2005-09-14

The Orange Revolution: round two

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http://hdl.handle.net/2144/11787

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Ukrainian President Viktor Yushchenko opened the parliamentary election campaign by firing Prime Minister Yulia Tymoshenko, sparking debate as to whether this action would instigate open war between the two or whether the former Orange Revolution partners would find a way to coexist peacefully. Signals suggest that war will be the mode of operation until the parliamentary elections in March. The war scenario could provide new life to those who appeared so discredited just eight months ago, while disillusioning a citizenry that had just begun to believe in a government “for the people.”

However, this scenario should concern Western officials. Yushchenko should be made to understand that strong actions, not just words, are necessary to demonstrate his commitment to honest, fair, accountable government. At the moment, a perception is developing—true or not—that this commitment may be wavering. This perception has grown in part, because Yushchenko has chosen to attack his former prime minister in lieu of aggressively examining corruption allegations leveled at his closest aides.

On Tuesday, Yushchenko lashed out at Tymoshenko, suggesting that she had attempted to use her position to eliminate $1.5 billion in debts that he said had been incurred by a company she owned in the 1990s. (1) The company, United Energy Systems of Ukraine (UES), made Tymoshenko one of the richest people in the country—although some observers suggest Tymoshenko walked the edge of the law to gather much of that money.

UES was broken up by government officials during the Kuchma era after
Tymoshenko began an opposition movement against the then-president. Both Russian and Kuchma-controlled Ukrainian law enforcement bodies attempted to jail Tymoshenko at that time, based on events surrounding, among other things, the debts of UES. While he was in parliament, Yushchenko fought these efforts. Tymoshenko claimed strenuously that all charges against her were politically motivated, and despite years of investigation, neither Russian nor Kuchma officials publicly produced any credible evidence to the contrary. For his part, Viktor Yushchenko stated his support for Tymoshenko—until now.

Tymoshenko quickly responded to Yushchenko’s charge, saying that her company had no debts to forgive. She suggested that Yushchenko was “picking up [former President Leonid] Kuchma’s baton and trying to get rid of me in the same way.” (2) Her statement is given some added, if possibly coincidental, credibility by a recent meeting between Acting Prime Minister Yuriy Yekhanurov and former President Leonid Kuchma in Dnipropetrovsk, Ukraine. The two, according to the Financial Times, “greeted each other with broad smiles and kisses on the cheek.” (3) Later, Kuchma praised Yushchenko’s decision to fire the cabinet, calling it “absolutely correct,” and calling on his supporters not to oppose the president. (4) The specter of Kuchma as Yushchenko’s new ally and Tymoshenko as his new opponent will undoubtedly raise the eyebrows of many who protested on Yushchenko’s behalf as he stood hand-in-hand with Tymoshenko against Kuchma during the Orange Revolution.

The financial questions about Tymoshenko and UES may or may not be true, and should be independently investigated. It is worth noting, however, that Yushchenko’s claim appeared on the same day that Tymoshenko suggested she will run against him for president in 2009 and contradicts Yushchenko’s earlier statements that he had wanted Tymoshenko to remain in his government. It therefore could be perceived as persecution against an opponent rather than an honest attempt to root out corruption.
With these recriminations against Tymoshenko, it is easy to forget that the political crisis that ended in her dismissal began not with corruption charges against her, but with corruption charges against the president’s closest aides.

On 3 September, Yushchenko’s Chief of Staff and former Campaign Manager Oleksandr Zinchenko resigned, charging that the president’s closest aides were corrupt. In particular, Zinchenko singled out National Security and Defense Council Secretary Petro Poroshenko, Presidential Aide Oleksandr Tretyakov, and the head of Yushchenko’s political party, Mykola Martynenko.

Zinchenko’s statement has not been distributed extensively throughout the mainstream Western press. Below is a rather long but illustrative passage:

“A small group of adventurists is trying to take advantage of the achievements of last autumn, of the wishes and desires of the entire people, or the heroic efforts of the hundreds of thousands of Ukrainian patriots. They have set up their own clan, they have orchestrated an information blockade of the president and pushed him into a virtual, unreal world, they have cynically twisted the real situation, neglecting the hopes of their compatriots. Step by step they are implementing their plan to use power for their own enrichment, to privatize and grab everything they can. They want a monopoly, they want to take over instruments of power as soon as they can. … I will name just a few. The secretary of the National Security and Defense Council Petro Poroshenko, first presidential aide Tretyakov, and some of their partners, such as Martynenko, are cynically implementing their scenario of using power for their own purposes. This scenario has the following main points: property, judiciary, law-enforcement agencies, personnel policy, media and power. It was Poroshenko who insisted on, and finally managed to illegally subordinate the judiciary to the National Security and Defense Council, even though it is by definition independent. …
“I asked the president several times to stop Poroshenko. At [my] last meetings with Yushchenko, removing Poroshenko and his team from their posts was the condition of my further work in the president’s team. … Why didn’t I speak about this earlier? Under the circumstances, I tried to preserve the unity of the team. … But everyone has a choice. One can put up with this and share the profits. … I cannot and do not want to put up with this shameful violation of the law. I made my choice at Independence Square.” (5)

Zinchenko’s charges were unsurprising to many observers of Yushchenko’s administration. For months, some Western officials privately complained of the growing influence of Poroshenko and Tretyakov, at the expense of the prime minister’s office, and have been concerned about persistent signs, although unproven, that Poroshenko was mixing politics with business. However, they had expressed the hope that the situation could be dealt with quietly, without damaging the fragile trust given to Yushchenko and Tymoshenko by the voters of Ukraine. This was not to be the case.

Charges by Zinchenko and others against Poroshenko included that he and/or his allies had pressured judges for verdicts in his or his friends’ favor, had circumvented customs regulations to receive favorable conditions for his business products, and had brokered a deal for the sale of a television station to an ally by using threats of legal persecution. Poroshenko strenuously denied all of these charges, but the damage was done.

It soon became clear that Poroshenko would need to resign. He did so, but only when the cabinet also was dismissed—a decision that shifted the focus away from him.

When announcing the cabinet’s dismissal, Yushchenko cited a need to end the
public turf battles that had developed between Tymoshenko and Poroshenko, and accused the government (which was interpreted to mean Tymoshenko) of lacking “team spirit.” He suggested that Tymoshenko’s policies had led to a drop in economic growth, and that she had bungled the reprivatization of enterprises that previously were sold illegally. At the same time, he announced Poroshenko’s resignation and Tretyakov’s suspension, but noted that he believed the charges against them were “groundless.” (6)

Yushchenko’s comments also made clear that it was not corruption or economic concerns, but politics, that eventually led to Tymoshenko’s dismissal. He lamented that, following three days of intensive negotiations, he had made an agreement with Tymoshenko that would have kept her in the prime minister’s chair. But at the last minute, he said, she had pulled out. “Yesterday, I spent all day and night trying to produce the best possible answer—if the team spirit does exist, we should remain together. Such an agreement was reached. Unfortunately, things changed overnight. But it was not I who changed them,” he said. (7)

Individuals close to the negotiations suggest Yushchenko’s team was concerned that the government balance of power would shift to Tymoshenko if Poroshenko resigned. Therefore, they insisted on a signed guarantee that she would support Yushchenko in the upcoming parliamentary and presidential elections before announcing Poroshenko’s resignation. This contention seems to be supported by Yushchenko’s new Chief of Staff Oleksandr Rybachuk. “A formula of political cooperation with quotas, agreements and guarantees for the forthcoming parliamentary elections, which gives a clear outlook for the next five years” was developed, he said, but not signed by Tymoshenko. Therefore, “Yushchenko had no choice, but to accept the Cabinet’s resignation.” (8)

Tymoshenko in turn complained that she could not sign an agreement in which Yushchenko could veto anyone’s inclusion on the electoral list, even her closest
allies, for a campaign in which Poroshenko may continue to play a pivotal role.

(9)

She also suggested that Yushchenko was frustrated that she would neither publicly denounce Zinchenko nor express confidence in those he had accused. “The first condition is that I have to extend my hand not to the president but to his team—Poroshenko, Martynenko, Tretyakov, Bezsmertnyy—that I should give them my hand,” she said. “But how could I extend my hand to them if their hands are constantly busy stealing something?” (10)

She emphasized that she did not believe the president himself was corrupt, and has gone out of her way in public statements to separate him from “his environment.” Regardless, the details of these negotiations suggest that economic concerns and corruption charges against Tymoshenko were not foremost in anyone’s mind as her fate was being decided.

By replacing the strong-willed prime minister with an unquestioning, close ally, Yushchenko will likely reach his goal to create a more unified public government face. But what of the corruption allegations against his aides?

Many within Ukraine questioned whether the cabinet’s dismissal was a pretext to divert attention from the corruption charges, or even more, to weaken a potential rival just six months before pivotal parliamentary elections. Now, Yushchenko’s new allegations against Tymoshenko, made public after he was asked about the decision to fire her, and echoing those brought during the discredited Kuchma administration, raise new doubts.

If Yushchenko fired Tymoshenko because she was corrupt, why was his first choice for her to remain in his government? Why did he wait more than four days to mention this particular concern? Why, when discussing this alleged corruption, does he not also refer to the allegations against his aides?
And most importantly, why was it necessary to replace the cabinet now, weeks before the deadline for completion of negotiations for entrance into the World Trade Organization, and days before the 2006 budget must be submitted to parliament?

Some commentators and analysts have simply sighed with relief that the public battles between Poroshenko and Tymoshenko will now be over. But was it necessary to dismiss the entire cabinet to end these battles? Could Yushchenko have better defined the duties of his team, asserted his authority, dealt with corruption within his own administration and preserved the unity of the governing coalition?

Other commentators have cheered that Tymoshenko’s “populist” politics will end. Clearly, Tymoshenko deserves some criticism—particularly for her often rash handling of the “reprivatization” issue. However, it is important to note that many economic policies now criticized by Yushchenko were originally supported, either partially or wholly, by him. (11) While Tymoshenko certainly made mistakes and enemies, she did not make all of them alone. And it is unfair to suggest that everything she did was incorrect or that every negative event should be attributable solely to her.

Regardless of Tymoshenko’s negatives or positives, the Ukrainian president must remember that the crisis that ended with her dismissal began with corruption allegations against others. Yushchenko should ensure an independent investigation of the charges against Tymoshenko, and if evidence is found to support the charges, she should be prosecuted. If no evidence is found, she should not. He must do the same for the charges against his aides. Each individual, whether friend or opponent, should have equal access to findings of both guilt and innocence. Selective prosecution or non-prosecution must be a thing of the past. So far, the president’s efforts have raised some concerns.
Yushchenko said he will personally oversee the investigation into all corruption claims—even apparently those involving Poroshenko, who is a long-time friend and the godfather to one of his children. The president has ordered a quickly formed “state commission” to present its findings on “who in this country is involved in corruption” in ten days. (12) The Security Service will reportedly announce “first conclusions” this week. Oversight of a corruption investigation by the president, in a country with a history of political interference in law enforcement, sends a dubious and perhaps unintended signal. This is especially true when the president has already given his personal assessment of the claims.

The corruption crisis has the potential to undermine Western trust. But more important, it has the potential to disillusion the hundreds of thousands of Ukrainians who stood in the cold for weeks listening to Yushchenko promise an end to lawlessness. In a new democracy, disillusionment, apathy, and anger are destructive.

In the months following the Orange Revolution, Ukraine made some important strides on its path to democracy. The press is freer. The number of private entrepreneurs has risen, as the environment is slowly cleared of bureaucracy. State salaries have increased and are now paid on time. Investment is gradually improving. Yushchenko, Tymoshenko and their allies should be commended for this progress.

It is this progress that, ironically, allowed the current crisis to develop. A corruption scandal could never have toppled anyone last year in Ukraine. This year, the uncensored media reaction to Zinchenko’s charges, the monitoring of government activity, the pressure from international organizations being courted by Ukraine, and most of all, the understanding by many government officials that they must be accountable, all forced the government to act. Ukraine is not the same place in 2005 that it was in 2004. A stronger signal from Yushchenko that
he will not abide corruption anywhere around him would demonstrate that progress is continuing, and would once again confirm the Ukrainian people's faith in him.

Source Notes:

(4) Ibid, and TV 5 Kanal, 10 September 2005, 1300 GMT; via ProQuest.
(5) TV Kanal 5, 5 September 2005, 1200 CET; via ProQuest.
(7) Ibid.
(8) ForUm, 13 September 2005, 1525 GMT; via (http://en.for-ua.com).
(10) Ibid.
(11) For comments by Yushchenko on the government’s economic policies, including oil and meat pricing, and social spending, see Ukrayina Moloda, 28 April 2005, p. 8-10.