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### **1. Ukraine to hold hand vote to restore Tymoshenko as PM Xinhua, 15 December 2007**

The Ukrainian parliament on Friday approved some lawmakers' proposal to hold a hand vote next Tuesday, to decide again whether Yulia Tymoshenko can serve as the country's prime minister.

Tymoshenko was voted down by the legislature on Tuesday for lacking one vote. President Viktor Yushchenko nominated her again for the job on Wednesday.

Tymoshenko's party colleagues in the parliament and lawmakers from President Yushchenko's Ukraine-People's Self-Defense party strongly demanded a hand vote, citing potential problems in the parliament's electric voting system.

Text available on World Wide Web, URL:

[http://news.xinhuanet.com/english/2007-12/15/content\\_7254364.htm](http://news.xinhuanet.com/english/2007-12/15/content_7254364.htm)

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**2. Tymoshenko past hampers PM bid**  
**By SABINA ZAWADZKI**  
**Reuters/ Turkish Daily News, 15 December 2007**

*Tymoshenko's fiery rhetoric worries investors' about her capacity to push for reforms. In a country with entrenched business interests, analysts underline that the tiny majority 'orange heroine' commands undermines her credibility for forming a stable government.*

The chaos of Yulia Tymoshenko's premiership two years ago is hampering her attempt to win back her job and has made the foreign business community wary of her possible return.

Her passionate speeches during the 2004 "Orange" revolution fuelled protests for weeks and helped to sweep President Viktor Yushchenko to power after a re-run of a fraudulent election.

But the same fiery rhetoric caused mayhem among her allies, made relations with Russia difficult and spooked investors with calls for a review of state sell-offs and interference in markets. Yushchenko sacked her after just seven months.

**Investors worried:**

A possible second stab at the job worries investors, unsure whether she and her allies, who hold a tiny majority in parliament, could push through urgent reforms to underpin an economy powered by high global steel prices.

"There is trepidation within the business community," a senior business source said. "Will she interfere in markets as she had a tendency to do in the past or will she be able to get people to coalesce around her and get something done?"

The former Soviet state's economy has absorbed big yearly gas price rises from Russia and grown by about 7 percent in recent years. Some service sectors, such as banking, have developed and Ukrainians are spending their rising wages. But the heavy industry on which the economy depends needs modernization and corruption persists at all levels.

And it is still difficult to separate business and politics. All major parties have oligarch backers and any businessman worth his salt sits in parliament, including Ukraine's richest man Rinat Akhmetov, or has interests represented in it.

Parliament is to vote again on Tymoshenko's candidacy after she fell one vote short on Tuesday, despite a reconciled coalition of her bloc and Yushchenko's Our Ukraine party holding a two-seat majority in the chamber.

Some analysts say Tymoshenko, a former gas magnate turned social crusader, has learnt her lesson. "There is no reason to expect any emotional moves from her... There are no grounds to expect new calls for mass reprivatization as in 2005," said Yuri Yakimenko, analyst at the Razumkov Center think-tank.

"Her government will stress increasing budget revenues from sources like customs and privatization so she can fulfill promises in the social sphere."

Her immediate priority would be to redraft the 2008 budget after Kiev agreed to a higher than expected gas price rise from Gazprom to \$179.50 per 1,000 cubic meters from \$130.

Analysts say a new government must improve the business climate, by clarifying land ownership and tax laws, overhauling the judicial system and eliminating corruption. But even if she gets through, many wonder if her majority will be solid enough. "This dooms her government, making it unstable," said Vitaly Nebozhenko, head of the Barometer think-tank.

### **Full pockets?:**

Some said were it not for power games, especially among affluent members of parliament, deputies from Tymoshenko's coalition and outgoing Prime Minister Viktor Yanukovich's Regions party could agree on business issues.

"At the end of the day, they are going to ask themselves "Are my pockets full enough?" the business source said. "If their pockets are full enough, they can start looking out for the country, but until there is that concept, we will be in the same cycle of personal gain we have seen for 16 years."

Text available on World Wide Web, URL:  
<http://www.turkishdailynews.com.tr/article.php?newsid=91375>

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### **3. Timoshenko readying for 2nd time to head Ukraine government Itar-Tass, 18 December 2007**

Yulia Timoshenko is certain that the Verkhovna Rada (parliament) of Ukraine on Tuesday will elect her to the post of the prime minister. "We have got enough votes and without doubt we will form the power and give results for the country," Timoshenko told journalists on Monday.

The voting on her candidature is the first item on the agenda of the parliament's plenary meeting. It is also planned to elect the government members. Voting on the prime minister's candidate will be held not as usual with the use of the "Rada" electronic system, but by raising hands. Each deputy during the voting will be at the working place and when parliament speaker Arseny Yatsenyuk reads in the alphabetic order the name of a deputy he will raise his hand and orally confirm his decision if he says "yes" and if not a deputy will stay at the place without raising hand.

The election of Timoshenko to the prime minister's post will directly depend on the presence of the coalition members. "If 10 minutes before the voting all 227 deputies from the coalition (Bloc of Yulia Timoshenko (BYT) and Our Ukraine-Popular Self-Defence (NU-NS) Bloc gather at their places then Timoshenko will become prime minister," believes well-known political analyst Vladimir Fesenko. In his view, if Timoshenko is elected prime minister on Tuesday "her chances to become the government head in the future will be drastically reduced."

Experts believe that disagreement on a number of candidatures for ministerial posts may impede the election of the BYT leader to the post of the government head. "The final variant of the government composition is yet to be agreed upon," deputy of the NU-NS faction Taras Stetskiv said.

Deputy from the Communist Party Alexander Golub believes that separate deputies from NU-NS may use the voting or nonvoting for that of other candidature as a lever of pressure on the president or the prime minister in order to settle questions linked with the personal approval of ministers. Golub also believes that if Timoshenko's candidature is not approved on Tuesday it will be nominated for the third time. "And this time will be critical," in the view of the lawmaker. "But the thing is that neither the BYT nor NU-NS has an equal ranking figure to propose for this post," he noted.

BYT members are certain that Timoshenko will for the second time become the head of the country's executive power branch. They unanimously stated that December 11 will not happen again. A week ago, Timoshenko was supported by only 225 deputies of the "orange" coalition falling short of only one vote (with the required 226).

Leader of the NU-NS faction Vyacheslav Kirilenko has promised a 100-percent voting on the prime minister's candidature and on all the ministers by all parliament members. Former head of the Security Council Ivan Plyushch will be an exception because he is against Timoshenko's premiership. The faction of Vladimir Litvin's bloc will also not vote for the appointment of Timoshenko for the post of prime minister. The Communists and the Party of Regions headed by Viktor Yanukovich are also against Timoshenko. These three parliamentary forces have together 222 votes against 228 of the "orange" coalition.

Nevertheless, Timoshenko has already got an invitation to take part in the conference “the role of women in the stabilisation of the dangerous world” that will be held in Brussels on March 6, 2008 with the participation of women-government heads and foreign ministers.

A letter of the EU Commissioner for External Relations and European Neighbourhood Policy Benita Ferrero-Waldner to Timoshenko says “I think you will be able to make a particularly important contribution to our discussion and very much hope that you will be able to join us in Brussels on March 6.”

On Saturday, President Viktor Yushchenko in an interview with the Fifth Channel said responsibility for the absence of a government in Ukraine rests with three parties which won the general elections: the Party of Regions, the Yulia Timoshenko bloc and the Our Ukraine-Popular Self-Defence bloc (NU-NS).

“I’m sure that the key responsibility rests with two political forces – the Party of Regions and the Yulia Timoshenko bloc, plus Our Ukraine as sort of a makeweight,” he said. Yushchenko insisted at the same time that he sees precisely Timoshenko in the premier’s armchair. “This is the essence of my second presentation in parliament,” the head of state emphasised.

He said that “the parliament should muster courage to pass procedural barriers”, but noted that they were spelled out very vaguely in the Regulations. “I believe that the national parliament will come to agreement and will find replies to questions on the Regulations and the essence of its work.

“Ukrainian politicians should shoulder responsibility for developments in the legislature. The country waits that the future government will defend inside and outside interests of Ukraine,” the president stressed.

According to Yushchenko, “members of the coalition (Timoshenko bloc and NU-NS) should have confidence in each other.” The parliament can turn into a source of instability, as was the case last year,” Yushchenko warned.

Yushchenko spurns down a possibility of dissolving the parliament for the second time if a government is not formed within 60 days after the first session, since this is not provided for by the Ukrainian Constitution. If a government is not formed on December 18, “it will be necessary to return to negotiations,” Yushchenko said.

“I’m now mulling over guarantees which the president should submit so that the parliament would switch over to a constructive part of the negotiation process if the next day, two or three raise problems from the viewpoint of organising the voting on a presidium, committees, a government and a premier,” the president stated.

The head of state is convinced that “the Timoshenko bloc and the NU-NS learnt the lessons of the past and will not permit the repetition of the 2005 mistakes.” “We spoke much of this (with Timoshenko), and I have got, to my mind, a sincere position. This has convinced me that she has learnt the lessons,” he continued.

In the president’s words, “the key question in the new parliament and a government is mutual respect and trust.” “The second set of questions – no reviews in the political field and manipulations with various political forces or groups,” the head of state underlined.

Text available on World Wide Web, URL:  
<http://www.itar-tass.com/eng/level2.html?NewsID=12189275&PageNum=0>

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#### **4. Ukraine's 'groundhog day': electing new PM Russia Today, 18 December 2007**

*Ukrainian coalition leader Yulia Timoshenko has said she is sure the Rada will appoint her as the next Prime Minister when voting begins later in the day.*

Deputies will vote for the third time following Timoshenko's failure to take the post a week ago.

Today Ukraine is expected once again to resort to an ancient and time-tested voting method.

The hi-tech electronic machine is no longer trusted in parliament after buttons and ballots led to lawmakers squaring off against each other.

Today the deputies will vote simply by raising hands, or possibly by just standing up.

Just a week ago it was widely believed Yulia Timoshenko's path to the cherished post of Prime Minister would be an easy ride.

Her supporters, made up of backers of the orange revolution, hold a slim majority in parliament after a snap election in the autumn.

Two votes were held last week - and twice Timoshenko was left stranded, just one vote short of the majority needed.

The result shocked the orange coalition, while the rival parties loyal to the outgoing PM Yanukovich responded with joy. They were promptly accused of having malicious intent to rig the vote.

*"For the first time in the history of our Parliament the results of the votes were falsified blatantly. This was confirmed by those deputies whose voting cards were tampered with,"* proclaimed Yulia Timoshenko.

The investigators, who even brought in the chief designer of the voting system to give evidence, ruled out any malfunction.

Finally, claims of intentional interference with the voting programme were rejected by President Yushchenko himself. Therefore the question of who prevented Timoshenko from becoming Prime Minister is still open.

The opposition points at thorny relations inside the orange coalition. Seen as Viktor Yushenko's first ally, she's now his chief rival for power in Ukraine.

The prime ministerial post would increase her popular support and put her in a better position in the presidential race, and reduce Yushchenko's chances.

Text available on World Wide Web, URL:  
<http://www.russiatoday.ru/news/news/18628>

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## **5. Tymoshenko seeks backing again as Ukrainian PM** **By Pavel Polityuk** **Reuters, 18 December 2007**

Fiery Ukrainian politician Yulia Tymoshenko seeks endorsement a second time from parliament on Tuesday to get her old job back as prime minister.

Tymoshenko, known for her stirring oratory in the 2004 pro-Western "Orange Revolution" and who was premier for seven months before being sacked by President Viktor Yushchenko, heads an "orange" coalition of her own bloc and his Our Ukraine party.

Together, the two hold 227 seats in parliament, one more than needed for approval.

Tymoshenko, now backed again by Yushchenko, fell short by a single vote last week, plunging the assembly into tumult. She blamed the outcome on tampering with the electronic voting system, though officials found no evidence.

This time, the vote will be conducted by a show of hands.

"Orange" backers say their unity will hold and Tymoshenko, distinctive in her peasant braid and designer suits, will take over as premier. Deputies will then vote on her cabinet.

"Tymoshenko has a very good chance of becoming premier. She has the votes and a tested system of mobilisation," said Volodymyr Fesenko, director of the Penta think tank.

"The only problem remains hidden opposition ... some deputies could find a pretext to be absent from the chamber."

Vyacheslav Kyrylenko, a senior leader of Our Ukraine, on Monday promised full support for Tymoshenko and her cabinet.

Tymoshenko roused crowds in 2004 alongside Yushchenko by denouncing a rigged election, overturned by a court ruling after Yanukovich was initially declared the winner.

Named premier within days of Yushchenko's inauguration, she spooked investors by proposing a major review of privatisations and was dismissed after her government split into rival camps. The two reconciled for the September election that produced the narrow "orange" majority.

After Tymoshenko's setback in parliament last week, the president submitted her name a second time.

The opposition, led by the Regions Party of outgoing Prime Minister Viktor Yanukovich, blocked proceedings for a time last week, but has said it will allow Tuesday's debate to proceed.

Yanukovich, the president's rival from 2004, says the "orange" majority is unstable and calls instead for a "broad coalition" grouping his party and allies of the president.

In a weekend interview, Yushchenko said Tymoshenko had learned from her experience of 2005: "She and I spoke a great deal. I heard what I believe to be sincere statements. I am convinced that lessons have been learned."

(Writing by Ron Popeski)

Text available on World Wide Web, URL:  
<http://africa.reuters.com/world/news/usnL17313886.html>

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## **6. Ukrainians tune out of political bickering** **By Roman Olearchyk and Stefan Wagstyl** **The Financial Times, 16 December 2007**

When Viktor Yushchenko, Ukraine's pro-west president, dissolved parliament in April, he hoped an election would clear the air, punish corruption and end a deadlock dating back to the 2004 Orange Revolution.

It has not turned out that way. Nearly three months after the September 30 poll, the country is still without a government, and politicians are still embroiled in murky coalition-building manoeuvres.

For weeks, Mr Yushchenko's Our Ukraine party has been holding talks about forming a government with the party headed by Yulia Tymoshenko, Mr Yushchenko's Orange Revolution ally. But negotiations have been hampered by the two leaders' rivalry, which erupted in 2005 when Mr

Yushchenko sacked Ms Tymoshenko as his prime minister. They are also fiercely opposed by Viktor Yanukovich, the acting prime minister, and his Regions party, which remains the biggest single parliamentary grouping.

Together, Mr Yushchenko and Ms Tymoshenko's forces hold 228 seats in the 450-member assembly. But the Orange camp's fragility was exposed in parliament last week when Mr Yushchenko's motion to make Ms Tymoshenko prime minister secured only 225 votes. In farcical scenes, the security services were called to check the electronic voting machine but found nothing amiss. A repeat vote on Ms Tymoshenko's candidacy is scheduled for Monday.

There is speculation in Kiev that although Ms Tymoshenko shares Mr Yushchenko's western-oriented ideas, the president might prefer a coalition with the less volatile Mr Yanukovich. Meanwhile, Ms Tymoshenko may decide to bide her time in opposition to magnify her chances of winning the next presidential election in 2010.

Ukrainian voters tuned out of the political saga long ago, preferring to enjoy the fruits of an economy now in its eighth year of unprecedented growth, with a 7 per cent rise forecast for 2007.

But investors worry the power struggle will delay badly needed reforms and undermine further growth. "The political turmoil that has been a hallmark of 2007 has unfortunately begun to have a negative impact on both current investors, who are looking to strengthen their operations, and for new investors who would like to enter the market," says Jorge Zukoski, president of the American Chamber of Commerce in Ukraine.

Edilberto Segura, chief economist in Kiev at the private equity firm Sigma Bleyzer, warns, "Past sources of growth are being exhausted . . . New sources of economic growth will be needed. New investments will be needed."

Ukraine has attracted record amounts of foreign direct investment since the Orange Revolution, including about \$7bn (€4.8bn, £3.5bn) this year, but its accumulated total of \$26.9bn since 1991 is, on a per capita basis, still far below the figures of its central European neighbours. Accession to the World Trade Organisation, a basic step towards internationalising trade and investment, has yet to be completed.

The new government may avoid another gas dispute with Russia as the outgoing government signed a 2008 deal this month. But this envisions the third sharp price rise for fuel imports in as many years and economists say inflation, expected to end the year at 16 per cent, could take off.

Meanwhile, bickering lawmakers have yet to pass next year's budget, or adopt tax relief for Naftogaz, the state-owned energy company, on the verge of a technical default on eurobonds placed with investors. A default could raise the cost of corporate and sovereign debt for Ukraine, a country that has borrowed heavily on world markets in recent years.

In the chaos, influential oligarchs have prospered, but other investors are nervous. They fear corruption is rising again and dealing with officials is becoming more difficult. With nobody clearly in charge, there is nobody to turn to. The worry is that even if a new government is formed soon it will be weak - and will become weaker as the 2010 presidential poll approaches.

Text available on World Wide Web, URL:  
<http://www.msnbc.msn.com/id/22284136/>

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## **7. Tymoshenko Nomination Appears Back on Track Ukrainian Observer, 16 December 2007**

After a week spent in wrangling over a number of peripheral issues such as deputy speakers and committee chairs, Ukraine's parliament, the Verkhovna Rada decided on Friday to hold a vote on the second nomination of Yulia Tymoshenko as prime minister. The backroom bargaining appears to have settled enough issues to allow Tymoshenko to reclaim the position she previously held for just over seven months in 2005.

After the Dec. 11 vote on the Tymoshenko nomination, there were allegations of failures in the parliament's electronic voting system recording of votes. To avoid such charges this time, the Rada decided that the second should be a teller vote, i.e. an actual visual count of MPs' raised hands by parliament officials.

The Rada's approval of the proposal to consider the appointment of the prime minister and other Cabinet members at a plenary meeting on Tuesday, December 18 gained the positive vote of 274 MPs, far exceeding the 226 required.

Speaker Arseniy Yatsenyuk reflected the difficulties in his new job in a statement after the parliament's conciliation council worked out the agenda for Tuesday.

"I think it would have been easier to pass a decision in the United Nations, though there are more than 190 members there," Ukrainian news quoted Yatsenyuk as saying.

Accomplishment of all that is desired from Tuesday's Rada meeting will include votes on the appointment of the prime minister, the termination of powers of Prime Minister Viktor Yanukovich and his government, the appointment of the new government and termination of powers of parliamentary deputies who will enter the Cabinet. The election of committee chairs will follow.

A part of the deal-cutting that brought forward motion on the stalemate is said to include ceding the chair of the budget committee and the committee on human rights to the bloc headed by former Rada speaker Oleksandr Lytvyn.

Text available on World Wide Web, URL:  
<http://www.ukraine-observer.com/index.php?c=668>

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## **8. Yushchenko insists on new version of Constitution ForUm, 17 December 2007**

President of Ukraine Viktor Yushchenko noted the necessity to adopt new version of the Constitution in 2008. "I insist on new Constitution redaction by means of the referendum," he said in an interview with the "5 channel" on Sunday.

Yushchenko noted that "if we want to reach political stability we must reconsider political reform 2004." "We have disproportion in the power as a result of Constitution changes in 2004. Those were fatal things which do not have balance," he noted.

According to the President, today the parliament has colossal authority "as mechanism of collective responsibility." "If this institute forms bodies of power, coalition, mechanisms of relations with so hard, tell me whose responsibility we can speak. The matter does not concern only responsibility. We cant find any other alternative until we consider problems caused by changes into Constitution in 2004," he stressed.

According to Yushchenko, in the first place it is necessary to cancel People's deputies' immunity which allows "the whole echelon" to manipulate economic issues.

**9. Raise Your Hands, Ladies and Gentlemen!**  
**By Serhiy Leshchenko, Mustafa Nayem**  
**Ukrayinska Prawda, 16 December 2007**

Ordinary MPs of the Party of Regions (PRU) have been recently coming to work an hour earlier than required.

The lawmakers enter an empty session hall showing that they are the masters. The PRU MPs occupy the speaker's seat. Less ambitious lawmakers go to the seats reserved for the government members.

Mr. Yanukovich's brothers-in-arms are getting ready for a blockade. One MP blocks the door to the presidium with the chair so that Mr. Yatsenyuk will not be able to take his seat.

"Look, why are you doing it? Anyway, he will enter the session hall," a young MP asks his more experienced colleague who participated in the blockade of the last convocation.

"There will be a lot of journalists and TV cameras. Let them see that we will never surrender to the Orange!" he answered accompanied by a roar of laughter.

Meanwhile, the BYuT was holding a session in the parliament's cellar. The party discussed possible ways of opposing the minority.

A young BYuT lawmaker Viktor Ukolov warned the faction of the conspiracy theory. Supposedly, everything said at the session was being taped and then would be made public by the journalists.

"Guys, we are an honest democratic party. We have nothing to conceal," Mr. Turchynov calmed him down. He was leading the session on that day because Yulia Tymoshenko was not there.

He said that he was bored with the blockade of the Verkhovna Rada.

"It is possible that voting for the PM will be held under extreme conditions," said Mr. Turchynov.

The formal reason why the Verkhovna Rada cannot vote for the PM is uncertainty about parliamentary committees.

Our Ukraine is also bored with the never-ending talks with the PRU. Roman Zvarych described one typical day of these negotiations:

"We are waiting for two or three hours for Mykola Azarov. Then he comes. We make him our offer. He refuses to accept it. Then we offer to exchange the committees. Mr. Azarov usually says: "I need to talk to the faction and the PM." We ask: "Where is the PM?" It turns out that he is out of the city. And it goes all over and over again..."

The BYuT was also angry with the Donetsk-based party. According to sources of *Ukrayinska Pravda*, the faction even considered radical solutions to go back on the prior agreement of sharing in half 28 parliamentary committees between the coalition and the opposition.

"We will refuse to talk to them. They may forget about sharing 14 to 14! We are ready to compromise but they get carried away. We will vote then for the government and share committees in the same way they shared them in 2006 when we received only leftovers," said one of the BYuT members.

The PRU MPs seemed to have learned about such cruel intentions of the BYuT.

They forced Arseniy Yatsenyuk at the conciliatory council to promise that sharing of the committees would be considered only if agreed with all parliamentary factions.

Mr. Turchynov told his faction that the PRU was dragging out the voting because the party knew that the President intended to fly to Switzerland for a medical treatment.

As such, Mr. Yushchenko had to go to Geneva with one of Our Ukraine MPs that could result in the failed voting for the coalition.

Indeed, Mr. Yushchenko was said to take his brother to Geneva but the latter stayed in Ukraine.

"Our president has left. I think he will come back on Tuesday or Wednesday," said Viktor Baloha's cousin and one of the MPs who refused to sign the coalition agreement Vasyl Petyovka.

He showed up in the lobby with the face of a man who got sick and tired of the entire coalition fuss.

Uncertainty irritated the PRU members. Having gathered in the smoking-room they jokingly asked rivals to have a rest on weekend.

"Listen, Garik. Let's end this circus. Call your guys off and let's meet on Tuesday," PRU member Yevhen Geller addressed Garegin Artyunov from the BYuT.

"Ah, it is fun...let's keep going," Mr. Artyunov returned the joke. "Vote for our Yulia and we can go home. There is no problem about that!" he added.

Mrs. Tymoshenko was ready to go through another voting for her candidature only if MPs vote by raising their hands.

There was an incident in the Verkhovna Rada that place Rada electronic voting system in doubt. Hardly had Arseniy Yatsenyuk closed the session when computer terminal of the PRU member Dmytro Prytyrka broke down.

"I was about to leave when smoke ejected from my terminal. It smelled burning," recalled Mr. Prytyrka.

After that the Rada system was tested. The results were not very good. From time to time electronic voting cards did not work at different terminals. Only terminals in the communists' sector were fail-safe.

Adam Martynyuk was happy. But he had a different reason to feel happy. It looks like he can become the First Vice Speaker again.

Mr. Yanukovich preferred Adam Martynyuk to Rayisa Bohatryova. It is the second time the PRU refused to support her candidature for the post of the First Vice Speaker.

Mr. Yanukovich's closest ally Anton Pryhodsky explained such a choice in the following way:

"We owe the Communist Party...they used to be our partners."

Communists have joined the 'bargaining' and began playing their own game. Their consent to voting for the PM by raising hands proves it.

In fact, change of the voting procedure is the main victory of the BYuT.

This form of voting is half of the victory for Yulia Tymoshenko.

The decision to support such form of the voting became a surprise for ordinary members of the Communist Party.

"I do not back this decision. I am an engineer and I know that the Rada system is working properly," said Alla Aleksandrovskaya.

"Indeed, I supported this decision. But to tell the truth, I was disgusted to do it," added another communist Petro Tsybenko.

Volodymyr Lytvyn warned that change of the voting procedure would open Pandora's Box.

"The PRU lawmakers will come tomorrow with 150 signatures and say that MPs have to vote by jumping. Everybody will jump. There is no other choice," Mr. Lytvyn mocked at other factions.

Anyway, Arseniy Yatsenyuk gained his little victory. He had all five parliamentary factions set their signatures under the Tuesday agenda.

Thus, all political forces in parliament agreed to vote for the PM first on Tuesday.

Text available on World Wide Web, URL:  
<http://www.pravda.com.ua/en/news/2007/12/17/9597.htm>

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#### **10. Yuschenko: Appointment Of Yekhanurov As Defense Minister Will Speed Up Army Reform Ukrainian News Agency, 16 December 2007**

President Viktor Yuschenko is confident that appointment of MP Yuriy Yekhanurov of the Our Ukraine-People's Self-Defense Bloc to the post of defense minister will boost reforming of Ukraine's armed forces.

Yuschenko told this in an interview with the Fifth Channel on December 15.

«Today the army needs a man who would take a different look at the organization system of the Defense Ministry, rationalize financial flows, optimize the system of ownership and the structure based on the Defense Ministry's economy,» the president said.

Yuschenko noted that the decision is not a step against acting Defense Minister Anatolii Hrytsenko or the top command.

«It's not a step against minister [Anatolii Hrytsenko], not a step against the top command. It's a conscientious national response to how we should give a prompt and effective answer to weak sections in the organization's functioning, and we have people who can do this today,» Yuschenko said.

The president expressed confidence that every dignified minister of the present cabinet will be provided with a decent place for realization of their professional qualities.

Also, Yuschenko said Ukraine needs to take more effective actions to prepare for transition to the contract army.

As Ukrainian News reported, on December 11, Yuschenko nominated Yekhanurov for the position of defense minister.

Acting Vice Premier Oleksandr Kuzmuk, who is responsible for the military industrial complex, believes that candidacy of MP Yuriy Yekhanurov of the Our Ukraine - People's Self-Defense bloc, nominated by President Viktor Yuschenko for the defense minister post, is the most acceptable one.

Text available on World Wide Web, URL:  
<http://www.ukranews.com/eng/article/88520.html>

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### **11. Russianphone Ukrainians don't support division of Ukraine NRCU, 17 December 2007**

*This idea was discussed at a roundtable dubbed "Common Identity of Ukrainians: Reality, Project or Utopia".*

A majority of foreign communities in Ukraine don't consider West and East Ukrainians to be separate nations, experts of the Razumkov Ukrainian Center of Economic and Political Studies believe. An opinion, carried put by the Razumkov center suggests that as many as 39.2% of Ukrainians believe that Ukrainians should be the state official language in Ukraine. As many as 31.4% respondents believe the status of the national language should be granted both to Ukrainian and Russian.

Text available on World Wide Web, URL:  
<http://www.nrcu.gov.ua/index.php?id=148&listid=57250>

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### **12. 2007 viewed fruitful in cooperation between Ukraine and NATO NRCU, 17 December 2007**

*This view was expressed by Director of the NATO Information and Documentation Center in Ukraine Michel Duray at a sitting of the press club on EuroAtlantic integration.*

Ukraine and NATO have marked the 10th anniversary of the charter on the special partnership between Ukraine and NATO, Ukraine participated in NATO missions and information campaign on EuroAtlantic integration started in Ukraine, he said. Duray stressed that NATO estimates bipartite relations as high. As a prove an intention to set up the Ukraine-NATO commission at the level of presidents of the state-members and Ukraine. I believe the process of Ukraine's EuroIntegration will go on, regardless political challenges in the society, Duray stressed.

Text available on World Wide Web, URL:  
<http://www.nrcu.gov.ua/index.php?id=148&listid=57252>

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### **13. NATO-Ukraine foreign ministers meet UNIAN, 17 December 2007**

Ukraine's Acting Foreign Minister Volodymyr Khandogiy attended a meeting of the NATO-Ukraine Commission with Allied counterparts at NATO Headquarters on 7 December, according to the NATO web site. Ministers took stock of progress achieved in cooperation, and discussed the foreign and security policy priorities of Ukraine and the prospects for the development of the NATO-Ukraine relationship.

Minister Khandogiy was replacing former Foreign Minister Arseniy Yatsenyuk, who had recently been elected to be the new speaker of the Ukrainian parliament. He briefed the Allies on the political developments in Ukraine. Allied ministers welcomed the conduct of free and fair parliamentary elections in September and the formation of a governing coalition, and looked forward to the timely constitution of a new government.

Mr Khandogiy emphasized that Ukraine's strategic course of Euro-Atlantic integration remained unchanged and reiterated Ukrainian President Viktor Yushchenko's recent statement on Ukraine's interest in joining the Membership Action Plan. Speaking to the press, NATO Secretary General Jaap de Hoop Scheffer emphasized that any such invitation would be based on Ukraine's performance in implementing key reforms. The Allies are committed to supporting Ukraine in the pursuit of its Euro-

Atlantic aspirations through the Intensified Dialogue and the NATO-Ukraine Action Plan, without prejudice to any eventual Alliance decision.

Reviewing the status of NATO-Ukraine cooperation, Allied ministers expressed particular appreciation for Ukraine's active support for ongoing operations. It is the only Partner country to actively support all NATO-led operations and missions: the maritime counter-terrorist operation in the Mediterranean, the peacekeeping force in Kosovo, the International Security Assistance Force in Afghanistan, and the training mission in Iraq.

Allied ministers also welcomed Ukraine's progress in reforming its defence and security sectors, and encouraged continued implementation of further effective reforms.

They noted progress made in the framework of the NATO/Partnership for Peace Trust Fund project for the destruction of Ukraine's stockpiles of small arms, light weapons and man-portable air defence systems -- the largest demilitarization project of its kind in the world -- as well as NATO-supported initiatives to retrain and resettle former military personnel in Ukraine.

After the meeting, Minister Khandogiy expressed the Ukrainian delegation's satisfaction with the meeting as well as with NATO's decision to hold a summit-level meeting of the NUC in Bucharest in April 2008.

Text available on World Wide Web, URL:  
<http://unian.net/eng/news/news-226879.html>

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#### **14. Ukraine welcomes the EU Reform Treaty signature UNIAN, 17 December 2007**

Ukraine welcomes the EU Reform Treaty signature at the Lisbon European Council summit on December 13, 2007, according to the statement of the Ukraine's Foreign Ministry.

According to the statement, Ukraine perceives this as another step to deepen integration between EU member states. Ukraine considers that the reform of EU institutions and their decisions' making system proposed in the Treaty constitutes a beginning of the transformation to a qualitatively new system of the European international architecture.

This event enables a new stage in development of the enlarged EU, which will function under better institutional abilities, effectiveness and viability. Readiness of the EU member states to develop their relations in the framework of the EU in the spirit of tolerance and compromise, with balance between national peculiarities of the member states and interests of the European construction was again reconfirmed.

Ukraine welcomes a professional job of the German and Portuguese presidencies done with a view to find compromises between the EU member states positions that resulted in conclusion of the Treaty.

Ukraine hopes that ratification of the EU Reform Treaty and its entrance in force would return openness and dynamism to the European Union. The process of EU enlargement would continue and accession of new member states will depend not on timeserving political speculations but on their compliance with objectively defined criteria of EU membership.

Ukraine welcomes that the Treaty text has preserved the provision that acknowledges a right of every European country, which shares EU values, to apply for EU membership.

The only this unbiased approach should be applied to European countries, which share today a common border with the EU and have relevant European integration ambitions.

Ukraine is convinced in successful ratification of this compromise Treaty by all EU member states. We expect that the EU member states holding the EU presidency subsequently - Slovenia, France and Czech Republic – would contribute to the entrance of this Treaty in force at the planed terms.

Constant URL of article:

<http://www.unian.net/eng/news/news-226932.html>

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### **15. Immigrants' odyssey ends at east European frontier AFP, 17 December 2007**

SECOVCE, Slovakia— Devit paid 10,000 dollars (6,800 euros) and travelled four months from his Bangladeshi homeland in the hope of finding a better life in Europe before ending up behind bars at a detention site on the Slovak side of the Ukrainian border.

He is just one of thousands of illegal immigrants caught every year in Slovakia, Hungary and Poland after crossing the Ukrainian frontier at the end of journeys originating in Asia, the Middle East and former Soviet Union.

The mountainous and forrested Slovak-Ukraine border was long considered the most permeable in eastern Europe, but the task of the people smugglers has become more complicated since Bratislava started to tighten it up to meet the security demands of entry into the passport-free Schengen zone on Friday.

"My country is very poor, my father asked me to leave and find work to help the family," Devit, 20, explained in halting English at the Secovce camp.

His odyssey ended when Slovak police stopped the minibus that was supposed to carry him, visa-less and without a passport, and 14 companions to neighbouring Austria.

Like many illegal immigrants, Devit said they were "aided" by Russian and Ukrainian smugglers.

"It is an inhuman mafia, they demand more and more money without any guarantee of success," said Zara, a 30-year-old Iraqi who paid 40,000 dollars to a network of Syrians and Russians to flee Baghdad with her daughter via Damascas, Moscow and Kiev.

Arriving in Slovakia by chance after trying several other routes, Zara was given 12-months "subsidiary protection," a provisional status easier to come by than political asylum. Bratislava has awarded 12 immigrants the status of political refugees and offered around 60 "subsidiary protection" since the start of the year, according to official figures.

"We already have enough problems with our own Roma community" explained the director of the Slovakia's Migration Office, Bernard Prieceľ, adding that his country is "not rich" and that the costs of providing for one refugee amounts to "six times the average wage" in Slovakia.

The official policy is to provide the bare minimum required by the Geneva Convention for refugees with a very strict interpretation of who qualifies for political asylum, said Prieceľ.

Economic migrants are given short shrift and dispatched as soon as possible to the country from which they came, in most cases Ukraine, where the most basic camps await them.

In the simplest cases, the operation is undertaken within 48 hours after a check of their past record of trying to cross the frontier and their reasons for migrating, said the Slovakia's head of border police, Miroslav Uchnar.

"It is perfectly normal that Europe fights against illegal economic immigration but its borders must be open for political refugees," cautioned Melita Sunjic of the UN's High Commission for Refugees (UNHCR).

The number demanding asylum in the EU has dropped sharply to 181,000 in 2006 from more than 400,000 in 2002.

To prevent a speedy classification of refugees at Europe's new Schengen frontiers, the UNHCR signed a cooperation agreement with Hungary and Slovakia.

But that does not appear to have stopped overzealous border guards turning a blind eye to immigrants' rights. Of the 2,306 illegal immigrants detained last year, Slovakia did not identify a single victim of human trafficking according to the special representative of the Organisation for Security and Cooperation in Europe, Eva Biaulet.

Text available on World Wide Web, URL:

<http://afp.google.com/article/ALeqM5ghq6nJZt-FekMM2JMC9juT3uLqwQ>

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## **16. RUSSIA, UKRAINE TRADE HARSH WORDS OVER HISTORICAL MEMORY**

**By Taras Kuzio**

**Eurasia Daily Monitor, 17 December 2007**

On December 14 Russia's Ministry of Foreign Affairs (MFA) issued a strongly worded statement complaining of "open nationalist, anti-Russian, and Russophobic feelings and developments in Ukraine." Attempts are being made, it claimed, to "use difficult periods in our joint history to receive brief political rewards based on doubtful ideological pretensions."

The number of historical issues dividing Ukraine and Russia continues to grow and aggravate the already strained relations between a reformist Ukraine and a resurgent, autocratic Russia. In late November both countries exchanged diplomatic notes after the Eurasian Youth Movement (EYM), a Russian nationalist group proscribed in Ukraine, destroyed an exhibition at the Ukrainian Embassy in Moscow marking the 1932-33 famine.

The Ukrainian side described the vandalism as "provocative and anti-Ukrainian." One month earlier the EYM had destroyed Ukrainian national symbols on Hoverla Mountain in western Ukraine and launched cyber attacks that shut down the presidential website. Since December 9 the servers supporting the orange youth NGO ([www.maidan.org.ua](http://www.maidan.org.ua)), the Kharkiv Human Rights Protection Group ([www.khpg.org](http://www.khpg.org)), and the Ukrainian Helsinki Human Rights Union ([www.helsinki.org.ua](http://www.helsinki.org.ua)) have all faced sustained attacks.

Valentyn Nalyvaychenko, chairman of the Security Service of Ukraine (SBU), called upon his Russian counterparts to "not permit on each other's territories extremist and, God forbid, terrorist actions, which are undertaken by such structures." Reportedly officials foiled a terrorist attack that had been planned to coincide with a "Russian march" in Crimea's capital Simferopol. The banned group Proryv, with underground branches in the Crimea and ties to extreme left and pan-Slavic groups, was suspected of being behind the planned provocation, which would have been blamed on "Ukrainian nationalists."

Ukraine and Russia have embraced differing interpretations of key historical events and personalities since the late Soviet era. The divergence continued under presidents Leonid Kravchuk and Leonid Kuchma (1991-2004), with a return to Ukrainian national historiography, which had been banned in the 1930s but kept alive in the Ukrainian diaspora.

The process has become more heated with the rise of Ukraine's President Viktor Yushchenko and Russia's Vladimir Putin. Yushchenko has actively sought to investigate the "blank pages" of Ukrainian history, while Putin has returned to a neo-Soviet synthesis of Russian imperial and Soviet ideology in historiography and national symbols.

Some of the most heated debates have occurred around two primary issues: Ukrainian leaders and

independence movements and crimes committed by the Soviet regime in Ukraine.

New Ukrainian symbols, holidays, and commemorations have prompted protests from Moscow. For example, the Tsarist and Soviet regimes regarded 18th century Cossack Hetman Ivan Mazepa to be a traitor, and the Russian Orthodox Church excommunicated him. But he is a hero in Ukraine. Mazepa's face appeared on Ukraine's currency in 1996, Kyiv's Sichnevo Povstannia street was renamed after him in October, and a new monument is planned. The Ecumenical Synod of the Russian ("Ukrainian") Orthodox Church in Ukraine denounced the monument plans.

An October 9 decree outlined detailed instructions to commemorate the 300th anniversary of the Battle of Poltava, where a combined Swedish-Ukrainian force led by Mazepa lost to Russia. The 1709 battle is seen as a turning point that transformed Russia into an empire. Ukraine lost autonomy and was eventually absorbed into the Russian empire under Empress Catherine II. A monument unveiled to her in October in Odessa sparked violent clashes between Russian and Ukrainian nationalists.

A December 13 decree contained plans for commemorating the 90th anniversary of Ukraine's declaration of independence from the Tsarist Empire next year. A monument to Symon Petliura, who led the drive for Ukrainian independence after the Russian Revolution, was vandalized in Poltava, his home region.

World War II also remains a divisive issue. A new monument to the Organization of Ukrainian Nationalist leader Stepan Bandera, assassinated by the KGB in Munich in 1959, was vandalized after it was recently unveiled in Lviv.

An October 12 presidential decree outlined instructions to local authorities about how to commemorate the 65th anniversary of the formation of the Ukrainian Insurgent Army (UPA), a nationalist guerrilla force that fought a decade-long war against Nazi and Soviet forces.

Another presidential decree awarded the "Hero of Ukraine" designation to UPA commander Roman Shukhevych on the centennial of his birth. The decree noted Shukhevych's "individual contribution to the national-liberation struggle for liberty and Ukrainian independence." The Russian Foreign Ministry's December statement specifically complained that Pushkin Street in Lviv had been renamed after Shukhevych.

Kyiv's efforts to honor the victims of Soviet crimes have also irritated Moscow. While Yushchenko supported the opening of a new Museum of Soviet Occupation in Kyiv, the Russian MFA complained that Ukraine was attempting to "nationalize" the suffering experienced by all Soviet peoples in the 1932-33 famine. The head of the Ukrainian MFA press service responded by advising his Russian colleagues that it was too late to discuss whether the famine was "genocide," as Ukraine had already taken this step. "I would like to advise my Russian colleague," he offered, that they should "read historical books" and "on this basis reach a conclusion."

Russia's ambassador to Ukraine, Viktor Chernomyrdin, Foreign Ministry, and media have all condemned Ukraine's designation of Stalinist crimes and the famine as acts of genocide. The two sides have opposite views on Stalinism (see EDM, November 30) and Russia, as the legal successor to the USSR, is also concerned at possible future demands for compensation. In late November Ukrainian nationalist parties sent an open letter to the president and parliament demanding that Ukraine seek compensation from Russia through the European Court of Human Rights.

As the two countries move in separate directions, the individuals branded as traitors in Tsarist, Soviet, and post-communist Russia are increasingly becoming Ukraine's national heroes.

(Ukrayinska pravda, May 12, August 29, November 17, 20, 24, Kyiv Post, October 31, Novosti, March 15, president.gov.ua, mfa.gov.ua, mid.ru)

Text available on World Wide Web, URL:  
[http://jamestown.org/edm/article.php?article\\_id=2372674](http://jamestown.org/edm/article.php?article_id=2372674)

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**17. Former SBU officer agrees to transfer records on Ukraine Popular front leader's death  
Axis News, 17 December 2007**

Today, the former Major of the Security Service of Ukraine (SBU) Nikolai Melnichenko was questioned in the State Office of Public Prosecutor of Ukraine on the death of the leader of Popular front (Narodny Rukh) of Ukraine Viacheslav Chornovyl, online paper Obkom reports, referring to ex-officer's lawyer Pavel Sichev. As of today Melnichenko is a witness in five criminal cases, online paper adds. Sichev said Melnichenko had agreed with inspector Igor Krinin to transfer records concerning the death of Chernovyl exclusively in the territory of the United States of America at presence of representatives of the US Ministry of Justice.

On March 25, 1999, the Popular front of Ukraine chairman Viacheslav Chornovyl and his driver died in a car accident. Former Minister of Interior Yury Kravchenko, not having waited tentative results of investigation, declared that it was a usual road accident, and the version of attempt has been never considered. However, ex-public prosecutor Svyatoslav Piskun was sure that Chernovyl's death was "a murder organized by secret services". He also repeatedly declared that his office possesses "all arguments and proofs", confirming this version.

Text available on World Wide Web, URL:  
<http://www.axisglobe.com/article.asp?article=1453>

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**18. Russian retailer Vester opens first outlets in Ukraine  
ДАХ, 18 December 2007**

Russian retailer Vester has opened two hypermarkets in Ukraine, in Simferopol and Ternopil. Hypermarket Vester Hyper opened in Simferopol December 13, and in Ternopil December 15.

The company has invested USD 4.3 million into Simferopol outlet & USD 6.3 million into Ternopil store.

The total area of the Simferopol-based Vester Hyper is 5,000 square meters, and trading area 3,500 square meters. The hypermarket has 18 cash terminals.

In Ternopil, the company opened a hypermarket on an area of 7,000 square meters, its trading area being over 5,000 square meters. The hypermarket has 26 cash terminals.

Text available on World Wide Web, URL:  
<http://dah.kiev.ua/content/view/969/100/>

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**19. Investment opportunities in Ukraine  
Finančník, 17 December 2007**

*In 2012, Ukraine and Poland will host the UEFA – Euro 2012 European Football Championship. According to estimates, as many as 400 000 foreign fans and tourists should visit Ukraine in connection with the event. EURO 2012 means a huge investment opportunity for Ukraine and Poland.*

According to official information of the Ukrainian Football Association, the matches in Ukraine will take place in Kiev (Olympic Stadium), Dnipropetrovsk (Dnepr Stadium) , Donetsk (Stadium) and Lviv (Ukraine Stadium); Kharkov and Odessa have, however, also been mentioned. In connection with the organization of EURO 2012, immense investments are awaiting Ukraine, especially in the areas of transportation infrastructure, sport and city infrastructure, accommodation and catering complexes, hospitals, energy supply networks, etc.

The Ukrainian government estimates that the overall investments for the preparation and organization of the Championship will reach the amount of UAH 120 billion (USD 24 billion). The state is prepared to invest USD 2.52 billion, and local governments have plans for almost USD 1 billion. This means that

approximately 90 % of all investments, i.e. USD 21.5 billion, will have to be invested from private sources.

The estimate of overall investments in Lviv, for example, reaches EUR 200 400 million – in cooperation with Hochtief, the city has been developing project concerning the construction of a stadium on an area of 6 ha, with another 27 ha designated to be used for the construction of hotels, restaurants, shopping and entertainment centers, residential houses, etc...

The first private investments have already materialized: In September 2007, the Prime Minister A. Klyuev and a representative of American Sun Land Group Corp., Chose Daniel Meyea, signed a Partnership Memorandum between the government of Ukraine and Sun Land Group Corp.

Sun Land Group Corp. is planning to invest resources especially into the construction and reconstruction of transportation infrastructure in the volume of approximately USD 6 billion. It plans the construction of major highways connecting western and eastern parts of the country and northern Ukraine with the country's southern part.

The construction of these highways generates further investment opportunities – it will be necessary to build more facilities – hotels, parking lots, gas stations, stores, catering facilities. The governments of Romania and Ukraine are planning to ask the European Union for a contribution to another transportation project - the construction of a traffic corridor connecting both countries in the Bukovina area. Investments in the housing and municipal area remain a large challenge for foreign investors. Businessmen from Germany, for example, have declared their preparedness to invest EUR 5 billion into this field. Investment intents have also been declared by other countries– Israel, Portugal, Austria, Italy, Belgium, Switzerland, Czech Republic, Turkey and others.

The information has been provided by Jana Vasilenková, managing director in the company accace TOB in Kiev, which is the subsidiary of the company accace k.s. with its headquarters in Bratislava. The company provides services such as outsourcing of accounting, payroll agenda, tax advisory and establishment of company and is focusing on companies with international operations, which run their business through branches in various European countries. For more information see [www.accace.eu](http://www.accace.eu).

Text available on World Wide Web, URL:  
<http://www.financnik.sk/financie.php?did=574&article=748>

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## **20. Gas transit via Ukraine 12.8 pct down so far 2007 Reuters, 17 December 2007**

Gas transit through Ukraine fell by 12.8 percent to 101.8 billion cubic metres in January-November 2007 from 116.8 billion in the same period in 2006, the fuel and energy ministry said on Monday.

Russian gas dominated the volume.

Last week Ukraine's gas and oil company Naftogaz said it agreed that Russian gas transit would rise to 113.7 billion cubic metres in 2008 from the 110 billion planned for 2007.

Europe receives a quarter of its gas from Russia's gas export monopoly Gazprom (GAZP.MM: [Quote](#), [Profile](#), [Research](#)), 80 percent of which goes through Ukraine.

Ukraine last week agreed to pay a higher price for gas for its own consumption, at \$179.5 per 1,000 cubic metres from \$130 now. It raised its transit charge to \$1.7 per 1,000 cubic metres for 100 km from the \$1.6 fee now. (Reporting by Pavel Polityuk; editing by James Jukwey)

Text available on World Wide Web, URL:  
<http://www.reuters.com/article/rbssEnergyNews/idUSL1738428820071217>

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**21. Nestle Starts Plant Construction in Volynsk District, Ukraine**  
**Property Xpress, 17 December 2007**

Nestle has started construction work of a EUR 25 mln plant in Ukraine's Volynsk district.

Full text available on World Wide Web, URL:  
<http://www.propertyxpress.com/getnews/0000003955>

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**22. For Big Returns, Stock Investors Beat Path to Exotic 'Frontiers'**  
**By Joanna Slater**  
**The Wall Street Journal, 16 December 2007**

You might not be able to place Bangladesh, Ivory Coast and Ukraine on a map, but their stock markets sure stand out this year.

They are all up nearly 100% or more in dollar terms, according to a Standard & Poor's index that tracks "frontier markets" -- places so far off the investment radar screen, and often so far down the development ladder, that they don't officially count as emerging markets.

Another frontier market, Nigeria, has even outpaced China during the past 12 months, S&P says, with returns of 111% for dollar-based investors. In Kenya, some investors say the coming ...

Full text available on World Wide Web, URL:  
[http://online.wsj.com/article/SB119768145014330821.html?mod=googlenews\\_wsj](http://online.wsj.com/article/SB119768145014330821.html?mod=googlenews_wsj)

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**23. Gazprom warns of tensions with Ukraine if new govt tries to amend price accords**  
**AFX News Limited/Forbes, 16 December 2007**

MOSCOW (Thomson Financial) - Russian energy giant Gazprom Sunday warned of a risk of 'tensions' with Ukraine's future government, two days before a vote in the Ukrainian parliament on pro-Western Yulia Tymoshenko for prime minister.

'Today, the only place where there could be tensions is in Ukraine,' said Gazprom spokesman Sergei Kuprianov on the Russian news channel Vesti 24.

Problems could arise 'if a new government is elected that tries to modify the accord signed' earlier this month concerning the price of gas deliveries to Ukraine, he said.

'There have been statements in that regard by the Ukrainian party and that worries us,' he added, alluding to comments by Tymoshenko's party.

On Dec 4, Ukraine and Russia agreed on the price for gas deliveries in 2008 at 179.5 usd (122 eur) per 1,000 cubic meters.

The current price for Russian gas paid by Ukraine is 130 usd.

However, a lawmaker from the Yulia Tymoshenko Bloc, which is set to form Ukraine's governing coalition, criticised the deal, saying it was proof of the 'incapacity' of outgoing, pro-Moscow prime minister Viktor Yanukovich.

Russia cut off gas supplies to Ukraine in 2006 after Kiev refused to accept a much higher price for imports.

The move subsequently disrupted gas supplies to EU countries further downstream, raising criticism that Moscow was using its energy resources to put pressure on neighbouring governments.

#### **24. GMO-phobia or GMO-bacchanalia?**

**By Yaroslav BLUM, Boris SOROCHINSKY**

**Zerkalo Nedeli # 48 (677) 15 — 21 December 2007**

*This article responds to numerous media reports and interviews on the issue of genetically modified organisms. This issue has always been in the focus of public attention, but the recent upsurge of media activity was triggered by the adoption of the law "On the State System of Bio-Security in Generation, Transportation and Use of Genetically Modified Organisms" and the government's resolution on "circulation of food products containing genetically modified organisms and/or microorganisms" which was planned to take effect on November 1, 2007. The interviews are given mostly by environmentalists and people who claim to be "defendants of consumers' rights." Their general tenor is: health and environmental hazard; obligatory marking of all GMO-containing products.*

Unprofessional approaches to this issue are far more hazardous to society than possible (and still unconfirmed) risks of using GMO and their components. There is no connection between two aspects of this issue – bio-safety and consumers' right to reliable information. Moreover, if a genetically modified organism is really harmful and potentially hazardous, then any products containing it should be banned, not marked.

For some unknown reasons, all questions and public debates are exclusively about genetically modified plants, but nobody raises the issue of widely used genetically modified microorganisms. The food industry, for example, uses them for making cheese and beer. The pharmaceutical industry uses them for making medicaments (such as recombinant interferon which is more effective than natural interferon). Nobody raises the issue of genetically modified animals which sell quite well.

Genetically modified plants were first commercialized in 1996. Since then, the area of their cultivation has expanded considerably. In 2006 such plants were grown on 100 million ha in 22 countries. This means that millions of people in dozens of countries (including the most developed ones) use GMO-containing products. In the EU countries, which are often referred to as examples of active resistance to GMO proliferation, the areas under genetically modified plants have expanded in recent years. Cultivation of such plants was banned in the EU from 1999 till 2004, but there was no ban on the use of products obtained from transgenic plants as food or fodder. In 2007 seven EU countries grew such plants on 100,000 ha.

Genetically modified plants are resistant to herbicides, pests, diseases, salinization, high and low temperatures; they change the color, composition, and shelf life of end products; they help resolve the problem of environmental pollution with organic compounds and heavy metals; they help synthesize certain compounds (including medications) in plants (which are further used as "factories" for producing such compounds). Genetic modifications of plants are also used in scientific research and genetic transformation has become a routine method readily applied by any Western university.

By now, about 140 plant species have been transformed. However, only a relatively small number of these have been commercialized (i.e. allowed to be grown for industrial purposes or used as food or fodder). The only species available on the global commercial market are transgenic soy, maize, rape, cotton, alfalfa, papaya, and cucurbit. The world leader in growing genetically modified plants is the United States. It is followed by Argentina, Brazil, Canada, and China. In 2006 the areas under cultivation of such plants totaled between 49.8M ha in the USA and 3.3M ha in China.

The basic foreign property of most commercialized GM plants is their herbicide and pest resistance. Before they are allowed for practical use, they undergo very complex and long tests. The test procedures are described in numerous detailed normative documents and laboratory protocols. At all stages – from pre-test research to commercial circulation – they are monitored by developers and authorized national agencies.

So far, there have been no proven facts of any negative effects produced by commercial GMO on the environment or human health. The September issue of the journal *Nature Biotechnology* ([www.nature.com/naturebiotechnology](http://www.nature.com/naturebiotechnology)) gives a detailed critical comment on the research conducted by I. Yermakova from Russia. The results of her research into “negative influence of transgenic soy on lab animals” were never published in any scientific journal. Those who criticize GMO are evidently neither geneticists nor biologists if they refer to such pseudo-results.

Of course, remote GMO hazards cannot be altogether ruled out. There are already successful experiments with plants transformed by artificial mini-chromosomes which transfer whole “blocks” of genetic information. It is already possible to transform plants by synthesized, not only natural, genes. The real prospects of creating new synthetic organisms raise new questions about bio-security and the ethical aspects of modern biotechnologies. Regrettably enough, opponents of GMO in Ukraine do not even mention these problems.

Why then do they pay so much attention to the use of genetically modified plants? The reason is simple and obvious: global redistribution of markets. In 2005 the world market of plant protection means was estimated at \$34 billion, the world market of seeds – at \$30 billion, and the world market of genetically modified agricultural plants – at \$5.35 billion. Biotechnological companies must have begun to compete with producers of seeds and plant protection means. Protesting so actively and earnestly against GMO, public organizations must be working off the grants they receive, not even suspecting it. Another possible reason may be even simpler: some people seek publicity.

What should Ukraine do about transgenic plants? First of all, there should be a definite national policy with regard to the use of such plants. Any ban on their use or circulation in this country should be substantiated. At the same time, official registration should not mean automatic permission and uncontrollable use of transgenic plants or their ingredients.

There is much talk about “unauthorized spread and use of transgenic plant species and food products in Ukraine,” but there are no figures proving it, and most of those who raise alarm in newspapers and on TV are incompetent in agriculture and food processing. On the other hand, sampling analyses confirm the presence of transgenic products on the national market. The Agrarian Policy Ministry and other interested agencies need to know exactly which cultures are grown, where they are grown, and for what purpose they are grown. Then, possessing reliable information, they should adopt a further strategy. Unfortunately, nobody has ever made a systemic analysis of unauthorized circulation of transgenic products on the national market. Paradoxically, their uncontrollable spread seems to suit officials. It allows Ukrainian growers of transgenic plants to earn their profits, but it also helps foreign GMO patent holders to seize the Ukrainian market.

It is obviously necessary to determine which transgenic sorts Ukraine needs and whether it needs them at all. It is necessary to determine the degree of Ukraine’s potential dependence on foreign producers of seeds and its readiness whether to pay royalties to foreign patent holders or to fund national GMO research and selection. A considerable part of the national market of vegetables and industrial plants already belongs to foreign companies, but nobody raises alarm. Does Ukraine have sufficient intellectual, managerial, and economic potentials to stay on the global market as a producer of “pure organic” foods? Before introducing obligatory GMO marking, Ukraine should decide which principle to follow – the principle of “essential equivalence” (like in the USA, Canada, and South America) or the principle of “risk prevention” (as is accepted in the EU and under the Cartagena Protocol). Those “defenders of consumers’ rights” who demand obligatory GMO marking simply want to make money on expensive lab analyses. They omit one important circumstance: it is the consumer who would bear the costs of the analyses which would be made by accredited laboratories using an approved methodology (which is still unavailable in Ukraine).

It is urgently necessary to revise the active law on bio-security which was adopted hastily and with procedural violations and which lacks specific implementation mechanisms. It is necessary to distribute competences and responsibilities between government agencies and research centers in creating, testing, registering, and using genetically modified organisms.

We often refer to European experience. The Lisbon Initiative is meant to make the European Union’s economy competitive through applying new technologies. The EU already has long-term strategic

plans for various areas (innovative medicine, forestry, global health care issues etc.). One such plan – “Plants of the Future” – aims at solving global problems: production of high-quality and safe food and fodder; creation of product groups for specific categories of people; increased productivity and directed changes of properties of plant species; preservation of biodiversity; conservation of landscapes; increased reliance on plants as renewable sources of energy; production of pharmaceutical and diagnostic products etc.). Ukraine needs such initiatives and strategic plans. Otherwise, it is doomed to turn into a mere source of raw materials for developed nations.

Text available on World Wide Web, URL:  
<http://www.mw.ua/3000/3320/61442/>

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**25. Same war, different memories**  
**By Jim Camden**  
**The Spokesman-Review, 17 December 2007**

Running through the smoke of a battlefield with the German army behind him, Yevgeniy Sirokhin came face to face with every foot soldier's nightmare: an enemy tank.

The only hope the young Ukrainian had was that the tank would not waste a shell from its large gun, but wait until it was close enough to train its machine guns on him. He dove to the ground, hoping to position himself so the tank would pass over him, unseen.

It rolled closer, then turned. Good, thought Sirokhin, at the time a teenager pressed into service with a militia group. Maybe it will move away from me, and I will be safe.

But it stopped, perhaps 60 feet away, and began shooting other soldiers running across the battlefield.

Sirokhin was trapped. All he could do was wait on the ground, hope the crew in the tank wouldn't see him and eventually move on.

Then he looked up and saw three German warplanes dropping bombs on the Ukrainian soldiers and strafing them with machine guns. Was he going to be killed from the sky above, or the ground below?

He thought three things in quick succession: He wasn't yet 17, and he didn't want to die young; if he did, his mother was going to cry; and most important, although he believed in God he had not yet been baptized, so if he died, "I was going to go to hell."

"I promised God if I lived, I will praise God and do good, kind acts," he said recently through an interpreter.

The planes drew closer, and then they pulled up to avoid hitting the tank, and flew away. Eventually, the tank drove away, too, and Sirokhin escaped into the forest.

"The tank saved me from the planes," said Sirokhin, now 80 and a Spokane resident.

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As a mechanic in the Soviet Army, Ivan Chetverikov couldn't rely on a steady supply of spare parts. Sometimes, he had to make his own nuts and bolts. Other times, he and his fellow mechanics would crawl into no-man's land between the Soviet and Nazi armies after a battle to scavenge parts from vehicles disabled by the fighting. That often meant putting a German part on a Russian vehicle. Radiators weren't too hard, Chetverikov explained, but using German rear axles on Russian trucks, that was a challenge.

One day, he was crawling in a trench toward the wreckage from a battle when a shot rang out. A German sniper had seen his hat move and shot it off his head. He picked it up, saw the hole, put the hat back on his head and continued to crawl.

Another shot. Again the hat flew off his head. Another hole in the hat.

"I laid in the trench until it got dark," he said.

This was a hat, not a helmet?

Chetverikov looked at Sirokhin, and both smiled and shook their heads.

"Hat," the 85-year-old Chetverikov said. "We had no helmets."

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For a few World War II veterans in the Inland Northwest, the war didn't start Dec. 7, 1941, with Pearl Harbor. It started on June 22, 1941, with a different sneak attack, the German invasion of the Ukraine.

They didn't have to go overseas to fight the enemy; the enemy came to their towns and villages. They fought in battles with names unfamiliar to most Americans -- Kharkov and Smolensk, the great tank battle at Kursk. They don't mark V-E Day in early May. To them, it's Independence Day -- independence from Adolph Hitler's Nazis, although not from Joseph Stalin.

Spokane's growing Ukrainian and Russian communities include veterans with that different perspective on the war. But when The Spokesman-Review got two of them together to talk about their experiences with the help of interpreter Katy Vatulko, it was clear they shared many things in common with their American counterparts.

The war was horrible, yet they don't dwell on the horror. They tell stories of good things or odd things that happened to them, the kindness of strangers and even enemies. They remember friends they lost, and they marvel at how the world has changed. Sirokhin and Chetverikov were born in villages in Ukraine, "the breadbasket of Eastern Europe," and grew up in a Soviet Union controlled by Stalin and the Communist Party. By the late 1930s, the region was suffering from a famine, brought on largely by Stalin's policy that forced farmers into collective, or communal, farms.

Sirokhin's village of Sokolova had several thousand people. His father worked for the railroad, his mother worked on the communal farm, and he attended school until eighth grade, when a new policy required students to pay tuition higher than his parents could afford. After that, he went to work on the communal farm, too, he said.

Chetverikov grew up in a village of about 500, where his parents were farmers working a small plot the government gave them. When he was 14, his older sister persuaded him to join her in the county's main city of Kharkov, about 50 miles away, where he found a job in construction. He started as a laborer and worked his way up to plumber. Because of the heavy lifting, he developed a hernia, which meant he flunked his military induction physical in about 1940. Surgery to repair the hernia was unsuccessful, so he stayed out of the army.

Invasion and hunger

Both recall the shock when they heard Germany was invading the Soviet Union.

"There was an agreement that there would not be a war," Sirokhin said. Stalin and Hitler had signed a nonaggression pact in 1939 before the Nazis invaded Poland.

Most homes did not have radios, but Chetverikov, who was 19 at the time, remembers the government announcement of war through speakers mounted on poles in each neighborhood.

Within two months, the Nazi army had pushed into eastern Ukraine and captured Kharkov. "They sort of flocked down on us, there wasn't anywhere to run," Chetverikov said. The Germans dropped leaflets promising to be kind and give residents food if they cooperated. The Ukrainians were skeptical of such promises, but "we made ourselves believe."

He eventually went to work as a mechanic for the Germans because "I really wanted to eat," Chetverikov said. He worked on their vehicles; they gave him a piece of bread or some soup.

Sirokhin, who was 14 when the war started, eventually escaped across the river to an area controlled by the Soviet army, hoping to find food. "We are hungry ourselves," the soldiers told him. One winter night he crossed over the frozen river to German-controlled Kharkov, hoping to get home. A German sentry saw him and took him to headquarters. A German officer berated him, told him he could have been killed and told him to go home.

"I was overjoyed," Sirokhin said. But on the way home, he passed much destruction and saw a dead Soviet soldier, unburied, lying where he fell. "It pained my heart."

#### The tide turns

Most Ukrainians were confident Germany would eventually lose the war, Sirokhin and Chetverikov said. The farther the Nazi army pushed into the Soviet Union, the farther they moved away from factories and supply lines.

"I understood the Soviet Union was going to be saved by territory. The Germans would not be able to conquer the whole thing," Sirokhin said.

In 1943, the Soviets began pushing the Germans back, pounding them -- and the Ukrainians in the occupied territory -- with rockets and artillery. When the Germans retreated, Sirokhin, who was by then 16, was conscripted into a partisan or militia group, given about three days of training with a rifle and bayonet. Chetverikov, who was by then 21, was conscripted into the regular army with all the other young men around him. They had no time to change clothes and were marched at a fast pace about 90 miles to a village where they were issued supplies and uniforms. Eventually, he was assigned to a mechanical unit and gained a reputation for finding ways to do things that no one else could do.

One time he was ordered to deliver written orders to a military outpost high in the Carpathian Mountains. "I had to deliver the package or get shot," he said. When the vehicle broke down in the snow, he had to take out an axle and replace a part during a blizzard.

He received a medal for that, and more for other examples of ingenuity during the war. "I did not have to shoot a single German," he said.

Sirokhin's militia group advanced as the Germans retreated, until they were outside the city of Krivoj Rog in south-central Ukraine. There the Germans decided to make a stand against the advancing Soviets. As the Germans surrounded them, an officer on a white horse told them to lie on the ground and wait. Anyone who took even one step back would be shot, the officer said.

When battle started, the officer rode away and left them. Artillery shells began falling all around. One hit a medical wagon and blew it up, and the white gauze drifted down on them like snow, he said. Eventually, the soldiers got up to retreat, and he ran with about five others until he realized that as a group, they were a bigger target. He veered off and was going to yell to the others to scatter, when out of the corner of his eye he saw an artillery shell land in the middle of the group. It was then he saw the tank coming toward him.

#### Saved by strangers and friends

Sirokhin escaped capture for awhile. He worked for a farm family that gave him shelter, but when he contracted measles he had to sneak into Krivoj Rog, which the Germans still controlled, for treatment. He was given medicine to be spread all over his body, but the weather was so cold that he needed to

apply it indoors. He walked to a poor section on the city's outskirts, and finally knocked on the door of a small house. A woman came out, and when he told her his story, she cried because she had a son in the army.

"Maybe my son is out there walking, just like you and needs help," she said. "Come in. I could help you."

Eventually he was captured and sent to a prison camp. There he met a friend from his old village, who was in charge of feeding horsemeat to the German commander's dogs. The friend slipped him some of the dogs' food. Prisoners were put to work building a road. Work hard and you'll get more soup, the commander told them; work little, eat little. Sirokhin worked hard.

The Germans took the prisoners with them as the Soviet army pushed them back. Sirokhin contracted typhus, and was put with other sick prisoners in a school being used as a hospital.

"One morning, we woke up and saw all our soldiers walking outside," he said. The Germans had left in the night, and the Soviets had caught up with him.

But they didn't send him home with honors for surviving the battle, disease and a long captivity; they kept him in the unit. Although some other soldiers knew he'd been a prisoner, he wasn't allowed to talk about it. Stalin had said that anyone who was captured was a traitor. If his prisoner status became too well-known, he would have been shot.

Chetverikov's unit was part of the Soviet army that pushed the Germans all the way back into Czechoslovakia. The mechanics were right behind the front lines, and often could not travel on the roads because they were filled with broken equipment. They moved through fields filled with soldiers, some of them dead, some so badly injured they were crying, "Finish me off."

On May 9, when the Germans surrendered, his unit was in Prague. He was a young man from a small Ukrainian village in one of Europe's great capital cities, but he doesn't remember being awed. "In war, you live minute to minute, you don't have time to think," he explained.

He survived the war without a scratch, despite having his hat shot off his head twice within a few minutes. The only thing that kept him safe were the prayers of his parents, he believes.

"I was not a God-fearing man at that time, and yet God kept me safe." He later became a devout Christian.

Of all the countries or regions involved in World War II, which the Soviet Union called The Great Patriotic War, Ukraine arguably suffered the worst. By some estimates, it lost 6.8 million people -- soldiers, civilians, prisoners and residents sent to slave labor in German territories where they perished. That was about a fifth of its total population. By comparison, the United States lost about 300,000, almost all in the armed services.

#### Returning home

Chetverikov and Sirokhin eventually returned home from war. Chetverikov got a job as a mechanic and eventually became what Americans would call an inventor -- there's no good Russian equivalent of that word, interpreter Vatulko said -- but he did invent a device used to measure natural gas that was used all over the Soviet Union.

There was no GI Bill, no system of Veterans Affairs programs in the Soviet Union, but because he was a veteran, Chetverikov was granted a small plot of land on which he built a house in 1950 with the help of his neighbors. He immigrated to the United States in January 2001, where his wife has family. He wants very much to become a citizen, but he's struggling to learn all the things necessary to pass the citizenship test.

Sirokhin's eyesight was damaged by disease and captivity, and he went to a special school in Kharkov where he learned to make things with his hands like bread racks and mailboxes.

He kept his wartime promise and became a good Christian, and the choir director at his church. He even spent more than two years in Soviet prison because of his faith, but because of that was granted refugee status when he applied to come to Spokane, where his granddaughter and her American husband live.

Both delight in their new home. "These are the best years of my life, ever," Sirokhin said.

Text available on World Wide Web,  
URL:<http://www.spokesmanreview.com/breaking/story.asp?ID=12762>

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**26. Remaining Jews in Russia, Ukraine 'proud to be Jewish'**  
**By Anshel Pfeffer**  
**Ha'aretz, 18 December 2007**

The Jews remaining in Russia and Ukraine are proud of their Jewish identity, but nearly half feel there is no need to identify with Zionism. They fear assimilation, but see nothing wrong with intermarriage. Most believe that what determines their Jewishness is their subjective feeling, not the fact that one of their parents was Jewish. These are among the findings of a first-of-its-kind study conducted among the Jews of Russia and Ukraine over the last year by the Institute for Jewish Studies in the CIS (Commonwealth of Independent States).

The institute, headed by Rabbi Adin Steinsaltz, runs a network of informal Jewish education programs in the former Soviet Union. Its study surveyed 806 adult Jews in Russia and Ukraine, about half of whom are active in some official Jewish framework.

The survey found that the Jews who remained in Russia and Ukraine following the massive wave of immigration to Israel in the 1990s do not feel a very strong connection to Israel and Zionism and do not attach much importance to observing religious commandments. Nevertheless, most expressed great pride in their Jewish identity and said it was very important to know about Jewish and Israeli history. Only a minority were worried about anti-Semitism in their home countries.

According to official statistics, there are currently some 230,000 Jews in Russia and another 104,000 in Ukraine. But most Jewish organizations active in those countries believe that the true number is much greater, if Jews are defined as anyone eligible to immigrate to Israel under the Law of Return - meaning anyone with one Jewish grandparent.

Most of the Russian respondents in the survey estimated their country's Jewish community at somewhere between 400,000 and one million people. Their definition of a Jew, however, is more expansive than the criteria of the Law of Return. Some 13 percent said that a Jew is someone with two Jewish parents and another 18 percent said anyone with one Jewish parent. But the largest number, 33 percent, said that anyone who considers himself a Jew is one, while another 16 percent said a Jew is anyone who conducts a Jewish lifestyle or observes Jewish tradition.

Only 18 percent thought it imperative for a Jew to marry another Jew. But 70 percent said a Jew must remember the Holocaust and 50 percent said a Jew must not hide his Jewish identity.

Some 61 percent said it was vital to try to prevent or reduce assimilation, and about half of this group said that everything possible must be done to achieve this goal. Yet many who said so are themselves intermarried.

Even many Jews who were not active in any Jewish framework displayed a strong sense of Jewish pride: Some 55 percent of this group said they would have chosen to be born Jewish, while 45 percent said that they define themselves as "Jews" rather than as "Jewish Russians" or "Jewish Ukrainians."

Of the total 806 respondents surveyed, 75 percent said they were proud to be Jews, and this pride was especially strong among respondents under age 30.

In contrast, attitudes toward Israel could best be described as ambivalent. Only 9 percent thought it essential to accept the principles of Zionism, while 37 percent deemed this desirable. But 42 percent said that belief in Zionism was unimportant.

Despite this, a large majority deemed it desirable or even essential to learn about Israel and its history.

David Palant, executive director of the Institute for Jewish Studies in the CIS, said that the survey results "teach us first of all that we need to approach the Jews of the former Soviet Union with great humility. All the organizations that operate there come with an agenda - Zionism, Torah and mitzvot (religious commandments), family values, and more. But in effect, the Jews there are telling us: 'We have pride in our Jewish identity, but we'll set our own agenda.' We can't set it for them; at most, we can help them by providing tools. But only they can do the work of building a Jewish community. And we also have much to learn from them."

The study was published in advance of a conference on Jewish identity in Russia and Ukraine that the institute is holding in Jerusalem tomorrow.

Text available on World Wide Web, URL:  
<http://www.haaretz.com/hasen/spages/935503.html>

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**27. Three sad stories**  
**By Serhii RAKHMANIN**  
**Zerkalo Nedeli # 48 (677) 15 — 21 December 2007**

It has been almost a week now that politicians, journalists and voters have been arguing if the "Rada" electronic voting system in Ukrainian parliament has been cracked by hackers, who tried to bribe BYT and OUPS faction members on the eve of the failed voting for Tymoshenko's appointment as Prime Minister. Everyone has been discussing the story about Speaker Yatseniuk being robbed of his voting card. Some admire MP-robber Lukyanov's sleight of hand. Others view the entire episode as collusion between the President's protivny and the saboteur from the Party of Regions.

Meanwhile, a level-headed, impartial analysis of the last week's developments (both visible and covert) makes one arrive at a painful conclusion: not only is the coalition ineffective, but its future government (should it ever be formed) will be equally ineffective, regardless of whether Yuliya Tymoshenko is elected Prime Minister or not.

As matters stand, most members of the Party of Regions seem resigned to Tymoshenko's premiership, whereas she gets increasingly doubtful of its expediency. In politics, people often don't do what they want, and appearances are deceitful.

Pale shadow of the "gray cardinal," or the difference between an estate and a plant

We will not tire you with the details of flaws of electronic voting and intricacies of the parliamentary rules of procedure. Yet it is true that the two unsuccessful attempts to elect the Premier made the majority exceedingly edgy and wary. Individual MPs in both BYT and OUPS started suspecting their coalition allies of double games. Some of the most suspicious BYT members thought the Loutsenko-Kyrylenko team betrayed them. The latter thought Yuliya Tymoshenko, at the last moment, decided against heading the Cabinet but wanted to look deprived of it by force in the public eye. The plot is too complicated to be true but some believed it nonetheless. Until now neither BYT nor OUPS have ascertained if:

- Yushchenko has finally reconciled himself to Tymoshenko's premiership;
- he contributed to her failure or simply opted not to hamper the Party of Region's attack;
- Viktor Baloha helped shape his stance over this matter.

We may never know which of the above is correct. Nor will we ever know why the voting cards did not work properly. However, the very existence of such hypotheses reveals how little the coalition members trust one another and the President.

Even if the Tymoshenko Cabinet is formed within days, it is most unlikely that the head of state, the parliamentary majority and government will cooperate efficiently, especially given that the proposed candidates are anything but like-minded colleagues.

Involuntary partners demonstrate unity while they have a common goal and a common foe. Once the goal is achieved, dissent is unavoidable. This is why numerous influential persons in the Party of Regions urge their fellow MPs to let Tymoshenko become Prime Minister. They have other reasons for pursuing this course of action but we will talk of them later.

Now, what are the President's motives? What prime minister will suit Yushchenko most? Paradoxically as it might seem (to an inexperienced observer of Ukrainian politics), Viktor Yushchenko would prefer not to have any prime minister appointed at all.

According to various reliable sources, the currently acting government has never been so responsive to the President's wishes. The "acting" status has transformed the formerly disloyal Cabinet members beyond recognition. They anticipate Yushchenko's needs and fulfill his requests in no time. The suspended government is submissive. Their desire to stay makes them most obliging, which, in turn, makes Yushchenko reluctant to part with such agreeable ministers.

To remain the master of the situation, Yushchenko should conserve it as it is. If the Rada fails to elect a head of the chief executive body, the head of state will only benefit. In this case, a semi-legitimate government will have to co-exist with the semi-legitimate Parliament, the legitimate President towering over both. He will automatically become the only mediator between the "orange" parliamentary majority and the "white-and-blue" acting Cabinet. Yushchenko's cherished dream will come true: he will divide and reign as a tsar, because he has never been able to rule and has never wanted to lead.

The emergence of a person like Baloha was pre-determined historically, as was the emergence of Medvedchuk a few years ago. President Leonid Kuchma, at the heart of his political nature, was a red director of a plant named "Ukraine." Directorship as a political philosophy presupposes that there is a manager by the director's side. So when a crisis erupted at the plant, Viktor Medvedchuk was recruited as a crisis manager.

Viktor Yushchenko is a different type. He epitomizes the aristocracy. He is Gogol's Manilov of today living in the world of abstract projects and contemplating about the harmony between the Ukrainian people and Ukrainian nature. Only the nobleman can afford expatiating upon problems of homeless children with a flute of finest French champagne in his hand at a table full of exquisite dishes, worth a monthly (maybe even an annual) budget of an orphanage. The glaring discrepancy does not bother him in the least; he will not notice it.

Unlike Kuchma, Yushchenko feels like a landlord at an estate called "Ukraine." The innately idle nobleman needs a manager – someone who will undertake to solve countless estate problems and ensure the master's earthly comforts; it would be a resourceful, crafty and willing character, pilfering a little from time to time, perhaps. Viktor Baloha proved the best candidate for the position. In fact, he is a function, rather than a politician or an official. If it had not been him, there would have appeared another "Baloha."

Analogies between Baloha and Medvedchuk, fairly popular these days, are lame, even though Baloha (according to some sources) considers his namesake and former fellow SDPU(o) member to be his teacher and tries to mimic his style. Baloha lacks a lot of Medvedchuk's talents – he does not need them. President Kuchma's Superintendent kept an eye on everyone who could be of service to his patron. Those people were entertained, cultivated, gratified and bestowed with various privileges as long as they were of interest. Head of Yushchenko's Secretariat entertains and indulges nobody but his boss. Majordomo cannot and should not function as a chancellor, and vice versa. Both are managers of sorts, but with different tasks. Medvedchuk persuaded Kuchma, who needed success, to

make a certain decision. Baloha spares Yushchenko, who needs comfort, the trouble of making decisions.

However, the two confidants' role in their bosses' fate could be similar, after all. Many believe Medvedchuk (the only effective manager in Kuchma's office) precipitated his political death. Many also believe that Baloha (the first real manager in Yushchenko's office) will become his political gravedigger.

The so-called "Baloha factor" is a strong irritant for those in the "orange" team who have long resented his methods. Another cause of annoyance is Yushchenko's haughty and, of late, openly boorish behaviour towards the OUPS members. Part of the bloc is ready to rebel, they are waiting for a formal pretext.

Viktor Yushchenko is convinced that:

- MPs are his subordinates;
- each MP owes him for the seat in the Rada;
- the coalition should be pro-presidential, otherwise it should not be at all.

The flabbergasted and discontented are growing in numbers. Yushchenko foisted the election list, the text of the coalition agreement and the Speaker on his allies. To add insult to injury, he nominated all ministers of the OUPS quota in the future government. The bloc members were astounded and delegated Lutsenko and Kyrylenko to ask the President, in an extremely cautious and exceedingly courteous way, how such persons as Kremen and Yekhanurov got there. With all respect to Yuriy Yekhanurov's virtues, most bloc members would never nominate him to any position in the Cabinet, let alone that of the defence minister. They expected the President to back up Anatoly Gritsenko. According to our sources, on Monday the Presidential Secretariat requested the acting Defence Minister to file the documents necessary for the nomination. On Tuesday, Gritsenko learnt about the change of plans from the Verkhovna Rada Secretariat. The Commander in Chief did not find time to notify his Defence Minister of either the fact or the reasons for his decision. This was a bizarre finale of three-year cooperation.

The president's attitude when he met with the two OUPS envoys was unfriendly. Witnesses say it was close to brutal. The head of state had several points to make:

- Yushchenko is not obliged to anybody for anything;
- Yushchenko is not accountable to anybody;
- Yushchenko's word is law.

After the conversation with the President, Lutsenko reportedly was foaming with rage and Kyrylenko could not conceal his confusion. It will be hard for them to swallow the offense.

If the coalition fails to form the Tymoshenko government, the OUPS will openly voice their dissatisfaction. Yushchenko should be aware of it, no matter how much he would like to conserve the situation. No matter how Baloha would like to replace Yanukovych as acting Prime Minister, Yushchenko is forced to get prepared for various options. Therefore he tries hard to man the future Cabinet with ministers who would not deny favours to him, his entourage and family. He used both his own and the OUPS quotas to nominate his watchdogs or emissaries.

One has met her match?

It is most unlikely that Yuliya Tymoshenko had anything to do with the collapsed voting for her premiership. However, she might feel relieved with the outcome. Most onlookers saw that she was

upset with the “225” indicator on the electronic panel. Yet only the most observant noticed that the nominee’s traditional speech was not as passionate and persuasive as they expected and Yuliya Tymoshenko herself was not fighting for the post as vigorously as a year (and, particularly, two years) ago. People who know her well were surprised to perceive traces of bewilderment and hopelessness on her face. It discourages her sympathizers and those who align their own plans to her prime ministerial future. To this day some BYT members cannot understand if Tymoshenko wants to be prime minister or not.

In order to answer this question, let us look at the challenges awaiting Ukraine’s next premier.

First, she has no effective support in the legislature. Even the total mobilization of two factions did not yield a positive result. Similar fates will befall every more or less significant draft law. The chances that the majority will expand are slim. On the contrary, the majority could shrink and disappear.

Second, Tymoshenko will get a Cabinet whose members will be leaning to different centres of influence. The passage of the presidential version of the law on the Cabinet of Ministers will strengthen the President’s control of the government and weaken the prime minister’s influence on the Cabinet members.

Third, Tymoshenko’s conflict with the President is inevitable, and she has no illusions whatsoever about it. Even if she had had them at the beginning of the election campaign, all developments afterwards must have dispelled them. Yushchenko did his best to avert the Lytvyn Bloc from allying with the coalition. Representatives of all parliamentary factions spoke about it off the record. Yushchenko will use every opportunity to censure Tymoshenko who, judging from her 2005 tactics, will withhold comment. Today, Lady Yu is a compressed spring whose unwinding is a matter of timer and direction, as opposed to Tymoshenko’s official position...

Fourth, various economists have different opinions of Ukraine’s current economic situation but all of them agree the new Cabinet will not have favourable starting conditions: rising prices of power supplies, galloping inflation, critical state of municipal economy and utilities infrastructure, the budget inherited from the previous government, colossal scope of work in preparation for Euro-2012. On top of it, there are heaps of unrealistic election promises that the coalition should, at least, pretend to start fulfilling. Coupled with the three above circumstances, the burden is crushing.

Fifth, the oppositional Party of Regions will leave Tymoshenko and her government no breathing space. Fighting her wars she will not be able to count on the President’s companionship-in-arms. The latest events testified he feels much safer and snuggler with Yanukovych than with Tymoshenko.

In view of the above, Yuliya Tymoshenko will be better off in the opposition.

However, a public renunciation of prime ministerial ambitions will damage her popularity. Furthermore, she was so focused on winning this battle that she did not prepare an alternate, emergency “landing” for herself. Psychologically, it is frustrating to abandon your dream when you are so close to achieving it.

Yuliya Tymoshenko’s doubts have manifested themselves in the proposed ministerial candidates. A well-known Ukrainian politician, on looking at the list of potential vice prime ministers (Turchinov, Vinsky, Nemyria), exclaimed: “Is she forming a Cabinet or an election team?” It cannot be ruled out that the BYT leader is reserving the following scenario for herself: she makes a step to which she is doomed, lays down the logistical, institutional and PR foundation of her future presidential campaign, and quits after the first serious conflict, slamming the door. Guess what comes next?

“Rime will turn into dew,

and what seemed orange will look blue”

Yuliya Tymoshenko’s premiership is predetermined in a way, which means the Party of Region’s fierce counteraction could soon transform into the policy of non-resistance. The party leaders have not

defined their position yet. Yanukovych and Akhmetov (as well as Yushchenko and Tymoshenko) are struggling in search of the lesser evil. However, sporadic hints at their probable decision are being dropped. When asked "What is next?" one of the party members said laconically: "Yuliya. They have no other choice. Nor do we, at least now."

The Party of Regions agreed to hold snap elections against Yushchenko's guarantee that the so-called "broad coalition" would be formed afterwards. He did not deliver on his promise, which gives rise to different sentiments within the Party of Regions. Half of its members think the head of state is a liar. The other half suppose their potential alliance with OUPS was thwarted because of the President's inability to control "his" parliamentary faction. Neither group believes in a swift forming of a new coalition after the existing one falls apart. The former assume: he who deceived once will deceive again. The latter wonder: who can guarantee that OUPS will ever want to ally with them?

Furthermore, if Tymoshenko is not elected Prime Minister, both the coalition and OUPS could disintegrate, with most of the OUPS members ending up her sincere supporters. The Party of Regions' analysts understand that it is a very probable outcome at this juncture, while there are still hopes and illusions. Yet the tide will turn if the coalition collapses for natural reasons: the government will get stuck in problems, Tymoshenko – trapped in arguments with the President; their respective factions forced to take sides will fall out with each other. In the course of the "orange" government forming the rip will deepen as some ambitions will remain unsatisfied. An unhappy soldier is a potential deserter. Yushchenko's meddling in the process and his candidates will pour more oil on troubled waters. A couple of months and this marriage of convenience will end in a voluntary divorce. Activists of the Party of Regions are positive the voluntary parting of the two forces will create a cumulative effect and kill the ratings of both, which, in our opinion, is a debatable assumption.

The Party of Regions' leaders believe the final political bankruptcy of the Maidan parties will make Yushchenko, Lytvyn and Co, and most OUPS members, more compliant. A disillusioned enemy can change into a friend. The new coalition will emerge, and the Donetsk guys will return to power as saviours of the Motherland called up to remedy it after the disastrous rule of the "orange" forces.

Yet there are people in the Party of Regions who cannot tolerate a single day in the opposition. These people have considerable clout in the organization, and their fellows have to pay heed to their opinion. These people have connections in the opposite camp. Baloha and Kolesnikov's meetings at dinner usually result in those potent PR members' announcing: "Brothers! The time of our triumph has come! We got a signal – he will not nominate Yuliya again..." The brothers sigh and obey. The President re-nominates Yuliya. The PR select few declare: "Be patient, brothers! It was our tactic. We got a new signal to foil the voting. Dead sure, he will never nominate her for the third time..." The brothers grit their teeth but obey, counting on their leaders' intuition and hoping for a miracle when the song lyrics (quoted in the caption) will materialize.

Not all PR members are happy about this state of affairs. One of them told us: "Our power lies in their weakness. Their power lies in our inactivity."

What can we add?

Text available on World Wide Web, URL: