

Ukraine: “Orange Revolution” leader Yushchenko accepts coalition with pro-Russian rival

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Ukrainian President Viktor Yushchenko has accepted his arch-rival Viktor Yanukovich, leader of the Party of the Regions, as prime minister. After four months of political stalemate following elections to the parliament (Rada), the president’s Our Ukraine party agreed to form a coalition government with Yanukovich’s pro-Russian party.

Yushchenko had until August 2 to agree to Yanukovich, who had the backing of the majority of the Rada, becoming prime minister or call fresh parliamentary elections. Finally, in the early hours of August 3, he announced his deal with Yanukovich, the defeated candidate in the 2004 presidential elections that provided the backdrop for the “Orange Revolution” that brought Yushchenko to power.

The coalition agreement sets out a compromise that sees Yanukovich and the Party of the Regions accept much of the president’s pro-Western programme, including moving closer to the European Union (EU) and a future referendum on membership of the NATO military alliance. In return, Yushchenko has agreed to negotiate closer economic ties to Russia, including the possibility of joining the Common Economic Space that includes Russia, Belarus and Kazakhstan.

Further backroom dealing between the coalition parties—and the big business interests they represent—will take place over the next days. Yanukovich supporters are expected to take control of the foreign, defence, interior and justice ministries, while the Party of the Regions, which is dominated by the east Ukrainian business elite, is expected to control most of the financial and economic portfolios. The smaller Socialist Party in the coalition, which has the backing of so-called “Red Directors” in major industries and figures in agribusiness, is expected to control the key State Property Fund that oversees

privatisations and control of the remaining state-owned industries.

The only Rada faction to reject the new government is the party of Yulia Tymoshenko. The co-leader of the Orange Revolution and the country’s prime minister for nine months following Yushchenko’s victory in 2004, Tymoshenko decried the coalition as an “act of orange capitulation” to the Party of the Regions.

The alliance of Yushchenko and Tymoshenko under the orange banner was never more than a marriage of convenience between two politicians who had served under former president Leonid Kuchma, but who had lost the favour of the old regime. Seeking to regain power and thus advance their interests and those of a section of big business that felt excluded by Kuchma’s nepotism, they offered their services to Washington, which was looking to install a pro-US government in Kiev to counter Russian influence in the former territories of the USSR.

Two years after coming to power, Yushchenko has once again acted to secure his political survival. Fresh elections would have seen Our Ukraine further weakened, leaving Yushchenko with little choice but to strike a deal with the Party of the Regions under yet more onerous circumstances. The coalition will secure the business interests of Yushchenko’s wealthy supporters in the west of Ukraine, while Yanukovich will act to advance the interests of the eastern oligarchs, especially those of his main backer and Ukraine’s richest man, Rinat Akhmetov.

For Tymoshenko, who is one of the richest oligarchs in the country, the new government threatens her with the same punitive measures that she attempted to institute against her rivals during her brief period as prime minister. In 2005 she oversaw the re-privatisation of the massive Krivorozhstal steel works, owned then by Akhmetov and his business partner, Viktor Pinchuk, to

the ownership of transnational firm Mittal Steel.

Akhmetov, a Party of the Regions deputy who is therefore immune from criminal prosecution, is likely to push for retribution against Tymoshenko, possibly targeting her business portfolio and pushing for an investigation into the numerous instances of corruption of which she is accused.

This precludes Tymoshenko accepting the new government and she has already indicated that she will take extra-parliamentary measures to destabilise it. However, a number of the deputies in her Bloc Yulia Tymoshenko faction in the Rada have indicated that, in order to secure their own political and economic survival, they are willing to cooperate with the new government.

In her intransigence towards the coming to power of Yanukovich, Tymoshenko hopes to find common cause with Washington. Despite a statement by White House spokesman Sean McCormack that the Bush administration wants to have “a good relationship with the Ukrainian government,” it is well known that Washington had been working for months to prevent Yanukovich from assuming the premiership.

Yushchenko is also acutely aware that he must limit the extent to which he has antagonised Washington, his main backer in the Orange Revolution. One of the first people Yushchenko spoke with following the announcement of the new coalition was the US ambassador to Ukraine, William Taylor, where he insisted that the government would continue the country’s current pro-US foreign policy. For his part, and reflecting the increasingly international business interests of his wealthy backers, Yanukovich has made a concerted effort to court Western opinion and promised to open up Ukraine to further investment from US and European Union-based corporations.

The new government in Kiev is nevertheless a major embarrassment to Washington.

The 2004 Orange Revolution came as a relief for the Bush administration’s foreign policy, which was shaken by the quagmire faced by US forces in the guerrilla war in Iraq. Hailed as a victory in Washington’s “crusade for democracy,” the victory of Yushchenko was universally welcomed in US political and media circles as a further serious blow to Russian interests in the resource-rich region.

An article in the *Washington Post*, July 31, expressed US frustration at the current disarray of American foreign policy.

It stated that one year ago the Orange Revolution in

Ukraine and the Cedar Revolution that brought a pro-US government into office in Lebanon were the “jewels of President Bush’s democracy policy.”

The newspaper lamented that today this policy had produced “unforeseen and unpleasant consequences”—i.e., a Lebanese government unwilling to go to war against Hezbollah and its own people, and a Ukrainian government that was turning back towards Washington’s geopolitical rival in Russia.

The piece, entitled “Betting on Democracy,” continued with an indication of the serious threat of further provocative US interference in Ukrainian politics:

“From the viewpoint of traditional US interests, Yanukovich is still a menace. He opposes Ukraine’s integration into NATO, a step the Bush administration has been pushing, and he may well be willing to sacrifice his country’s sovereignty to Vladimir Putin’s Kremlin. He favors the Russian language over Ukrainian.

“For Bush, the question is: Should the United States accept a democratic Ukrainian government that turns its back on the West, or encourage its allies to twist the political system to prevent that outcome?”

In its quest to dominate the globe, especially its most important oil and gas producing and exporting regions in the Middle East and the former Soviet Union, Washington will stop at nothing. The much vaunted “democratic forces” led by Yushchenko during the Orange Revolution face attack from their former backer now that the outcome is no longer considered in line with Washington’s interests. As the *Post* ominously put its:

“Ukraine, like Lebanon, could be lost. But then, this year’s reversals have already demonstrated that the color revolutions of 2004 and 2005 were the beginning, rather than the end, of the transformation Bush seeks.”



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