Ukrainian government uses war to enforce privatization, passes new anti-Russian laws

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As it continues to escalate the war with Russia by carrying out devastating attacks in Crimea, the right-wing Ukrainian government of President Volodymyr Zelensky has continued its schemes to privatize sections of its economy despite widespread opposition within the Ukrainian working class.

Prior to the beginning of the NATO-provoked war in February, the Zelensky government had made limited progress in its attempts to privatize huge sections of the Ukrainian economy. The opening of the Ukrainian property market and sale of state land in 2021 was sharply opposed by the majority of Ukrainians. In June 2021, a poll by the Kiev International Institute of Sociology showed that 65.2 percent of Ukrainians supported the continued ban on the sale of agricultural land.

With Russia’s invasion and the ensuing chaos, privatization—a central policy of President Volodymyr Zelensky’s government—had effectively ended, as the Antimonopoly Committee of Ukraine had ceased issuing permits and all notaries and state registries paused operations. Meanwhile, with 6.6 million Ukrainians—over a tenth of the pre-war population of under 40 million—now living as refugees abroad, rather than completely suspend its overreaching plans to privatize state property and organizations until the end of the war, Zelensky has instead used the imposition of martial law to accelerate its long-standing plans.

These plans make clear that the war against Russia means class war at home against the already impoverished and hammered Ukrainian working class. The push to enforce the widely unpopular privatization efforts comes on top of attempts to scrap even the most minimal labor protections.

On June 15, Zelensky announced his government’s plans to launch large-scale privatizations beginning September 1. Subsequently, on July 28, the Ukrainian parliament adopted draft No. 7451 on amendments to the Law of Ukraine “On the Privatization of State and Communal Property,” which is intended to simplify the privatization process. Among several proposals the law will make possible “large-scale privatization at online auctions” and “shortening of the terms of conducting privatization auctions.”

Regarding the upcoming privatization, Prime Minister Denys Shmyhal made clear that the sole purpose of the new legislation was to make sure all privatization took place as rapidly as possible under the guise of “job creation.”

“The President of Ukraine set the task to launch privatization from September. For this purpose, the Verkhovna Rada adopted the relevant legislation and the government developed all subordinate regulations. We have to make this process as fast as possible,” Shmyhal said.

According to Oleksii Sobolev, Chief Executive Officer of the state-owned auction house Prozorro.Sale, over 100 state-owned assets are to be sold in Zelensky’s latest round of privatization in September. Specifically, it will focus on the sale of “state and communal enterprises, real estate and land plots, whose value does not exceed $6.7 million.” Amid the economic crisis caused by the war, the sale is also intended to collect much needed funds of Ukrainian towns and municipalities that have been losing huge sums of money in tax revenue.

As to who exactly will be purchasing the previously state-owned enterprises and property, Sobolev stated that 95 percent of investors in Prozorro.Sale are Ukrainian. Regarding the class of investors involved in the auctions Sobolev also stated, “We’re not talking about huge sums of money like a million dollars. We’re talking about hundreds of thousands of dollars for an average privatization project. So that’s definitely in the reach of many Ukrainians all across the country and that is our investor base.”
Ukraine, along with Moldova, is regularly ranked as either the poorest or second poorest country in Europe by organizations such as the IMF. In 2020 its per capita GDP was just $3,726.93 according to the World Bank. Clearly, having “hundreds of thousands of dollars” available to purchase privatized state assets is distinctly not in the realm of possibilities for the Ukrainian working class, which is now bearing the brunt of the costs of the war. According to the United Nations High Commissioner for Refugees (UNHCR) over 6.6 million Ukrainians are now living as refugees across Europe.

Hand-in-hand with the preparations for large-scale attacks on living standards, the Zelensky government has continued its attempts to inflame ethnic tensions and disorient the working class by attacking Russian language and literature.

On Tuesday, August 16, Ukraine’s Ministry of Education announced that Russian language and literature courses will no longer be taught in Ukraine. Russian is the predominant language in the south and east of the country and in most of Ukraine’s major cities. The banning of Russian instruction will undoubtedly impair the education of Ukrainian students in these regions as they will now study in a language that is not widely used on the street. In addition, they will be educationally deprived in the language that is actually spoken in everyday life in large parts of the country.

Moreover, most books from Russian or Belarusian authors will be tossed from school curricula despite the fact that many great Russian writers lived in Ukraine, with centuries-long ties between the two cultures. The great Russian poet Alexander Pushkin, for instance, spent 13 months living in Odessa in 1823 after being exiled from Moscow. Demonstrating its wholly reactionary character, the new educational plans even ban Tolstoy’s War and Peace, perhaps the greatest anti-war book ever written. While most of the main figures of Russian literature, such as Pushkin, Tolstoy, Dostoevsky and others, are now forsaken in Ukrainian education, authors whose “life and work were closely connected with Ukraine,” such as Nikolay Gogol and Mikhail Bulgakov, will continue to be taught.

Teachers who oppose such measures will undoubtedly find themselves targets of the Ukrainian far right. On Wednesday, the New York Times published an article titled “Behind Enemy Lines, Ukrainians Tell Russians ‘You Are Never Safe,’” detailing the systematic attempts of paramilitary forces to target “traitors” behind enemy lines. These fascist-trained, Ukrainian paramilitaries fully admitted to targeting teachers who teach in Russian by posting photos with their names on telephones, with the threat “For collaborating with the Russians, there will be payback.”

“The Russians want to teach by their program, not the truth,” the Ukrainian operative codenamed Viking said. “A child is vulnerable to propaganda and if raised in this program, will become an idiot like the Russians. A teacher who agrees to teach by the Russian program is a collaborator.”

Earlier in July, Ukrainian officials announced new oppressive measures as part of the 2019 “Ensuring the functioning of the Ukrainian language as a state language” law by introducing fines for speaking Russian in public sectors.

According to the Commissioner for the Protection of the State Language, Taras Kremen, “Citizens of the country must use the Ukrainian language in all aspects of social life,” and encouraged people to report offenders.

Zelensky, himself a native Russian speaker, was elected in 2019 in large part due to his public denunciations of the right-wing xenophobic and war-mongering policies of previous President Petro Poroshenko, who came to power after the 2014 US-orchestrated coup. When Poroshenko signed the infamous “language law” of 2019, requiring all public sector workers to speak Ukrainian, Zelensky opposed the law, writing on Facebook, “We must initiate and adopt laws and decisions that consolidate society, and not vice versa.”

But in the span of a few years, Zelensky and his government have shifted even further to the right of Poroshenko, adopting reactionary laws, banning Russian books, outlawing Russian-friendly political parties, and glorifying and supporting the most rotten fascistic elements within Ukrainian society. Now, the Ukrainian oligarchy is using the long-provoked imperialist proxy war against Russia for a frontal assault against the Ukrainian working class on a social, political and cultural level.

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