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Donbas moves back onto the national stage at last
Taras Kuzio

There was a lot of talk in the early 1990s about the threat posed to Ukraine's stability by Donbas, the heavily industrialized and Russified region that is home to a fifth of the country's population and is represented by 47 seats in the Rada. However, the integration of Donbas into the independent Ukrainian state did not prove as problematic as originally feared, and the region has remained relatively quiet over the years. Until now, that is.

In the late Soviet era, as the Rukh movement strengthened its platform demands from transformation of the USSR into a confederation to outright state independence, eastern and southern Ukraine remained largely passive. After Donbas coal miners went on strike in 1989, however, an uneasy alliance developed between them and Rukh. This wary attitude to the nationalists' aspirations was not surprising, given that Soviet era propaganda had labeled the Ukrainian diaspora and western Ukrainians collectively as "bourgeois nationalists" and "fascist collaborators."

This stereotype has left deep marks on Ukrainian politics to this day. In Donbas a strong regional identity and local patriotism exists alongside other identities. Like the separatist enclave of Trans-Dniester in Moldova, Donbas was a "mini USSR" in which the fusion and Russification of Soviet nationalities created a Homo Sovieticus. Well into the 1990s, Donbas was the only Ukrainian region where as many as half of its residents continued to define themselves as "Soviet" (not Ukrainian or Russian).

A local Donbas and Soviet identity continues to exist alongside a territorial attachment to the former boundaries of the Ukrainian SSR. Separatism has not manifested itself to any great degree in the Donbas. The Communist Party and Russian nationalists/pan-Slavists do not desire to break

the Donbas away from Ukraine and join it to Russia but rather to include Ukraine within a revived USSR or the Russian-Belarusian union. Meanwhile, the local oligarchs are very happy with their current situation as top dogs in their own mini-state and not merely regional governors within the Russian Federation.

Struggle for mastery

The Donbas elite is currently one of Ukraine's three large regional elite clans. In the Ukrainian SSR, the Donbas elite shared dominance with the so-called "Dnipropetrovsk mafia" (which included Nikita Khrushchev, Leonid Brezhnev and Volodymyr Shcherbytsky). During the 1990s, a third force based on the central elite gathered around former President Leonid Kravchuk in the Social Democratic Party of Ukraine (united).

Back during Kravchuk's presidency, though, the former "sovereign communists" had not yet established strong national political parties to represent their business interests. Kravchuk himself had strong links to the then "party of power" in the Donbas, the Liberal Party of Donetsk Oblast Governor Volodymyr Shcherban. Among the representatives of the Donbas elite to attain high office under Kravchuk was Yukhim Zvyahilsky, a coal baron who briefly served as acting prime minister. Zvyahilsky was later forced to flee the country after he was accused of corruption and stripped of his deputy immunity. He spent several years in exile in Israel, before his immunity was restored and he was able to return. Interestingly, his sojourn in Israel did not prevent him from being reelected to the Rada in 1998, despite the requirement that candidates should be resident in Ukraine for five years prior to the elections.

After Leonid Kuchma was elected president in July 1994, the "Dnipropetrovsk mafia" gradually regained power in Kyiv.

Though Yevhen Marchuk, a former Security Service head with links to the Donbas Liberals, was appointed prime minister in 1995, he was replaced after less than a year. The peak of Dnipropetrovsk's power came between 1996 and 1999, when it provided two successive prime ministers - Pavlo Lazarenko and Valery Pustovoitenko.

Simultaneously with the decline of Donbas' political influence in Kyiv, the region lost out to Dnipropetrovsk in the struggle for division of business interests. The stakes were high here. Rada deputy Yevhen Shcherban, a prominent Donbas businessman and a close associate of his namesake Volodymyr in the Liberal Party, was shot dead at Donetsk airport in October 1996. According to information recently released by the Prosecutor General's Office, Lazarenko paid \$2 million to a criminal group to carry out this killing.

In the 1994-98 Rada, former President Kravchuk was a member of the Liberals' Social Market Choice faction, which was headed by Marchuk. Half of the Liberals' members were based in Donbas, but they were never able to gain full control of the region, and Social Market Choice failed to become a united and influential faction.

After an unsuccessful attempt to gain control over the Liberals, Marchuk and Kravchuk shifted their allegiance to the SDPU(u) before the 1998 elections. When the SDPU(u) refused to back Marchuk in the 1999 presidential elections, he left to create his own Social Democratic Union.

The eclipse of Donbas' political influence was underlined when the Liberals and another Donbas "party of power," the Labor Party, joined forces in the Together (Razom) bloc ahead of the 1998 elections - they polled only 1.89 percent. Another Donbas regional force, the Party of Regional Revival, did even worse with 0.9 percent.

The comeback

Although the Donbas clan for a long time lacked political clout in Kyiv and had few media outlets, it was able to build up a formidable economic-financial base under the leadership of the shadowy businessman Rinat Akhmetov. This economic power was largely founded on the Industrial Union of Donbas, a regional gas monopoly. IUD was able to accumulate large financial reserves from its gas trading, which it then invested in the privatization of local enterprises. Today, the Donbas clan is Ukraine's largest business group and combines energy, manufacturing and mining interests. In addition, Akhmetov is chairman of Donetsk Shakhtar soccer club, one of the main symbols of Donbas regional pride. Akhmetov shares his passion for soccer with fellow oligarch and SDPU(u) member Hryhory Surkis, the honorary chairman of Dynamo Kyiv.

The Donbas was, therefore, ripe for the creation of a new "party of power" ahead of the upcoming parliamentary elections. The Party of Regions was created in March 2001 from the unification of five parties, including Regional Revival. Three quarters of the party's members are in Donbas. The appearance of the party's faction Regions of Ukraine in the Rada upset Oleksandr Volkov, who had to change the name of his own Regional Revival faction to Democratic Union, in line with the name of his party.

In the early stages of the current election campaign last year, former Prime Minister Viktor Yushchenko was visibly courting Donbas as a possible ally that could help him win votes in eastern Ukraine. In August 2001 Mykola Azarov, head of the State Tax Administration and leader of the Party of Regions, was not ruling out the possibility of a coalition with Yushchenko's Our Ukraine.

Meanwhile, Kuchma was ready to offer the Donbas elite substantial incentives to bring them into the pro-presidential For a United Ukraine bloc. This was evident in the appointment of Vitaly Hayduk, a former deputy governor of Donetsk Oblast and one of the founders of IUD, as Energy

Minister in November 2001. Also in November, Kuchma ordered the creation of a fuel-energy company that would allow the Donbas clan to incorporate regional electricity companies into their coal-metallurgical empire. This was a move that the Yushchenko government had previously blocked. Donbas coal mines have also been receiving increased subsidies. In return, heat and electricity will not be turned off before the elections, coal supplies will continue to arrive at energy companies, and the Donetsk clan is in For a United Ukraine. Yushchenko had to settle for an alliance with Volodymyr Shcherban's Liberals, who are clearly a spent force.

The cold war between Kyiv and Donbas that has been smoldering since 1994 is now coming to an end. The Party of Regions has given political legitimacy to the Donbas clan. In addition to Azarov and Hayduk, Donetsk Governor Viktor Yanukovich and Donetsk Mayor Volodymyr Rybak are members.

As the clan consolidates its influence at the state level, its current objectives include transformation of the Rada into a bicameral parliament, administrative reform that would replace the current 25 oblasts with eight to 10 regions, and a reduction in the share of regional budgets that is sent to Kyiv. They are also likely to support the intensifying eastern orientation in Ukraine's "multi-vector" foreign policy.

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