

YUSHCHENKO VERSUS TYMOSHENKO: WHY UKRAINE'S NATIONAL DEMOCRATS ARE DIVIDED

TARAS KUZIO
JOHNS HOPKINS UNIVERSITY-SAIS

Abstract: Ukraine's national democrats are divided into pragmatic and ideologically-driven wings resting on their support for different policies towards national communists in the early 1990s and transition winners (i.e. oligarchs) from the late 1990s. Pragmatic national democrats, led by Viktor Yushchenko, supported grand coalitions between Our Ukraine and centrist members of the establishment, such as the Party of Regions, gave lukewarm support to anti-presidential movements in the run up to the Orange Revolution, and preferred round-tables to street protests. Ideologically-driven national democrats, led by Yuliya Tymoshenko, opposed grand coalitions, were at the center of anti-regime movements during the Orange Revolution, and opposed round-table talks with the authorities.

This article provides the first analysis of the long-term conflict between the two key national democratic leaders, Viktor Yushchenko and Yuliya Tymoshenko, which was one of the factors that dominated Yushchenko's presidency. This conflict is of fundamental importance to Ukrainian politics because it defined the evolution of post-Orange Revolution politics and led to the election of Viktor Yanukovich as president in 2010.

This article analyzes the relationship between the national democrats and the Ukrainian establishment, particularly focusing on how the national democrats related to Ukraine's sovereign (national) communists in the early 1990s and the small group of winners who became super-wealthy oligarchs in Ukraine's partial transition. Differences in defining

Taras Kuzio is a Non-Resident Fellow, Center for Transatlantic Relations, Johns Hopkins University-SAIS (tkuzio@rogers.com).

this relationship have made Ukraine's center-right, commonly referred to as national democrats, a divided political force since 1992. Yushchenko led the pragmatic wing within the national democratic part of the political spectrum, while Tymoshenko led the ideologically-driven wing.

The divisions that Yushchenko and Tymoshenko symbolize appeared immediately after Ukraine gained its independence. As early as February 1992, the Ukrainian Popular Movement for Restructuring (Rukh), which had played a strong role in the independence movement, split at its congress into two wings. One, led by former dissident Vyacheslav Chornovil, took control of Rukh and placed it into "constructive opposition" to President Leonid Kravchuk and the communists, who were at that stage still not organized into political parties. Another wing, led by cultural icons of the Soviet Ukrainian establishment Ivan Drach and Dmytro Pavlychko and former dissidents Mykhaylo and Bohdan Horyn, supported cooperation with Kravchuk and established a breakaway Confederation of National Democratic Forces (KNDS). This same division – whether to oppose the authorities or cooperate with them – has continued to divide national democrats from the late 1990s in their attitudes toward centrist political forces and their oligarch supporters. Ukraine's transition to a market economy was accompanied by the emergence of winners, a class of oligarchs and businesspersons who arose from the Soviet Ukrainian *nomenklatura* and 1990s *Nouveau Riche* ("New Ukrainians"). Given the overall low level of trust in Ukraine's political institutions and politicians, there was little popular backing for this new economic group.¹

Policies on how to deal with the communists and oligarchs have divided the two wings of the national democrats. The pragmatic national democrats' preference has been to prioritize defense of the Ukrainian establishment and the new "national bourgeoisie" (the "winners") against anti-oligarch populist outsiders by negotiating grand coalitions between Our Ukraine and eastern Ukrainian centrist parties. Most national democrats are first and foremost *derzhavnyky* (statists) and therefore prefer to be in loyal opposition to the authorities because they believe radical opposition could destroy the fragile Ukrainian state. Lucan Way has argued that loyal, "opposition through cooptation" is commonplace in post-communist Europe.² Pragmatic national democrats are also often businesspersons who do not want to be in opposition to the authorities when business and politics remain closely tied together in post-Soviet Ukraine. In contrast, the ideologically-driven national democrats cooperate with anti-oligarch populists against what are described as "pro-Russian" centrist political

¹ International Foundation for Electoral Systems reports on Ukraine are available at: <http://www.ifes.org/countries/Ukraine.aspx>

² Lucan Way. 2005. "Rapacious Individualism and Political Competition in Ukraine, 1992-2004," *Communist and Post-Communist Studies* 38: 2 (June): 198.

forces and their oligarch backers.

The internal divisions that weaken Ukraine's national democrats have been institutionalized in the different parties that make up the movement. On the pragmatic side are Yushchenko and the business wing of Our Ukraine. On the ideologically-driven wing are Tymoshenko, the Bloc of Yuliya Tymoshenko (BYuT), and the anti-oligarch wing of Our Ukraine. These national democratic parties compete for the same votes in Ukrainophone Western and Central Ukraine.

Conflict, rather than cooperation between the two wings, is typical. During three periods, the pragmatic national democrats did not cooperate with the ideologically-driven national democrats at all (2000-2001, 2005-2007 and 2009-2010) and only half-heartedly supported cooperation in 2001-2003. The only period of close cooperation between pragmatic and ideologically-driven national democrats took place during the 2004 elections and Orange Revolution. But, this period of cooperation was the exception to the rule and the relationship between pragmatic and ideologically-driven national democrats has more often been turbulent. These divisions made Yushchenko's Our Ukraine an ineffective political force, and prevented a merger of the Our Ukraine bloc into the (presidential) People's Union-Our Ukraine (NS-NU) political party. In the 2002 elections, Our Ukraine was the most popular national democratic political force, but, thereafter, BYuT overtook and won double the number of votes received by Our Ukraine in the 2006 and 2007 elections. In the October 2012 parliamentary elections, after the center ground of Ukrainian politics had been destroyed by the Yanukovich regime's counter-revolution,³ which radicalized voters and political forces, Our Ukraine had become a marginal political force that received 1.11 percent and failed to enter parliament.

This article provides an analysis of Ukrainian politics by examining some of the key personalities involved. The first section describes the national democratic pragmatists, starting with Yushchenko and the some of his key allies. The second section looks at the ideologically-driven national democrats, especially Yuliya Tymoshenko and Yuriy Lutsenko, who are both imprisoned, and their successor Arseniy Yatsenyuk. The third section examines how the two wings relate to Ukraine's oligarchs and centrist political forces. The conclusion explains what this division means for the future development of Ukrainian democracy.

³ See weekly *World Affairs* blog by Alexander J. Motyl at <http://www.worldaffairsjournal.org/blogs/alexander-j-motyl>

National Democratic Pragmatists and Their Allies

Viktor Yushchenko

Yushchenko was a loyal government servant as chairman of the National Bank and prime minister during seven of President Leonid Kuchma's ten years in office. Yushchenko was forced into the political wilderness outside the Ukrainian establishment when he was removed by a parliamentary vote of no confidence in April 2001. He had refused to resign earlier over accusations of Kuchma's involvement in the murder of journalist Georgi Gongadze (Kuchmagate) and arrest of First Deputy Prime Minister Tymoshenko. Following the April 2001 vote of no confidence in his government, Yushchenko continued to remain a "frequent visitor to Kuchma."⁴

During the Kuchmagate crisis, Yushchenko and the majority of national democrats refused to support the anti-establishment opposition in their demand for Kuchma's impeachment. In February 2001, Prime Minister Yushchenko, Parliamentary Chairman Plyushch and President Kuchma published a defamatory open statement that described the opposition as "politically destructive," "extremist" and "anti-state forces," who were a threat to Ukraine's territorial integrity and security and were fanning the flames of "cynical political speculation."⁵ The statement, signed by Ukraine's three senior leaders, was a *par excellence* example of the establishment drawing together to defend the state and itself, which in their eyes were synonymous, against a threat from ideologically-driven national democrats and their Socialist Party allies.⁶ Yushchenko's national democratic allies preferred to use revolutions only as a last resort because they feared that they would be likely to destabilize the Ukrainian state, at least according to Plyushch's beliefs.⁷ Yushchenko's heart was never in the anti-Kuchma protests, "because he did not believe in the people's active and genuine protest, did not see the reason for this protest and did not want to play a risky and costly game on Tymoshenko's field," a game far too radical for the "moderate" leader of Our Ukraine.⁸ Mykola Porovsky, leader of the Republican Christian Party and a leading ideologist

⁴ Askold Krushelnycky. 2006. *An Orange Revolution. A Personal Journey Through Ukrainian History*. London: Harvill Secker, 199.

⁵ Joint statement by President Leonid Kuchma, Parliamentary Chairman Ivan Plyushch and Prime Minister Viktor Yushchenko, February 13, 2001. <http://www.pravda.com.ua/news/2001/02/14/2981881/>

⁶ See I. Plyushch's defence of the statement in Viktor Yushchenko. 2004. *Viryu v Ukrayinu*, Kyiv: Olena Telihiy, 16.

⁷ *Ukrayinska Pravda*, September 2, 2002.

⁸ Yuliya Mostova, "Zyma Bude Dovha?" *Dzerkalo Tyzhnya*, November 29, 2002. http://gazeta.dt.ua/ARCHIVE/zima_bude_dovga.html

of the KNDS, called upon Our Ukraine to not support anti-regime protests because the opposition, he believed, should adopt a “constructive solution to (Ukraine’s) problems.”⁹ The wavering of Yushchenko and Our Ukraine between cooperation with the opposition and with the authorities gave them the reputation of *nerishuchist* (indecisiveness).¹⁰ Political commentator Serhiy Rakhmanin wrote, “...Yushchenko has been consistent in his inconsistency.”¹¹

The sources of Yushchenko’s indecisiveness went deeper than his personality. Many senior Our Ukraine leaders had emerged as businesspersons under President Kuchma, such as Petro Poroshenko, and had held senior government positions. Reforms and Order party member Taras Stetskiiv explained the problem of including businesspersons in Our Ukraine, “in the absolute majority these people were cornerstones of the old ideology of how to build business and maintain power. They stayed within the ranks of the opposition not because they were idealist strugglers for democracy, liberty and social interests, but because the Kuchma system found no place for them, pushing them away and in some cases simply destroying them.”¹² Pragmatic, national democrats believed the president and the state are synonymous and therefore they could not go into opposition against the Ukrainian state. Yushchenko and pragmatic national democrats believed the call for Kuchma’s impeachment would undermine Ukrainian statehood as part of the Russian-backed plan allegedly behind Mykola Melnychenko, who had illicitly taped the president’s office and accused him of murdering Gongadze.

Yushchenko and most national democrats refused to align with the anti-establishment Ukraine without Kuchma movement and supported a parliamentary resolution that condemned the Socialist Party (SPU) leader Moroz’s disclosures of the Melnychenko tapes as a “bloody provocation with the aim of increasing his popularity.” The resolution was signed by most national democrats, including Rukh and the breakaway Ukrainian Peoples Party (UNP). The only national democratic force that did not sign was the Reforms and Order party led by Viktor Pynzenyk,¹³ a political party that supported Tymoshenko in the 2007 and 2012 elections. The heated parliamentary discussion accompanying the resolution spent greater

⁹ <http://maidan.org.ua>, August 29, 2006.

¹⁰ Volodymyr Chyvokun, “Zyizd opozytsii: na ‘try’ z plyusom,” *Ukrayinska Pravda*, March 3, 2003. <http://www.pravda.com.ua/news/2003/03/2/2992989/>

¹¹ Serhiy Rakhmanin, “Pislia Boyu,” *Dzerkalo Tyzhnia*, September 21, 2002. http://dt.ua/ARCHIVE/pislya_boyu-29651.html

¹² Taras Stetskiiv, “Obernuty Porazku Na Peremohy,” *Dzerkalo Tyzhnia*, September 2, 2006. http://gazeta.dt.ua/ARCHIVE/obernuti_porazku_na_peremogu.html

¹³ Viktor Pynzenyk resigned from the Tymoshenko government in February 2009 and left the Reforms and Order party a year later, when Serhiy Sobolyev was elected leader. Pynzenyk was elected to parliament in 2012 by UDAR.

time focusing on the conspiracy allegedly lying behind the tapes than the serious allegations found on them.¹⁴

Yushchenko believed the system, rather than Kuchma personally, was to blame for Ukraine's myriad problems. "If we remove Kuchma, the existing political system will tomorrow produce a second Kuchma, a third Kuchma, a fourth Kuchma. Obviously, we need systematic changes."¹⁵ This is quite true, despite the fact that Yushchenko never introduced systematic changes and blocked ideologically-driven national democrats who attempted to. "If we uphold a statist position and care about our people then we need to think about how to influence the president's ability to independently resolve this or other problems," Yushchenko argued.¹⁶ Yushchenko famously described his relationship to Kuchma as one of father to son explaining his faith in Kuchma by pointing out that,¹⁷

My attitude toward Leonid Danylovich has been and remains honest. Neither I nor Our Ukraine is under the president's control...I hope that Leonid Danylovich's attitude to the bloc will be the same as our bloc's attitude toward him. Today, I am confident that the president needs constructive criticism from a bloc with a patriotic stand much more than radicalism. This criticism from our bloc is not personal criticism of the president. I will respect the president because he is the symbol of my state. Without respecting the president, I will not receive marks as an intelligent and educated man. This is reality and it speaks for itself. People from my bloc often say that I consult the president too much. But I would like to consult him even more. Not because the bloc's policy is under his control, but because the president plays a special role in Ukraine. It is not going easily for him now or for the country. Any bloc receives points rather than losing them from communications with the authorities.¹⁸

Yushchenko's views of the president were not reciprocated and Kuchma was vindictive against those who had crossed his path. In one conversation, Kuchma confided to Donetsk Governor Yanukovich,

¹⁴ J.V. Koshiw. 2002. *Beheaded. The Killing of a Journalist*. Reading: Artemia Press, 140, 151, 156, 157.

¹⁵ *UNIAN*, September 19, 2002.

¹⁶ V. Yushchenko, *Viryu v Ukrainu*, p.70

¹⁷ David Cronin, "Orange Revolutionary," *European Voice*, March 10, 2005. <http://www.europeanvoice.com/article/imported/orange-revolutionary/51829.aspx>

¹⁸ V. Yushchenko cited in *Stolichnye Novosti*, September 11, 2001.

“Yushchenko wants me to sack him. I will not sack him, I will destroy him once and for all.”¹⁹ Kuchma conspired with centrist and Communist Party parliamentary factions to remove Yushchenko’s government.

Yushchenko always maintained faith in Kuchma as a “good tsar” surrounded by bad “boyars” who were distorting his policies and deliberately obstructing dialogue with Our Ukraine. Yushchenko refused to blame Kuchma for his government’s removal or pressure applied on deputies to defect from Our Ukraine.²⁰ Oligarchic clans, “planned his workday, formulated his philosophical, ideological thoughts and motivations, pulling Ukraine in the wrong direction.”²¹ Yushchenko claimed that defections from Our Ukraine were instigated by Presidential Administration head Viktor Medvedchuk who had resorted to, “political blackmail, administrative pressure, and criminal influence.”²² This analysis ignored the obvious; namely that Medvedchuk could not have undertaken pernicious policies such as manipulation of parliament, censorship of the media through *temnyky*²³ and fraud in the 2004 elections without President Kuchma’s authorization. President Kuchma was if anything a micro manager.

Roman Besmertnyy

Until the end of 2001, on the eve of Our Ukraine’s inaugural congress, Roman Besmertnyy was President Kuchma’s representative in parliament. Besmertnyy was the archetypal centrist pragmatist who had begun his political career in the Ukrainian Republican Party (URP), the leading force in the KNDS, and was therefore always a supporter of working with those in power. URP leaders Mykhaylo and Bohdan Horyn had played a major part in the 1992 split in Rukh. From the URP, Besmertnyy moved to the NDP (Peoples Democratic Party) which, then called the Party of Democratic Revival of Ukraine (PDVU), had supported Kuchma in the 1994 elections and became the presidential party of power in the late 1990s. The PDVU/NDP had emerged from the *Komsomol* (Communist Youth League)-backed Democratic Platform of the Soviet Ukrainian Communist Party. Of Ukraine’s many centrist political parties in the 1990s, the NDP was always closer to the national democrats.

In 2001-2002, Besmertnyy (like Plyushch later) moved from the NDP to Yushchenko and Our Ukraine. The URP/KNDS, NDP and Our

¹⁹ Oleksandr Moroz. 2001. *Khronika Odnoho Zlochynu: Versii i Fakty*. Kyiv, Socialist Party Ukraine, 63 and Mykola Melnychenko cited in *RFERL, Poland, Belarus and Ukraine Report*, January 16, 2001.

²⁰ V. Yushchenko, *Viryu v Ukrayinu*, p. 69.

²¹ V. Yushchenko, *Viryu v Ukrayinu*, p.70.

²² V. Yushchenko, “Nasha Ukrayina” Vidmiryaye Vsyome,” *Dzerkalo Tyzhnya*, August 30, 2002. http://gazeta.dt.ua/ARCHIVE/nasha_ukrayina_vidmiryae_vsosome.html

²³ See Marta Dyczok. 2006. “Was Kuchma’s Censorship Effective? Mass Media in Ukraine before 2004,” *Europe-Asia Studies* 58: 2 (March): 215-238.

Ukraine were similar in their pragmatism and prioritization of cooperation with the Ukrainian president and his political forces in the interests of the Ukrainian state. As the president's representative in parliament, NDP member Besmertnyy, "competed to be Kuchma's most ardent public defender" on television during the early period of the Kuchmagate crisis.²⁴ Besmertnyy accused SPU leader Moroz of being a "provocateur" and threatened parliament with being disbanded if it voted to impeach President Kuchma. Besmertnyy warned, "You will simply not be allowed to destabilize the situation in Ukraine; keep that in mind."

Hennadiy Udovenko

Hennadiy Udovenko, who was elected Rukh leader after Vyacheslav Chornovil died in a car accident in February 1999, was a senior member of the Soviet Ukrainian *nomenklatura* and post-Soviet Ukrainian establishment. Udovenko moved Rukh from Chornovil's opposition to Presidents Kravchuk and Kuchma towards a loyal relationship with the authorities. In a conversation between Udovenko and President Kuchma on 20 September 2000, he requested \$200,000-300,000 annually for Rukh in exchange for proving his loyalty to the president. Udovenko told Kuchma: "I am your person," and pointed out Rukh is the president's most loyal and stable faction in parliament. Kuchma replied, "I will support (you), that is, support (you) financially."²⁵

After Rukh's leadership passed to Borys Tarasyuk it maintained a pragmatic centrist position among national democratic parties until the end of 2006. With Yanukovych unexpectedly returning to power as prime minister, his drive to monopolize power led him to remove Our Ukraine government members, including Tarasyuk as foreign minister, and to co-opt Our Ukraine deputies. In February 2007, Our Ukraine and BYuT re-forged an opposition alliance which had collapsed in September 2005 when Yushchenko had removed Prime Minister Tymoshenko. The defection of Anatoliy Kinakh and Party of Industrialists and Entrepreneurs (PPPU) deputies in March 2007 led President Yushchenko to disband parliament. The resultant political crisis radicalized all sides. From 2008, when Tymoshenko and Yushchenko were at loggerheads, Tarasyuk and Rukh aligned with Tymoshenko.

Petro Poroshenko

In the March 1998 elections, Poroshenko was elected to parliament in a Vynnytsia single mandate district and joined the SDPUo parliamentary

²⁴ Andrew Wilson. 2005. *Ukraine's Orange Revolution*. New Haven, CT: Yale University Press, 2005, 62.

²⁵ Andrew Wilson. 2005. *Virtual Politics, Faking Democracy in the Post-Soviet World*. New Haven: Yale University Press, 155.

faction which competed with the NDP to be the president's party of power. In 1999, Poroshenko took control of the Party of Ukrainian Solidarity (PUS) registered two years earlier in Donetsk, resigned from the SDPUo faction and established his own Solidarity parliamentary faction. In February 2000, Poroshenko sought Kuchma's financial and administrative support for the Solidarity pro-presidential parliamentary faction with the objective of counter-balancing the SDPUo.

President Kuchma supported Poroshenko's proposals for a pro-presidential Solidarity parliamentary faction that split the left by dividing the Peasant Party from the SPU who had together fought the 1998 elections in For Truth, for the People, For Ukraine! bloc. Poroshenko lobbied Kuchma for apartments and businesses to bribe deputies to defect to Solidarity and Kuchma agreed to these requests, instructing Lytvyn to provide support from the presidential administration to Poroshenko's political project. Poroshenko's loyalty to President Kuchma is evident from the following conversation:

Poroshenko: "You know that I am yours. Whatever you say Leonid Danylovych, I am a member of your team and will undertake any of your orders!"

Kuchma: "This is understood."

Poroshenko: "Yes, I made a choice in my life and there will be no change."²⁶

The PUS that Poroshenko controlled positioned itself as a center-left, pro-presidential party attractive to parliamentary deputies on the left who preferred cooperation with President Kuchma in return for patronage. Poroshenko described PUS as a "Non-oligarchic, free moderate party" that would unite "reasonable representatives" of the left with centrists, such as himself.²⁷ PUS was a, "constructive and not very oppositional left party" supporting "social justice" and "people's power."²⁸ The PUS was Poroshenko's first intervention into Ukrainian politics that shifted with ease over the next decade between cooperation with the Party of Regions to Our Ukraine. After donating PUS as one of five parties that merged to form the Party of Regions, Poroshenko established a second Solidarity party that became a founding member of Yushchenko's presidential party, NS-NU. Poroshenko established and funded political forces that preferred to cooperate with big business and presidents while distrusting radical, anti-establishment political forces, such as Tymoshenko. His

²⁶ This portion of the M. Melnychenko tapes is transcribed in *Ukrayinska Pravda*, July 6, 2005. <http://www.pravda.com.ua/articles/2005/07/6/3011330/>

²⁷ Petro Poroshenko cited by *Ukrayina Moloda*, July 25, 2000.

²⁸ Oleksandr Chubatenko, "Solidarnist" Pochynaye – i Vyhraye," *Viche*, no.4, 2000.

anti-Tymoshenko views have been long-standing. In 2000 at a reception in honor of visiting US President Bill Clinton, Poroshenko said to Yushchenko: "Be quiet! Listen, why have you tied yourself to that idiot (Tymoshenko)? Dump her and we will form a normal team! You can't work like that with her."²⁹ In 2005, Yushchenko appointed Poroshenko secretary of the National Security and Defense Council to counter-balance the Tymoshenko government.

Volodymyr Lytvyn

Yushchenko and Poroshenko have always had good relations with Volodymyr Lytvyn because he was "the only figure who could constructively work in parliament."³⁰ Yushchenko defended Lytvyn, believing he was an "honorable, moral person," a view that has few adherents in Ukrainian politics. Yushchenko added, "I respect his principles." Yushchenko and Poroshenko viewed Lytvyn as an ally against regime hardliners, such as the SDPUo, and by maintaining good relations with him proved their loyalty to President Kuchma. Yushchenko and Poroshenko proposed Lytvyn as head of Our Ukraine in the 2002 elections, but President Kuchma turned the offer down as he had planned to make Lytvyn the head of the For a United Ukraine (ZYU) bloc.³¹ Drach, another leading national democratic pragmatist, proposed that Our Ukraine support Lytvyn for the position of parliamentary chairman with Our Ukraine receiving the two deputy chairmen positions. Yushchenko was grateful to Lytvyn for keeping parliament open during the Orange Revolution when it adopted resolutions rejecting second round official results that elected Yanukovich and voted no confidence in the Yanukovich government.³² Regime hardliners (Medvedchuk/SDPUo, Yanukovich/Party of Regions) and opposition hardliners (Tymoshenko/BYUT) were side-lined by the pacted transition between regime and opposition soft-liners during the Orange Revolution. After Yushchenko's election, Poroshenko remained Lytvyn's main lobbyist in the Yushchenko coalition and Poroshenko averred, "I am certain that this person (Lytvyn) undertook a major role in the (orange) revolution."³³ Yushchenko's praise for Lytvyn ignored allegations of his

²⁹ (M. Melnychenko tape) "Poroshenko-Yushchenko: Slukhay, nu choho ty pryvyzavsyia do tsiyeyi dury?!" *Ukrayinska Pravda*, July 6, 2005. <http://www.pravda.com.ua/articles/2005/07/6/3011330/>

³⁰ Yushchenko interviewed on Ukrainian Public Radio, September 19, 2002.

³¹ Interview with Serhiy Skrypyuk, Personal Assistant to P. Poroshenko in 2000-2004, Kyiv, August 28, 2004.

³² See Jason Campbell, *The Mariyinsky Palace Negotiations: Maintaining Peace Throughout Ukraine's Orange Revolution*. Paper produced by the Program on Negotiation at Harvard Law School and Steven Pifer. 2007. "European Mediators and Ukraine's Orange Revolution," *Problems of Post-Communism* 54: 6 (November-December): 28-42.

³³ *Ukrayinska Pravda*, June 29, 2005.

involvement alongside President Kuchma in the Gongadze murder and his ability to move between membership of the 2008-2010 “orange” coalition and the 2010-2012 pro-Yanukovych Stability and Reforms parliamentary coalition.

Ivan Plyushch

On the eve of the 2002 elections, Parliamentary Chairman Plyushch, then a member like Besmertnyy of the NDP, argued for a grand coalition with Our Ukraine that would unify “democratic forces.” A year later he moved from the NDP to Our Ukraine. Plyushch had long lobbied for a coalition between pragmatic centrists and pragmatic national democrats. After the 1999 presidential elections he lobbied for a bloc of centrist parties headed by Prime Minister Yushchenko that would include Rukh, Kostenko, Labor Ukraine, the NDP and others. The bloc would be opposed to the left (SPU and Communist Party) and “right” (*Batkivshchyna*).³⁴ Such a coalition came into being following the 2000 “velvet revolution” that ousted the left from control of the parliamentary leadership. This explains why Plyushch believed the Melnychenko tapes were a Russian-backed conspiracy to destroy the grand coalition.

In 2002, Plyushch believed there was ideological unity between ZYU and Our Ukraine because, “both belonged to the centrist democratic spectrum.” In his view, Our Ukraine, “distances itself from the opposition and does not want its election campaign to be negative and based on criticism of the current authorities.” Our Ukraine should become the basis for the creation of, “pro-statehood (*derzhavnyk*) democratic factions” in the 2002 parliament.³⁵ Plyushch has continued to remain steadfast in his statist and anti-Tymoshenko views and in December 2007 was the only Our Ukraine-People’s Self Defence (NUNS) deputy who refused to vote for her to become prime minister. In 2010, Plyushch joined President Yanukovych’s Reforms and Stability parliamentary faction and voted in 2012 for the report by parliament’s temporary commission into the 2009 gas contract that criticized Tymoshenko and led ultimately to her jailing.

Arseniy Yatsenyuk

Yatsenyuk is a typical member of the pragmatic wing of national democrats who has an image of a weak leader with fluctuating positions.³⁶ Yatsenyuk’s anti-oligarch rhetoric is similarly vacuous to that espoused by Yushchenko in the 2004 elections. Yatsenyuk told the 2011 Yalta European Strategy (YES) summit, “We should liquidate the oligarchs” but then

³⁴ L. Kuchma, *Posle Maydana*, p.36.

³⁵ I. Plyushch cited by *Holos Ukrainy*, December 27, 2001.

³⁶ See T. Kuzio. 2012. “UDAR – Our Ukraine Pragmatists in a Radical Opposition Era,” *Eurasia Daily Monitor* 9: 197 (29 October). [http://www.jamestown.org/single/?no_cache=1&tx_ttnews\[tt_news\]=40030](http://www.jamestown.org/single/?no_cache=1&tx_ttnews[tt_news]=40030)

quickly turned to Pinchuk and retorted, “Viktor, don’t look so nervous, you are not an oligarch.”³⁷ In foreign policies, Yatsenyuk’s views have similarly fluctuated from being a supporter of NATO membership in 2008 to pan Slavism in his 2010 election campaign. It is therefore not surprising that Yatsenyuk (together with other Ukrainian politicians) has had low levels of trust and if he

“Wants to become something more than just an acting leader of an artificial political conglomerate, he should declare his actual political goals, rather than general democratic blah blah. What kind of a country does he want to build? Which economic, political, and social pillars will it stand on? Will it offer real free entrepreneurship and protected ownership to everyone or only to the elite? Is he prepared to de-Sovietize all spheres of life? Should the Ukrainian nation consolidate based on the Ukrainian language, and what does it take to achieve this? Should the post-Soviet oligarch-slave model, which is integral to the “Eurasian space,” be reformed? How can Ukraine’s national security be guaranteed?”³⁸

Oligarch Viktor Pinchuk has had a long relationship with Yatsenyuk, helping his appointment to the position of minister in the Crimean government and subsequently first deputy chairman of the National Bank of Ukraine under Serhiy Tihpko. Yatsenyuk’s Open Ukraine foundation received support from Pinchuk and the Industrial Union of Donbas. Yatsenyuk was aligned with moderate centrists in the Kuchma camp until 2005 and, although from Western Ukraine, did not show his support for Ukraine’s democratic development by participating in the Orange Revolution.³⁹ In 2007, Yatsenyuk was foreign minister for a short period of time and he was elected by NUNS to parliament for the first time in that year’s pre-term elections. Yatsenyuk was briefly parliamentary chairperson from 2007 to 2008, before returning to be a parliamentary deputy, forging an independent political direction by being elected leader in fall 2009 of an existing political party that was renamed Front for Change.⁴⁰

³⁷ Serhiy Leshchenko, “Yaltynskyy kastinh na krisla Yanukovyicha i Azarova,” *Ukrayinska Pravda*, September 19, 2011. www.pravda.com.ua/articles/2011/09/19/6597613/

³⁸ Andriy Skumin and Svyatoslav Polotskyy, “Acting Leader. The leader of the biggest opposition faction in parliament appears too inconsistent and unpredictable to inspire trust in the majority of Ukrainian voters,” *The Ukrainian Week*, February 8, 2013. <http://ukrainianweek.com/Politics/71853>

³⁹ There are no photographs of Yatsenyuk on the *Maydan* or in the Orange Revolution.

⁴⁰ The Democratic Front, a party registered in June 2007, was renamed the People’s Labor Par-

The disintegration of NUNS in the last two years of Yushchenko's presidency led to its deputies aligning into pro-Tymoshenko (prominent examples were Anatoliy Hrytsenko, Rukh leader Borys Tarasyuk, and Lutsenko) and anti-Tymoshenko camps (Yatsenyuk, Viktor Baloha, Plyushch, Yuriy Yekhanurov and Yuriy Kostenko). In other words, as so often was the case since 1992, national democrats divided into ideologically-driven forces who sided with anti-establishment forces (the first group) and pro-establishment and grand coalition pragmatists (the second group). Yatsenyuk, like Yushchenko, felt more comfortable with pro-regime moderate centrists and Our Ukraine pragmatists than with radicals such as Tymoshenko. Yatsenyuk's re-alignment was also a product of bad personal chemistry with Tymoshenko and a tactical decision because she would be his main competitor for orange votes in the 2010 presidential elections.

In spring and summer of 2009, oligarchs Dmytro Firtash and Valeriy Khoroshkovskyy began to provide indirect support to Yatsenyuk's election campaign through the provision of extensive air time on Inter channel. The US Embassy in Kyiv wrote that Firtash's "upbeat views" on Yatsenyuk, "are probably an indication that Firtash is prepared to support the young politician, both politically and financially."⁴¹ Akhmetov contributed to Yatsenyuk's election campaign through Leonid Yurushev, his business partner and former owner of the Forum bank, who provided office space. Yatsenyuk's main backer in the 2010 elections was again Pinchuk who had regarded him as long ago as 2006 as "a young, progressive politician." In the 2010 elections, Firtash, Akhmetov, and Pinchuk supported Yatsenyuk because he represented the pragmatic opposition that could be co-opted and with whom one could do a deal. He represented an opposition alternative to Tymoshenko. Kuchma poignantly told US Ambassador John Tefft that Yatsenyuk had "greater vision" and the second round of the 2010 elections was a "choice between bad (Yanukovych) and very bad (Tymoshenko)."⁴²

After Yanukovych won the 2010 elections, Yatsenyuk sought to become an ally of the newly elected president, telling the U.S. Ambassador "that he has forty Our Ukraine - People's Self Defense (OU-PSD) MPs who would be willing to take down PM Tymoshenko's coalition and join

ty "Democratic Front" in September 2009. In September 2009, the name was again changed to Front for Change Political Party and a month later to Front for Change. In November 2009, Yatsenyuk, head of the Front for Change civic NGO, was elected leader of Front for Change.

⁴¹ "Ukraine: Firtash Returns to Set the Record Straight," U.S. Embassy Kyiv, March 6, 2009, <http://wikileaks.org/cable/2009/03/09KYIV427.html#>

⁴² "Ukraine: Oligarch Pinchuk on Nikopol Ferroalloy and Post-Election Politics," U.S. Embassy Kyiv, February 2, 2006, <http://wikileaks.org/cable/2006/02/06KIEV456.html> and "Former President Kuchma on Ukrainian Election, Foreign Policy," U.S. Embassy Kyiv, February 3, 2010, <http://wikileaks.org/cable/2010/02/10KYIV190.html>

a new coalition with Yanukovich's Party of Regions. He intimated that he would receive the PM job in exchange."⁴³ The Yanukovich team had bad memories of negotiating with Our Ukraine in 2006 and 2007 and did not take up Yatsenyuk's offer. Yatsenyuk then negotiated with Akhmetov towards forging an alliance in the 2012 elections, but these talks were not fruitful.⁴⁴ In 2011-2012, with Tymoshenko imprisoned and therefore no longer his competitor, the center ground destroyed by the Yanukovich administration's policies and looking ahead to the parliamentary elections, Front for Change merged with *Batkivshchyna* to establish a United Opposition. In the 2012 elections, the gas lobby moved its support from Yatsenyuk to a new non-Tymoshenko opposition force – UDAR (Ukrainian Democratic Alliance for Reforms) – led by International boxing champion Vitaliy Klitschko. UDAR not only took up Our Ukraine's niche in Ukrainian politics but even won the same support, coming third with fourteen per cent (as had Our Ukraine and NUNS in the 2006 and 2007 elections respectively).

Ideologically-Driven National Democrats

Yulia Tymoshenko and Yuriy Lutsenko

Ideologically-driven national democrats, such as Tymoshenko and Lutsenko, leader of the NUNS election bloc in the 2007 pre-term parliamentary elections, have tended to oppose grand coalitions with “pro-Russian” centrists such as the Party of Regions. Tymoshenko, BYuT and *Batkivshchina* were against round-table compromises in 2002-2003, the Orange Revolution and August 2006 (all three of which Yushchenko supported) and have been unwilling to be co-opted by the Ukrainian establishment.⁴⁵ In this sense, Tymoshenko and Lutsenko, who supported BYuT and the Tymoshenko government from inside NUNS, are *protyvnyky* (mortal enemies) to the authorities and those same authorities cannot negotiate a deal with them; therefore they represent a major threat to the Ukrainian establishment's interests. Parliamentary Chairperson Lytvyn told the March 2012 Party of Regions congress that, “we preach the class principle of if you are not with us then you are my enemy and you need to be destroyed.”⁴⁶ Deals can

⁴³ “Yatsenyuk Claims He Has Forty From OU-PSD For New Regions-Led Coalition,” U.S. Embassy Kyiv, February 19, 2010, <http://wikileaks.org/cable/2010/02/10KYIV264.html>

⁴⁴ Valeriy Chalyy worked with Yatsenyuk until resigning in September 2011 in protest of negotiations with Akhmetov. Interview with V. Chalyy, Krynica, September 8 and Washington DC, December 9, 2011.

⁴⁵ The exception was a failed attempt by Tymoshenko to negotiate a coalition with Yanukovich in spring 2009.

⁴⁶ Serhiy Leshchenko and Mustafa Nayem, “Partiya rehioniv usynovyla Serhiya Tihipka.” *Ukrayinska Pravda*, March 18, 2012, <http://www.pravda.com.ua/articles/2012/03/18/6960874/>

be negotiated with *oponentiv* (opponents), whom one can buy off through corruption, assets and state positions.

In 2008-2009, President Yushchenko and Chief of Staff Viktor Baloha did everything within their powers to undermine the Tymoshenko government and replace it with a grand coalition government. Lutsenko recalled that “A veto was placed on every decision made by our government.”⁴⁷ Serhiy Kudelia writes, “Yushchenko used his power to suspend government resolutions in order to subordinate the Cabinet of Ministers and regain some influence over policy-making. During his one term, Yushchenko tried to stop over one hundred government resolutions, or five times more than Kuchma vetoed during his ten years in office.”⁴⁸ President Yushchenko, Anders Aslund writes, “never gave Tymoshenko a chance to govern and he achieved a complete government stalemate” and “seemed obsessed with Tymoshenko, speaking and acting as if his only endeavor was to destroy her.”⁴⁹ Yushchenko’s actions were irrational because he had demanded and received half of the government positions and, nevertheless, sought to undermine his government. “Although he formed a coalition with Tymoshenko, he never gave her government a chance to work,” Aslund writes.⁵⁰

Because Tymoshenko and Lutsenko were implacable enemies of the establishment, both the Yushchenko wing of the national democrats and the centrists represented by Yanukovych decided it was necessary to remove her from the political sphere. The prospect of the election of Tymoshenko, the populist outsider, as president in 2010 was perceived as a threat to Ukraine’s oligarchs and Ukraine’s establishment. The “gas lobby,” led by western Ukrainian oligarch Firtash, had advantageously cooperated with three Ukrainian presidents - Kuchma, Yushchenko and Yanukovych – and all prime ministers except Tymoshenko. Our Ukraine leader and national democratic pragmatist Yekhanurov had introduced RosUkrEnergo, the enormously corrupt middleman that Tymoshenko opposed, into the Ukrainian gas relationship with Russia. The majority of Ukrainian politicians have been involved in energy corruption and, “neither democrat nor oligarch, nationalist or friend of Russia seemed to be able to resist the temptation of its embrace or, perhaps, the fear of violent retribution reserved by the ultimate organizers of energy corruption for

⁴⁷ “Politychna Zayava Yuriya Lutsenka,” *Ukrayinsky Tyzhden*, February 16, 2012. <http://tyzhden.ua/Politics/42449>

⁴⁸ Serhiy Kudelia. 2011. “Politics and Democracy in Ukraine” in T. Kuzio and Daniel Hamilton eds., *Open Ukraine. Changing Course Towards a European Future*. Washington DC: Center for Transatlantic Relations, Johns Hopkins University – SAIS, 3. The book is available for download at http://www.his.com/~pete/CTR/Open_Ukraine/Open_Ukraine.pdf

⁴⁹ Anders Aslund. 2009. *How Ukraine Became a Democracy and Market Economy*, Washington: Petersen Institute of International Economics, 231-232.

⁵⁰ *Ibid.*, pp. 231-232.

those who might seek to dismantle their profitable schemes.”⁵¹

Therefore, the criminal case against Tymoshenko began in summer 2008 when the presidential administration produced a dossier on Tymoshenko’s “treason” and such sentiments about her increased following the January 2009 gas contract, in which she agreed to buy Russian gas at high prices. In February 2009, the National Security and Defense Council issued a ruling to investigate the contract⁵² and a month later the security police SBU Alpha *spetsnaz* stormed the Kyiv headquarters of Naftohaz Ukrainy. In 2009, Yushchenko supported the formation of a temporary investigative commission into the 2009 gas contract. The commission, headed by anti-Tymoshenko rabble rouser Inna Bohuslovka, issued its report on March 20, 2012 when 266 parliamentary deputies voted to accept it.⁵³ The report claimed that Russia had blackmailed Tymoshenko into accepting gas prices that were disadvantageous to Ukraine because United Energy Systems of Ukraine (YESU) owed Russia \$400 million. Yushchenko and Yekhanurov testified against Tymoshenko at her trial.⁵⁴ These developments, a joint operation conducted by national democratic pragmatists and the Party of Regions, provided the groundwork for Tymoshenko’s 2011 conviction and jailing.⁵⁵

In the 2010 presidential elections, Yushchenko campaigned against Tymoshenko’s candidacy and thereby indirectly for Yanukovich and in the second round of the 2010 elections, Yushchenko called on Ukrainians to vote against both candidates, a position that hurt Tymoshenko more than Yanukovich because only some orange voters would heed the call. Following Yanukovich’s February 2010 election and his consolidation of the “power vertical,” Yushchenko congratulated Yanukovich on receiving such large support, pointing out, “We have never had another president whose party in parliament had 182 seats.”⁵⁶ When Yushchenko asked to be

⁵¹ Margarita Balmaceda. 2008. *Energy Dependency, Politics and Corruption in the Former Soviet Union*. Abingdon and New York: Routledge, 137.

⁵² “Pro rishennya Rady natsionalnoyi bezpeky i oborony Ukrainy vid 10 lyutoho 2009 roku ‘Pro nevidkladni zakhody shchodo zabezpechennya enerhetychnoyi bezpeky Ukrainy,’” Presidential decree 82/2009. <http://www.president.gov.ua/documents/8915.html> and <http://www.rnbo.gov.ua/documents/222.html>

⁵³ The Ukrainian-language report is available at http://w1.c1.rada.gov.ua/pls/zweb_n/webp_r0c4_2?id=&pf3516=10211&skl=7 and the English-language report at <http://www.moder-nukraine.eu/government-legal-report-temporary-inquiry-commission-of-the-verkhovna-rada-on-the-investigation-into-the-signing-of-gas-contracts-between-national-jsc-naftogaz-ukrainy-and-ojsc-gazprom/#more-352>

⁵⁴ Tetyana Nikolayenko, and Kataryna Abramchuk, “KOD vldy “Yushchenko”, *Ukrayinska Pravda*, February 21, 2012. <http://www.pravda.com.ua/articles/2012/02/21/6959129/>

⁵⁵ See T. Kuzio. 2011. “Yulia Tymoshenko’s Imprisonment: The Yushchenko Factor,” *Eurasia Daily Monitor* 8: 205 (November 7). http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=38637

⁵⁶ V. Yushchenko cited in *Weekly.ua*, February 16, 2012.

included on the joint opposition list to the 2012 parliamentary elections, Turchynov, Tymoshenko's right-hand man, suggested he instead look for a place on the Party of Regions because he had "brought Yanukovich to power."⁵⁷

The imprisonment of Tymoshenko and Lutsenko in 2011-2012 removed the threat of ideologically-driven national democrats to the interests of Yanukovich, the Party of Regions and Ukrainian establishment over the next three parliamentary (2012, 2016, 2020) and two presidential elections (2015, 2020). The murder charges unveiled against Tymoshenko in February 2013 show the authorities seek to remove her forever from Ukrainian politics by imprisoning her for life.

Yushchenko's decision to indirectly support Yanukovich in the 2010 elections had no ideological basis because Yanukovich, unlike Tymoshenko, overturned Yushchenko's policies in support of democratization, support for Ukrainian ethnic national identity and NATO membership. In the same manner, there was again no ideological basis to Yushchenko's support for Tymoshenko's imprisonment because this selective use of justice froze the signing of an Association Agreement between the EU and Ukraine and thereby blocked the policy of European integration that Yushchenko ostensibly supported.⁵⁸ The common denominator in all these examples was that national democratic pragmatists were closer to centrists than to ideologically-driven national democrats. The case of the 2008-2011 joint operation by Yushchenko and Yanukovich against Tymoshenko showed how the Ukrainian establishment defended itself against threats from populist outsiders who wanted to change the partial reform equilibrium.

Yushchenko's battle with Tymoshenko was a major gift for Yanukovich because Tymoshenko represented three threats to Yanukovich's Party of Regions and the gas lobby that included (1) territory; (2) votes and (3) financial resources.

Territorial Threat: BYuT's ability to penetrate Eastern Ukrainian territory, long considered to be the monopolistic preserve of the Donetsk clan, was a major electoral threat. This threat was countered in two ways: by increasing the Party of Region's monopolization of Eastern Ukraine by absorbing centrist competitors, such as Tihipko's *Silna Ukrayina* (Strong Ukraine) party in March 2012. Additionally, in the October 2010 local elections, through election fraud, the Party of Regions took control of Eastern-Southern Ukrainian key cities, such as Kharkiv and Odessa, where Tymoshenko had support.

Votes: Tymoshenko's leadership of BYuT ensured that it was the

⁵⁷ Oleksandr Turchynov, cited in *Izvestia v Ukraini*, March 17, 2012. <http://www.izvestia.com.ua/ru/news/28075>

⁵⁸ Y. Yekhanurov cited in *Ukrayinska Pravda*, July 14, 2011.

only national democratic political force that became a threat to Party of Regions. In the 2007 elections, BYuT received only three percent less than the Party of Regions and in the 2010 elections, Tymoshenko nearly doubled her support between rounds one and two to 45 percent, receiving three percent fewer votes than Yanukovych. The narrow election victory shocked Yanukovych and his election team, which deepened his paranoia and fear of Tymoshenko. Yanukovych had told the U.S. Embassy in Kyiv in February 2010 that he expected to win by over ten percent.⁵⁹

Financial Resources: Tymoshenko made powerful enemies in the gas lobby when she became Ukraine's most vocal opponent of opaque gas intermediaries. Industrial Union of Donbas oligarch Serhiy Taruta told U.S. Ambassador William Taylor that when it came to removing opaque gas intermediaries, Tymoshenko was "the only person who might be able to do so."⁶⁰ The gas lobby lost billions of dollars in annual income following the removal of RosUkrEnergo (RUE) and it was therefore little wonder they were angry with her. Minister of Energy Yuriy Boyko (2010-2012) told the U.S. Embassy that the contract was a "betrayal of national interests"⁶¹ while Firtash described the gas contract as "criminal" and "the most stupid contract" in Ukraine's history. Firtash repeated claims made by Yushchenko a year before that Tymoshenko had been working for the Russians who were blackmailing her over her corrupt past in the 1990s when she was CEO of gas intermediary United Energy Systems of Ukraine. Firtash told U.S. Ambassador Taylor that "he would have supported Tymoshenko's arrest because, in his view, signing the agreement was paramount to treason." If anyone else had signed such an agreement, "he would have already been hanging from the street lights."⁶²

Tymoshenko's imprisonment has removed her from Ukraine's political life and led to Yatsenyuk replacing her as the leader of the ideologically-driven wing of the national democrats. Klitschko has replaced Yushchenko and Yatsenyuk as the leader of the national democratic pragmatists and UDAR has occupied the niche previously taken by Our Ukraine.

While Yatsenyuk has replaced Tymoshenko as head of the ideologically-driven wing of the national democrats, his past pragmatic flexibility mean that the Ukrainian public does not trust him to become Tymoshenko's

⁵⁹ "Tymoshenko Does Better Than Expected But Falls Short; NGO's Declare Election Free and Fair," U.S. Embassy Kyiv, February 8, 2010, <http://wikileaks.org/cable/2010/02/10KYIV199.html#>

⁶⁰ "Ukraine: IUD's Taruta on Regions, Elections, and Gas Deals," U.S. Embassy Kyiv, September 13, 2009, <http://wikileaks.org/cable/2007/09/07KYIV2286.html#>

⁶¹ "Party of Regions Reacts to Gas Deal," U.S. Embassy Kyiv, January 29, 2009, <http://wikileaks.org/cable/2009/01/09KYIV196.html#>

⁶² "Ukraine: Firtash Returns to Set the Record Straight," U.S. Embassy Kyiv, March 6, 2009, <http://wikileaks.org/cable/2009/03/09KYIV427.html#>

ideological successor. A March 2013 opinion poll gave him less support than Klitschko, who was, if presidential elections were held at that time, more likely enter the second round to face Yanukovich.⁶³

The Sources of National Democratic Divisions

As noted above, the pragmatists and ideologically-driven wings of the national democrats are divided in their relationship to the oligarchs and centrist political forces that today control much of Ukraine's economy. The following section analyzes how the two wings have dealt with the oligarchs and centrist political forces in greater detail than provided above in the personal analyses. In short, the national democrat pragmatists prefer to cooperate with the oligarchs and their centrist political forces and have decided to ally with them against the ideologically-driven wing of national democrats.

Transition Winners and Losers

Joel S. Hellman described "partial transitions" as taking place within countries which remain stuck, but at the same time stable, in a grey zone between communism and market economic democracies. Hellman pointed out that it is winners, not (as was customarily believed) losers, who in post-communist transitions "have sought to stall the economy in a partial reform equilibrium that generates concentrated rents for themselves, while imposing high costs on the rest of society."⁶⁴ Winners will seek to block "any measures to eliminate these distortions," he writes.⁶⁵ The Ukrainian establishment has a vested interest in maintaining the "partial reform equilibrium" and removing threats to the equilibrium through co-optation, which has been the most successful policy it has pursued, or, failing this, imprisonment of political opponents (*protyvnyky*).

Where there has been a reduction of political pluralism, there has been an entrenchment of the "partial reform equilibrium." The removal of Tymoshenko and Lutsenko is leading to the consolidation of a corrupt, semi-reformed and authoritarian political system in Ukraine. In other countries, the inclusion of losers within the political system produces threats to winners through electoral backlashes that have led to comprehensive reform programs, whereas, "In contrast, governments insulated from electoral pressures have made, at best, only partial progress in reforming their economies."⁶⁶ Regimes "insulated from mass political and electoral

⁶³ Opinion poll at <http://www.pravda.com.ua/news/2013/03/6/6984966/>

⁶⁴ Joel S. Hellman. 1998. "Winners Take All: The Politics of Partial Reform in Postcommunist Transitions," *World Politics* 50: 2 (January): 203-234.

⁶⁵ *Ibid.*, p. 205.

⁶⁶ *Ibid.*, p. 232.

pressures” are less likely to move beyond “partial reform equilibrium.”⁶⁷ The inclusion of transition losers and political forces opposed to transition winners, “in the policy making process places limits on the concentration of political power of the winners and prevents them from sustaining partial reform equilibrium.”⁶⁸ The imprisonment of Tymoshenko and Lutsenko gives the Yanukovich administration a monopoly of power over the next decade, impunity from prosecution for actions and therefore no fear of retribution.⁶⁹

President Kuchma did not imprison opposition leaders because, he “understood that in this country one could not take power forever.” As Yaroslav Hrytsak has pointed out in regard to President Yanukovich’s regime, “The current authorities act as if they have come to power for 100 years.”⁷⁰ In imprisoning opposition leaders, President Yanukovich broke Ukraine’s unwritten non-aggression pact between those who are in power and the opposition by pursuing criminal charges against defeated opponents. Selective use of justice has not targeted all “orange” politicians, only *protyvnyky* who have refused to play by the rules of the Ukrainian establishment. The 2007-2010 Tymoshenko government was supported by two parliamentary coalitions that included BYuT, NUNS and the Volodymyr Lytvyn bloc. Yushchenko, Yatsenyuk and other senior Our Ukraine leaders have never been criminally charged and Lytvyn remained parliamentary chairman until the 2012 elections after his faction defected to the pro-Yanukovich Reforms and Stability parliamentary coalition.

National democrats are divided in their attitude towards the period of “primitive accumulation of capital,” as Ukrainian analysts and politicians describe the country’s 1990s transition to a market economy. There has never been closure on the transition through either the imprisonment of oligarchs and corrupt officials *or* an amnesty on financial fortunes acquired illegally and semi-legally. Yushchenko and his Orange Revolution allies promised to put “Bandits in jail!” but this never took place and only the Kryvorizhstal plant was re-privatized from oligarchs Akhmetov and Pinchuk. There has therefore never been “closure” in Ukraine on the 1990s corrupt transition and insider privatization and President Yushchenko never supported Tymoshenko’s anti-oligarch rhetoric or her plans for large-scale re-privatizations. “Neither Yushchenko nor Yanukovich want to review the results of the privatizations,” Oleksandr Paskhaver, a former

⁶⁷ Ibid, p. 234.

⁶⁸ Ibid, p. 234.

⁶⁹ See T. Kuzio. 2012. “Yanukovich Awaits a Third Term or a Third Sentence,” *Eurasia Daily Monitor*, 9: 25 (February 6). [http://www.jamestown.org/single/?no_cache=1&tx_ttnews\[tt_news\]=38977](http://www.jamestown.org/single/?no_cache=1&tx_ttnews[tt_news]=38977)

⁷⁰ Yaroslav Hrytsak interviewed in *Expres*, February 18, 2002. <http://expres.ua/main/2012/02/18/60595>

economic adviser to Yushchenko, said.⁷¹

Although Yushchenko used anti-oligarch rhetoric in the 2004 elections, his subsequent policies as Ukrainian president showed him to hold a benign view of oligarchs and centrist political forces. Kuchma recalled in his memoirs that Yushchenko had confided to him that the anti-oligarch slogans he espoused in the 2004 elections were merely election rhetoric and he should therefore ignore them. “Do not listen to what I am saying about you and the authorities at rallies. Don’t read into them. Don’t take them to heart. This is politics,” Yushchenko told Kuchma.⁷² In October 2005, one month after removing Tymoshenko as prime minister, Yushchenko called a round-table with oligarchs and Prime Minister Yekhanurov, whose candidacy had been supported by the Party of Regions. Prime Minister Yekhanurov lauded the fact the “National bourgeoisie are sitting at the same table with the president. This is an attempt at instituting dialogue from both sides and moving towards each other.”⁷³ As State Property Fund chairman in 1994-97, Yekhanurov is the patron of Ukraine’s transition winners and oligarchs. In August 2006, Yekhanurov was one of 30 Our Ukraine deputies (out of 79) who voted for Yanukovych’s candidacy for the position of prime minister.

Grand Coalitions

Poroshenko, Yushchenko, and Our Ukraine viewed the Donetsk clan as natural allies against ideologically-driven radicals in the national democratic camp. Prime Minister Mykola Azarov, who led the Party of Regions in 2001 and since 2010, was a close friend of Poroshenko who invited him to celebrate New Year’s Eve on the *maydan* during the Orange Revolution. Poroshenko described the Party of Regions as cooperating with all, “constructive forces with a non-orthodox orientation” emphasizing it would prove its loyalty to the authorities.⁷⁴ In 2001-2002, Poroshenko, who had donated a political party to the founding of the Party of Regions, and Yushchenko courted the Donetsk clan and lobbied for a grand coalition between the Party of Regions and Our Ukraine. On the eve of the 2002 elections, Party of Regions leader Azarov⁷⁵ proposed a parliamentary coalition uniting the Party of Regions, the Dnipropetrovsk Labor Ukraine party (Tihipko’s future Strong Ukraine party), Agrarian Party, the NDP and Our

⁷¹ “Viktor ludorum,” *The Economist*, July 5, 2007. <http://www.economist.com/node/17046645>

⁷² L. Kuchma, *Posle Maydana*, p.342 and p.684.

⁷³ *Ukrayinska Pravda*, October 14, 2005.

⁷⁴ Leonid Kravchuk “Novyi Tsentrizm’ zi Skladnoyu Nazvoyu,” *Den*, November 21, 2000. <http://www.day.kiev.ua/uk/article/podrobici/noviy-centrizm-zi-skladnoyu-nazvoyu>

⁷⁵ Nadia Trofimova, “Holovnyy “podatkivets” krayiny ocholyv Partiyu Rehioniv,” *Den*, March 6, 2001. <http://www.day.kiev.ua/uk/article/podrobici/golovniy-podatkivec-krayini-ocholiv-partiyu-regioniv>

Ukraine.⁷⁶ Yushchenko, Besmertnyy, Poroshenko and Plyushch were close to at least two of these – the Agrarians (later taken over by Lytvyn) and NDP. Yushchenko, in turn, called upon the Party of Regions to join an election coalition with Our Ukraine, to which Azarov replied that Our Ukraine should become the sixth member of the ZYU election bloc.⁷⁷ Our Ukraine and Akhmetov had ties going back to at least 2002-2003 with Akhmetov providing finances for the 2002 Our Ukraine election campaign and Our Ukraine's newspaper *Bez Cenzury*. Akhmetov provided a \$5 million donation to Our Ukraine's 2006 election campaign in exchange for orange forces not going after him (he had spent a large part of 2005 in Monaco).⁷⁸

Following the 2002 elections, centrists continued to call for Our Ukraine to join their pro-presidential coalition because, in Oleksandr Volkov's view, "We have the same ideology. We are united in favor of (Ukraine's) European choice."⁷⁹ Besmertnyy agreed, supporting a grand coalition to unite Eastern and Western Ukraine.⁸⁰ In September 2002, Our Ukraine signed a declaration with the PPPU-Labor Ukraine parliamentary faction (led by Tihipko), Democratic Initiatives (led by Stepan Havrysh, who was appointed by Yushchenko in 2008 to be deputy secretary of the National Security and Defence Council), NDP (led by Anatoliy Tolstoukov), and Agrarians (led by Kateryna Vashchuk) towards establishing a coalition. The new coalition would exclude the Communists and SDPUo and sideline ideologically-driven radicals in the SPU and BYuT.⁸¹ The Party of Regions was a potential additional member of the new coalition. The September 2002 Forum of Democratic Forces united moderates from the opposition (Our Ukraine) and regime (PPPU-Labor Ukraine, Democratic Initiatives, the NDP and Agrarians).

Throughout the period leading up to the 2004 elections, Our Ukraine's preferred allies were pragmatic centrists, not the radical opposition led by Tymoshenko/BYUT and Moroz/SPU. Yushchenko's courting of pragmatic centrists produced dividends in the Orange Revolution when they sat on the fence and indirectly supported Yushchenko in the repeat second round of the elections in December 2004. PPPU leader and presidential candidate Kinakh supported Yushchenko in the repeat second round of the elections and his party became a member of Our Ukraine in the 2006 elections.

⁷⁶ *Ukrayinska Pravda*, September 22, 2001.

⁷⁷ "Is Yushchenko's Our Ukraine Kuchma's 'Political Project?'" *RFERL Poland, Belarus, Ukraine Report*, September 25, 2001. <http://www.rferl.org/content/article/1344141.html>

⁷⁸ Interview with Anatoliy Rachok, General Director of the Razumkov Ukrainian Center for Economic and Political Studies, Kyiv, September 13, 2011.

⁷⁹ Oleksandr Volkov, cited by *Ukrayinska Pravda*, February 12, 2003.

⁸⁰ Roman Besmertnyy cited in *Ukrayinska Pravda*, September 18, 2002.

⁸¹ *Ukrayinska Pravda*, September 5, 2002.

Yushchenko's inability to decide on which side of the fence he stood, with pro-presidential pragmatic centrists or the radical ideologically-driven opposition, worked against him in 2002 and again in 2007 when Liberal Party and PPPU deputies respectively defected from Our Ukraine. In the 2002 elections, Our Ukraine failed to attract the Party of Regions (which was instructed by Kuchma to join ZYU) and Yushchenko included a second best from Donetsk, the Liberal Party established in 1991 as a local party of power. In May 2002, Liberal Party deputies quickly defected to the pro-presidential coalition, explaining that they had agreed to join Our Ukraine only because it had *not* declared itself to be an "opposition" force. Five years later, Kinakh, laying out the same justification, said, "I never did, and never would, support an opposition based solely on a policy of confrontation with the government."⁸² The main factor behind the defection of PPPU deputies was their opposition to Our Ukraine's new alliance with anti-establishment populist outsiders, BYuT.

Kuchma and Yanukovych have negotiated agreements and compromises with Yushchenko and Our Ukraine, while oligarchs Firtash and Akhmetov consistently supported grand coalitions throughout Yushchenko's presidency. Yushchenko and Yanukovych attempted to negotiate grand coalitions between Our Ukraine and pragmatic centrists following the 2002 and 2006 elections and in the run up to the 2007 pre-term elections. National democratic pragmatists Poroshenko and Yekhanurov were the main negotiators with the Party of Regions. In 2004, Yushchenko supported round-table negotiations that provided immunity for Kuchma and a non-aggression pact against the establishment. The immunity deal, negotiated on the fringes of the round-tables, was supported by moderate centrists and national democratic pragmatists Yushchenko, Poroshenko, Plyushch and Lytvyn. Prior to, and during the 2004 elections, Yushchenko felt more comfortable negotiating compromises in round-tables than as a revolutionary on the *Maydan*, preferring dialogue over street protests.⁸³ Yushchenko believed that "the street is an insufficient, if essential, component of the opposition's true victories." "His is a bloodless form of politics, the rational approach of a former central banker not given to blazing rhetoric."⁸⁴ In August 2006, Yushchenko held a round-table with the Anti-Crisis parliamentary coalition, which brought Our Ukraine briefly into the renamed National Unity coalition. The round-table drew up a *Universal (Agreement)*, established a National Unity coalition and won

⁸² David R. Sands, "Ukraine: Party Defector Anatoliy Kinakh Denies He Precipitated Political Crisis," *The Washington Times*, April 14, 2007.

⁸³ See www.razom.org.ua, September 20, 2002 and Volodymyr Harbuz. 2002. *Povstan Ukrainyino. Serpen-Veresen*. Kyiv: Prosvita, 123-125.

⁸⁴ Peter Baker, "Popular Figure in Ukraine Has A Muddle Way. Enigmatic Ex-Premier Pursues Compromise at a Tense Time," *The Washington Post*, September 18, 2002.

President Yushchenko's agreement to accept Yanukovich's candidacy for prime minister. Half of Our Ukraine's deputies voted for Yanukovich and many of these national democratic pragmatists ultimately defected to his Reforms and Stability parliamentary coalition in 2010.

In contrast, Tymoshenko had always opposed round-table negotiations with the authorities. During the Orange Revolution, Tymoshenko called for the taking of power by storming the presidential administration and forcibly installing Yushchenko as president.⁸⁵ The call for this radical course of action resembled the actions of the Serbian and Georgian opposition movements, who stormed their parliaments in the 2000 Serbian Bulldozer and the 2003 Georgian Rose Revolutions. Tymoshenko was closer to Serbian and Georgian radical opposition leaders Zoran Đinđić and Mikheil Saakashvili in their politics, election rhetoric and radicalism. Yushchenko meanwhile, was closer to moderate Serbian and Georgian opposition leaders Vojislav Koštunica and Nina Burjanedze. BYuT was the only parliamentary force which voted against the compromise package and constitutional reforms.⁸⁶ Tymoshenko and BYuT opposed the 2006 round-table and called upon Yushchenko to not endorse Yanukovich's candidacy for prime minister, to disband parliament and to call fresh elections. In August 2006, Yushchenko did not follow Tymoshenko's radicalism, but he did in April 2007 when he disbanded parliament leading to the replacement of the Yanukovich government and pre-term elections. Yanukovich and the Party of Regions always blamed Tymoshenko for radicalizing Yushchenko in spring 2007.

Conclusion

In the first two decades of Ukrainian independence, Ukraine's national democrats were divided into a pragmatic wing, led in the 1990s by the KNDS and from 2000 by Yushchenko, and an ideologically-driven wing, led by Chornovil in the 1990s and Tymoshenko and Lutsenko from 2001 until their imprisonment. National democrats are divided by their attitudes to transition winners, which determine whether they are in favor of cooperation with oligarchs and their centrist political parties, or in radical

⁸⁵ See S. Kudelia. 2010. "Betting on Society: Power Perceptions and Elite Games in Ukraine" in Paul D'Anieri ed., *Orange Revolution and Aftermath: Mobilization, Apathy, and the State in Ukraine*. Washington and Baltimore: Woodrow Wilson International Center Press and Johns Hopkins University Press, 160-192.

⁸⁶ After Kuchma left office some members of the hardline SDPU, which had become marginalized and failed to enter parliament in 2006, such as Bohdan Hubsyy and Andriy Portnov, joined BYuT. Medvedchuk unofficially supported Tymoshenko in the 2010 elections. See S. Kudelia, "Authoritarian Manifesto: Medvedchuk Shows His Hand," Ukraine's 2010 Election Watch, Petro Jacyk Centre for the Study of Ukraine, University of Toronto, December 11, 2009. http://www.utoronto.ca/jacyk/ElectionWatch/Blog/Entries/2009/12/11_Authoritarian_Manifesto_Medvedchuk_Shows_His_Hand_Serhiy_Kudelia.html

opposition to them. Pragmatic national democrats have sought alliances with Presidents Kravchuk, Kuchma and Yanukovych and have preferred grand coalitions with pragmatic centrists than with ideologically-driven national democrats. Opposition moderates and regime moderates have felt a closer affinity to each other than to opposition hardliners.

Four out of five years of Yushchenko's presidency were dominated by his conflicts with Tymoshenko. Yushchenko was a "natural centrist," Wilson believes.⁸⁷ Heightened crises, such as the 2004 elections and Orange Revolution, led to a temporary alliance of pragmatic national democrats (Our Ukraine) and ideologically-driven national democrats (BYuT), but throughout Yushchenko's government and presidency, his relationship with Tymoshenko was always unstable.

By the 2012 elections, with Tymoshenko in jail, Yatsenyuk had merged the pragmatic national democratic Front for Change with the ideologically-driven *Batkivshchina* and taken over Tymoshenko's absent leadership. Filling Tymoshenko's shoes would be a feat for most politicians, but Yatsenyuk has been doubly unsuccessful in convincing Ukrainian voters of the sincerity of his conversion from pragmatism to ideologically-driven politics. Meanwhile, the pragmatic wing of national democratic politics, vacated by Our Ukraine, has been filled by Klitschko and UDAR.

This deep-seated division dividing national democratic political forces, which has been in place since the founding of the Ukrainian state, has three ramifications for Ukrainian political life and democratization. First, national democrats have shown they are less disciplined than the Party of Regions, which has successfully integrated business pragmatists and ex-organized crime mafiosi⁸⁸ with ideologically-driven pro-Russian and pan-Slavic factions into a powerful political machine that is not personalized under a particular leader. Yushchenko failed to create a presidential party, while *Batkivshchina* approximated a political machine, but was heavily personalized with Tymoshenko and her removal (and replacement by national democratic pragmatist Yatsenyuk) has dented its popular support. The opposition consequently looks weak in the face of the Party of Regions machine, which has won pluralities in three parliamentary elections since 2006.

Second, deep divisions in the national democratic camp not only makes it more difficult for them to come to power, but also ensures that once in power, they are likely to fracture in parliament and the government, and be unable to implement policies. The 2000-2001 Yushchenko

⁸⁷ A. Wilson, *Ukraine's Orange Revolution*, p.61.

⁸⁸ See T. Kuzio. 2012. "Yanukovych Provides a Krysha for Organized Crime," *Eurasia Daily Monitor* 9: 34 (17 February) [http://www.jamestown.org/single/?no_cache=1&tx_ttnews\[tt_news\]=39024](http://www.jamestown.org/single/?no_cache=1&tx_ttnews[tt_news]=39024)

government (in which Tymoshenko was deputy prime minister) was relatively united and introduced path breaking policies in the fields of economic reform and fighting corruption.⁸⁹ In contrast, the Yushchenko presidency was dominated by conflict with Tymoshenko and, with the exception of free elections and media pluralism, there was no progress in key areas of economic and judicial reforms and fighting corruption.

Third, Ukraine has muddled along for two decades as an immobile state by postponing a host of political, economic and rule of law reforms.⁹⁰ Ukraine's two main opposition forces (*Batkivshchina* and UDAR) are led by national democratic pragmatists whose leaders, if they were to be elected presidents, would be unlikely to introduce radical changes to the country. The domination of Ukraine's political system by an anti-democratic political machine that faces a national democratic opposition weaker than in the Kuchma era will have negative consequences for the country's future democratization.

⁸⁹ Aslund credits the Yushchenko government with making Ukraine's market economy irreversible and Kuchma with establishing a reform team "that was to last." The team drew upon what Aslund describes as "nationalist liberal economists," such as Pynzenyk and Yushchenko who were the political forces that would go on to support the 2004 Orange Revolution. The government brought together a team of reformers who, "were more experienced and knowledgeable than in 1994 and ready to play hardball." *How Ukraine Became a Market Economy and Democracy*, pp.45 and 133.

⁹⁰ See T. Kuzio. 2011. "Political Culture and Democracy: Ukraine as an Immobile State," *East European Politics and Society* 25: 1 (February), 88-113.