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Regions prove they cannot change

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There is little evidence to believe US consultants that the Party of the Regions has changed into a modern and democratic party

By TARAS KUZIO

In the last three years US political technologists and other US-based consultants have routinely argued that Viktor Yanukovych and the Party of Regions have changed into a modern and democratic party. Little evidence has been shown to prove this argument but nevertheless the mantra has been chanted at every available opportunity.

Two factors explain such dogged claims. This first is the ideological support for an oligarch-controlled economy and lack of scholarly objectivity. The Yulia Tymoshenko government came under intense criticism by US think tank senior fellows in academic and media articles who used every speaking engagement to attack its record as “odious.”

At the same time, these senior fellows have never criticized the Yanukovych government for pursuing anti-market reform policies: oil price capping, banning grain exports and non-transparent insider privatizations. They have never sought to criticize any aspect of the Party of Regions, which includes numerous senior deputies from the Kuchma era, such as energy mogul Yuri Boiko and former Central Election Commission Chairman Serhi Kivalov, as ‘odious’ in the same way as the criticism that they unleashed against the Tymoshenko government and BYuT.

Secondly, financial support. Ukrainian and Russian media have claimed that political technologist Paul Manafort’s contract with the Party of Regions is worth millions of dollars.

Ukrainian oligarchs have reportedly distributed largesse to at least two think tanks and one democracy promotion NGO in Washington DC. According to an April 17 article entitled “How Lobbyists Help Ex-Soviets Woo Washington” in The Wall Street Journal, “A company controlled by Mr. Akhmetov donated \$300,000 in 2005 to a human-rights charity run by Mr. Jackson and his wife, an Internal Revenue Service document reviewed by The Wall Street Journal shows. Mr. Jackson said he was grateful for the support.” Bruce Jackson is head of the Washington-based Project on Transitional Democracies who supported the Orange Revolution in 2004.

Beyond wishful thinking there is no evidence to show that Prime Minister Yanukovich or the Party of Regions have fundamentally changed from the Kuchma era.

Five policy areas prove that the Regions and Yanukovich have changed only cosmetically since the Kuchma era.

Firstly, the Party of Regions pursues a Janus-face approach to politics, just as did former President Kuchma. The nice image cultivated by the Regions in the West is very different from the reality on the ground in eastern Ukraine where the Regions are entrenched.

This can be readily ascertained from a communication recently received from Kharkiv: “The expansion of Donetsk capital in the Kharkiv region is very great. The ‘Donetski’ are also expanding their Soviet political culture into the Kharkiv region through the use of Soviet discourse, exploitation of the myths of the ‘Great Patriotic War’ and an aggressive stance towards Ukrainian nationalism and the 1933 artificial famine,” explained my colleague in Kharkiv. He said that in his city, the Regions have aligned themselves with former local organized crime boss Hennadiy Kernes.

Secondly, the Regions’ unwillingness to distance itself from discredited Kuchma-era officials. The Regions’ Rada faction and the Yanukovich government are full of such officials who, if President Viktor Yushchenko had implemented his election promises, would have faced criminal charges.

Thirdly, continued non-transparency and corruption in the energy sector, as evidenced by the return of Yuri Boiko as Minister for Fuel

and Energy. Boiko's links to the non-transparent, corrupt intermediary Rosukrenergo have never been in doubt.

In the 2007 elections Rosukrenergo majority shareholder Dmytro Firtash's representatives are in the Regions' list. Of the major parties likely to enter parliament this year only the Regions are in bed with Europe's biggest money launderer, Rosukrergergo.

Fourthly, the return to non-transparent privatizations: Renat Akhmetov's Donbas Fuel-Energy company, the energy arm of Systems Capital Management, was the only company effectively permitted to purchase shares in Dniproenergo, Ukraine's largest thermoelectric generator. The Odessa Portside Plant could be the next major strategic asset to be privatized by Regions' oligarchs in such a brazenly corrupt manner.

The two Yanukovich governments in 2002-2004 and 2006-2007 have never undertaken any clean privatization tenders. Akhmetov's and Viktor Pinchuk's privatization of Dniproenergo resembles that of Kryvorizhstal in 2004.

As the Kyiv Post pointed out last month, BYuT is the only political force that has questioned Akhmetov's takeover of Dniproenergo. The Tymoshenko government organized Ukraine's only transparent privatization of Kryvorizhstal in fall 2004 when it obtained four times the value previously paid.

Fifthly, continued pursuit of undemocratic policies. The official reason for failing to initially register BYuT rested on a legally dubious claim of lack of full information provided by candidates in the BYuT list submitted to the CEC. BYuT retorted that the method of preparation of the list was exactly the same as that used for the March 2006 parliamentary elections.

The refusal to register BYuT throws into doubt the evolution of the Regions whose members on the CEC refused to register BYuT.

Since the 2004 elections Prime Minister Yanukovich and the Party of Regions have worked through political technologists and consultants towards changing their poor democratic image in the West by claiming their adherence to the international principles of Western democracy. There is no evidence to show that the

Yanukovych government and the Party of Regions are committed to four core principles: battling corruption, bringing transparency to the energy sector, holding clean privatizations and adhering to democratic norms and the constitutional balance of power.

Ukraine's elections later this month give the country a chance to introduce policies that were demanded by the one in five Ukrainians who participated in the Orange Revolution three years ago. These four core policies will never be implemented if the Yanukovych government and the Anti-Crisis coalition return to power after the elections. Ukraine needs real democrats and reformers in power who can only come from the orange camp.

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