

# Social crisis dominates municipal elections in Ukraine

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The first round of municipal elections in Ukraine, held one week ago, shed light on the catastrophic social and political conditions in the country. Nearly 21 months after the coup that overthrew President Viktor Yanukovych, followed by the signing of an association agreement with the European Union (EU), the country is in social and economic free-fall. Clans of oligarchs continue to exercise a stranglehold on the country based on bribery and corruption.

Although some 6,000 Ukrainians have been killed in the civil war launched by the Western-backed Kiev regime, headed since May of 2014 by the oligarch Petro Poroshenko, this was not the dominant issue in the election. What predominated was growing social discontent throughout Ukraine.

The elections for mayors, city councils and regional legislatures were characterised by mass voter abstention and accusations of fraud. In several cities in eastern Ukraine, such as Mariupol, the election was cancelled at the last minute. In areas controlled by pro-Russian separatists, such as Donetsk, no vote took place.

Election turnout was only 46 percent. In last year's presidential election, 59 percent of voters cast a ballot. Fifty-two percent went to the polls in parliamentary elections. Although the election results have yet to be released, further divisions between the east and west of the country are emerging.

Broad sections of the population in both parts of the country have been driven into dire poverty by the civil war and the ruthless policies of the oligarchic clans. The near-collapse of the economy and decline of the country's currency, the hryvnya, have impoverished wide layers of the population. Many people can no longer afford to purchase bread and lack the money needed to pay for daily tram transport. "Poverty is eating into the middle class," the German daily *Die Zeit*

reported at the beginning of the year.

Ukraine's economy shrank by over 7 percent last year, and this year the decline is expected to approach 12 percent. Inflation is running at 50 percent. In the first six months of 2015, real wages dropped by a quarter. "This is the result of the reforms implemented by the government in exchange for loans from the West," the *Frankfurter Rundschau* wrote.

The minimum wage in Ukraine is now less than that of Ghana and Zambia. Ukraine's gross domestic product is half that of the European Union's poorest country, Bulgaria.

Austria's *Die Presse* published a report about 59-year-old Natalia Vasilevna from Kiev. She lives on a pension of 949 hryvnya per month, roughly €38. The costs for electricity, gas and water are so high that barely any money remains for food, she complained. "The prime minister promised higher pensions," Vasilevna said, "but mine remained the same."

Koruyev, a vegetable trader who spoke to the *Süddeutsche Zeitung*, faced a similar situation. "Now we have new, European prices, but only old, Ukrainian wages," he said.

Koruyev works four days per week at the market and three days as a sports school teacher. "Ultimately, I need a pension and health insurance for my family," he said. "I don't get that as a market trader." He earns approximately 1,250 hryvnya per month, roughly €52, for three days working as a teacher, according to the *Süddeutsche Zeitung*.

In the capital, where incomes are significantly higher than the nationwide average, monthly income averages between 5,000 and 6,000 hryvnya (€200-€240). *Die Presse* quoted Olena, a teacher from Schytomyr, just one-and-a-half hours' drive from Kiev, as saying, "I earn 2,000 hryvnya."

Energy prices have increased by more than 200 percent in the past year-and-a-half. Many families use wood for heating because they can no longer afford coal. Finance Minister Natalie Yaresko has already announced further energy price hikes, claiming they are supported by the people. Yaresko was previously an adviser to the US State Department and later established an investment bank.

Young and well-educated Ukrainians are leaving the country in droves. “The visa departments of Western embassies are overwhelmed,” according to a political scientist. “The people are trying to get out because they are unable to keep their heads above water.”

Personal indebtedness is on the rise. According to the International Monetary Fund, one fifth of the loans taken on by Ukrainian households were no longer being repaid on time at the end of 2014.

During last week’s local elections, groups financed by oligarchs were seen in the Black Sea port of Odessa distributing bags with sugar and potatoes in exchange for votes.

In March, the International Energy Agency (IEA) warned of an energy crisis on an unprecedented scale. Prime Minister Arseniy Yatsenyuk has already announced that a stable supply of electricity and heating in most areas of the country is not guaranteed for the coming winter. In addition, the water systems in some areas are no longer working.

“All the ingredients are present for a severe social crisis, and this cannot avoid having political consequences,” the *Süddeutsche Zeitung* wrote.



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