

# The Ukrainian Week

International edition

#4 (86) April 2015

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**The Ukrainian Week**

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Тижень



# No Plain Truths Allowed

Author:  
Yuriy Makarov

If it weren't for the war, perhaps Ukrainians would have had to wait a long, long time for the Verkhovna Rada to adopt laws condemning communism alongside nazism. To recognize the long series of usurpers, from Lenin to Andropov, Chernenko and Shcherbytskiy as ghouls and their symbols—the pentagram together with the hammer and sickle (pardon me, the star on its own is above suspicion)—as the mark of Cain should have been done long ago, as it was in other post-communist countries. This would not only have cleared the air but would also have restored the political landscape to good health by preventing the moral heirs of the criminal regime from participating in various opportunistic pairings with their material heirs. Recall how the nominally opposition Communist Party of Ukraine obediently supported the policy of robbing the country and betraying its interests to Ukraine's

PHOTO BY ANDRIY LOMAKIN



aggressive neighbor. The very anti-Ukrainian disturbances in the East of the country, which made Russia's invasion so much easier, would have been very much more complicated if not made impossible.

Yet any ban in today's politically correct world is perceived as the weapon of the weak and there were plenty of opponents of the new law. Critics specifically point to the fact that it was poorly drafted and that Europe will not support any attempts to stifle freedom of convictions, freedom of expression of opinion, and other achievements of democracy. Ukraine will have to simply remind everybody that in "Old" Europe itself, they are very good at defending their principles when the smell of singeing arises. As one brilliant example: less than a month ago, France sentenced to two months in jail, albeit suspended, a television host who had expressed doubts about the purpose of all the protests over the acts of terror at the Charlie Hebdo editorial offices and a Jewish store... on his private page in a social network. It seems that a mature state is quite capable of determining the level of social risk behind one or another "free expression of opinion."

On the other hand, in terms of a specific Ukraine and its ignorant practice of human rights, any reasonable endeavor can be reduced to the point of absurdity. Perhaps not to the point of the Russian

Whenever a doctrine promising some kind of bright and just future requires that all "bourgeois, kurkuls, priests, rotten intellectuals and opposition fellow-travelers" be killed, that future isn't worth a broken brass penny

Federation, I hope, where people are taken to court for selling collections of soldiers with swastikas but the state turns a blind eye on gatherings of real nazis. To defend against excesses by literally declaring war on every manifestation of idiocy is simply not within the power of Ukrainian society today. It's understandable—and written into the new law—that museum-quality monuments do not come under the ban.

Unfortunately, all too many red stains from the past have woven their way into our daily lives and will not be rid of so easily. In fact, the interior of the legislature is decorated with lively frescoes using red flags and other such attributes. Symbols are extremely significant, but they are not the root of all evil.

What's important for us to understand is that real "de-communization" is a long and winding road, and new laws are not the

## REAL DE-COMMUNIZATION IS A LONG ROAD. NEW LAWS ARE NOT THE DESTINATION BUT THE STARTING POINT

destination but the starting point. We need serious and not always easy or comfortable work in our entire society, work aimed at becoming aware of certain fundamental truths.

—That whenever a doctrine promising some kind of bright and

just future requires that all "bourgeois, kurkuls, priests, rotten intellectuals and opposition fellow-travelers" be killed, that future isn't worth a broken brass penny, especially since the only ones that will survive to see it are the party nomenklatura in unfashionable suits, chekists with their "honest eyes" and a confused lumpen proletariat.

—That people who are nostalgic for law and order, 100% employment and cheap kovbasa (sausage), exhibit classic Freudian symptoms, longing to "return to their mother's womb"—such was the literal statement of some fans of Russia's annexation of Crimea. The fact that this ideal place exists, not even in an undefined past, but in an imaginary one, makes the diagnosis even more obvious.

—That evil is a hundredfold more dangerous when it is covered by good. Communism is one of the greatest truly satanic temptations, if we consider how such peerless intellectuals and artists were taken by it at various times: H.G. Wells and Bernard Shaw, Theodore Dreiser and Lion Feuchtwanger, Anatole France and Pablo Picasso, André Malraux and Frédéric Joliot-Curie. They did not recognize that to seek refuge in the seeming simplicity of the myth of communism meant inevitably to reject the freedom of living in a real but complex world.

—That nearly all European countries "caught" communism, like a childhood case of measles, and we were no exception. It would obviously be a lot more pleasant and convenient to declare that the ideas of the left were imported artificially by some interlopers and we Ukrainians, white and fluffy as the driven snow, did everything in our power to resist it all along. All we have to do is pretend that there were no leftists among the founding fathers of the Ukrainian National Republic, and no completely loyal red activists in the Assassinated Renaissance, and that the genius poet Pavlo Tychna never wrote, "The Party leads." This would simply be the latest self-deception. Right now the last thing Ukrainians need is sedatives. We need tonics. Not to stop, but to start, or rather never cease, thinking. ■

# The Kremlin Force Field

**P**hilippe Raynaud, the French philosopher, has coined the pro-Putin public in France (the same holds for all western countries) as a “force field”. In it, he underlines the strength of Putinian lobbying, its ability to catch even smart and good faith people inside a framework of gross lies, where they can no longer acknowledge facts. The force field attracts many, from German and Hungarian neo-Nazis to French and Greek leftists, as well as reasonable politicians and academics. What is the underlying logic of such an improbable convergence between extremists and moderates, tough “realists” and hotheads fascinated by brute force, anti-EU nationalists and regionalist extremists relying on Europe (and Putin!) for weakening nation states, conservative Christians and leftists aiming at “democracy without capitalism”?

The pro-Putin party is by no means dominant, at least for now: French government holds on its position on sanctions and on the non-delivery of Mistral warship; leaders and public opinion have a growing awareness of Putin’s cynicism. But it is nevertheless an influential party thanks to its organized networks, and its layer cake feature, which seduce seemingly incompatible interests and parties. Bribery and fear put aside, the Russian force field relies on two main components.

One is a strong feeling of self-hatred in liberal countries fuelled by the damages of globalization and an even stronger distrust towards political leaders since 9/11. The US is the focus of this hatred and distrust because a lot of people dislike (often with good reasons) both the imperial arrogance of neo-cons with the failures in Iraq, and the vacillating policy of Obama with its impotence. Due to cultural gaps and harsh economic competition between European countries and the US, the unity of western interests and civilisation is not so obvious now as it used to be.

Hence the other component: a desire of alternative that the new Third Rome tries to ride, using the illusion of greatness and higher values, and the reality of cynical force, lies, and military capability. The very inconsistency of Putin’s neo-totalitarianism is an asset for leading astray western interlocutors and dividing them. The Empire is not an alternate system fighting ours in a regulated war, but rather a hooligan playing dirty in a globalized and intertwined world. So the Russian “alternative” can seduce both those who are fed up by the transatlantic way of life, and those who believe that the West should defend itself and is, whether you like it or not, dependent on Russian

military and political support in the clash of civilization: war on terrorism or the rise of Asian powers. The Islamic war against Eastern Christians is a crucial issue here: despite his fake Orthodoxy, Putin cannot be a wise and trustworthy ally for protecting the threatened minorities of the Middle East nor for building a front of decent regimes against terror. But for those worried by Jihad as a threat to Western civilization, acknowledging that Russia is probably for a long period not a reliable partner, is unbearable, so they refuse to see the facts. This is the “rational” core of the force field, its best argument, who convey its persuasion to dubious themes, such as the so-called humiliation of Russia after 1991, the perjury of NATO, the defence of Russian minorities, the ancient love of Russia for Crimea and “Little Russian” brothers, the divisions of Ukraine, and other rubbish communication devices. Our arguments must address to this. It is not enough to reinstate facts against propaganda lies and to praise the values of Ukrainian revolution and the nobility of its heroes; one must speak the language of geopolitics and of national and European interests.

The pro-Putin realism is misguided because it mistakes the Kremlin regime with a decent partner, and relies on a gross binary vision of the world. Meanwhile, we live in an era of disseminated and overlapping conflicts. It is an unsettling fact, and many people prefer the solace of Manichaeism. This might be a repercussion

of the naïve hope in the end of history and a peaceful millennium under the aegis of the US or of WTO after the collapse of USSR. Both the extremists aiming at exploding the world order and the frightened reactionaries are attracted by the Russian field force in this context.

It is a pity that smart liberals and wise conservatives join them too often. Whenever I meet a catholic and/or patriot French conservative who is not pro-Putin, I am grateful because so many of these people whom I respect and often agree with (on the need of common culture and political identity, or a demanding education in the name of equal easy access for everybody) seem bewitched by Putin, as if it were a necessary corollary of their political bent. It is important that the Ukrainian or Euro-Ukrainian cause does not identify with yuppies and bohos, but is also appealing to people concerned about preservation of European cultural heritage. To be fully convincing, we must not only defend the justice and beauty of Ukrainian liberties, but break the framework of the force field by showing the world order as it is. ■



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France

**WE MUST BREAK THE  
FRAMEWORK OF THE  
KREMLIN'S FORCE FIELD BY  
SHOWING THE WORLD ORDER  
AS IT IS – OF DISSEMINATED  
AND OVERLAPPING CONFLICTS**

# The Thorny Path to Reform



**Author:**  
**Yehor Firsov,**  
**Member of Parliament**

**R**ecently it seems that all of Ukraine is talking about reforms. This is encouraging. It has finally become clear to the masses that there is no point in delaying the process, and the population has been asking for change. Now it seems like even grannies and babies are aware of the urgent need for transformation.

The system for registering private businesses in Tbilisi takes 10 minutes. The procedure differs little from the process of ordering a meal at McDonalds

Yet at the same time I cannot hide the fact that our reforms are moving slowly, because in the old bureaucracy the potential for resistance is huge. We probably all see it. Sabotage is happening practically at all levels, and there is not a single area in which reforms have been successfully implemented. I once thought of Ukrainian MPs as practically omnipotent demigods, but now, being an MP myself, I am sometimes desperate about the lack

of authority. The system will not yield.

What are the main causes of failure? The first is a huge problem: the shortage of personnel. I imagine that even entrepreneurs and managers of small companies understand me. Ukraine has a huge shortage of skilled labor. Finding responsible, educated workers can seem like an impossible task—especially when it comes to civil service jobs with miniscule wages. We need to hire and train new young

people without prior experience working as civil servants. We should promise them a future worthy of reward and strive to ensure that their salaries actually increase.

But the current system is simply not ready. And this brings us to the second barrier in the way of reform: lack of will.

No one is eager to go the extra mile to teach beginners or to break the usual corrupt mechanisms. As a result, we have a situation where everyone is working on the principle of “better to take the old tried-and-true thief who will not cause trouble and skillfully create an illusion of intense activity than worry about some young workers that will end up being just as bad”. Unfortunately, even our President’s advisors think the same way and are pushing him to take similar steps. Petro Poroshenko is appointing former Party of Regions members as Heads of district administrations as long as they have adapted to his government and shout “Glory to Ukraine!” when needed. 16 former Party of Regions members were recently appointed as Heads of county administrations in Dnipropetrovsk Oblast. This is far too many. With this approach, of course, there can be no reform. It is high time to abolish the unnecessary county administrations themselves. Instead, they are once again being turned into feeders for former members of the Yanukovich regime.

It will be impossible to build a new life with this old staff, no matter how painful and difficult the process.

The only possible way is a radical reduction of state officials and law enforcement officers and the simultaneous increase in wages for those who remain on staff. Middle tier managers should be paid salaries of no less than UAH 30,000. Only then can we expect that corruption will not be as pervasive and people will really go to work for wages rather than bribes. Public service should be prestigious, recruiting the best people from across the country. But how can you recruit the best while offering a salary of UAH

2,000, an equivalent of about USD 80 a month? It is just impossible.

An oblast governor currently receives a salary of about UAH 5,000 or ar. USD 200. Who are we kidding? For the sake of saving some money, we generate corruption that costs us billions. Where does the oblast head live? How does he drive to work? How does he pay his assistants, for example? There is no need to listen to populists. Only decent salaries for law enforcement officers and managers can really make a difference. And society should put pressure on the government to make such decisions.

I support the introduction of Georgian-style liberalization. Less laws - more order, as Lao Tzu stated. We are long overdue to put an end to fire inspections,

worse, but the Prime Minister hardly hears that. Therefore, the authorities are still not ready to act radically and tend toward palliative measures. And society as a whole is too afraid of sudden change. Thus, in the end everyone is both passive and unsatisfied.

The first priority today is to get business running—to get the maximum number of people working in the private sector and not worrying about the state. But here we appear to lack reforms as well. Conditions have not improved at all for entrepreneurs, who face the same old bureaucracy, red tape, and flawed tax laws. Yet the recipe is already there in the form of the Georgian experience; we don’t need to reinvent the wheel. It’s not necessary to build some new “Palace of Justice”, as Mikheil Saakashvili did to great effect. We could implement a Georgian-style simplified mechanism for the registration of entrepreneurs with our existing buildings, if we only had the will...

The new system for registering private businesses in Tbilisi takes 10 minutes. The procedure differs little from the process of ordering a meal at McDonalds. I am sure that the implementation of this kind of business registration would cause an immediate surge in business for Ukraine. It is no secret that our country really is not as poor as they say. Real incomes do not correspond to declared incomes. Large amounts of cash flow “in the black” - in envelopes from hand to hand. Legalizing all this money is possible, but only if the process of legalization is made as simple as possible: encourage people to formally execute their business and pay a small tax without any problems. Today, grandmothers who sell pastries in the subway, of course, are afraid of any sort of registration because they do not want to pay bribes to inspectors and sanitation agents. As a result, the pastries are sold anyway, the sanitation agents don’t inspect the grandmothers, and our state budget suffers.

Reforms should not only be painful, but comfortable too. Only then will they make any sense. ■



## **THE FIRST PRIORITY TODAY IS TO GET BUSINESS RUNNING— TO GET THE MAXIMUM NUMBER OF PEOPLE WORKING IN THE PRIVATE SECTOR AND NOT WORRYING ABOUT THE STATE**

sanitary stations and other remnants of the Soviet era that have long been machines for pumping money from businessmen. But these structures are reluctant to give up their income. That is why we are seeing a push to halt the process of reform or prevent its introduction altogether. How do they sabotage change? It is very simple. We all know that in Ukraine a fraction of bribes and extortion moves up any authority hierarchy, resting in the pockets of those on top of the pyramid. The factions have even increased recently to make it interesting for those who make decisions at the very top. I don’t know if these bribes and extortion are collected from businesspeople or withdrawn from the old “reserves”.

Another factor inhibiting our reforms is fear. The government is afraid of taking tough decisions and losing the remnants of its approval rating, so it avoids taking any unpopular measures. This always makes things only

# A Blend of Pressure, Procrastination and Neighbors' Best Practices

Economic reforms are slowly gaining momentum in Ukraine, but the results are not yet in sight

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

If the Revolution of Dignity was about ensuring a decent life for Ukrainians, then an essential indicator of this decent life is the decent level of income. More than a year after the revolution, the real income of Ukrainian citizens has dropped considerably, while the economic reforms designed to dramatically increase it are only coming into gear. To justify the saying that Ukrainians harness their horses slowly but drive them fast, the government is procrastinating with the launch of the market reforms. Time will tell whether the government will drive fast.

As of today, the economic reforms in Ukraine have a few general features that will determine their course and have an impact on the overall success of the transformation. Firstly, a significant number of changes is carried out under pressure, primarily from the IMF (lending programs) and the EU (Association Agreement). Experience shows that Ukrainians often work harder when having a supervisor hovering over them, therefore, the tight deadlines and strict requirements set by the Western countries and international organizations will definitely contribute to the deployment of the reforms and increase their chances of success.

Secondly, the Ukrainian authorities have a clear idea of where we are going in terms of quantity (income levels and some other

macroeconomic parameters are well described in the Strategy-2020), but a vague perspective on what country we want to build in terms of quality (which key industries to develop, what kind of business to be given priority, what model of regional development to choose, etc.). Many economists blame them for that. To some extent they are right, but taking into account that the reforms have been launched on a broad front and, above all, are designed to "break the ground" for the new country, clearing it from the wreckage of the past, it's probably not the right time to raise these issues. We will come back to them later, if the first phase of the reforms proves to be successful.

Another side effect of focusing on quantitative rather than qualitative indicators is that reforms are often perceived as working with macroeconomic indicators and leveling them out manually and formally, for instance, by increasing budget revenues or cutting spending, rather than changing the quantitative and structural factors that determine the performance of the economy. These false targets allow for making cosmetic repairs of the system, but not for bringing about a radical change. They are very misleading and hinder the change process by absorbing too much social energy.

Thirdly, it often seems that the government or some of its representatives have no idea what to do



next. This is only normal, since they had never before carried out profound reforms at the national level. This, too, could have become another stumbling block in the way of economic reforms, had not the country's leadership learned to listen to the advice of successful reformers from the neighboring countries and to trust their competence. The significant number of foreigners present today in Ukraine in key government positions and in the capacity of advisers with a real voting power is an absolute step forward aimed at overcoming the theoretical ignorance and the lack of practical experience.

Finally, the economic reforms, likely to the transformations in the other areas of responsibility of the state, have to overcome an overwhelming resistance of the officials, oligarchs and other wolves in sheep's clothing entrenched in the government, which is reform-minded in general. This greatly hinders the reform process, even though giving more time to better interpret and design it, considering all pros and cons. The resistance of civil saboteurs is no longer sufficient to completely halt the transformation, but is still



strong enough to slow down its pace to a minimum that will be almost imperceptible to the public.

### A STANDARD SET OF CHANGES

At long last, we have to admit that the reforms are underway. They have been launched on a broad front and cover many areas. Each of those areas has its own wins and failures, so it is worthwhile mentioning all of them.

**Staff reform.** The central government agencies (Presidential Administration, Cabinet of Ministers, National Bank of Ukraine, etc.) began a large-scale restaffing effort. Obviously, the middle management that worked under the old system, in addition to low wages often had its own vested interests. They were utterly interested in making "reforms" without real changes, and therefore had to be replaced with the young, hard-working, efficient, and energetic. As of today, the restaffing at the level of the heads of departments and offices took place almost in every agency of the central administration. According to government officials, in some cases they had to build the HR function liter-

The significant number of foreigners present today in Ukraine in key government positions and in the capacity of advisers with a real voting power is an absolute step forward

ally from scratch, since previously the new employees would take positions at the Cabinet or the National Bank at the order of a newly appointed manager, with no one checking their competencies or their compliance with job descriptions. Although a lot of people still need to be replaced, and the more people are replaced, the higher will be the personnel shortage in the country, the process is already underway, and today there is little doubt that market reforms in Ukraine will be supported by the adequate and highly qualified personnel.

**Tax reform.** Most changes to the tax law were passed when the 2015 budget was voted in the last days of the last year and the amendments thereto a month ago. Those changes were an IMF requirement and are aimed at filling the state budget in the time of war and recession. There have also been a few structural changes, such as eliminating several taxes and charges, bringing the number of the remaining ones to 9, simplifying tax returns and reducing the time required to file them, radically cutting the unified social tax rate (given the respective increase in gross wages) and passive income tax rate, etc. However, these changes are fragmented and will not reform the tax system as such, which today is focused primarily on fiscal functions, i.e., filling the budget to the maximum, and not on stimulating the economic growth.

Under the new IMF program, the government has vowed to change the taxation system, rather than individual taxes, and to do so in the nearest future. By the end of April, the blueprint of the State Fiscal Service (SFS) reform should be developed, aimed at restructuring the network of tax and customs offices, laying off inefficient officials, creating a business environment that would not depend on political influences and the free interpretation of the laws by tax and customs officials, automating customs operations the maximum, and so on. The recent dismissal of the SFS top managers and the investigation into their activities is a sign of determination of the authorities. The government expects the new tax system to be launched on January 1, 2016.

**Pension reform.** To this day, changes to pension legislation have been adopted along with tax changes with the intention of reducing the deficit of the Pension Fund of Ukraine (PFU) and its burden on the budget, but this did not solve the problem holistically. Such changes included reducing pension benefits for working pensioners, imposing taxes on high pensions, increasing the length of service required for retirement, and so on. A radical reform of the pension system requires working in two directions: bringing wages out of the shadows (reducing the unified social tax rate was the right move, which, according to preliminary data, already yielded the first results in the first quarter of this year) and stimulating the economic activity that would save Ukrainian youth from emigration by reducing the average load on retirees per employee and increasing the tax base for the unified social tax, but will require comprehensive economic reforms. Under the new agreement with the IMF, the government undertook to draft the blueprint of a comprehensive reform of the pension system by September 2015 and to submit to the Parliament the bills necessary to make the pension reform work as soon as the beginning of the next year.

**Public finance administration reform.** This is about changing the proportions and the areas of the public finance use. First of all, it's about the increased transparency of public procurement. Last year, a new law on public procurement was adopted in Ukraine. This February, ProZorro electronic procurement system was launched, which is now used by a growing number of government agencies. According to Dmytro Shymkiv, transparent procurement should result in saving 10-20% of the public funds and significantly reducing the field left for corruption in the market amounting to about \$200 bn annually.

It is also about fiscal decentralization. The Strategy 2020 provides that in 5 years, the share of the local budgets in the consolidated budget of the country will be 65%. Today, it is about 20%. And, as it turned out, even the narrow margin amounting, according to »

various estimates, to UAH 25-45 bn and allocated by the government in the 2015 budget to increase the revenues of local budgets exceeds their disbursement budgets. The decentralization process requires changing the attitudes and the thinking of the local authorities, building the necessary financial and industrial infrastructure, and a long period of time to achieve success. However, the first steps in this direction have already been taken, and the ice has been broken. Let's hope that the real decentralization drive will pick up pace.

Alongside, the social security system is undergoing a radical reform. This reform is necessary to bring tariffs for energy and utilities to economically sound levels and to switch the respective sectors of the economy to operation based on market principles. The 2015 budget reserves UAH 24 bn for subsidies to the most vulnerable social groups. This amount, according to the Minister of Social Policy Pavlo Rozenko, would allow for softening the blow dealt by the increased bills to the incomes of about 4 mn Ukrainian families. In order to distribute such large amount to so many people, the social security system should work much more efficiently, and social aid programs should be modified. The government undertook to implement the necessary changes already this year.

In addition to these three areas, the structure of consolidated budget expenditures will undergo a series of transformations. For example, in the medium term, the government plans to bring the labor costs of government employees to 9% of GDP at the account of layoffs and the optimization of public administration processes. Capital expenditures are planned to grow from 1% of GDP in 2014 to 3% in 2018. This will provide the material basis for the modernization of the country's infrastructure. There is a number of other initiatives as well.

#### Financial sector reform.

The National Bank of Ukraine is busy working on changes designed to transform the financial sector from the tool for sucking money out of the economy into a source of investment and economic growth. Last year, NBU restruc-

A step by step plan to eliminate regulatory barriers has been developed, which, among other things, provides for reducing the number of supervisory bodies

from **56** to **28**, and their functions from 1032 to 680 by this midyear

turing was launched, which will result in the NBU budget reduced by half this year already, and the number of employees gradually decreased by tens of percents. Under the new IMF program, the National Bank undertakes to develop by the end of April a number of amendments to the Law on the National Bank aimed at optimizing the structure of the regulator, increasing its independence, and improving its balance.

The restructuring of the banking system is underway, and insolvent banks and financial institutions involved in money laundering are being removed from the market, including the so-called "conversion centers" used to convert company funds into cash to provide for the needs of the shadow economy. The law on strengthening the responsibility of related parties adopted recently is aimed at making the work of financial institutions more transparent. The NBU undertook to draft amendments to the legislation and the regulatory documents

underway. Last year, the number of permits required to register a business was reduced from 143 to 85, and obtaining them was made easier. The procedure for closing a business was simplified for individual entrepreneurs. A moratorium was introduced on planned inspections of businesses by regulatory authorities. A step by step plan to eliminate regulatory barriers has been developed, which, among other things, provides for reducing the number of supervisory bodies from 56 to 28, and their functions from 1032 to 680 by this midyear. The government also plans to establish a mechanism to prevent new barriers from emerging after a significant number of them is eliminated.

**State property Restructuring and privatization.** The government has taken the first steps towards restructuring state enterprises and preparing them for privatization. New managers selected by an independent commission on a competitive basis were appointed to major state-owned companies. Today, the government is working on a strategy to reform public companies, to be completed by the end of May 2015, and on taking their inventory, improving corporate governance, and mitigating budget risks associated with their inefficient operations. By the end of August, the government plans to make an inventory of the real estate owned by the state, intending to increase its administrative efficiency. In the medium term, it is planned to considerably reduce the list of state properties that cannot be privatized, to prepare most public companies for privatization, and to restructure the rest.

In addition to these horizontal reforms, significant changes are taking place in individual sectors of the economy, including energy, agriculture, and infrastructure. These vertical transformations, like the ones mentioned above, are intended to launch the economic growth mechanism, eventually resulting in higher earnings of every Ukrainian. Time will show whether the reforms will succeed. Basing on the deadlines set by the government, we will know it at the beginning of the next year. ■

## REFORMS ARE OFTEN PERCEIVED AS MACROECONOMIC INDICATORS RATHER THAN CHANGES OF STRUCTURAL FACTORS THAT DETERMINE THE PERFORMANCE OF THE ECONOMY

designed to limit the volume of lending provided by banks to related parties. These loans have a negative effect on the asset quality of financial institutions, significantly increasing credit corporations' unsystematic risks and resulting in large-scale bank insolvency in times of crisis.

Besides, the National Bank plans to develop a strategy to reform the entire financial sector in addition to the banking one. This refers to the stock market, insurance companies, investment and superannuation funds, etc. The work in this area is just beginning.

**Deregulation and business development.** In addition to changes in the tax laws relieving the business of the burden of dealing with the state, many other transformations are

# If Not Bread, Then Circuses

Iryna Bekeshkina on the public's expectations of change, perceptions of reforms, and the government's lack of preparedness for them

**D**uring our study last December, when we asked people whether they are willing to suffer for the success of reforms and for how long, 10% of respondents were willing to tolerate as long as necessary, and 33% said they would survive another year or two. That's 43% overall. More than 40% were not prepared to tolerate reform. About half of them did not believe in the success of the reforms, and the same number said that they are already having trouble making ends meet (this was primarily poor people). The Razumkov Centre recently published the results of a study conducted in the first half of March. Despite the significantly worsened financial situation compared to December of 2014, 13% (almost unchanged since December) are willing to tolerate as long as necessary, and at least 29% agreed to live in this state for another year or two. However, it should be noted that this data was collected in the period before the population received the latest utility bills (see p. 14 for more details), so it is quite difficult to predict how this will affect the statistics, how the population will accept these reforms, and what their reaction to these changes will be.

Since approval ratings for the government are always a means of measuring the accuracy its motions, it is noteworthy that, for instance, the Popular Front's (led by Premier Arseniy Yatsenyuk – Ed.) approval rating declined to 4-5% from 20% during the last election. Arseniy Yatsenyuk's approval rating also fell accordingly. The population believes that the government is responsible for the reforms, and it is clear that people are not happy with what is happening. This is especially true of higher prices. For example, I don't understand why the price of domestic products more than doubled so rapidly (in just one day, in fact) even while these products were lying on the shelves—apples, for example, went from 8 UAH to 16 UAH. The price of certain cereals rose unexpectedly twice, even

Interviewed  
by  
**Roman  
Malko**



Iryna  
Bekeshkina,  
Director of the  
Ilko Kucheriv  
Democratic  
Initiative

though their cost was hardly dependent on the dollar. The population has a set of questions that unfortunately cannot be answered. Someone must be profiting greatly from their hardship.

Falling ratings are now typical for almost all parliamentary political forces. Only Samopomich, a party led by Lviv mayor Andriy Sadoviy who is not in parliament himself, maintained its prior rating, and Petro Poroshenko and his party suffered smaller losses. Now we are even seeing a fall in the ratings of the Opposition Bloc (comprised mostly of ex-Party of Regions MPs – Ed.). This means that the population does not see politicians and leaders that they feel they can trust. That's why they're willing to wait until an alternative appears. There used to be one—the political field was clearly divided nearly in half between government and opposition, elected from among the two. There were those who supported the government, and those who did not go to the polls. Because the ratio was about 50/50 (regionally), then those who managed to get more voters to the polls were sure to win. Generally, those who had previously supported the government were later disappointed and were not going to vote, so the opposition stood to win. Today, almost half of the population (especially those who once sympathized with the Party of Regions) is not willing to vote.

Populism has been growing for many years in Ukraine, and it is clear that there are now political forces that will put it to use, especially in the Opposition Bloc. They have several assets at their disposal, including TV channels and financial resources. Populism fed us for years, and elections were often a kind of auction in which the candidate who promises more wins. The population voted for the “promisers”, and when the latter found themselves unable to fulfill their promises, the population turned to support the opposition. Opposition parties have won every election (excluding only the 1999 campaign,

when Leonid Kuchma won re-election) as well as party lists for the parliamentary and presidential elections. Unfortunately, people who are fed sugar-coated promises for too long feel a real shock when it's time to finally treat the diseases they've acquired. Such treatment is very painful (and far less sweet!).

In addition, we need to understand both the place and influence that partners or donors to Ukraine play in these processes, including the IMF to which the government is quite closely tied. Perhaps if this relationship did not exist, the government would not be forced to take these drastic and painful steps. But otherwise Ukraine could not get the loans that it needs in order to survive. Attracting investors is also impossible without reforms, because the current state of law enforcement and the judiciary provides no guarantees for property owners. This is not just a matter of war—it is only in the East—yet illegal corporate raids on land and property have not ended in the peaceful central and western regions.

What is currently lacking is an understanding of the situation: we now have tremendous opportunities, but we risk losing them.

What is preventing reform? First, the lack of will. Secondly, each official is surrounded by different interests and political forces with which he or she must agree in Parliament, and they put forward their demands. This is a fairly complex process, it is not transparent. It's all happening behind closed doors. For example, it is still not clear why no one has been chosen to head the Anti-Corruption Bureau. Almost a year has passed, and the contest to determine finalists is over.

When the government did nothing all year to fight corruption, then suddenly began making arrests at a meeting of the Cabinet of Ministers, it seemed like a PR trick intended to keep the voters happy. If not bread, then circuses. Clearly, the administration wants to show how active it is in fighting corruption, but this is primitive. ■

# Free Energy and Its Enemies

What reforms are going on in Ukraine's energy sector and what is their outlook?



PHOTO BY UNIAN

**Author:**  
**Oles Oleksiyyenko**

It's been high time to reform Ukraine's energy sector for years now, given that its stagnant state in a post-soviet society was possibly one of the biggest factors halting economic and social transformations, making the country vulnerable to external blackmail and dragging it into a pit of indebtedness. The country's politicians used populist slogans to prevent the transition to a normal market environment in the energy sector—and continue to do so to this day. The resulting many-phased system for calculating rates, cross subsidization, complete lack of transparency, and monopolist production, transportation and sale of various kinds of energy made the electricity market a virtual Klondike for siphoning off public funds, that is, taxpayer money, into private hands.

**BETWEEN THE DEVIL AND THE DEEP BLUE SEA:** Energy Minister Volodymyr Demchyshyn is forced to reform the energy sector under huge pressure from populist politicians, as well as officials and oligarchs who are interested in preserving corruption mechanisms

## ROADMAP TO REFORMS

In the coalition agreement hammered out at the end of 2014, reforms in the power industry were given an entire chapter of their own. There was supposed to be “liberalization and the transition to a single principle for market pricing for gas and power in order to provide incentives for conservation.” At the time, the ruling coalition committed itself to ensuring the necessary conditions to attract investment to undertake structural modernization in the power industry, upgrade its infrastructure, and expand domestic production of natural gas, petroleum and coal.

Nevertheless, since reforms were the result of circumstantial and external pressures, especially from the IMF, they continue to stumble over both open and hidden resistance among the oligarchs and officials who are keen to preserve the existing corrupt mechanisms. So they are taking place very slowly and inconsis-

tently, and the loopholes that foster abuse remain in place.

Now it's become evident that the deadlines outlined in the coalition agreement will not even come close to being upheld. For instance, the harmonization of the regulatory environment governing the gas and power markets in Ukraine was supposed to have been brought in line with the norms of the Third Energy Package in Q1 2015. At the moment, this is more likely to happen in the gas market, since the related bill passed first reading in March and is likely to be approved altogether shortly. The prospects of bringing the power industry in line with the Third Package any time soon are much less clear.

On March 31, Presidential Deputy Chief-of-Staff Dmytro Shymkiv commented on the prospects for comprehensive reforms in the sector, saying that work to reform the power industry in Ukraine was only supposed to be completed on June 12. Apparently, “all the top priorities, first drafts and preliminary concepts will be established in the various areas of the sector by April 10, while interim results, an evaluation and modeling related to energy conservation, rates” and more would be completed by April 30.

By April 10, the Ministry of Energy and Coal was supposed to draft and submit to the Cabinet: (1) a draft sectoral program for reforming the coal industry; (2) a draft targeted economic program for developing the atomic energy complex of Ukraine for 2015-2019; (3) a bill “On mandatory separation of activities in the power industry; and (4) a bill on amending the Law of Ukraine “On the basis for the functioning of the electricity market in Ukraine” to reflect the propositions of the Secretariat of the European Energy Community.

## WHAT'S IN A MARKET RATE?

The current government should be given credit for one thing: despite the extremely difficult socio-political situation in the country, it has nevertheless had the courage to take on the task of bringing rates for various categories of consumers to market levels, a long-overdue and extremely vital challenge for the future health of the domestic power industry. Natural gas rates

have been raised to UAH 7.19/cu m for nearly all categories, a threefold increase for household users and a slight reduction for industrial ones. This step has eliminated the need to finance illegal income for the oblgases, the oblast gas companies, as previously they would sell discounted gas intended for households to commercial customers at considerably higher prices.

However, one potentially abusive exception has remained in the form of discounted rates for gas for the community cogeneration sector. As of April 1, their rate will be only UAH 3.00/cu m, which means that this gas could be sold to other user groups for the much higher UAH 7.19 rate. What's more, because discounted rates were maintained for cogeneration customers and the "minimal use" 200 cu m/month for households during the heating season, Naftogaz is faced with a deficit, albeit a much smaller one, which has been estimated at USD 3-4 billion for 2015—compared to USD 8 bn in 2014.

But the current government did not find enough political will to take the same kind of decisive steps on the electricity market that they took on the gas market.

First of all, the reduced—and potentially abusive—rate for household consumers for 100-600 kWh per month has been maintained. How much any given consumer actually uses—100, 200, 400 or 500 kWh—is something only the utility company—and customers with a household meter—knows (it would be very costly for the state to verify whether the records of energy used by an individual consumer match those reported by the oblenergos). In this way, private oblenergos, the oblast power companies, can continue to sell electricity that supposedly was used by the category of consumers, whose rate as of April 1 is UAH 0.63/kWh, for UAH 1.407 to those consumers who use more than 600 kWh a month.

Secondly, it will take two years to bring rates in to the level at which they are commercially justified, which will have a negative impact on Ukraine's power industry and its capacity to diversify sources of fuel supplies or carry out necessary modernization.

Given the threefold devaluation of the hryvnia that has taken place this past year, in dollar

terms, the rate increases will still be no more than 15% above 2013 rates by 2017. And even that will only be on condition that the hryvnia exchange rate remains at current levels. Despite the April hike, electricity rates in Ukraine are currently not only not higher in dollar terms, they are actually 2-2.5 times lower than they were in 2013. Meanwhile, prices for all kinds of fuels, from fuel rods to gas and a large portion of coal, as well as the costs for much-needed upgrades to the sector are all in dollars.

The situation with prices for domestic gas is even worse. For Ukrgezvydobuvannia, the state extraction company, the sale price was increased only to UAH 1,500 or USD 68/1,000 cu m, which is several times cheaper than imported gas. At this rate, domestic extraction is unlikely to sharply increase in order to cover domestic needs and improve national energy security. And so Ukraine will continue to have to buy expensive natural gas from abroad.

The reforms to the system of subsidies have also been poorly designed. Understandably, in simplifying the provision of subsidies maximally, the government was trying to reduce the level of public dissatisfaction and the threat that there would be massive non-payment at the new rates. Still, the way it looks now, the principle for subsidies provides no incentive whatsoever to conserve energy, whether gas or electricity, to become more energy efficient, or to insulate residential buildings, although the reverse should have been true.

Not only is the provision of subsidies not related to how efficiently or wastefully the customer uses heat, but worse yet, if the household decides to insulate its residence more effectively, its monthly heating bill will not go down—the size of the subsidy will! A similar situation exists with the use of electricity: given the current conditions for getting subsidies, there's no incentive to install energy-efficient household appliances or light bulbs to replace energy inefficient ones. Indeed, under certain circumstances, even the owner of several apartments who is earning income from renting them can qualify for a subsidy, while individuals who spent more

than UAH 50,000 the last year, on insulation of their homes among other things, cannot.

By steeply increasing access to subsidies without establishing proper criteria for receiving them, the Government is risking that it will actually spur the consumption of natural gas and power compared to last year. And so, the entire burden for paying the higher rates will end up falling on the state budget.

## DIVERSIFY AND DEMONOPOLIZE

One major achievement after the Yanukovych regime collapsed last year was serious diversification of suppliers of imported primary energy, primarily gas, although this was also critical for coal. For instance, of the 480,000 t of coal imported over January-February 2015 for the country's cogeneration and power plants, only 25% was Russian coal, while the rest came from South Africa, Poland and other countries. In Q1 2015, only 2.16bn cu m of the 5.8bn cu m of imported gas came from Russia, while 3.65bn cu m came from the EU, causing Gazprom's share to fall to 37%. Despite



## REFORMS IN THE POWER INDUSTRY WERE LARGELY THE RESULT OF CIRCUMSTANTIAL AND EXTERNAL PRESSURES

an agreement reached with the Russian Federation about a 100% discount on gas in Q2 2015, Energy Minister Volodymyr Demchyshyn said the country would continue to import fuel from the EU based on existing contracts. Meanwhile, the bill "On the gas market" currently being prepared for approval limits the market share of any one source of imported natural gas to no more than 30%.

Back in May 2014, Ukraine joined the Aggregate Gas Storage Inventory transparency platform of Gas Storage Europe, while in June the Cabinet decided to reform NAK Naftogaz Ukrainy. The proposition is to spin off a couple of stock companies: Ukrainian Gas Transport System (UGTS), and Ukrainian Gas Storage Tanks (UGST). According to the coalition agreement, by the end of 2015, Naftogaz Ukrainy is to be comprehensively restructured, a GTS operator certified, in order to ►

separate the extraction, transport, delivery and storage of natural gas, and to ensure transparent, and uninterrupted access to gas transport infrastructure.

On March 5, 2015, the Verkhovna Rada passed first reading of a bill "On the natural gas market," which is likely to pass into law shortly. If this bill is, in fact, passed in April, it will come into effect on October 1, and by June 1, 2016, the GTS operator will be completely separate from delivery operations, that is Naftogaz.

According to this bill, the natural gas market will function on the basis of free and honest competition, the principle of a high degree of protection for consumer rights and interests, the free selection of a provider, equal rights to engage in foreign trade involving the purchase and sale of natural gas, non-interference in the market on the part of the state other than in cases when this might be necessary to protect national interests, and guarantees of equal access to the Gas Systems Ukraine. Prices on the wholesale and retail markets will be calculated to reflect the energy value of natural gas. Once a consumer gives notice that they intend to change providers, the switch will have to be completed within three weeks from that date.

Simultaneously with legislative reforms in the gas sector, the efforts of the Cabinet of Ministers to return control over the distribution pipelines to the state company will play a major role in the sector's liberalization. In 2012, the Azarov Government effectively handed over control of these pipelines to oblast gas companies or oblgases, most of which are controlled by companies belonging to Dmytro Firtash.

In the power sector, the coalition agreement stated that the transmission and distribution of electricity would also be separated from other functions of power companies operating on the same market by 2016. But, nearly equally importantly, a Power Network Code is supposed to come into effect by July 2015. For electricity consumers, this is critical because it eliminates the "Rules for Electrical Hook-up" that are currently in effect and replaces them with new ones that will offer consumers far more rights and, hopefully, put an end to corruption.



PHOTO BY UNIAN

The restructuring of the coal mining industry will run into resistance from miners and the *de facto* owners of state mines. Will the Government have sufficient resolve to complete reforms in that sector?

Reforms to the power market are likely to face resistance from Rinat Akhmetov's DTEK and several major shareholders among Ukraine's oblast power companies or oblenergos, which are likely to lose their current monopolist status on this market.

#### WANTED: A MAGGIE FOR THE MINERS

The most complicated and difficult reform will be restructuring the coal industry. The coalition agreements calls for all mining companies to be privatized over 2015-2016 and for all mines that are not sold to either be shut down or mothballed by 2019. By Q2 2015, state assistance for the upgrading or re-equipping of old mines and the building of new mines or mines under lease or concession was supposed to have been prohibited.

## REFORMS TO THE POWER MARKET ARE LIKELY TO FACE RESISTANCE FROM RINAT AKHMETOV'S DTEK AND SEVERAL MAJOR SHAREHOLDERS AMONG UKRAINE'S OBLAST POWER COMPANIES

Starting in Q2 2015, the coal industry was to be liberalized, complete with an exchange for trading in coal based on electronic trading so that the industry could switch to market pricing for heating coal, a transition to direct purchase con-

tracts, and the closing of Vuhillia Ukrainy, the state coal company.

Not long ago, Minister Demchyshyn announced that Vuhillia Ukrainy would be declared bankrupt shortly and shut down, so that mines and mining associations would be able to sell coal directly to customers. The Cabinet's Action Program calls for the privatization of 37 mines, the mothballing of 24, and the closure of 32 unprofitable mines over 2015-2019. So far, the Cabinet has approved the list of mines slated for privatization in 2015: the Novovolynsk Mining Management unit belonging to the VolynVuhillia state company; the Pivdenodonbaska Mine #3; the Dmytrova Mine belonging to KrasnoarmiyskVuhillia; separate units of LvivVuhillia; and others. A 16.5% stake in the privately-owned Zasiadko Mine, one of the most accident-prone in Ukraine, will also be sold.

However, the cessation of subsidies for coal extraction in 2015 and preparations for the closure of mines has predictably run into resistance from miners and the *de facto* owners of state mines. Mining unions threatened widespread protests and even a takeover of the government in Kyiv if the government did not change its stance on the industry. The situation was undermined further by active efforts along similar lines by Akhmetov's DTEK, which, as the owner of many mines and of the main consumers of coal in the country—cogeneration plants—began to fight to steeply increase prices for its coal and for the power generated by DTEK's TESSs.

Despite public statements by the Energy Minister, Volodymyr Demchyshyn that the previously agreed rates for power and prices for domestically mined coal were appropriate, he appears to have been forced to make concessions under pressure from DTEK. Based on Q1 2015 results, the rate for power supplied by TESSs was raised nearly 40%. According to some sources, the price of the gas group's coal used to generate power will also be raised, to UAH 1,500/tonne. Meanwhile, MinEnergo has begun sending out signals that there could be a partial return to subsidies for the state extraction of coal, which suggests that reforms in this troubled sector are now in limbo. ■



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# Law Enforcement Reforms: Showcase vs Show

**F**rom the early days when the new-old team of Poroshenko, Yatseniuk and Turchynov came to power, Ukrainians expected them to take serious steps to reform the enforcement agencies and the court system, which had functioned as the “punishers” of the Yanukovich regime. The names “militiонер,” “prosecutor” and “judge” had become synonymous with corruption, servility and a complete loss of professional face.

In the more than 12 months that have passed since the victory of the Maidan, reforms did, indeed, get going. If nothing else, the Verkhovna Rada managed to pass a number of very important bills that affect all three branches of the government and that, if fully enacted, are quite capable of ensuring a sea-change in them. The heads of these agencies are also actively talking up the need for reform. However, it has to be said that, other than isolated success stories, in most cases, the situation hasn’t moved beyond pretty documents and nice images. The reason? Sabotage on the ground that is only growing fiercer as the perpetrators see the lack of real political will among the country’s leadership.

## POLICE: FROM ON THE TAKE TO ON THE JOB

The fastest pace was set among the police, known by the soviet moniker “militsia.” And no wonder, given the odious image law enforcement officials in Ukraine have after the way that Maidan protesters were persecuted and killed by Interior Ministry forces. In the first six months after Russia’s direct aggression and its “separatist” operation in Eastern Ukraine began, changes in the Ministry of Internal Affairs came down only to the disbanding of the infamous Berkut special forces, who were completely discredited after the Maidan, and the transformation of the Internal Forces into the National Guard.

**Author:**  
**Bohdan Butkevych**

Then, at the beginning of November 2014, Interior Minister Arsen Avakov presented his agency’s Strategy for Reforming Internal Affairs Departments. In it, the MIA is tasked with forming a European-style police force with normal, streamlined numbers, good salaries, honest officers, clearly-defined functions, and guarantees that they would not be used for political purposes. This is expected to take place in two phases over 2015-2017. The main pieces of legislation required for these reforms to take place are supposed to be passed in Spring 2015.

So far, MIA has been more-or-less sticking to its timetable. The Ministry is supposed to have five divisions: the State Emergencies Service, the State Migration Service, the State Border Service, the National Guard, and the National Police. On April 4, the Cabinet of Ministers reviewed and approved four bills related to MIA reforms: “On internal affairs divisions,” “On the National Police,” “On a Minis-

lack of a full-scale lustration process. Yes, of course, there was some culling of ranks, including by natural attrition, especially in Crimea and Donbas where tens of thousands of MIA officers betrayed their oaths of office and went over to the side of the enemy. Still, at the middle levels in the Ministry, many discredited individuals from the previous regime remain in place.

Among the positive elements are the Georgian “assault” on the militia that has been active in the person of Deputy Minister Eka Zguladze, whose coming was what got the reform process started. Next on the agenda for reforms is the network of registration and license bureaus (MREV), after which one third of these centers will be closed; the system of traffic fines will be revised and differentiated; the bail system will be reformed to prevent the release of corrupt officials and terrorists; salaries for police officers will be raised, and so on. The next few months should show whether all these declarations will come to life. At the moment, of course, the human resource issue is the most burning one.

## THE BIGGEST PROBLEM NOW IS SABOTAGE OF THE ENACTMENT PROCESS ON THE GROUND

try of Internal Affairs service center and services,” “On amending certain legislative acts of Ukraine to improve the regulation of relations in the process of ensuring road safety.”

In addition, some of the promises made in November have already been fulfilled. The Bureau for Combating Organized Crime has been disbanded, as have the veterinary and transport police, the process of training a new patrol service has begun, and the central apparatus of the MIA has been cut back.

At the same time, nothing has been done to decentralize the administrative system, there’s no talk of establishing a municipal police, the organization of a national police force has not been settled, and so on. The biggest problem is the

## COURTS: FROM KANGAROOS TO JUSTICE

The key problem with Ukraine’s judiciary has always been corruption, political influence over judges and their overall lack of effectiveness. Probably the most resonant bill to be passed was in April 2014, the Law “On restoring trust in the judiciary branch of power in Ukraine,” which established the process for lustrating the ranks of judges. Unfortunately, the process of bringing judges to justice and changing the governing bodies was almost completely blocked and sabotaged at the local level. President Poroshenko’s National Development Strategy calls for 70% of all judges to be replaced by 2020 but so far, there’s not much movement to reach this goal.



PHOTO BY UNIAN

The next step in reforming the justice system was the formation last fall of a Judiciary Reform Council, which includes both Ukrainian and European legal experts. The Council's first task was to develop a Concept of Judiciary Reform, which led to the Feb. 12, 2015, adoption of the Law "On ensuring the right to a just court" by the Verkhovna Rada. This law establishes the fundamental principles of judiciary reform and calls for judges to be selected on a competitive basis, requires them to be completely re-licensed, and includes a clear list of the causes for sequestering, dismissal and disciplinary proceedings.

International standards are supposed to be applied to the way courts are set up, their personnel and activities streamlined, and judges appointed to administrative posts. Executive bodies will not have any input into the procedure for setting up courts and determining the number of judges on their benches. The law also amends the organization and procedure for setting up the Higher Qualification Commission of Judges of Ukraine, which will operate as part of the Qualification and Disciplinary Chambers.

In addition, a Bill "On the justice system and the status of judges" was passed on December 17, 2014. According to the Concept, the next step should be changes to procedural law, improving legislation on the Bar and

A patrol car of the new Ukrainian police and public discussion of its new design shows changes in the communication strategy in Ukraine's law enforcement authorities

prosecutors, legal aid, legislation on the enforcement of court decisions, and a bill changing the provisions of the Constitution of Ukraine that regulate the court system.

Still, it has to be said that most of the positive steps mentioned have had little real impact on the judiciary in Ukraine. Ukrainian courts continue to issue controversial rulings and lustration has barely touched the judges' benches, especially when it comes to top positions and the system in the Ministry of Justice. Middle and lower ranks keep sabotaging the implementation of already adopted laws. Moreover, there's the matter of the legislation itself, which calls for completely innovative laws to be introduced only after there is a fully functional Higher Council of Justice, but the Council has been unable to meet properly for the past year.

### **PROSECUTORS: NO MORE WITCH HUNTS AND FOOT-DRAGGING**

The third component of the law enforcement block is the prosecutorial system (for more details, see Serhiy Ivanov interview, p. 12). This is where the situation is possibly the most difficult, because its legislative underpinnings are even weaker than those governing the police and judiciary, and the system itself is a far more intractably indivisible. And of course, the fact that all of the

three Prosecutors General who were dismissed this past year were openly uninterested in seeing changes to their organizations, albeit for different reasons. The Prosecutor's Office remains a punitive instrument in the hands of the President.

And this is despite the fact that on October 14, 2014, the Verkhovna Rada adopted a new Law "On the Prosecutor's Office," which contains a number of very positive changes. It drops prosecutorial oversight of the enforcement and application of laws, especially in the private sector; it establishes a competitive system for appointing prosecutors in order to increase their independence; it anticipates the establishment of such bodies as prosecutorial governing bodies such as an All-Ukrainian Conference of Prosecutorial Employees and a Council of Prosecutors of Ukraine. Finally, a rule is established forbidding prosecutors to issue verbal orders in their work.

Nevertheless, the first real changes became evident only in March 2015, under Prosecutor General Viktor Shokin, when the number of district prosecutors was reduced and the professional recertification of prosecutors began. There's also supposed to be a process of open competitions to fill in vacancies among prosecutors in the course of judicial lustration. Shokin's Georgian deputy, David Sakvarelidze, has promised the first real results in the next six months or so.

Once again, the biggest problem is local sabotage in the implementation of approved laws. But there's another problem, a somewhat smaller one: the new Law "On the Prosecutor's Office" is supposed to come into effect on April 26, 2015, but because of flaws in its transitional provisions and of deliberate inaction on the part of ex-PG Vitaliy Yarema, this reform could fail. Above and beyond all this, experts say that there could still be legal and institutional collapse if the old law expires before the new one comes into force. The Prosecutor's Office could well be paralyzed because there are several bills on the table in the Verkhovna Rada that propose delaying this new law for several years. And so the reform of the Prosecutor's Office is now up in the air. ■

# Sergii Ivanov:

## "The year after Maidan was a year of missed opportunities in reform of the prosecution"

**O**n October 14, 2014, the Parliament adopted the Law "On the Prosecutor's Office." It has several important novelties related to the administrative functions of this body, but the main problems, such as pre-trial investigation and supervision of other bodies, are still present, albeit in a slightly truncated form. *The Ukrainian Week* spoke about the changes that have taken place at the Ukrainian prosecution service over the past year to Sergii Ivanov, former investigating prosecutor with many years of experience. Today, he is a popular blogger and an active participant of the lustration processes underway at the Prosecutor General's Office.

**U.W.: What changes, if any, have taken place at the Ukrainian prosecution service over the last year?**

— The year after the victory of the Maidan revolution can be considered a year of missed opportunities to reform the prosecution. In fact, no real changes to the system have occurred. The Ukrainian prosecution has not become, as it is in the US, a link between the investigating authorities and the court, where it also would have to represent the state. Instead, it has remained almost on the same ground on which it was established as far back as the reign of Peter the Great, performing the function of the monarch's spies. Unfortunately, despite being independent on paper, it just keeps carrying out orders from the top. Because if a President, as in Russia, says: "I ordered to the Prosecutor," he would have to be brought before court. The Prosecutor General's Office should be an independent body to which people may appeal, but may not give orders. But Poroshenko is walking

**Interviewed  
by  
Bohdan  
Butkevych**

into the same trap as his predecessors, trying to keep it under his total control.

**U.W.: What was, in your opinion, the first thing that had to be changed at the Prosecutor General's Office?**

— In fact, the PGO a year ago had to do several things: combine all cases related to Maidan into one trial, taking all investigations from the police, do the same with respect to all cases of separatism, bring them to court, and proceed to its own reorganization. But unfortunately, our government decided that it still needed the Prosecutor's Office with the old powers, or per-

haps in some way with even greater authority than before. Here's an interesting point: Yarema (Vitaliy Yarema is ex-Prosecutor General preceding the current one, Viktor Shokin – **Ed.**), till his last day in office, lobbied the resumption of the PGO's role as a primary supervisor. Remember how many times he said that he lacked authority? Why? Because, same as in 2005, this body is used as the hammer to slaughter exclusively those who have not come to terms with those in power. Especially in a situation when the police are no longer controlled by the President, and the head of the SBU Valentyn Nalyvaychenko has taken a neutral position. That is why neither Poroshenko nor the prosecutors are in a hurry to get rid of their powers, since the law enforcement bodies are again divided between the various centers of power in the government. The PGO was to be left without its main corruption lever, investigation. However, an important question arises: ok, if it will have no investigative functions, then who will investigate high profile cases? We still don't have a Corruption Bureau, the police are capable of acting only on paper, and professional qualifications of SBU investigators, even at the time of my employment at the Prosecutor's Office, were considered to be the low-



est. Today we can see their worth in cases related to separatism, such as the case of Donetsk and Luhansk regional bosses of the Party of Regions. The Prosecutor General's Office must "fall" as a major stronghold of corruption. I am confident that this will happen, because this is simply the public demand in a situation when the prosecutor's title has become a stigma. This means that a complete restaffing is needed. Yes, I understand that we are at war, and this issue may not seem to be pressing, but there are no other options. By the way, the salaries at the Prosecutor's Office and good, so people willing to work there, even for official wages, will always be in large supply. Just one example: the head of a department, chief accountant of the Department of Planning, Accounting, Reporting, Internal Control and Audit of the Prosecutor General's Office, Yerkhova earned about 400,000 UAH in 2013. Assistant accountants earned 270,000 UAH. And they are even not prosecutors. Prosecutors earn even more, absolutely legally.

**U.W.: Let's dwell on personalities. How would you assess the last three Prosecutors General that held this office during the last year?**

– Talking about personalities, Vitaliy Yarema came to the Prosecutor's Office having no idea about the specifics of its work. The current PG Viktor Shokin is a true professional who wants to do something, but he's a fossil who wants to increase the preferences for his agency, rather than to bring it in line with the realities of the civilized world. He can "rip and tear," because all of his life he worked as an investigator. In fact, he wants to punish and rap, but is trying to strengthen the position of the Prosecutor's Office without making any changes. Nevertheless, he is under the full control of the President. Oleh Makhnitsky (ex-PG preceding Vitaliy Yarema – **Ed.**) in fact is a nobody, just forget his name. When he took the post, he basically had to put everyone in jail, but he kept procrastinating and receiving nice money for it, I can say this openly. He was a sort of a Yushchenko of the Ukrainian prosecution service, who killed all hopes for justice by missing the moment when all the trash could have been swept easily out of Ukraine, because the trash was frightened at that point. The most

**BIO**  
**Sergii Ivanov** is a lawyer, blogger, and opinion journalist. He was born in 1976 in Svatove, Luhansk Oblast. He obtained his degree in law at Volodymyr Dahl East Ukrainian National University. Since 1998, he worked at the Prosecutor's Office of Luhansk Oblast. He resigned in 2008. Today he works as a legal adviser

appropriate Prosecutor General in the past 20 years, according to my experiences as an ordinary employee, was, strange as it may sound, Svyatoslav Piskun. He was the only one who really tried to fight bureaucracy at his agency, all those constant business trips and expenditure reports, and so on. He did not allow the prosecution to become a money making enterprise, as Pshonka (Viktor Pshonka, ex-PG under the Yanukovich presidency – **Ed.**) did.

**U.W.: A lot is being said about the Western pressure on Ukraine to implement reforms, primarily of the law enforcement.**

– The policy of the Western countries towards reforms is simple: they control them and gradually infiltrate their own people, mostly Georgians. In fact, this gives me hope: they give us money and will hold us accountable for every penny. For instance, they lobbied the candidacy of Eka Zguladze for the Interior Ministry, and David Sakvarelidze for the Prosecutor General's Office. I had a chance to talk to David, and I can say that he makes no secret of the fact that his views on the prosecution service are quite different from Shokin's ideas. He makes a very good impression. The man openly says that he has a year to make changes, and he understands that the main task today is to purge at least the most infamous represen-

That's why the cause of the Georgian team has all chances to fail. Although I personally believe that the Georgians will at least be able to change if not the system then a large part of the staff, which is not bad either. I've had a look at the methodology offered by Sakvarelidze. It sounds right: lustration first, followed by competitive selection.

**U.W.: What is your opinion on the latest high-profile cases and the role of the prosecution in this respect?**

– The detention of Bochkovsky and Stoyetsky (Head of the State Emergencies Department Serhiy Bochkovsky and his deputy Vasyly Stoyetsky were detained at a session of the Cabinet of Ministers in front of TV cameras. They are charged with embezzlement of state funds – **Ed.**) was very questionable from the perspective of the Criminal Procedure Code, because it doesn't provide the grounds for this arrest. This is why the reaction of the Prosecutor General's Office, namely, its refusal to sanction the arrest, is explained not only by the money received for this, but also by the poor work of police investigators. As for Yefremov (ex-leader of the Party of Regions faction in VR, Oleksandr Yefremov, was arrested in February, then released on bail – **Ed.**), I believe that we are witnessing a rigged game, I mean, he has an agreement with the authorities, who understand that someone needs to be given to the crowd. Therefore, he will either be acquitted or incur some symbolic punishment that will soon be lifted. Charges of "Inciting ethnic hatred" pursuant to Article 358 that are being trumped up have no chances. For me, the question remains – why nobody of his team that is personally responsible for fuelling war and separatism in Luhansk Oblast was arrested, when they were all here in Kyiv. They had to be detained and forced to give up their boss, in return for some kind of a deal. Unfortunately, in most of these cases, big money has already been paid. There are quite a lot of questions even with respect to the murder in Volnovakha of an SBU officer Viktor Mandzyk, because it is still unclear from which gun he was shot, they can't show it to us, and a lot of procedural steps have not been followed, without which the case will not hold water. ■

**THE POLICY OF THE WESTERN COUNTRIES TOWARDS REFORMS TO CONTROL THEM AND GRADUALLY INFILTRATE THEIR OWN PEOPLE. THIS GIVES ME HOPE**

tatives of the old system. But, unfortunately, his efforts may not be sufficient. The system built at the Prosecutor's Office is totally corrupt and very resistant to changes. If an investigator for some reason does not want to investigate a case, he has all the opportunities not to do it. It won't be easy to fire him, even for the Prosecutor General. The easiest thing for such an investigator would be going to the political party currently under investigation to ask for protection. And then going to the European Court is not a problem. According to Sakvarelidze, the sabotage of changes is overwhelming.

# Mykola Sunhurovsky:

## "It is impossible to reform the army today; we can only improve what we already have"

Interviewed  
by Dmytro  
Krapyvenko

**D**irector of Military Programmes at the Razumkov Centre spoke to The Ukrainian Week about the progress of reforms in the national security and defense sector, the modernization of the army and the changes that the Armed Forces could undergo today.

**U.W.: What did the new government manage to achieve in the area of the military reform?**

– Last April, the National Security and Defense Council passed a resolution on a comprehensive review of the security sector within four months. Unfortunately, red tape and sabotage hampered this. There have been some attempts of the Cabinet to launch the process, but they seemed to be rather formal. I personally witnessed that the Ministry of Defense received a request to assist in carrying out such a review. Moreover, it is the only body that performed such overview since the end of 2008. However, the Ministry did not want to take this responsibility. It ended up with carrying out strictly the defense part of the comprehensive review, rather than examining the entire security sector. Today, the reform of the law enforcement is on the agenda, which is to be implemented throughout the security sector. If we keep moving in this direction, that is, reforming the Defense Ministry, the law enforcement, the judicial system and the State Emergency Service separately, this will result in destroying all vertical and horizontal communications. For now, we need to stabilize the situation and to embark on the reforms that can be implemented today. For example, launch the anti-corruption action, carry out personnel purges, improve the personnel



PHOTO BY ANDRIY LOMAKIN

training system, and regulate procedures that simply do not work.

**U.W.: Is war a good time to bring about changes in the army?**

– Today it is impossible to reform the army; we can only improve what we already have. For

instance, following the example of the United States, we could launch the staffing policy reassessment program. If an officer has acquitted himself well in battle, he deserves a promotion. If not, he has to go either to the front or into retirement. Today we can also im-

plement reforms related to creating new military structures, such as assault units staffed with the Right Sector soldiers.

**U.W.: Does Ukraine need to resume compulsory military service?**

— People are not born contract soldiers. They come into the Armed Forces from the labor market. The personnel reserve has to be prepared to provide staff for the contract army. If we look at the contract figures, each year Ukraine recruited about 9,000 conscripts, 8,000 of whom resigned after the first year of service. There were no material base and no social motives to serve under contract. When we conducted a survey of the people who had signed the contract, the most popular reason they quoted was the opportunity to get a profession, not the salary. A quality military profession is worth a lot. When the professional army is created (and service under contract is not the same as a professional army), the term of enlistment has to be increased from one year to two or even two and a half. When a man serves for one year, he spends half a year training and half a year waiting for the discharge from the army. A good professional needs to master his skills during a longer period. For those who will serve in the infantry, two years will be the optimum, while training those who deal with high-tech weapons and equipment will take more time. It is impossible to master a profession within a year. These factors need to be taken into account, but no one wants to do it. Populism is what people prefer. Unless we transform ourselves from the electorate into a nation, any reforms will be useless.

**U.W.: Does this mean that today there is no vision of what the army should be?**

— Its core should be made of contract soldiers. It is hard to imagine a good professional at a stage of a conscript. What we need are not conscripts. We will always live in a state of war. Times of peace will come, when Ukraine will become a member of the international security system and will send Ukrainian peacekeepers to different places, made up exclusively of contract soldiers. Becom-

ing a peacekeeper requires good will. Therefore, the army has to be based on contract soldiers, while conscripts can be used for staffing the army with cooks, barbers, and so on. The employees of these professions can be simply hired, but this should be done without the current corruption. There have been some reasonable proposals to outsource the catering function, but they were rejected. Any innovation can be spoilt by corruption. One company may receive all public procurement orders and, in the absence of competition, raise prices by several times, with no option to refuse. This is how the scheme operates.

**U.W.: Is the modernization of the army and its equipment justified, being quite expensive?**

— Army modernization and development are hindered by the mess in the management system. I have taken part in many meetings, and one of the key issues has always been improving the management system, and then creating the post of a deputy prime minister or an agency that would coordinate the work. The system in question reflects techniques for its organization. Without them, it will not work. First of all, you need to develop the organization technique and to specify what exactly will be managed. If you say that you want to manage production, I will say that the main thing is to be able to manage the process of supplying the weapons to the military, that is, the entire lifecycle. What we need is the technique of coordinated actions, then we can create those who will perform them: jobs, institutions, agencies, and so on. Then it will become clear what the reforms are about. All links in the chain need to cooperate. It's not just about the powers of a specific agency. Any management system can be called this name, but this will not make it better or worse. Recently, there was a press conference attended by the representatives of Ukroboronprom, a state-owned group of military equipment and ammunition suppliers, and the Ministry of Defense. Ukroboronprom has to ensure the execution of orders (obtain the requirements, the weapons list and the funds necessary to complete the order), while the latter has to place public or-

**BIO**  
**Mykola Sunhurovsky** was born in 1951 in Moscow. He graduated from Orenburg Higher Military Air Defense Forces School (1972); Kyiv Air Defense Forces Academy (1982); and Higher School of Entrepreneurship of Kyiv Institute of National Economy (1991). He retired as colonel after 31 years of military service. Since February 2000, Mr. Sunhurovsky has been freelance Consultant to the National Security and Defense Committee of the Verkhovna Rada of Ukraine; and Director of Military Programmes of the Razumkov Centre since December 2006

ders. In the previous years, spending on the army was minimized, 86% of the allocated funds being used for military personnel. An efficient structure is impossible when only 25% are earmarked for weapons. It will never be funded properly under very limited spending on the military. To my question of how many adopted models never made it to production, the answer was: "100%." That is, they did not go either into production or to the troops.

**U.W.: How many new models of military equipment or weapons have been launched into serial production lately?**

— There is no money for that. The budget does not provide for it. To launch production, you need money to purchase the models to be produced. A series is a certain amount of weapons ordered by the Armed Forces. When there is no order, the budget does not allocate the money for it. The new samples include Stugna anti-tank missile systems or defense helicopters, but if the costs are not provided for in the budget, the Army will place no orders for the serial production.

**U.W.: Is there is a need to reform the Ukrainian military Charter? How to ensure its enactment?**

— This is a matter of responsibility that should go from top to bottom. When middle managers are responsible for everything,

**THE MESS IN THE MANAGEMENT SYSTEM HINDERS ARMY MODERNIZATION AND DEVELOPMENT**

and the top ones for nothing, then the middle managers are not motivated to stick to the Charter. The rest is about systemic issues. It is impossible to harmonize individual provisions; you need to change everything, taking into account the changes not only to the types of combat operations, but also to the structure of the army. Change will only take place when we conduct a comprehensive review and implement the real reforms based on the adopted model. Until we have adopted a model, we cannot change the Charter. ■

# The Phantom of Deoligarchization

Taming a few oligarchs will not change the oligarchic system, since Ukraine still has no organized alternative to it in the form of civil society or small and medium businesses



Author:  
Oles  
Oleksiyenko

**"T**he attack on Ihor Kolomoisky," as it was dubbed by observers and experts, intensified the public discussion on what is going on in the country. Is it the start of the deoligarchization process or just another redistribution of spheres of influence? The Ukrainian Week also tried to analyze the implications of the recent developments and the new setup of Ukrainian oligarchs.

## REBALANCING

First of all, it should be noted that the removal of Yanukovich from power a year ago has dramatically increased the role of the oligarchs in the country. This was inevitable in the situation of an evolutionary power shift, when the old Parliament formed by the oligarchs was

preserved, and their economic, political and media assets remained intact. In this way, the system has remained almost unharmed, and due to the weakness of the state and the external threat, the role of the oligarchs has only increased. However, the developments of the past year have significantly changed the balance of power within the system.

Following the victory in the presidential elections, the political weight of Petro Poroshenko has soared. The position of Ihor Kolomoisky, the head of Dnipropetrovsk Regional State Administration, who increasingly claimed to be the "Viceroy of the South East," strengthened due to his active attitude towards fighting separatism and protecting the country from the Russian aggression. Mean-

while, the position of the favorites of the previous regime – Dmytro Firtash currently under arrest in Vienna and especially Rinat Akhmetov – gradually weakened. The latter has become for Ukrainians the symbol of support for separatists and lost a large share of his assets and profits through the annexation of Crimea and the war in Donbass. Viktor Pinchuk, who traditionally had a complex relationship with Ihor Kolomoisky, feels increasingly uncomfortable. At the same time, Ihor Yermeyev and Kostyantyn Hryhoryshyn started playing a much more active role in the political and economic life of the country.

The traditions of Ukrainian oligarchs involved using stealthy levers to influence the authorities and obtain preferences, as well as

the access to public assets and cash flows. However, Ihor Kolomoisky's behavior recently went beyond the familiar paradigm: he publicly and openly demonstrated his contempt for the official government institutions, resorting to threats of raiding state assets.

In fact, Kolomoisky refused to recognize Poroshenko's authority as the head of state, which raised the question of the country's manageability both for its citizens and for outside observers. It has to be noted that Kolomoisky, unlike other oligarchs, had an additional resource in the form of volunteer battalions and, according to sources, constantly threatened using them to protect his business interests. In these circumstances, taming the headstrong magnate was the matter of survival for the President, who was in this case backed by the West and the other oligarchs.

In this way, the situation with Kolomoisky should not be considered as an episode in the warfare against the oligarchic system as such, but rather as a fight with one of its representatives, who wanted to rise above the rules, creating a threat to the system. It is telling that these same motives were quoted by President Poroshenko to explain the recent events. For instance, in an interview to ICTV channel on March 28 he said: "... While we are trying to bring order to the country, they (the oligarchs – Ed.) are bringing chaos. Military convoys in the city, UkrNafta dividends, the murder of an SBU employee – all of this is chaos, which I will not tolerate. This is absolutely not the matter of names. The caste of the privileged will be eliminated." Even though the head of state called it a "deoligarchization," as we can see, it is just about drawing the "red lines" which cannot be crossed, and not about striving to dismantle the system as such.

Another obvious motive for the attack on oligarchs was to forbid them access to the revenues of state enterprises, mainly monopolies. This was evident both in the case of UkrNafta, when the conflict with Kolomoisky occurred, and in the relations of the authorities with other Ukrainian oligarchs, such as Dmytro Firtash and Rinat Akhmetov. Firtash last year lost the control over the earlier "leased" state-owned Irshansk and Vilnohirsk iron ore refineries, whose products

were sold at underestimated prices, and was recently faced with the attempts of bereaving his regional gas companies of gas distribution networks acquired in 2012. Akhmetov lost a significant share of state subsidies for the "green" tariff, which was recently reduced by half, had to give up his monopoly in electricity exports, and failed to lobby the financing of his power generating facilities in the territories occupied by terrorists by EnergoRynok state enterprise.

However, it is very important that the current move results not only in changing the personalities pursuing their own interests and parasitizing on state-owned companies, but also in the real receipt/saving of funds by those companies and the state budget. For example, during the scandal with UkrTransNafta, the representatives of Kolomoisky's team openly stated that the companies of which Firtash was making a good hand until recently, including Vilnohirsk refinery, keep using the same corrupt schemes, but their beneficiaries are now Prime Minister Yatsenyuk and his gray cardinal Mykola Martynenko. The tasty morsels of the energy market and the attractive assets that have been or may soon be lost by Firtash and Akhmetov, according to the media, are either already owned by the Russian oligarch Hryhoryshyn or will soon pass into his hands.

However, today nobody is talking about countering the oligarchs' monopolism as such, let alone curtailing their influence on the public policy, which they exercise through their own MPs or even political parties in the Parliament and in local councils, their henchmen in the government agencies responsible for regulating certain economy sectors, etc.


Kolomoisky, for instance, until recently blocked the implementation of the Open Skies agreement with the EU that threatened his monopoly in the airline market. Nothing has been done to remedy this situation. The total monopolization of the energy sector by the Russian-oriented oligarchs has been preserved, despite the energy war: 70% of regional and municipal gas distribution companies are owned by Firtash, and 30% of electricity and 70% of coal are produced by DTEK owned by Rinat Akhmetov. DTEK also controls

about a third of the electricity supplies to end users through its own regional power distribution companies, the largest of which are Kyivenergo and Dniproenergo. A number of power distribution companies belong to the Russian oligarch Kostyantyn Hryhoryshyn, mentioned above.

## NEW FAVOURITES

Recently, the new favorites emerged, rapidly increasing their share in the country's most profitable and strategic markets through their influence in the top echelons of power. These are the group of Ihor Yermeyev, an oligarch from Volyn region, who is considered to be Kolomoisky's main rival in the oil market and, again, Kostyantyn Hryhoryshyn. The role played by these two may soon become similar to that played by Firtash and Akhmetov during the Yanukovych times.

The co-owner of Continuum Group Ihor Yermeyev also controls a group of MPs of both the previous and the current Parliament, which formally belonged to



**IT IS JUST ABOUT DRAWING THE "RED LINES" WHICH CANNOT BE CROSSED, BUT NOT ABOUT DISMANTLING THE SYSTEM AS SUCH**

the ruling coalition, and now is actually a part of it. Andriy Pyvovarsky, Yermeyev's henchman, is now one of the ministers of the current government, and his People's Will parliamentary group often votes in unison with the coalition, sometimes compensating for the lack of discipline in its ranks. People from Kolomoisky's inner circle do not deny their conflict with Yermeyev's group and its interest in pushing out Kolomoisky's managers from UkrTransNafta and UkrNafta, and even call this a defining motif in the recent confrontation. Yermeyev is allegedly close to Ihor Kononenko, a business partner and a longtime friend of President Poroshenko.

However, much closer attention should be paid to the figure of another Poroshenko's favorite, Russian oligarch Kostyantyn Hryhoryshyn. The Energy Minister Vladimir Demchysyn appointed on BPP's quota is considered to be his

protégé. Recently, Samopomich MP Lev Pidlisetsky accused Hryhoryshyn of establishing total control over UkrEnergo National Energy Company, the operator of Ukraine's unified energy system, where the entire management staff was replaced, "including department heads." The media also associated the disruption of contracts for supplies of South African coal to Ukrainian state-owned thermal power plants last fall with Hryhoryshyn's schemes.

There is every reason to be beware of Hryhoryshyn becoming for President Poroshenko what Firtash was for Yushchenko during the latter's presidency. Hryhoryshyn and Poroshenko are old business partners. There were times when they together even tried to buy a controlling stake in Inter TV channel from Ihor Pluzhnikov, and since 2007, they have jointly controlled Sevastopol Marine Plant. This means that the Kremlin may exercise subtle pressure on Poroshenko through Hryhoryshyn, as it once did on Yushchenko through Firtash, offering him attractive business schemes that would bring Ukraine closer to Russia. Contracts for the supply of coal and electricity from Russia signed this winter can be regarded as the first examples of such pressure.

One should not be deceived by the facts that Kostyantyn Hryhoryshyn was named among the main sponsors of the Orange Revolution, that he is a native of Zaporizhzhya, and that the lion's share of his assets is in Ukraine (Energy Standard, which manages a number of regional power distribution companies, UkrRichFlot, Zaporizhzhya Super-Power Transformers Plant, ZaporizhTransformator, Sumy Frunze Machine-Building Science and Production Association, etc.). Despite his Ukrainian origin, Hryhoryshyn is a typical Russian oligarch, whose prospects depend primarily on his manageability and usefulness for the Kremlin. He not only holds the Russian passport, but also lives in Moscow, and his business is closely associated with Russian state-owned companies, where he has branched connections (Gazprom, Inter RAO UES, etc.).

### THE LAUREL WREATH OF UKRAINIAN IVANISHVILI

At least two Ukrainian oligarchs may soon launch their own ambi-



PHOTO: UNIAN

The Kremlin seems to be counting on Kostyantyn Hryhoryshyn to exercise subtle pressure on Poroshenko, as it once did on Yushchenko through Firtash

tious political projects with the primary purpose of eliminating the current coalition, or at least its main actors.

Kolomoisky's allies make no secret of their intentions to take revenge for the defeat and humiliation. They categorically rejected the possibility of playing a separatism card, but their more active participation in the political struggle is to be expected. It is encouraged by the just frustration of the population by the political actors of the ruling coalition and, primarily, by the President's and Prime Minister's activities. This negative attitude towards the authorities can be expected to grow, since the socioeconomic situation in the country is projected to deteriorate. At the same time, the reorientation of the disillusioned voters towards the Opposition Bloc is likely to be minimal. If its rating grows, it will be first of all due to the activation of the traditional PR and/or CPU electorate that was passive during the last election.

The co-owner of Continuum Group Ihor Yermeyev is rapidly gaining weight. His parliamentary group formally belonged to the parliamentary majority, and now is actually a part of it



PHOTO: UNIAN

In these conditions, Kolomoisky has a chance of placing to local councils and, in the case of early parliamentary elections, to the Parliament a considerable number of his own deputies as part of one or several political groups. It is unlikely that he will want to become a public politician, at least in the long run. First of all, it involves certain risks, because high expectations can rapidly turn into hatred and irritation. However, Kolomoisky may form a more or less wide association designed to prevent the revenge of his foes Akhmetov or Firtash and to weaken the influence of his opponents from the current government camp.

One more oligarch, Dmytro Firtash, has actually started on the path shown by Bidzina Ivanishvili. The lawsuit brought against him in Austria is slowly coming to nought due to the lack of evidence, as he is preparing for a triumphant return to Ukraine with the electoral agenda that is becoming more and more obvious.

At the pompous Ukraine Tomorrow forum held in Vienna in early March, Firtash presented his own initiative of the country's modernization and alternative development. At the meeting, the establishment of the Agency for Modernization of Ukraine was announced, with the task to prepare a step-by-step plan to assimilate USD 300 billion of investment required for its implementation. This process should be completed by the end of September this year, that is, at the height of the local elections campaign (if it is not postponed). The fact that a complimentary TV spot on the event was immediately aired by Russia's First Channel is telling.

Firtash has signaled that he will place his stake on populism and the return of the country to the Russian sphere of influence. In particular, he stated that it is important to start with the constitutional reform aimed at ensuring the country's federalization or decentralization, "because without this task, nothing can be changed." He also said that despite the "painful relations with Russia, Ukraine should become not a footstep, but a bridge between Europe, Russia and Asia. We need to establish a common market, instead of looking in one direction or another."

Since the modernization was formally initiated by the Employers' Federation of Ukraine controlled by Firtash and the trade unions equally dependent on him, the oligarch's speech and initiative were filled with populist proposals that he somehow did not bother to implement at his numerous enterprises in Ukraine in the previous years. In particular, according to Firtash, "the strategy of attracting investors to the country with cheap labor is wrong." Besides, he criticized the current government for its national austerity program, saying that "we must understand that people have to live. Not only in 25 years, but already today we need to make great strides to see daily improvements in the situation and the living standards." Such ideas may prove to be popular before the local and, quite possibly, early parliamentary elections, when the population is tired of the belt tightening policy that was launched in 2014 and worsened in 2015.

In addition to organizing such high-profile PR activities, Firtash's team also has a more systematic approach to the problem of Ukraine's perception in Europe. For example,

European news channel Euronews and Inter Media Group announced on March 13 the signing of a license agreement for the launch of its Ukrainian version. While the signing of such agreement with Firtash's media resources was long opposed by the Euronews' major French shareholders (23.9% stake), the positive results were achieved after 53% of the channel's shares were unexpectedly acquired for EUR 35 million by a Egyptian billionaire Naguib Sawiris in early March 2015. An interesting coincidence...

### THE SINE QUA NON

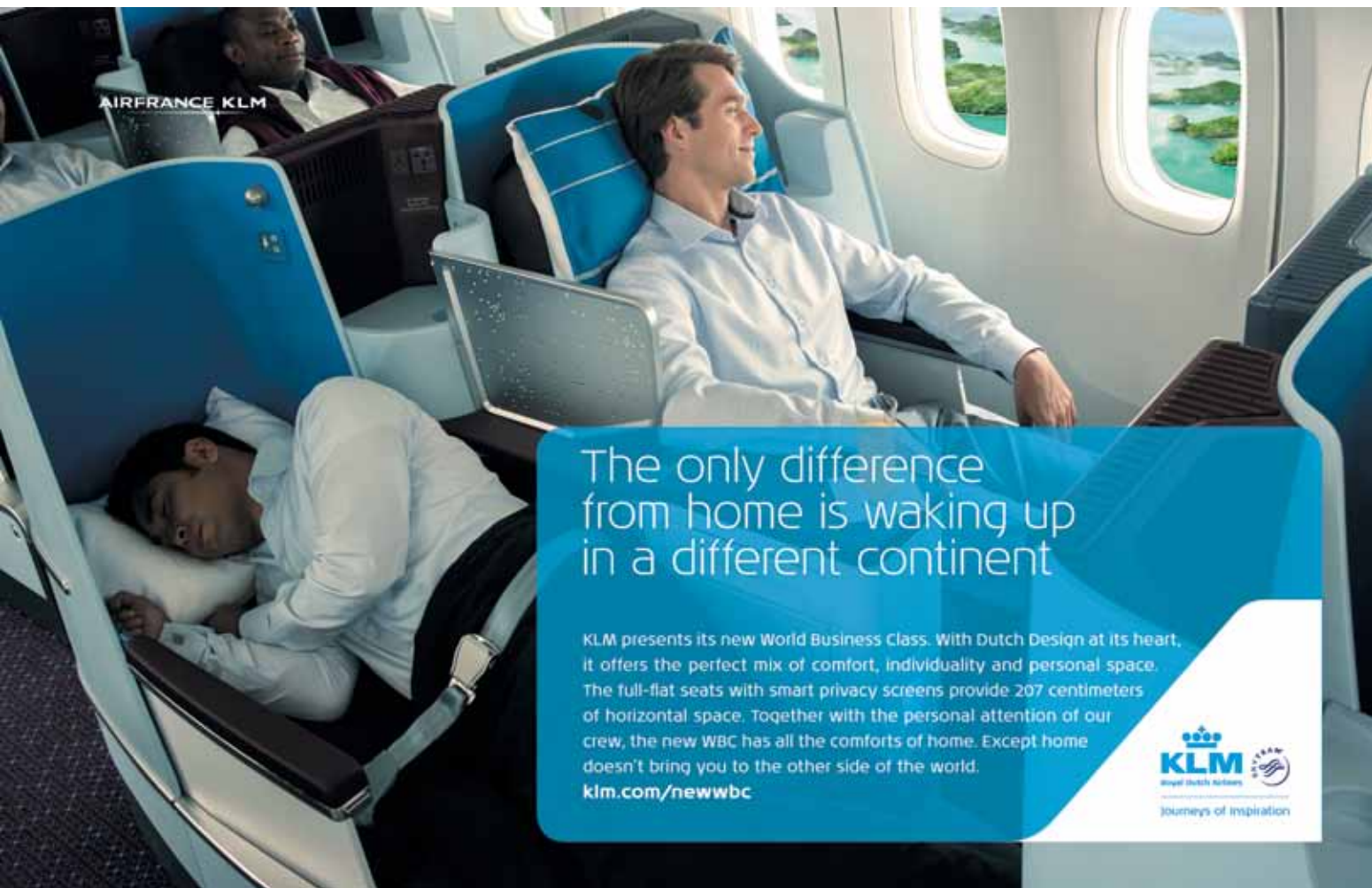
In the absence of an organized political force or a broad civic movement capable of taking the responsibility for the development of the country and its fundamental transformation, instead of the imitation thereof, the citizen's inclination towards populism will always be used by the oligarchs for their own benefit. The country still has no organized progressive force to take the place that will remain vacant after the oligarchs are removed from power. This place could be filled either by the representatives of big businesses of a smaller scale

(which would only increase instability), or by the current bureaucrats and security forces (which is also no good for the country).

For the real and, most importantly, effective deoligarchization that would contribute to the country's dynamic development, we need an organized alternative in the form of an institutionalized civil society or powerful and organized political forces based on the active participation of small and

**THE COUNTRY STILL HAS  
NO ORGANIZED PROGRESSIVE  
FORCE TO TAKE THE PLACE  
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AFTER THE OLIGARCHS ARE  
REMOVED FROM POWER**

medium-sized businesses. The desperate fight on Maidan has to be continued in new forms, otherwise neither the courage to overthrow the regime nor the deaths of the hundreds of heroes will help dismantling the system that still controls all parliamentary political groups, this time or in the future. ■



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# Adrift In Washington

The reasons for American inaction

**A**s of late March 2015 and despite multiple calls and pressures for aiding Ukraine the Obama Administration still refused to send Ukraine lethal weapons for its defense against Russia's continuing aggression. Indeed, only on March 20 did it finally agree to send trainers for Ukraine's National Guard, not its army. Administration officials have openly stated the reasons for this policy but here we offer a deeper analysis of what lies beneath those statements.

Depending on which official is speaking we find the following arguments. Since Ukraine is not a member of NATO neither America nor NATO is obligated to defend it or send it arms. Neither does the 1994 Budapest Agreement represent a guarantee. Instead it offers assurances that may or may not be fulfilled. Others have argued against financial assistance because allegedly the money will be stolen due to pervasive corruption although that argument has recently faded away. But its military corollary is that either Ukrainian troops and the military command are riddled with Russian spies, or they will not know how to use the assistance. Russian penetration is certainly well-documented. However, the Afghan Mujahadeen, who were rather backward technologically compared to Ukrainians, learned how to use the Stinger anti-aircraft missile sufficiently well to eject the Soviets from Afghanistan. Therefore that argument conceals deeper reasons for withholding aid.

There are fundamentally three reasons beyond those arguments for Washington's timor-

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ous response to this aggression. First, US policy emphasizes allied unity above all. It therefore moves at the speed of the slowest ship in the convoy. Our European allies are visibly and predictably terrified of any escalation because mentally and materially no European government is ready to fully acknowledge the scale of the Russian threat and the sacrifices that must be made to resist it. Indeed, many European countries reduced defense spending last year despite this war. Moreover, virtually every European government and therefore Washington also believes that not only are they not obligated to defend Ukraine but also that sending it arms will only worsen the situation. Allegedly Russia enjoys what specialists call escalation dominance. Second, for Russia and Putin Ukraine is a vital issue and for them and Washington it is not such an issue. Indeed, Washing-

**TO THE EXTENT THAT WE SHIRK FROM DEFENDING ORDER AND UKRAINE AS WE PROMISED TO DO WE FACILITATE A BROADER EUROPEAN CRISIS**

ton is clearly more concerned about the threat of ISIL and of Iran. There are also those in the White House and Washington who still hope to resume arms control negotiations for which Russia would be an indispensable partner.

Consequently because those threats are supposedly greater and Ukraine is less vital we now

and in the future need Russian help. And since these elites reason circularly that here is nothing we can do to make things better other than sanctions we should not send arms as that will only provoke Putin to escalate in ways we cannot match or worse this might provoke a major, even nuclear war in Europe. Here they use the phrase "an asymmetry of will", or in other words, supposedly Russia wants Ukraine more. More accurately, they fear Putin more than he fears us. At the same time many officials dismiss Russia as a terminally declining power. Therefore, Ukrainians must learn to live with it and just let it gradually decline just as Germany lived with the wall for 28 years because the alternatives are all worse.

Actually these arguments reflect the strategic illiteracy and incompetence of both the Obama





PHOTO BY AP

Administration and Europe. Even more distressingly they also reveal the fear and lack of will to confront strategic realities that grips these governments. Undoubtedly Ukraine is a vital issue for Putin who has staked his and Russia's future on it. But what these governments fail to realize is that Ukraine's fate is no less vital to their and European security if not the overall international order. Putin does not only want to destroy any possibility of an independent sovereign Ukrainian state, he wants to destroy the order created in 1989-91 and his spokesmen and apologists increasingly openly say so. To the extent that we shirk from defending that order and Ukraine as we promised to do we actually facilitate a broader and greater European crisis.

Those political figures who argue thusly resemble Churchill's

analogy of European leaders who cravenly appeased Hitler and Mussolini hoping, in his words, that the crocodile would eat them last. They refuse to see Russia's threat for what it is and cling to the already disproven hope that Putin can somehow be bought off or that we can find "an off-ramp" so that he can exit gracefully and we can return to something like business as usual. Such thinking not only reflects fear of Russia and of sacrificing anything to defend their own liberty and security, it also fails to grasp that while Putin may seek rest stops where he can refuel his car, he intends to go further. Even now the Minsk-2 agreement is collapsing with multiple Russian violations occurring every day.

Similarly the argument about escalation dominance is misplaced. Some officials actually

US policy emphasizes allied unity above all. Our European allies are visibly and predictably terrified of any escalation because mentally and materially no European government is ready to fully acknowledge the scale of the Russian threat and the sacrifices that must be made to resist it

invoke Robert McNamara's action reaction syndrome without realizing that it was disproven thirty years ago. They also ignore signs that the Russian army may be reaching its culminating points. Heavy casualties, also reported by NATO, are forcing it to create units from the Russian Far East and it is opening the jails to prisoners with promises of freedom and payment if they will fight. Russia is also expending enormous amounts of artillery shells as its economy sags ever more and the defense burden becomes increasingly onerous. Meanwhile NATO, the strongest military alliance in the world, has done little or nothing. There is also little thought given to acting strategically, i.e. not just sending arms but combining arms, military training, large-scale economic assistance to force reforms, energy exports to undermine Russia's economy and standing in Europe, and a large-scale information campaign to break Russia's dominance here. These leaders refuse or cannot grasp that it is essential and within our capacity to respond strategically to Russia to take the initiative away from Moscow and make Putin worry about our escalation rather than worry about his. Given NATO's resources, if it had the will it could, under American leadership, wrest the strategic initiative away from Putin. But instead Washington and European capitals are immobilized by their own fear, complacency and unwillingness to take Russia and its threats seriously.

The Russian proverb notes that fear has big eyes but that is only true when the intended victim also suffers from myopia and faint heartedness. Already Moscow is preparing a new offensive to seize more Ukrainian lands and all we have is empty rhetoric and mounting signs of EU disunity and lack of leadership. We may call the response to date a policy but it would be more accurate to call it a craven, even shameful abdication of policy and strategy that is only storing up greater costs for the inevitable larger crisis that will sooner rather than later strike not just Ukraine but Europe if not also America. ■

# John Herbst:

## “The Administration does not understand that Mr. Putin’s ambitions are not limited to Ukraine”



Interviewed by  
Anna Korbut

**U**S Ambassador to Ukraine in 2003-2006 and currently Director of the Dinu Patriciu Eurasia Center at the Atlantic Council talks to *The Ukrainian Week* on factors that shape the United States’ foreign policy and why Vladimir Putin must be stopped in Ukraine.

**U.W.:** What do you see as reasons for Mr. Obama’s very cautious policy towards Ukraine and Russia in the current crisis?

– There seems to be no clear strategic understanding of the problem and a misunderstanding of the gravity of this crisis. That’s why our policy is not sufficiently comprehensive and

strong. It has gotten better in recent months, but it’s still not good enough. The Administration does not understand that Mr. Putin’s ambitions are not limited to Ukraine. He may threaten NATO allies, i.e. the Baltic States. Therefore, we need to deal with him in Ukraine. However, the problem of incomplete understanding is not just in the United States, but in Europe, too.

A year ago, there were not many people who realized what was going on: that this is a crisis of Kremlin revisionism. Now, I think, many senior officials in the Administration and even more in the Congress understand this.

**U.W.:** Before Russia’s aggression on Ukraine, the Obama Administration’s foreign policy used to be described as “Asia pivot” that largely overlooked Europe. How accurate was that? And has it changed now?

– I can understand why the Administration wanted to spend more time on Asia. This was based on the extraordinary rise there in the past 25 years. China is the world’s second largest economy today, and Japan and South Korea have huge economies, too. Asia has become a big part of the world economy.

The problem was not the Administration’s pivot to Asia – which, by force of events, was incomplete. The problem is that the White Houses’ appreciation of the situation in Europe has not been formed by strategic understanding, as we discussed above.

**U.W.:** It looks like sanctions will remain the West’s main tool of

**pressure against Russia's aggression. However, some EU member-states are reluctant to continue this policy. Does the United States have any leverage to persuade these countries to change their stance, or is it only up to Chancellor Merkel?**

– The US has actually shown leadership in the sanction area. President Obama has provided a way forward on this question for the United States, as well as for the West in general. He and his Administration have taken time to encourage the Europeans to take a stronger position on sanctions. Having said that, Chancellor Merkel is the only senior Western statesperson outside the US dealing with the crisis. I think she has understood the importance of maintaining sanctions as a way to encourage Moscow to pursue the right policies.

The United States and the EU seem to be working closely together on this, and not at cross-purposes. It is true that the US has been stronger in arguing for sanctions for Russia's aggression in Ukraine, but we have always understood that Europe pays a higher price for the sanctions economically.

**U.W.: If the sanctions affect the Russian economy as intended, is there any strategic concept or planning in the West on what the post-sanction Russia could look like and what risks it could entail?**

– The US Administration has imposed sanctions to encourage Mr. Putin to cease his aggression. The way it can work is that the sanctions become so painful that he sees as the leader of Russia that he needs to stop his interference, invasion in Ukraine. I believe this is plausible, although it is not guaranteed.

My personal belief is that the sanctions have been important, even if they do not persuade Mr. Putin to stop his aggression. Since his ambitions reach beyond Ukraine, we need to weaken him so that he has fewer resources with which to conduct the aggression, whether in Ukraine or in any other place.

**U.W.: How is the intense militarization of Crimea and the threat it poses to the Black Sea**

**region seen in this context? Is it viewed as a serious threat in the West?**

– I think that the American military and statesmen understand that Mr. Putin is deploying advanced weapons systems to the peninsula. We keep track of these things. However, I do not believe that they give the Kremlin a new strategic advantage.

There have been a relatively large number of visits by navy vessels of NATO countries in the Black Sea in recent weeks. That is an indication of the West's understanding that the problem of Kremlin aggression in Crimea and the Donbas is growing.

**U.W.: All that activity of NATO does not do much for Ukraine. Its core member-states, especially the European ones, have been reluctant to see Ukraine as part of the Alliance - even after Russia's aggression in Georgia. What would it take for Ukraine to get under the NATO umbrella – domestic reforms and will, or a weakened Russia that will no longer object it aggressively?**

– I do not believe that the prospects of NATO membership for Ukraine are any stronger now than they were a year ago. The main European member-states have expressed reluctance to accept Ukraine to the Alliance since the Bucharest Summit in 2008. That has not changed.

Since the Russian aggression began, however, the attitude in Ukraine has changed substantially. The majority of Ukrainians now want to join NATO. That is something that would require NATO to put together an action plan for Ukraine with a future membership prospect. But I don't think that is possible either, at least not in the immediate future. It is more important for Ukraine at this point in time to withstand the Russian aggression, to stabilize the current ceasefire and to move quickly and comprehensively in the parts of the country under Kyiv's full control to implement reform.

**U.W.: Before the aggression, Ukraine was generally dismissed by many key Western players as a country in the region dominated by Russia on**

**which everyone focused in the first place. Could that change now? What would it take for Ukraine to become a regional player?**

Two categories of things need to happen to ensure Ukraine's future, to ensure its control over its territory and its ability to choose its own domestic and foreign policy.

First, Ukraine needs to continue its fight against Mr. Putin's aggression. But it needs the help of the West in that fight, and that help comes in the form of strict sanctions on Russia and of supplying military equipment to Ukraine, including defensive lethal weapons. I believe that these things can make it much harder for Mr. Putin to push further.

The second thing is that the government of Mr. Poroshenko and Mr. Yatsenyuk need to move decisively on reforms. In that, Ukraine needs support of the in-

**WE NEED TO WEAKEN MR. PUTIN SO THAT HE HAS FEWER RESOURCES WITH WHICH TO CONDUCT THE AGGRESSION, WHETHER IN UKRAINE OR IN ANY OTHER PLACE**

ternational community and financial institutions. This assistance should be forthcoming provided that the Poroshenko-Yatsenyuk government makes the right reforms.

Both governments in Kyiv since former President Yanukovich fled in February of 2014 – the interim government, Mr. Yatsenyuk's Cabinet, and then the Administration of President Poroshenko -- could have moved more decisively on reforms. Following the presidential election, time was spent on campaigning for the parliamentary elections in the fall. After the Rada elections, there were several weeks of political maneuvering between Mr. Poroshenko and Mr. Yatsenyuk. This was all time lost for reform. The budget presented to the Rada in December was at best a half step forward on reform; but finally, earlier in March, the Rada passed a raft of reform measures. We now need to see these bills implemented. ■

# Alexander Motyl:

## "Ukraine is important to the US as a counterweight to Russia"

Interviewed by  
Olha Vorozhbyt

**T**he *Ukrainian Week* spoke to an American historian of Ukrainian descent, Rutgers University Professor Alexander Motyl about Washington's policy towards Kyiv, Ukraine's image, and the perception of Ukrainian politicians in the US.

**U.W.: President Obama's Administration keeps receiving strong pleas from the Congress to help Ukraine, but his policy remains rather undetermined. Why is that?**

— I would not like to defend Barack Obama here, but, being a president who had nothing to do with Ukraine for the past seven years, that is, before the Maidan, I would say that in fact he did a lot during this past year. Obama agreed to sanctions, and it is him and the US who keep putting pressure on the EU to enhance them as well. Overall, the US policy towards Kyiv is quite bold. Provided that he (Barack Obama. — Ed.) was never interested in Ukraine at all, the fact that he is paying a lot of attention to it today is rather positive. Of course, the negative side is that Kyiv is still waiting for the arms supplies that have been already discussed rather positively by just about everyone, including politicians in the Senate and the House of Representatives and advisers on different levels, from junior ones to top analysts. The pressure to start the supplies is tremendous, but the president is somehow hesitant.

So, going back to your question: why? This may have two different reasons. One is the "reset" of relations with Russia at the beginning of Obama's presidency. This was his initiative, to a large extent, because under Bush, the relations deteriorated. Obviously,

for any man, the more so for a president, it is hard to change one course for another. Another reason may be the fact that the US, in the last seven or eight years, especially under Obama, tried to move away from Iraq and Afghanistan. This was a major goal. Whether these wars were just or not, in any case, they were not very successful. So, again, there is a kind of a contradiction: on the one hand, you are retreating, while on the other hand, you are being told that

you must advance. It is somewhat difficult. It would have been easier for Bush to go ahead in Iraq, in Afghanistan, and in Ukraine. I think, Obama gets justly accused for not being particularly strong in foreign policy issues, especially the ones related to security. After all, he is a man who spent his entire career at the local level. He is rather a local politician, that is, not the one dealing with global issues, although he is capable of thinking globally, and he has repeatedly proved it. But many times he was criticized for not liking foreign policy: he would much rather focus on domestic policy instead, but something gets in his way over and over again.

Besides, the crisis in Syria continues. A year ago, he told President Assad of serious consequences in case chemical weapons are used. Assad used them, with no conse-



quences. Obama was once bitten there, so he is being twice shy here. I think, however, that despite all doubts and drawbacks, the pressure of the US policymakers is so strong today, and Putin's insolence is so obvious (his aggression, imperialism and readiness to huge provocations not only against Ukraine, but also against the Baltic States, Poland, and Belarus) that Obama is now in a sort of a deadlock. He has nowhere to maneuver, and I believe that sooner or later he will agree. Ukraine is already getting non-lethal weapons. This is an important step. Besides, the training of the Ukrainian military by American instructors will resume. That is, the way is being cleared. The US is not letting Ukraine down. So, Obama is slowly moving in the right direction, and the only logical step for him to make eventually is to start supplying weapons.

**U.W.: Has President Obama developed an agenda for Ukraine over the past year?**

— Almost so. Ukraine as such, from the perspective of its size and geopolitical importance, is of no special significance to the US, it does not play any exclusive role, neither economic, nor political. Of course, if it becomes strong, the situation might change. However, Ukraine is strategically important to the United States and Europe (to the US primarily). When Russia became a strategic problem, or at least a challenge, Ukraine suddenly gained weight. By the way, this trend could be observed during the last 25 years. During the times when Washington and Moscow had normal relations, the US were relatively indifferent towards Ukraine. Some kind of funding was provided for the civil society, but no one was particularly interested. But when the confrontation with Russia escalated, Kyiv enjoyed increased attention. In this way, Ukraine is important to the US as a kind of a counterweight to Russia and as a buffer zone. When Russia is a problem, Ukraine is important. Since in the last year Moscow has not only become a problem, but has also breached all agreements and is ready to blow up the entire post-war security architecture and start a war, the attitude of Americans towards Russia and, at the same time, towards Ukraine is changing. I think that

Kyiv will remain important, giving rise to the Ukrainian political agenda that will be more or less independent of the Russian one for as long as Russia remains a problem. Of course, it would be better for Russia to become normal, but this is unlikely to happen in the near future.

**U.W.: To what extent is the policy of the Obama Administration affected by the fear of a nuclear strike from Russia?**

— First of all, I believe that Putin is bluffing. Since the time when Americans dropped two bombs on Hiroshima and Nagasaki, there has been no such cases, even though there have been all sorts of occasions. Various "bandit" countries had nuclear weapons, and their leaders threatened to use them, but no one dared. Therefore, I think, Putin just wants to show how strong he is, and how powerful Russia is, and that they are not afraid of anything. Secondly, the very fact that he is making such statements (even if we think that he would not use nuclear weapons) is a proof that this person is not quite reasonable and would go to any length. And this is certainly frightening, because Europeans and Americans, for all their flaws, are rather reasonable.

**U.W.: Does Ukraine present itself properly in the US? Are Ukrainian politicians perceived more seriously today?**

— There are a few aspects to this. The perception of Ukraine has changed radically. You have to remember that the so-called "Ukraine fatigue" lasted from 2007 (or 2008) to 2013, when both politicians, analysts and the general public were no longer interested in it. I know this from personal experience. At that time, writing an article on Ukraine was easy, but it was very hard to publish it in a serious magazine. Now, it's the opposite. Back then, Ukraine was seen as thuggish, corrupt and good for nothing. Maidan has changed things. Of course, certain skepticism remains. It is still corrupt, but will it remain so? Will the reforms be implemented? These are the questions. Ukrainians have shown that they are willing to fight for their country, and this is very positive. It turned out that there is this spirit of patrio-

**BIO**

**Alexander J. Motyl** is an American historian of Ukrainian descent, political scientist, writer, artist, and researcher of imperialism and nationalism. He was born in 1953 in New York, and studied painting and history at Columbia University. Today, he is a Professor of Political Science at Rutgers University (USA) and the Director of the Central and East European Studies Program. Mr. Motyl is the author of *Imperial Ends: The Decay, Collapse and Revival of Empires* (2001), *Revolutions, Nations, Empires: Conceptual Limits and Theoretical Possibilities* (1999), and *Dilemmas of Independence: Ukraine After Totalitarianism* (1993)

tism that unites Ukrainian and Russian speakers, ethnic Ukrainians, Russians, Jews, and so on. So, the overall image of Ukraine has changed for the better quite radically. Of course, there are a few voices here and there, mostly from the left or from the far right, that sound negative. It is the same in Europe, but the mainstream perception is good. As for the politicians, their image has also changed. The attitude towards Yushchenko during his last years in office was very negative, and it was even worse towards Yanukovich, but Yatsenyuk and Poroshenko are perceived relatively positively. Of course, the question remains as to whether they are real reformers, but at least so far they have not done anything wrong.

**U.W.: Is Ukraine doing enough?**

— Not quite. Ukrainian diplomats in Europe and the United States could have done better. This is pretty basic stuff: to have informal weekly meetings with journalists; to give large press conferences monthly. Had this been done in Tel Aviv, New York, Chicago, Paris, and Brussels on a weekly basis, it would have had a tremendous impact on journalists and analysts. This is another opportunity to influence the discourse. Ukraine, among other things, could much better use the Diaspora potential, not only in the sense of providing funds for medicines (this is already being done). In the Diaspora, there are a lot of people in high positions who are willing to help, and they are look-

**WHEN RUSSIA BECAME A STRATEGIC PROBLEM, OR AT LEAST A CHALLENGE, UKRAINE SUDDENLY GAINED WEIGHT**

ing for such opportunities. This is the so-called human capital, and Kyiv could use it in different ways, by incorporating it into the work of embassies and consulates or by establishing closer ties between the media in Ukraine and the people here. All of the above could improve Ukraine's political chances and its image, as well as the discourse prevailing here with respect to Ukraine. ■



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# Will Europe Get Angry Soon Enough?

**P**olitical conflicts, especially among white people, have no military solution. From the end of the cold war until earlier this year, that was the dogma of Europe's political establishment.

Not any more. The naïveté and arrogance of the past two decades is giving way hurriedly to something akin to panic. Germany, for example, for long a notorious military laggard, is changing its posture. It is bringing 100 tanks out of storage and tweaking its defence plans. Ukrainians might ask why there is clearly a military solution to the defence of Germany, yet politicians such as Angela Merkel insist that a military response to the invasion of Ukraine would be pointless.

Ireland, which has no airforce, is worriedly awakening to its dependence on the ageing warplanes of Britain's RAF to intercept the Russian bombers that buzz its airspace. Russia does not seem to care that Ireland is not a member of NATO – any more than it has refrained from bullying non-NATO Sweden and Finland.

Those two countries, together with their Nordic partners Denmark, Iceland and Norway, have issued an unprecedented joint declaration, decrying Russia's war games, military build-up and dangerous aviation stunts. That prompted a rebuke from the Russian foreign ministry. Russia is offended when people do not take it seriously. It is even more offended when they do.

The politics behind this are fascinating. Many Westerners still cannot understand why Russia is provoking peaceable (some would say malleable) countries into stiffening their defence posture. Surely the rational approach for the Kremlin would be to dandle the neutral countries and punish the hawkish ones? That would be an effective divide-and-rule strategy.

Like so many outside interpretations of Russian thinking, this misses the point. Russia likes Western rearmament (or more accurately, talk of rear-

mament) because it feeds into the poisonous mythology which the Kremlin feeds the Russian people. Russia was encircled by a treacherous West; now it is besieged by a hostile one. That justifies harsh measures against spies and traitors at home, and the economic pain that confrontation with the West brings.

Russia's secondary target is Western public opinion, which still greatly prizes fair-mindedness over truth. The less people know about Russia, the

more willing they are to excuse the Kremlin's behaviour as a justified reaction to Western broken promises.

The practical effects have more advantages than disadvantages. Even if Sweden and Finland do start moving towards NATO, it will have little practical effect on regional security (behind the scenes, both countries have deep and growing ties with the Alliance anyway). But it will allow

**UKRAINIANS MIGHT ASK WHY THERE IS CLEARLY A MILITARY SOLUTION TO THE DEFENCE OF GERMANY, YET POLITICIANS SUCH AS ANGELA MERKEL INSIST THAT A MILITARY RESPONSE TO THE INVASION OF UKRAINE WOULD BE POINTLESS**

Russian propagandists to claim that NATO is marching ever closer to Russia's borders.

Similarly, the West's token efforts towards boosting its military plans and presence in the Baltic region are no serious impediment to the Kremlin's military plans. Russia can match anything the West does on the symbolic front (just imagine what panic a nuclear-weapons drill would create). And it is ahead in terms of deployable military muscle too.

One Western response to this is to treat Russia's behaviour as a mental health problem. Allay Russia's paranoia with soothing, transparent actions. On no account take any military steps that could be misinterpreted. That was the Alliance's approach for 25 years. It didn't work then, in comparatively benign conditions. It won't work now. Not only is it useless; it is harmful: the Kremlin reads it as a sign of weakness.

The hard truth is that Europe won't pay for or risk the defences it needs. That won't change until we are a lot more scared or angry than we are now. Which may be too late. ■

# Desperate Times

## A Greek gets no gifts in Moscow

It has been five years since a Greek prime minister last visited Moscow in search of a handout. On that occasion, Dmitry Medvedev, then Russia's president, bluntly told George Papandreou to go to the International Monetary Fund for help (which he did). Before setting out from Athens on April 8<sup>th</sup>, Alexis Tsipras swore that he would not be asking Vladimir Putin, the current president, for cash, even though his country's finances are in a more parlous state now than they were in 2010.

In the end, the two leaders' meeting produced little beyond a warm atmosphere and pledges to "restart and revive" relations. Mr. Tsipras welcomed a proposed Russian gas pipeline across Greece's territory and criticised European Union sanctions, as he has before. Mr. Putin pledged (not entirely credibly) to refrain from using relations with Greece to divide the EU.

To observers in Athens, Mr. Tsipras's trip to Moscow was the most striking example to date of the gesture politics that the Greek government, led by the far-left Syriza party, has used to keep its approval ratings high as unemployment edges back up, banks freeze lending and Greece slips back into recession. It came as both Greeks and Russians were celebrating Holy Week ahead of Orthodox Easter, a moment when religious and cultural affinities resonate. They will be officially strengthened in 2016 with a year-long cycle of festivities promoted by Russian and Greek cultural organisations.

For Mr. Putin, rapprochement with Greece is mostly about gas. "Nothing has really changed since the mid-2000s," says a former Greek energy minister, recalling the Russian leader's pledge to turn Greece into a natural-gas hub if it signed up to the South Stream pipeline project then being touted by Russia's state-owned energy giant, Gazprom. That pipeline would have



shipped gas across the Black Sea and through the Balkans to central Europe. South Stream was abandoned last year following EU pressure on Bulgaria. Now Greece has an opportunity to

administration. Chinese firms are also interested. Cosco, a Chinese shipping giant, already controls a container terminal at Piraeus, Greece's largest port, and is transporting goods from it by special train to central Europe.

Mr. Tsipras's trip may soothe his party's hard-left faction, which includes former Communist Party members who are critical of new bail-out talks with the EU and the IMF. But his government's priority is to reach a deal with creditors to unlock EUR 7.2 billion (USD 7.8 billion) of loans and avoid default. Greece managed to scrape together its EUR 458m repayment to the IMF on April 9<sup>th</sup>, but another EUR 950m comes due in May. For the second month in a row the finance ministry is scrambling for cash to pay pensions and salaries. It is raiding unspent EU funds, to the dismay of Greek firms working on motorway projects they fear could soon be stalled. Amid the funding crunch, Mr. Tsipras's dreams of Russian investment will quickly fade. ■

**GREECE HAS AN OPPORTUNITY TO JOIN TURKISH STREAM WHICH WOULD CROSS WESTERN TURKEY BEFORE PASSING THROUGH GREECE, MACEDONIA, SERBIA AND HUNGARY**

join Turkish Stream, its successor, which would cross western Turkey before passing through Greece, Macedonia, Serbia and Hungary.

Russian state-owned transport companies want to acquire the Greek state railway and the northern port of Thessaloniki as a package deal. But their proposal was rejected by Taiped, the Greek agency for privatising state assets, during the previous

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# The Feat of the Donbas Battalion

New proofs or Russia's war aggression in Ukraine

Author:  
Yaroslav Tynchenko

**O**n March 18, 2015, the Security Bureau of Ukraine (SBU) revealed a small fragment of a video with captured Russian tank drivers and paratroopers as evidence of the aggression of the Russian Federation's Armed Forces in Ukraine. These clips were just a small part of an archive of 30 photographs and 8 videos by fighters from the Donbas Battalion nicknamed Lex, Zanoza and Nimets, who had shot the evidence and managed to preserve it while captive.

Both from Kyiv, Lex and Zanoza joined the Donbas Battalion on the same day, at the beginning of May 2014, although they only got to know each other at the Druzhba kolhosp where the battalion was organized. Lex is an older guy from a military family who has loved shooting, hiking and hunting all his life. As he watched the news from the East get worse and worse, he decided to do something to defend a united Ukraine. Since he had never served in the army and was long past draft age, he decided that the best thing would be to join one of the volunteer battalions and chose Donbas. Zanoza joined the battalion for the same heartfelt reasons.

On May 15, 2014, the Donbas Battalion entered active duty, despite the fact that it included a few dozen volunteers that were poorly armed. Their first objective was to take back the district police station in the town of Velyka Novosilka, Donetsk Oblast, from Russian proxies. The police chief was re-

placed while the rank-and-file were asked to renew their oath of loyalty to Ukraine.

On May 23, 2014, during a battle in the village of Karlivka, just outside Donetsk, five of the boys in Donbas were killed. After this, the battalion was returned to Kyiv and made part of the National Guard of Ukraine. Within a few days, the influx of volunteers had increased its numbers to several hundred fighters. By June 30, the first Donbas rotation once again moved to the conflict zone. Within days, they had liberated Mykolayivka and Kostiantynivka, once a major industrial town. The battalion next established a base in Artemivsk and shortly newly-formed units arrived from Novo Petrivtsi.

The end of July was the most successful period for Donbas: on July 21, Pisky was liberated and the road to Donetsk International Airport opened. On July 22, it was Popasna's turn and on the 24th, Lysychansk's, a major oil terminal where Donbas destroyed a base belonging to the Prizrak militant battalion. In August, the tide turned.

## ENCIRCLEMENT AT ILOVAISK

On August 10, the battle of Ilovaisk began, south of Donetsk. Only on August 18 were the Donbas fighters able to get out of their position and entrench themselves in a local school. In Ilovaisk, they slowly got reinforcements from other special battalions under the Ministry of Internal Affairs—Dnipro-1, Kherson, Svitiaz, Myrotvorets [Peacekeeper], and Ivano-Frankivsk. (Despite a lot of PR, none of them were especially big, a few dozen each at the most.) And so the biggest bat-



On this photo taken by Zanoza, Donbas battalion fighters are having a peaceful conversation with Russian war prisoners in the village of Chervonosilke on August 29, 2014, amidst heavy shelling from the DNR militants

tles took place at the Ilovaisk railway station and depot, where the defense was being held by Kherson and Myrotvorets, along with units from Donbas and Dnipro-1.

Suddenly, while the men were fighting in Ilovaisk, Russian regular forces began to cross the border near the village of Kuteynikove on August 24, Independence Day. Initially, these were units from the 98th Airborne Paratrooper Division, then the 31st Paratrooper Assault Division, the 6th Tank Division and other brigades came too.

For a long time, Ukrainian command did not suspect that there were large numbers of Russian regular soldiers amassing not far from Ilovaisk and so they continued the operation to encircle Donetsk. The volunteer battalion back-ups included parts of the 51st, 93rd mechanized, the 17th tank brigade and a few territorial defense units. The Sector B commander, Gen. Khomchak, even moved his headquarters to the village of Mnohopillia, south of Ilovaisk, in order to be able to control the operation at the edge of the frontline.

Meanwhile, the Russian forces took full advantage of the lack of surveillance on the part of the Ukrainians: within two days they



had set up several base camps, arranged gun batteries, positions for tanks, machinegun nests, and other firing points in forested areas and fields. When the Ukrainian task force or our 93rd brigade attempted to move in the direction of Mnohopillia during the night of August 27-28, it found itself shot at from all sides by artillery and mortars.

### GREEN CORRIDOR OR AMBUSH?

In the morning on August 29, the battalions withdrew from Ilovaisk and regrouped in Mnohopillia together with various units of the Ukrainian Armed Forces. The fighters were told that there had been an agreement between Ukrainian and Russian command to allow our troops to withdraw through a "green corridor." The fighting units were divided into two columns and were supposed to move along their designated paths. Dnipro-1 and other small battalions were to leave behind the 51st task force brigade while Donbas was to follow the units of the 93rd mechanized brigade.

Enemy command waited until all the armored vehicles had moved forward and began to cut down civilian vehicles with infantry with an intense round of artillery and

machinegun fire. The Battalion Commander Filin, who had stayed with the troops instead of the wounded Semen Semenchenko, slipped into Chervonosilke behind the 93rd brigade. Meanwhile, Russian tanks were firing at cars with white flags and red crosses as though in a shooting gallery. One of the first Russian shells hit the van of an ambulance. The next one hit a KamAZ carrying the wounded.

From the other vehicle, the Donbas fighters opened machinegun fire at the various Russian positions where the paratroopers were entrenched. Later, witnesses testified that they saw pools of blood and large amounts of used bandaging materials.

### DONBAS IN ACTION

The Donbas battalion was left with one CFV from the 93rd brigade and a fire truck from Ilovaisk. On the outskirts of Chervonosilke, a Utios gun crew was destroyed, leaving at least three dead. Documents found near the bodies indicated that these were servicemen from the 31st paratrooper assault brigade.

In the fire truck cab was Tur, the commander of the first rotation of Donbas. Outside Chervonosilke, a tank suddenly jumped out, moving towards the fire truck with

its turret pointed at the second KamAZ with wounded soldiers. Tur veered the truck sharply to cut it off. Red, the soldier sitting with his RPG-7 on the roof of the fire truck expected to be first to shoot at the tank. But his gun misfired and the tank was able to shoot first. The fire truck crew led by Tur was destroyed and all six men killed.

Meanwhile, buses and cars with were leaving Chervonosilke with the Donbas ambulance. Russian soldiers who happened to be there were completely nonplussed. Four of them, two tank drivers and two paratroopers, were taken prisoner. Their T-72 tank stood close by and was also taken by the Donbas fighters, but the third member of the crew managed to disable the tank and flee.

Donbas scouts quickly moved to the other side of the village, where they discovered more T-72 tanks, a few CFVs with paratroopers, and one APC. Three Donbas fighters—Usach, Brest and Buhor—were making their way along a traverse and decided to hunt down this equipment. The crew of one of the tanks was next to their vehicle hav-

## RUSSIAN TANKS WERE FIRING AT CARS WITH WHITE FLAGS AND RED CROSSES AS THOUGH IN A SHOOTING GALLERY

ing a meal. They were eliminated with machinegun fire. Another Russian crew jumped into their vehicle but were unable to get it going before Usach shot it up with his RPG. The vehicle went up in flames and the crew just as quickly jumped out. A few seconds later, the stores blew up: the turret flew off a few meters and the body of the tank exploded. The remaining four T-72s fled from Chervonosilke and were cruising nearby. On the outskirts of the village, the Ukrainians captured a serviceable Russian paratrooper reconnaissance vehicle that Brest quickly drove to where the Donbas battalion stood. There were some wounded Russian soldiers, including one badly burned tank crew member. They joined the other four prisoners.

Zanoza used his cell phone to video the two T-72s: one captured and the other destroyed. Then, together with Lex and Nimets, they interrogated four Russian soldiers, »

capturing everything on video. Zanoza tried to post the materials online, but the connection in Chervonosilke was only good where everything had been shot up and so he was unable to post it to any site.

All through the day and evening of August 29, there was more crossfire and more attempts were made to negotiate with the Russian military. During the last talks, they agreed that the Donbas men would remove the dead from the Mnohopillia-Chervonosilke highway. But the minute one of the Ukrainians entered the field, he was killed by a bullet. Nevertheless, a few soldiers directed by a nurse's aide called Alina were able to carry the wounded to the village on their own.

Towards nightfall, the Russians requested that the Ukrainians hand over their 300s, meaning their wounded. It was agreed that they would take them and the wounded Donbas men for medical treatment. Two Russian KamAZs drove up, but they only took their own men...

## SURRENDER AT CHERVONOSILKE

The Donbas battalion was completely surrounded at this point. They counted up their losses and KIAs alone were over 40. Feeling pretty pessimistic, the servicemen from various units still in Chervonosilke were planning to surrender at this point. But the Donbas fighters were promised by phone that reinforcements would arrive before night time. Then suddenly the people they were communicating with stopped taking their calls.

In the morning on August 30, the men were still hoping reinforcements would arrive. But at noon, the shelling of the village began. More men were killed. At this point, the Donbas and Armed Forces men decided it was time to surrender. Most of the destroyed or buried their mobile phones, documents and valuables. Zanoza also destroyed his mobile but buried his flash card deeply in one of his pockets.

The "capitulation" at Chervonosilke was accepted by some Russian lieutenant paratrooper. Altogether, more than 100 Donbas fighters and 250 Armed Forces servicemen surrendered. In addition, there were 40-50 wounded men, mostly from the Donbas battalion.



Russian T-72 tank hit by Usach near the village of Chervonosilke on August 29, 2014. Photo from Zanoza's archive

Once their weapons had been removed, the soldiers were taken through the fields towards Kuteinykove. A Russian infantry vehicle was in the lead. When it got closer to a nest, it would fire a green flare. In response, two or three similar flares would be sent up. All the Russian vehicles were marked with white circles and white flags, and all the soldiers had white bands on their arms or their shoulders.

The men saw large numbers of vehicles in all the fields and entrenchments, most of them covered with camo nets. But as they moved through one field, the Donbas men counted 27 NONAs, self-propelled artillery pieces used by airborne units, set up in checker-board formation.

The prisoners kept marching around 7 kilometers. The seriously wounded had been placed in the KamAZ, while those who with minor injuries got to walk alongside. That night they slept in some plantations and had watermelon for supper and for breakfast. During the night of August 30-31, two more Donbas fighters died of their wounds.

On August 31, the KamAZ with the wounded and Ukrainian Armed Forces soldiers were taken away by the Russians and, as was later discovered, handed over to the Ukrainian side. Some of the surviving members of the battalions went along with the servicemen. The remainder were handed over to the group of DNR militants headed by Motorola, who had shown up with trucks and vans. All the prisoners were carefully searched. Later, they were frisked equally thoroughly three or four more times.

## LIFE AFTER MOTOROLA

Once the men were brought to the premises of the former Donetsk SBU office, Zanoza handed the flash card with the recordings to Lex. Initially, he hid the card in a dead electrical outlet, but then he sewed it into a seam on his clothing. And that's how it survived the many months of captivity. Interestingly, the militants who were guarding the prisoners in this building refused to believe that Donbas fighters had captured Russian soldiers. To the end, they were certain that the entire Ilovaik operation was carried out by men like them.

On January 31, 2015, Lex was finally released. With the agreement of Zanoza and Nimets, he handed the video and photo files over to the SBU, on condition that they would publish them only after the remaining Donbas prisoners were free again and that the video would be presented with commentary by Lex and Zanoza. They wanted to make it very clear that their side had treated Russian prisoners completely humanely, whereas the militants had abused their Ukrainian prisoners. The SBU held to the first condition, but for some reason "forgot" to comply with the second one. Nevertheless, these men remain alive and healthy to this day and their invaluable testimony about Russia's military aggression was saved. Finally, it is gradually being released.

Unfortunately, one member of this brave Donbas group, Yevhen "Usach" Telniov, died in action near Mariupol on February 15, 2015. ■



Розповсюджені за № 176835 видавця Укрпост. Серія 23.11.2009

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# Muscle Flexing in the North

What challenges is the army of Belarus preparing for?

**Author:**  
**Yaroslav**  
**Tynchenko**

In Soviet years, the Belarusian Military District had a special status. A landlocked territory, the Belarus SSR's airspace was carefully guarded from all sides by the neighboring groups of air defence forces, while the republic itself hosted the largest contingent of tank forces in the Soviet Union.

It was a mighty iron fist, the second tank echelon of the potential soviet offensive planned back in the 1940s and 1950s, which was to reach as far as the Atlantic shores. In 1990 there were seven tank divisions, one artillery and three motorized divisions stationed on the territory of Belarus. The Soviet Union had 28 tank divisions overall, most of which were located in the Warsaw Pact

states. After the USSR's western grouping had been terminated and the state had collapsed, Belarus inherited possibly one of the largest tank arsenals of all the post-soviet states.

The weaponry on its territory came under regulation of the Treaty on Conventional Armed Forces in Europe (1990) and the Tashkent Treaty (1992). Owing to these pivotal agreements the arsenal of conventional arms on the territory of Belarus has been significantly reduced. However, upon the insistence of the Russian Federation it remained much larger than can be deemed adequate for the country. This becomes clear if one is to compare the amount of weaponry relative to the size of

population in Belarus and the neighboring countries (see Arsenals compared).

Under the Tashkent Treaty, the stock of weapons in various states was being annually inspected by international experts. At the end of each year an update on these arsenals was released in The Military Balance publication. However, it does not quite reflect all the nuances regarding the storage of combat machinery in all the different countries. In Ukraine, Belarus and Russia the majority of it is kept at the so-called Bases for Storage of Armament and Machinery (BSAM). These facilities dramatically differ from country to country. BSAMs in Ukraine generally represent massive stor-

Belarus inherited a lot of Soviet military equipment which it keeps battle worthy



ages of rusting shells of gutted and derelict vehicles. While things aren't nearly as dismal in the Russian BSAMs, experts nevertheless estimate that 50% of the stored machines are out of order, the culprits being unfavorable climate (a lot of the machinery is kept outdoors), vast territories and shortage of personnel.

Belarus does not have the problem with large distances: all of the bases are conveniently located. The climate is more favorable than in Russia, and as far as care is concerned, the Belarus Armed Forces are a prime example of how military machinery should be stored. All of it is combat-worthy.

Currently there are 62,000 servicemen in the Armed Forces of the Republic of Belarus (including 14,000 of "civilian employees"). The trained reserve makes another 350,000. This does not include very considerable Interior and KGB special forces.

Unlike the Ukrainian one, the Belarus military doctrine clearly specifies likely enemies: Poland and the NATO member states. Thus the Land Forces are subdivided into Western (against Poland) and North-Western (against Lithuania) operative commands.

On paper the Land Forces of Belarus are relatively small in numbers: only three motorized and one artillery brigade. At the same time the five Bases for Storage of Armament and Machinery remaining on the territory of Belarus can be turned into five tank divisions in the event of war.

In addition to combat machinery the Republic of Belarus preserved a modest, yet potentially powerful military-industrial complex first and foremost geared towards tank equipment. The Belarussian constructors developed the domestically produced multi-channel sighting system Sosna-U for T-72 tanks, which are said to perform well fighting against the Ukrainian Armed Forces in the Donbas. Interestingly, the Armed Forces of Belarus also have a centre for development and employment of unmanned aerial vehicles. Meanwhile in Ukraine, in spite of the year-long war, in which drones are extensively used, UAVs are still the domain of volunteers and enthusiasts.

The data on actual numbers of weaponry on the territory of Be-

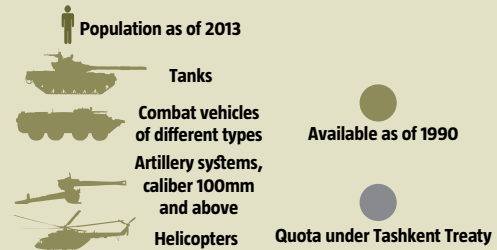
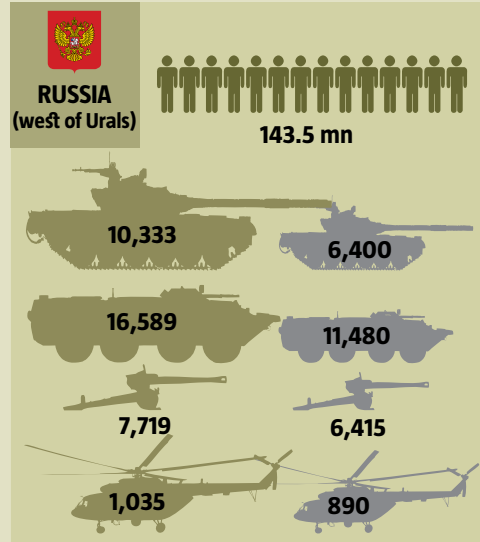
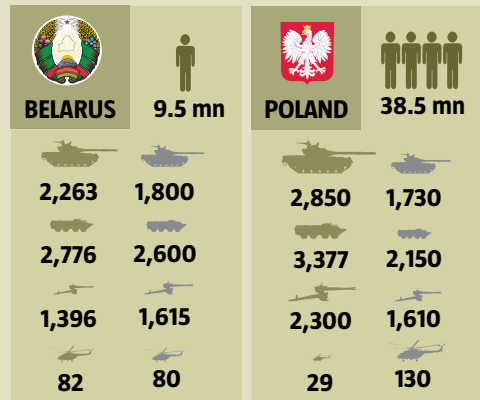
larus varies by source. Russian-language online sources provide considerably smaller numbers, compared to The Military Balance. As far as the Belarussian media is concerned, the semi-official analytical outlet called Belarussian Army provides figures from 2007 that approximately match the quotas set in 1990-1992. The main types of weapons possessed by the Republic of Belarus are the same that make the core of the Russian arsenal: tanks T-72 and T-80, BTR-80 APCs etc.

The Armed Forces of Belarus also boast rather large military aviation, which, unlike the Ukrainian counterpart, is in combat-ready condition. The number of military aircraft both according to Russian-language and English-language sources is 128. For some reason the same sources provide conflicting data on the number of attack helicopters: 22, according to the Russians, while the English-language sources provide the more realistic figure of 70.

Great emphasis is made on ideology in the army of Belarus. The head of state and the Armed Forces Commander-in-chief Aliaksandr Lukashenka ever since he took office has repeatedly stated that his country is at the forefront of ideological battle with the West. And preserving the KGB and the position of political commissars in the army was a logical step well in-line with the position of the Belarussian leader. These days, however, political commissars have been renamed "Deputy Commanders for Ideological Work".

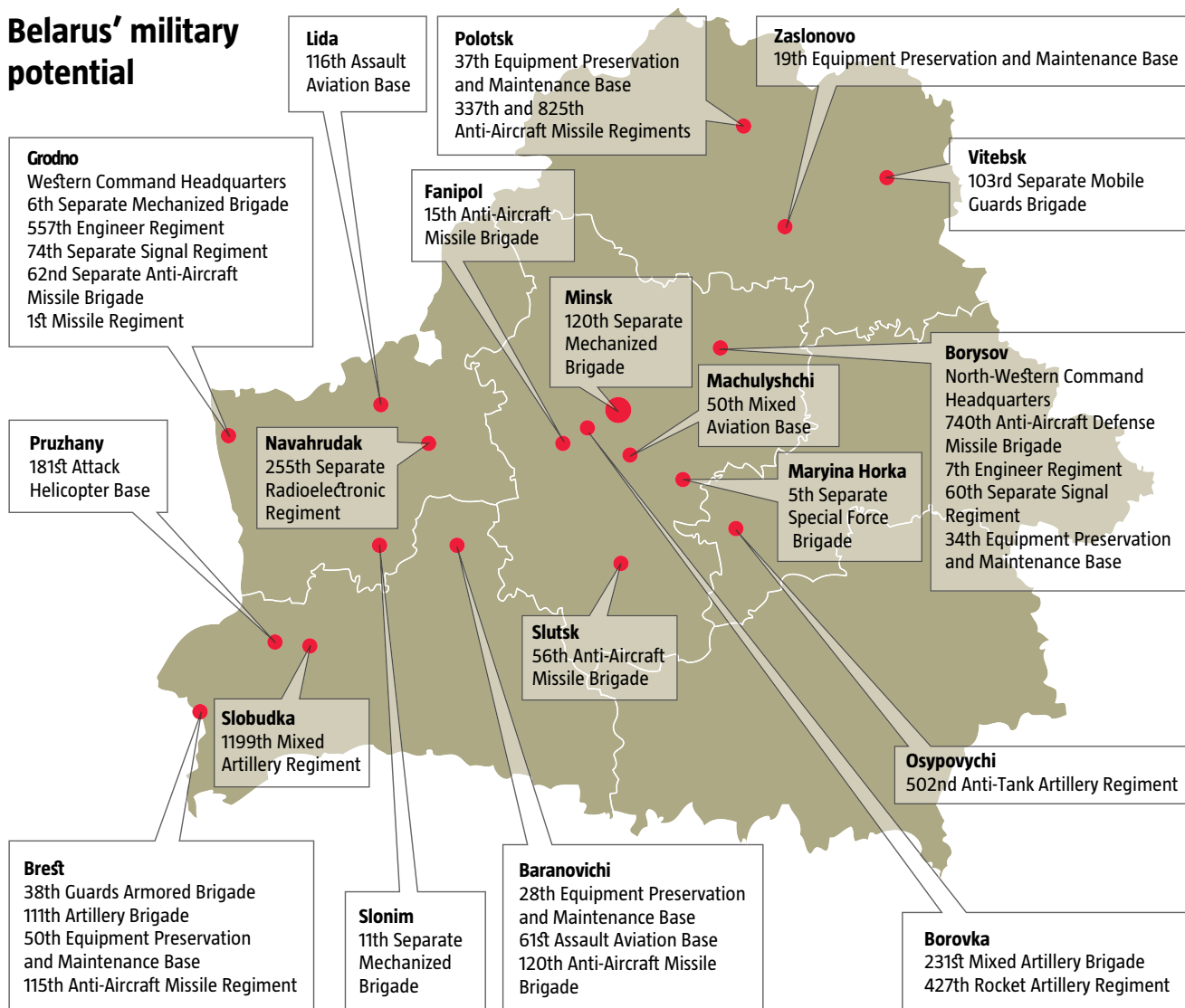
The gist of this "ideological work" follows from the worldview of Lukashenka, who believes that peaceful co-existence with Russia, regardless of its current political form, is the only historically correct path for the Belarussian people. Everything else, including the national liberation movement along with its red stripe over white flag is frowned upon and ultimately persecuted. The activity of the Belarussian People's Republic and its political figures, as well as any pacts with Poland or Lithuania are considered collaborationism. While it is not officially prohibited to publish books on these topics in Belarus, their circulation is miniscule. Even the studies on Belarusians in the Na-

## Arsenals compared



Source: The Military Balance

## Belarus' military potential



poison's army (which is undoubtedly collaborationism, according to the official ideology) get published with circulation of just 122 (!) copies.

Due to ideological obstacles, Belarus is practically lacking decent national television and cinema. The population is completely reliant on Russian TV and films, often drenched in Soviet nostalgia, mostly about the World War II.

While Aliaksandr Lukashenka publicly mocked Viktor Yanukovich after the latter became president (Lukashenka even said that he understands the reasons, which brought about the 2014 events at Maidan), make no mistake about it, the Belarussian military elite is undoubtedly on Russia's side.

The Republic of Belarus army officers are prepared in seven mil-

itary faculties of civil education establishments, as well as military schools of the Russian Federation. It has to be noted that the Belarussian graduates of Russian specialized military schools boast far higher level of training than the ones graduating the military faculties of state universities in Belarus. Some of the specialties can be acquired exclusively in the Russian establishments. For instance, special operation forces (they make 10% of the country's Armed Forces) predominantly consist of officers, who graduated the Ryazan Higher Airborne Command School or the Special Intelligence faculty of the Novosibirsk school in Russia. As the future Belarussian students apply for position in the military schools of the Russian Federation they have to pass mandatory Russian-language exams.

Knowledge of native language appears to be deemed unnecessary. Higher military education can also be acquired in the Military Academy of Belarus or the countless Russian academies.

The top brass of the Belarussian army is represented predominantly by hereditary servicemen. Until recently a good portion of them had Ukrainian surnames. The previous military minister, for instance, was Lieutenant General Yuriy Zhadobin, originally from Dnipropetrovsk. On November 25, 2014 he was dismissed to reserve due to old age to be replaced by Major General Andrei Ravkov (1967). Looking at the profiles of the military leadership in Republic of Belarus one can spot a couple of remarkable trends that could be very useful for the Ukrainian Armed Forces:

- leading positions are occupied predominantly by officers aged under 50;

- there are very few generals.

All four Deputy Ministers are Major Generals. Three of them are ethnic Russians and only one Belarusian. The leadership of the Airborne Forces and the Air Defence consists of three Major Generals and four Colonels. The Commander is Russian, the other two Generals being a Belarusian and a Ukrainian. In general, there are many ethnic Russians occupying key positions in the Armed Forces of the Republic of Belarus.

At present Aliaksandr Lukashenka prefers to present himself and his country as a neutral party as regards to the military conflict in Donbas. However, in reality the Armed Forces of Belarus are actively preparing for "various developments", all in close cooperation with and under the leadership of the Russian General Staff. And this was to be expected, since Belarus is in defence union with the Russian Federation.

In Russia March 17 saw the beginning of strategic command and staff training with the involvement of the Western Military District, airborne troops, aviation and the North Fleet. These military exercises are taking place with participation of the operative group of officers of the Belarusian General Staff.

Possible enemies have been newly defined at the beginning of 2014. Below is a quote from the article published on the news and analysis website called Belarusian Army on February 17, 2014:

"There are pogroms in Ukraine. The country is on the brink of collapse, while its militants are seeking to breach into Belarus to destabilize our republic, apparently, in order to get extra pay. The Polish ruling elite is openly speaking about denouncing the agreement on post-war borders, which means they are readying for returning 'Kresy Wschodnie' [Eastern Borderlands]... In a moment like this the army and the people must be united, so that any aggressor would know full well – the response will be considerable and well-organized".

Naturally, there is opposition, which doesn't subscribe to this train of thought. For example, on March 4, 2015 the noted military

analyst Aliaksandr Aliieksin published his article titled "Belarusian army to be retrained for hybrid warfare". The article alleges that the president and the military leadership of Belarus are aware of the role and the importance of the Russian subversive reconnaissance groups in the Donbas war. In addition, the author gives his analysis of the strategy and the tactics employed by the Russian forces during the fighting in Ukraine, citing highly placed officials of the Russian Federation military, as well as the NATO. The author quotes Aliaksandr Lukashenka's speech during the February 19 meeting with the Armed Forces command. The head of state condemned the "colour revolutions", but at the same time noted that 'attempts continue to openly dictate conditions for trade and economic cooperation. There is an increase of military activity in direct proximity of our borders'. Although this statement can be interpreted in more ways than one, Aliieksin believes that it is directed primarily at Russia. The author sums up: 'the polite "green men" as it turns out are causing concerns not only among Russia's potential enemies but its current allies as well. They too began looking for possible countermeasures. In such a situation Belarus can make use of the already existing special operation forces, provided those are re-equipped with the necessary weapons and military machinery.'

Aliieksin's article has been republished by many internet outlets of the country, including the "Belarusian Army". This may attest to the fact that his understanding of Lukashenka's statement is correct. The latter instructed his defence ministry to develop the new military doctrine in the shortest time possible. Interestingly, the name of the author has disappeared from under Aliaksandr Aliieksin's republished articles, and Aliieksin himself was detained by the KGB and accused of "cooperating with foreign intelligence". Two weeks later he was released on his own recognizance. Based on the above one can reach the conclusion that in the recent months Aliaksandr Lukashenka, faced with the Russian "hybrid war" threat, began seeking ways to reconcile with the opposition.

Yet even if so, the president of Belarus doesn't stand a chance to mount adequate response to the "green men", especially relying on the special operation forces mentioned by Aliieksin. These forces (6,000 personnel: two paratrooper brigades, one SWAT brigade, and a few units made exclusively of ensigns and officers) are completely ingrained with Soviet and Russian ideology. Same can be said about the units of KGB and the Interior Ministry of Belarus (data on personnel numbers is not available).

Another significant indicator is the reaction of the Belarusian pro-government military analysts to the Moscow's statement from March 10, 2015 regarding Russia's withdrawal from the Treaty on Conventional Armed Forces in

## **LUKASHENKA CONTINUES HIS ATTEMPTS AT PRESERVING MILITARY AND POLITICAL INDEPENDENCE OF BELARUS. BUT HIS CURRENT ARMY WILL NOT BE SUFFICIENT TO PROTECT IT IN THE EVENT OF WAR**

Europe. While Aliaksandr Lukashenka is yet to state the official position of his country in this regard, analysts state that Belarus is about to be engulfed in the struggle between the NATO and Russia. They forecast the arrival of additional Russian S-30 anti-aircraft missile systems as well as Su-27 fighter planes to the territory of Belarus.

Peaceful coexistence enjoyed by most of the European continent over the last 25 years is a thing of the past. The fact that some of the Belarusian official internet sources republished Aliaksandr Aliieksin's article asserts to Belarus de-facto recognizing the Russian aggression against Ukraine. And although Aliaksandr Lukashenka continues his attempts at preserving the military and political independence of his country, when push comes to shove the available Armed Forces will not be sufficient to protect said independence. They are a clone of the Russian army, and therefore are fine-tuned to follow orders from the Kremlin. ■

# Left Turn for Ukraine

Political swing towards the left is almost inevitable in Ukrainian society. Which political force will make the most of it?

**T**he left movement in Ukraine has a dramatic history, from attempts to conceive the Ukrainian version of socialism and communism to degeneration of the local communists into a provincial version of the official Russian left, a mere local cell of the Soviet Communist Party.

The period of 1917-1922 national revolution provided Ukrainian social democrats with an opportunity to try and implement their own vision of social and national liberation, while local communists got a chance to construct their own forms of national communism, which the Moscow communists were forced to tolerate for a while. The failure of UNR, the Ukrainian People's Republic, and other independent national states brought back to life the age-old mighty Russian centralism, this time under the pretext of "proletarian unity". The communist Moscow needed to melt all the different ethnic, cultural and political identities in the large Russian/Soviet pot. Yet Russian communist project's weak ideological influence outside Russia called for a time-out. The official name for it was the policy for *korenizatsiya*, the "indigenization of cadres", which in reality was an attempt to integrate the Russian Communist Party (Bolsheviks) into all areas of life on non-Russian territories of the USSR. In Ukraine this policy was called "Ukrainization". For a little while (until the 1932-1933 Holodomor) its frameworks allowed the existence of the remaining Ukrainian social democrats and national communists. In Western Ukraine national communism survived for longer, predominantly within the Communist Party of Western Ukraine. Then, the late 1930s saw the triumphant march of Soviet homogenization, which steamrolled over the fresh graves through the territory of famine-devastated Ukraine. During World War II Moscow again appealed the national communist moods in Ukraine for a little longer, but after 1945 it

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**Ihor Losiev**

became unnecessary. The end of the war saw the resumption of total political, ethnic and cultural homogenization, which, among others, took the form of punitive resolutions issued against any manifestations of national sentiments. In 1946 the Central Committee of the Bolshevik Communist Party of Ukraine issued the resolution "On distortion and flaws in 'Essay on the History of Ukrainian Literature'", followed by the resolution "On magazines 'Peretsi' and 'Vitchyzna' ['Pepper' and 'Fatherland' accordingly], and later 'On repertory of dramatic and other theaters of Ukraine'". As a personal

Khrushchev Thaw arrived and made room for the Sixtiers movement prompted by Khrushchev's anti-Stalin speech at the 20th Congress of the Communist Party of the Soviet Union. The liberalization in the Ukrainian SSR was encouraged by the Ukrainocentric CPU leader Petro Shelest. He naively believed that it was possible to build a national socialist state within the Soviet Union. The whole thing came to an abrupt end with Shelest being removed from position and members of intelligencia being arrested left and right. This was another onslaught on Ukrainian culture and



Petro Symonenko, the leader of the Communist Party of Ukraine, speaks to his voters sporting a USD 99,000 watch and a USD 50,000 belt

initiative of the then CPU leader Lazar Kahanovych came the resolution "On political errors and unsatisfactory work of the Institute of History of the Academy of Sciences of the Ukrainian SSR". In 1951 they began to harass composer Konstantyn Danekvykh for "wrong accents" in his opera *Bohdan Khmelnytskyi*. Poet Volodymyr Sosiura faced similar treatment. The repressive machine was gaining force, and it seemed like the repetition of 1937 was inevitable...

The death of Joseph Stalin pulled the plug on the process.

the beginning of another round of cleansing within the Communist Party of Ukraine, which continued throughout the Brezhnev-Shcherbitskiy era, during which Ukraine was ultimately brought in-line with the rest of the USSR.

Up until the Perestroika the Communist Party of Ukraine wouldn't dare to even engage in any under-the-table struggles. It remained fully content with its status of a regular regional cell within the hierarchy of the Communist Party of the Soviet Union, as all the effort went into the infighting for career

promotions, be it a coveted transfer to Moscow, or something else of the kind. The CPU entered the Perestroika as a stale and outdated organization incapable of anything but fiercely resisting the change it feared so much. All of its active and socially mobile members began to flee the crumbling structure. What remained was the bullheaded nomenclature, which, however, managed to exploit the Soviet nostalgia of mostly elderly citizens for decades, as well as to employ the Tsarist and Communist tactics for Russification of Ukraine. Pro-Russian moods in the Ukrainian East and South would become electoral stronghold of CPU for years to come. And throughout the existence of independent Ukraine Petro Symonenko's Communist Party of Ukraine has been a consistent flagship of Russian policy and propaganda complete with unprecedented levels of populism. Paradoxically, it never seemed to be constrained by the communist dogmas, such as rejection of private property (Ukrainian Communist Party leaders accumulated it with gusto!), atheism (CPU was hell-bent to look after the "canonical" Moscow Orthodox Church), the rights of the working class (communists often collaborated with "capitalist sharks" and oligarchs) and so forth.

The final nails into the coffin of CPU's reputation came with its cooperation with the Party of Regions and the support of separatism in Eastern and Southern Ukraine. As Lenin himself aptly put it: "nobody will be able to discredit communists, unless they discredit themselves". The CPU's fight against Ukraine's unity brings us to another dictum: you reap what you sow – the loss of Crimea and a part of the Donbas dramatically reduced the communists' electoral base.

### DEMAND FOR ALTERNATIVE

The crisis of communist movement in Ukraine coincided with the crisis of this movement in the West: the Soviet Union collapsed taking with it dozens of USSR-funded communist parties of the western world. They had to leave their carefree harbor of unshakable tenets and guaranteed state funding behind and enter the open seas of politics, in which the classic Marxist version of 19<sup>th</sup>-early 20<sup>th</sup> century proletariat with nothing to lose but shackles no longer existed. Instead the current

"proletariat" is more of a "bourgeois" and "philistine" part of the population, with little or no interest to high-brow communist ideals, but rather preoccupied with own everyday mercantile interests. On top of that, the social and economic focus in the West is shifting from manufacture towards provision of services, while employees tend to see not the left-wing parties, but trade unions as the protectors of their interests.

So the western left are looking for a different social base for their policy: not hired workers, but the more marginal groups in western societies: migrants (predominantly from Asian and African countries), sexual, religious and ethnic minorities. Their main concerns are with the issues like the limits to sexual liberalism, abortion, human rights, soft drugs, relationships with Islamist communities etc.

Ukraine, however, does need protection of employees (who are working in wild capitalism and de-facto absence of effective trade unions). Therefore it requires classic left-wing parties, social democrats and socialists. The communists have shot themselves in the foot forever blemishing their reputation by all but open servitude to the Kremlin.

The traditional curse of the Ukrainian left-wing circa-1990 and -2000 is their pathological orientation towards Russia and contempt towards Ukrainian values. They have no interest in problems of the Ukrainian culture, language, history or identity. They tend to believe that all of it is a fantasy dreamed up by a handful of nationalistic intellectuals. Their stance is much like the one of the 1990s Donbas miner, who wrote in a letter to Gorbachev that he'd gladly switch to Ukrainian language, if only that could increase the amount of sausage available to him. Gorbachev gladly recited such "gems" presenting them as the "wisdom" of the common folk. But in reality the common folk are not nearly as indifferent to the problems of the Ukrainian culture, as the Ukrainian left seem to believe. Lastly, they only see Ukraine's future in some sort of union with Russia, but the bloodshed of 2014-2015 clearly demonstrated the kind of "ally" Russia is.

Currently Ukraine's left flank is essentially vacant. With the quasi-liberal and quasi-reformist policy of

the current government the leftward swing of public moods is all but imminent. The real question is which political force will make the most of it.

The Ukrainian authorities in power have already demonstrated their support of oligarchs, tolerance towards machinations in the banking system, withdrawal of funds overseas and black market speculations using government bailout resources. Ukrainians witnessed the government's connivance in relation to systemic corruption serving as the unchanging backdrop to theatrics akin to live on air arrest of two "most corrupt" officials (little known colonels from the State Emergency Service) during the government meeting, and suspiciously tolerant attitude towards Kremlin's fifth column. All of the above creates favorable environment for a leftist movement.

Russian spin doctors are no doubt have their hand on the pulse and will likely cater to the Ukrainian public by coming up with another political project, but, perhaps, this time the left-wing party will be pro-

## UKRAINIANS NEED A TRULY PATRIOTIC LEFT MOVEMENT THAT WOULD STEER THE COUNTRY OFF THE PATH OF WILD CAPITALISM

Ukrainian (in rhetoric only). It will surely be devoid of CPU's backwardness, full of young, modern and flexible populists proficient in Ukrainian language, who will quote Ukrainian writers lamenting the people's struggles and calling for elimination of oligarchs. But the leading roles will be reserved to the "canned goods", the figures recruited back in the Soviet times, who have been waiting for their moment. And the moment is about to arrive. The prospects of such a party are bolstered by the fact that the general public's dissatisfaction with the government's actions (as well as the perceived "lack" of thereof), activates in the society the demand for social justice in the most radical forms.

The nation, however, is in need of truly pro-Ukrainian and truly popular left movement that would steer country off the path of wild capitalism bringing the era of oligarchy in Ukraine to a close. ■

# Cossacks or Kozaks, No Russians We

The history of the territory that runs from the eastern borders of modern Ukraine to the Caspian Sea with branches running to the Caucasus foothills belies Moscow's persistent myths about its historically Russian nature



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**W**hen the Kremlin's modern-day ideologists talk about "eternal Russia," they include in its territory ancient cossack lands along the Don, Volga, Yaik (today, Ural) and Terek rivers, and consider the Don, Volga, Yaik and Terek cossacks "Russian." This attitude simply reflects "traditional" Russian concepts about the past of these cossack enclaves—although, in fact, the roots of this "tradition" go back only to the early 19<sup>th</sup> century, the time when Russia definitively formulated its "historical" arguments to justify its imperial appetite. Since then, the canonic Russian historical narrative has treated the cossack hosts along the Don, Volga, Yaik and Terek rivers as an integral component of Russia's own past. To this day, most

"The cossacks come from the Russians. D'you know that?"  
"And I tell you, the cossacks come from the cossacks."

M. Sholokhov,  
"The Quiet Don,"  
shot from the  
1957 film of the  
same name.

Russian historical works treat these cossack communities as "specific, unique social elements of Russian society."

That this stereotype has been well and truly entrenched in the consciousness of ordinary Russians was in part due to the monarchist tendencies that were common among the cossacks through the 19<sup>th</sup> and early 20<sup>th</sup> centuries. And although the cult of the Tsar and their own identity were actually separate things, the many pro-monarchist declarations made by the cossacks during the turbulent revolutionary years of 1905-7 and 1917-1918 seemed to reinforce the concept that this community was Russian, heart and soul. What's more, the active participation of that element in Russia that likes to call itself "cossack" in the current Russo-Ukrainian war has contributed considerably to the revival of such notions today.

In fact, the peremptory inclusion of Don, Volga, Yaik and Terek cossacks in "Russkiy Mir" is based on a simple need to deny irrefutable evidence to the contrary.

## THE STEPPE OF THE COSSACK NATION

The territory on which the Don, Volga, Yaik and Terek cossack hosts formed during the 16<sup>th</sup> century was very distant from Muscovy, even if all Moscow's territorial acquisitions at that point are taken into account. Cossack communities arose, not in the borderlands as was the case in Ukraine, but along the edges of the steppe frontier in places that were hard to access, naturally well-protected, and completely cut off from the band of territory settled by Christians by an immense steppe no-man's land. At first, the nearest Muscovite settlements were over 500 kilometers away. The nearest territories were therefore not those controlled by Moscow, but the Turkish Azov, the Astrakhan Khanate and the nomadic Nogai—territories that not only had never at that point been under Muscovy but were not yet even the focus of its expansionist visions.

At that time, Moscow had neither the human resources nor the means to conquer the steppe on its own and to expand beyond the Don or Yaik Rivers, or to the Caucasus foothills. This means that the no-man's steppes that eventually became cossack territories were only gradually and sparsely settled, which meant that the formation of cossack communities was completely different than the kozaks in Ukraine.

The Zaporizhzhian kozak host emerged along Ukraine's border regions and its clear advantage was the inclusion of men representing

Ukrainian civilization among the free fighters. What's more, free fighting quickly became a prestigious activity for princes and nobles, some of whom directly joined kozak ranks. In short, the kozak movement in Ukraine emerged as an integral component of Ukrainian society, although many kozaks were of mixed Ukrainian, Tatar, Lithuanian and Polish lineage. From the start, they saw themselves as a part of the Ukrainian world and were seen as such both within Ukrainian society and well beyond its borders. The nobles among kozaks eventually made the first claims to a special social status for kozaks, which would bring these hosts nearer to the nobility, and, in time, were determined to take on all the functions of a Ukrainian elite. By contrast, such a development proved impossible on the Don and Volga, and later on the Terek and Yaik rivers.

The Don and Volga regions became the arena for an unusually active ethnic confluence. People from Muscovy, Ukraine, Crimea, the Nogai, and Kazan, along with Astrakhan Tatars, Azovians, and Turks established such a human melting pot that the genetic code of those cossack communities became extremely colorful, to say the least. This left an indelible imprint on the bearing of all these communities, shaping their self-awareness and the way they perceived their neighbors. Moreover, a largely Turkic population tended to head out there from Muscovy's southern borders until the early 17<sup>th</sup> century. At that time, this group was still poorly integrated into Moscow society and was not the carrier of real Muscovite identity from inner regions. There was one final factor that played a critical role: the location of these cossack enclaves deep in the distant steppe borderlands made these hosts unattractive to the elites of neighboring countries, so their ranks were filled almost exclusively with the lowest of commoners. In other words, the Don, Volga, Yaik and Terek cossacks were mostly an amalgam of migrants from the lowest classes of society.

Under these circumstances, a simple numeric advantage in the Christian elements among cossacks was what led these cossack communities to generally identify as Christians. At the same time, the cossack hosts saw themselves as a unique ethno-social community and

sharply felt their difference from all their neighbors—even from Muscovy. Continuing openness to a variety of migrant flows from neighboring lands cemented this multiethnic identity, which killed any prospects for Moscow to transform the still unpeopled lands they roamed into properly Muscovite ones. Nor did tight ties between the cossacks and the borderlands of Muscovy offer any better prospects.

In the 16<sup>th</sup> century, the emergence of the Don, Volga, Yaik, Terek and Hrebinka cossack hosts established a kind of “kozak belt” from the Dnipro to the Ural River, with a strip running down to the Caucasus foothills. This was the beginning of a profound transformation of the steppe borderlands of Europe as both a high-conflict zone and the place where East and West met. Indeed, cossack dominion over the steppe borderland was the optimal response on the part of the Christian world to the challenges presented by its Muslim neighbors.

The geopolitical balance steadily shifted in favor of Christian elements under the ever-more-powerful influence of the cossacks, which opened enormous prospects for both the Polish Principality and Muscovy. Pushing far beyond settled territories, the Don, Volga, Yaik and Terek cossack enclaves, as well as their Zaporizhzhian Sich brethren, established the frontier of an unpeopled steppe adjacent to the lands that were tightly controlled by the Crimean Tatars, Turks and Nogais. This significantly eased the colonization of the steppe for the peoples of Ukraine and Muscovy.

Meanwhile, the inexorable growth in military power of the cossacks significantly undermined the military capabilities of their Muslim neighbors, and gradually shifted the scales in favor of Christians. In the end, they proved a major factor in the confrontation between Muscovy and Poland over hegemony in Eastern Europe as well. Without establishing control over the cossack belt, Moscow would unlikely have ever expanded to the Black and Azov Seas, or to the Northern Caucasus.

Despite the many stereotypes, it was hardly inevitable that the Don, Volga, Yaik and Terek cossacks would become a part of the Muscovite civilization, as Muscovy did not have the strength to suddenly take them over. Even as Moscow incorporated the Pale, a process that had

begun by the mid 16<sup>th</sup> century, it did so very slowly. The biggest obstacle to Muscovy's territorial appetites was the cossacks themselves.

## BARRIERS TO MOSCOW'S EXPANSION

The Don, Volga, Yaik, Terek and Hrebinka cossacks did not consider themselves Russian. They thought of themselves as cossacks and their world as in opposition to Muscovy. Cossacks were not the same as “Russian people,” among many of whom these might include their parents and siblings. The separation was particularly obvious when cossacks chronicled the visits of Muscovites to their territories. Those Muscovites who had no intention of joining cossack ranks were always referred to as “Russian people” rather than being distinguished according to social status, such as merchant or peasant, the way they would have been had the cossacks thought of themselves as belonging to Muscovite society. “There are Russian people among us cossacks on the Don, in addition to Tatars



## COSSACK COMMUNITIES AROSE, NOT IN NEARBY BORDERLANDS AS IN UKRAINE, BUT ON THE EDGE OF THE STEPPE FRONTIER, COMPLETELY CUT OFF FROM TERRITORY SETTLED WITH CHRISTIANS BY A WIDE STEPPE NO-MAN'S LAND

and Cherkass<sup>1</sup>,” was how the Don Otaman Bohdan Konynskiy put it when questioned in Moscow.

Both the Don cossacks and the other hosts fiercely defended the sovereignty of their enclaves. In the cossack mind, the Don, Yaik and Terek were not part of the “imperial homeland,” but completely independent military and territorial units that happened to have relations with Muscovy, Turkey, Crimea and other neighbors. Statements such as “I rode from Yaik to Muscovy,” “from the Don to the imperial homeland,” can be found in numberless cossack writings. An exhortation from the Volga cossacks to the tsar in 1628 states: “We are feeding and watering all your Russian people on the Volga and are allowed safe passage to the Muscovite state and the cities under your rule.” ■

<sup>1</sup> Meaning Ukrainians from the central Dnipro Valley, where Cherkasy Oblast is located today.

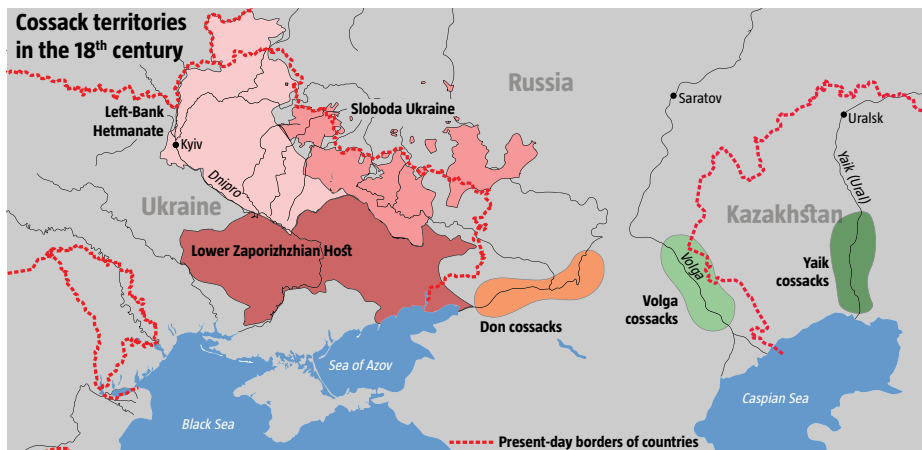
In the famed *Historical Episodes* (1637) on the conquest of the Azov, the Don cossacks described themselves thus: “We’re getting away from this Muscovy, with its endless labor, its serfdom, its boyars, and its gentrified bureaucrats.”

Indeed, the cossacks not only did not imagine that their enclaves were part of the Muscovite state, but they did not consider the enormous territories of the Pale part of it, either. For them, Muscovy began and ended at the outside boundaries of Muscovite cities. In preparing in 1644 for a group of Don cossacks to accompany Moscow’s ambassadors, the Don Army wrote a letter to the Tsar explaining its actions very eloquently: “... so that there would be no attacks on the ambassadors along the way, even in Muscovy.”

Given all this, it was completely natural that the Don, Volga, Terek, Hrebinka and Yaik cossacks were completely indifferent to internal happenings in Muscovy, which was in sharp contrast to the ambitions of Ukraine’s kozak hosts. Unlike Ukrainian kozaks, for whom the competition for a dream place among the Ukrainian elite was everything, these cossacks had no interest whatsoever in Moscow society and Moscow events, only noticing those that directly affected their interests, that is, free trade in the frontier territories of Muscovy and booty on the territories of their Muslim neighbors.

This attitude was to continue until the cossacks were forced to uphold the sovereignty of their enclaves. Only in the 18<sup>th</sup> century did the leadership of various cossack groups begin to slowly integrate into the imperial world. But the sense of “otherness,” of being different from Muscovites, and of their lands as not belonging to Moscow never disappeared, whether on the Don, the Yaik, or the Terek. This would eventually become a breeding ground for the idea of separating from bolshevik Russia in 1918-1920.

In fact, the determination to preserve the sovereignty of the Don, Terek and Yaik Armies had thoroughly penetrated the awareness of those cossacks. Moreover, they underscored the independence of their enclaves in every way possible to make sure Moscow did not challenge it. The Don cossacks immediately destroyed the Tsariv-Borisov fortress built on the upper reaches of their river in 1600, while the Yaik



cossacks sacked a small town erected by Muscovites in 1640. At the symbolic level, all the cossack hosts stubbornly refused to undertake any actions that would suggest they were subordinate to Muscovy, such as kissing the Tsar’s cross. Despite all its efforts, Moscow was unable to wrench such oaths from any of these forces until after 1670. Kissing the cross ended up being a strictly individual procedure on the part of those cossacks who were embarking on some specific service to the Tsar, such as the 766 Yaik and Volga cossacks who were hired for the Smolensk War of 1632-34 against Poland. And even so, the cossacks did not always agree to such a threatening step.

In order to maintain their sovereignty, the cossacks constantly appealed to the antiquities, when their ancestors “served the Muscovite lord but did not kiss the cross.” Any attempts on the part of Muscovite ambassadors to make changes in the rules for staying in cossack enclaves was seen as a challenge to their sovereignty, and until the late 17<sup>th</sup> century, all the cossack hosts successfully held back Muscovy’s expansionist appetites.

### THE IMAGE OF COSSACKS IN MUSCOVY

What is most interesting is that, despite all its efforts to “round out” its territories with the cossack belt formed along the Don, Volga, Yaik and Terek rivers, Muscovy did not see these territories as an integral part of the Muscovite world, or the cossacks themselves as Muscovites. Until the 19<sup>th</sup> century, Moscow’s elite did not even consider the Pale adjacent to Muscovy, let alone the cossack enclaves, as an historical “imperial homeland” in the same

way it saw other territories it had subordinated.

But when Ivan Grozniy (the Terrible) decided to take over the Kazan Khanate, he immediately came up with an ideological concept declaring that Prince Riurik had once conquered this territory. In time, this opportunistic concept was expanded to the point where Kazan was simply declared Russian land. Before advancing on Astrakhan, the Astrakhan Khanate was presented as the one-time Tmutorokan<sup>2</sup> principality, and therefore a lawful homeland of the Muscovite tsars. Yet, these ideological manipulations were never used to justify the “lawful” rights of Muscovite tsars to rule over the Don, Volga, Yaik and Terek cossacks, even as Moscow began to annex their enclaves. Moscow explained these ambitions by the simple argument that the cossacks had been serving the tsars for centuries.

Until the late 17<sup>th</sup> century, imperial documents treated the cossack belt as a separate region located beyond the boundaries of Muscovy. Just like the letters from the cossacks, such expressions can be found as, “I left the Don for Russia.” There are even direct statements, such as the Muscovite ambassador in Crimea writing to the Crimean Khan in 1629, “And you, too, Zhanibek-Girei, your imperial majesty, are aware that the Don cossacks on the Don live near the Azov [Sea] and not in Muscovy.” That the point was not a matter of diplomatic rhetoric, but simple awareness among the Moscow elite that the cossack enclaves were beyond their world was made amply clear by the different behavior of Warsaw in the way it treated the Zaporizhzhian Host. Despite the fact that, like Moscow diplomats, Polish diplomats distanced themselves

<sup>2</sup> Tmutorokan was a mediaeval Kievan Rus’ principality and trading town that controlled the Cimmerian Bosphorus, the passage from the Black Sea to the Sea of Azov

from marine and terrestrial attacks carried out by Ukraine's kozaks, they never saw this territory as outside their state.

## THE WARSAW CARD

How did it happen, then, that despite all their devotion the sovereignty of their enclaves, the Don, Volga, Yaik and Terek cossacks soon found themselves under Muscovy's influence and eventually allowed themselves to be absorbed? The launching point was the particular worldview of people at the time: the way the world was structured logically peaked in the person of a legitimate ruler. And so, the cossacks felt the need for a patron-monarch from the very beginning, when their hosts had not even consolidated as proto-state military territorial entities. But in their imaginations, this ruler was supposed to be more of a protector-benefactor, who reliably paid them, rewarded them well for various military and other services, yet never interfered in their internal affairs and had no ambitions to challenge the sovereignty of their enclaves.

In their search for such a patron, it was significant that the cossacks never limited themselves to the Moscow tsar, who was the nearest Christian ruler. Even after the tsar managed to persuade them to serve, the Polish king continued to offer an attractive alternative. For instance, the Don, Volga, Yaik and Terek cossack hosts were actively involved in the civil war that shook Muscovy in 1604-18. They sent ambassadors to the False Dmitri and some battalions fought on the side of Sigismund III. Even after Mikhail Romanov was elected tsar, thanks to the presence of cossacks at the Zemsky Sobor in 1613, the cossacks continued to turn their eyes to Warsaw. In 1616-18, one fifth of the Don Army, that is 1,000 men, fought among the forces of King Wladyslaw. Indeed, many even kissed his cross. In 1632, when the Don region was expecting an attack by imperial forces, the cossacks threatened Moscow that they would "abandon the Don and go serve the Polish king."

But the Polish Principality shortsightedly ignored the prospects that were opening before it, should the Don, Volga Yaik and Terek cossacks be drawn into its orbit. Warsaw did not see this issue from the point-of-view of a confrontation with Moscow, nor as part of

the Crimean or Turkish problem. This gave Moscow a free hand, an unexpected bounty that it brilliantly took advantage of.

## A CREEPING CONQUEST

By the mid 16th century, the Moscow tsars had begun bit-by-bit to entrench themselves as the benefactors of the cossacks. Initially, they enticed them with regular pay and military service. Eventually, they began to impose their own officers on the Don and Yaik forces and to force them to show fealty to the tsar. At the same time, their ideological machine worked tirelessly to persuade the cossacks that they were "by nature our own Russian people of the orthodox faith." Having more than once been caught in a resistance and even armed insurrections, Moscow stubbornly drove its line. And in the late 17<sup>th</sup> century, psychologically broken by the failure of an uprising under Stepan Razin, the cossacks finally succumbed, one by one bowing their heads to kiss the tsar's cross. After this, Moscow began to deliberately erode the self-sufficiency of their enclaves.

The breaking point in this imperial attack on the sovereignty of the cossacks came in 1721, when they were transferred into the command of the Military Collegium and were subject to irregular compulsory service for 25-30 years. Meanwhile, St. Petersburg took on the tactic of arming itself by establishing completely subordinated units of serving cossacks, a practice that had been thoroughly tested in Siberia. Since the end of the 16<sup>th</sup> century, willing volunteers had been recruited into the cossack units at various forts, forming the Siberian Army, which became the Siberian Line Cossack Army in the 19<sup>th</sup> century, and the Transbaikalian Army established in 1639, which split off as the Amur Cossack forces in 1858.

At the European steppe borderlands, St. Petersburg used this approach on the belt of "classical" cossack enclaves, establishing "counter enclaves" in the form of cossack communities that cultivated identity and self-sufficiency while being absolutely loyally serving cossack hosts. In the service of its military interests, in 1723, St. Petersburg resettled 1,000 Don cossack families to the Northern Caucasus, forming the Agrakhan Army. In 1732, minor cossack forces were merged into the Caucasus (Terek) line cossack army.

In 1735, Petersburg formed the Kyzliar Army out of similar forced settlers at the newly-founded Kyzliar fortress at the mouth of the Terek River. In 1771, Volga cossacks were resettled to the Northern Caucasus. Needless to say, these new forces all differed radically by their very nature and historic role from the original cossack hosts.

Nevertheless, the Don-Yaik-Terek cossack belt remained a zone of instability and anti-Russian uprisings for a long time. From time to time, real wars against the empire would break out, such as one led by Kondraty Bulavin in 1707-09 and another under Yemelian Pugachov in 1773-75. The Mazepins led by Pylyp Orlyk also counted on the revival of lost independence to attract latter-day cossacks when they began to nurture plans for a broad anti-Russian coalition.

By the end of the 18<sup>th</sup> century, little was left of sovereign cossack communities. In its place, the cult of service to the tsar became entrenched in the cossack armies, providing a legitimate basis for special status within the Russian Empire. Based on the deeply imprinted historical image of the tsar as effectively



**LOCATED DEEP IN THE DISTANT STEPPE BORDER AND UNAPPEALING TO THE ELITES OF NEIGHBORING COUNTRIES, THE RANKS OF THESE COSSACK ENCLAVES WERE MOSTLY FILLED WITH THE LOWEST OF COMMONERS**

their only historical ruler and protector among the cossacks, this cult became the foundation for monarchism among the cossacks. However, by reliably binding the cossacks to the Russian umbilicus, the tsar also solidified the basis for maintaining their feelings of differentness and isolation from Russians, and thus failed to turn the Don-Yaik-Terek cossack belt into truly Russian land. Even in the 20<sup>th</sup> century, both cossack monarchism and an unflagging desire for self-sufficiency in their communities drove the cossacks to go against the tide on more than one occasion. And this casts a long shadow over Moscow's endless mantra about the Russian essence of the cossack world. ■

**April 15-28, 6 p.m.**

**Landscape**  
**Triptych Art Gallery**  
 (13, vul. Desiatynna, Kyiv)

The gallery will host a collection of paintings of the recent years by Anatoliy Kryvolap, one of Ukraine's best-known modern artists. The show is titled Landscape as the painter enjoys the reputation of a living classic of Ukrainian non-figurative landscape painting. Bold use of bright and neon colors is considered to be one of his trademark techniques. Mr. Kryvolap is known both in Ukraine and far beyond it. His works are in museum collections in Austria, France, Germany, Great Britain, Italy, Japan, Israel, Poland, Spain, Switzerland, USA and Canada.

**April 17-18, 7 p.m.**

**Borders and Distances. ATO**  
**Loft 31**  
 (31, vul. Nyzhniyurkivska, Kyiv)

Loft 31 art studio is about to host premier shows of Borders and Distances and ATO documentary performances. The first show is a joint multimedia project created by the Document film festival, Post theatre, Teatr.doc and Rimini Protokoll. It is based on comprehending and perception of national borders and cultural distance, different worldviews, individuals and religious barriers. The second performance is the creation of the Meyerhold Theatre Center. It is a documentary evidence of a young psychologist of the terror of war he personally experienced.

**April 17-18**

**Jazz Love Songs**  
**Cinema House**  
 (6, vul. Saksahanskoho, Kyiv)

Ukraine's top jazz musicians will present a new selection of jazz tunes about love, some of the world's most romantic jazz hits. Amazing improvisations and new interpretations of well-known jazz standards will be a pleasant surprise to the most savvy music lovers. The show will feature vocalist Ruslan Yehorov, saxophone soloist and founder of Skhid-Side jazz band Dmytro Aleksandrov, talented drummer Pavlo Halytskyi and many more jazz performers.

**April 19, 12 p.m.**

**Retro Cruise festival**  
**Fomin Botanical Garden**  
 (1, vul. S. Petliury, Kyiv)

An unusual retro festival, organizers claim, is a feast of good traditions, the culture of live interaction and communication, and of good manners. This year's festival will bring together the lovers of the 20<sup>th</sup> century style and fashion, collectors of retro cars, jazz bands, Charleston and boogie-woogie dancers, as well as anyone who likes all other aspects of the past. The guests will enjoy endless entertainments, including a retro bicycle parade, a market of vintage clothes, workshops and a "five o'clock tea" party.

**April 25, 8 p.m.**

**Vyshyvanka Party by Oleh Skrypka and Le Grand Orchestra**  
**Bochka art pub**  
 (22, vul. Verkhniy Val, Kyiv)

Oleh Skrypka, the leader of Vopli Vi-dopliasova folk rock band, and Le Grand Orchestra, his new world music project, will present their interpretation of well-known and rare Ukrainian folk songs. The orchestra features musicians from various folk music bands and some from the Ukrainian Army Orchestra. The performers use the music to reveal the unique elements and richness of Ukrainian culture. The product of these experiments is the mesmerizing sound of folk melodies combined with elements of rumba, waltz and jazz.

**May 11, 7 p.m.**

**Pikkardiyska Tertsia**  
**Machinebuilders' Art Palace**  
 (166, vul. Robocha, Dnipropetrovsk)

Ukraine's most well-known a capella sextet will visit Dnipropetrovsk as part of its pan-Ukrainian tour to present its good old compositions as well as new songs. After the busy 2014 and a number of concerts all over Ukraine and abroad, the singers keep touring. In over 20 years in music, the Lviv-based sextet not only gained huge popularity and a big audience of devoted fans, but has set a high standard of a capella performance and interpretation of Ukrainian music.



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