



UKRAINE: Yushchenko plots his premier's removal

Tuesday, March 11 2008

EVENT: The Tymoshenko government completes its first 100 days in office on March 15.

SIGNIFICANCE: Prime Minister Yulia Tymoshenko has been under continuous pressure from her supposed ally, President Viktor Yushchenko. His inability to work with her since he entered politics in late 2001 is due to their differences over ideology, how to deal with corruption and the traditional role of women. The situation is complicated by the president's search for a partner who will ensure his re-election for a second term.

ANALYSIS: Since the coalition government's parliamentary confirmation on December 18, the president and his chief of staff, Viktor Baloha, have launched a relentless barrage of denunciations, threats and demands against the government. Prime Minister Yulia Tymoshenko and President Viktor Yushchenko's public disagreements allowed Russia to play them off during the gas crisis (see [RUSSIA/UKRAINE: Internal rivalry could undo gas deal - February 19, 2008](#)).

In February, Baloha and six other deputies resigned from the Our Ukraine (NU)-People's Self Defence (NS) bloc, while remaining in the NU-NS parliamentary group. The 'Orange' coalition, established after the September 30 pre-term elections, has 228 deputies in the 450-seat Verkhovna Rada, 156 from the Yulia Tymoshenko Bloc (BYuT) faction and 72 from NU-NS. This slim majority of three is really lower, as not all NU-NS deputies signed the coalition agreement. Further resignations could lead to the disintegration of the coalition.

Ukrainian legislation requires a majority of deputies in a parliamentary group to approve withdrawing from a coalition. For NU-NS, withdrawing from the Orange coalition would require a minimum of 37 deputies to support such a step. Currently, just 22 NU-NS deputies support Baloha and his dissidents (see [UKRAINE: Indiscipline spoils political effectiveness - February 22, 2008](#)).

Divided loyalties. Since Yushchenko established NU in 2001, following the parliamentary vote of confidence in his government, it has been divided into two wings:

- One wing, aligned with BYuT, draws on such traditional national-democratic parties as Rukh.
- The other, aligned with the Party of Regions, which is currently in opposition, draws on pragmatic businessmen and centrists, many of whom worked for former President Leonid Kuchma's administration.

Since the 2002 parliamentary elections, Yushchenko and NU have switched between Tymoshenko and the Kuchma camp (embodied since 2005 in Regions):

- **2002-03.** Yushchenko and NU alternated between allying with the radical opposition -- BYuT and the Socialists (SPU) -- and joining pro-Kuchma centrists.
- **2004.** At 'Orange Revolution' round tables brokered by the EU, Yushchenko negotiated a compromise with Kuchma that led to his election on December 26 in exchange for constitutional reform and elite immunity.
- **2006.** Following the March elections, the president authorised NU campaign leader Roman Beszmerzny to negotiate an Orange coalition with BYuT and SPU, while Prime Minister Yuriy Yekhanurov negotiated a 'grand coalition' with Regions. Yushchenko would not support Tymoshenko's return as prime minister -- the price of an Orange coalition.
- **2007.** To resolve the constitutional crisis, Yushchenko and Regions leader Viktor Yanukovich came to an agreement to hold fresh elections. After the September poll and protracted negotiations, an Orange coalition was formed with Tymoshenko as prime minister. Tymoshenko was confirmed at a second vote on December 18, after a first vote seven days earlier failed to garner sufficient support.

Parallel coalition. Six days after Tymoshenko's confirmation, Regions parliamentary group leader Raisa Bohatyriova was appointed secretary of the National Security and Defence Council (NSDC), creating an extra-parliamentary grand coalition of the presidential secretariat and NSDC to counter-balance the Orange government (see [UKRAINE: President's plots vs premier will backfire - January 4, 2008](#)). Bohatyriova is a close ally of Borys Kolesnikov who, as head of the Regions election campaign, negotiated the spring 2007 compromise. Yushchenko has used the NSDC largely to counter-balance governments he does not control -- Tymoshenko in 2005 and since 2007, and Yanukovich in 2006-07.

The creation of coalitions inside and outside parliament reflects four factors:

UKRAINE: Yushchenko plots his premier's removal - p. 2 of 2

- **Indecisiveness.** Yushchenko has long been unable to choose between aligning with, or against, Tymoshenko.
- **Ideological differences.** In UK terms, BYuT is closer to Margaret Thatcher's radical reform 'dries', while Yushchenko is closer to moderate Conservative one-nation 'wets'.
- **Corruption.** Tymoshenko and Yushchenko differ in their attitudes to battling corruption, particularly in the energy sector. Tymoshenko seeks to remove such non-transparent gas intermediaries as RosUkrEnergo, while Yushchenko supports them. Yekhanurov's government included RosUkrEnergo in the January 2006 gas agreement; BYuT backed a no-confidence motion in the government.
- **Presidential election.** Yushchenko remains undecided with whom -- Tymoshenko or Regions -- he will align himself for the January 2010 presidential election.

Rapprochement with Regions. Yushchenko is increasingly inclined to cooperate with Regions because only they would agree to give up the prime minister's position to an NU technocrat acceptable to Yushchenko. An Orange coalition would inevitably propose Tymoshenko as prime minister, as in recent elections BYuT has gained more votes than NU (2006) and NU-NS (2007).

In 2006, Yushchenko and Yanukovych negotiated a deal with Yekhanurov continuing as prime minister; the grand coalition now being negotiated would replace Tymoshenko with Baloha. In both deals, Yanukovych becomes Rada speaker.

Yushchenko's increasing alignment towards Regions for the presidential election would require the removal of the Tymoshenko government through a parliamentary vote of no confidence. The presidential strategy seeks to increase support for such a step by lobbying within NU-NS to obtain the required majority among businessmen and centrists, forming a new pro-presidential 'party of power'. Oleh Rybachuk, Baloha's predecessor as chief of staff in 2005-06 and a long-term Yushchenko ally, was removed as presidential adviser on March 4 after he criticised Baloha's aggressive strategy.

Outlook. The strategy has four pitfalls:

- It assumes that Yushchenko's re-election for a second term may be best ensured through an alliance with Regions negotiated through Baloha and Kolesnikov. Success depends on persuading Yanukovych not to stand as a candidate, as Regions' political machine and Baloha's control of regional governors brings out the east Ukrainian vote for Yushchenko. This would require a return to the abuse of the state's 'administrative resource' in elections.
- Pushing Tymoshenko into opposition a second time would transform her into a martyr who would position herself as the only leader still loyal to the Orange Revolution. Tymoshenko excels in opposition and her personal ratings are three times Yushchenko's. The 2007 elections showed that, within the Orange camp, only BYuT has any following in eastern Ukraine, while in the 2006 and 2007 elections, NU and NU-NS took first place in only four and one of the west Ukrainian regions respectively.
- Regions and BYuT, whose parliamentary groups together comprise 74% of Rada deputies, both oppose Yushchenko's plans to overturn the 2006 constitutional compromise and return to a presidential system. Ukraine's current parliamentary system has strong support from Ukraine's political and business elites.
- The strategy would lead to an irrevocable split in NU-NS, with BYuT picking up most of its deputies. Beszmerntny's poor track record in creating presidential parties of power since 1998, when the People's Democratic Party was his first failure, coupled with Baloha's failure to revitalise NU, which obtained just 14% of the vote in both the 2006 and 2007 elections, does not inspire confidence in the success of the latest attempt to set up a pro-presidential party.

CONCLUSION: Yushchenko's seeming preference for an alliance with Regions over an Orange coalition will force Tymoshenko into opposition, from where she will be well placed to win the 2010 presidential election.

Keywords: EE, RUCIS, Ukraine, Russia, politics, constitution, corruption, election, government, legislation, opposition, party, economy, industry, corporate, energy, gas, reform, regional

Word Count (approx): 1196