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Discussion of political reform was a focal point of the political season winter-summer 2003 that determined the course of other key developments. Numerous articles and TV reports, PR actions and counter-measures surrounded the issue of political reform. There is a paradoxical impression that should political reform be not launched, the Ukrainian President, parliament and government would have to invent it, otherwise they would have nothing to do.

Hence, discussion of political reform by representatives of power and the opposition represented one of the key topics of the political discourse. Meanwhile, MPs had their own opinion about introduction of changes and amendments to the Constitution of Ukraine and the need for transformations proposed by the President. Representatives of the parliamentary majority and the opposition were almost unanimous about critical assessment of some presidential initiatives, such as, first and foremost, introduction of two-chamber parliament, subordination of law-enforcement agencies to the President etc. However, later on, the President dismissed the idea of two-chamber parliament.

Reviewing political reform in the format proposed by the President, special attention should be paid to holding of the national referendum on presidential initiatives so that to determine position of Ukrainian citizens on redistribution of constitutional rights between the President of Ukraine, the Verkhovna Rada and the Cabinet. This issue is regulated by the March 6, 2003 resolution "On Holding National Referendums on Changes to the Constitution of Ukraine". The process began almost simultaneously in all Ukrainian regions in late March 2003. Local administrations opened a lot of public reception offices - in the Rivne region alone, their number equaled about 200. The national referendum was held mostly in the form of multistage training seminars of local administrative resources. Meanwhile, having swallowed the bait, the opposition got involved in the game offered by the Bankova Street. Members of the opposition took an active part in "mandatory discussion", regional meetings and roundtables, which gave the appearance that the process initiated from above was of democratic nature. According to statistical data, 4,802,849 participants in the national referendum upheld the presidential draft "On Introduction of Changes to the Constitution of Ukraine" and 478,399 Ukrainian citizens voted against. The situation surrounding the national referendum gave grounds to various speculations.

Hence, in the 2003 political season, the most popular issues in the context of political reform were the national referendum and extension of presidential powers for the purpose of holding elections at a variety of levels within the same year. Another yet less popular subject was a thesis that after introduction of changes to the Ukrainian Constitution, Leonid Kuchma could appear on the ballot in the Verkhovna Rada for the third term. Such a situation is less suitable for political and oligarchic groups having close ties with the President, since in case of prolongation of Leonid Kuchma's presidency; Ukraine would be in for implementation of the Byelorussian scenario with all attributes of international isolation and repressive economy. Should it be the case, Ukraine would have to forget about new business opportunities and access to international markets for long.

Constant presence of the so-called referendum syndrome, when the overwhelming majority of Ukrainian citizens made assumptions that the national referendum on the constitutional reform should have take place in fall, represented another feature of the 2003 political season. Some politicians even analyzed scenarios of introduction of changes and amendments to the Constitution passing over the Verkhovna Rada and assumed availability of legal mechanisms and procedures regulating such introduction. In this respect, the opportunity of holding the national referendum on constitutional changes was viewed as an option. However, it is necessary to remember that the Constitution of Ukraine establishes procedures for introduction of changes and holding of referendum. In view of the afore-mentioned, the national referendum on constitutional reform will not be valid a priori. Validity of outcomes of such referendum is also dubious, for there is unsuccessful example of the 2002 initiatives and conclusion of the Constitutional Court of Ukraine reading that on the basis of people's initiative, the national referendum may not have the right to make changes to the Ukrainian Constitution.

Though, referendum prospects and further rehabilitation of the presidential version of political reform remain valid. Even despite an impression that the national referendum still goes on. A series of public forums were conducted in support of political reform by the Ukrainian League of Industrialists and Entrepreneurs, the Ethnic Communities Council, the Odessa National Academy of Law, the Pedagogic Academy, the Law Academy and the Donetsk-based Council of the League of Ukrainian Lawyers. Participants in a TV program dedicated to the above forum said, "Legal experts are deeply insulted with the Verkhovna Rada's ignorance of public opinion, as over 50% of Ukrainian citizens voted for the presidential draft. Position of deputies on this document should be the same. Attitude of some MPs to the President has nothing in common with the right of our people to discuss Ukraine's future at a public forum." The all-national referendum is scheduled to take place in fall. Proceeding from the

statement by the League of Ukrainian Lawyers, this organization stands for direct influence of referendum results and holding of the presidential and parliamentary election within the same year. In this case, power and authors of the political reform draft quite successfully methods of imitate civil society for pressing o-n their political opponents and making the process more legitimate through involvement of the general public in the national referendum. Nevertheless, those expectations may not come true.

In the above context, within February-July 2003, the Presidential Administration spared no effort to implement o-ne of the scenarios that could potentially ensure tranquil existence of a would-be president of Ukraine and his team - scenario of political reform. In theory, implementation of political reform could give grounds for possible prolongation of presidential powers for indefinite period. Meanwhile, due to position of the parliament, the above scenario was rejected. Paradoxically it may seem such course of development could be initiated by the President, which is proved by position by Speaker of the Verkhovna Rada Volodymyr Lytvyn, who deftly lobbied parliamentary initiatives o-n political reform.

At the beginning of the third session of the Verkhovna Rada of the fourth convocation, Parliamentary Speaker Volodymyr Lytvyn stated, "The Verkhovna Rada will be the Verkhovna Rada!" Actually, realization of this solemn thesis was approached o-nly o-n the last day of the parliamentary session when 400 MPs approved a resolution o-n presenting the Constitutional Court of Ukraine with the presidential and parliamentary drafts o-n constitutional changes. Experts view the above not as a failure of the President but as defeat of the Head of the Presidential Administration, who became outsider of the 2003 political season.

### **Key Developments**

The so-called honeymoon of Ukrainian-American relations may be viewed as a key development of the February-July 2003 political season that would have consequences in the near and distant future. After the tapegate also called "Kuchmagate" and Kolchuga scandal that determined relations of Ukraine and the United States within recent years, the US attitude to our country changed for the better due to Ukraine's potion o-n the Iraqi crisis. In early March 2003, the Ukrainian authorities made a decision to send the RCB-19 battalion to Kuwait considering it as a contribution to the coalition to disarm Iraq. Debates surrounding approval of a respective resolution were based o-n assessment of losses and advantages for Ukraine's domestic policy. The opposition accentuated the fact that under a cover of interests of the world community, the President of Ukraine used advantageous political situation and settled his personal affairs in harm of the Ukrainian people and future (*www.korespondent.net, March 7, 2003*). For instance, the statement by the Socialist Party of Ukraine emphasized that the Kuchma's regime offered political bribe for forgetting his previous sins. Meanwhile, approval of the above resolution allowed Ukraine to receive foreign political dividends that have not been converted into economic gains and projects yet. Those dividends imply that the USA is ready to support and encourage Ukraine's intentions to enter EU, NATO and WTO. However, it is necessary to point out that our relations are variable and should Ukraine fail to change its traditional attitude to corruption, freedom of speech and human rights, the situation may worsen again.

Traditional ambiguity of the Ukrainian policy and positions of its leadership strongly depends o-n Russia's influences. It is enough to remember struggle of the Russian government for reverse use of the Odessa-Brody oil pipeline, developments surrounding the gas consortium, initiative of Russian, Ukrainian, and Belarusian and Kazakh presidents to form a free trade economic zone and voting of Leonid Kuchma in the CIS.

Efforts to agree incompatible things proved that multifaceted nature of Ukraine's foreign policy remained traditional. An indicative example is coincidence of negotiations o-n Ukraine's accession to WTO with signing, by the Ukrainian President, of a joint declaration to form free economic zone with Russia, Belarus and Kazakhstan in March 2003. The declaration said the move was motivated by the desire to raise the standard of living in the region and by the need for sustained development. In their declaration, the four leaders said that an agreement to form the free trade zone would be ready by September. By that time, their governments should have negotiated common economic policies, harmonized legislation and created an interstate commission o-n trade and tariffs.

Except for political reform, of special note are a wave of manpower reshuffles at a variety of levels and abolition of the office of State Secretary. The Ukrainian President used to resort to manpower reshuffle so that to impose restrictions o-n personnel issues. In this respect, it would be expedient to recall the long-lasting political crisis caused by dismissal of the Chairman of the State Property Fund of Ukraine.

Gradually, relation of the government and the parliamentary majority got tensed. Resignation of Minister of Ecology and Natural Resources Vasyl Shevchuk, who had been elected to the government from the People's Democratic Party of Ukraine, was a drop in the bucket. Collisions between the government and the parliament did not impede approval of the Cabinet action program ensuring immunity of Victor Yanukovych till spring 2004. Meanwhile, the grain crisis that had emerged because of poor harvest and inaction of Yanukovych's government tarnished

reputation of the Ukrainian Premier and considerably decreased his chances "to reach the primary goal" in 2004.

In general, intrigues in the Ukrainian parliament got more sophisticated and use of dirty methods became more expensive and branched (e.g. false leaflets relating to Our Ukraine).

The parliamentary majority demonstrated its weakness, whereas the opposition stood its ground. The number of faction of Our Ukraine, Yulia Tymoshenko's Bloc, the Communist Party and the Socialist Party of Ukraine in the parliament remained almost the same.

Last days of the political season demonstrated that with regard to current political realities, center of influence could shift from the Presidential Administration to the parliament. This trend can even intensify on the threshold of 2004, since some of potential candidates for presidency will be nominated by the parliament. Most likely, the Verkhovna Rada is not ready for the above changes but appetite comes with eating.

### **Information on the Third Session of the Verkhovna Rada of the Fourth Convocation**

In summer, the end of political season usually coincides with summarization of the parliamentary session's results. Hence, at the third session of the Verkhovna Rada of the fourth convocation, MPs approved a total of 252 laws. 33 out of 36 presidential laws were enacted and three were approved at the first and second reading. The government presented the Verkhovna Rada with 221 legal acts, of which 113 regulations were passed and 48 were approved at first and second reading.

Subjects of legislative initiative submitted 1,465 drafts for consideration. So, this year's session proved to be the most efficient in view of the number of presented drafts. Apparently, each session, the number of drafts continues to grow in the line of ascent. Though, this does not mean that all legislative initiatives may turn into laws of Ukraine and that quality depends upon quantity.

MPs appeared to be the most productive subjects of legislative initiative by presenting 1,297 drafts. The Cabinet ranked the second - 129 drafts, followed by the President- 31 documents and the national bank of Ukraine - 8 drafts.

The number of drafts submitted to the Verkhovna Rada for consideration constitutes 1,393.

Taking into account laws presented at the 2003 session, it is possible to conclude that subjects of legislative initiative prioritized economic challenges and issues of industrial development, 429 and 229 drafts respectively. 158 drafts were on social policy, 62 - on administrative powers and 72 - on organizational issues followed by drafts on bilateral and multilateral international agreements, 17 and 31 bills respectively. 28 drafts related to policy ensuring the national security and defense. Also, the Verkhovna Rada was presented with 8 statement and address drafts.

Hence, economic issues prevail in the list of law-making priorities. As for activities of committees at the Verkhovna Rada, the Committee on Finance and Banking presented the largest number of drafts - 340, the Committee on Economic Policy, National Economic Policy, Property and Investment - 263, the Committee on Legal Policy - 215, the Committee on European Integration - 8 and the Committee on Fighting Organized Crime and Corruption - 19 drafts. However, the most serious problem of Ukrainian laws is not their number but how they are applied and implemented.

According to results of survey carried out by F-4 Laboratory in the frameworks of the Project "What Was Promised and What Happened", MPs from Our Ukraine submitted - 447 drafts, the Communist Party of Ukraine - 262, the Regions of Ukraine - 183 and the "Trudova Ukraina" - 173 bills. Though it is necessary to remember that the above figures are relative, for the number of MPs differs from faction to faction. Of course, 102 MPs from Our Ukraine have more human resources to demonstrate quantitative indicators. The survey results indicated much higher effectiveness of parties that did not belong to any faction - 8.4 drafts per member. Statistical data look as follows: the People's Party of Ukraine - 6.8 drafts, Narodovladdya - 6.1, Yulia Tymoshenko's Bloc - 5.7, the Socialist Party of Ukraine - 5.1, Our Ukraine and the Communist Party of Ukraine - 4.4 bills each and the European Choice - 2.6 drafts per member. 88 MPs did not register any draft during the session.

Activities of MPs at the session and their work with voters also deserve attention. The Committee of Voters of Ukraine (CVU) conducted monitoring of MPs' activities in their constituencies from February 1 till June 30, 2003. CVU emphasized that the level of deputies' activities in their constituencies remained stable compared to the previous session. About 90% of MPs elected in majority constituencies worked with voters. During visits to their election districts MPs held public hours - 47%, met with representatives of local administrations, mayors, attended sessions of local councils - 68%, held meetings in labor collectives - 35%, attended various celebrations - 75%,

participated in actions dedicated to discussion of political reform - 22%, held press conferences and gave interviews to the local media - 82%.

On the basis of the above data, CVU experts made a conclusion that active participation of MPs in discussion of political reform and in local election campaigns held in Sumy, Zaporizhzhya, Chernihiv and Mukachevo marked new tendencies in deputies' work. As for assistance rendered to voters by MPs, it did not differ much from that provided during the pre-election period and included equipment and transport means for healthcare and educational institutions, gifts to the poor, gasification, asphaltting the roads, organizing and funding different holidays and festivals. However, in their reports, MPs tried to prove that they had been lobbying their region's interests in the course of the legislative process.