First they bought and sold plastic bags, then bought a machine for making them. Mr Georgiev financed new machines at 6% a month from local lenders. He fended off one protection racket by hiring another at cheaper rates, and paying the police for a panic button in his offices. Palms had to be greased to get telephone lines set up, and imports through customs.

But today his business, Extrapack, is thriving, with 50m lev (\$34m) in annual sales and a profit margin of around 4%. He says he paid his last bribe in 2004. It is possible to do clean business in Bulgaria. But it is complicated. Surveys by Transparency International, a watchdog, find that businesspeople perceive it as the most

33-year-old to run the national-security service.) But people have been grumbling about corruption for years. Successive governments have passed modest reforms to make doing business cleanly a little easier. A 10% flat corporate and income tax limits the scope for bribes, but a proliferation of social-security contributions means that firms spend more hours filing tax forms in Bulgaria than in any other EU country. Bulgaria is in the EU's middle ranks as regards the time and money needed to start a business. But for the time required to get licences, it ranks near the bottom—though Cyprus, Malta and Spain are worse.

Successful Bulgarian entrepreneurs take a spiky kind of pride in making it in their home country. Ivaylo Penchev left Extrapack to

Successful Bulgarian business owners say that only mediocre bosses spend their time griping about the government

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# Chronicle of a Systemic Recession

Ukraine's economic downturn continues as the government, banks and businesses deplete their reserves. Many companies will not survive even a year of this turmoil

**Author:**  
**Lyubomyr Shavalyuk**

The October data on the performance of economics sector published by the State Statistics Committee illustrates the ruling party's "stability": production is falling in industry and construction, while retail trade and agriculture report a slowdown. Ukraine is in a deep recession and businesses are facing aggravating difficulties.

### INDUSTRIAL SOLITAIRE

Industrial output this October was 4.9% below that of October 2012. This decline has slowed in the past month compared to 5.4% in August and 5.6% in September 2013, but it is too early to call this a steady trend since the numbers have changed very little. Moreover, the industrial downturn has been stable for the past six months, ranging between 5.2% and 5.3% (see **Improvement records**).

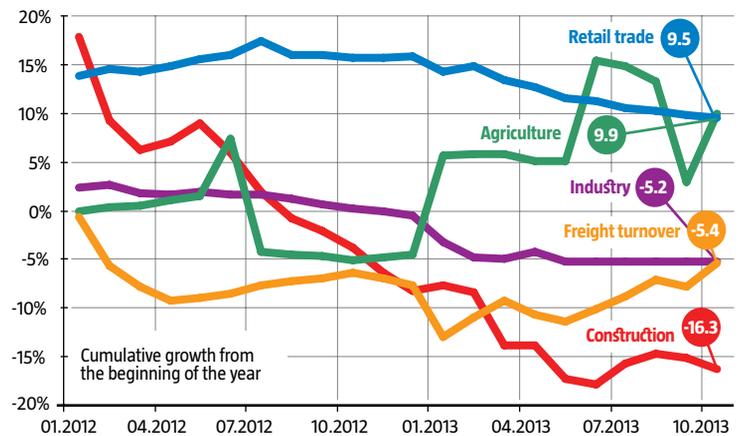
Ukrainian industry's long-time problems were caused by more than simply a downturn in external demand, yet the government continues to ignore them.

Chemistry has plummeted deeper than any other industrial sector, falling 18.9% in October. Many chemical plants are operating at minimum capacity. It turns out that even the cheap gas imported by Dmytro Firtash, the owner of most big chemical plants in Ukraine, has failed to offset the technological backwardness of Ukrainian plants and make them competitive. It is thus unsurprising that Ukraine produced 57% less ammonia this month compared to October 2012.

Engineering was the second fastest-falling sector with -14.3% in October. The key contributor was the railroad car sector with a 51% decline from October 2012. This sector provides one quarter of all revenues in engineering. Russia played a

### Improvement records

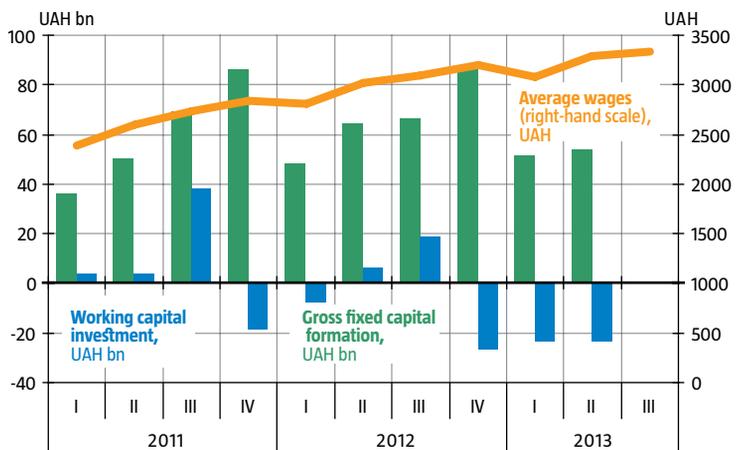
Basic sectors of the economy do not signal the end of the crisis. The decline in industry, construction and transportation continues while retail trade and agriculture are growing slower



Source: State Statistics Committee

### Eating up potential

Wage growth coupled with the economic downturn is depleting the resources of Ukrainian enterprises. To survive, they have been selling inventories and avoiding fixed investment. Soon they will have to cut their labour, either axing wages or owing back pay against a backdrop of lay-offs and frequent forced unpaid leaves



Source: State Statistics Committee

big part in this by ousting Ukrainian railcar makers from its market. It has lately been using non-tariff restrictions, such as certification and licenses, for this purpose. Russians have been developing their domestic railcar industry for many years now, so these restrictions have nothing to do with the European Association Agreement (AA). Rather, they are pragmatic steps to protect domestic producers, so they will continue even after Ukraine failed to sign the AA in Vilnius.

The food industry, including food, beverages, and tobacco, is experiencing the third deepest plunge: 12.5% compared to October 2012. Some link this to the trade war between Russia and Ukraine. However, the output of cocoa-containing confectionery products has shrunk a mere 5% last month year-on-year, while that of non-cocoa confectioneries dropped 9%. And more than 50% of Ukrainian confectioneries are exported - to Russia, among others. Meanwhile, the production of beverages has seen the biggest decline. In October, Ukraine produced 16% less vodka, 25% less beer, 16% less soda, 19% less juice, and 43% less other soft drinks than last year. In contrast to the confectionery industry, this segment exports only 10-15% of all output, so the factors triggering this decline must be at home, not abroad as the government insists.

First and foremost, this may signal that Ukrainians' purchasing power is dwindling. According to research conducted by GfK Ukraine, the consumer confidence index sank more than seven points between August and September. Many Ukrainians do not expect their welfare to improve. Instead, they foresee rising unemployment, hryvnia devaluation, and inflation. According to analysts, this reflects pessimistic sentiments brought on by economic stagnation.

Construction is still in a steep downturn, shrinking 24.3% in October and experiencing a double-digit decline since March 2013 (see **Improvement records**). Earlier, Ukraine's leaders justified this by the high basis for comparison, the initial figures reflecting a surge of construction in 2011-2012 for the Euro 2012 football championship. This would make the construction dynamics appear negative, the authorities insisted. But this basis for comparison was no longer applica-

ble in the past quarter and construction showed no signs of revival.

Agriculture experienced somewhat resumed growth in October after a steep decline caused by bad weather in September (see **Improvement records**). However, it is also showing indications of a slowdown. Apparently, farmers will no longer manage to offset the decline in other sectors during the last six months of 2013. In nominal terms, the situation in agriculture looks even worse: as global prices for cereals decline (worth 9% (wheat), 36% (barley), and 37% (corn) less than in October 2012), agricultural sales currency and budget revenues - may be lower than they were last year. This will aggravate the ill-balanced economy despite the real growth of output in agriculture.

Retail trade growth is slowing down, too. Over January-October 2012, it was growing at a rate of 9.5% compared to almost 1.5 times faster at the beginning of the year. Official retail trade grew a mere 5.8% over these ten months, which is almost half of overall growth pace in the retail sector that covers legal entities and individuals who pay a flat tax. This signals that unofficial trade is growing much faster than official trade. Apparently, retail traders are forced to leave the official trade as they are experiencing serious problems as a result of increased taxes and other pressure from the authorities.

Transportation is the only industry that shows some improvement. Freight turnover has shrunk 5.4% over ten months in 2013, with the double-digit decline of the first six months slowing down. This could be the impact of the inflow of imported goods Ukrainians are now willing to buy. But the transportation sector will hardly recover as long as industry and construction are in decline and retail is moving into the shadows.

### A LOSE-LOSE GAME

As long as salaries and pensions are growing, the recession seems to have little impact on average Ukrainians. This is a misleading impression.

Average wages are growing in Ukraine. But with plummeting production and low inflation, enterprises end up with lower revenues and growing costs. Businesses are faced with cash shortages that they can initially cover with loans, then

with proceeds from selling inventories and cut-down investment. Eventually, they will have to sacrifice their future development to overcome the problems provoked by current consumption (see **Eating up the potential**).

Ukraine's economy has used up virtually all of its safety padding. Banks rarely lend to businesses because many funds have been channelled to buy government bonds. Plus, they are short on liquidity (see **Who Says Bankers Can Relax? at ukrainianweek.com**). In the first nine months of 2013, banks issued only a paltry UAH 42bn in loans to businesses. This forced them sell out their reserves, thus depleting average inventories of raw materials and finished goods in stock. In the first six months of 2013, their capital reserves dropped by

Industrial output this October was

**4.9%**

below that of October 2012

## THE FACTORS TRIGGERING THIS DECLINE ARE AT HOME, NOT ABROAD AS THE GOVERNMENT INSISTS

UAH 46bn. The cash was spent to prolong operations until the economic revival promised by the nation's leaders came around. Furthermore, businesses began to sacrifice investment: in contrast to declines of 6.9% and 7.5% in Q3-4 2012, capital expenditures dropped 19.7% in Q2 2013. This all happened well before Ukrainian exporters faced huge problems on the Ukraine-Russia border.

As companies depleted their financial reserves to maintain stable output, most Ukrainians did not feel any impact of the crisis. However, businesses have now burned up a lot of their resources and missed many investment opportunities. If this economic policy lasts until 2015, it will undoubtedly leave many players with no cash.

If Ukraine had a market economy, this would lead to a steep cut in wages and a surge of unemployment. However, it doesn't, so official unemployment will remain low and salaries high. Instead, arrears of pay, mass unpaid leaves and a horde of phantom companies - bankrupt businesses with defaulted loans - will emerge. Enterprises will find themselves in a financial position reminiscent of the turbulent 1990s while the economy will develop like it did during Brezhnev's stagnation. ■

Chemistry has plummeted deeper than any other industrial sector, falling

**18.9%**

in October. It is followed by mechanical engineering with a decline of

**14.3%**

and the food industry, down

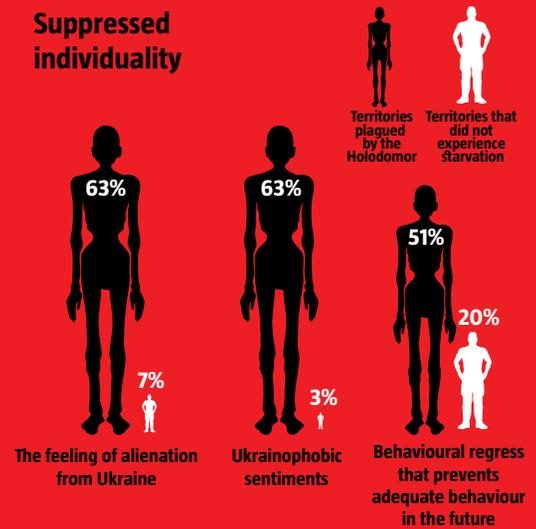
**12.5%**

# The echos of the Holodomor. 80 years on

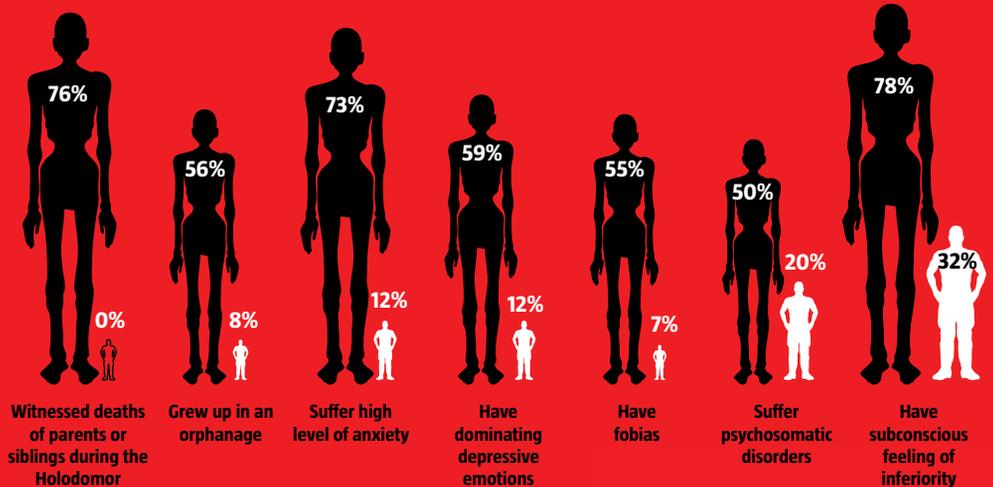
## A trauma that lasts four generations

The Centre of Ukrainian Studies at Taras Shevchenko University surveyed 1,000 people over five years who were one to seven years old in 1932-1933. 500 lived in oblasts tormented by the Holodomor. 500 lived in ethnic Ukrainian territories that did not experience the famine. The difference in their answers reveals how deeply the tragedy affected most of the population. According to Tetiana Voropayeva, psychologist and head of the Ethnology research group at the Centre of Ukrainian Studies, the post-genocidal syndrome tends to spread over the next four generations. The Stockholm syndrome, or capture-bonding, is another aftereffect of the trauma. Its mechanism works as follows: when a person finds himself on the brink of death (of hunger or for other reasons), he goes back to the state of a newborn feeling as unprotected and helpless. His mind is no longer critical. If, at the point of awaiting death, the victim gets the least kindness from the aggressor, the latter turns into a helping father. In Ukraine, Stalin's food collection campaign officially ended on March 15, 1933. People could already eat early spring plants. Since the new sowing season began and people had no energy to work in the fields, the authorities established medical points in some villages that started feeding the starved. Kolkhozes, too, began to distribute some food. Meanwhile, newspapers and radios spread news of elimination of yet another nationalistic center that arranged the famine upon the order of Comrade Stalin, the creator of new and happy life. This image penetrated many minds exhausted by hunger. As a result, some people were still afraid to be Ukrainians in their country long after the genocide, and passed that fear over to their children.

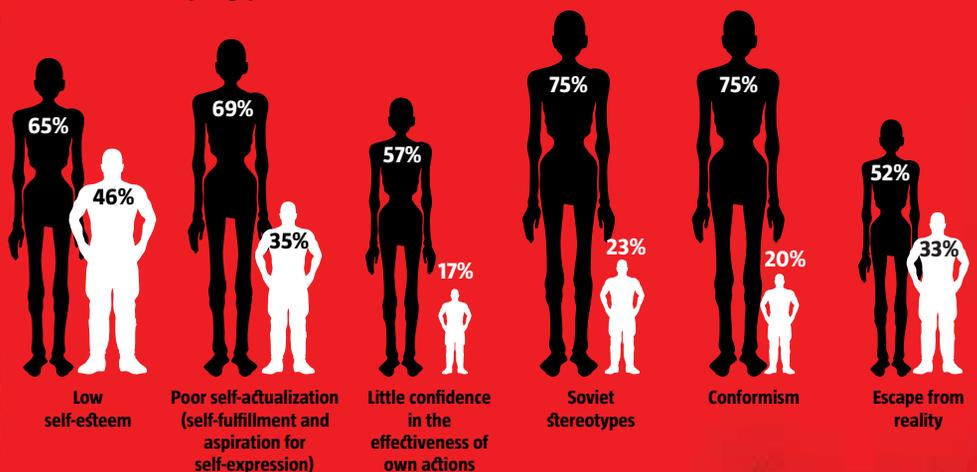
### Suppressed individuality



### Childhood stress and emotional comfort in adulthood



### Behaviour-shaping personal features



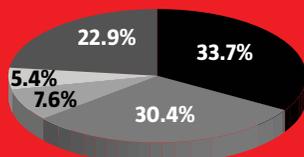
Source: Centre of Ukrainian Studies at Taras Shevchenko University

# Who is to blame?

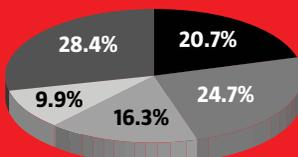
According to a recent joint survey by the Democratic Initiatives Foundation and Ukrainian Sociology Service, **53%** Ukrainians claim that they know "general things" about Holodomor. **19%** "have heard of it" and **26%** claim to be well-aware of the genocide. **2%** say they know nothing about it. Awareness varies by age: **42%** people aged over 55 claim to know a lot about the starvation compared to just **21%** of those aged 30-54, and a mere **16%** of those aged under 30. Most Ukrainians blame the Holodomor on Stalin and the Bolsheviks

- Fully agree
- I think I agree
- I don't think I agree
- I don't agree
- I don't know

## The 1932-1933 Holodomor was caused by the government policy



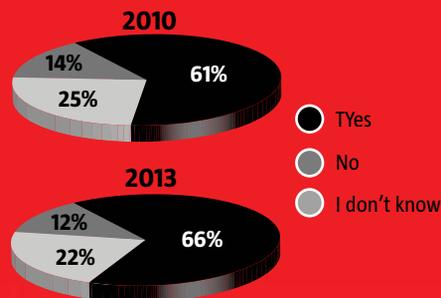
## The purpose of the 1932-1933 Holodomor was targeted elimination of the Ukrainian nation



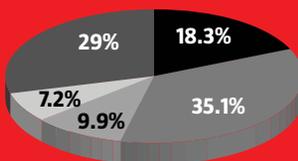
# Understanding the genocide

The Rating sociological group found that the highest share of Ukrainians who think of the Holodomor as genocide is in 2013. The number of those who believe otherwise shrinks every year

## Was the Holodomor genocide?



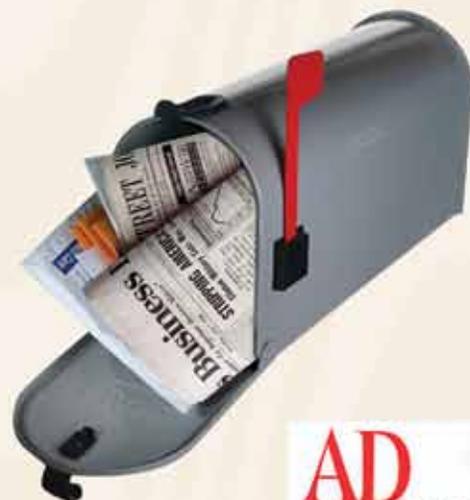
## The Holodomor was a campaign to eliminate peasants as a social category and force them into kolkhozes



Source: A survey by the Democratic Initiatives Foundation and Ukrainian Sociology Service



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# The Holodomor: Dictated by Communist Doctrine

The 1932-33 Holodomor was a consequence of the Bolsheviks' efforts to completely eradicate private property

Stephen Wheatcroft and Robert Davies wrote in the preface to the Russian edition of their book about the famine *Gody goloda: Selskoye khozyajstvo SSSR, 1931-1933* (Years of Famine: Agriculture in the USSR in 1931-33) that they “failed to find evidence that the Soviet authorities pursued a programme of genocide against Ukraine”. Indeed, a programme of this kind did not exist. Their book is filled with facts but ignores the most important one — the party programme to which Bolshevik leaders looked for guidance in creating an unprecedented socio-economic system. In the stormy atmosphere of 1848, Marx and Engels summarized their views in the Manifesto of the Communist Party: “The theory of the Communists may be summed up in the single sentence: Abolition of private property”. The communist doctrine of the Russian Bolsheviks was based precisely on the revolutionary Marxism of the mid-19<sup>th</sup> century. When Lenin returned to Russia from his exile intent on transforming a people’s revolution into a communist one, he outlined in his 1917 April Theses not only a plan for the Bolsheviks to seize power but also a blueprint for further action. This included changing the name of the party (from social democratic to communist), adopting a communist party programme, creating a communal state and founding Comintern, an international organization of communist parties.

Through propaganda and terror, the Bolsheviks ousted rival parties from the Soviets and turned the latter into a clone of their own party and government bodies. Thus

**Author:**  
**Stanislav  
Kulchytsky**

## PEOPLE BEHIND GENOCIDE OF UKRAINIANS



Joseph Stalin,  
General  
(1879-1953)  
Secretary of  
the Communist  
Party Central  
Committee in  
1925-1934



Vyacheslav  
Molotov  
(1890-1986),  
Head of Soviet  
Government in  
1930-1941

emerged the Soviet authorities, a symbiosis of the Bolshevik political dictatorship and the Soviet government. As a result of the party’s foundation in “democratic centralism”, the Bolshevik leaders had absolute power. The previous horizontally structured organizations upon which civil society once rested were either destroyed or verticalized. The party and governmental verticals of power were rooted in the masses through a series of “transmission belts” — an extensive system that included the Soviets, the Komsomol, trade unions and various non-governmental organizations. The Communist Party also became a “transmission belt” when it produced an internal party of leaders — the nomenklatura. The vertical of government security came under direct control of the Secretary General and, like the party and government verticals, was rooted in society through hundreds of thousands (in Ukraine) and millions (across the USSR) of “secret informers”. Unlike the traditional states—both democratic and totalitarian—that were separated from society, the communist state permeated society through all of its institutions. Such a state was necessary in order to successfully implement elements of the communist utopia, namely dispossessing society and complementing political autocracy with economic dictatorship.

The logic of communist transformations required the simultaneous obliteration of private property among large and small property owners. It proved fairly easy to remove the means of production from the bourgeoisie — though it did prompt a civil war. In the country-

side, communist transformations involved setting up state farms in place of landowners’ estates and forming communes by uniting peasants’ farms. Having factories, state farms and communes at their disposal, the Bolshevik leaders were intent on doing away with the market and replacing goods circulation with direct exchange. These were precisely the changes set forth in the Russian Communist programme of March 1919.

However, peasants and soldiers mobilized from the countryside did not want to even hear about state farms and communes and demanded that land be divided fairly. The Council of People’s Commissars led by Lenin was forced to back down and, rather than implement the exchange of goods between the countryside and cities, search for other ways to provide food to workers in nationalized industries. The government banned free trade and set up mandatory procurement quotas for peasants. As a result, peasants began to limit the land they cultivated, leaving just enough to serve only their personal needs as they were unwilling to work for the state for free. Then, in December 1920, Lenin introduced sowing quotas: state agencies were set up to inform peasant households how much land each of them was supposed to cultivate and make sure they worked diligently to produce a harvest, which was then taken away by the state. However, Lenin quickly changed his mind and switched to the New Economic Policy.

## COLLECTIVIZATION

After five years of tense struggle, Stalin took over the party’s top leadership and formulated two theses in the resolutions of the 15<sup>th</sup> party congress in December 1927: agriculture needed to be collectivized, and the country had to transition from goods circulation between the countryside and cities to goods exchanges.

Nikolai Bukharin wrote in the Programme of the Communists (Bolsheviks) back in 1918: “The task is not to have each individual peasant work his own tiny plot of land, crawling on it like a dung beetle on its heap of dung. Rather, the goal is to have as many poor peasants as possible engage in communal work”. It seemed that after joining collective farms, peasants would no longer be able to decide how much

to sow, and the commune-state would be able to distribute agricultural products outside of the market as demanded by the guiding theory of the Russian communists.

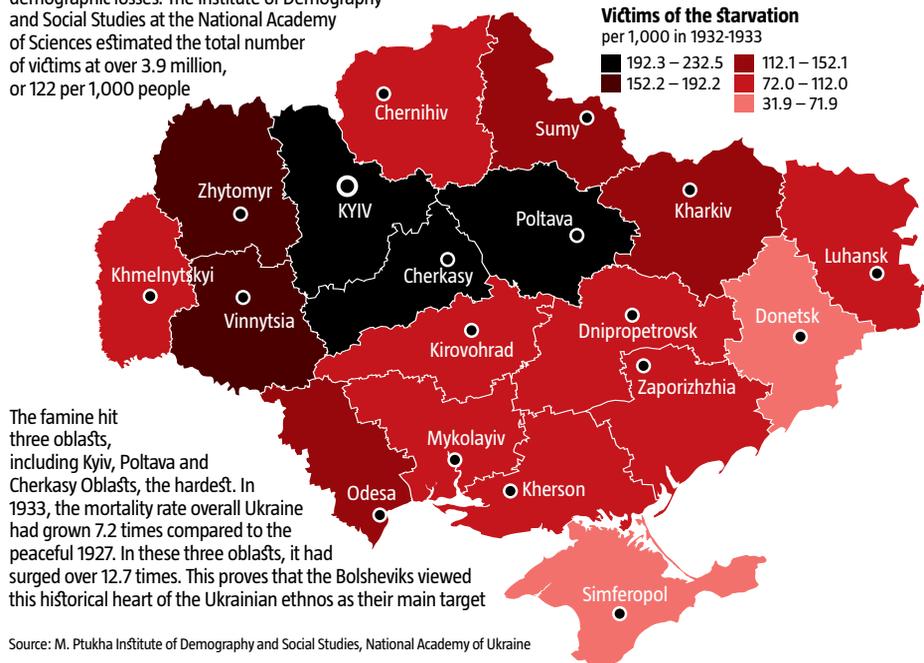
However, reality defied speculative doctrines. After meeting with resistance once again, Stalin was forced to reorganize the collective farms as semi-formal associations called *artels*, rather than communes. The difference was that *artel* members had the right to own private plots of land. When members of collective farms saw that the state was taking away their products through grain procurement campaigns, leaving nothing for the peasants themselves, they focused on their private plots. Harvest losses in collective farms rose to a critical level. Receiving less and less from collective farms, the state was forced to scale down its grain exports, which were supposed to provide the capital with which industrial development would be financed. Cities also started experiencing famines as the state reduced ration card norms and stripped certain population groups of such cards altogether.

On 20 July 1930, Stalin wrote Kaganovich and Molotov from a resort stressing the need to adopt a law which would: a) equate the property of collective farms and cooperative societies with that of the state; b) punish theft of property by at least 10 years in prison but usually entailing the death penalty. To Stalin, without these measures, which he himself called “draconian”, it was impossible to establish the collective system of farming. In his July letters addressed to the Kremlin, Stalin demanded “finishing off and burying ... the individual’s hoarding reflexes, habits and traditions”. On 7 August 1932, the Central Executive Committee and the Council of People’s Commissars adopted the resolution “On Protection of Property of State Enterprises, Collective Farms and Cooperative Societies and Strengthening Social (Socialist) Ownership” which repeated, verbatim, the penal measures spelled out by the Secretary General. The regulation was commonly known among peasants as “the law on five ears of grain”.

Grain procurement after the 1932 harvest proceeded with great difficulty. In October, Stalin set up special grain procurement commissions dispatching his top henchmen

## The geography of the Holodomor in 1923-1933

The “murder by hunger” led to a disastrous death toll and huge demographic losses. The Institute of Demography and Social Studies at the National Academy of Sciences estimated the total number of victims at over 3.9 million, or 122 per 1,000 people



Lazar Kaganovich (1893-1991), head of the extraordinary grain procurement committee in the North Caucasus and the agricultural department at the Communist Party Central Committee in 1932-1933



Stanislav Kosior (1889-1939), General Secretary (First Secretary from 1934) of the Communist Party Central Committee in Ukraine in 1928-1938

to different regions with extraordinary, even dictatorial, powers: Vyacheslav Molotov to Ukraine, Lazar Kaganovich to the North Caucasus Krai and Pavel Postyshev to the Lower Volga Krai. The Communist Party and the Soviet government issued identically-titled resolutions “On Measures to Boost Grain Procurement”. The text was written by Molotov, approved by Stalin and signed by Stanislav Kosior and Vlas Chubar. It called for “organizing the expropriation of grain which has been stolen during harvesting, thrashing and transportation”. Collective farms and farmers that failed to meet their foodstuff quotas had to pay fines in kind (with meat and potatoes). In November 1932, Vsevolod Balytsky, deputy head of the Joint State Political Directorate (OGPU) and its special authorized representative in the Ukrainian SSR, issued order No. 1 in the Ukrainian State Political Directorate which claimed that in Ukraine there was “organized sabotage of grain procurement and of the autumn sowing campaign, organized mass theft in collective and state farms, terror against the staunchest and most tested communists and activists, dozens of Petliura’s emissaries and widely distributed leaflets”. Balytsky set the following task: “Exposing and destroying the counterrevolutionary insurgency and de-

livering a decisive blow against all counterrevolutionary kulak elements and Peliura followers who are actively counteracting and derailing the key efforts of the Soviet authorities and the party in the countryside.”

Peasants stripped by the state of their last remaining grain as well as the urban populations that the state was unable to feed faced the possibility of famine. Even population groups that the Cheka deemed “socially close” were becoming a threat to Stalin’s team. Some second-line communist leaders began to view Stalin’s version of the party line as a threat to the party and state.

However, Stalin did not abandon his course of action. He viewed the natural unwillingness of the peasants to work without compensation as nothing less than sabotage. Their desire to salvage part of the harvest they produced (even in the case of individual farmers and their own fields) was interpreted as theft. The intention of the local authorities and collective farm management to keep some grain in order to prevent famine was deemed counterrevolutionary. On 27 November 1932, Stalin called a joint meeting of the Politburo of the Central Committee and the Presidium of the Central Control Commission to denounce a number of leaders who were held personally account-

able for the failure of grain procurement. He claimed that “anti-Soviet elements had penetrated collective and state farms in order to organize subversion and sabotage”. “It would not be wise”, he emphasized, “if, considering that collective farms are a socialist economic form, the Communists failed to respond to the blow delivered by some of these collective farms and farmers with a crushing blow of their own.”

### “A CRUSHING BLOW”

The essence of the Cheka operation (the crushing blow Stalin had in mind) was to confiscate all available foodstuffs from the already starving peasants. The operation could take the form of simultaneous household searches. Stalin issued an order to this effect in his 1 January 1933 telegram to the leaders of the Ukrainian SSR in Kharkiv. The first point demanded calling on, through village councils, all collective and individual farmers to voluntarily hand over “previously pilfered and concealed grain”. The second point of the telegram was about those who ignored this demand: “Collective farms and farmers and individual farmers who stubbornly continue concealing pilfered and unaccounted-for grain will be subject to the severest punishment under the resolution of the Central Executive Committee and the Council of People’s Commissars of the USSR of 7 August 1932”. The resolution he referred to was the infamous “law on five ears of grain”. Together, these two points forced the local authorities to search every village household.

The fact that all food reserves were confiscated during the ensuing searches supports the designation of the Holodomor as genocide. Yet those in denial demand to be shown a document. Clearly, the government would have never fixed such intentions on paper. However, eyewitnesses of the Holodomor — those who spoke to the James Mace commission and to Ukrainian researchers — described the actions and policies of the Soviet authorities in Ukraine. To date, thousands of testimonies on the total confiscation of food among peasants have been recorded and published. Harvard University is working to create an Atlas of the Holodomor that will include a map showing the geographical distribution of eyewitnesses who

### PEOPLE BEHIND GENOCIDE OF UKRAINIANS



Vlas Chubar (1891-1939), Head of the Council of People’s Commissars in the Ukrainian SSR in 1923-1934



Mendel Khatayevych (1893-1937), in charge of grain procurement in Kharkiv Oblast from October 1932, First Secretary of Dnipropetrovsk Oblast Committee (1933)



Pavel Postyshev (1887-1939), Secretary of the Communist Party Central Committee (1930-1933), Second Secretary of the Communist Party Central Committee (1933-1937)

have confirmed total food confiscations in the Ukrainian SSR and North Caucasus Krai.

When the state confiscates not only grain but any kind of foodstuffs, its intentions should be qualified as murder — no other definition is possible. In this case, we are dealing with premeditated and professionally organized mass-murder whose victims were not only those viewed by the Kremlin as saboteurs but also children and the elderly. Searches on Stalin’s orders and the total confiscation of food were carried out by local activists and members of poor peasants’ committees and supervised by Cheka officers.

Stalin’s “crushing blow” was a secret action, even though it covered a huge territory. The lethal famine could only be mentioned in classified documents, so-called “special folders”, for use by party and government bodies. Functionaries at all levels avoided the word “famine” but were able, through “special folders” with restricted access and circulation, to implement measures that caused widespread famine.

In addition to hushing up the famine, the authorities also physically blocked the population in repressed regions. On 22 January 1932, Stalin personally (his autograph has survived) wrote a letter to the Central Committee and the Council of People’s Commissars directing them to keep peasants in Ukraine and the Kuban from moving to other regions en masse.

Therefore, we have a certain sequence of actions that turned the famine into the Holodomor: 1) Stalin set up extraordinary grain procurement commissions in three regions with high crop yields; 2) on Stalin’s initiative, legislation imposing in-kind fines on peasants who refused to surrender “pilfered and concealed grain” was introduced and enforced; 3) on Stalin’s orders, comprehensive searches were carried out to find stashes of “pilfered and concealed grain” which, in fact, did not exist; 4) all long-term storage foodstuffs were confiscated during the searches; 5) regions that were completely stripped of foodstuffs were physically blockaded; 6) a ban on using the word “famine” in reference to the 1932-33 famine was introduced, which remained in effect until December 1987. The consequence of this chain of actions

was the excessively high mortality rate of the population.

### STALIN’S MOTIVES

After defeating the “right-wing deviation” Stalin took over party, government and Cheka leadership, but that was where his power stopped. We should not forget that Stalin as an icon, a leader beyond criticism, emerged only after the Great Famine of 1932-33 and the Great Terror of 1937-38. In 1932, control over the verticals of power gave Stalin carte blanche to do anything he pleased with the commune state and the society that was inextricably intertwined with it, but only as long as it did not trigger a social upheaval. Meanwhile, the Cheka indicated that such an upheaval was imminent. The collapse of grain procurement and the ensuing 1932-33 catastrophic famine could have cost Stalin the office of Secretary General. Thus, through his 1 January 1933 telegram, he set in motion the Cheka operation he had started preparing even before special grain procurement commissions were set up.

Stalin was always wary of Ukraine. Canadian researcher Lynne Viola published the statistics of peasant riots in 1930: 4,098 in the Ukrainian SSR, 1,373 in Central Chernozem Oblast, 1,061 in North Caucasus and 1,003 in the Lower Volga region.

Today the 1932-33 Holodomor is the focus of attention for many specialists. Sooner or later, under pressure of incontrovertible evidence the world community will give its legal assessment of Stalin’s terror, which was, in essence, genocide. When we insist that the victims of genocide were Ukrainians as a national group and refer to the types of groups (racial, ethnic, national and religious) outlined in the UN convention on genocide, we meet with protests from Russian researchers. Meanwhile, we need to fully accept the conclusion Robert Conquest makes in his famous book *Harvest of Sorrow* (1986): “But whether these events are to be formally defined as genocide is scarcely the point. It would hardly be denied that a crime has been committed against the Ukrainian nation; and, whether in the execution cellars, the forced labour camps, or the starving villages, crime after crime against the millions of individuals forming that nation”. ■

# A Red and Black Sachet With Ashes

"Returning, Soetkin took a piece of red silk and a piece of black silk; with these she made a sachet, and then put the ashes in it, and to the sachet sewed two ribbands, so that Ulenspiegel could always wear it on his neck. When she was putting the sachet in its place on him, she said to him:

"Let these ashes, that are the heart of my man, this red that is his blood, this black that is our mourning, be ever on thy breast, like the fire of vengeance upon the murderers."

"I would have it even so," said Ulenspiegel.

*Charles de Coster. The Legend of Ulenspiegel...*

**T**he story of Ulenspiegel, in which the mother gave her son a small sachet made of red and black silk with the "ashes of the heart" of his father, Claes, to carry throughout his journey of life, is very, very instructive for Ukrainians who have the tragic 20<sup>th</sup> century behind them. Ukrainians had so much annihilated in that century, which may lead us to the following questions: what does one do with such a terrible experience? Maybe, it is better not to overburden one's memory? Maybe, it is better to leave everything to the historians? Maybe, in order not to traumatize young souls, school curricula should be "sanitized", maximally freeing them from the nation's bitter experience?

Charles de Closter's response would be different: "Claes' ashes" must beat by the hearts of their descendants.

This reminded me of an episode twenty years ago. It took place in an old Kirovohrad synagogue. Kirovohrad was formerly named Elizavetgrad after Elizabeth of Russia (1709-1762). An old Jew, who was teaching the history of the Holocaust, gave me a few text-books, published in Israel for Israeli schools. I began leafing through them – I was astonished. One of them started with the history of oppression and programs. Elizavetgrad was mentioned in that context: it had once been a place where Jews were limited by the Pale of Settlement to prevent them from competing with Russian merchants, craftsmen etc. Subsequently, one of the first large programs in all of Russia took place in this city on the steppes.

The chronology, infographics and textual information – everything in these text-books was intended to pluck the students' emotional strings, to trigger subconscious emotional resistance to injustice and inequity, and as a result to force them to reflect on the following question: "Why us, why has this happened to us Jews, and what do we have to do so that it never happens again?"

I don't know, who stands where, but I am on the side of the authors of that Israeli text-book, who not only confronted their historical memory, but also constructed it. More than that, they did the exact same thing as Ulenspiegel's mother, when she gave him the red and black sachet with the "ashes of the heart" of his father.

It was from my mother in a village on the steppes of Odessa Oblast that I learned of Solovky, the labour camp on the Solovetsky Islands, and of the post-war famine. That was sometime in the early 1960s, and later I heard the stories many times. My mother did not remember the Holodomor of 1932-1933, because she was a young girl of 6-7 years old. Still, what

Ukraine lived through in 1947 in her words shocked me by the scale of its terror. There were even instances of cannibalism – and my mother, a junior school teacher, did not consider mentioning this fact to her own children as being "non-pedagogical." She told me about her experiences with no special goal in mind: she simply told me the truth, as though she herself had a hard time understanding how she had been able to endure it all. Now I have no doubt that then, in my childhood, in my Demedivka – the village that is slowly dying today – that I also received a red and black sachet from my mother.

Meanwhile, Ukraine's Ministry of Education feels that the "sachets with ashes" are useless for young Ukrainian Ulenspiegels. It has recently removed *The Yellow Prince*, the first novel on the Holodomor by Vasyl Barka from the curriculum. Barka had written it as an emigrant, way back in 1963, somewhere in the mountains of America. The change was presented as concern for the mental health of children. In fact, it is more of a policy shift: the Holodomor should be mentioned as rarely as possible, and history should be "sovietised" overall, those in power insist. In this situation, the removal of *The Yellow Prince* from the curriculum makes perfect sense: it shows the reality of 1933 as a frightening demonization by the builders of a "new world" who feed people with stories of universal happiness that is almost there while enriching themselves, lying and killing.

It had taken so much time and pain for the truth about the Holodomor of 1932-1933 to reach us through the decades of false silence. Not before the late 1980s did people start to speak about it openly, and those with political ambitions did so from rostrums. Prior to this, Soviet-controlled literature had hardly mentioned it reminiscent of what my generation heard from our parents. Now, the history seems to be repeating: with fewer locks left, the new key guards are trying to lock them up again.

That Israeli text-book that I can't help but think of eventually made me think of more than just the pats. It provoked important questions about history and future that eventually led me to a conclusion that the Holodomor was not simply the consequence of Stalinist tyranny, but Stalin's tyranny was the consequence of the flawed and utopian communist doctrine. The tragedy broke out at the moment, when the some well-known intellectuals began to think that violence is the best instrument to achieve universal happiness. The communists kept the right to use violence as "dictatorship of the proletariat". Under specific historical circumstances – the Red-imperial Russia with its strong tyrannical tradition and great contempt for foreigners in the early 20<sup>th</sup> century – this doctrine was fatal for Ukraine: Russia was terrified of losing a very tasty piece of its empire. As a result, it opted for the criminal path qualified as Holodomor – hold for hunger or starvation and mor for death or murder in Ukrainian.

Little has changed since: Russia is still afraid of losing the tasty piece. ■



**Author:**  
**Volodymyr**  
**Panchenko**

# Seeking Justice

U.S. Federal Judge  
Bohdan A. Futey  
discusses the  
international legal  
precedents that could  
allow Ukraine to  
demand recognition  
of the Holodomor as  
genocide in an  
international  
court



Interviewed by  
Hanna Trehub

Photo by  
Andriy  
Lomakin

**T**he *Ukrainian Week* spoke with U.S. Federal Judge Bohdan A. Futey about genocides in the Balkans, Rwanda, and Sudan, and legal responsibility of governments for them. He also discussed Ukraine's path to achieving international recognition of the Holodomor.

**U.W.:** In your opinion, how objective and unprejudiced was the investigation by the Security Service of Ukraine (SBU) into the 1932-33 genocide in Ukraine? Today, its opponents claim that the Kyiv Court of Appeals' ruling was guided by political motives.

I believe that even 20 years ago, Ukraine did not have enough documents to study the facts of the 1932-33 Holodomor. There were no open archives. At one point, KGB archives were made accessible thanks to then-SBU chief Valentyn Nalyvaichenko. The declassified documents provided a good foundation for proving that genocide—as defined by UN convention—was indeed perpetrated in Ukraine in 1932-33. The UN Convention for the Prevention and Punishment of the Crime of Genocide was adopted in 1948 as a consequence of the Nuremberg Trials. In 1954, it was ratified by the Supreme Soviet of the Soviet republics of Russia and

Ukraine. Although it was the Kyiv Court of Appeals that would ultimately determine whether the Holodomor constituted genocide, other people and institutions were involved. For example, there was a declaration by the National Commission to Strengthen Democracy and Establish the Rule of Law composed of academics, scientists, attorneys, lawyers and judges.

There are also works by Western experts studying the problem of the Holodomor. Raphael Lemkin, who was an advisor to U.S. Supreme Court Justice and Nuremberg Trial chief counsel Robert H. Jackson, said that the Holodomor was a three-pronged attack targeting the intelligentsia, the Ukrainian Orthodox Church, and the peasantry. The Genocide Convention states that “acts committed with intent to destroy, in whole or in part, a national ... group” qualify as genocide. Another point needs to be mentioned: even those who speak about the statute of limitations — because the Holodomor occurred before the Genocide Convention was adopted — forget that there is the UN Convention on the Non-Applicability of Statutory Limitations to War Crimes and Crimes Against Humanity.

**U.W.:** Did Ukraine take sufficient diplomatic and other efforts to have the Holodomor internationally recognized as genocide? Were these efforts systematic?

The diaspora held events to commemorate this tragedy. Émigrés began the process of Holodomor recognition as such. In January 1988, Dr. James Mace, executive director of the U.S. Commission on the Ukraine Famine, reported to the U.S. Congress. The commission was made up of congressmen, American scholars, and representatives of the Ukrainian community. Following the report, Congress passed a resolution to recognize the Holodomor as genocide. This kind of decision confirms that the U.S. recognizes that such and such event indeed took place. The resolution can be cancelled or amended through another resolution based on additional documents or evidence regarding the

case. But if it is adopted by the Congress, it has binding power.

In 2003, just before the 70th anniversary of the Holodomor, the Ukrainian World Congress launched the slogan “Ukraine Remembers, the World Recognizes” which was very important because 16 states had officially recognized the Holodomor as genocide at the time. Moreover, Pope Francis, who was then a bishop in Buenos Aires, installed a plaque memorializing the Holodomor genocide in the city’s main Roman Catholic cathedral.

At one point, many experts, including myself, were working to achieve similar recognition in the UN. However, nothing came of it because Russia was a member of the Security Council with which we had to negotiate. For political reasons, the Russians filed a protest, so the issue was not even debated. Despite all hurdles, the Ukrainian government must, I believe, continue working to have the UN recognize the Holodomor as genocide. There’s a law, Cabinet of Ministers regulations and a court ruling that are urging Ukrainian government officials to do so.

**U.W.: In your opinion, what should be done to achieve wider international recognition and condemnation of this crime?**

Many facts regarding the Holodomor have already been revealed and studied, but I believe that the situation with recognition of those events is more political now.

If Russia or, more precisely, the communist regime that engineered the Holodomor in Ukraine is accused, this state that holds a key position in the UN Security Council will clearly block the process in every possible way. I have been saying for a long time now that Ukraine should try a different approach. Ukraine can appeal to the UN International Court of Justice in The Hague. However, there is one problem: under international law, both parties must agree to the verdict of this court and its jurisdiction.

Ukraine must, on its own, file a lawsuit against the Russian Federation, which has inherited 95% of Soviet property. From this viewpoint, Russia inherited most of the responsibility for the acts

and crimes committed in Soviet times. The case of Bosnia and Herzegovina vs. Serbia in 2007 established a court precedent to the effect that a state can be responsible for acts of genocide, even though the 1948 convention does not specifically provide for the responsibility of states. A victim may even claim damages from such a state. In the case of the 1932-33 Holodomor, there are not so many living eyewitnesses left (including those who experienced this tragedy as a child), but there are their descendants. They can sue and claim damages because their relatives suffered from the Holodomor.

Ukraine needs to be proactive in several ways: trying to make the UN recognize the Holodomor and also negotiating with individual countries.

**U.W.: What progress has been made in international courts and tribunals in the past 15 years to recognize genocidal acts committed in the Balkans (Srebrenica, 1995), Rwanda in 1994 and Sudan (Darfur, 2003-2009)? What innovations regarding the prosecution of genocide did they introduce in international legislation?**

On 27 February 2007, the International Court of Justice in The Hague passed a judgement in the case of Bosnia and Herzegovina vs. Serbia that is very important to our case. The court recognized that the government of a country must avoid and prevent the emergence of genocide under Article 1 of the Genocide Convention. The convention states that all of its parties, including the Soviet Union, are accountable if they fail to comply. Thus, the court explained in the Srebrenica case that the state was responsible not so much because genocide took place in its territory but because of its demonstrative refusal to take every action in its power to prevent this crime.

The court used evidence provided by International Criminal Tribunal for the former Yugoslavia. What happened in Srebrenica was qualified precisely as genocide. In a vote, 14 out of 15 judges found that Serbia had violated its international obligations regarding the prevention of genocide. At the same time, they ruled that

**BIO Bohdan A. Futey** is a senior federal judge of the United States Court of Federal Claims, where he has served since 1987. He is the only Ukrainian among U.S. federal judges. Futey holds a J.D. degree and has lectured as a visiting professor at universities in Germany and Ukraine.

1972-74: Chief Assistant to Cleveland Police Prosecutor

1974-75: Executive Assistant to the Mayor of Cleveland

1984-1987: Chairman of the Foreign Claims Settlement Commission of the United States

Futey is a member of the American Bar Association and the Ukrainian American Bar Association, Ukrainian Assistance Coordination Committee. He has participated in judge exchange programmes and was an advisor to the Verkhovna Rada working group to draft the Constitution of Ukraine.

there was no direct evidence implicating Serbia in causing the genocide. Therefore, it was hard to get a hold of the accused, including Radovan Karadžić (president of the Republika Srpska in Bosnia in 1992-96. — Ed.) whom the authorities refused to hand over to the tribunal in The Hague. Finally, Serbia found the will to extradite him. If he is found guilty and it is established that he acted in favour of Serbia and was linked to the Serbian government in Belgrade at the time, the state of Serbia may face charges of complicity in genocide and be held accountable, in particular through the payment of damages.

The trial of Jean-Paul Akayesu in the case of the 1994 Rwanda crimes was the first time when an international tribunal gave an interpretation of the definition of genocide included in the 1948 convention. Article 2 of the convention defines it as acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group. It was important to condemn the very intent to commit that. To Ukrainians, the experience of the Rwanda tribunal is important to Holodomor recognition in that it provides a definition of the national group: a collection of people who are perceived to share a legal bond based on common citizenship, coupled with reciprocity of rights and duties. Whether the group involves only and exclusively Ukrainians is of no importance, because it applies to the entire national group, for example, one that works together. In other words, it applies to the group of peasants who were destroyed by the Holodomor. Moreover, the tribunal interpreted an ethnic group as a group whose members share a common language or culture.

The International Court of Justice, active since 2002, charged Omar Al-Bashir, the President of Sudan, with genocide and crimes against humanity and issued a warrant for his arrest. The charges were brought over the atrocities committed by him and representatives of his government in Darfur. This step points to a new trend: less tolerance for acts of genocide and increasing efforts to bring the perpetrators to justice. ■

# Awaiting New Hosts

*The Ukrainian Week* takes a tour around castles handed over into concession



Author: **Oleksandr Syrtsov**

A couple hundred years ago it was here that the steeds pranced around before going to battle, called upon by Prince Konstaty Wasyl Ostrogski, the owner of the castle in the village of Stare Selo, literally meaning old village. Then, the stronghold was in its prime. When I visited the largest castle in Lviv Oblast recently, I did not find a warhorse, but a work horse, which was chewing grass in that same court-yard. This is how disgracefully the last attempt at restoring the citadel from its ruins has ended, handing it over in concession to a private businessman for forty-nine years.

Ukrainian laws do not allow privatization of unique buildings, such as castles and fortresses. However, inasmuch that the state and local governments could not afford expensive renovation, restoration and further operation of these architectural monuments, they were put into concession. This process did not become a

## CASTLE BOOKKEEPING

The cost of renovation varies by castle. According to expert estimates, basic repairs, such as fixing or replacing the roof or repairing and reinforcing the walls, are the cheapest of all, costing at least UAH 5mn or about USD 610,000. Further restoration is at least five times more expensive.

massive phenomenon, though some campaigns to attract private investors were successful. In 2006, local artist Yosyf Bartosh became the new owner of the castle in Chynadiyovo, Zakarpattia Oblast. Acquiring the derelict building in concession, until then used as a warehouse for fuels and lubricants, the artist managed to find the funding, renovate the first floor and arrange open air festivals there later.

## LUCKY CASTLES

According to the register of the Ministry of Culture, Ukraine has around 75 castles and fortresses. 34 are in Ternopil Oblast. Another 10 are in Lviv Oblast. Add to this numerous ruins and old citadels recorded on the balance sheets of local administrations – and the number will hit 200.

Eleven sites form the National Reserve of Ternopil Oblast Castles. This Reserve takes care of all matters related to the operations of fortifications. One of the most popular tourist itineraries known as the Golden Horseshoe of Lviv

Oblast will take you to three of them in Olesko, Zolochiv and Pidhirtsi. These castles have a special status as branches of the Lviv Art Gallery. For a long time, it was headed by Borys Voznytsky, a well-known art conservator, whose reputation secured him sponsors for renovation. Another lucky site is the Zhovkva castle. It is a centrepiece of the local historical architectural reserve, and falls under the auspices of the Lviv Art Gallery. At first, the monument received generous funding as Zhovkva prepared for the celebration of the 400th anniversary of Magdeburg Rights. Recently, it got a substantial grant, so the restoration of the once royal castle will continue.

The rest of the castles in Lviv Oblast have been less lucky: their decline started at the beginning of the 19<sup>th</sup> century and continued through the Soviet rule when they were used as warehouses, prisons or mental hospitals. While Lviv Oblast is one of the major tourist destinations, these castles never saw investment to



PHOTO BY MYKHAILO DASHKOVYCH

that payments need not be made at once, but after the building becomes operational and profitable. This did not work. Potential investors did not line up for concessions on the castles in Tartakiv or Stare Selo (only one application for each of these monuments was submitted). The concessionaire of the Stare Selo Castle became Mykhaylo Ryba, a restaurant owner from Lviv, who pledged to invest UAH 300mn to turn it into a family entertainment centre. The new owner of the Tartakiv fortress, became Ihor Novosad, a businessman and owner of a construction company from Rivne, pledging to invest UAH 100mn.

Initially, the businessmen were willing to interact with the locals, promising them how they would fix the roads to these monuments, and spin yarns to journalists about how functional these castles would be. After more than four years, the promised millions have yet to be seen. In the last months they have not even cleaned the territory. As a result, the Tartakiv concession agreement was terminated, and the one for the Stare Selo Castle will soon follow suit. Meanwhile, the authorities are looking for a new concessionaire. Now, negotiations are ongoing with the Poles and the Germans.

Stare Selo remains an attractive tourist destination. Each week at least two buses of Polish tourists visit. At the local school the teachers have set up museum of the castle, and the students are taking their first professional steps as tour guides taking tourists on excursions around the citadel for a small fee. The Tartakiv Castle is in a different situation: even though it is located next to Chervonohrad, a town that hosts the Potocky Castle, and the princely cities of Belz and Uhniv, the roads leading to it are very poor, so few tourists are willing to take the trip.

The third castle in Swirzh found itself in the biggest trouble. It fell into decline in the post-war years; the chances for its renaissance appeared in the late 1970s, after it was used as a location for a few episodes of *D'Artagnan and the Three Musketeers*, a popular Soviet film. Immediately after that the site was given over to the

jurisdiction of the Union of Architects of the USSR. Four institutions were involved in the restoration project; a great deal of work was undertaken, not only on the castle, but on the associated territory including the lake.

Because of such ambitious plans, they were never completed. The Union of Architects of Ukraine which inherited the facility did not have resources to complete the renovation. According to the regional head of the organization, Oles Yarema, the basic mistake was in that they never even opened the section that had been restored, even though the Swirzh castle is in a much better condition compared to the ones in Stare Selo and Tartakiv, and completion of renovation there is less expensive. Meanwhile, Lviv Oblast Administration finally decided to hand over the castle into concession. ■

#### WORTH THE VISIT



**Stare Selo Castle** in Puštomyty County, Lviv Oblast. Architectural monument of the 16<sup>th</sup>-17<sup>th</sup> centuries once owned by Prince Ostrogski. It is the largest fortified castle in Lviv Oblast, covering 2 hectares. It was designed by architect Ambrosiy Prykhylniy. The castle is considerably damaged.



**Tartakiv Castle** in Sokal County, Lviv Oblast was built by Count Potocky in the 17<sup>th</sup> century. Fragments of the fortifying walls is all that has survived until present day. At the end of the 19<sup>th</sup> century, the village owner Lanckoroński built a palace there, which stands to this day.



**Swirzh Castle** in Peremshliany County, Lviv Oblast. The first accounts of this castle date back to 1530. The current building is from the 17<sup>th</sup> century when the citadel was taken over by Count Aleksander Cetner.



**Chynadiyovo Castle** also known as Saint Nicholas Castle is in the village of Chynadiyovo in Mukahciv County, Zakarpattia Oblast. This is an architectural monument from the 14<sup>th</sup>-18<sup>th</sup> century. The citadel was controlled by Princess Ilona Zrínyi, her son Francis II Rákóczi. When the Rákóczis were defeated in their war, it came into the hands of the Schönborns until the 20<sup>th</sup> century.

restore them and turn into attractive tourist sites.

#### STADIUMS, NOT CASTLES

When Borys Voznytsky, now deceased, asked then Deputy Prime Minister Borys Kolesnkiw whether the Euro 2012 preparation campaign envisaged any funding for restoration of castles, he replied that stadiums and airports were the priority at that point. Once the championship was over, the stadium stood idle most of the time. Meanwhile, the government launched intense preparations for the 2022 Olympics.

A few years ago, those in power decided to hand the restoration of derelict strongholds over to the private sector. This happened when Viktor Yanukovich was Prime Minister. On November 21, 2007, he signed a decree placing three castles in Stare Selo, Tartakiv and Swirzh into concession.

The Law on Concessions has one article that should attract potential investors: it foresees

# An attempt to whitewash

Art Arsenal after censorship in the previous show



Animal-People  
installation by the  
Zhlobologia – Slobology  
project

PHOTO: OLEKSANDR ZAKLETSKIY



Evening Road by Anatoliy  
Kryvolap

**A**rt Kyiv Contemporary, a forum which opened at Art Arsenal - Mystetskiy Arsenal on November 13 through December 1 - brought together 35 projects and more than two hundred Ukrainian artists. The national culture & arts complex took on the role of a dispassionate site for all manifestations of Ukrainian contemporary art. It has thus embodied a gracious and tolerant - and certainly, illusory - state, in which there is no more room for either a moral committee or adjustment of art to politics. This year's forum offered a good chance for rehabilitation to the venue after the recent act of censorship: the destruction of Volodymyr Kuznetsov's artwork by Art Arsenal's director Natalia Zabolotna. This was done right before the opening of the Great and Grand - an art show dedicated to the history of Christianity in Kievan Rus and Ukraine - and before some of Ukraine's and Russia's top officials and clergy were scheduled to attend. The act stirred a wave of indignation, mixed with concern about future merciless repression, among artists. And it drew a dividing line between in the

sensitive art community between those who supported and opposed Arsenal.

The latest show was seen as a conflict-free project of reconciliation. Without it, the Art Arsenal risked losing part of its contingent. The only element of curatorship in it was the concept of a platform for "open artistic communication between different arts institutions". So, we were looking at the digest of contemporary art.

One of the participants of the exhibition, conceptualist Arsen Savadov, stated that Art Kyiv Contemporary - "is a celebration of art called on to take price tags off pictures and save Arsenal from villainy. The forum is oriented at the artistic process, not market favourites". As a result, pieces by Arsen Savadov, the first Ukrainian artist to make it to Sotheby's; Oleksandr Roytburd whose art is often sold at London auctions, and Anatoliy Kryvolap whose piece was auctioned for a record-breaking price in Ukrainian contemporary art, hang next to ten projects, created by little-known artists. According to the organisers, the latter were discovered thanks to Oleksandr Solovyov, former

chief curator at the Art Arsenal. However, some of the top contemporary artists including Vasily Tsagolov, Oleh Tistol, Pavlo Makov and Zhanna Kadyrova, did not make into the show. Perhaps the organisers thought that they were too well-known to exhibit their works. Or their exorbitant price tags would irritate the audience of the down-to-earth forum. Or the artists themselves no longer want to participate in the Art Arsenal's shows.

Art Kyiv Contemporary demonstrated apparent pluralism, exhibiting a wide range of works from traditional gesso and upcycling to ultramodern IT technologies and performances. The 35 art projects presented at the forum embraced all kinds of themes and aesthetics. The exhibition started with the neo-archaic piece by Roman Romanyshyn; colour alchemy by Tiberiy Silvashi; and symbolism from Petro Bevza - all delicate and sophisticated canvases. Moving on, the viewer found himself in a post-modern chaos. Kitsch spoke from the Soviet carpets of Anatoliy Hankevych and politically incorrect passions from Vladyslav Shereshevsky, peaking in the deliberately pro-



vocative erotic Kiss by Roman Zhuk. Art Arsenal's strategy was to please everyone. Aristocrats would admire modern classics, young rebels – the projects of urban artists and video-art, and people with a sense of humour would enjoy cheerful provocative art. The exhibition was a metaphor of the entire country, where progressive and outdated ideas, high technologies, post-Soviet experiences, teenage rebellion

and mature reasoning coexist freely. Academic painting, trash, advertising, design, talents without names and names without talent – everything was painstakingly concentrated under the shroud of Art Arsenal, where nothing threatened artistic freedom. The good thing was that there is plenty of space between the items. It kept them from merging into a schizophrenic cacophony. ■



# UKRAINIAN FOLK PERFORMANCE

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# Tearing Down Covers

Photographer Borys Mykhailov talks about the ability to weed out beauty, the emptiness of PR and art lovers

**Interviewer:**  
**Bohdan**  
**Butkevych**

It has always been very difficult to determine who will gain the status of number one among artists. When such an artist is determined, it surprisingly difficult for him/her to consistently justify this status. Kharkiv-based Borys Mykhailov is the most famous photographer in Ukraine, and in his world, he is an expert in social art photography. However, he goes from strength to strength and continues to amaze viewers with his extravagant photographs in spite of being 75 years old. His work can be seen in most leading museums of New York, London, Moscow, Tokyo, Berlin, etc. His photographs have been exhibited in the most prestigious galleries of the world, such as the Saatchi Gallery (London), the Institute of Contemporary Art (Boston), Pace/MacGill Gallery (New York) and so on. “Bob” Mykhailov is the only Ukrainian winner of the international Hasselblad Award – the equivalent of the Nobel Prize in photography. Like no one else, in his works, he is able to tear down the covers of narrow-minded beauty and decency, showing life in all of its unsavoury lights. *The Ukrainian Week* spoke to the master of photography during the opening of his personal exhibition, UNRESPECTABLE at the Yermilov Centre gallery in Kharkiv.

## ABOUT PHOTOGRAPHS

**The success of a photographer is not the result of talent or diligence.** First and foremost, it is the ability to understand the importance of the moment or event, which is happening in front of you, and selecting the most important of what is already important. Mechanical or purely technological moments are also not very determinant. Even a monkey can be taught to do something as sim-

ple cumulative actions, but it is incapable of giving birth to the idea of their vision, however many times it repeats these actions and however much it works. A photographer must have a firm position and constantly make choices – that’s the key. Even a choice from among the photos you have taken yourself.

**When I do something, I turn to my inner critic-consumer.** He lives inside each artist, and it is worth taking note of whether he gives a heads up to something or not – the interest of

onlookers is reminiscent of moving platforms. No one knows whether they will come together at the right time and in the right place.

**There are photographers-artisans, and there are artists, who make use of photographs.** Artisans feel great: they photograph weddings, make passport photos, in other words, they execute their professional functions. For the artist, on the other hand, the main thing is to intertwine photographs with their own soul and vision. I belong to this second category.





**It's not worth separating photographs into documentary and artistic categories.**

Often, a purely informational image of reality on a photograph is the reverse side of art, so is a part of it. Each element is very important. For example, you consciously remove the actual substance from the photograph and instead, start working with what remains.

**Now, in a supposedly free society, taking photos is much more difficult than during the totalitarian Soviet era.** It was clear who the enemy was then – the reason why you did everything, sometimes in defiance and ultimately, you continued to take photographs. Today, you can't tell who your opponent is or how to compete against him/her. In addition, the current variety of colour significantly complicates an artist's work, since it's difficult to choose. It's very easy to make a choice when such choice is restricted. But total freedom is not a

THE BLUE SERIES, THE 1990s. Reflects the first post-Soviet decade in Ukraine

very simple element in the puzzle of creating a piece of artwork. Its surplus is also a problem, because it seems that nobody stops you from doing whatever you want to do. The question arises: then why do it?

**ABOUT ART**

**I weed out beauty in my works.** For me, it's important for people to simply see something else, in its common understanding, aesthetics shield it, so for me, it is superfluous.

When I do something, I don't think about becoming part of the general trend. I don't even know what it is. This is simply an extension of my comprehension. Although, of course, I'm interested in the context: what are my colleagues photographing, on what canvas, where, to whom, in what does success lie. But I don't understand what PR is and don't use it, because it is an empty, specially devised soap bubble. There is no truth behind it. At the same time, for example, there is a lot of largely positive PR surrounding information on a photography school in Kharkiv. For the most part, this is simply a coincidence. Also, when I succeeded in gaining a level of success, I started telling everyone about this school, but critics and journalists began to dig and search for connections of some kind, brought up theories, and so on. In other words, a sort of PR campaign had begun. But in truth, there were people, who took care of business and there was faith in oneself. So not everything is for nothing here.

**Some words are no longer relevant for artists.**

Overall, certain good words are used right now: truth, obligation, importance. However an artist is still responsible for himself/herself: if he or she has set himself or herself a certain task, he or she has to fulfil it. If he or she considers it necessary to explain something to people with his or her work, he/she must act accordingly, if not – then no. Thus a painting or photograph speaks for itself. But if it is necessary to comment on and explain it, this is also okay.

**I find it funny when people say: "You do this for money".**

Generally, to me, all conversations

about artists earning money seem empty. For example, Rembrandt only talked about money and created all of his best works on commission. This is normal. After all, every person wants his or her work to be duly priced. When an artist is working in his or her chosen field, is he/she supposed to be nourished by the Holy Spirit? In principle, money is a measure of professionalism, the ability to give people what you have made. You have what you earned.

**It is impossible to determine the specific point where art begins.**

But in general, it begins with an idea. This is why most average people do not understand what the heck it is. But art functions and develops in a multi-level cultural society and gradually gains a value, which is later extrapolated to the above-mentioned man in the street. On its path to value, art inevitably has to overcome certain obstacles – no one has ever succeeded in reaching this category right away.

**Shocking the public is required when times are boring.**

For example, I am no longer interested in simple provocation – I'm drawn to a deepening, efforts to understand the other side of metaphysics, etc. However, time itself allows an artist to understand when and what is worth doing. The important thing is to ask and search. For example, at one time, our group in Kharkiv felt that it was necessary to shock the Soviet public. But if you were to repeat what we did then, it would now be viewed as vulgar kitsch.

**Art will never die.**

The only thing that can change is the technology for its creation, but not the actual genres. Even its components, which now seem to be part of the past, emerge from time to time, like revived history. Even that which now seems unfashionable has not died: neither Greek tragedy, nor ballet, nor frescoes. Art is somehow reminiscent of religion – at least in the sense that it has its followers – museum employees. They are keeping visual knowledge of life safe for future generations. And as long as intelligent mankind exists, art will have its place. ■



**28 November –  
2 December, 7 p.m.**

**10 Muses**  
Kinopanorama Theatre  
(19, vul. Shota Rustaveli, Kyiv)

Kyiv will host the Fifth International Young Cinema Festival over the course of these five days. This year's festival will open with the presentation of the film *Toloka* – pasture land in Ukrainian – by Ukrainian director, Mykhailo Ilyenko. The film is scheduled to come to the big screen in March 2014, so visitors to the festival will have the unique opportunity to see it prior to its official premiere. The event is thematically divided into three parts. One is CINEMA Day, and the other two are TELEVISION Day and CASTING Day. The announcement of the winners and prize-giving will take place on December 2.



**1 December, 8 p.m.**

**Limp Bizkit**  
Stereo Plaza  
(119, Chervonozoryaniy  
Prospekt, Kyiv)

A pleasant surprise for Ukrainian music lovers – the famous American nu metal/rapcore band, Limp Bizkit, will shortly be performing in Kyiv. During their last concert, the musicians promised their fans that they would



be returning with a new programme and new songs. Limp Bizkit will fulfil its promise and present the local audience with a new programme. However, the musicians will not forget about their old hits, on which a whole generation grew up. The album *Chocolate Starfish and the Hot Dog Flavored Water* from 2000 brought the band worldwide fame.

**4 – 15 December, 8 p.m.**

**Jazz Bez 2013**  
Lviv Philharmonic, Picasso Club  
and other venues  
(7, vul. Tchaikovskoho; 88,  
vul. Zelena)

In Ukraine, winter begins at the same time as the major jazz festival, which will join together the improvisations of ten Ukrainian and Polish cities into a single energy. Lviv will traditionally be the heart of the festival, and this year's highlight will be the combination of different jazz styles – from swing to fusion, bebop and jazz rock, experimental and improvisational music. The guests – more than fifty musicians, include the stars of world free jazz - pianist Matthew Shipp in a duet with Mateusz Walerian, the festival's friends Marinita Trio, and the Georgian ZumbaLand.



**7 – 8 December**

**Best Food Fest & Health  
Olimpiyskiy NSC**  
(55, vul. Velyka Vasylkivska,  
Kyiv)

Kyiv will once again be the capital of wholesome food and a healthy lifestyle – the Best Food Fest & Health Festival will take place here for the third time. Culinary master classes from the best Ukrainian chefs, lectures from leading nutritionists, interesting discussions on organic products and numerous competitions – this is not the whole list of pleasures that event organizers have prepared for its visitors. This year's festival will be made up of six areas: a health fair, culinary area, children's and sports zones, as well as leisure and recreational areas.



**9 December, 7 p.m.**

**Patricia Kaas**  
Ukraine Palace of Arts  
(103, vul. Velyka Vasylkivska,  
Kyiv)

One of the most famous French singers will be coming to the capital to remind the Ukrainian audience of another, no less famous performer – Patricia Kaas will sing the best known songs of Edith Piaf. The concert's two-hour programme will include such eternal hits as *La Vie En Rose*, *Non, Je Ne Regrette Rien*, *La Foule*, *Padam Padam*, *Hymne L'Amour* and others. This is how Patricia Kaas will not only recreate the atmosphere of the Paris streets in the 1930-50s, but with the aid of poetry, dance and music, will carry the image of Edith Piaf to the present day.



**20 December, 7 p.m.**

**Setting the Heart on Fire.  
A Jazz-Style Christmas**  
National Philharmonic of  
Ukraine  
(2, Volodymyrskiy Uzviz, Kyiv)

The best Christmas hits from around the world in a jazz adaptation – this is the pre-Christmas present made by the National Philharmonic of Ukraine for Kyivans and visitors to the city. The jazz concert will include performances by the prize winners of international competitions, namely Ilya Bondarenko and Tatyana Zhmendak on violin, Natalia Lebedeva on piano, Konstantin Ionenko on bass guitar and Oleksiy Fantayev on drums. It is a must for true lovers of real music, because what can be better than a soulful evening of jazz right before the Christmas Holidays.



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