

A Survey of Developments in Poland, Belarus, and Ukraine by the
Regional Specialists of RFE/RL's Newslines Team

KUCHMA'S ILLUSIVE 2004 CANDIDATE.
Taras Kuzio

Whom will President Leonid

Kuchma choose as the pro-presidential candidate for the October 2004 elections? Discussions are under way between Viktor Yushchenko, head of the pro-reform Our Ukraine bloc, and two radical opposition groups, Oleksandr Moroz's Socialists (SPU) and Yuliya Tymoshenko's bloc, to unite behind Yushchenko.

Yushchenko has maintained his position as Ukraine's most popular politician since he was prime minister from December 1999 to April 2001. In a May poll by the Ukrainian Democratic Circle, Yushchenko obtained 27.8 percent backing (rising to 42.3 percent if Moroz's and Tymoshenko's support is added) and Communist Party of Ukraine (KPU) leader Petro Symonenko 17.9 percent. The opposition is likely to have two candidates -- Yushchenko and the KPU's Symonenko.

Of the two opposition candidates, Yushchenko is clearly the favorite. No Communist candidate relying solely on KPU support would be able to win elections in Ukraine. With their high ratings, both opposition candidates could possibly enter the second round, which would make a Yushchenko victory certain.

It has always been in Kuchma's interest to have the opposition vote fractured with all four opposition leaders as candidates. In May, Kuchma said that Yushchenko had made a mistake in not siding with pro-presidential centrists after the 2002 elections, and he ridiculed talk of a united opposition candidate.

An April poll by Kyiv's "Politychna Dumka" (Political Thought) journal discussed four possible scenarios for 2004. The best scenario, from the viewpoint of anti-Kuchma forces, was a joint non-Communist opposition candidate leading to Yushchenko and Symonenko entering the second round where they would obtain 53.1 percent and 28.8 percent respectively.

In these four scenarios, a pro-Kuchma candidate would have to obtain sufficient support in the first round in order to beat Symonenko into the second round. Individual opinion polls for the three potential pro-presidential candidates -- Prime Minister Viktor Yanukovich, National Bank head Serhiy Tyhytko, and presidential administration head Viktor Medvedchuk -- are low. But they should be added together with an additional 5 percent-10 percent from "administrative resources." Although opposition candidates have access to state television's Channel 1, they will be blocked from

Channels 2 and 3 controlled by Medvedchuk.

Two separate sources inside Poland and in Kyiv have learnt that Kuchma confided in President Aleksander Kwasniewski on a visit to Poland earlier this year that his preferred presidential candidate was Tyhypko. Such a choice would certainly be logical as Tyhypko, although re-elected head of the Dnipropetrovsk clan's Labor Ukraine party at its April congress, is not commonly perceived as a corrupt oligarch. Tyhypko also has a relatively good image in the United States as a "reformer," the only such image among pro-presidential leaders. After becoming National Bank head in December, Tyhypko began a self-promotion campaign which nobody in this position had ever undertaken.

Within Ukraine both Medvedchuk and Yanukovych have drawbacks in relation to Tyhypko. Medvedchuk has made even more enemies than he already had prior to becoming presidential administration head in May 2002. The Social Democratic Party-united (SDPU-o), which is led by Medvedchuk, is the only oligarch party unpopular in its home base, in Kyiv. There are indications that Medvedchuk is willing to sit out the 2004 election and work towards the 2009 elections, including as head of the SDPU-o opposition party, if Yushchenko wins.

Yanukovych's rating is growing because of his dynamism since becoming prime minister in November. His visit to Paris in May was deemed a success and considered the best visit to France by any Ukrainian government. Yanukovych's usefulness to Kuchma was in converting the Donbas into a "mini Belarus," as Ukrainian commentators have described it, where he has ensured the domination of the local "party of power" (Regions of Ukraine).

Yanukovych's strength in Donbas may be his liability in the remainder of Ukraine. Although Yanukovych will be prime minister for nearly two years prior to the 2004 elections, it is not clear that this is sufficient time to change his image from governor of Ukraine's "mini Belarus" to a potential president of Ukraine.

Tyhypko has advantages over both Medvedchuk and Yanukovych as he is the best of the three to take on Yushchenko. Whether Tyhypko's image of an oligarchic "reformer" conforms to reality is difficult to say. Tyhypko's proficiency was never rated highly when he was deputy prime minister and economy minister in the Valeriy Pustovoytenko government from 1997-99. Yuliya Tymoshenko, leader of the eponymous opposition bloc, claims that when Tyhypko was economy minister in the Yushchenko government, he "professionally sabotaged all of my work" (P. Loza, "Nevypolnennyi zakaz," Kyiv, Taki Spravy, 2002, p.70). In May 2000 Tyhypko resigned in protest as economy minister over reforms introduced by the Yushchenko government.

The manner in which Tyhypko became National Bank head in November 2002 is also not a good indicator of his character. After failing to obtain sufficient votes, a dubious secret voting system was created to ensure the replacement of Yushchenko loyalist Volodymyr Stelmakh. Tyhypko's appointment is the first occasion the head of a political party has headed the National Bank, a factor the Ukrainian Bank Association sees negatively because of its impact on the bank's independence.

In January and July 2002, Yuliya Tymoshenko Bloc member and lawmaker Hryhoriy Omelchenko sent documents to the

Prosecutor-General's Office detailing accusations against Tyhytko of money laundering and transfers of hard currency from Ukraine in 1995-96, when Tyhytko was head of Pryvatbank (1992-97), "Ukrayina moloda" reported on 28 November 2002. The "Grani" website, linked to the Socialist Party, published in May 2001 the names of offshore companies linked to Pryvatbank. Ironically, one of Tyhytko's first actions as National Bank chairman was to discuss illegal capital flight which had grown to a record \$2.27 billion in 2002 during the Anatoliy Kinakh government that replaced Yushchenko.

Besides being a presidential candidate, Tyhytko's major service to pro-presidential forces in the 2004 elections could be his control over financial resources. He is already indulging in monetary populism by offering to repay bank deposits at Oshchadbank lost during the hyperinflation of 1993 through issuing dollar-denominated, long-term state bonds.

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