# The Ukrainian Week

International edition

Ukraine-NATO: New challenges and opportunities

The red lines for Zelenskiy's team

Trends in Ukrainian culture and leisure

## **WEAPONS OF GROWTH**





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## The Ukrainian Week

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# The high cost of exchange BRIEFING Stanislav Kozliuk ity. Late last year, two large exchanges took place. On September 7, 11 political prisoners and 24 navy POWs came home from Russian prisons, while on December 29, an airplane landed at Boryspil Airport with 76 Ukrainians released from captivity in DNR and LNR. Ukraine has started to take its citizens back from Russian captiv-THE UKRAINIAN WEEK | #1 (143) January 2020



The next exchange has already been announced and Crimean Tatars will finally be on the list. In addition, the Zelenskiy administration, unlike its predecessor, has begun to be more actively engaged in the issue of political prisoners and POWs, and to mention them more often – and can even be pleased about a certain level of success. Still, it seems that it's not as quick to talk about the price that Ukraine is paying to get its people back.

Critically, the question of freeing Ukrainians from Russian captivity was, is and will continue to be a political issue, not a humanitarian one. In part, this is because, one way or the other, negotiations over these exchanges take place between the presidential administrations of Ukraine and Russia, and not, say, the offices of the two countries' human rights ombudsmen. This also underscores the fact that a separate negotiation platform to resolve this issue has not been set up to this day, while the issue of releasing Ukrainian citizens continues to, directly or indirectly, be discussed in the Minsk contact group. Indeed, in over five years of war, three large exchanges have taken place, the first being in December 2017. Even this suggests some shifts that are not necessarily reassuring.

During the last release, 127 people went to ORDiLO, while only 76 were returned to Ukraine. Moreover, it was not done in the format "all for all," as had been spoken of after the meeting of the Normandy four in early December. After all, Ukraine's lists include more than **200** civilians and military as of December who are being held by the militants

In addition to the politicization of the issue, it's possible to say that the exchanges are not equivalent. For one thing, Ukraine has given the Russian proxies in occupied Donbas more individuals than it has received from them. During the last release, 127 people went to ORDiLO, while only 76 were returned to Ukraine. Moreover, it was not done in the format "all for all," as had been spoken of after the meeting of the Normandy four in early December. After all, Ukraine's lists include more than 200 civilians and military as of December who are being held by the militants.

On the other hand, these exchanges are often accompanied by scandals as Ukraine is handing people over to Russia who have been accused of serious crimes: terrorists, military who were working for the FSB, and even a suspect in the shooting of MH17. During the last exchange, five former Berkut officers who are accused of the mass shooting that took place on Instytutska in Kyiv on February 20, 2014, and did not manage to flee from Ukraine went over to DNR. Their sentencing was expected to take place within about six months. Now there's no one to stand trial and the fate of this court case is up in the air.

At this point, another development can be seen in that the expediency is more important than consequences in these exchanges: the Presidential Administration has interfered in the work of the prosecutor's office and the courts at times to get the decisions it needed: "quick" sentencing as was the case with Russian special forces officers Yevgheni Yerofeyev and Aleksandr Aleksandrov, or changes to restraining methods, such as in the case of Oleksandr Rakushin, a soldier accused of treason. And if the court decisions are examined, then the reasons for releasing suspected or accused individuals from remand centers are given as "in relation to the exchange," although the Criminal Procedural Code does not provide for any such formulation or reason.

In the case of the release of the "black squad" soldiers, there was even a paper trail showing that the Prosecutor General had written a letter instructing his subordinates to resolve the issue of changing restraining methods and to coordinate their actions with the judges. The Ukrainian Week spoke to individuals close to the exchange process who said that this kind of interference took place on a regular basis, but instructions were usually given verbally, not in writing. Unfortunately, such interventions in the work of the courts and the prosecutors only undermines their already-frayed authority. More than that, it establishes a dangerous precedent of evading punishment for a crime, because the accused can be exchanged no matter how serious their crime. For instance, the Ukrainian press revealed that during the last exchange, Ukraine released pro-Russian militants who were suspected of drug trafficking, petty larceny and homicide.

Ultimately, this kind of situation affects two groups of victims; the families of the captives and the families of those who died on the Maidan, and this leads to a kind of gaslighting: "If you favor exchanges, you must be against people being punished for murder" and "If you want to see the guilty punished, you must be against bringing Ukrainians home. Moreover, complaints and dissatisfaction with the government's actions are shifted to the groups of victims, who cannot influence events in any way.

Meanwhile, the problem with legislation remains unresolved. For instance, during all exchanges, rehabilitation and assistance were provided on an ad hoc basis. This includes medical treatment, psychological rehabilitation and housing. A situation arose in which some political prisoners were "more important" than others. For instance Moscow's hostages released in September were able to quickly get medical assistance at the Feofania Hospital, an elite institution for government officials and so on. At the same time, Roman Ternovskiy, who had been released a few weeks earlier, was forced to look foreign donors to cover his rehabilitation.

The situation could be seriously improved if there were a law guaranteeing returned captives certain benefits, including financial assistance, temporary housing and so on. Yet in the last five plus years, the Verkhovna Rada has never managed to pass such a law. Word is that a bill on hostages waiting a legal audit in the Office of the President, and the parents of the captives are hoping that it will be passed quickly.

There are realistic suspicions that after the December release of Ukraine's store of exchangeable individuals - however cynical this may sound – has shrunk considerably. The question arises: how, then, and with whom will Ukraine be able to interest Russia and its proxies next time around? These worries were confirmed by *The Ukrainian Week*'s sources. The only thing that can be done is to assume that Ukraine will have to agree to political or economic concessions on the matter of gas, Crimea or federalization. And all this is in the face of Russia's endless supply of potential hostages. After all, in occupied Crimea and ORDiLO alone, there are a few million Ukrainians. Plus some hundreds of thousands who live in Russia.

Worst of all, Ukraine has no realistic strategy that might, firstly, protect Ukrainian citizens against possible political persecution and, secondly, avoid further blackmail by Moscow. For now, the only obvious decision must be to ban any visits to the Russian Federation and occupied Crimea. However, President Zelenskiy has been silent on this point so far. Meanwhile, the day after the last exchange, December 30, Russia already managed to arrest two Ukrainians at the administrative frontier of Crimea who are now potentially filling Russia's exchangeable ranks. **T** 

# Wating for the Lost Messiah of Drohobych

**Peter Zalmayev** 



The US presidential election was in full swing and although it was still a couple of weeks until Donald Trump's nomination as Republican candidate for president, everyone was discussing his inevitable candidacy with eyes wide with disbelief. And so were we, Michnik and I. Trying and failing to put into words his dismay at Trump and his worldview, Michnik then made a comparison, which it has taken me until now to fully process and appreciate, although I immediately felt the truth of it in my gut. "Schulz is the opposite of Trump!" exclaimed the great fellow-Schulzian over the clatter of the passing trolleybus.

Was it even legitimate to compare a businessman-cumpolitician and future "leader of the free world" with a writer of surrealist childhood tales from a Galician backwater of Austria-Hungary? And in which ways would they be opposite of each other: in their respective worldly achievements as expressed in wealth accumulated, political victories won, women conquered by hook or crook? In their sheer ability to survive?

One can certainly see Trump and Schulz as diametrically opposed in these and other ways. Trump was able through his father's inheritance and ruthless cunning to become a real-estate tycoon and build himself a golden palace high up in New York's skies; Schulz barely scraped by as a teacher of drawing and crafts in middle school, earning just enough for a rare trip to Warsaw and once to Paris. Trump boasts of robust health despite his reported regular diet of burgers and fries while Schulz was of frail constitution, weak and afraid of heights. Trump has five children from three marriages and has over the years cavorted with numerous porn actresses and fashion models; similarly to Franz Kafka, Schulz was extremely shy around women and wanted to marry only one woman in his life, a Warsaw native, but was too afraid and uncertain of his prospects as a husband to leave his beloved Drohobych. Indeed, as I write this, in my mind are juxtaposed two contrasting images: of the future American president grabbing an aspiring TV starlet "by her pussy" (his words, not mine!) and of various shapely women's legs and feet trampling on Schulz's face – a recurring imagery in Schulz's graphic oeuvre.

But above and beyond these admittedly surface, tabloidworthy contrasts, it is the worldview in all of its aesthetic sensibilities that sets the two men far apart. Schulz was a bard sans pareil of childhood as it comes into contact with the mystery and sensual exuberance of nature, as it creates a whole universe out of a dusty provincial little town, and as it is gradually claimed by an adolescent, angst-ridden sexuality. The world for Schulz is endowed with the infinite wonder of existence nestled in even its smallest parts - in the lush and wild vegetation of a garden behind a delapidated hut, a whimpering shivering puppy, dust motes illuminated by sun rays slanting through a window. Schulz's world is, in all of its mind-boggling variety, subject to myriad interpretations and readings "between the lines" as contained in the "The Book" (the title of one of Schulz's short stories). Trump, by contrast, doesn't grapple with multiple interpretations of anything because he simply doesn't read. Except one book: "Being Donald Trump", to paraphrase the famous Hollywood movie.

SCHULZ'S WORLD IS, IN ALL OF ITS MIND-BOGGLING VARIETY, SUBJECT TO MYRIAD INTERPRETATIONS AND READINGS "BETWEEN THE LINES" AS CONTAINED IN THE "THE BOOK" (THE TITLE OF ONE OF SCHULZ'S SHORT STORIES). TRUMP, BY CONTRAST, DOESN'T GRAPPLE WITH MULTIPLE INTERPRETATIONS OF ANYTHING BECAUSE HE SIMPLY DOESN'T READ

Schulz's is a world that eschews the black-and-white dichotomy of "us vs. them," "black vs. white" in favor of the full spectrum of the rainbow. And I believe that this is the world that Schulz's Messiah was coming to proclaim. "The Messiah" is the novel that Schulz was finishing while trying to survive as a Jew in the Nazi-occupied Drohobych. It is said that Schulz gave the novel's draft, along with hundreds of graphic works, for safe-keeping to a Polish neighbor. On November 19, 1941, the "Black Thursday," a Nazi officer shot and killed Schulz as the latter was crossing a street clutching a loaf of bread, on his way home. "The Messiah" has never been found.

By nature, I am wary of all of history's messiahs – whether they be religious or political – Jesus, or Gandhi, or Obama, or Trump, and whether they promise "Hope"® or to "Make America Great Again."® And I am with Michnik in seeing the last name on that list as the falsest recent messiah of them all – setting red Americans against blue Americans, liberals against conservatives, straight vs gay, greed vs. self-sacrifice, economic development vs. the environment, short-term prosperity vs. long-term survival.

So, no false messiah for me in 2020. I would rather be naive and hope against hope for the coming of the Lost Messiah of Drohobych. While continuing my smoke-filled conversation with Pan Michnik.

# Ripples on water

What future for the EU after Brexit?

Michael Binyon, London

At the end of this month, Britain is to leave the European Union, 47 years after it joined what was then the Common Market. It will be a shock - although long anticipated - for the other 27 members. No country has ever left the EU, and this spectacular noconfidence vote will test the hopes of the remaining members to stay committed and united. They will miss not only Britain as an important part of the single market; they will also miss a lot of British expertise and the pragmatism of its diplomats, that in the past has often been useful in translating lofty aspirations of other members into the reality of new EU law.

But Brexit will not be the only challenge facing a union that has so far shown remarkable resilience. The past decade has been a difficult one for the EU. The first half was dominated by the financial crisis that began in Greece in the last weeks of 2009. This swiftly turned into an existential threat to the Eurozone, as financial contagion spread to other vulnerable economies – in particular, Portugal, Italy, Ireland and Spain. Several of them needed huge and expensive EU emergency stand-by guarantees.

Yet even when the Greek crisis was finally resolved in mid-2015, an even greater threat began.



Leader change. French President Emmanuel Macron seeks to lead Europe after Brexit and German Chancellor Angela Merkel's departure from politics

More than a million refugees, mainly from Syria but including also thousands of economic migrants from Africa, Iraq, Afghanistan and elsewhere, arrived on Europe's borders. Germany took the morally brave but politically reckless decision to let them all come in. Chancellor Merkel's decision to throw open Germany's borders had immediate repercussions on its neighbours, who suddenly feared that they too would be swamped by migrants. It almost led to the collapse of the Schengen border-free travel arrangements as other states hastily instituted temporary border checks, or began building walls and fences across central and Eastern Europe to keep out the huge numbers of refugees slowly making their way on train, bus and on foot across the Balkans.

The legacy of that crisis has continued to poison EU politics to this day, and has fuelled support for anti-immigrant parties and has boosted populist, rightwing Eurosceptic politicians, especially across former communist countries.

Somehow Europe managed to survive both these challenges. But they have not gone away. The threat of economic stagnation and slow growth in the Eurozone continues, as does the destabilising dominance of the German economy, which is still marginalising many of the struggling economies of southern and eastern Europe. The Eurozone economies are, on the whole, more stable now, but economic growth remains lacklustre and has to be underpinned by a vast central bank bond-buying programme. This cannot continue indefinitely, and business confidence might soon evaporate if it stops.

European economies are also being buffeted by the challenge of China, which is making ever greater inroads into the heartlands of the EU, buying up industries, controlling vital trade patterns and using its economic muscle to further its political as well as business interests in Europe. This is happening just at a time when America is losing interest in Europe. Donald Trump has already made it clear that he is not really committed to the collective defence of Europe through NATO. He also has no hesitation is being ready to slap punitive tariffs on EU imports if he thinks that Europe is posing unfair competition to US producers. And he has shown, with his readiness to challenge China, that he hardly even cares if a resulting global trade war harms US allies in Europe. And most European politicians now reckon it is highly probable that Trump will be re-elected in November.

The threat of continued illegal immigration into Europe, especially across the Mediterranean into Italy, Greece and Spain, also is likely to continue. For the moment, the numbers arriving have fallen. But if Turkey has a serious new quarrel with its western NATO allies, President Erdogan has already threatened to remove all controls and allow many of the three million refugees now being housed in Turkey to find their own way westwards into Europe. And they could be joined by a new wave of asylum seekers if the Iran crisis leads to a new war in the Middle East or the civil war in Libya makes it impossible to enforce any restriction on the people-smugglers now shipping thousands of Africans on flimsy boats across the Mediterranean.

Further illegal immigration would only bolster the standing of right-wing populists in the EU. Already, the governments of Poland and Hungary have openly defied rulings from Brussels on sharing out the immigrant burden. They have also defied Brussels on many other issues, including the freedom of the press, the independence of the courts and the balances and checks of a democracy. Their anti-EU stance has in fact added to their popularity, and other politicians in the region may be tempted to take the same line – undermining both the authority and the standing of the European Union. Some populist politicians may even be tempted to urge their countries to copy Britain and leave the EU altogether, which would be a serious political blow.

The EU also faces instability on its eastern and southern borders. This follows Russia's annexation of Crimea and armed intervention in eastern Ukraine and the resultant freeze in East-West relations. This is bad for business, bad for morale and takes much of Europe back to the old confrontations of the Cold War. To the south of the EU, the fighting in Libya and Syria, the new crisis with Iran and the possible collapse of lucrative markets in the Gulf mean that the EU will have to pay much more attention to its defence in the coming decade. This will be costly and it also will prompt further questions over whether NATO has outlived its usefulness and whether a new European defensive alliance can be built instead - crucially, without the main contributor to European defence, Britain.

AND THE SMALLER COUNTRIES OF THE EU. WHICH HAVE ENJOYED PLAYING A LARGER ROLE ON THE WORLD STAGE THROUGH THE COLLECTIVE POWER OF THE WHOLE UNION, MAY FIND THEIR OWN INFLUENCE DIMINISHED AS THE EU ITSELF IS SQUEEZED BETWEEN CHINA, RUSSIA, AMERICA AND OTHER COMPETING FORCES

Europe enters the new decade under siege. Many of the familiar faces will change. In Germany, Angela Merkel's long tenure as chancellor will soon be over, and so far no politician or single political party looks strong enough to give the country the firm and stable leadership Germans want. In France, President Macron may still aspire to leadership of Europe's international role, but the many challenges, strikes and demonstrations at home will preoccupy him and may severely weaken his authority. In Italy and Spain, political instability seems likely to continue, with regular fresh elections unable to produce a government that is either stable or effective. And the smaller countries of the EU, which have enjoyed playing a larger role on the world stage through the collective power of the whole union, may find their own influence diminished as the EU itself is squeezed between China, Russia, America and other competing forces.

Many in Britain may feel they have been lucky in deciding to leave the EU. But even if the Brexit talks on future relations with the rest of Europe can be completed by the deadline at the end of this year (which looks unlikely), there is still huge uncertainty over what role Britain – still a permanent member of the United Nations Security Council - can play alone on the world stage. It will be a tough challenge for London as well as for Berlin, Paris and Rome.  $\blacksquare$ 

# Document or human being

Why the Indian citizenship legislation renewed widespread protests

Mridula Ghosh



**Animal farm.** Changes in Indian law are actually introducing the concepts of "right" and "wrong" citizens, which has caused outrage in society

Documents are sometimes more important than the human being itself. A person without a document has almost no access to anything and is branded as "illegal" by all states. But one of the best quotes of Eli Wiesel, noted Holocaust survivor, award winning novelist, journalist, human rights activist and winner of the Nobel Peace Prize in 1986, reads: "No human being is illegal. That is a contradiction in terms. Human beings can be beautiful or more beautiful, they can be fat or skinny, and they can be right or wrong, but illegal? How can a human being be illegal?" For a long time, these words were relevant to India, because, one could roam around freely for several decades. And the term illegal migrant, which was liberally used in Europe was never used in India. But no more.

Unprecedented decisions adopted by the staggering monomajority led by the Bharatiya Janata Party in both houses of the Indian parliament led to amendment of the law on citizenship. Its impact and connection with the implementation of the National Register of Citizens might lead to mass statelessness and discrimination. Union Home Minister and head of BJP Amit Shah said at a mass rally on 22 December 2019, that the NRC will be implemented nationally all over India and "before the country goes to polls in 2024 all illegal immigrants will be thrown out."

These steps and statements have led to mass protests in India and abroad. While the words more used today are "irregular migrants" or "unauthorized migrants" by international

Human Rights bodies, top Indian policy makers are still talking about "cleansing" the country of "infiltrators" and "illegal migrants."

Post-independence India was a state not based on documents. The process evolved slowly and gradually, implemented with practicality, may be not always with the best levels of efficiency. Documents such as ration cards, school graduation certificates, or certificates of higher education, public utility bills were used as proofs of identity within the country. Indian citizens obtained passports only to travel abroad. Later, voter's cards and PAN cards (taxation payee numbers) were introduced, and even later, the "aadhar" card with an electronically readable bar code came up.

Likewise, India's Citizenship Act of 1955 was also amended in 1986, 1992, 2003, 2005 and 2015, to cater to emerging needs. Citizenship in India is based on the principle of "jus sanguinis" (by blood or descent) and not by "jus soli". Therefore, acquiring Indian citizenship for foreigners of non-Indian origin through naturalization is important.

Under the Citizenship law, irregular migrants cannot apply for Indian citizenship. Thus, those migrants from Bangladesh, who have entered India without papers cannot become citizens. It also excludes anyone who has entered using a legal document but has overstayed their visa. The Amendment bill seeks to change the Citizenship Act of 1955 and deals with the rules for obtaining Indian citizenship through naturalization: it states that Hindus, Sikhs, Buddhists, Jains, Parsis and Christians from Afghanistan, Bangladesh and Pakistan shall "not be treated as illegal migrants" even if they had entered India irregularly on or before 31 December 2014. This makes a fundamental change to India's process of citizenship by naturalization which allows foreigners to become Indians. After the Citizenship Amendment Bill was passed on 11 December 2019, the communities identified above, will be able to apply for Indian citizenship even if they had crossed the border without papers or overstayed their visa. The Citizenship Amendment Bill also shortens the waiting time for naturalization for these select communities. Rather than having to reside in India for 11 out of the past 14 years, a six-year residence will now suffice. Moreover, any legal proceedings against them in respect of irregular migration shall cease if that person is able to become an Indian citizen.

On the surface, this amendment seems to open ways for citizenship for undocumented migrants, reduce statelessness and empower people. However, the main problem is, most notably, that Muslims are missing from the list of communities identified. Parliamentarians from BJP said that these provisions will help victims of religious persecution from the neighboring countries access Indian citizenship. However, other omissions in the bill raise questions as to the soundness of this argument. For example, Myanmar – accused of persecuting its Muslim Rohingya minority – is missing from the list of countries in the bill, as well as China – noted for its persecution of the Uighurs, is also missing, both countries have a long border with India. Afghanistan is in the list, even though its slim border

with India lies in Pakistan-Occupied Kashmir. Moreover, Sri Lanka is missing from the list even though its Tamils – most of them Hindu – have suffered a genocide at the hands of the Sri Lankan state.

Therefore, observers associate these arguments with the Bharatiya Janata Party's politics, which prioritizes a narrative of persecuted Hindu migrants from Muslim-majority countries, and they stress on how the dynamic will be utilized within India's electoral politics. Moreover, it underscores the BJP's ideology of seeing India as a Hindu rashtra or nation. The opposition says the Bill violates Article 14 of the Constitution – Right to Equality (entire ethos of our democracy) and claims that citizenship cannot be given on the basis of religion.

To justify the veracity or likelihood of the above, we need to know how is the Citizenship Amendment bill connected to the National Register of Citizens and what is the NRC? The NRC is a register of all Indian citizens whose creation was approved by an amendment of The Citizenship Act 1955 in 2003. It has been implemented for the state of Assam during 2015–2019.

Assam, being a border state with unique problems of irregular immigration, had an NRC created in 1951, based on the 1951 census data. But it was not maintained afterwards. In 1983, the Irregular Migrants (Determination by Tribunal) Act was passed by the Parliament creating a separate tribunal process for identifying undocumented migrants in Assam. The Supreme Court of India struck it down as unconstitutional in 2005, after which the Government of India agreed to update the Assam NRC. Following unsatisfactory progress on the update process over a decade, the Supreme Court started directing and monitoring the process in 2013. The final updated NRC for Assam, an exercise conducted from 2015 till 2019, was published on 31 August 2019, containing 31 million names out of 33 million population, leaving out about 1.9 million applicants, who are characterized as "undocumented migrants". Many of them, surprisingly, are Hindus.

Thus, Assam's NRC eventually backfired for the BJP's politics. In response, the BJP has pushed the Citizenship Amendment Bill as a solution. Its leaders claim Hindus excluded from the NRC in Assam would be able to gain citizenship under the amended law, though it is not exactly clear how.

With the government threatening to conduct a nationwide NRC, there are fears that Muslims would be the only ones who stand to lose their citizenship in such an exercise, if the Citizenship Amendment Bill actually creates a mechanism for non-Muslims excluded from the NRC to gain citizenship. Amit Shah, along with a number of top BJP leaders, have explicitly communicated that Hindus need not worry about the NRC.

The opposition to the bill is divided into three broad streams. Most parties are against the introduction of religious criteria for Indian citizenship, arguing that it would gravely damage one of India's foundational principles: secularism.

In the North East, additionally, the bill brings the fear of demographic change, with local politicians anticipating a large influx of people from Bangladesh. Also, purpose of helping Hindu migrants will not be served, because proving religious persecution would be very difficult. Additionally, how Hindu Bengalis left out of the Assam NRC can now be given relief by the present Amendment – a key BJP claim – given that both exercises contradict each other. Everyone applying for the NRC has claimed they were Indian citizens but the Amendment of Citizenship Act in 2019 requires one to explicitly claim that they crossed over from Bangladesh.

So the Citizenship Amendment Bill, which had been tabled in Parliament at the start of the year but withdrawn in the face of protests, should have been simpler and more inclusive to incorporate Muslims, when it was reintroduced in December 2019.

So, after its adoption, protests gathered steam first in the North East, where there are already 5 casualties, and then across India, including violent police action at universities in Delhi and Aligarh. Nationally and internationally, students took to the streets to express their disapproval of the brutality unleashed against their colleagues.

Revoking of article 370 and taking off the special status of Kashmir was a sudden move, while the amendment to Citizenship Act was a planned and expected move. But in the first case opposition was minimal within India while the latter has faced nationwide protests. The Kashmir changes happened very fast, few were able to mobilize and the government was able to set the narrative. Kashmir is a Muslim-majority region, and sits next to Pakistan and decades of active campaign to demean and dehumanize its people and dismiss their concerns as either being "Islamic" or "sponsored" by Pakistan could work. As a result, there was little support among the public – making it difficult for Opposition politicians to even appeal to humanity, pluralism and secularism.

In the North East, and also to some extent in neighboring West Bengal, politics do not quite run along religious lines, but rather along locals vs. outsiders. Hence the ruling party BJP tries to focus on elimination of "infiltrators" from the NRC and the Citizenship Act, with vague references to Bengali-speaking Muslims, whether or not they are actually immigrants from Bangladesh. The biggest blow came from media reports of the tragic death of individuals who were Hindus and did not qualify for the NRC and were in the detention center. Even though India simply does not take well to Muslim political assertion, some Muslim organizations were able to mobilize and take to the streets and they were joined by others. Government spending huge amount on the first detention center in Assam, equivalent of seven football grounds, also sent shockwaves in a democracy, used to chronic poverty and struggle of its people, but unused to such treatment of human beings. It is not just nativism and 'Muslim concern' now, it has become "People's concern". Local political alliances with BJP and falling apart.

On 19 December, 2019, Mamta Banerjee, the Chief Minister of West Bengal said, "If the BJP has guts, it will hold a UN monitored referendum on the Citizenship Amendment Bill." This was a bold and flippant statement, inviting external assistance for resolving an internal political issue. International negative consequences of the further implementation of NRC, followed by statelessness and detention of non-citizens cannot be foreseen now. To recall, India generates a big share of world migration and Indian diaspora will bear the impact of such policies.

There are several factors also to be borne in mind that run above party politics. First, India is home to the second largest Muslim population in the world and by 2050, it will be home to the largest Muslim population in the world. Second, India is one of the most diverse country in the world in terms of languages and cultures and ethnic groups living in it. Third, the syncretic nature of its culture has always welcomed all and it was the home for all persecuted. Humanism runs high in the ancient Indian tradition. Last but not the least, the Constitution of India offers the foundation for unity and the democratic framework, which has lasted uninterruptedly for the past several decades and will reach its 70th anniversary in 2020. These are sufficient grounds for any political party, no matter how powerful, not to harp on its narrow agenda and jeopardize the international reputation of the nation as a whole, as well as enlarge the role of documents than the dignity of the human being.

# High hopes and (dis)heartening outcomes

Who's to party in 2020 – the Euro-Atlantic community, Ukraine and Georgia, or Russia?

Mark Voyger, visiting scholar at the Penn Biden Center for Diplomacy and Global Engagement

The British capital London, NATO's first home after it was formed in 1949, served as the celebration venue marking seventy years of the strongest and most successful Alliance in history, along with the thirtieth anniversary of the fall of the Iron Curtain. The much-anticipated meeting of the North Atlantic Council that took place on 03-04 December 2019 served also as NATO's 70<sup>th</sup> "birthday party". Understandably, it was fraught with high hopes and great expectations, but it also charged with emotions, both positive and negative, while the outcomes it delivered left many wondering about whom the big winner of this event would be in the coming critical year 2020 and beyond. Quite as expected, it also did not go without the usual drama, caused (as it has become the

norm at such gatherings of trans-Atlantic leaders in recent years), by US President Donald Trump, whose overreaction to the comments made on his behalf by Justin Trudeau, the Canadian Prime Minister, proved that he is not as thickskinned as the targets of his incessant verbal attacks over the years. Trump left the meeting abruptly before it ended, apparently feeling deeply offended by Trudeau's joking remarks to a group of NATO leaders including French President Macron, as those moments were captured by an open microphone and also caught on camera, proving yet again, that anything a public person says in the age of digital media, by default gets shared with the world in an instant, regardless of the venue and that person's intent.



**Funhouse.** Trump left the meeting abruptly before it ended, apparently feeling deeply offended by Trudeau's joking

## MACRON'S "RÉVÉRENCE" TO PUTIN: OUT WITH DESCARTES, IN WITH RICHELIEU

Trump's absence from the final ceremony in London and his subsequent pugnacious media remarks regarding Trudeau, were hardly the lowest point of the celebration, however, for its overall mood had been marred before it even started by none other than President Macron, who publicly accused NATO of being "brain dead" barely a day before the event, and who also rejected the notion that Russia is the main threat to NATO, opting instead to direct his ire at Islamist terrorism. Such harsh and unjustifiable remarks would not have shocked NATO's allies and partners so much had they come from the current White House resident, and not from the "enfant prodige" of European politics who once, not so long ago, had raised high the beacon of hope that his Cartesian rationalism could serve as Europe's liberal response to the irrational, reactionary forces exemplified by Trump and the European far-right. Macron's statements were not inspired by Descartes' love of reason, however, but reeked of the raison d'état promulgated by Descartes' contemporary Cardinal Richelieu – a duplicitous foreign policy that seeks to elevate France to the center of European politics. by promoting its own particular interests at the expense of those of allies and partners alike, especially weaker and vulnerable distant ones, such as Ukraine and Georgia. The expectations that such policies will bring back the long-lost grandeur of France as Europe's foreign policy heavyweight to compensate for Macron's serious troubles at home, are short-sighted and egotistical, in the context of an alliance that depends vitally on the loyalty and dedication of its members, especially in these troubled times. Macron's naïve attempts to placate and appease Russia are ultimately doomed to fail, but they threaten to cause as much damage, if not more, that Trump's erratic behavior and pliability before Putin. Macron's words have already, undoubtedly, proven in the eyes of the Kremlin, that the cohesion of the North Atlantic Alliance, as its center of gravity, can be put to the test, given the de facto refusal of the US President to act as the primary leader of NATO (self-imposed due to his lack of will and bizarre affinities for Putin, and not caused by any actual lack of US capabilities); the fading away of Merkel's political energy as her mandate draws near its end; and Johnson's apparent inability to negotiate the unfathomable Brexit morass. These are exactly the signals that Putin's regime would likely interpret as a "greenlight" for expanding its aggressive policies against the already embattled Ukraine and its inexperienced new president; to continue probing NATO's resolve along the entire Eastern flank, while ultimately seeking to reconstitute its new Eurasian imperial project by pushing Ukraine away from the West and attempting to swallow Belarus as the next potential collateral damage of the new Cold War of the 2020s.

## STOLTENBERG VS. MACRON: "NATO IS NOT BRAINDEAD!"

This was the pan-European and global security context that NA-TO's leaders had to consider as they gathered in London last week determined to send out messages of the Alliance's cohesion, resolve and common purpose that would reassure its allies, convince its partners, such as Ukraine and Georgia to continue their long and arduous paths of reforms and integration, and deter threats emanating from state actors such as Russia, as well as non-state ones, such as trans-national terrorism.

In that regard, the opening statement of NATO's Secretary General Jens Stoltenberg, was significant in delineating NATO's priorities for the coming decade. The mentioning of terrorism in the beginning of the list of global threats, was no doubt NATO's collective curtsey to France with its perpetual primary focus on the Middle East, Africa and the Mediterranean. NATO's relationship with Russia came as number three in Stoltenberg's list, followed by a novel item - China, mentioned prominently as a security challenge in an official NATO communique for the first time in history. Together with arms control, those three items seemed to outweigh Russia in the Secretary General's statement, as it was not even directly referenced as a threat. Still, Stoltenberg was quick to emphasize that NATO's presence in, and commitment to the Baltic States and Poland is stronger than ever, as it has finally matched the plans (intent) with the combat-ready forces (capabilities) present on the ground there.

When confronted with a question on Macron's "braindead NATO" statements, Stoltenberg was quick to dismiss them by stating solemnly that "NATO is agile, NATO is active, NATO is adapting" to the challenges of the new era. He also correctly pointed out that there had been disagreements among the allies during previous historical periods, beginning with the Suez Crisis of 1956, when none other than the US put pressure on Britain and France to stop their military action against Nasser's Egypt, and into the 21st century with the Iraq War of 2003 and the rifts between the allies that it created or exposed. At the time, those

NATO'S PUBLICLY MANIFESTED INTERNAL DIFFERENCES AND SHEER LACK OF WILL AMONG SOME OF ITS TOP LEADERS, HAVE PUT IN QUESTION THE ALLIANCE'S RESOLVE, WHICH WAS NEVER THE CASE WHATEVER DIFFERENCES AND INTERNAL CLASHES MIGHT HAVE EXISTED DURING THE COLD WAR AND THE FIRST TWO POST-COMMUNISM DECADES

differences were the result of the opposing stances of the US, the UK. and the new NATO members in Eastern Europe ("New Europe" as they were dubbed by Donald Rumsfeld back then), and opponents of the war such as France, Turkey and others. The fact that at present the main detractors of NATO unity and their dissenting voices have remained largely the same (both France and Turkey), while the Eastern European NATO members feel directly threatened by a resurgent Russia for the first time in three decades after the collapse of the Soviet Union, comes to prove that the geographical location and historical experience of nations are the strongest invariable that shapes their policies within the Alliance. Neither France, nor Turkey felt directly threatened by the Iraqi regime in 2003, they apparently have found their modus vivendi with Putin's Russia nowadays, while terrorism (Islamist for France, Kurdish for Turkey) was high on their list then and now. On the opposite side of the equation, while the Eastern European member-states had rallied in support of the US-led invasion of Iraq to demonstrate their reliability as new NATO allies, now they are torn between their fear and mistrust of Putin's revanchist Russia, alarmed by the Kremlin's aggression against Ukraine, and forced to seek the benevolence and win the favor of an American President with unstable behavior and short attention span who clearly favors dictators such as Putin to democracies, albeit imperfect and corrupt, like Ukraine. Indeed, NATO has evolved since 2003, as it continues to adapt to the challenges of the day, and increase its capabilities designed to defer an ever more assertive Russia, but its publicly manifested internal differences and sheer lack of will among some of its top leaders, have put in question the Alliance's resolve, which was never the case whatever differences and internal clashes might have existed during the Cold War and the first two post-Communism decades.

The Secretary General, thus, was faced with the uneasy task to project an image of confidence amidst all those competing issues, which he managed by bringing up the new domains NATO is to operate within, such as space and cyber; the NATO adaptation measures for the Eastern flank, and its improved infrastructure and increased military spending. During his final press conference, he also announced that the Allies have reached an agreement on the NATO Readiness Initiative by committed 30 battalions, 30 air squadrons, and 30 combat ships, available to NATO within 30 days.

## THE ALLIES ALWAYS HAVE THE FINAL SAY

The increased defense spending was reflected strongly in the final declaration of the summit, in which the Allies solemnly stated that they are "determined to share the costs and responsibilities" of their indivisible security through their Defence Investment Pledge that calls for increasing their defense investment in line with the 2 percent (of their budget) and 20 percent (investing in new capabilities) guidelines, and contributing more forces to missions and operations. Given President's Trumps strong criticism of the past insufficient defense spending of NATO's European members, and the announced reduced US payments for NATO, the Allies were forced to demonstrate that this has not affected the capabilities of the organization by investing offsetting the US budget cuts through increased non-US spending and by announcing the investing of over 130 billion US dollars more for defense purposes. The Allies' statements that: "We are making good progress. We must and will do more" serve to remind everyone that substituting for the US in NATO's defense budget will be a long uneven process that will require the contributions of all members.

The Allies further reinforced their strong commitment to protecting their territory and their shared values, such as de-

SHOULD THE POLITICAL PRESSURE ON UKRAINE'S GOVERNMENT NOT DELIVER THE RESULTS DESIRED BY THE RUSSIAN LEADERSHIP, THE KREMLIN WOULD ULTIMATELY FEEL EMBOLDENED TO ESCALATE MILITARILY AND EVEN RESORT TO FURTHER TERRITORIAL EXPANSIONS AND OCCUPATION IN ORDER TO PUNISH UKRAINE AND FORCE ITS LEADERSHIP TO NEGOTIATE FROM THE POSITION OF WEAKNESS

mocracy, individual liberty, human rights, and the rule of law. At least on paper, they also reaffirmed the enduring transatlantic bond between Europe and North America, and their commitment to Article 5 of the Washington Treaty that stipulates that "an attack against one Ally shall be considered an attack against us all." Since, however, Article 5 is not triggered automatically, but requires reaching a consensus among the allies, they recognized that peculiarity of NATO's decision-making process in case of a military conflict, and tasked the Secretary General with developing a proposal on further strengthening NATO's political dimension including consultation among the allies. This comes in response to many years of criticism of the political decisionmaking process within NATO by a succession of SACEURs, beginning with General Phillip Breedlove in 2014, who correctly pointed out that should the North Atlantic Council prolong its deliberations in case of a Russian overt or hybrid attack against the Baltic States, for example, his task will turn from a defensive operation into a "liberation campaign". Apparently, the consensus within NATO that the whole political consultations process needs to be revamped and streamlined to provide the top military commanders with more flexibility, has reached a critical mass, and the Alliance has taken up this task seriously, in order to increase the speed of threat-recognition in case of hybrid attacks, as well as shorten the response time.

While the General Secretary's statements only spoke of "NATO's relations with Russia" as part of the officially adopted NATO policy of deterrence and dialogue with Russia whenever possible, the final communique of the Allies clearly ranked Russia and its aggressive actions as the number one threat to EuroAtlantic security currently; albeit not a persistent one, such as terrorism in all its forms and manifestations, or more elusive ones, such as irregular migration, cyber and hybrid threats. Still, it was critically important for NATO to speak decisively as the main champion and defender of the rules-based international order against threats coming from all strategic directions and emanating from all types of actors – state and non-state alike.

Another important aspect of the NATO-Russia relations in the diplomatic and military spheres is the risks that Russia's deployment of new intermediate-range missiles poses to Euro-Atlantic security. The Allies reiterated, as they always do, that NATO is a defensive Alliance and poses no threat to any country, but that at the same time they shall remained committed to a strong nuclear posture for NATO, combined with the preservation and strengthening of effective arms control, disarmament, and non-proliferation. They clearly stated that they are open not only for mere dialogue, but more importantly – to a constructive relationship with Russia, but conditioned it upon the changing of Russia's aggressive international behavior.

## NATO'S "OPEN DOOR POLICY" OR "WINDOW INTO **EURASIA" – ALTERNATIVE FUTURES FOR UKRAINE AND GEORGIA POST-2020**

Last, but not least — the Allies also stated their commitment to NATO's "Open Door" policy as one that strengthens the Alliance by bringing security to millions of Europeans. They mentioned North Macedonia specifically as NATO's newest Ally in the near future. This comes to demonstrate that domestic political cohesion when it comes to setting the priorities of NATO membership are of primary importance for countries that aspire to become part of the Alliances, such as Ukraine and Georgia. Their prominent absence from the final declaration speaks volumes about the changing attitudes within Europe regarding the enlargement process - it was only recently in September, that Secretary Stoltenberg stated his conviction that Georgia will become a member of the alliance one day. Of course, one should not read between the lines too much, as it is highly likely that both countries were not mentioned by name to reach a consensus with the anti-enlargement camp led by France. The US, on its turn, was quick to reaffirm its support for Ukraine, by stating its full support for the territorial integrity of the country, and announcing that it will increase its military aid. Thus, often the concrete actions of individual memberstates can, to a certain extent, offset temporary setbacks such as omitting names from important international declarations. Nonetheless, perceptions matter tremendously in international politics, as well as in the domestic one. If Russia interprets those details as a sign that NATO is divided on the membership of Ukraine and Georgia, especially in the context of the ongoing protests in both countries against any potential concessions during the current round of the Normandy talks; and against the pro-Kremlin course of Georgian's government; then it will, without a shadow of a doubt, seek to further drive a wedge between those nations and NATO; as well as between their people and their governments. Should the political pressure on Ukraine's government not deliver the results desired by the Russian leadership, the Kremlin would ultimately feel emboldened to escalate militarily and even resort to further territorial expansions and occupation in order to punish Ukraine and force its leadership to negotiate from the position of weakness. Any leader who is determined to play and win the hybrid chess game against Putin must first learn to navigate between the high and low tides of Euro-Atlantic integration, lest he is swept aside by the waves of popular discontent, or overwhelmed by the deadly tsunami of yet another aggression on the part of the Kremlin.

# Özgür Ünlühisarcikli:

"I think the US-Turkey relationships as we have known it is already dead"

Interviewed by Yuriy Lapayev



During the 3<sup>rd</sup> Lviv Security Forum *The Ukrainian Week* met with Özgür Ünlühisarcikli, the director of German Marshall Fund's office in Ankara to discuss the current state of relations between Turkey, USA, and Russia and perspectives of Ukraine-Turkey dialogue.

## What are the roots of the current declining in the relationship between the USA and Turkey?

— I believe there are three core problems in the US-Turkey relationship. The first problem is mutual suspicions. Basically, American policy-makers suspect, that Turkey at some point could flip to another side. The other side could be Russia, Iran or whatever, but away from West. The second suspicion, which is growing in Washington, is that the current administration in Turkey has implicit foreign policy agenda of Islamists, cooperating with radical Islamists in a way, that undermines the security interests of the US-allies in the Middle East. This is maybe a conspiracy theory or not, but for the people, who are believing in them perceptions replace reality. So when they are making their policies, these suspicions whether they are true or not, play

a role. When we come to Ankara, Turks in general, actually, not only the government, believe and fear that the US has a long-term plan to create a Kurdish state on Turkish borders, that would in time claim some territories from Turkey and destabilize the country. This belief is actually very widespread in Turkish society right now. And therefore US cooperation with certain Kurdish groups in the Middle East actually seen through this prism. The second important suspicion in Turkey is limited to President Erdogan and his political circle, which is that the US plan of removing President Erdogan from power. Some people think, that this is just talking points for President Erdogan, but I think he really believes in this. On one of the rallies, he said on the record exactly the following: "They came against us with Gezi protests, they failed. They came with corruption allegations and failed. They came against us with a coup attempt and failed. Now they are coming against us with the economic crisis, they will fail. In the future, they will come with other means and again they will fail." And the "they" in these sentences is always the United States.

Özgür Ünlühisarcikli. He has graduated from the Robert College (Istanbul), received his bachelor's degree in business administration from Marmara University and his master's degree from Koc University. Worked as a consultant at AB Consulting and Investment Services. Then continues as the director of the ARI Movement, a Turkish NGO promoting participatory democracy. Later Unlühisarcikli was the manager of the Resource Development Department of the Educational Volunteers Foundation of Turkey. Now Özgür Ünlühisarcikli is the director of GMF's office in Ankara.

The second core problem is the lack of a valid strategic framework of the relationship. Basically, the US-Turkey relations were set up in the middle of the Cold war and this was actually the response to the Soviet Union's claims for further control over the Turkish straits. And for this reason, Turkey reached out to NATO and was welcomed, became a NATO member. Turkey was also included in the Truman doctrine, became a US ally. So the relationship was based on that reality. On the other hand back to a strategic framework is about how the United States will protect Turkey and how Turkey would contribute to NATO's strategy for containing Soviet aggression. Turkey was basically the key country in the Alliance southern flank. So at that point, Turkey was a flank country. But now the Cold war is over, we have other challenges. Turkey is actually no longer a flank country if you think of the other theaters in the Middle East and North Africa. The current strategic framework explains very well how the United States would protect Turkey from major power such as Russia or how Turkey would contribute to European security, but it tells us nothing about how the US and Turkey will cooperate in the Middle East, which seems to be the main theatre right now. So we need a more updated strategic framework, for the cooperation between two countries.

The third problem is an ownership problem. In the good old days, the owners of this relationship were the American military and the Turkish military. Two things happened with the American military: after the 9/11 military gained the upper hand in the foreign policy formulation in the US. In the past, The White House, Department of State, the CIA, etc would play the major roles. But after this terrorist act, everything was securitized and there for the Pentagon, particularly if it contains the use of hard power. This was not necessarily bad for Turkey, because we have perfect relations with Pentagon at that time. But another thing had happened simultaneously, which is within the US military: the CENTCOM gets the upper hand against EUCOM. In the Cold war, the EUCOM was the core of the US military, they were the most active part of the Army in defending Europe against the Soviet Union. After the end of the Cold war, the EUCOM became less significant and due to never-ending wars in the Middle East, the CENTCOM become more important. With that Turkey starts experiencing problems, because while Turkey enjoyed excellent company with EUCOM, it did not have the same type of experience with the CENTCOM. That was because of Turkey's reluctance to join the Gulf war in 1991, and then Turkish rejection to open the country for American troops during the Iraq war in 2002. Officers of CENTCOM had not so good relations with Turkish colleagues, but same time have good cooperation with Kurdish groups, which Turkey sees as a challenge. So the Turkis

and American military actually give up their ownership of the relationship, as the result of this follow-up. But not only that, there were individuals in both armies, who would stand up for the relationship. But now the atmosphere in Ankara and in Washington is so toxic, that people are intimidated to defend the relationship any longer. This is the case in Ankara, but also in Washington. I don't keep silent that we need this relationship, but many people do. So that three core problems are generating all other problems, that we are facing, such as US cooperation with YPG, or Americans imprisoning in Turkey. These are not the causes of the problems, but the outcomes. I think the US-Turkey relationships as we have known it is already dead. If we value this relationship we need to build a new one.

## If we talk more about perspectives for defence cooperation what is the future for S-400 and F-35 programs?

 It's very gloomy. Turkey for a decade wants to buy Patriot, but the United States was unable to make this offer attractive to Ankara in terms of price, financing and technology transfer. After the decade of negotiations, Turkey at the end of the day decides to buy S-400 systems from Russia, which Turkish politicians thought was a better deal. The problem is that Turkey was in the F-35 program, so Turkey would not only procure more than 100 of this fifth-generation fighters but also Turkish companies would manufacture key components of these planes, make a lot of revenue as opposed to the money, that Turkey would be paying for acquiring F-35s and there will be a serious technology transfer. The F-35 is the most advanced network-based system that NATO will have. And so far as American policy-makers are concerned F-35s and S-400s should not come together. So Turkish ongoing procedure of acquiring and operationalizing the S-400 systems for Americans means that Turkey can not have the F-35 and cannot play a role in the manufacturing of these planes. I don't think that this would change unless Turkey gives up on S-400. The story doesn't end here. This purchase makes Turkey a possible subject of CATSAA sanctions. If they are imposed upon the country, this could concern the future of Turkish own defence sector and of course, there would be implications not only for Turkish F-35 program (which is already over, I think) but also for updating of its existing F-16 fleet or other important systems that require American components. Either this could be included to CATSAA sanctions, or because of the US Congress could decide to create additional hindrances for Turkey.

## Are there concerns that the US could move its nuclear arsenal from Turkey?

- It is very interesting, because President Trump by mentioning it, actually, has acknowledged that the United States store gravity nuclear bombs in Turkey, which officially was not acknowledged earlier. But it can lead to that situation when the US will remove everything from Turkey.

## There are other symbolical steps, such as recognition of the Armenian genocide. What could be the impact of that?

 I think that decision was wrong for three reasons. First of all, this is the legislation of history. There is already a dominant version of history, which is that the Ottoman Empire committed genocide against Armenians. But that doesn't mean that there are no other versions of history. Legislation of history by US Congress tells us, that there is only one vision. I don't think that the Parliaments are the right place to make decisions on what history was. Second, that legislation was clearly based on political development, which is

totally irrelevant to what happened in Anatolia in the First World War. If I was an Armenian lobbyist, I would be actually against it, because they had been struggling almost a century to make the US Congress acknowledged that there was a genocide, but now the US Congress could use that as an argument in nonrelated political development, what undermines the credibility of the claims. Third, it is a short-term reaction to short-term development with long-term implications for US-Turkey relationships. When the relationships can be actually fixed, in the near future, but gestures like this could create permanent rapture and also destroy whatever support the US enjoys in Turkish society.

## Coming to another close neighbor. Why nowadays we witness some cozy relations between Erdogan and Putin? What are the reasons for that?

— There are a couple of ways to explain that. Countries, when they are facing a threat, they have two options. They either bandwagon with the source of the threat, meaning that they try to appease the source of threat. Or they balance against the threat with other countries. The answer is either Turkey is perceiving the threat from Russia and then Turkey doesn't have a chance to balance against Russia and therefor bandwagoning with Russia. Or Turkey is actually perceiving the threat from the USA and trying to balance together with Russia. If Turkey was perceiving a threat from Russia, it could easily balance against Moscow with the US and NATO, this is what we are doing for decades. Turkey had balanced the Soviet Union when it was much stronger than Russia is today. That is why the bandwagoning is not very usual. So the second version seems more likely. But then we need to ask who in Turkey perceives the threat from Russia and here we should make analysis at the state level and at the individual level. On a state level, I don't think that Turkey perceives a threat from the United States. Otherwise, the Turkish policy-makers wouldn't be so keen on buying F-35 and wouldn't be so reluctant as oppose to President Erdogan for buying S-400. The purchasing of the Russian system is the decision of the Turkish president and the government, but not the military. So at the state level, I don't see the Turkish government fears the US. But at the individual level of analysis, we see President Erdogan and circles around him fear that the US has a plan to remove him from power. So it is he who balancing against the USA with Russia. There is a very important angle here: if there would be a political change in Turkey, the Turkey-Russia relationship will collapse. Because it is Erdogan relations with Russia. But if President of the Russian Federation will be replaced, President Erdogan will continue his relations with whoever comes next. What should the USA do in this situation — to alleviate President Erdogan's fears, and do whatever it is in their capacity to prove that the US has no intention to play any role in the Turkish domestic political future.

## What to do with further militarization of the Black Sea?

— Russia is decided to militarize this region, so it is Moscow, who should agree to demilitarize it. And the only way that Russia could be persuaded is to make the militarization too costly. It is already very expensive and the Russian economy is not doing great. It could appear as a military giant but economically is rather a dwarf, facing the whole transatlantic community. But how Russia can still afford all these costs? Because it is benefiting from the growth of its military power, Black Sea Fleet in particular. Russia pursues two goals with this militarization — first, do dominate countries in the Black Sea region and to make sure that they

can not integrate into Euroatlantic structures and second, to project power to Eastern Mediterranian and beyond. The response to the Russian strategy should be not to allow Russia to dictate the future of the countries in this region. Which would be to continue the integration of these countries to the Euroatlantic sphere, whatever Russia does. And actually, because Russia is doing what it does. And then second — to make it more expensive for Kremlin. We are not doing well on either front, so basically we slowed down the integration of Black Sea countries to NATO, precisely because of the Russian strategy, what is a mistake. Because we are not united in the transatlantic community, we cannot respond to the Russian strategy in the Eastern Mediterranian. Look at what Turkey and the Americans are doing in Syria. Russia is playing there for dividing two NATO allies very successfully. And in the Mediterranian NATO and the United States need to cooperate with Turkey in order to contain Russian expansion there. But there is draft legislation in the US to contain Turkey in Eastern Mediterranian. How do they expect to cooperate with Ankara after that? We need to unite better, but we are not there.

THERE IS A VERY IMPORTANT ANGLE HERE: IF THERE WOULD BE A POLITICAL CHANGE IN TURKEY, THE TURKEY-RUSSIA RELATIONSHIP WILL COLLAPSE. BECAUSE IT IS ERDOGAN RELATIONS WITH RUSSIA. BUT IF PRESIDENT OF THE RUSSIAN FEDERATION WILL BE REPLACED, PRESIDENT ERDOGAN WILL CONTINUE HIS RELATIONS WITH WHOEVER COMES NEXT

## What is the current Turkish position on Crimea?

— Despite the close relations between Erdogan and Putin, the Turkish policy toward Crimea and Ukraine is crystal clear, has not changed and will not change. First of all the Turkish Black Sea policy is based on the independence, sovereignty and territorial integrity of newly independent states in the area. This is why when there was a separatist's movement in Georgia with groups, who feel the closeness to Turkey because of the religion, Ankara actually stood with Georgia for the territorial integrity and actively helped Tbilisi. This Turkish attitude has not changed. Turkey strongly rejects the illegal annexation of the Crimea. We are also concerned about the human rights of Crimean Tatars. And that remains the priority.

## But same time just recently we have witnessed an official meeting of President Erdogan with some members of the Russian Parliament, including illegally elected Natalia Poklonska.

 That is maybe a contradiction, but it doesn't change Turkish policy. Because changing of policy would be contrary to Turkish interests. Before 2008 Turkey enjoys two buffer states between our country and Russia, I mean Ukraine and Georgia. After the Georgian war and annexation of Crimea, Russia is much closer. Russian S-400 systems, which probably could be soon replaced with more advanced and long-ranged S-500, if located in Tartus, Crimea, and Yerevan, can cover up to 90% of Turkish airspace. That makes Turkey uneasy. Also after the annexation of Crimea Russia try to replace Turkey as a dominant power in the Black Sea, this is not good for Ankara either. And the last thing - Turkey gives lots of importance to non-changing of the national borders through war because Turkey is concerned about protecting its own borders. Turkey for its own interests will always be against changing borders by military means.

# Drive, not drag

What kind of military-industrial complex could become the driver of economic and technological growth in Ukraine

**Oleksandr Kramar** 

The history of technological progress and economic development, especially under capitalism, is tightly intertwined with war and the manufacture of weapons and materiel. Defense procurements and supplies for armies generate financial resources for start-up capital to set up production facilities that then serve as locomotives driving economic growth. The technology developed in the military-industrial complex is often then applied to civilian production and services.

This was especially true through the 19th and 20th centuries, when great powers concentrated and channeled serious funding to rearm their armies and build the necessary infrastructure. Military industrial needs drove the rapid development of metallurgy and chemical industries, later the nuclear industry – all the most progressive segments of the economy at the time. Defense priorities also sped up the development of railways, telegraph and telephone communications, aviation, space technology, satellites, and the internet. Progress in medical technology was no exception, as it, too, was needed to save the lives of soldiers.

From this perspective, being forced to fight Russia's aggression militarily has been both a challenge and a great opportunity. The country's military-industrial complex (MIC) has been growing dynamically and could become a major driver of economic

growth, especially the high-tech segment.

Of course, Ukraine's potential is very different from Russia's. Russia's army is at least four times larger than Ukraine's, and its GDP is almost 10 times higher. But if Ukraine succeeds in deterring Russia's assault long-term, the country could gain an advantage in both arming itself and in establishing a far stronger and more advanced economy on a per capita basis.

To do this, Ukraine can and must use the opportunities offered by the temporary cover offered by the West. But it's just as important to recognize that, unlike the threat from Russia, this support is not permanent. A strong army and defense industry, with a greater role and higher share in Ukraine's economy compared to Russia, are the only long-term factors that can ensure the country secure and successful growth.

## FROM DERELICT TO DRIVING

All this requires a critical examination of the military-industrial complex Ukraine has today. In its current state, it is just remnants of what it was in soviet times. In fact, it was far bigger even

in the early 1990s, comprising as it did of 700 associations and R&D centers employing over 1.5 million. This is more than what all of Ukraine's processing industry employs today.

Yet, the soviet system Ukraine inherited depended on cooperation with the military-industrial complexes of other soviet republics, especially Russia, between 40% and 95% depending on the type of weapon. With rare exceptions, Ukraine designed and produced parts and components for the armaments and materiel that were then assembled in Russia. And so, individual components produced at Ukrainian enterprises were designed and produced in cooperation with Russian R&D companies. Over 70% of all suppliers of components for Ukraine's military-industrial complex were in Russia. This led to a deep crisis in the 1990s, when output and employment crashed – a trend lasted until the last few years.

For many years, this dying industry was seen in Ukraine as a cash cow because of the capacities inherited from soviet times. All that interested those involved was to make money on exporting arms, servicing equipment sold abroad earlier, and embezzling inventory. Their strategy was primarily focused on finding the best ways to monetize existing facilities with a minimum of investment and taking advantage of domestic defense contracts instead.

After almost three decades of independent development, Ukraine remains a far bigger exporter of arms than Turkey, Sweden or Canada, according to SIPRI. Among arms-trading countries with a smaller population, Ukraine is second only to Israel and the Netherlands. In terms of GDP share of defense exports,



Ukraine is far ahead many market leaders, including the US, France, the UK, German, and Italy.

The origin of Ukraine's military-industrial complex is also its generational curse: while one of the biggest arms exporters in the world, Ukraine has not managed to build proper, balanced supply for its own armed forces, as most of the armaments it needs were never manufactured domestically: fighter jets, air defense systems, attack helicopters, and so on. As Ukraine mostly ended up with aircraft maintenance enterprises — Antonov produces military transport and civilian aircraft — all the plants making bombers and fighters remained in Russia.

Russia's aggression has changed attitudes towards public funding of the defense procurements in Ukraine, which got were worth only about \$100 million in 2013, before the war. In recent years, it has gone up tenfold to least US \$1bn. Still, the priorities of this substantially higher budget are hard to understand, both in terms of improving Ukraine's defense capacity, and in terms of expanding its military-industrial complex. Right now, the main role is being played by lobbyists for various types of weapons, who aren't necessarily looking at the real needs of the Army, or contributing to the high-tech aspect of production or to overall economic development.

According to somewhat outdated financial reports on the website of UkrOboronProm, the state umbrella monopolist for various clusters in the defense industry, aircraft and shipbuilding companies get the lion's share of defense contracts. By contrast, clusters that manufacture high-precision weapons and ammunition, radars and radio systems, and missile defense systems have the lowest production. This demonstrates the strange structure of Ukraine's military-industrial complex, reflecting available capacity rather than the priority of upgrading equipment for different divisions of the military. This is hardly surprising, since Ukraine has failed to establish new production facilities or modernize existing ones for three decades now.

## **NEW OPPORTUNITIES ON THE HORIZON**

What this means is that Ukraine needs to effectively establish its military-industrial complex as a potential economic and technological driver from scratch. Using available talent and some of the most viable bits of what's left of its soviet defense inheritance, Ukraine needs to rebuild the sector based on the needs of its

Army and potential demand for certain weapons on the global market. What it should not do is simply adjust to the available assets, but rather only use those assets that fit into the architecture of a fundamentally new defense industry and prove their worth in contemporary conditions.

Most importantly, the new MIC cannot not develop if it depends on extensive use of available but very outdated technologies. It needs to focus on innovation, and that means building new companies and new production lines. This path is not as difficult as it might seem, as the existing capital assets are extremely worn out and have long needed replacement in any case. From a business standpoint, it is far easier to invest in new equipment for basically new production.

Still, Ukraine should also immediately focus on setting up full-cycle production clusters to manufacture finished products from scratch or based on viable existing facilities. This means rethinking the country's approach to the defense industry and rejecting soviet-style methods of pricing arms or restricting trade in them. In addition, Ukraine needs ease access to credit for producers, offer tax incentives for reinvesting in development, and encourage experiments with new designs. For now, conventional investment in new R&D is low in Ukraine – industry experts say that over 90% of developments are currently driven by exports.

The reason why Ukraine's defense industry is so dependent on exports is because it is so small. According to SIPRI, UkrOboronProm was 71<sup>st</sup> in the list of top 100 sellers of arms in 2018, behind more than a dozen specialized companies in key armsmaking and exporting countries. UkrOboronProm's 2018 global sales were just US \$1.3bn out of a worldwide total of US \$420bn, while UK companies sold US \$35.1bn in arms and Russian companies exported US \$36.2bn.

Ukraine also has an extremely small domestic market, as the government is the main domestic buyer for absolutely all the major domestic manufacturers and exporters of arms, and, therefore, the driver of the defense industry. According to SIPRI, the seven top countries spent between US \$50bn and US \$650bn on defense in 2018. These countries generated the lion's share of global demand for arms but their own manufacturers, with the exception of Saudi Arabia and India, met this demand.

By comparison, Ukraine's defense spending in the recent years has remained in the US \$3.5-0.5bn range, with less than US \$1bn going to weapons. This figure could – and should – be far higher. As it is, however, Ukraine, like most other components of the once-integrated soviet complex, finds itself in a situation where its domestic market remains secondary for manufacturers, while their primary turnover and profits come from foreign governments. Given the way competition works on the global arms market, this seriously stifles the prospect of growth for Ukraine's military-industrial complex.

According to Ukrainian law, at least 0.5% of GDP is supposed to be allocated to the development of the defense industry. In the past, it received a slightly higher share of official GDP, but much of the country's economy is still grey to this day. By contrast, Rus-

sia has been spending 1.5-1.8% of GDP on public defense contracts in recent years, with at least 60-65% of that money going to serial procurement of modern weapons and equipment, not repairs or upgrades, as in Ukraine. Ukraine needs to raise the spending norm for the production and procurement of new weapons to at least 3% of GDP for as long as it takes to seriously upgrade the armed forces, or until it can successfully move towards the same goal with a smaller share of a bigger GDP.

Ukraine could look to Turkey as a model for how to develop the defense industry. Ankara was importing most of the weapons it needed in the late 1990s and early 2000s and had virtually no defense industry of its own. The Turkish government was spending several billion dollars every year to buy weapons and began to encourage Turkish companies to set up joint production with foreign partners rather than to simply buy finished products from them. By 2018, over two thirds of defense procurements from Turkish companies were on the domestic market, instead of imports covering the lion's share of the Turkish army's needs in the early 2000s. Turkey invested nearly US \$40bn in the development of its military-industrial complex. This resulted in a strong defense manufacturing sector that produces a very diverse range of products to meet the needs of the Turkish Army - from armored equipment to fighter jets, vessels of different classes, and radiolocation equipment.

At the same time, Ukraine's military-industrial complex cannot rely on public spending alone. Unlike Russia, Ukraine gets far less income from the exploitation of its natural resources, so it will not be able to establish a defense industry to ensure its capacity to resist Russia's expansion only through taxes generated from other sectors of the economy. Ukraine's only chance for a strong military-industrial complex is alternative sources: more exports and tighter synergy with the rest of the economy. The right kind of synergy will turn the funding of the defense industry into a self-sustaining system where government spending on defense contracts drives the development of the industry and stimulates economic growth and exports. Economic development will, in turn, generate higher revenues to the treasury.

This is also why Ukraine needs to be very cautious about cooperating with foreign partners. On one hand, the country needs new technologies and equipment. On the other, it cannot grow its new industry based on an import-dependent model, where components purchased abroad form half or more of the production cost of the finished product. An even more dangerous strategy would be to allow others to buy up Ukraine's most attractive assets from the old MIC in order to eliminate competitors or gain control over Ukrainian technologies in exchange for supporting the nominal survival of companies currently operating in Ukraine.

Ukraine must maintain control over the companies it has and involve specialized transnational companies in setting up new manufacturers, while leaving a controlling stake in Ukrainian hands. Regulations setting the minimum criteria for localizing component production can ensure the development of ancillary industries. This will stimulate, in turn, the development of new, more advanced facilities and production lines in the domestic steel and chemical industries, boost contracts in IT and R&D, and foster the emergence of many innovative sectors in the economy.

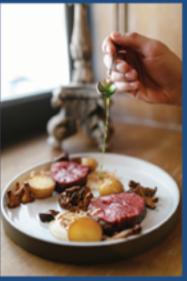
Unless it sets and reaches these goals, Ukraine cannot expect to boost its military capacity or turn its defense industry into a high-tech locomotive driving the domestic economy. Nor can it hope to maintain the current capacity in the sector. Existing facilities and equipment will continue to decline as a result of limited financial resources and shrinking export contracts.  $\blacksquare$ 



Turkish experience. A role model is the development of the defense industry in our immediate neighbor







# A unique restaurant in a house with a 200-year history



## Brake time?

The new administration failed, after all, to make good on a single serious reform. The seemingly minor postponement could suggest a systemic crisis of decision-making

**Andriy Holub** 

What happened on September 12, 2019? Few will recall the news of that day, even though nearly all the domestic press reported it. That Thursday was the day the "turbo gear" the new government's engine was charging along in officially broke. The unwavering submission of the Rada's monolithic majority to the president and Government had lasted all of 10 days. Since that day, the new administration has found it increasingly difficult to get the policies it wanted passed.

The first historic rejection was Bill #1075 "On the succession of Ukraine," which proposed abolishing soviet regulations that were still valid in Ukraine, such as the Housing and Labor Codes. When the VR display tally showed 214 votes instead of the minimum of 226 needed, it laid bare a conflict that runs deeper than merely the political interests of different groups. It now looked like the style of work of the new team was bound to fail to produce results, because it wasn't so much whether the propositions being rafted in government offices were good or bad, but that the team simply did not know how to get the desired results.

Two days earlier, the VR Committee for Legal Policy had discussed Bill #1075. MPs from different factions and newly-appointed Justice Minister Denys Maliuska joined the debate, sitting down next to MP Roksolana Pidlasa (SN), the co-author of the bill. Both Maliuska and Pidlasa belong to the *Sluha Narodu* cohort whom supporters tend to refer to as "young technocrats," pointing to their bent towards practical work rather than demagoguery. Before joining the Government, Maliuska worked at BRDO, an NGO that drafted bills for the Economy Ministry in the Groisman Cabinet and has provided much of the human resource foundation for the current one. Pidlasa also comes from the NGO community and was the spokesperson for the previous Economy Ministry.

Across the table from them sat the committee's first deputy chair, Vasyl Nimchenko, a familiar old face in politics at 69. Now in the newly-minted Opposition Platform—Za Zhytttia faction and a one-time justice on both the Supreme and Constitutional Court benches, Nimchenko took the floor and began to speak at



Time to account for themselves. When he delegated tasks in early fall, President Zelenskiy publicly appointed officials responsible for implementation, with Speaker Dmytro Razumkov among the first

length about how damaging the bill under consideration would be. Shortly, he launched into reminiscing about 1991 and the circumstances under which the laws of the Soviet Union and newly-independent Ukraine were harmonized. Maliuska and Pidlasa turned away, barely suppressing laughter and looking almost smugly confident in their rightness. They seemed to consider their presence at the meeting a necessary formality rather than a means of attracting supporters. After all, they had a majority of nearly 250 MPs behind them. Two days later, this monolith failed spectacularly to pass the young reformers' bill.

Over the course of the fall, this inability to negotiate and make deals, to persuade the public or their opponents – skills that are, after all, the essence of politics, yet are treated by many of the SN MPs as a kind of perverse virtue – was to trip them up several more times. The last such episode was in the runup to the Christmas holidays, when, once again, just 213 MPs supported a bill to legalize the gambling industry. While highly unpopular, this initiative was one of Zelenskiy's key promises and one of only a few that even made it into his official platform during his election campaign. After failing to pass the law to regulate gambling, all the Government did was use the police to shut down gambling and slot machine casinos. Ukraine has lived through such attempts before and the gambling business has always bounced back in fighting form.

The land market was another tale of an important reform that failed to pass. The Rada has already voted first reading of the bill and plans were to pass it in second reading during the same plenary week that the gambling bill flopped. This time political games at an all-night marathon of the VR agriculture committee and a clash between protesters and police in front of the Rada on December 17 got in the way. The problem is not just that the bill has been rescheduled to the new year. Since plans were to launch the market in the second half of 2020, this delay, in and of itself, might not have been significant – if not for the signal the party in power was sending to opponents of political reforms: that melees in the legislature and murky clashes outside it are an effective way to block progress. Sluha Narodu can now look forward to demonstrations against privatization, legalizing gambling, and anything that's more "radical" than UAH 100 rise in pensions. And all those parties and politicians that claim to "speak for ordinary Ukrainians" will be happy to put in the time and effort necessary.

Nor is the neverending tale of the Financial Investigation Bureau (FIB) resolved yet. The Poroshenko administration spent years promising to launch it. Apparently, Zelenskiy and his team have now taken up the baton, delaying the launch of the new institution and seriously curbing the appetite of the SBU, the Security Bureau led by Ivan Bakanov, Zelenskiy's friend, in investigating white-collar crime. So far, the FIB bill has only passed the first reading, with debates over the quality of its content ongoing.

Another series of reforms has failed as well, having been passed by MP but not launched. The four big ones are judiciary reform, restaffing the State Investigation Bureau (SIB), election reform, and the regulation of amber mining.

The Rada formally completed the reform of the highly lucrative and largely illegal and destructive business of amber mining in late 2019 when it finally passed the bill in full on December 19. However, the bill had not been signed into law by the president or published in the official bulletin by December 24. The same happened with the Election Code, although in this case the delay can be seen as positive in terms of the work of the new Rada: the authors took into account the opinions of different political parties and NGOs when preparing the final draft. As a result, the bill was passed with 330 votes and generally positive feedback from professional organizations. It's not perfect as it introduces the much-vaunted open lists only partly.

A delay of five days in signing bills does not seem extraordinary, although no reasonable explanation was provided in some cases. A key reason for one of them was the need to dismiss SIB Director Roman Truba who had featured in a number of scandals. Although the bill was finally signed on December 24, Truba remained in his position until December 27. Meanwhile, the investigation of the Maidan killings in 2014 remains under threat. The Rada passed a bill that allows the current investigators to move to the SIB and continue their work, bypassing the normally mandatory competition procedure. For now, however, all the investigations are still blocked and the investigators could still be dismissed from the Prosecutor General's Office before the law comes into effect. If that happens, the rules provided by the law will be useless.

Judiciary reform, the first major change of the Zelenskiy presidency, has not delivered results yet in either of its two major innovations: the reduction of the number of Supreme Court judges from 200 to 100 and the reorganization of the High Qualification Commission of Judges, a key component in the judiciary system. The former is impossible without the latter, and competition for seats in the High Qualification Commission of Judges is at risk dragging on indefinitely because the procedure is still unclear.

THE NEW ADMINISTRATION ENDED 2019 WITH SOME TOKEN VICTORIES,
SUCH AS THE MUCH-HYPED MEETING OF THE NORMANDY
FOUR AND THE REMOVAL OF IMMUNITY FOR MPS AND THE PRESIDENT.

BUT THE JURY IS STILL OUT ON THEIR ACTUAL SUBSTANCE

Then there are the reforms that are supposed to take place "ASAP." This particular phrase and its various synonyms are also typical of the new administration. It would take most of a page to list the times when the new government has used it, both before and since the two elections. Still, some of these lucky ASAP reforms are worth mentioning. First, there's the widely advertised approach of relying on "people power" and referenda – got which the president has still not come up with a definite concept. In March, his team promised to present the necessary bills "as soon as possible" for consideration. In October, Speaker Dmytro Razumkov redefined "as soon as possible" to "before New Year's," but in December the team admitted that it would not complete a draft of the bill in 2019.

ASAP is also the timeframe given to the bills needed to finalize decentralization. In late December, the government proposed amendments to the Constitution in this regard, but without related laws being passed, the implementation procedure remains in limbo. In short, another reform that might not be finished.

Economy Minister Tymofiy Mylovanov uses similar rhetoric when talking about the new draft Labor Code. "The new labor bill is still in process," he said on December 23. "It will be published on the Ministry's website in the next few days." Back in September, the promise was that it would be put up for a vote by January 1, 2020 – by Justice Minister Maliuska during the committee discussion of ill-fated Bill #1075.

The new administration ended 2019 with some token victories, such as the much-hyped meeting of the Normandy Four and the removal of immunity for MPs and the president. But the jury is still out on their actual substance. For now, these have allowed Zelenskiy and his party to hang on to a high level of trust. But the effect of symbolic solutions fades quickly. Soon enough, it could turn out to that Ukraine's new political team has little more to offer than promises to do things "ASAP."

# The age of marauders

The economic crisis in occupied Donbas is getting worse. Marauding seems to be the rule of the day

**Denys Kazanskiy** 

Even as ORDiLO's further fate is being discussed in Paris and Minsk, the economic situation in the occupied territories is inexorably growing worse. According to those living in the two unrecognized "republics," slippage has been turning into a dive. Where in 2015-2016, there was even a slight improvement in the economic situation, in 2017, it entered a steep decline that has only grown worse since the coming to power of Denys Pushylin, heading one-time members of the MMM group.

Not that there's anything sensational in this. Ukrainian politicians, analysts and journalists have been warning

about this for quite some time. An economy that is almost entirely in the shadows is simply not viable. Industry cannot operate properly on a territory whose legal status is uncertain, which has made economic collapse completely inevitable. Aid from Russia has not been coming in the volumes expected, and mostly amounts to handouts, like the "humanitarian" convoys or new ambulances. These are all just temporary salves, are unpredictable, and can ease people's lives only in very limited aspects. It's clearly not capable of resuscitating ORDiLO's economy. Against a background of widespread unemployment and growing



Deep depression. The economy is declining in ORDiLO close to levels that make it impossible to imagine any kind of industrial revival

At the end of 2019, the coal industry was clearly in a major crisis, not just for internal reasons but also driven by outside factors: coal prices have collapsed, Europe is moving away from this kind of fuel altogether, and producers can't sell their commodity. Even Russian mining companies are having problems. Mines are closing down in the Kuzbas where it's far easier to extract coal — and much cheaper — than in the Donbas. ORDiLO with its unofficial extraction was the first to be hit by the crisis.

The first sign was when miners found their wages held up in the fall. A slew of mines were put on idle and drained, while the workers were all went on unpaid leave. The situation has grown so much worse that women in ORDiLO have begun organizing and setting up Miners' Wives Committees to fight for their breadwinners. This is not a new situation. In the 1990s, when Donbas miners were afraid to strike and demand back wages, their wives also organized and demanded the money from management. This phenomenon was even crudely called "pussy riots." By 2000, it seemed like such rebellions had disappeared into the annals of history, but nearly 20 years on, they're back again.

At the end of November, the miners' wives sent a letter to Russian President Vladimir Putin asking him to intervene in the situation and help resolve the issue of back wages. Significantly, they knew exactly who to turn to and clearly don't take the Russian mantra "we aren't there" seriously at all. Fairy tales about "independent republics" can be recited all day long — just not to the people who actually live there.

In the letter, the women blamed Serhiy Kurchenko, boss of Vneshtorgservis and the Yanukovych clan's bagman, for their troubles and the company for the growing debt: "All of DNR's coal and other wealth is being shipped out by marauders like ZAO Vneshtorgservis. In response to our demand to clear up wage arrears of several months, representatives of the marauders' interests from Vneshtorgservis — top gun Pushylin, coal "minister" Dubovskiy and other officials — keep telling our men fairy tales about the difficulties of the state of war, while themselves growing fatter and richer with every passing day."

Earlier, the women had published an appeal to Pushylin in the social nets, as well as Dubovskiy, but got no answer. Nor did Putin respond. The letter was sent to the official Kremlin address in the network and registered. Needless to say, the back wages remain unpaid.

The fact that Kurchenko's Vneshtorgservis pays nothing for its coal and is driving all the active companies in ORDiLO into bankruptcy has been reported for some time. But it's not clear what can be done, under the circumstances. Obviously, the decline in coal and metal prices has ultimately made VTS unprofitable. The only option Kurchenko and his handlers have is to simply ignore bills for the raw materials and stop paying wages.

In November, RBK, a Russian source, reported that Kurchenko's company had been given a two-year grace period to pay its debt to other companies and the LNR/DNR mines — moreover, no interest would be payable on these debts. In short, Kurchenko was given carte blanche to rob the territory of the Donbas under Russia's control. How long this kind of economic free-for-all can last is hard to say, but the situation is very serious.

The impression is that the Russians are simply trying to squeeze every last bit out of ORDiLO. VTS's debt with the mines, according to the RBK site, is nearly RUB 8 billion or over UAH 3bn, of which more than RUB 5bn is owed to the

Komsomolets Donbasa mine alone. More than RUB 700mn is owed to MakiyivVuhillia, RUB 500mn to Torezantratsyt, and RUB 300mn to Zasiadka. Altogether, Kurchenko's company now owes nearly RUB 25bn, more than UAH 9.5bn to 'republican' budgets and "state" companies. In addition to the coal industry, VTS owes for electricity, rail transport, raw material supplies, and services.

The economic troubles facing the occupied territories are not so much a result of their uncertain legal status but the result of deliberate harm being caused by the Russian side. Instead of the assistance to their "fraternal people" that fans of Russia in Donetsk and Luhansk had placed so much hope in, the local population has been kicked in the back. Taking advantage of the situation in the region, the Russians began to openly rob the counties that had been "liberated from the fascists," putting down any dissatisfaction and declaring everyone who objected in the least fashion a supporter of the *banderites*, meaning Ukrainian nationalists.

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What's more, it's not just the coal industry that's in trouble. All industrial production is in collapse. The militants weren't even able to relaunch the Stirol chemical plant in Horlivka, whose workers are sitting at home without money and writing letters to Pushylin. The "deputy DNR head of government" Vladimir Pashkov had only this to say in response: "Financing for DP Stirol has been suspended for now. Our ministry of industry and trade and Stirol management are working on ways to resolve the issue of wage arrears." Given that this issue has been "worked on" since 2014, it's pretty clear that no positive changes should be expected.

The Donetsk High Voltage Tower Plant (DZVO) has also gone out of business, having tossed its employees out on the street just before New Year's. The decree to shut it down noted that this was done in response to "lower output levels and the termination of commercial operations." In reality, most businesses in ORDiLO have long ago terminated their commercial activities, and the prospects for a recovery are so far not to be seen.

Given all these circumstances, it's no surprise that Russia is now trying to push negotiations over occupied Donbas. It looks like Moscow decided to completely strip ORDiLO and then quickly press Volodymyr Zelenskiy to talks in the Normandy format and merge this troubled, ruined territory with the rest of Ukraine on its terms. However, the last meeting showed that the new president was in no hurry to go for Russia's terms. Zelenskiy was unyielding and this understandably left Moscow just a touch frustrated. With the enormous economic problems facing ORDiLO, time is on Ukraine's side right now. It will only get harder and harder for the nominal leaders of the militants to explain to locals why their standard of living keeps getting worse. Sooner or later, the territories will go into complete collapse whose consequences Russia will have to clean up if it doesn't offload occupied Donbas fairly soon.

# Imitating deoccupation

The Zelenskiy team is slowly adapting to the frozen conflict in occupied Donbas

**Maksym Vikhrov** 

Despite the hoopla, Volodymyr Zelenskiy returned with pretty much empty hands from his first Normandy format talks. The agreement to continue the exchange of prisoners and withdrawal of troops was more of a participation award, as these processes were already going on. In fact, President Zelenskiy has failed to achieve the serious progress in the Donbas promised during his election campaign. It looks like the President has learned first-hand that "sitting down and meeting somewhere in the middle" with Moscow will not work, so the current law on the special status for ORDiLO, the occupied regions of Donetsk and Luhansk Oblasts, was extended for another year.

Sluha Narodu, his party, pledges a new bill to replace it this coming spring, but how close it will get to actual implementation in the Donbas is unclear. Regardless of what laws are passed in Kyiv, everything will depend on whether Moscow complies with its supposed commitments under the Minsk Agreements, as Russia has made it clear that it is willing and ready to do everything to drag out the peace process while testing the political resilience of Ukraine's new leadership.

ZELENSKIY HAS QUITE A BIT OF ROOM TO MANEUVER ON THE DONBAS. WHAT'S NOT CLEAR IS HOW THIS WILL AFFECT THE GOVERNMENT'S POPULARITY. THE TARGET GROUP FOR THESE POTENTIAL INNOVATIONS HAS LITTLE ELECTORAL WEIGHT, AND ORDILO RESIDENTS DON'T VOTE IN UKRAINIAN ELECTIONS AT ALL

Given the reality on the ground, freezing the conflict in the Donbas is not the worst case outcome for Ukraine. Unfortunately, this is not the most convenient option for Zelenskiy's team, as it fails to fulfill his election promises and voter expectations. Now, that the myth of 73% support for Zelenskiy is fading, it's time to think about ratings. According to the Kyiv International Institute of Sociology, support for the president's efforts shrank from 64% to 54% between October and November 2019, the Government's popularity dove from 51% to 37%, and the Verkhovna Rada similarly went from 53% to 36%. Today, 51% of Ukrainians believe that their government is not working effectively on the Donbas question. Until the Normandy talks bring serious progress, the government will desperately need any small success stories in the occupied territories that it might present to increasingly irritated voters.

Reconciliation with the residents of the occupied territories was a key plank in the Ze-team's platform. As candidate, Zelenskiy talked about launching a "powerful Russian-language TV channel" to "fight for hearts and minds" in Crimea and the Donbas. This is now a priority state policy.

"The main goal is psychological reintegration, then the restoration of the territories," said Oksana Koliada, Minister for Veterans, Temporarily Occupied Territory and IDPs, at the latest UN General Assembly. According to Culture, Youth and Sports Minister Volodymyr Borodianskiy, the TV channel will be set up on the basis of UA:TV, Ukraine's existing public television chan-

nel, at a cost of UAH 440mn. Borodianskiy claims that it will cover 80% of ORDiLO by February. What political messages this TV channel will broadcast is anyone's guess. It looks like the accent will be on reconciliatory rhetoric now being actively tested by Serhiy Syvokho, advisor to the National Security and Council Secretary

"Our goal is dialog and reconciling people, not fuelling the conflict like the old government did," he says, calling on everyone to quit using pejorative nicknames, such as separy for separatists or ukry for Ukrainians. In addition to this, the Council plans to create "a platform of reconciliation and unity," whereby ORDiLO residents will be spoken to in "the language of sports, culture and business," Syvokho claims. These measures really can be seen as an example of proactive policy for the Donbas. The question is what practical results they will bring. The previous administration similarly portrayed the Ministry for Information Policy as a proactive instrument, but its performance was unimpressive.

As to the "reconciliation platform," the main task is to make sure it does not turn into a platform for direct dialog between Kyiv and "leadership" of the self-proclaimed republics. This would be a clear step towards capitulation, as it is precisely what Moscow has been pushing Ukraine to do since the very first Minsk talks in September 2014. The threat of this happening is very real. Since any political activity in ORDiLO is strictly controlled, it is difficult to imagine anyone but puppets of the occupation administration representing this territory in a "reconciliation platform." That means that any dialog will automatically lose purpose: the representative s of the "republics" will voice Moscow's messages, not the real sentiments of the local population. Of course, there's nothing that can keep Ukraine's leadership from claiming even this mock "dialog" as an accomplishment.

Reforming checkpoint procedures at the line of contact is another possible success story. The current administration is paying special attention to this, which is why one of Zelenskiy's first projects was restoring the bridge at Stanytsia Luhanska. "The first thing our citizens from occupied Crimea and Donbas see when they enter the rest of Ukraine is our checkpoint," President Zelenskiy has said. "It's very important for this to be as comfortable as possible. Because this is actually our window showing that Ukraine is cool, safe and friendly."

In fact, there are quite a few problems at the contact line. According to the Ministry for Veterans, Temporarily Occupied Territory and IDPs, 1.15 million people crossed it both ways in November 2019 alone. According to Pravo na zakhyst [The Right to Protection], a charity, the problems aren't limited to long queues, but electricity, heating, ventilation and other conditions are also poor. Solving these issues will likely be the president's priority. Reconstruction has already started at the Kalanchak and Chongar checkpoints on the border with occupied Crimea.

If troops are withdrawn in the Donbas, new crossing points will open and the rules for crossing will be simplified until passes are finally abolished. This process has already begun:



A kind of warm-up. Serhiy Syvokho is sending politically risky messages regarding the Donbas – obviously testing the waters before the executive makes any decision

the Cabinet simplified the rules in early November, and annual passes became passes with no expiry date last March. Foreign Minister Vadym Prystaiko has suggested that railway traffic to ORDiLO, including cargo traffic, could resume. The question is how all this will be adapted to security needs which it's far too early to drop.

The most controversial – and most striking – success story of the Ze-team so far is probably the payment of pensions to residents of occupied Donbas. In fact, such payments never stopped, but the occupation complicated the process of receiving them. Until now, it has been handled through phenomenon known as "pension tourism," meaning that Ukrainian pensioners from ORDiLO registered as IDPs while in fact continuing to live in the occupied territory. In order to retain their IDP status and receive their benefit, they had to regularly cross the contact line. Pension tourists accounted for nearly 60% of the traffic at checkpoints.

The procedure was both humiliating and exhausting, so not everyone was able to be a pension tourist: according to the UN, some 560 pensioners in ORDiLO were not collecting their pensions because of bureaucratic barriers. Apart from that, this practice added chaos to the records of IDPs and offered countless opportunities for corruption. In November, a bill was submitted to the Verkhovna Rada to simplify the rules for pension payments to ORDiLO residents and abolish mandatory registration as IDPs. It was sponsored by MP Tetiana Tretiakova (SN), Chair of the VR Committee for Social Policy

and the Protection of Veterans' Rights, and a number of other MPs. Of course, the bill does not envisage the disbursement of benefits in territory not controlled by Kyiv, so pensioners will still have to cross the checkpoints. If the Verkhovna Rada supports the bill, President Zelenskiy will be able to claim yet another success story in front of both Ukrainians and the international community, including the UN, which has long been pushing Kyiv to do this.

In a nutshell, Zelenskiy has quite a bit of room to maneuver on the Donbas. What's not clear is how this will affect the government's popularity. The target group for these potential innovations has little electoral weight, and ORDiLO residents don't vote in Ukrainian elections at all. For other Ukrainians, a simple fact will remain obvious: any dialogs, platforms and repairs to checkpoints – all done with the taxes they pay – as well as other conciliatory steps towards ORDiLO residents, won't bring the liberation of the occupied territory any closer, as Moscow, not the people of occupied Donbas, decides things there. And the Ze-team's proactive approach will have no effect on the Russians.

Of course, Zelenskiy will be able to present these success stories to the western allies at the next Normandy talks, as proof of his determination and goodwill. But it's unlikely to be enough to justify new sanctions against Russia. So, unless there is a major breakthrough in the Normandy talks, all Kyiv can do in the Donbas is take small steps on secondary issues that will bring real deoccupation of the region neither closer nor further.

# Hostages of politics

What will the Ukrainian economy depend on in 2020?

Lyubomyr Shavalyuk

In 2019, no significant risk predicted by economic analysts was realized. On the contrary, most of the areas where threats were seen received good news.

In early 2019, everyone was afraid of a double election. There was no certainty as to how the country, in particular its economy, would outlive it. Although the results of the election blew all forecasts to smithereens, but the economy did not have a negative impact. What is more, it seems that many investors and economic agents were overwhelmed by the same euphoria that

the Ukrainians were driven by when choosing a new president.

At the beginning of the agrarian season, most agrarian analysts predicted that this year's crop could not surpass the historic record set in 2018. But the 10-month statistic shows a 3.3% increase in the agricultural index. That is, in 2019 the Ukrainian agribusiness worked no worse than the previous year. This has well supported export and balance of payments and financial stability in the country.



**Dizziness from success.** PM & Co should not fall into euphoria

In 2018, there was an acute shortage of government borrowing, internal and external. Along with the shortfall in budget revenues, this created extremely bleak prospects for the implementation of the state financial plan in early 2019. But as a result, for a year, which is not over yet, foreign investors have invested more than UAH 100 billion in domestic government bonds (T-bills). This answered all budgetary questions, and stimulated a reduction in interest rates in the economy and an appreciation of the hryvnia.

Finally, the last months of 2018 have proven to be extremely difficult for emerging markets, as they have been forced to watch capital outflows, depreciating their currencies, suffering losses in the stock markets and ultimately resorting to rigid monetary policy. All this resulted in a bleak outlook for 2019. But it didn't come true either. Because the US Federal Reserve realized that it had gone too far with rigid monetary policy and, by having made a U-turn in response, began to lower its discount rate and increase its balance sheet. Emerging markets breathed a sigh of relief, and the entire negative outlook, including commodity price falls, didn't come true. The headwinds of global financial markets bypassed Ukraine as well.

As a result, being on a roll, the economy of Ukraine is facing 2020. The US dollar is unexpectedly cheap. GDP growth is not bad, as it exceeds 4% for the second quarter in a row. Inflation is low and close to the NBU's long-term goal of 5%. Interest rates are plummeting as a result of sharp improvement in risk perception by economic agents, both domestically and abroad. It would seem that everything is fine and we are entering a period of unprecedented positive economic results.

But one should not fall into euphoria. Because the economy is an inert system that cannot change dramatically in a few months, even the government carries out the most ambitious list of reforms possible. The current economic situation is primarily due to a psychological factor. This is both good and bad news. Good because society is mobilized and ready for change. A huge window of opportunity has opened up to be used for the benefit of the country. And bad is because the current economic performance is a consequence of the not quite rational advances that Ukraine received from its citizens and foreigners after the change of power. If the advances are not paid off, then soon there will be disappointment, which will entail crisis economic processes.

The year 2020 should show whether the new government justifies the advances received, and whether it can avoid mass disappointment among those who once trusted it. It all depends on public policy. To be successful, there are two key prerequisites: a political balance in the broad sense and quality staff. For today there is none of them. The lack of balance can be observed from how individual oligarchs take control of government assets and how acutely society and opposition politicians respond to the introduction of the land market. Lack of quality staff is indicated by numerous testimonies of eyewitnesses to how new people come to the civil service with the change of government.

Therefore, one can admire how the new government offers correct reforms for the Ukrainian economy. Its

proposals sound amazing. But most of them do not have the resources to cover their rear. Therefore, there are considerable doubts as to whether public policy in 2020 will meet the needs of the current historic moment. You can hope for that, but you can't rely on it.

## **RELY ON OURSELVES**

The situation will be aggravated by some of the problems inherited from 2019. The expensive hryvnia has hit a lot of manufacturers, especially those working for export. There are signals of declining investment in entire industries, which, at current exchange rates and wages, have made revenue less than costs. If this trend continues, it may translate into a significant decline in GDP growth as early as in 2020.

Ukraine is in line with the global trend of industry stagnation: in the three quarters of 2019, our volume of industrial production has not changed, and the monthly indicators show a steady decline since June. Industry occupies too large a share in the structure of the Ukrainian economy. And if in the developed economies the service sector is able to pull through the overall growth rate, then in ours - no. A cheap hryvnia might mitigate these processes, but we do not have it.

> ONE CAN ADMIRE HOW THE NEW GOVERNMENT OFFERS CORRECT REFORMS FOR THE UKRAINIAN ECONOMY.

ITS PROPOSALS SOUND AMAZING, BUT MOST OF THEM DO NOT HAVE THE RESOURCES TO COVER THEIR REAR

Finally, it is not entirely clear what may force nonresidents to buy hryvnia debt at the previous year's pace in 2020. Interest rates fell by almost a third over the year and the hryvnia went up. The attractiveness of Ukraine's government bonds has dropped significantly. The only thing that can support it is a significant increase in the credit rating, combined with the international investors' appetite for developing countries' risk. And the rating will only grow as a result of consistent large-scale reforms. As the experience of our western neighbors shows, it takes time.

The economic situation in international markets will complement the picture. Responding to the trade wars and slowing global economic growth, the world's leading central banks have begun to soften monetary policy. As a result, the assets and currencies of developing countries have stopped falling and even increased slightly. However, their economies are still slowing down, as monetary stimulus has not gone into the real sector, and has largely resulted in the setting of new records in the stock markets of developed countries. So now the Federal Reserve is dominated by the thought that a pause in the discount rate should be taken. This means that we should not expect support from the policies of the world's largest states and central banks.

It seems that in 2020 we will have to rely on ourselves and our own state economic policy. The trouble is that in the history of independent Ukraine, the expectations of business and economy for the state and politics have never been justified. Because our country is not accustomed to working for the economy, but it rather tends to hostage it for ransom. How will it be this time?

# A dangerous euphoria

Renewed growth will exhaust its potential in 2020 with nothing created to replace it

**Oleksandr Kramar** 

Ukraine's economy has been restoring fast in the past four years after it plummeted in 2014-2015 as a result of Russia's aggression. This restoration has not been linear: some industries and regions developed faster, while others lagged behind. Still, the main indicators were either restored to the level of 2012-2013 or higher in 2019.

This provoked a very misleading euphoria that has been especially visible since the change of government. Ambitious claims of 40% real GDP growth during the presidency of Volodymyr Zelenskiy; expected economic growth between 3.7% and 4.8% in the budget, depending on different scenarios, in 2020; a discussion of threats from sharing the skin of an unkilled bear with external lenders according to the terms of foreign debt restructuring conducted in 2015 by then-Finance Minister Natalia Jaresko — all these manifestations of euphoria merely distract the attention from the major threat. It is quite likely

THE DOWNWARD SPIRAL EXPERIENCE SEEN IN UKRAINE IN THE PAST DECADES HAS PROVEN MORE THAN ONCE THAT SHORT RESTORATIONS ARE FOLLOWED BY SERIOUS DOWNFALLS. FOR EXAMPLE, REAL GDP IN 2013 AND 2019, AFTER TWO PERIODS OF GROWTH IN 2010-2012 AND 2016-2018, WAS LOWER THAN IN 2007-2008, THE CRISIS YEARS

that 2020 will be the end of the growth of all these years. And maintaining it without a dramatic change of economic policy will be impossible.

The downward spiral experience seen in Ukraine in the past decades has proven more than once that short restorations are followed by serious downfalls. For example, real GDP in 2013 and 2019, after two periods of growth in 2010-2012 and 2016-2018, was lower than in 2007-2008, the crisis years.

This time, the end of restored growth effect after the 2014-2015 decline in Ukraine will likely layer over a serious external challenge as the global economy is approaching yet another big crisis of the 2007-2009 scale.

An increasing number of signals point to this. In the US, industrial decline has accelerated to -1.1% annually. Industrial output in the eurozone fell 1.7% in September. GDP of Germany, its most powerful economy, grew a mere 0.5% in Q3 compared to the same period of 2018. In Japan, one of the world's biggest economies, GDP growth in Q3 slowed down to 0.2%. Annual growth of industrial output in China fell 4.7% in October 2018 compared to 5.8% in October 2018, and retail sales fell to 7.2% compared to 7.8% in 2018. Investment in capital assets hit the absolute minimum since 1998.

#### THE ECONOMY OF CANNIBALISM

Ukraine's industrial output started falling in Q2'2019 while economic activity was mostly driven by better figures from agriculture, construction, passenger transport, retail trade and different services. Wages were still growing fast in nominal and real terms. In 2020, these factors will be exhausted. Pointing to the worsening situation in the industrial sector is the fact that the growth of producers' prices has slowed down dramatically, hitting the lowest level since early 2014. A stronger hryvnia and the inflow of cheap imported goods to the vulnerable domestic market will only aggravate this process.

Retail trade is the beneficiary of this for now as it has the opportunity to maximize the margin between buying and selling goods to final consumers who are now in a boom as consumer sentiment is the highest in 12 years after the crisis of 2008-2009.

Still, the gap between consumer lending and bank lending to companies grew throughout 2019. Consumer lending had positive dynamics, growing from UAH 203.7bn to UAH 212.5bn, while lending to companies shrank from UAH 88.53bn to UAH 765.9bn over the same period. Growth rate for deposits accumulated by businesses on bank accounts exceeded growth pace of deposits from the population by fall. For example, deposits by individuals grew from UAH 528.9bn in September 2018 to UAH 540bn in September 2019, while non-financial corporations deposited UAH 365.4bn in September 2019 compared to UAH 333bn in September 2018.

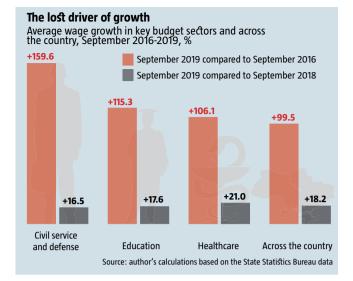
This is because of the double gap in profitability between consumer loans and loans to the business, and this gap keeps growing. While consumer loans were issued at an average of 35.5% in September 2019 (compared to 32% in September 2018), companies were lent money at 17.7% in hryvnia (compared to 19.8% in September 2018). Meanwhile, the citizens are driven by consumer excitement and do not want to save even as deposit interest rates grow rapidly from 10.6% in September 2018 to 14.5% in September 2019. Interest rates for loans to businesses is lower at 13%, unchanged since September 2018.

It is increasingly obvious that the lending system works upside down. Instead of lending to business development at the cost of individual deposits, it funds consumer loans – mostly for imported goods – using the deposits accumulated by companies. This lays a time bomb under economic growth in the future and manifests itself in a steep decline of investment in key industries. Moreover, this cements the economy of consuming its current potential instead of developing it.

## **PARTY OVER**

Meanwhile, the conditions are ripe for a steep decline of consumer demand. This will hit retail trade and services hard.

In the past few years, it has been driven by the robust growth of public spending, including payments to people employed in government-funded segments (see **The lost driver of growth**), pensioners and other recipients of



social benefits. Rapid growth of labor migration in 2016-2018 is another contributor. Personal income tax became the main source of revenues to the budget. For example, it grew to UAH 8.9bn in September 2019 compared to UAH 7.5bn in September 2018, while corporate income tax almost halved from UAH 2bn to UAH 1.2bn over that period. VAT grew only slightly from UAH 31.1bn to UAH 32.2bn, while excise duty increased from UAH 11bn to UAH 11.4bn.

According to the National Bank of Ukraine, the growth of personal income and consumer demand in 2019 boosted public spending on social benefits from UAH 115.3bn in the first three quarters of 2018 to UAH 156.5bn in the same period of 2019 respectively. In September 2019, wages in the education sector were 17.6% higher than in September 2018 and 36.3% higher than in September 2017. The increase in healthcare was 21% and 42% respectively. The growth in civil service and defense was 16.5% and 53.2%. This growth happened alongside slower inflation and a stronger hryvnia compared to the key currencies in September 2019 compared to September 2017, fueling steep growth of consumption and rejuvenating trade and services.

Yet, the 2020 budget shows that most contributors to that economic growth resulting from domestic consumption will wear out. Wages in the key sectors are indexed at the level that is slightly above inflation and two-three times below the levels of 2017-2019. As a result of hryvnia revaluation, the hryvnia equivalent of transfers from labor migrants will shrink and nominal wages in the production sector will grow slower as Ukrainian producers grow less competitive compared to their foreign peers. This will inevitably undermine consumer demand and hit growth in the sectors linked to services – from transportation to everyday services. As a result, this will also hit the income of people employed in these sectors.

## THE WORLD WON'T HELP

The situation on the global commodities markets keeps deteriorating. Prices of steel and iron ore are falling, even if grains have risen somewhat. And Ukraine is exhausting its capacity to increase exports of commodities. In 10 months of 2019 available when this article was written, commodities

export growth slowed down to 7.4% compared to 10.3% and 20.9% in the same period of 2018 and 2017. This is despite the unexpectedly record-breaking harvest of 2019.

Meanwhile, output in agriculture has been growing for two years already. In 10 months of 2019, the industry's output was 12.6% higher than in the same period of 2017. Collection of grain grew from 61.2mn t in 2017 to 70.1mn t in 2018 and 75mn t in 2019, while crop yield increased from 4.25 t per hectare in 2017 to 4.9 t per hectare in 2019. This growth is normally followed by a backslide, at least for plants as crops deteriorate for natural reasons. The development of Ukrainian agriculture over the past two decades shows this, and so does agricultural production of most other producers in the world.

In addition to that, investment in the agricultural sector have been declining lately after their growth peaked in 2015-2017 ensuring two record-breaking years in a row in 2018 and 2019. While capital investment in the industry grew 26.1% in 2015, 51.4% in 2016 and 31.2% in 2017, it fell to just 8.5% in 2018, and was down by 8.2% after H1'2019 compared to the same period of 2018, according to the latest data available. As a result, capital investment into agriculture in H1'2019 proved lower than they were in H1'2017.

Ukraine's agriculture will likely pause in 2020 as a driver of economic growth or seriously go into negative growth territory, pulling down all of Ukraine's economy that relies on it lately. With further stagnation or downfall of prices on global markets for commodities and steel in 2020, Ukraine will hardly export more commodities and goods than it did in 2019. Especially as Ukrainian non-commodity goods are growing less competitive with a stronger hryvnia in the period of trade and currency wars in the world.

The prospects of growth for Ukrainian services are unclear too. Firstly, just like with exports of goods, exports of services have been slowing down in recent years. It was 4.8% after three quarters of 2019 compared to 11.6% and 11.2% in the same periods of 2018 and 2017. Secondly, the prospects of gas transit, one of the biggest items in Ukrainian exports of services, remain uncertain. It is likely to lose a double-digit percentage compared to 2019 with the launch of the Turkish Stream that will meet the needs of Turkey first and foremost, as well as other South-Eastern European countries.

Revenues may fall from the main transit to the EU. Even if transit via Ukrainian pipelines does not stop as the launch of Nord Stream 2 fails by the end of 2020, the likelihood of a more or less lasting halt in the transit remains high. Ukraine should also expect that the EU buys lower amounts of Russian gas as its storage facilities were filled this year in expectation of possible breakdowns as a result of a Russia-Ukraine gas war.

In this environment, the "gurus of economy" promised by the new President bet on squeezing domestic demand via austerity budget instead of anti-cycle measures to stimulate the economy and protection mechanisms for domestic producers necessary in the situation where the fight for markets in the world intensify. They encourage the inflow of consumer imports to Ukraine, undermining the competitiveness of Ukrainian producers by strengthening the hryvnia and preserving a minimum tariff protection for the domestic market. Their way to compensate for this is via more debts and massive sellout of assets via privatization of enterprises and sale of land to foreigners.

# The Servant of the People:

Sexy CPSU\* 2020 local elections will be more of a challenge for the Servant of the People party than the parliamentary campaign

**Andriy Holub** 

\*Communist Party of the Soviet Union – the ruling party during Soviet regime

The party in power is undergoing changes. The party congress, which took place in the capital on November 10, elected a new chairman of the political force. Instead of the current speaker, Dmytro Razumkov, *Sluha Narodu* (The Servant of the People) will be headed by Oleksandr Kornienko, the current deputy head of the faction in parliament. This is only the beginning. The congress did not end, however, announcing the break until February. During this time, they should adopt a new statute, and possibly re-standardize the entire political field of the country.

On that note, the only but extremely successful year in the political history of Volodymyr Zelenskiy and his team ends. The incumbent president first publicly announced his political engagement on the night of January 1, 2019. He is now the most popular politician in the country, and his political force has gained sole majority in the parliament. It would seem that the mechanism is

well established and any interventions are superfluous. However, the year of easy victories is being replaced by a year of serious trials. Nationwide local elections are a key problem which the part of Zelenskiy's comrades involved in party building is raking their brains over.

The success or defeat of the Servant of the People in future races will depend on a number of variables. The party will definitely not be able to rely on the trump card of 2019 — an electoral blitzkrieg. One can still argue about the reasons for Zelenskiy's popularity, but a large part of the population blindly (given the almost complete absence of specific promises) trusted the candidate.

Of course, this is not 73% of the country's population. Zelenskiy's support figure in the second round of the presidential election has become a meme used by both supporters and opponents of the new government. The former use it to justify any actions



**All power to smartphones!** Despite the constant scandals due to the careless communication, The Servant of the People promises to deepen digitalization

and decisions, the latter use it to assert themselves in the niche of "intellectual opposition". In fact, Zelenskiy was supported by 13.5 million voters out of more than 30.5 million eligible to vote. For comparison, Viktor Yanukovych did not have much less votes in the successful 2010 elections - 12.5 million. Just the competition in those political races was fiercer. The main thing is that the team of Zelenskiy fully used the auspicious moment. Therefore, they dissolved the Verkhovna Rada of the 8th convocation, without waiting for the autumn elections. The assumption was successful. The party, which had nothing but a name at the beginning of the year, won 6.3 million votes and a clear first place. The success in the single-mandate districts was remarkable. The Servant of the People won more than half of them, leaving behind politicians who had been "preparing the ground" for years. There were ideas on the wave of success to hold fast local elections across the country or at least in major cities. This did not happen and could not happen in principle, because the Servant of the People did not exist as a party in the institutional sense.

So the local race campaign will be long and tiresome. Most likely, the vote will take place in the fall of 2020, although the party in power still has not finally rejected the idea of elections in the spring. The resolution of the issue there is linked to the completion of the decentralization reform. At the same time the effect of the open-hearted charm and novelty of Volodymyr Zelenskiy has already been exhausted. This is recorded by sociologists. According to the Razumkov Center, from October to November the balance of trust in the president decreased from 48% to 43%. Prime Minister Oleksiy Honcharuk's balance of trust generally became negative during this time. Speaker Dmitry Razumkov's balance deteriorated from 26% to 21%.

The share of those who believe that the events in Ukraine are moving in the right direction fell from 45% to 37.5% in the same month. Those who think the current government is better than the previous one were 48% in early October and 43% in November.

The Servant of the People is aware of the risks, but still hopes to maintain a high rating. It melts against the backdrop of quarrels and scandals within the political force itself. That's what the new party chairman Oleksandr Kornienko said at a November congress when he used a neologism "sexy party". Being sexy is first and foremost to keep a rating that can attract decent candidates on the ground. According to Oleksandr Kornienko, they will join, only "if by that time (at the beginning of local elections—Ed.) we will not have caused our rating plummeting with everything we are doing for it". To avoid any doubt, the party leader said that he meant "scandals, internal squabbles, voting for what people do not want".

However, to voice the problem does not mean to solve it. Less than in a week after the congress, new scandals and showdowns broke out in the party's ranks. And on November 15, deputies of the ruling political force decided to exclude the first two colleagues from the faction in the Verkhovna Rada: Anna Skorokhod and Anton Polyakov. Ironically, Polyakov, who had won at a single-mandate district, was solemnly included in the party ranks at November 10's congress. He was proposed as a non-party candidate.

Technological problems are added to the image and common human problems of the Servant of the People. The Political Party General Information section of the latest quarterly report to the NACP (NAZK, National Agency on Corruption Prevention) is blank. There is no information either about the staff or the offices at different levels. Compared to other political forces, the Batkivshchyna, for example, have submitted reports of eight district organizations from only Kryvyi Rih, the native city of President.

People's Deputy Oleksandr Kachura is responsible for legal issues in the Servant of the People. His law firm was concerned with the interests of the political force and the Kvartal 95 brand before the election. According to the deputy, the party registered regional offices in all regions including Crimea and Sevastopol. However, in a conversation with *The Ukrainian Week*, he acknowledges that district offices have not yet covered the entire territory. He adds that they are working on changes to their party statutes as well as to the Law on Political Parties. The idea is presented in the context of further digitization. They say that in the modern world, district offices have become obsolete, and party members can jointly (at least at the oblast level) make decisions in special applications without protocols and seals.

Under current law, candidates for local elections are nominated by a party office of the appropriate level. However, they can already take many forms. For example, the form of a legal entity, and then the office reports to the NAPC. Alternatively, they may not take the form of a separate legal entity if the party statute so provides. This practice is common among many new political parties and has been criticized by the Committee of Voters of Ukraine (CVU) for several reasons. First, such offices are not capable of conducting full-fledged economic and financial activities, and secondly, this situation allows party leadership to fully control the events on the ground. "In accordance with the legislation, local party organizations nominate candidates in local elections. But since they do not have the status of legal entities, they cannot really form and approve the list of candidates", — he CVU noted two years ago. In other words, candidates are approved where the main seal is stored.

THE "SERVANTS" WILL HAVE TO AT LEAST PARTIALLY
SOLVE THE DIFFICULT EQUATION:
AT THE SAME TIME TO MAINTAIN A DEMOCRATIC IMAGE
AND CONTROL OVER LOCAL AFFAIRS ON THE GROUND

You can understand the desire of the Servant of the People to control the situation on the ground. During the parliamentary elections, they took great pains to select 400 candidates who did not bury the political force at once with their reputation. The first scandals in this motley crew began in a month of joint work. However, during the midterm elections for the JTC (Joint Territorial Communities) on 22 and 29 December 2019, the party nominated about 1,800 candidates. According to David Arachamia, about 150,000 candidates will have to be found for the general local elections. To bury the sexy-rating of the Servant of the People, there will be enough hundreds of people with frankly tarnished reputations. The only chance is to try and fix the situation at least to some extent in the manual correction mode.

However, this approach must somehow be combined with theses on democratization and people power. "It is no secret that all parties in power in Ukraine have experienced the same. They started on the hopes of the people, very nicely and actively, and six months later they turned into the CPSU. "No matter what party you are going to make, you will get the CPSU in the end", - one Russian politician once said. And that is unfortunately true", said Kornienko during his speech at the November congress. The main reason for the fall of the CPSU was the declaration of democracy under full internal dictatorship. The "Servants" will have to at least partially solve the difficult equation: at the same time to maintain a democratic image and control over local affairs on the ground. They may even show an acceptable result in local elections. The former ruling party BPP (Bloc Petra Poroshenka) succeeded in this at its worst times. However, local races in 2020 will clearly show that the meme of 73% is hopelessly obsolete.

## Healthcare defense

What Ukrainian healthcare should do in 2020

Dr. Ulana Suprun, Acting Minister of Healthcare in Ukraine (2016–2019)

Think of the frontline. Your enemy is half a kilometer away. There may be a Russian sniper waiting for two days to take his shot. The military in the war zone should therefore always be composed and alert. But the main thing for them is to be healthy. Now, think of an outbreak of measles or diphtheria on the frontline. The soldiers with complications lying in trenches and waiting to be transported to a hospital and put on mechanical ventilation.

Most people in Ukraine imply defense capacity — borders, army and fleet — when they speak about national security. Hardly anyone looks at national security from the healthcare perspective. Yet, no country can develop without healthy citizens who are able to work. The world of finance mostly looks at healthcare from the perspective of spending, although funding of this sector should rather be viewed as an investment in human capital.

When the number of people unable to work grows in a country, its burden on the working population increases while economic growth slows down. As labor potential shrinks, it pushes

BY LIMITING ACCESS TO MODERN MEDICAL SERVICES IN THE OCCUPIED TERRITORY AND SPREADING DISINFORMATION ON THE INTERNET, RUSSIA CREATES THE DANGER OF PUSHING UKRAINE AND THE GLOBAL COMMUNITY INTO DARK TIMES

GDP down. Protecting national security is protecting vital interests of both individual citizens and the state for constant development of society. Therefore, defense of healthcare is undeniably a matter of national security. However, this is not yet an axiom and needs to be proven constantly. Our team managed to get changes off the ground. Healthcare became a priority of Volodymyr Hroisman's Cabinet and of the state agenda. Millions of Ukrainians have already experienced the first results of the transformation via primary healthcare. Next are changes in specialized and highly specialized medical facilities to be launched in April 2020. The state will stop funding hospitals for the mere fact of their existence. Instead, the money will follow specific medical services provided to patients. Autonomization, contracts with the National Healthcare Service of Ukraine and registration with the e-healthcare system will be mandatory conditions for the work in the new system. New rules will help to better organize the work of hospitals and increase wages for their staff while patients will receive a guaranteed package of medical services which they do not have to pay for. The shift from the old system will not be easy. It will take a lot of effort and political will. All opponents of change will try to pressure the government into delaying the transformation "for a while", arguing that hospitals are not ready for it. We saw attempts to use these manipulations while transforming primary healthcare, but they did not work. The next stage should be launched on time and implemented in close coordination with the regions and the medical community.

Total budget for healthcare will be UAH 113.3bn in 2020, 13% up from last year. Healthcare has an important place in the budget and its funding is increasing gradually. But will that be enough to fully cover the needs of Ukrainians? Given Ukraine's slow GDP growth, it cannot quickly and seriously increase invest-

ment in building capable healthcare. It is therefore very important for all funding to be used as effectively as possible.

Ukraine lags behind EU countries both by the share of GDP spent on healthcare, and by spending on healthcare per capita. Sweden's spending is 40 times higher at US \$5,710 than Ukraine's US \$141. Compared to Poland, an EU member-state with some of the lowest spending on healthcare per capita at US \$809, Ukraine is still far behind. Still, public funding covers just 50-60% of the total amount of services Ukrainians need. Patients pay for the rest on their own. Gradual increase of public spending on healthcare is a great challenge for Ukraine and a mandatory element of the 2021 budget planning.

2018 research by the American Journal of Public Health revealed that Russian trolls artificially fueled arguments on vaccination and spread disinformation, presenting it as their personal opinions, at least throughout 2014-2017. In 2019, the World Health Organization (WHO) presented its five-year strategic plan with top threats for global health. These include vaccine hesitancy fueled by militant communication about health.

From 2016 to 2018, the level of vaccination against measles in one-year olds grew from 44.5% to 91% in Ukraine. Procurement of safe and effective vaccines, free vaccination following the nationwide calendar and awareness raising campaigns have delivered positive results. Still, Ukraine saw a measles outbreak with 115,000 cases and 41 deaths registered in 2017 as a result of low vaccination in the 10 years before that and ineffective Russian vaccines. Apart from that, Ukraine still has low levels of vaccination against diphtheria and hepatitis B. Therefore, it should keep up the pace and do more work in 2020 to protect its citizens from infectious diseases which have no place in the modern world. In addition to access to medical services, Ukraine should work further on improving their quality. Requirements for medical education gradually increase in Ukraine. In the past, medical degrees were accessible to all who could afford to pay for the course, and to keep paying for exams in an environment of high tolerance of corruption. From 2018, school graduates need at least 150 grades on every major subject in External National Testing to enroll in medical training and 130 grades for pharmacology.

In 2019, the Unified State Qualification Exam was launched. Its first results revealed that medical education in Ukraine requires serious changes. Rather than prepare for the international exam on medical fundamentals, some students took it to the streets in the runup to it. Later, they tried to sabotage the test by spreading it online. They were supported by administrations of some universities that, while having curriculum autonomy, failed to prepare students for the exam. Eventually, the test showed that the ranking of every university corresponds to attendance of the test: students from universities with high attendance rank high in terms of performance. The students who sabotaged the test had the lowest results. In 2020, the system of assigning internships should be automated to exclude corruption. For the first time, graduates from medical universities will be able to choose their post-graduate training. This, too, has triggered some student protests, but only those who planned to solve this via bribes can really be frustrated about fair assignment.

Patients will not experience the results of these changes for the next ten years, until current first-year students or high-school



Safe and free. From 2016 to 2018, the level of vaccination against measles in one-year olds grew from 44.5% to 91% in Ukraine

graduates become doctors. Yet, even these changes are the first steps in overcoming the stagnation of medical education that has barely changed since the soviet time. Would you trust a doctor who has not upgraded his or her knowledge and skills ever since graduating from university in the 1970s and who does not know that MRI exists? Your answer to this explains why education should never stop even after graduation. Constant professional development for medics is a must for improved quality of medical services in Ukraine.

In 2020, the principle of funding research will change. The money should be spent on specific R&D, not just on salaries for "researchers" imitating activity. The grant system works in many advanced countries, encouraging researchers to work on applied solutions and projects. It is extremely important that these changes start working and are monitored in Ukraine: if a project lacks quality, the funding should be withdrawn. This would require focus and a principled position from the Healthcare Ministry, among other things.

We spend millions of hryvnia on the Treatment of Ukrainian Citizens Abroad program every year. Yet, it is still not enough to provide care to all patients in need of it. Developing transplantation in Ukraine will help strengthen this. The launch of the Unified State Transplantation Information System was scheduled for 2020, but the Healthcare Ministry decided to postpone it for a year and to launch system testing in April 2020.

But the launch of transplantation is not purely technical. It never worked properly in Ukraine, so there is no developed culture of donorship. Both patients and doctors have many artificial moral barriers. The topic has been silenced for years, or

it has been a source of fake perceptions and fears. In addition to developing the transplantation network, Ukraine should lift the taboo from this theme and have a civilized public discussion on it.

The greatest challenge of the coming years for Ukraine's society is to start speaking about things as they are and finally admit that free healthcare does not exist. There is budget funding comprised of our taxes, but it is not enough to provide universal health coverage. Moreover, no country in the world has enough money to pay for all medical services needed by its citizens. Therefore, Ukraine should learn public-private partnership in parallel to increasing public funding in order to attract more non-public funding. This can be reasonable charity rather than a handout of 200 ambulances; humanitarian assistance from other countries and attraction of prudent funds. Healthcare should be a priority of professional routine work, not just of populistic declarations during election races. It should be recognized as a matter of national security as lives and health of millions depend on it.

As long as Ukraine shares a border with Russia, it should always be ready for confrontation in a hybrid war. It is important to understand that Russia's aggression is not limited to military, information, energy or economic losses. Ukraine's eastern neighbor attacks it on a more basic level, undermining its human capital as the most valuable asset. By limiting access to modern medical services in the occupied territory and spreading disinformation on the Internet, Russia creates the danger of pushing Ukraine and the global community into dark times. Countering the aggressor across all fronts remains the greatest challenge for Ukraine.

# Unitarity under assault

In what way do Zelenskiy's initiatives regarding decentralization, referenda and dual citizenship threaten the integrity of the Ukrainian state?

**Maksym Vikhrov** 



A window of opportunity. The notoriously anti-Ukrainian Viktor Medvedchuk and his party are trying in every way possible to take advantage of local referenda to promote the federalization of Ukraine

President Volodymyr Zelenskiy's first attempt to deal with decentralization in turbo mode was a flop. Bill #2598, which proposed a number of amendments to the Constitution, failed to even find support at the committee level in the Verkhovna Rada. Public reaction was negative. The biggest opposition arose against the idea of a system of prefects, which was supposed to replace the oblast and county state administrations, institutions controlled by the president and operating in parallel to elected councils at the same level. Because of the much broader powers the prefects would wield, they were immediately christened "the president's eyes and ears." But the main threat from Bill #2598 lies elsewhere. Coupled with a number of related initiatives by this administration, it could pose a serious threat to the unitarity of the Ukrainian state and set the stage for unpredictable processes in the regions.

The bill includes provisions stating that Ukraine's government "is based on unitarity," but at the same time proposes amending the Constitution to establish that the country's territory consists of communities that constitute the primary administrative territorial units and the primary subjects of local government, which will also be given the status of legal persons. The procedure for establishing and eliminating communities, their borders and names are supposed to be defined in separate legislation that has not been presented to the public or experts — in

short, no one knows what it might be. This same will be applied to "circuits," which are supposed to replace the current counties, and oblasts. Likewise, the ultimate status of mayors or heads of communities and elected council members has not been written into law, nor has the procedure for setting up community executive agencies and what their powers will be.

In practice, this means that, once these amendments have been brought into force in the Constitution, giving ORDiLO special status should be much easier: all it will require is a separate bill. As long as there is a monomajority, that should not prove difficult to achieve. Yet it could be just the beginning of problems. If the precedent of "special status" is applied to occupied Donbas, it could become tempting to other regions as well. Right now, it's almost impossible for a region to squeeze any privileges out of Kyiv, but if this bill is passed, it will mainly depend on whether the local leadership can offer a serious enough argument.

The bill also proposes amending the Constitution to have local government happen through, among others, local referenda. So far, there is no established procedure for holding such referenda but the Zelenskiy team promises to fix this gap. According to the president, a bill on national referenda will be passed shortly, mainly in order to decide the procedure for foreigners to buy land in Ukraine. But there's an entire package of bills already waiting to be passed.

"This package includes bills on nationwide and statewide referenda, local referenda, and on public veto," Speaker Dmytro Razumkov explained at the end of November. "Some other bills may be added to the list that I also expect to become law." Incidentally, Viktor Medvedchuk, the main lobbyist for "people power" and federalization, has already expressed wholehearted support for all these bills proposed by the Zelenskiy government. It's also possible that it's not former Party of the Regions politicians who support this idea. In the battles over the land market, the idea of referenda was also promoted by Yulia Tymoshenko's *Batkivshchyna* and a slew of other populist parties. One way or the other, organizing the mechanism for local and national referenda won't be difficult — but its consequences could be bad, indeed.

In 2014, referenda became Russia's cover for tearing down state government, first in Crimea and then in the Donbas. Of course, then it was just an imitation of "people power," rather than genuine, legitimate plebiscites. But if the insurgents have a functioning and — more importantly — lawful mechanism for carrying out a referendum, Ukraine could see a series of local crises in the style of mini "brexits." The facts so far point to the real likelihood of a negative scenario. The Agency for Legislative Initiatives has calculated that 178 applications for local referenda were registered over 1991-2012, some of which had a clearly antistate purpose. It's worth mentioning the 1994 plebiscite in the Donbas, which asked voters about federalization and a second state language. In 2002, Kharkiv City Council initiated an advisory referendum on a second state language and in 2006, the Verkhovna Rada of Crimea tried to do the same. Clearly, not all of these where subversive for Ukraine, but it's not worth assuming the possibility exists. The specter of "emergency councils" that populists continuously appeal to is easy enough to raise. In practice, it could simply strengthen local elites by giving them a powerful instrument for holding Kyiv hostage, while Kyiv will have an excuse to act generously and hand out privileges to the regions.

At the same time, the threat to Ukraine's unitarity could come not just from local elites but also from foreign forces trying to damage the relationship between Kyiv and the regions. In the Donbas, that's the Russian Federation, which is trying to arrange autonomy for ORDiLO by blackmailing the capital through war. The latest trick was issuing Russian passports to residents of the occupied territories. Meanwhile Hungary has been issuing its own passports for nearly two decades in Zakarpattia. The scandal in Berehomet in 2018, in which the local Hungarian consul was dismissed from Ukraine for issuing such passports — in contravention of Ukraine's Constitution, which doesn't recognize dual citizenship — did not lead to any fundamental breakthroughs. According to Ghennadiy Moskal, the former governor of the oblast, Hungary has been supposedly rescinding its passports on a fairly large scale. However, Ambassador Istvan Igyarto insists that these documents were issued in compliance with Hungarian law and this is "Hungary's sovereign right." In short, he doesn't see any reason to stop this practice.

Just how many Zakarpattians have gained dual nationality so far is anybody's guess. In 2015, the Hungarian Government mentioned 100,000. How many Ukrainians have taken Russian passports, voluntarily or under pressure, is also hard to say. But it's obvious that the part of Ukraine's population that has been 'passportized' is clearly seen is providing the countries doing this with leverage against Ukraine, especially if the regions are given the right to hold their own referenda.

Meanwhile, the new government, rather than fighting dual citizenship, plans to legitimize it. In order to draw Ukrainians working and living abroad back to their homeland, Zelenskiy announced he would take this step, back during his election campaign. Later, he presented the idea of offering dual citizenship to ethnic Ukrainians in the diaspora. In mid-December, the nec-

essary presidential bill, #2590, was submitted to the Verkhovna Rada for consideration. Rather than proposing that the rule about only one citizenship be removed from the Constitution, those taking out Ukrainian citizenship will no longer be required to abdicate their other citizenship. The State Migration Service has stated that this novelty is preparation for actually legalizing dual citizenship.

"You might say that dual citizenship is a program to attracting immigrants to Ukraine," says SMS Director Maksym Sokoliuk. There will be restrictions on certain countries, including Russia." However, this could turn out to also be that the new administration is preparing in this way to "resolve" the problem of holders of Russian passports in ORDiLO: by simply legalizing their presence in the region. There's no need to think long to realize that in this same way, Ukrainian citizenship will be diluted more than just in the Donbas. Although most people typically acquire foreign passports of practical considerations, rather than political ones, the growing number of Ukrainian citizens holding other passports will sooner or later become yet another challenge to the country' unity.

The Agency for Legislative Initiatives has calculated that **178** applications for local referenda were registered over 1991-2012, some of which had a clearly anti-state purpose

In theory, Bill #2598 anticipates that the prefects will precisely be the preventive measure against unrest at the local level. Should a local government pass some legal act that is unconstitutional, the president will be able, at the request of the prefect, to immediately stop the effect of the law and to even cut the powers of that guilty agency and appoint a temporary proxy. If the Constitutional Court confirms the suspicion, the local government will have to call a snap election and those guilty of the ruling will be held responsible. However, even this kind of set-up has weak spots, because theory doesn't always work out as planned in practice. Oblast administrations were suppose to oversee the work of local governments in the past, but they proved completely ineffective, to use the Donbas in 2014 as an extreme example. How did that happen? The trouble is that relations between the capital and the regions often turn out to be based on mutual dependency, which inevitably leads to a wide range of compromises. Typically, Kyiv closes its eyes to local self-dealing in return for relative peace in the provinces, the support of local leadership in an election, and so on. This means that, whether they're called governors or prefects — who will be appointed in exactly the same manner — they aren't likely to give up the habit of compromise. The only difference is that these will now be determined by the political situation — and at times the parties involved could even be outside forces.

In this way, the president's initiatives taken as a whole are quite likely to strengthen the old centrifugal trends and even generate new ones. If the entire set of reformist concepts of this administration take on a real life, Ukraine's regions will have more opportunities to fight Kyiv for a variety of privileges, up to and including "special status" along the lines of what ORDiLO might still be granted. But the biggest threats are posed by the right to run local referenda and legal dual citizenship. At the moment, all this is only a handful of bills, but they need to be taken seriously. Having a monomajority at its services and itself inclined to operate in turbo mode, the government could unwittingly set in motion processes that will cost Ukraine dearly to clean up after the fact.  $\blacksquare$ 

# New challenges and opportunities

In 2020, for the first time in history, Kyiv will host the spring session of the NATO Parliamentary Assembly

Alexander Vinnikov, head of NATO Representation to Ukraine and NATO Liaison Office in Ukraine

"This is a time of renewal for Ukraine. A new President. A new Parliament. New opportunities for all Ukrainian citizens." These were the opening lines of NATO Secretary General Jens Stoltenberg's address to the Verkhovna Rada during the recent visit of the North Atlantic Council to Ukraine.

Representatives of all NATO Allies and North Macedonia (soon to be our 30<sup>th</sup> member) spent two days in the country, visiting both Odesa and Kyiv on 30-31 October. The visit was a strong signal of support to Ukraine. A signal that NATO is and will remain by Ukraine's side. NATO will continue to support Ukraine's sovereignty and territorial integrity. Allies are also committed to support Ukraine's efforts to reform its security and defence institutions.

Ukraine has come a long way, and there is further to go. NATO will stand with Ukraine because we share the same values. A love for freedom and democracy. Respect for human rights and the rule of law. It is not easy to protect those values and principles in an ever-changing security environment.

IN 2020 NATO AND UKRAINE WILL CONDUCT A TABLE-TOP EXERCISE ON A SCENARIO RELATED TO HYBRID THREATS IN THE BLACK SEA REGION — A PRACTICAL EXAMPLE OF THE INCREASED NATO SUPPORT RELATED TO BLACK SEA CHALLENGES

This has been NATO's fundamental mission throughout its 70-year existence. It is based on the conviction that likeminded Allied nations that share the same values shall stand together in solidarity and friendship. And, should the need arise, will defend and protect each other, including on the battlefield. There are differences among Allies on a range of different issues. Such differences are not new. Yet despite them, or perhaps thanks to them, NATO has been able to grow stronger since the signature of the Washington Treaty in 1949. And as we mark our 70th anniversary this year, the Alliance continues to provide security for its nearly 1 billion people.

NATO has strengthened its deterrence and defence, with more forces at higher readiness. Next year, 20,000 U.S. troops will cross the Atlantic as part of U.S.-led exercise DEFENDER 2020 – the largest deployment of U.S. forces to Europe for an exercise in the last 25 years. North America and Europe are doing more together now than in many years. Allies are also stepping up our response against cyber attacks and hybrid threats, including with new baseline requirements for resilient telecommunications.

Intensifying our cooperation with partners in these and many other areas remains in our core interest. In 2020 NATO will continue to develop its partnerships with friends across the globe, amongst which Ukraine has a distinctive partner status. NATO Allies strongly support Ukraine's sovereignty and territorial integrity, and its right to decide its own future. NATO does not, and will not, recognise Russia's illegal annexation of Crimea. Crimea is the territory of Ukraine. We also condemn Russia's aggressive actions in the Black Sea region and its support provided to the militant groups in eastern Ukraine.

2019 brought new developments in the Trilateral Contact Group and a new dynamic for Normandy dialogue. Allies commended President Zelenskiy's commitment to the peaceful resolution of the conflict. There are high hopes that 2020 will bring further progress, however the conflict in Donbas continues to claim lives. It has been reiterated by NATO's leadership many times that the onus is now on Russia to withdraw its troops, equipment and support for militants in eastern Ukraine. NATO will continue to support the efforts of the Normandy format, the Trilateral Contact Group and the OSCE.

In addition to political support, NATO will continue to provide Ukraine with practical support. Such support, delivered as part of NATO's Comprehensive Assistance Package for Ukraine, makes a real difference.

Through ten Trust Funds, NATO Allies have pledged over forty million euros in areas such as command and control, cyber defence and medical rehabilitation. We are helping wounded service men and women get the medical and psychological treatment they need, and we support Team Ukraine's participation in the Invictus Games. We are helping strengthen Ukraine's resilience to hybrid threats and cyber attacks.

We are also increasing our support in the Black Sea region, with exercises, port visits and information sharing. In 2020 NATO and Ukraine will conduct a table-top exercise on a scenario related to hybrid threats in the Black Sea region – a practical example of the increased NATO support related to Black Sea challenges, decided by Allied Foreign Ministers in April 2019.

We are committed to helping Ukraine better provide for its security and implement structural reforms. This is where the NATO Representation to Ukraine's advisers play a key role, working day-to-day with Ukrainian institutions to implement security and defence reforms and enhance Ukraine's resilience in line with Euro-Atlantic standards and principles.

The year 2020 will launch a new cycle of defence and security planning in Ukraine. A new National Security Strategy, Military Security Strategy, Strategic Defence Bulletin and several security and defence reviews should be adopted and implemented. These will be decisive in terms of setting Ukraine's strategic priorities for the years ahead. It will require much strategic thinking, as well as strategic acting. Challenging reform tasks for 2020 will include strengthening civilian control and democratic oversight of defence, security and intelligence bodies, improving the command and control system for



Jens Stoltenberg in Odesa. NATO Member States has been steadily supporting the sovereignty and territorial integrity of Ukraine

Ukraine's defence forces, ensuring good governance and tackling corruption in the security and defence sector.

Ukraine's society is looking for visible progress in this and other areas. And NATO will continue supporting Ukraine in achieving such progress. In 2020 we look forward to significant further steps in implementing the framework Law on National Security, the adoption of which was welcomed by Allies in 2018 as an important step bringing Ukraine closer to European and Euro-Atlantic standards and principles. Today, and in 2020, there is a window of opportunity to translate the vision set out in this law into tangible reforms and results.

Among those steps, the reform of the Security Service of Ukraine remains a key element. Through its Representation in Kyiv, NATO has – jointly with the EU and U.S. as part of the International Advisory Group (IAG) – been supporting Ukraine with advice on SBU reform for over three years. As in any democracy, reform of the security and intelligence services in Ukraine is a sensitive matter. It is unlikely to succeed if it is not shaped through wider internal dialogue among multiple national stakeholders. And clearly, there is no magic, one-size-fits-all, off-the-shelf solution.

But Ukraine's European and Euro-Atlantic partners would welcome the SBU's transformation into a de-politicized and effective security agency focusing on the core tasks defined by the Law on National Security: counter-intelligence, counter-terrorism and protection of state secrets. Cooperation and exchange with the Euro-Atlantic security and intelligence communities, based on mutual trust, would also benefit from progress on reform.

The Verkhovna Rada's new convocation already made a strong start in 2019. NATO looks forward to Parliament's active support to the reform of Ukraine's security and defence sector. At the same time, it is important to find a balance between "turbo-mode" speed and Euro-Atlantic quality of adopted legislation. That is why strengthening Parliament's capacity will remain one of the key directions of our advisory support.

In May 2020 Ukraine is set to host – for the first time in its history – the spring session of the NATO Parliamentary Assembly. This major happening will bring hundreds of Members of Parliament from NATO member states to Kyiv, enabling them to engage with their counterparts in the Verkhovna Rada, and learn more about this country and its freedom-loving people.

To be sure, 2020 will bring new challenges and new opportunities for both Ukraine and NATO. NATO will continue to support Ukraine's ambitious reform agenda, which is crucial to achieving a prosperous and peaceful Ukraine, firmly anchored among the family of European democracies. And we highly value Ukraine's continued contribution to NATO-led missions and operations around the world, especially while facing grave threats at home. This shows Ukraine's strong commitment to be a contributor to international security.

NATO, as well as Ukraine, learned the historic lesson that peace and security can never be taken for granted. Ukraine is pays a lot of effort to implement wide-ranging reforms, strengthen its defence capabilities and enhance its ability to provide for its own security. And NATO will continue to stand by Ukraine's side and support these efforts through all the available instruments our Distinctive Partnership offers.

# An (un)expected storm

Is escalation possible in the Sea of Azov and the Black Sea in 2020?

Andriy Klymenko, Institute of Black Sea Strategic Studies monitoring group

Forecasting risks that ensue from Russia's possible actions in the Black and Azov seas is no longer something extremely difficult or unrealistic — the experience of 2014-2019 serves the purpose, as long as we do not give in to the information and political hysteria around.

Russia's occupation of Crimea unearthed the long conserved geopolitical divide along the Sea of Azov, the Black and the Mediterranean seas. Tectonic shifts like this do not stop on their own.

The processes of 2020 will be the continuation of Russia's strategy and tactics, using military, geographic and geopolitical opportunities created in Crimea in six years of occupation beyond the peninsula. In a nutshell, its military threat and imperial expansion will be projected beyond Ukraine to cover the whole of South-Eastern Europe, South Caucasus, Turkey, and the Syrian knot in the Middle East with further development in North Africa. Another element of this is creation of Moscow-controlled chaos wherever possible, primarily in the EU and NATO states, as well as the Balkans.

The problem of freedom of navigation in the Sea of Azov and the Kerch Strait that broke out "unexpectedly" in April-May 2018 should be viewed in this context. 2019 has already shown some elements, attempts and sketches of the "Azov technique" for the expansion of sea occupation into the Black Sea.

The analysis of ungrounded halting of vessels heading to/from Mariupol and Berdiansk, Ukrainian ports in the Sea of Azov, during the last 18 months reveals some patterns and leads to interesting allusions.

With no effective response from the international community, Russia has grown more brazen in the Kerch Strait, now using navigation asymmetrically as part of its demands for negotiations on unrelated issues, such as resumption of water supply to the occupied Crimea.

European leaders have used the same asymmetric approach to temporarily decrease the time for which ships are held in the Kerch Strait by linking this to the EU's de-

Threats for Ukraine in the Black Sea and the Sea of Azov

Ukraine

Sea of Azov

Russia

Romania

Shtormove and Arkhangelske gas fields

Black Sea

Turkey

Russia's ungrounded interference with Ukrainian sea traffic since May 2018

Russia's possible ungrounded interference with Ukrainian sea traffic in 2020

Source: Institute of Black Sea Strategic Studies monitoring group

cision-making on the construction of Nord Stream 2 and direct sanctions against Russian ports in the Sea of Azov and the Black Sea. In Ukraine, this move was sometimes referred to as "the Merkel-Macron ratio".

Once Nord Stream 2 received final approvals and the ratio was no longer valid, the vessels were once again halted in the Kerch Strait for longer periods. When the Russian strategists wanted to look innocent in the runup to the International Tribunal for the Law of the Sea several months later, the delays of the vessels navigating to and from Mariupol and Berdiansk near the Kerch Strait shrank again (see **diagram**).

Under no circumstances, however, the duration of delays returned to the pre-blockade time. As Lithuania's Foreign Affairs Minister Linas Linkevičius once described it aptly, it's as if someone stole \$1,000 from someone, returned \$100 and everyone is happy that he is willing to cooperate.

Russian strategists use these ongoing violations of international law to test the limit of concessions and patience of the civilized world and its readiness to respond to Russia's whims.

Based on this algorithm and earlier experience, it is fairly easy to forecast scenarios for 2020.

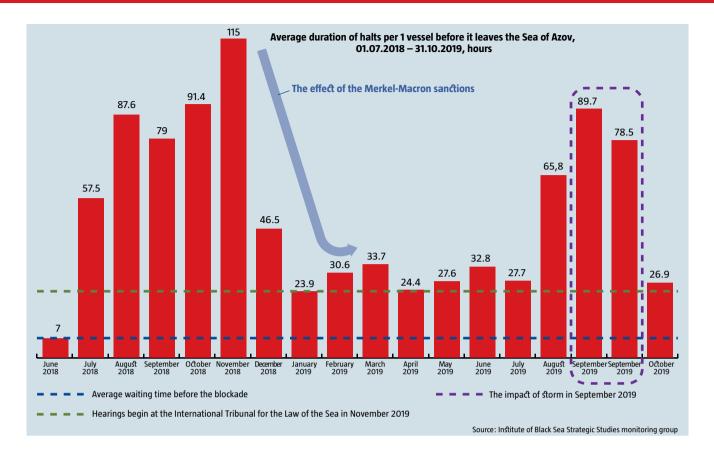
The Azov sea port accounts for just a small fraction of exports compared to the other numerous ports in Odesa, Mykolayiv and Kherson. We are almost certain that the Azov crisis was a test. Ukraine's key export routes are in the Black Sea leading to the Bosphorus.

From H2'2018, Russia has been increasing the number of navy ships and coast guard boats in the Sea of Azov. It sends new ships there and transfers the vessels engaged in the Caspian, Baltic and White seas via domestic river routes.

Next to the recommended Odesa-Bosphorus sea routes in the Black Sea are the oil drills located on Ukraine's shelf and captured by Russia at the beginning of the occupation of Crimea. Few pay attention to the fact that these platforms at the Odesa field, also infamously referred to as Boyko drills, are closer to Odesa coast than they are to the occupied Crimea. The closest Russia-seized drill is 77.6km or 41.9 miles away from Odesa coast, 50.4km or 27.1 miles from the Snake Island, and 121.5km or 65.6 miles from Cape Tarkhankut. The closest drill to Kherson coast is just 52.2km or 28.2 miles away (see map).

Each platform and drill has long hosted a garrison of Russian special forces or marines, as well as radars for surface, underwater and air surveillance — in total, over a dozen Russian military objects on Ukraine's shelf. While auxiliary boats patrolled them in the past, the 41<sup>st</sup> Missile Boat Brigade of the Russian Black Sea Fleet has been doing that since June 1, 2018 with 24/7 rotation and powerful battleships.

In one possible scenario, Russia could start halting the vessels heading to and from Odesa for check-ups. The FSB can easily come up with a report about a diversion group



on one of the vessels with plans to explode the drills at the stolen Odesa field (which Russia considers its own in addition to the rest of the Ukrainian shelf where it extracts and steals up to 2bn cu m of gas annually). If Russia does so one, two or three times, the consequences for the traffic in that area are easy to see. This may not happen with proper deterrence, but that scenario should be on the table.

Another plausible scenario is a landing operation, possibly with diversion groups, on the Ukrainian Black Sea or Azov coasts. The Sea of Azov has almost entirely become a Russian lake by now as the Russians enjoy absolute domination there. Over the years of occupying Crimea, Moscow has seriously reinforced its Black Sea Fleet. As a result, Russia enjoys full advantage in the sea and may well be planning to use this advantage — especially in 2020 when the transit of Russian gas via Ukraine as a deterrence could disappear.

The problem of a landing operation is that it is impossible to guess where exactly it could hit. Ukraine's entire coastline in both seas is vulnerable to such operations. How can Ukraine respond in the sea? All Ukraine's government can do until it seriously reinforces its Navy, i.e. for the next 3-4 years, is ask NATO to have its military vessels permanently patrolling the area like they did in 2014. After March 2014, NATO ships patrolled the Black Sea almost 90% of the days until the end of that year. In our opinion, that prevented the outbreak of an "Odesa People's Republic" on May 2, 2014.

In order to prevent such operations, Ukraine could try to create a sea border in the Sea of Azov in 2020. This means informing the world that the 2003 agreement on cooperation in joint use of the Sea of Azov with Russia is no longer valid, so Ukraine can unilaterally declare the

area its territorial waters under the UN Convention on the Law of the Sea and protect this border with all navy and coast guard means.

Apart from the sea border, there will be more need for asymmetrical sanctions against Russia in 2020. It is highly likely that international economic restrictions will be imposed on Russian ports in the Black Sea and the Sea of Azov for trips to the occupied Crimea as part of the "updated Crimean package" to replace or reinforce the "Azov package". This could be effective deterrence against Russia in its intentions to occupy the Black Sea.

Clearly, Ukraine will further strengthen its marine capabilities in 2020. It might finally develop a proper sea policy in the context of real threats to the freedom of navigation in the Black Sea and the Sea of Azov, now finally recognized both domestically and internationally after 2018-2019. For now, Ukraine is still a state with land-oriented thinking and a habit of fighting wars on horses, carts, APCs and tanks.

Azov experience offers another source of hope: the halting of trade vessels during movement in the sea stopped when Ukraine's Navy started escorting commercial boats from Mariupol to Kerch. It is therefore possible that ships from NATO countries could be invited to join Ukraine's Navy in escorting or patrolling trade vessels along international sea routes.

One hopeful factor which the Russian strategists seem to have missed is that freedom of navigation is a fundamental principle of the civilized world that stands alongside freedom of trade and human rights. Therefore, engaging the international community in an effort to block threats to this freedom could also deliver some positive results in 2020.

# Dangerous liaisons?

The red lines that keep haunting Volodymyr Zelenskiy have managed to find their way into the bill on decentralization, too

**Andriy Holub** 



**The equation for 300.** It's already evident that the president will have problems getting the necessary votes to pass the final amendments to the Constitution: the bill has been soundly criticized by all factions except *Sluha Narodu* 

This one topic has not been raised in the Verkhovna Rada for over four years now. The last time was before August 31, 2015, when a hand grenade tossed at the square in front of the legislature took the lives of 4 National Guardsmen and significantly slowed down the reforms that had just been launched. Nominally, MPs kept debating constitutional amendments involving decentralization, but, in fact, the general idea of eliminating the soviet organization of local government moved to the back of the priority list. "The features of local government in certain counties of Donetsk and Luhansk Oblasts shall be designated in a separate law," a sentence proposed by then-President Petro Poroshenko to be added to the Transitional Provisions of the Constitution, was the issue over which the government and the opposition broke swords.

In the winter of 2019, the trials of the two suspects in the terrorist act in front of the Rada, Ihor Humeniuk and Serhiy Krainiak, continue, while Poroshenko's bill amending the Constitution disappeared into neverneverland. The idea of decentralization and its reforms have survived. Today, more than 11 million Ukrainians today live in newly-formed unified territorial communities or UTCs, while the proposed mechanisms for organizing their administration have proved their advantages in practice.

Still, the dangerous link between decentralization and the occupied territories that led to tragedy in 2015 has not been broken. Until the Constitution is amended, all the achievements of decentralization remain temporary and shaky. This is discouraging and

adds uncertainty, especially for those who have personally put in the effort to change things locally. As soon as an issue is put on the agenda, it becomes fogged with risks connected to Moscow and its never-ending and ever-changing whims. A bill registered in the Rada on December 13, "On amending the Constitution of Ukraine (regarding the decentralization of government)," initiated by President Volodymyr Zelenskiy and the identical one proposed by Poroshenko not only have the same name, but largely the same content. Still, there are differences, and disputes over their essence have already divided yesterday's fans of reform into several camps.

The Zelenskiy bill makes no mention of special status for occupied Donbas and the president's team is making a point of emphasizing this. Formally, that is true. Despite Russia's insistence that such special status be enshrined in Ukraine's Constitution, the Minsk accords never directly required such amendments: they only mention decentralization and recognizing the special conditions in the occupied territories and agreeing changes with their "representatives." Zelenskiy has chosen to focus simply on the term decentralization. And so there really is no mention of Donetsk or Luhansk Oblast in the text of his bill. The other news that critics of the idea of constitutional amendments immediately picked up on was that the bill does not mention any other territorial units, either—other than Kyiv and the Autonomous Republic of Crimea. This means that the names of the country's 27 regions—24 oblasts, the cities of Kyiv and Sevastopol, and Crimea—will be removed from

the Constitution altogether. Instead, there will be only a mention of the peninsula and the capital, whose "legal status" will be defined in a separate law. The proposed version of Art. 133 of the Constitution is almost identical to what was proposed by Poroshenko in 2015, other than that Poroshenko's proposed amendment left in the mention of special status for Sevastopol.

If Zelenskiy's bill is passed, Sevastopol will also disappear from the text of the Constitution, leaving its status up in the air. It's not part of any oblast or region like all other cities and towns other than Kyiv. The Crimean city also has not formed a community, as it is currently occupied. Initially, *Sluha Narodu* tried to take advantage of the situation, saying that the party was actually against any kind of special statuses. Later, MP Bohdan Yaremenko wrote on his Facebook page that they had agreed that "in preparing the bill for second reading, revisions to the transitional provisions would designate that changes in the status of Sevastopol would take place after deoccupation." However, it seems that Yaremenko had muddled two processes: the passing of a bill and the amendment of the Constitution. The latter did not involve any alterations to the text after amendments were sent to the Constitutional Court — analogous to first reading.

It's possible that the situation with Sevastopol really did arise because the Office of the President decided to avoid the term "special" and "specific," which had burned their predecessors. On the other hand, this did not help the Zelenskiy administration avoid accusations of secretly working towards federalization. The main disputes here are over the new version of Point 16, Art. 92 of the Basic Law. This article contains a list of issues that can only be governed by laws, not via presidential decrees, Cabinet resolutions or lesser acts. The specific rule today is stated thus: "Only laws of Ukraine may govern the following:... (16) the status of the capital of Ukraine and the special status of other cities." In Poroshenko's 2015 bill of amendments to the Constitution, the proposition was to narrow the rule to "the status of Kyiv as the capital of Ukraine." In his version, Zelenskiy, on the contrary, significantly expands this rule so that only laws can establish "the territorial administrative institutions, the legal status of territorial administrative units, and the status of Kyiv as the capital of Ukraine."

Opponents of the bill focused on the phrase, "legal status of administrative-territorial units." Their arguments can be summed up as: these rules will allow the Rada to pass any number of laws with different ranges of authority and rights for different regions, districts and even communities. In this way, instead of just occupied Donetsk and Luhansk Oblasts, Ukraine could end up with hundreds of "special" regions, although this word is nowhere to be found in the text of the Constitution. Moreover, such actions would not even need a constitutional majority of 300 votes, the way it is now, but a simple legislative majority of 226 votes.

Those who favor the bill claim that these concerns are farfetched, as this bill to amend the Constitution grants special legal status only to Kyiv as the capital. But knowing the Ukrainian — soviet, imperial Russian — tradition of interpreting laws according to the political situation of the day, it's easy to anticipate that the final word on this will belong to the Constitutional Court of Ukraine at the request of those same MPs or the president himself. And knowing the standard practice of this court, it can be confidently stated that the risk is very high that this rule will be applied as Bankova sees fit. Incidentally, even without this, the Zelenskiy bill substantially expands the role of the Constitutional Court in terms of defending the territorial integrity of the country. Today's oblast governors and county state administrations will be replaced by prefects with the power to oversee the legitimacy of decisions made by local government agencies. These prefects will rotate every three years and will not directly interfere in local administration or function as part of the executive branch. However, they will have the power to challenge the decisions of local government agencies. The final

decision in any dispute will be up to local courts. In cases where a local government decision is deemed to constitute a threat to the country's sovereignty and national security, the prefects will be able to appeal to the president in person to suspend such acts together with a suspension of all activities by all locally elected bodies. At this point, the Constitutional Court enters the picture and has seven days to decide who's right. A similar rule was in Poroshenko's original bill, except that there was no seven-day timeframe for the Constitutional Court to make a decision. It seems unlikely that the Court will be able to avoid responsibility for delaying a decision sooner or later.

Yesterday's government and today's opposition have accused Zelenskiy of also trying to usurp power. His proposed institution of prefects is the focus of their attacks. Yet such accusations are odd, to say the least, because the Poroshenko bill contained a very similar set-up — only the "prefects" were called "responsible before the president" and "subordinate and reporting to the Government." In the new bill, the prefects are simply "subordinate and reporting to the president and Cabinet." Some changes are made but they are not substantive.

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CURRENT AND PREVIOUS ADMINISTRATIONS PREFERRED THIS APPROACH

Far more worrisome are the endless references to laws that have yet to be drafted, let alone passed. Decentralization reforms could have been completed in two ways. Firstly, by passing a package of bills among which the main one established the administrative territorial structure, and then to amend the Constitution. Many of those who are now advocating the Zelenskiy bill previously supported precisely this approach. The second is to do its opposite. Both the current and previous administrations preferred this approach. But the unknown tends to generate distrust and fear. The legal status of the regions? To be defined by law - eventually. The legal status of prefects. Also to be defined, later. And there's also someone called the temporary ombudsman, the person who will administrate the region should the Constitutional Court decide that there's a threat to national security emerging in a locally elected government and disband it. The ombudsman's legal status? Also TBD, later. In the end, what are the district and oblast councils in the Zelenskiy bill needed for, anyway? The fiscal survival of the community will be handled by the community council. But this, too, is to be decided by a piece of legislation that has yet to be made public. So far, the Zelenskiy administration has not even publicized the cost of setting up new okruh-style counties to replace the old rayon-style counties, and the new oblasts, which could end up being more or fewer than the current 24. All Ukrainians have, so far, is an announcement by MP Oleksandr Kornienko (SN) that there will be around 100 counties, clearly far fewer than the current 490. Kornienko had promised to "come out with a draft of the new administrative structure and begin public debate over it" by the end of November... Sluha Narodu have also promised a "package of bills" on decentralization, but ended up only producing a number of constitutional amendments. The first vote on this bill and its submission to the Constitutional Court for review needs only 226 votes, which could happen within days after this publication comes out. Beyond that, SN will have to get other parties on board to get the necessary constitutional majority of 300 votes. Hopefully, they will have a published package of bills at that point, which will be safer for Zelenskiy, for decentralization, and for the people rallying outside the Verkhovna Rada. II

### Play this song on YouTube

How culture is being absorbed by the internet and what comes after

Kateryna Hladka

While even ten years ago the culture was directly tied to the ability of a certain artist to be featured on TV, nowadays these dynamics swiftly shift towards one's internet presence. Public's taste becomes more individualized — everyone listens to and watches whatever they want and whenever they want; consumers are not depended on TV station's preferences and timing anymore. Moreover, as the technologies develop, everything that's on offer does so as well; with time, the distance between the artist and the consumer becomes narrower day by day.

### YOUTUBE, THE TOOL OF INFLUENCE, AND THE "MADE IN UKRAINE" CULTURE

In the West presence of artists, cultural managers and journalists on YouTube has long ceased to be a novelty, and quite frequently their audience is way wider, than the one on traditional channels. In Ukraine, on the other hand, despite hundreds of online blogs (and those are mostly blogs of politicians or celebrities), this particular channel of digital communica-

tion is far from being a full-scale independent market yet. There seem to be several reasons for that. First of all, we are facing segregation of the audience onto "internet" and the "TV" groups. In 2013 several channels gained their popularity as a result of the Ukraine's Revolution of Dignity, but once the revolution was over, these channels struggled to offer an interesting and meaningful content.

In March 2019 "Detektor Media", a civic organization, published results of a media research, where they've asked respondents to identify the news sources they use and the media outlets they trust the most. As of February 2019 some 74% respondents claimed that those outlets include various traditional TV channels, while only 27.5% named Ukrainian online media outlets as the main source of information. When we talk of public trust, 40% of respondents claimed that they mostly trust Ukraine's main TV channels, while only 14% trust online news portals, and 12% — social networks; 6% claimed they trust other sources of information. Nevertheless, compared to 2018, dynamics of the use of online media are



Exotic Carpathian. The key to Alina Pash's success is her way from a talent-show "X-Factor" to YouTube videos watched by millions





From TV channels to the internet. Roman Skrypin's example and Roman Vintoniv proves that it is possible to create quality and popular Ukrainian-language content for YouTube

growing and hence it allows the cultural sector to use the online outlets as a tool to attract more attention to Ukrainian artistic achievements.

YouTube, as well as other social networks such as Facebook and Instagram, not only offer people a way to express and promote their work, or allow individual artists to open a personal online channel, but these platforms offer the same to various cultural establishments or institutions. Nearly all of the museums, theaters, distribution companies and the newly formed institutions, such as Ukrainian Cultural Fund, have an active account in several social networks. Yet, if we talk about Ukrainian segment of YouTube, it remains mostly Russian-speaking.

Serhiy Neretin, is a former first deputy head of Ukraine State Film Agency, as well as someone who has long worked on Ukrainian channels and has spent considerable amount of time in Ukrainian film industry. His example clearly demonstrates how someone can transfer one's professional activities from "traditional" media outlets to an online platform, such as YouTube. Some 10 years ago he came up with an idea to create video-magazine about the culture and various cultural events, and he even shot a trial edition of this magazine, however at that time Ukrainian TV channels did not express any particular interest in this undertaking. When Serhiy left the Ukrainian State Film Agency, he attempted to revive his project. "I am particularly interested in Ukrainian-speaking segment of YouTube. I believe that this outlet is not only able to form public opinion, but in fact I'm sure this is what it's doing at the moment. Even if we take a look at the situation with media in Russia, they have all the kinds of programs — social, political, entertainment and musical. All of the smart TV hosts in Russia (if there are still any left there), such as Parfyonov or Sobchak, have established their YouTube channels a while ago and they currently have millions of followers. I don't even know where to begin, if we talk about United States or Europe — digital market here is about to take over traditional media outlets. It is only a question of several years, when Ukrainian digital market will be full. I really like projects of Roman Vintoniv (Michael Shchur), Yanina Sokolova, or Roman Skrypin on Youtube. It is not enough to just have a channel, your content has to be interesting, captivating, relatively provocative and understandable for young people below 30," explains Serhiy.

Serhiy also insists that his video-magazine widens the op-

tions and expands the audience, while his solid experience in film industry and journalism allows him to be professional in creating his content. Nowadays he has several programs that he is currently hosting — these programs provide an overview of cultural processes and events in Ukraine. "If you look carefully at TV screens that are manufactured across the globe, you'll see it's just a one big gadget. It is one big screen, where you can download whatever you want and watch it at any time you want. Times on a regular, "traditional", TV channels is on the other hand strictly regulated. I would like to create short films, documentaries, smaller shows that may only last 5 or 10 minutes. This is not the format TV stations are after. If you have your own blog though, you can publish your own interesting and relevant video and it will be shared immediately. YouTube has completely changed the game rules for us," tells Serhiv. He claims that YouTube audience has grown older, and they are ready to embrace the new quality content produced in Ukraine.

Over the last 6 years film industry has also been active trying to find its niche online. First of all, not only state support for Ukrainian movies has been increased, the number of these movies has also grown. This has also created new uncomfortable challenges for Ukrainian movies, especially bearing in mind traditional caution against everything that's 'Ukrainian, [and therefore is] a low-quality product." Creators of nearly every Ukrainian film shot in Ukraine go extra mile just to be present on social networks and to be as interactive as possible. The movie "Devoted" ("Viddana") based on Sofia Andrukhovych's novel "Felix Austria" is scheduled to be shown in cinemas in January 2020. Copyrights for this movie were bought by Film.UA Company back in 2017. "Devoted" has its pages on social media, there is a promo-team taking care of its publicity, publishing some of the less known facts about this movie — about the costumes, soundtracks, which were, by the way composed by Tina Karol and Julia Sanina, the lead singer of The Hardkiss. The main aim of the filmmakers is to create an interest in the movie even before the official release date. Online platforms are ideal tools for it. Nowadays this is what happens to every "Made in Ukraine" film.

#### WHAT ABOUT THE FILM CRITICS?

When Ukraine became independent, frankly speaking, it couldn't boast of a solid film critics' community, and as the internet started taking over, the role of film critics became even less noticeable and effective. For example, when The Great Gatsby dancing show was first hosted in Kyiv, most of the invitees, the art critics, came from abroad. According to the authors of this project, such stance enhanced their professionalism, reputation, allowed them a wider audience and respect for artistic product. In Ukraine critics are often just a number of enthusiasts, who do not really influence the art scene that much. There are minor exceptions, though, like for instance, some competitions, where film critics are also present on a board.

Maksym Demskiy, director of multidisciplinary festival GOGOLFEST, believes that frequently critics are rather incompetent and they rarely have the knowledge of the new project. Kateryna Leonova, actress and the leader of SHANA band, thinks the role of critics has evolved and they turned into a compass, which helps artists to navigate within the chaotic ocean of changes and innovations. "I have a feeling that this is a transitional period. Something has passed and there is a place for something new for us. This "newness" comes out of everywhere; it pours out from every outlet possible. Nobody is truly the first one in this chaos — leaders change, maybe this will change too and one day there will be some sort of new ideology, a pact that this society is willing to accept and follow. All of this is born right now. I believe that the role of the critics is vitally essential in this process; it is important for every aspect of cultural life — in film, in theatre, in music, literature — you name it. Sooner or later, it will be the critic's job to set the quality standards for the best ones, and thus disqualify everyone who wasn't good enough to fit. Artists have to embrace the

ONLY WHEN UKRAINE IS DONE WITH THE PIRATE CONTENT, WE CAN INITIATE PRESENTATION OF UKRAINIAN MUSICAL SCENE ABROAD TO FOREIGNER PARTNERS AND INVESTORS. PRESENCE OF MAJOR STREAMING COMPANIES, SUCH AS YOUTUBE MUSIC OR APPLE MUSIC IN KYIV WOULD EQUALLY HELP TOO

fact that there are leaders of thoughts, leaders of public opinion. We don't necessarily mean the amount of likes on Instagram (however, nowadays, it seems that this has become an unavoidable part of our lives), but also a more general, deeper perspective and ability to demonstrate the general picture of the present times; drawing some parallels with the past, and sensing the tendencies for the future. This is a very important and complicated work," concludes Kateryna.

When it comes to literature, the state and quality of critics in this field is not too promising either. Very often there are publishing houses simply asking journalists to write a review on the book. Another issue is the lack or limited availability of platforms to publish such reviews. Does it mean we are running the risk of seeing the critics disappearing as a profession? We cannot tell for sure right now. This may also just mean that the tastes of the audience have evolved or changed and critics will have to fight for their place under the sun. Perhaps, it doesn't mean we will see them directly influencing the art product (for example in New York, a word or two of some well-known critics may easily change the script in a play), but certainly critics will help the audience in filtering the information.

#### PIRATES AND CREATIVE ECONOMICS

More and more often we hear the term "creative economics", which comes up in conversations about culture, its development and the role of various digital platforms in this process. Creative economics is the businesses and people, who create cultural, artistic, innovative products and services, as well as art spaces where artists can gather and exchange ideas, or partner with each other. According to the data provided by the UN, in 2018 creative economics had nearly 3.4% share in the global GDP, while the amount of people employed in this industry reached 25%. Moreover, the pace that this industry has been growing with has now taken over the service industry. What does this mean? It means that from now on we can claim that the world will live in the humanities version 2.0. In

Ukraine experts are targeting the music industry. Think of Sweden, where after less than 25 years years, music became one of the country's key sources of income — understandably, not without ABBA's help. Nowadays Sweden is rightly considered as one of the leading countries in the music industry.

So why can't Ukraine follow Sweden's example and turn musical industry into one of the most profitable industries for the state? The reason is pirates. Ukraine continues its war on illegally distributed videos; however it is not as easy to protect the music. There is Ukrainian Anti-Pirate Association (UAPA), which calls for marketing managers not to put any ads on pirate website not to pump them with money. Some brands did in fact shut down such cooperation, but others still do partner with illegal online platforms. One of the reasons for this is that many of these brands' offices are located in Moscow. This creates a vicious circle — on one hand, some brands are demanding for Ukraine to finally take control of pirate content distributed on its territory, or otherwise they won't enter the market, and on the other hand — these same brands are stimulating the pirate activities from their offices located abroad. Maybe introduction of more punitive measures could be an answer to

Only when Ukraine is done with the pirate content, we can initiate presentation of Ukrainian musical scene abroad to foreigner partners and investors. Presence of major streaming companies, such as YouTube Music or Apple Music in Kyiv would equally help too. Oleksandr Varenytsya, director of "Mnoho Vody" PR-agency claimed in one of his articles that there are only 6% of those who listen to the legally-downloaded music on their phones. This process is rather new and requires certain popularisation.

Ukraine should also create more platforms for young musicians, who would get a wide range of new opportunities. Internet-platforms can really give Ukraine a chance to develop its musical industry as a whole, not just as a base for individual artists

Nevertheless, despite the fact that there are so many unanswered questions, many processes do go naturally and tendencies in Ukraine don't really differ from the ones in the West. For instance, the art does embrace digital technologies — and in this case the audience can not only co-author or influence the final product, they can also be more involved into this creation. These tendencies give us the chance to revaluate our past and see our future from certain perspective.

"Challenges of gravitation" exhibition will be presented in Kyiv's Mystetskyi Arsenal cultural centre from October 2019 until January 2020. The exhibition is dedicated to the life and art of Paraska Plytka-Gorytsvit, Ukrainian photographer, artist and writer. In addition to some handmade books, photographs, photo works, and sculptures, visitors can also see big light installations on the wall and "walk around" Paraska's VRhouse. This project is one example of how past and present are merged within Ukrainian cultural space. What seemed to have been left behind and having had become history, has been revived and is now creating new senses. Uniqueness of this project also lies in its multidisciplinary approach. There are many talks, discussions, meetings organised by the "Radio Kultura"; roundtables for professionals and experts of the cultural space.

It is likely that the emergence of new demands and ideas in cultural sphere may lead to revaluating boundaries of culture as such. Perhaps it will come in close contact other spheres — science, education, urban studies or even IT. Art creates new spaces; it decentralises and leaves the Soviet past behind. One of the reasons behind it is the fact that unification of a virtual and real will become the key for Ukrainians not only to get to know their own culture better, but also to relate to it.  $\blacksquare$ 

### Lectures in bars

Are public talks and lecturing becoming a regular way to spend free time in Ukraine?

Oleh Feya

It is Saturday evening. Small Opera in Kyiv is full. Ulana Suprun is joking on a stage, telling the audience how to "destroy the Sovietism in science". People are laughing. This is how the Science Slam, a public lecture, set as an "intellectual battle" between scientists, begins.

According to the slam rules, each participant can only talk about their own research and not longer than 10 minutes. Their speech must be short, simple and right on point. In fact, this is more of a scientific stand-up show, during which academics are telling the public about their work. Fossils and bird-dinosaurs that populated Earth millions of year ago. Symmetric derivatives. Usage of nuclear magnetic resonance to fight the measles virus. Transformation of fibroplasts

into cardiomyocytes using the CRISPR editing system. The range of the topics is genuinely wide and the audience are the one who get to choose winners. Organisers measure the volume of applause using the sound level meter and hand in the prize to the winner — the boxer gloves. It is a real "battle" after all. Moreover, some guests' research is out of scope of the contests — such as former minister of Health of Ukraine, Ulana Suprun and Yevhen Dykiy, director of the National Scientific Antarctic Centre.

#### IN A NON-SCIENTIFIC SPACE

This format has its origins in American "Poetry Slams" — young poets' contests, which were held in bars. Instead of poetry we are dealing with science here, though. First scientific slams were held

in German bars, destroying the boundaries and perception of science as something distant and boring, something concealed in the depth of laboratories. Afterwards, this format became incredibly popular, its audience reached few thousands and the lectures were moved from bars to concert halls.

"France has a contest. You have to explain the topic of your dissertation in 180 seconds," says Stefania Ivashchenko, who holds PhD in biochemistry and is a contestant in Science Slam. "Unfortunately, while I was studying in Grenoble, I simply did not have any energy left to prepare for those lectures. I received my PhD several months ago. I figured I would want to generalise results of my work and share it with a non-academic audience. Two weeks before this event



Science&Wine. Olha Maslova explains how our nutrition affects our brains

I saw and ad on Facebook and I immediately contacted the organisers. I sent them a short funny story of the project, then the video, where I did explain everything in a very simplistic way. When they confirmed my participation, I sent them a presentation, which I was gradually improving as I prepared. In my lectures I focused on objects and methods of my studies — viral non-structural proteins and nuclear magnetic resonance. I have also thrown in some jokes in order to make it easier for the audience to absorb this complicated information."

Another format of such lectures, adopted from the West is TEDx. This format originated from American conference TED Talks (short for Technology Entertainment Design). This conference's slogan was "Ideas Worth Spreading". Since 2009 there has been more than 100 lectures held in more

EDUTAINMENT INCLUDES ALSO LECTURES, EDUCATIONAL SHOWS, INTERACTIVE EXHIBITIONS, MASTER CLASSES OR WORKSHOPS.

UKRAINE DOES FOLLOW THE GLOBAL TENDENCIES IN THIS SPHERE AND IF DEMAND FOR AN INTELLECTUAL LEISURE WILL KEEP GROWING, SO WILL THE VARIETY OF POSSIBLE OFFERS ON A SCIENTIFIC MARKET

than 15 cities across Ukraine. TEDx events pay less attention to science and focus more on motivational speakers and stories of success as well as projects with a strong social background. Former minister of economy, Pavlo Sheremeta, historian Yaroslav Hrytsak, TV host Yanina Sokolova, aforementioned Ulana Suprun as well as Yevheniya Zakrevska, the lawyer for "Heavenly Hundred" families, all gave their speeches here.

"Once I was organising TEDx, and I thought it would perfect to make an only science-based conference. This is how we founded our former project, Brain&Ukraine," explains Olena Skyrta, who established INSCIENCE along with Anna Oryekhova. Anna has spent more than two years trying to popularize science and combine it with business. Last year they organized one of the biggest conferences in Ukraine — speakers from NASA, Mars Society, Polish Copernicus Centre were invited to this event.

"Even before this event we've established regular happenings named Science&Wine, where scientists tell their stories accompanying it with a glass of wine. They talk about creativity, intellect and love. We held those events in the Central Observatory of the National Academy of Sciences of Ukraine, combining these talks with guided tours and looking at stars together. We have then

been based at Closer and IZONE art spaces," tells us Olena Skyrta.

According to Anna Orvekhova, some of the funniest events of INSCIENCE were science parties held in museums — Science After Dark. "Those 'smart' parties were held after the museums were closed and were carried out up until midnight. We prepare those together with our friends from the 'Kunsht' magazine. We are preparing interesting talks and lectures, and we are also getting various Ukrainian academics involved; we create thematic quests and even compose songs about the science. All of this is done while sipping some wine, cocktails and listening to the sounds of a DJ set. People come here in groups, hoping to meet new friends, party all night and learn a lot of new things about themselves and the world around them.'

Starting from October 2019 cofounder of the project
initiated a set of lectures aimed at teenagers
named SCIENCE TEEN
PLATFORM. These lectures won a scholarship
offered by the International Visegrad Fund. According to Anna Oryek-

the

scholarhip

provides a half-year long promgram for children aged 13-17. Various European and Ukrainian academics and scientist hold different interactive lectrues and workshops on three topics — the space, the man and the environment. "Children create comets, which look so natural and real; they discuss Steven Hawking's books and design plans to fight global threat to environment. In April 2002 we plan to hold a big science festival for the children; they will be able to meet and talk to various scientists and learn about the science in Ukraine and across the globe. Our aim is to make science an irreplaceable part of their lives regardless of a career path they pick for themselves."

hova,

According to organisers, when one decides to create a popular science project in Ukraine, they have to be ready to be constantly looking for funding. Some of the events, such as the aforementioned Science&Wine and Science After Dark usually paid off because of the sale of tickets and sponsors. Some of the free projects, such as lectures for teenagers were funded thanks to grants and sponsors. "We can see that businesses becomes more and more interested in science, — says Anna Oryekhova. — This way businesses can give back to community and create an image of a smart brand.'

#### **TIMING DOES MATTER**

TED conferences inspired another Ukrainian project - 15x4 Talks. The name itself has been designed to reflect the format of these events — there are 4 lectures lasting 15 minutes each. According to the organisers, the 15x4 project aims to popularise the idea of science popularization itself. A 15-minute lecture is held in a way to give its audience the basic knowledge regarding certain scientific problem and encourage them to learn more on their own, after the lecture; for example by advising the listeners on further reading materials or other interesting sources of information. This project is also an excellent example of self-organisation — each 15x4 centre holds rehearsals for young academics and scientists, teaching them public speaking and how to deal with criticism from other members of scientific community. According to the 15x4 rules, everyone must speak at least twice. This also includes experienced lectures. Volunteers usually provide administrative and operational support — they shoot and cut videos, record lectures, put on ads. For instance, organisers from Khmelnytskyi partnered with the local TV station, which is recording the sessions and airs them on their channel, while the 15x4 team has a good material for their YouTube channel. Until today this channel has had nearly 70,000 subscribers, while the most popular videos received more than one hundred thousand views.

"I've held many similar lectures and at some point I realized that preparing this lectures has never been more tiring. I have therefore decided to gather other enthusiasts of these events and we would share the event among the four of us — this way it's easier", says Oleksandr Hapak, a Kharkiv-born founder of 15x4. "In August 2015 we held our first set of lectures in Kharkiv, and then eventually came to Kyiv and Lviv. We usually host up to two hundred listeners on our regular events, and we've always struggled to find an appropriate platform for this. Right now in Kharkiv we are based in National University of Karazin, and before that we organized our lecture in the Institute of Single Crystals."

"Our first event was held in Kyiv in October 2015," says Oleksandra Malevych, founder of Kyiv branch of 15x4. "It took us one month to prepare until we managed to find a proper location, lecturers, editors and we were morally ready to begin those events. For instance, out of all our five locations, only one platform agreed to provide us their premises for free — because the project



Science After Dark. In the National Museum of Medicine

was non-commercial. Of course, we had to spend some of our own money in the early stages of this project and pay the rent or the filming crew ourselves, because we believed that taking money from the audience goes against the philosophy of our project. Sometime later, when 15x4 became a well-known undertaking, we were invited to different art-spaces and there were also volunteers willing to help us with filming or cutting the videos. Our events have always been full and there were queues of people willing to participate, so we were constantly looking for a space that could host more people. We wanted to get people interested in science and we've made it. When I opened 15x4 in Kyiv, there hasn't been a single free open public lecture here. We would tell people all these curious captivating stories after which they would come home and start looking for more answers, using Google and doing research themselves; learning more about what thermonuclear synthesis was and how logical mistakes can affect people's lives. In a way, it has also been a therapeutic project for the young scientists. This has become a place for them to tell the audience about their work and feel that their research is important for society and does make sense. After several years working at our project we can proudly claim that we've helped many people to stand on their own two feet, train their skills and find colleagues."

In addition to Ukraine, 15x4 opened branches in Germany, Estonia, Italy, Russia and Israel. Anyone who adheres

to the rules of the community, such as free entry, prohibition of commercial or political sponsors, academic content, and obligatory rehearsals, can open a 15x4 branch in their city. Every year 15x4 holds a festival in Otrokiv palace in Khmelnytskyi Oblast — this includes several days of lectures, workshops, discussions, debates as well as a laser show held to celebrate the Independence Day of Ukraine.

#### **NOBEL CONVERSATIONS**

Since 2013 many cities in Ukraine were organizing Days of Science. This is a full-scale set of lectures, held twice a vear in the same weekend in several platforms, which include research institutes, NGOs and even Kyiv Observatory. Lectures, which are present at these events, include students, PhD candidates and academics from various Ukrainian research institutions. Similarly to 15x4, this voluntary project is free and does not seek funds from commercial sponsors. In 2019 the project received some funding from the City of Kyiv municipal budget. Dr. Serhiy Sharapov, one of the lecturers, physicist and mathematician, believes that popularization of science is one of his duties as an academic and he "has to show to the taxpayer exactly what he pays for". He acknowledges that, as opposed to regular professional conferences, it is usually quite difficult to come prepared for this type of events; rather frequently audience is unpredictable and too diverse, the lecturer needs to know how to draw analogies known to his public.

Set of lectures called Nobilitet focuses on research works, which won Nobel Prize. "When we founded Nobilitet, we wanted to unite the best experts from different fields of science and create a multidisciplinary community. We aimed to show to, let's say, physicists that literature may be interesting to talk about, while we wanted to show to literaturists that the chemistry can be captivating and practical," says Valeriva Loshmanova, a co-founder of this project. Along with Olha Maslova, a PhD candidate in biology, she held her first "Nobel" lectures set three years ago. "In addition to a massive event, which we organized before the actual awards, we hold separate lectures on a number of topics mentioned in Stockholm. For instance, there is a behavioural economics master-class hosted by the PhD candidate Benedict Gerrman or a lecture about the discovery of DNA by Oleksandr Kolyada."

According to Olha Maslova, because of the unique themes for these lectures, it is not always easy to organize everything. "Nobel Prize winners are announced in October, while the awards are handed on the 10 December. Hence we only have just a little less than two months to prepare. We really can't start working with lectures until we are certain, what topics will win this year. It also complicates the search for sponsors, because each company wants to support its own topics, while we can't really predict what those are each year. Bigger organizations also have their own specifics of financial planning, which don't really allow them to spare some extra money in October for an event held in December.'

Science Night Show is another project by Maslova and Loshmanova. This is held in the "night show" format, similar to the shows by Michael Schur and Yaroslava Kravchenko, popular TV hosts of "Toronto Television", who ask academics tricky questions and expect academics to provide a sharp, smart and yet simple answer. So far there has only been one similar event — and the concert hall was full.

In the West similar events are called edutainment — education via entertainment. The whole idea of this conception is to give people some skills and knowledge using the popular entertainment as a tool. This is also done in a relaxed, easygoing atmosphere. Edutainment includes also lectures, educational shows, interactive exhibitions, master classes or workshops. Ukraine does follow the global tendencies in this sphere and if demand for an intellectual leisure will keep growing, so will the variety of possible offers on a scientific market.

#### January 15, 19:30———January 20, 17:00———Starting January 22——

#### TELNIUK: Agnus Dei St. Catherine's Church (vul. Luteranska 22, Kyiv)

Listening to the talented Telniuk Sisters perform music for the Christmas season is even more special. Their new program called Agnus Dei (Lamb of God) offers impressive depth of text and the magical mood of the Nativity. Listeners will hear compositions based on poets through the ages and in different spheres, from Taras Shevchenko and Bohdan-Ihor Antonych to Karol Wojtyla, better known as Pope John-Paul II. All of the Sisters' compositions will be performed live, and each number will contain a little bit of their souls. Come and hear for yourselves on January 15 at St. Catherine's.



#### Vervovka Choir

#### Krushelnytska Opera and Ballet House (prospekt Svobody 28, Lviv)

This performance by the Veryovka National Merited Academic Folk Choir is a celebration in song, dance and orchestral music by its three performing teams: a 60-strong choir, a 20-piece orchestra and 32 world-class dancers. And the Veryovka repertoire is as varied and rich as its artistic talents. Be prepared for a capella singing as well as a choir with orchestral accompaniment, choreographed performances, and vocal-choreographic compositions.



### Evenings of French cinema (Major cities across Ukraine)

The Festival of French Cinema celebrates its 15th anniversary in Ukraine this month. Organized with the support of the Alliance Française Institute in Ukraine and Arthouse Traffic, the festival brings the best in French cinematography to Ukrainian viewers, including both the latest and the best world premiers. Last year's festival presented five movies in a variety of genres and themes. The schedule will be available shortly and you can choose which major city of Ukraine you'd like to watch



#### January 30, 20:00——

#### Damien Escobar Freedom Hall

#### rreedom Hall (vul. Kyrylivska 134, Kyiv)

Anyone who has heard this renowned violinist even just once before will be thrilled to hear that Damien Escobar's coming to Kyiv. Called the "first violin" of contemporary music, "enchanting" and "virtuostic," Escobar is above all a genuine, open-hearted performer. That may be why Americans travel all over the world to hear him play live and why so many Ukrainians are big fans of the violinist. This time, the audience can look forward to Escobar's fleet-fingered crossover violin playing with elements of the classics, jazz, pop, R&B and hip-hop.



# February 1, 22:00 Braty Hadiukiny (Hadiukin Bros.)

#### Docker Pub (vul. Bohatyrska 25, Kyiv)

February may be the dead of winter, but this year, it promises to be really humming when the insanely energized Hadiukin Brothers present their album "Laugh or Cry." When the premier of this new album by the cult rock band thundered through the capital, response was so intense that the band agreed to add a second concert in Kyiv. In addition to their seven new songs, the Docker Pub will ring with the best Hadiukin hits like "Shouldn't have loved," "The fine city of Ternopil," "Druggies in the yard," "Yellow ribbons," and "Article 117."



#### **Nazareth**

#### International Center of the Arts (Alleya Heroyiv Nebesnoyi Sotni 1, Kviv)

-February 10, 19:00—

While world rock legends keep coming to Ukraine, a huge army of fans of this Scottish band is getting ready for a grand show in the capital. Nazareth celebrated 50 years of performing back in 2008 in Dunfermline and remains one of the most successful and famous rock bands of all time. The boys have 22 studio albums to their name, the last of which debuted in 2013—God of the Mountains. So, viewers can expect songs from this album as well as a slew of Nazareth's biggest hits.







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