



Inform

Newsletter for the international community providing views and analysis from the Yulia Tymoshenko Bloc (BYuT)

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Tymoshenko Resigns Mandate

The Verkhovna Rada is set to disband this week, clearing the way for campaigning and the parliamentary election on September 30. Last week saw Speaker Oleksandr Moroz read out the



▲ Yulia Tymoshenko and her leadership resign their mandates ahead of the parliament's dissolution.

names of deputies resigning their mandates. Included in the roll call was Yulia Tymoshenko, leader of the opposition and of her eponymous bloc, and prominent figures from the pro-presidential Our Ukraine bloc.

Despite numerous delaying tactics, the formal dissolution of parliament is expected within the next few days.

"The parliament is illegitimate," said President Viktor Yushchenko, "the elections are inevitable."

"The way this house has behaved in the last few months has undermined the entire political process," commented Oleksandr Turchynov, BYuT deputy leader, referring to the Verkhovna Rada's stubborn refusal to acknowledge presidential decrees ordering its dissolution. Speaking to Inform he lambasted the Yanukovych administration, "This government has not been fit to govern. It fought

with the president at every turn over domestic and foreign policy. It made a mockery of Ukraine abroad – for months we had no foreign minister. It slowed progress on WTO accession, cold-shouldered NATO, knocked the EU and domestically presided over huge rises in energy prices and a disastrous ban on grain exports.

"The government did talk loud about the need to increase pensions and keep housing tariffs low, then did the opposite. It shook hands, made agreements, then next day backed out of them. Worse, its policies have allowed corruption to flourish. It is a miracle the economy has grown at all, but it has, not because of them, but despite them.

"It's hardly surprising that the people have grown tired of their politicians. These squabbling administrators are becoming an

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Oleksandr Turchynov ▶



irrelevance as life goes on around them. Throughout all of this, BYuT has kept faith with the people. We have maintained a steady course, not compromising our principles. Come September we will not let this nation down."

Many observers have commented upon the public's growing disillusionment with their elected representatives. Last week the Financial Times noted, "The public is thoroughly disenchanting with politics," and remarked that the recent crisis was viewed by the people "as a struggle within a faction-ridden political elite."

Ms Tymoshenko spoke for many when she said, "Now is the time for true politicians to stand up and be counted – for politicians who serve the public interest and don't view parliament as a vehicle to line their own pockets. We will articulate a new, clear vision for Ukraine."

Let them Eat Cake

In some areas of Ukraine the price of bread has risen by 20 percent. Alarmed by the increase and how it might dent his standings in the polls, Prime Minister Viktor Yanukovich has threatened to sack Vice Premier Viktor Slauta, Economy Minister Anatoliy Kinakh, and Agricultural Policy Minister Yuriy Melnyk, if prices are not brought under control. Mr Yanukovich also slammed governors in outlying oblasts, threatening them that they would have to "pack their sacks and go away" if prices did not stabilise.

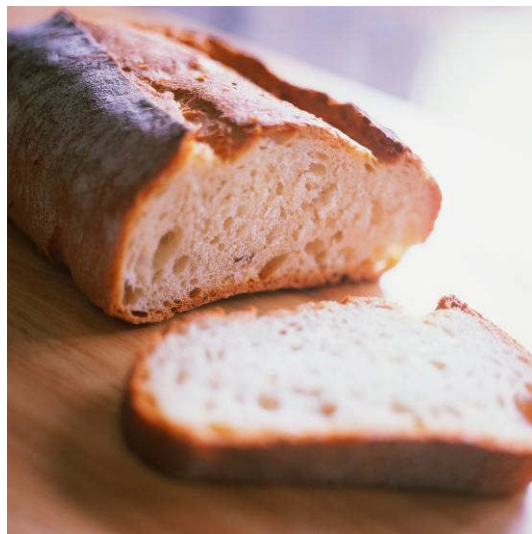
As the war of words rages, grain producers and traders are bracing themselves for a new round of export restrictions. Apparently, a plan has been floated to restrict exports of certain types of grain starting July 1.

This would be bad news for the agri-business which is still counting the cost of last December's crippling export ban. The official reason for last year's quota restriction – only lifted fully this May – was a domestic shortage. The reasoning dumfounded western governments and experts alike, who banded together to condemn the quotas and criticise the Yanukovich-government's heavy-handed tactics.

Figures revealed there was no shortage. The production figures for 2006 were well above the average of the last ten years and left-over stocks from the previous marketing year meant that storage facilities were full to bursting. Some 11,000 grain producing companies, 43,000 farmers and 600 grain exporters bore the brunt as officials resorted to dumping grain under cover of darkness in the Black Sea. Even the most conservative figures estimated a cost to the nation of more than \$300 million in lost grain exports.

Most alarming was the lack of transparency governing the administration of export licenses. This was cited by many as the primary reason behind the restrictions.

Now, as bread prices soar in shops across the country, the finger of suspicion once again points to shady deals and monopolist organisations that stand to benefit from the higher prices.



Leader of the opposition, Yulia Tymoshenko voiced her concern, "The Party of Regions is feeling its near demise. So monopolists are to share profits with the government when raising prices." She went on to underline that the government appeared unable to control the situation and had failed the people, who have seen living standards decrease by 13 percent during the Yanukovich-administration.

Revitalising Relations with Russia

The following is a translation of an opinion piece by Yulia Tymoshenko which appeared in the French newspaper, Le Monde.

The logo for the French newspaper Le Monde, featuring the title in a stylized, blackletter font.

Over the course of the past two months, as Ukraine's political crisis deepened, I have heard the West repeatedly admonish Ukraine, saying, "Once again, the young Ukrainian democracy is vacillating."



The European Union has looked at Ukraine as if it was a difficult and immature child. But Ukrainians showed the world that they could control their destiny. A political compromise was reached, setting the date for new parliamentary elections on 30

September, thus ending the political deadlock.

This agreement among competing parties is a victory of national interest over personal and factional rivalries.

Since this event, a new and growing political crisis has co-opted the attention of European countries: Russia has threatened to find new targets in Europe if the United States moves forward with its intent to install a missile defence system in Poland and the Czech Republic. Western leaders have expressed grave concern at the nature of these threats, and they are right to do so. Countless times I have attempted to call the attention of European leaders to the potential dangers posed by a resurgent and increasingly aggressive Russia.

I do not believe that a new Cold War, one that would divide Europe anew, is imminent. Yet we must certainly consider Russia's long diplomatic history, traits that have certainly not changed substantially since the collapse of the Soviet Union. Russia continues to seek to influence and shape the political landscape in its near abroad; this includes Ukraine.

The numerous challenges that exist within the geopolitical triangle that is Russia-Ukraine-EU require a cooperative and trilateral approach. On the one hand, there is the issue of collective security and the process of the steady democratisation of the post-Soviet space. On the other is the issue of a common energy market. Yet the possibilities for partnership are real and, as Russia's immediate neighbour, Ukraine can contribute to this debate in the G8 summit in Heiligendamm. Resolution of the 'Russian question' is vital.

It is time to make Russia understand that, in spite of its economic leverage, articulated principally via the actions of Gazprom, European dependence on Russian energy is really a co-dependence. Suppliers depend just as much on consumers as consumers on suppliers. This is why we need a genuine "energy alliance." Grandstanding must yield to moderation and a



reassessment of Russian power, which is altogether limited. It is our duty to reconsider our relation with a Russia which, fortunately for all of us, recovered from the chaos of the Yeltsin years. It is time to formulate a new diplomacy that is no longer founded on resentment and cynicism, and to adopt simultaneously realistic and constructive steps towards progress on the critical issues in our common interest.

In this international context, our elections next September could be a turning point both for Ukrainian political life, as well as the future of Russo-European relations, and thus world stability as a whole. The successful democratisation of Ukraine will deliver an important message to Moscow – it must re-examine its regional and political ambitions, and particularly in

relation to energy. In the Russian collective consciousness, Ukraine is Russia. Ukraine's elections could thus mark a decisive stage towards normalisation. This is why I supported whole-heartedly the new parliamentary elections, because our constitutional system is currently deadlocked. Our political-economic institutions are still weak and must be deeply reformed. It is this issue of reform upon which I wish to commit myself to participate.

Ukraine needs a new strategy of political, social and economic development. It is a priority for all Ukrainians. Without a normal, and stable, political system, we can make no further progress. We must reform the institutions because only they can guarantee a proper democratic process, political life, business community, and improve the standard of living of Ukrainians. To put an end to the political impotence; to gather all Ukrainians around a genuine programme for Ukraine, instead of dividing them – this is my party's goal.

By reaching for European standards of governance, with governing teams invested in the public welfare rather than their personal enrichment, Ukraine will be able to become a credible political actor on the European continent. Nicolas Sarkozy promised to have a frank dialogue with Vladimir Putin. This frankness is very much needed for everybody – for Russia, France, Ukraine and the European Union as a whole.

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Questions or comments? E-mail us at taras@byti.org.ua