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Ukraine's Orange Evolution

MARK KRAMER

Ukraine, despite its widespread corruption and many other lingering problems, has made good progress in the past few years toward establishing a democratic system and a market economy that will eventually pave the way for the country's membership in the European Union. Even as neighboring Russia has been moving toward an authoritarian and stultifying political system, Ukraine has been achieving impressive, albeit still fragile, advances toward Western-style democracy.

Ukraine now has free, fair, and meaningful elections with ample competition. The outcomes are uncertain until the votes are cast. The mass media provide a crucial independent check on the government by featuring lively discussions of political issues and exposés of official malfeasance. The most prominent politicians and the major political parties no longer see a need to destroy their opponents. They realize that if their own parties are removed from power at some point, they will have a good chance of regaining power at a later stage. All of this stands in remarkable contrast to the authoritarian resurgence in Russia.

THE TURNING POINT

This democratic progress in Ukraine is still precarious, but the gains of the past few years mark a dramatic turnaround. Four years ago, Ukraine seemed hopelessly stuck in a political morass. The president at that time, Leonid Kuchma, had been in office since mid-1994. He had been implicated in a series of corruption scandals and was accused of ordering (or at least condoning) the murder and intimidation of journalists and political opponents. Kuchma had clamped down on the mass media, especially television. He had also brought Ukraine under greater Russian influence, turning over

entire industries to Russian control. Although the Ukrainian constitution bars presidents from serving more than two consecutive terms, Kuchma had persuaded the Constitutional Court to issue a ruling in December 2003 allowing him to run for a third term in the fall 2004 elections.

The court's decision provoked strong criticism both in the West and at home. Kuchma eventually realized that his extremely low popularity might make it difficult for him to win even a fraudulent election. Thus, he set out to orchestrate the election of one of his cronies, Viktor Yanukovych, who was also supported strongly by the Russian government. The first round of the presidential elections in October 2004 was preceded by a series of "dirty tricks," including the dioxin poisoning of Yanukovych's main opponent, Viktor Yushchenko, whose campaign emphasized the need for rapid democratization.

In the lead-up to the final round of voting on November 21, 2004, Yanukovych's campaign received extensive political and financial backing from Russian authorities. Russian President Vladimir Putin was so anxious to see Yanukovych elected, and so confident about the outcome of what he knew would be a rigged vote tally, that he publicly congratulated Yanukovych on his "victory" well before the ballots had been counted.

But events did not work out the way Putin had hoped. The heavy-handed attempts to rig the election, far from ensuring victory for Yanukovych, became a catalyst for momentous political change. After reports began circulating about systematic electoral fraud and voter intimidation, mass protests erupted in Kiev and other major cities. Yanukovych's claim of victory and his efforts to organize a new government fueled the demonstrations, and demands for a new election quickly escalated into the peaceful "Orange Revolution."

In the face of the burgeoning unrest, the supreme court ultimately broke with the official line and ruled that the elections had been fraudu-

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lent and would be annulled. When a new runoff election was held under close domestic and international scrutiny on December 26, Yushchenko, who had been one of the main champions of the Orange Revolution, easily defeated Yanukovych. Yushchenko was inaugurated as president on January 23, 2005, to great public acclaim.

POLITICAL TURBULENCE

Yushchenko's record in office since then has been mixed, and political turbulence remains the norm. The rule of law is still largely absent, and some tension between ethnic communities persists, especially over the emotional question of whether Russian should be accorded the status of a second official language, alongside Ukrainian. (Ethnic Russians now account for only around 17 percent of Ukraine's total population, but a significant number of ethnic Ukrainians also still use Russian as their primary language.) Yet, despite these problems, the overall trend has been positive. Ukraine since the Orange Revolution has moved steadily away from its Soviet past.

Before the December 2004 runoff election, Yushchenko pledged that if he won the presidency he would appoint a charismatic leader of the Orange Revolution, Yulia Tymoshenko, as prime minister. Tymoshenko took office as prime minister the day after Yushchenko's inauguration, but over the next several months she and Yushchenko clashed over numerous matters, both substantive and political. Frictions also emerged within Tymoshenko's government, and several senior officials (some with close ties to Yushchenko) resigned amid mutual accusations of corruption and other misdeeds. The tensions reached a head in September 2005, when Yushchenko criticized Tymoshenko's performance and dissolved her government, ushering in a period of uncertainty in the lead-up to parliamentary elections in March 2006.

The dissolution of Tymoshenko's government merely underscored what was already obvious—that the previously united Orange coalition had become riven by discord. The bickering caused widespread discontent, giving Yanukovych an opportunity to stage a comeback. His party, the Party of Regions, won the largest share of the vote in the March 2006 parliamentary elections, 32 percent. The bulk of the vote for the Party of

Regions came from the eastern and southern parts of Ukraine, where large populations of ethnic Russians and Russian-speaking Ukrainians reside, but the party also did better than expected in the western and northern regions, which are inhabited predominantly by ethnic Ukrainians.

Coming in a distant second was the coalition of parties organized for the elections by Tymoshenko—the Yulia Tymoshenko Bloc—which earned about 22 percent of the vote. Yushchenko's party, Our Ukraine, won only 14 percent, a clear sign of public restiveness. Because people's hopes had been raised so high in the aftermath of the Orange Revolution, the sluggish and uneven pace of change in 2005 and early 2006 was bound to spark this sort of reaction.

For several weeks after the election, the Tymoshenko Bloc and Our Ukraine sought to form a coalition with Ukraine's Socialist Party that would keep Yanukovych's Party of Regions out of power. But these efforts collapsed when the Socialists reneged on a tentative agreement and formed a majority coalition with the Party of Regions and the Communist Party.

Meanwhile, as acrimony and mutual allegations of wrongdoing continued to divide the Tymoshenko Bloc and Our Ukraine, Yushchenko agreed in early August 2006 to appoint Yanukovych as prime minister. He pledged that Our Ukraine would cooperate with Yanukovych as long as the prime minister did not impede the president's conduct of foreign policy. Neither side was enthusiastic about this makeshift approach, but the lack of viable alternatives enabled Yanukovych to take office on August 4.

The uneasy cooperation between Yushchenko and Yanukovych did not last long. In early October 2006, Our Ukraine announced that it would join the opposition, working against Yanukovych's government. Over the next several months, tensions between Yushchenko and Yanukovych mounted, and in early April 2007 Yushchenko dissolved the parliament and ordered new parliamentary elections. The Party of Regions immediately put up a legal challenge to Yushchenko's action, citing changes that had been made to the Ukrainian constitution shortly after the Orange Revolution. As the court proceedings became delayed by numerous appeals and outside events, Yushchenko and Yanu-

Tymoshenko, despite her earlier populism, has pledged to move ahead with a bold program of economic reform.

kovych finally reached agreement to hold new elections on September 30, 2007.

In those elections, the Party of Regions again won the largest share of the vote, with 34 percent. But the Tymoshenko Bloc ran close behind, gaining 31 percent—a dramatic increase over the party's showing in the March 2006 elections. The two Orange parties—the Tymoshenko Bloc and Our Ukraine—together gained a slender majority of seats in the new legislature, with 228 out of 450. In mid-October 2007 the two parties announced that they would seek to form a new government, but another several weeks of bargaining were required before a pact was signed on November 29, promising to restore Tymoshenko to the prime minister's post. Tymoshenko fell short in the initial parliamentary vote on her nomination—a sign of how tenuous the Orange majority in the legislature was. But in a second vote, on December 18, her nomination was approved by a one-vote margin.

"NO TURNING BACK"

Thus, in 2008, the Orange coalition is back in charge of the Ukrainian government. Tymoshenko has pledged to fight corruption vigorously through a series of administrative reforms, and to adopt measures that will solidify democratic institutions. Whether her tiny majority in the parliament will enable her to achieve these goals remains to be seen, of course. Governments in Ukraine since 2004 have not been notable for their longevity, and the Orange coalition could easily break apart again.

Nonetheless, it is now clear that competitive politics and democratic elections have become the norm in Ukraine—a development that has not gone over well in Moscow. Putin and other senior Russian officials have repeatedly referred to the disorderly political scene in Ukraine as "chaos" and "dangerous instability," contrasting it to what they regard as admirable "stability" and "predictability" in Russia. Their denigration of the legacy of the Orange Revolution has more to do with Putin's domestic priorities than with anything in Ukraine per se. The Russian authorities were deeply unnerved by the Orange Revolution, and they are determined to prevent any such occurrence in Russia. By portraying the situation in Ukraine in an unfavorable light, they hope to convince ordinary Russians that Orange-style protests in Russia would simply make things worse.

Yet, regardless of the view in Moscow, the political reality in Ukraine now seems conducive to

democratic progress. The September 2007 elections showed that all the major parties, especially the Tymoshenko Bloc, have broadened their geographic appeal, largely ending the regional splits that had earlier typified the electorate. (The east-west divide in Ukraine was never as stark as some commentators—especially in Moscow—claimed, and it has now diminished even further.) Ukrainian politics over the past few years has been characterized by democratic give-and-take and peaceful changes of power.

The new milieu in Ukraine was summed up well a few days after the September 2007 elections by a youth leader in Yanukovich's party, Yuri Miroshnychenko, who said that "we [in the Party of Regions] will just need to accept the outcome. . . . We can work in the opposition, and [Tymoshenko's] return to office will not be a tragedy for us. The most important thing is that Ukraine is moving in the right direction. . . . There is no turning back."

REFORM PAYS OFF

In the 1990s, Ukraine suffered a precipitous economic decline, stemming in part from disastrous economic conditions inherited from the Soviet regime (hyperinflation, rampant shortages, and severe macroeconomic instability) and in part from egregious corruption and mismanagement under the first two post-Soviet presidents, Leonid Kravchuk and Kuchma. Periodic attempts to embark on economic reforms were stillborn, and corruption became so endemic that Ukraine each year was listed among the world's "most corrupt countries" in rankings compiled by Transparency International.

Not until the end of the 1990s did the situation begin to turn around. Kuchma, observing the consequences of Russia's August 1998 financial crash and having seen his country experience nearly a decade of grave economic decline, appointed at the end of 1999 a reformist government with Yushchenko as prime minister. The new government carried out drastic economic changes, including the elimination of hundreds of unfair subsidies and tax exemptions, the privatization of many large firms, the deregulation of land ownership, and the adoption of a new tax system. These changes helped produce 6 percent growth in 2000 and an average of 7.6 percent annual growth from 2001 through 2007.

The economic reforms continued for nearly a year and a half—until Kuchma's wealthy supporters in the business community, who had lost some of their privileges as a result of the reforms, con-