

Trudova Ukraina elects a new chairman

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On November 18, 2000, delegates of the 2nd congress of the Trudova Ukraina ("Working Ukraine") unanimously elected Serhiy Tihipko, MP, as the party leader. The outcome of the voting was quite predictable: a few days before the congress the Trudova Ukraina's parliamentary faction leader Igor Sharov told the media that the party's political executive committee would include members of the parliament Dmytro Tabachnyk and Oleksiy Kostusiev. The media also spread the news that the party leadership would be offered to former Minister of Economy of the Yushchenko government, now member of the Ukrainian parliament Serhiy Tihipko.

None of the party's top activists was forgotten by the high assembly: Andriy Derkach, MP, became chairman of the political executive committee that included members of the Ukrainian parliament Igor Sharov (currently the party's official representative in the parliament and leader of the Trudova Ukraina parliamentary group), Victor Pinchuk, Dmytro Tabachnyk, Oleksandr Yedin and Oleksiy Kostusiev. Serhiy Tihipko got the chair of the Trudova Ukraina leader by the decision of almost 300 delegates from 23 regions of Ukraine. In fact, the party hardly has any members other than those who were present at the congress. Remarkably, the party does not try to keep its small numbers secret. Notwithstanding the current scarcity of the membership, the influence of the "powerful few" of its leadership on the general political process in the country should not be underestimated. Commenting on prospects for further development of the party, one of its leaders and founders Andriy Derkach noted: "the work in the regions will be carried out by party staffs that will cooperate with NGOs. We do not need to build up the party membership artificially" (Den, November 21, 2000).

The Trudova Ukraina demonstrates its own way of party-building by paying less attention to the grass-roots and local constituencies but seeking to establish its prominence in the Ukrainian parliament. Currently the Trudova Ukraina parliamentary group includes practically all of the party leaders and key activists. In that sense the Trudova Ukraina fits logically the paradox of the Ukrainian party life and electoral realities: the party that was de jure and de facto non-existent at the time of the March 1998 parliamentary elections currently has one of the most numerous and influential factions in the parliament.

Hence, the Trudova Ukraina is a typical "top-to-bottom" structure built at the top of the Ukrainian power machine. Unlike the older generation of Ukrainian "sofa-type" political parties of early 1990s, the Trudova Ukraina enjoys significant levers of influence on current political and economic realities. Creation of political grass-roots and winning voters' preferences need substantial investment of time and money. Yet in this case time and money factors seem to be logically linked and mutually supportive. This, among other things, may account for the party's clear focus on the future and the early (for a Ukrainian political party) start of a strong publicity and information campaign almost two years before the next parliamentary election, scheduled to take place in March 2002. The party leaders are aware that "by all means, it should not be allowed that the Trudova Ukraina remained for voters nothing but a TV-broadcast party," as Andriy Derkach put it at the recent party congress (Fakty i Kommentarii, November 2, 2000). Yet, so far the TV publicity has clearly dominated real recognition by potential voters. According to a public opinion poll, in March 2000 only 1 percent of potential voters were prepared to vote for Trudova Ukraina (Den, April 27, 2000). The number of potential supporters had not increased by October 2000, according to poll results announced by the Kyiv International Institute of Sociology. In this context it should be kept in mind that the party was initially built and publicised through the Ukrainian parliament. As the Trudova Ukraina parliamentary group leader Igor Sharov, the parliamentary group was meant as an instrument for building a party under the same name (Den, April 21, 2000).

So far everything has developed as planned. Initial information about the new faction to be formed was made public in late February 1999. The establishment of the Trudova Ukraina parliamentary block, the core of the would-be party, was announced on April 20, 1999. The founders included members of the parliament Igor Sharov, Victor Pinchuk and Mykhailo Syrota. The group was promptly joined by a number of high-profile politicians, some of them with strong links to the business community: Yuli Ioffe, Fedir Shpyg, Lev Mirimsky, Oleksandr Yedin, Zoryslava Romovska. Commenting at length on the event, the Ukrainian media wrote that "it is very hard to find true "workers" among the owners of plants, newspapers, ships - deputies Mirimsky, Pinchuk, Derkach, Sharov, Shpyg. The present-day leader of the group Mykhailo Syrota accounted for that peculiar miss-match in a rather original way: "As everybody knows, labor requires development of a serious economy, and economy, in its turn, is

based on finance. The Trudova Ukraina involves employers as well as those who work..." (Den, April 21, 1999). The newly-established group united 15 MPs; a few weeks later the number increased to 17. The "immigration" of MPs to the Trudova Ukraina from other factions and groups continued, particularly after Leonid Kuchma's presidential victory and the April 2000 referendum. Nowadays the 48-strong group is one of the largest formations in the parliament.

A demonstrative fact that fits well the electoral context and clearly indicates the long-term goals is that the title of the parliamentary group and the party was "borrowed" from the Trudova Ukraina, a 1997-1998 election block that consisted of the Chornobyl Union of Ukraine, the Association of Afghanistan Veterans, and the Ukrainian Veteran Organization. The block that actively struggled for a niche within the Ukrainian political environment but failed to overcome the 4-percent barrier needed to bring a party or a block to the parliament has nothing in common with the present-day Trudova Ukraina except its title.

The party, established on July 19, 1999, was among the most active, consistent and successful supporters of Leonid Kuchma's bid for re-election. No wonder that - regardless of the withdrawal of one of its founding leaders, Mykhailo Syrota - the party integrated into the system of division of power rather smoothly and effectively, for a number of key activists of the Trudova Ukraina had been closely associated with the "proper" political forces. During the January 2000 "velvet revolution" in the Ukrainian parliament the Trudova Ukraina became a major constituent of the newly-shaped majority. When the new government had to be formed following the inauguration of Leonid Kuchma as the "new" president, the Trudova Ukraina's executive committee announced that "the most acceptable" candidate for the position of the Prime Minister of Ukraine would be head of the Security Service of Ukraine Leonid Derkach. The list of preferred candidates included Valery Pustovoitenko, Anatoly Kinakh, and Mykola Azarov. The name of the current Prime Minister was not mentioned in the list. Later on, the Trudova Ukraina publicly criticized the government for the situation in the fuel and energy complex. In April 2000, for instance, the party's parliamentary activists argued that "nowadays Ukraine consumes probably the highest amount of energy, compared to other European countries. Besides, in our case 30 billion kW [of electricity] are lost (in other words, stolen) annually" (Ukraina Moloda, April 20, 2000). The party continues criticism of the government. Meanwhile, its new leader Serhiy Tihipko argues that the party's agenda, in addition to parliamentary activity, should include involvement in the parliamentary majority and, at some point in the future, to a coalition government "with the maximum number of ministers" (Holos Ukrainy, November 21, 2000). So far it has not been announced when exactly the declared changes are expected to occur, but the party's repeated statements suggest that the Trudova Ukraina will seek to reach the objective as soon as possible.

Serhiy Tihipko is a new political personality in the party's leadership and, therefore, deserves a closer look as the party's public "face". Given the new leader's general image, his career experience, the ability to build strategic and tactical relations with various participants of Ukrainian politics, the Trudova Ukraina is likely to benefit from the choice. Notwithstanding his rather successful business past, Tihipko has never been directly accused of being a Ukrainian "oligarch" or immediately linked to any of the "oligarchic" groups. This fact is a rather significant element for improving the image of the party and the parliamentary group that has the definition "Trudova" (i.e., "working") in its title and has been repeatedly described by opponents as an "oligarchic" formation. For instance, deputy chairman of the Socialist Party of Ukraine Iosyp Winsky, discussing "oligarchic" political forces in the Ukrainian parliament and in Ukraine in general, argues: "Among the oligarchic ones, we class the factions of the SDPU(o), the Vidrozhennya Rehioniv and the Trudova Ukraina" (Den, November 23, 2000).

According to observers, "the information gravitation center" in the party is its "official oligarch Victor Pinchuk" (Silski Visti, November 21, 2000).

With Serhiy Tihipko as the chairman, the Trudova Ukraina will probably seek to reduce the pressure of its "oligarchic" image and capitalize on Tihipko's own image of a leading "young reformer" and a person that has not been publicly accused of wrongdoings. Some time before the 1998 parliamentary election analysts pointed out to the fact that Serhiy Tihipko had a rather steady image of a representative of a "new generation of politicians" backed with a "new ideology" of consistent advocacy of market reforms while free from the voters' perceptions of "the negative "image" gathered, for instance, around Victor Pynzenyk" (Ukraina, Evropa, Svit, January 17, 1998). The "negative image" in this case was the widespread public attitude of "petty Ukrainians" to individual politicians routinely blamed for the hardships of the lasting transitional period. What was the fact in early 1998 is still true. Serhiy Tihipko, advertized as a reformer that was involved in three of Ukraine's Cabinets of Ministers, is normally not perceived by Ukrainian voters as contributor to their grievances and impoverishment.

When on May 15, 2000 Tihipko announced his intention to resign from his position of the Minister of Economy, the media viewed the move as a signal that "leading reformers" were leaving the

Yushchenko government. "The intentions of key reformers to leave the Yushchenko government can be viewed as unquestionable sensation", wrote Vechirniy Kyiv on May 28, 2000. Other newspapers agreed that the Tihipko's resignation was of a "demonstrative character". However, nothing special in the life of the government followed the resignation of its Minister of Economy and his arrival to the parliament in a new quality of an elected people's representative. Later on Tihipko criticized the government on several occasions and showed his disappointment with the government's performance: "... the organizational moments in the government do not function properly, there is no clear delegation of authority to individual ministers and vice prime ministers, clearly specified tasks are missing" (Den, July 14, 2000). Analyzing the government's economic achievements, Tihipko argued that "most of positive moves that may be seen in the economy nowadays are primarily temporary phenomena and not a result of a consistent governmental policy" (Den, July 14, 2000).

Serhiy Tihipko's way to the "greater politics" was marked by some specific inheritance. He learned about the nature and temptations of political power in early 1980s as an activist of the Young Communist League, the Soviet Comsomol. He started as a head of the Agitation and Propaganda Department of the Dnipropetrovsk Comsomol City Committee, and was shortly promoted to the position of head of the Agitation and Propaganda Department of the Dnipropetrovsk Comsomol Regional Committee. In September 1989, Serhiy Tihipko was elected to the position of First Secretary of the Dnipropetrovsk Comsomol regional committee. Several years later Tihipko argued that "the necessary knowledge for running the bank [he] received due to the broad practice of managing the Comsomol and the [Communist] party work". In 1997, commenting on the ideological transformation of his generation, he argued that "the last generation of Comsomol workers to which I belong, by its beliefs belonged to Social Democrats. They understood the necessity of private property."

After the quiet end of "perestroika" and the collapse of the Soviet Union Serhiy Tihipko chose to link his future with business activity. In October 1991-February 1992 he served as deputy chairman of the board of the Dnipro Design Bureau. In March 1992-April 1997 he was one of the leaders of the Privatbank. Tihipko became a public politician in 1994. On November 18, 1994, President Leonid Kuchma appointed him as his free lance monetary policy consultant. On January 22, 1996 the President ordered to include Serhiy Tihipko to the working group authorized to prepare The Presidential Report on "Economic and Social Development of Ukraine in 1995". On January 26, 1996 Serhiy Tihipko joined the Interdepartmental Consultative Council for Banking Activity. On April 8, 1997 President Kuchma signed a decree appointing Serhiy Tihipko to the position of Vice Prime Minister of Ukraine for Economic Reform. On July 25, 1997 his title was changed to that of Vice Prime Minister for Economy. In January 2000 Serhiy Tihipko joined the Yushchenko government as the Minister of Economy. A few months later, in June 2000, he left the government to take part in the parliamentary by-election on June 25, and eventually won a seat at the majoritarian constituency #36 in the Dnipropetrovsk region.

In early July 2000 Serhiy Tihipko announced his intention to join the Trudova Ukraina parliamentary group. The move was perceived with no doubt that the choice had not been made in order to remain an ordinary party member or to switch to unusual political roles. Shortly after Tihipko made his intention public his step was interpreted as an intention to shape his own political spring-board for returning to the government. On the other hand, the Trudova Ukraina itself could become such a spring-board at some point, but that is likely to take some time, notwithstanding the optimistic predictions that the election of Tihipko as the party's new leader would make substantial qualitative changes to its strategy. Speaking at the congress, newly-elected party chairman Tihipko announced that the party would focus on "socio-economic issues" (Segodnya, November 20, 2000). It was also argued that the Trudova Ukraina should become the "party of power", i.e., be directly involved in forming "the state power and the government". That, according to the new leader, "will make us working hard". Meanwhile, it becomes evident that Ukraine's "parties of power" find it increasingly difficult to win a place for themselves at the top of Ukraine's power structure, and feel increasingly uncomfortable without real masses of voters - with all the consequences of the situation.