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31 January 2005

Following his January 23 inauguration as Ukrainian president, Viktor Yushchenko travelled to Moscow for his first official visit and assured his Russian counterpart, Vladimir Putin, that Russia would remain Ukraine's "eternal strategic partner." These words were largely a matter of diplomatic protocol, however, motivated by Ukraine's heavy dependence on the economy of its biggest neighbour. Russia has long been Ukraine's most important economic partner.

Ukraine conducts 60 percent of its trade with its eastern neighbours and is largely dependent for its energy needs on gas and oil from Russia. More than 80 percent of Russian gas exports to Europe pass through Ukraine.

Yushchenko made unmistakably clear that he would support the Unified Economic Area—a free trade zone comprising White Russia, Kazakhstan, Russia and Ukraine, which was established by his predecessor, Leonid Kuchma, only so long as it did not stand in the way of his central goal—membership in the European Union and NATO.

Yushchenko's favoured candidate for the post of foreign minister, Boris Tarasyuk, had criticised the Unified Economic Area as a "purely geopolitical project, consisting of little in the way of economy"—i.e., an attempt by the Kremlin to maintain its domination of Ukraine.

During Yushchenko's stay in Russia, news agencies revealed that before setting off for Moscow, Yushchenko had nominated for the post of prime minister a woman regarded as a standard bearer of Ukrainian nationalism—Yulia Timoshenko. The prospective prime minister had made a name for herself over the preceding weeks by her inflammatory speeches against Russia and the eastern Ukraine, which remains closely linked to Russia. The 44-year-old multimillionairess is currently being sought by Russian police on charges of bribing officials.

Yushchenko's choice of Timoshenko to head the government has far-reaching implications. The new president would not have taken such a step without having received a green light from Washington. The nomination of Timoshenko is a clear signal that the Bush administration will push ahead with its efforts to destabilise Russia and the Confederation of Independent States (CIS), the alliance of states that emerged from the collapse of the Soviet Union.

The recent inauguration speech by US President Bush made clear that Washington's massive intervention in the Ukrainian elections was by no means an aberration. The US government together with other Western governments funded the Yushchenko camp to the tune of millions of euros.

In the future, Bush indicated, every regime that stands in the way of the US and its interests—and is accordingly labelled tyrannical—must consider itself marked for US subversion or military aggression—all in the name of spreading "freedom."

Alongside states in the Middle East and South America, the successor states to the Soviet Union, including Russia itself, are targeted by Washington for intervention. It is no coincidence that the incoming secretary of state, Condoleezza Rice, referred to White Russia as an "outpost of tyranny." Like Ukraine, White Russia has close economic and political relations with Russia.

It is also noteworthy that in his inauguration speech, Yushchenko used the same words as those spoken by Bush in the latter's inaugural address. The Ukraine president declared his election a "victory for freedom over tyranny." Timoshenko publicly expressed her desire to export the so-called Orange Revolution—the euphemism for the US-sponsored "insurgency" that brought down the old, more Russia-friendly Ukrainian regime.

Supporters of Bush in the US are likewise celebrating

Yushchenko's victory as an example of Washington's supposed crusade for freedom around the world.

In attendance at Yushchenko's inauguration in Kiev was outgoing US Secretary of State Colin Powell. The Polish president, Alexander Kwasniewski, who played a leading role in the Ukrainian election—in close collaboration with the US—also attended. Lower-level figures were sent by Germany and Russia.

In his meeting with Powell, Yushchenko thanked the US for its support and stressed: "The international assistance, the assistance and support from our partners, was very essential for enrooting democracy in Ukraine." Powell assured Yushchenko of the support of the US, which, along with other help, would support a Ukrainian bid for membership in the World Trade Organisation.

For her part, Timoshenko has personal, as well as political reasons for leaning heavily on the US. Contrary to Western media reports, the Russian arrest warrant for Timoshenko has not been issued for purely political reasons. The warrant is linked to Timoshenko's former activities as head of the conglomerate United Energy Systems (UES). She is accused of bribing Russian Defence Ministry officials in the mid-1990s to ensure extortionate prices for the energy and equipment her company delivered to the Russian Army at that time.

What is incontrovertible is that during her period with UES, Timoshenko amassed a personal fortune of millions (some sources say billions) of dollars. Her friend and sponsor, Pavel Lasarenko, who took over as Ukraine's prime minister in 1996, enabled UES to establish a virtual monopoly over the energy market—an advantage the enterprising Timoshenko exploited to ship gas supplies abroad without paying taxes.

Lasarenko is currently sitting in a jail in San Francisco, having been convicted at the beginning of June of extortion, fraud and money laundering. It also appears that the US government has incriminating information that it could use against Timoshenko. In an article from last November entitled "The Revolutionary Millionairess," the British *Guardian* newspaper referred to the book written by Matthew Brzezinski, *Casino Moscow*. The book devotes an entire chapter to Timoshenko under the heading, "Eleven-Billion-Dollar Woman."

Timoshenko is accused in Ukraine of paying bribes to

Lasarenko as part of the deal to assure a monopoly position for her energy interests. In 2001, she was incarcerated for 40 days in connection with these accusations.

The *Guardian* quotes Brzezinski, who writes: "The US government has proof of money transfers which she personally made to Lasarenko when he was prime minister." This suggests that the US administration can put pressure on Timoshenko, should she fail to faithfully follow Washington's orders.

Inside Ukraine, Timoshenko relies on extreme right-wing forces. Involved in her parliamentary faction, the so-called Yulia Timoshenko Bloc, are the Fatherland Party, the neo-fascist Ukrainian National Assembly—Ukrainian Self-Defence (UNA-UNSO), and the anti-Russian Ukrainian Conservative Republican Party (UCRP).

The nomination of this multimillionairess to the post of prime minister lays to rest the myth that the Orange Revolution was directed against the dominance of the Ukraine oligarchs. And Timoshenko is not the only oligarch in the new government. The proposed new head of the country's security and defence council is Petro Poroshenko, the man who financed Yushchenko's election campaign and an archetypical oligarch. His interests include the production of foodstuffs and the conglomerate Ukrprominvest, which controls longshore, textile and engineering companies. He made his first millions at the start of the 1990s by buying and reselling bankrupt companies.

In December, Timoshenko travelled to the Donetsk Basin to meet Rinat Ahmetov, who heads the oligarch clans in the region and was the main sponsor of Yushchenko's rival in the presidential election, Viktor Yanukovich.

Ahmetov, who realised there was no chance of Yanukovich winning the second round of the election, gave the future prime minister full access to the local media, which is heavily under his control.



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