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Beyond Corruption and Oligarchy? The Challenges of Ukraine's Transformation

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The question as to what extent the 2014 Maidan Revolution was successful, goes into determining its implications for Ukraine's political transformation, including country's departure from post-Soviet authoritarian legacy and advances in democratization.

Some observers have pointed a series of hindrances to post-Maidan political transformation, ranging from the constraining effects of authoritarian legacy to the residual influence of oligarchy.ⁱ It is argued that a myriad of domestic factors (the weakness of institutions and civic organizations) and external elements (the conflict with Russia) have been considerably impeding post-revolution state building in Ukraine, thus leaving the key problems that hinder national development unsolved.ⁱⁱ

Bayramov and Marusyk specifically focus on the necessity of overcoming the residual influence of oligarchs, given that they tend

to selectively support new laws and reform that seem conducive to maintaining and increasing their wealth and fiercely oppose to those that may somehow jeopardize their positions.ⁱⁱⁱ They note that that what describes the Ukrainian oligarchs is their tendency to apply the “rule by law” rather than “rule of law.” Meanwhile, in conditions of systemic and, in particular, judicial corruption, the law becomes a purchasable commodity.^{iv}

Lough and Dubrovsky suggest that since the Maidan Revolution, the sharing out of monopolies among leading business groups would continue, along with slow progress on de-monopolization.^v Therefore, even though the oligarchs have lost considerable ground since 2014, they keep retaining significant residual influence in Ukrainian economy and politics.^{vi} Some observers note that the oligarchy is entrenched to the point, where the vacuum created by the diminishing influence of certain oligarchic groups, such as ones of Renat Akhmetov or Dmitry Firtash, gets instantly filled by other oligarchs, such as Ihor Kolomoyskyi.^{vii}

Alternatively, Aslund notes that while it is common to blame the oligarchs for Ukraine’s corruption there are misconceptions about the very term of “oligarch.” In practice, the people who are considered oligarchs are those who are strong enough to defend their property against state predators, most of all law enforcement agencies indulging in corporate raiding.^{viii}

Overall, there is a broad consensus that the success of economic and political reforms considerably depends on the Ukrainian

government's ability to defeat the oligarchy, making sure that it would no longer obstruct country's democratic transformation. Meanwhile the effective fight against oligarchy is deemed contingent upon broader economic, political reforms that will shrink the spaces of oligarchic influences.^{ix}

Clearly, the fight against systemic corruption has been one of the major themes in post-Maidan state-building discussions, given that it had long condemned Ukraine to a vicious circle of underdevelopment, poor governance and inability to implement reforms. Many observers agree that Poroshenko's steady decline as a political powerhouse significantly owed to his failure to eradicate corruption.^x As a result, Zelensky scored high amid popular disillusionment with Petro Poroshenko's inability to defeat rampant corruption. Gressel aptly notes that corruption (especially judicial corruption) and weak rule of law would considerably undermine the overall progress Ukraine had made with other reforms.^{xi} Some observers note that Zelensky's anti-corruption efforts have so far focused on punishing former governments' members or associates.^{xii} Meanwhile, a question arises as to if the selective targeting of former incumbents will evolve into unequivocal application of "zero tolerance for corruption" principle.

While considering anti-corruption measures and agencies (the National Anti-Corruption Bureau, Specialised Anti-Corruption Prosecutor's Office, High Anti-Corruption Court) crucial, some observers stress the necessity of eradicating the "culture of corruption." By analysing public attitudes towards corruption, Lough

and Dubrovsky suggest that Ukrainian citizens tend to “condemn” high-level corruption” yet “regard petty corruption as a justifiable evil.”^{xiii} Similarly, other studies confirm that while citizens regard political corruption of the highest echelons to be the most serious problem, everyday corruption that respondents themselves come across in their daily lives is perceived as a less serious problem.^{xiv} Clearly, while passing laws and implementing reforms may be straightforward, erasing historical mentalities and behavioral practices, such as tolerance towards corruption, informal governance, the use of informal connections and networks in exchanges of favors.^{xv} This is where some observers emphasize the importance of a vibrant civil society with its critical mission of engaging more with their constituencies and thus contributing to their democratic socialization.^{xvi}

While civic activism has been pivotal to the 2014 Maidan Revolution a question remains as to if the civil society has evolved into an agent of democracy in Ukraine. Way notes that the demonstrations leading the revolution “showed the Orange Revolution was not a one-time fairy tale, but a feature of Ukraine. Civil society exists.”^{xvii} Nevertheless, he suggests that it would be misleading to treat the successful actions by protesters or even civil society representatives per se as a shift in a robust or “emerging” civil society.^{xviii} Thus the question remains as to if protests are organized by well-established and institutionalized organizations, or do groups emerge spontaneously out of the protests themselves?

In this regard Smagily and Diuk note that civil society organizations and activists need to move beyond the victory in the street and pursue victory in town halls and elections,^{xix} with the growing realization that “the Maidan” now needs to be in people’s minds and behavior rather than in downtown Kyiv.^{xx}

Alternatively, some observers posit that civil society is not always good for democracy, especially in the context of fragile national institutions that might be adversely affected by associational activity with ensuing societal fragmentation.^{xxi} In Ukraine, non-state actors have tended to divide along regional lines. Meanwhile at a time when the country is faced with tremendous threats, such divisions may be immensely harmful. Therefore, strong national institutions are deemed instrumental in mitigating the adverse effects of fragmentation, especially when facing huge associational activities.^{xxii}

In terms of the weakness of civil society organizations, Minakov notes that it has not been uncommon for them to get misused by the oligarchy. Well acknowledging the capacity of civil society organizations, the oligarchic groups would strive to use them in order to maintain their wealth and political power.^{xxiii} Meanwhile, certain NGOs in Ukraine were tempted to cooperate closely with major oligarchs, such as Ihor Kolomoisky and Viktor Pinchuk and to satisfy their cravings for influence and protection.^{xxiv} It follows that while robust civil society organizations have a crucial role in Ukraine’s democratization, the activities of “pocket” organizations may

negatively impact country's transformation, while serving oligarchic interests.

Shapovalova and Burlyuk emphasize the two dimensions of turning the civil society into a powerful agent of democracy. The first dimension comes down to the changes in the nature of civil society relations with the state and society and its potential and ability to induce reform, or what is referred to as "change on the outside."^{xxv} The second dimension has much to do with the nature of civil society *per se* i.e. with the way it is organized and operates, or what is referred to as "change on the inside."^{xxvi} These changes are deemed critical to boosting the actorness of civil society organizations, and thus equipping them to fulfil their duties of representing citizens' interests and influencing policy making, while contributing significantly to civic education and democratic socialization of the Ukrainian society.^{xxvii}

Another major issue that has merited attention is the institutional foundation of democratization. Studies show that despite the progress on democratization following the Maidan Revolution, the Ukrainian party system has not undergone significant changes. As a result, the institutional bases of the Ukrainian party-political landscape and parliamentary politics have not been solidified.^{xxviii} The factors hindering institutionalization of political parties, include their organizational weakness, characterized by uncertain ideological platforms, frequent name changes, financing, lack of accountability and poor communication with their voters. Not surprisingly, there has

been low trust in and identification with political parties across the Ukrainian society.^{xxix} The lack of ideologically-oriented political parties has led to a situation, where the political and ideological preferences of Ukrainians are ambiguous and most people have difficulty identifying themselves either with left or right parties.^{xxx}

Sedelius notes that like many other post-Soviet countries, Ukraine is faced with “party presidentialization” syndrome – remarkable indicator of an insufficient institutionalization of party politics. The inherent unsustainability and instability of the Ukrainian regime has been vividly manifested in mass mobilizations against Leonid Kuchma regime in the 2004 Orange Revolution, and similarly by the mass protests that led to the collapse of Viktor Yanukovych regime in 2014.^{xxxi} While, it is undeniable that Ukraine is undergoing reforms during Zelensky’s presidency, some critics note that the centralization of power remains a significant problem and may be subject to abuses and misuses by Zelensky’s successors.^{xxxii} There is a broad consensus among students of democratic consolidation that the success of democratic reforms in Ukraine significantly depends on its shift from a charismatic leadership to functional democratic institutions. This comes down to “transforming the accidental arrangements, prudential norms and contingent solutions . . . into relationships that are reliably known, regularly practiced and normatively accepted.”^{xxxiii}

This, in turn, depends on Zelensky’s government’s political will to further institutionalize state-building by subjecting it to institutional

performance and strength. While power centralization remains of concern, some students have focused on the challenges and opportunities of decentralization as a critical measure to establish a proper balance between central and subnational governance. This includes decentralization of certain powers from the national government and the amalgamation of small communities into larger, more easily administered entities.^{xxxiv} Malynovskyi focuses on the necessity of reforms in the following areas that are critical to facilitating decentralization:

- political, related to establishing institutional foundations of democratization, including but not limited to adopting a new electoral legislation, as well setting up new platforms of citizens' political participation through local advisory councils, public hearings, etc. Yet, it is the introduction of regional self-government that is viewed as a building block of decentralization;

- institutional, aimed to rebuild structural elements, and more specifically, the organizational relations between different levels of local government, thus leading to the national territorial organization reform;

- functional, aimed to rebalance functional relationships between national, regional and local authorities consistent with the principles of decentralization and subsidiarity.^{xxxv}

Essentially, effective decentralization, leading to a balance between national, regional and local powers through constitutional reforms is viewed essential for reinforcing regional and local self-

governance, as well as for addressing country's security challenges, especially when dealing with separatist regions.

Some students have paid considerable attention to the issues of breaking with post-Soviet authoritarian legacy, including de-politicizing and reforming inherently flawed law enforcement authorities. While the Ukrainian leadership has taken considerable strides in overcoming the post-communist policing legacy, and thus opened a space for democratic policing^{xxxvi}, the successful transformation of the Security Service of Ukraine (SUB) (the KGB successor) remains a critical part of broader law enforcement reforms. Gressel finds SUB's transformation critical to preventing it from further getting misused by incumbent authorities as a tool for coercing opposition.^{xxxvii} Overall, the promotion of reform-minded law enforcement officials along with consistent fight against systemic corruption is deemed instrumental in achieving a breakthrough in law enforcement and broader democratic reforms.

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