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UKRAINE : A victorious democratic insurrection in Ukraine, led by nationalists. Workers torn between the two conflicting factions. The state on the verge of bankruptcy. The outcome of the insurrection in the hands of the world's great powers. The Russian army takes over Crimea and threatens eastern Ukraine.

The acceleration of history

The party is over in Kiev and the other rebellious Ukrainian cities. The institutional schedule has taken over: government of national unity; elections at the end of May; revision of the Constitution and election of a new President will all happen in the next few months as quickly as possible. The only real unknown is what will become of the industrial and mining area of the eastern part of the country and the Crimea, a peninsula in the Black Sea “rented” by Ukraine to the Russian fleet. These regions¹ seem torn between the secessionism fed by Putin's Russia and allegiance to the new regime which came out of the democratic insurrection of 18 February, when the security forces attacked the Independence square barricades² and succeeded on the 22nd with the painless seizure of the citadels of power located just a stone's throw from the Square.

The revolt which led to the acceleration of history in this area started out on 21 November 2013, with the refusal of Ukraine to sign a commercial partnership treaty with the EU. It was a turn-around caused by Russian pressure on their friends in power in Kiev, including the big boss, President Viktor Yanukovich. Peaceful demonstrations followed, without even the glacial winter of the Ukraine dissuading people from participating. On 1 December, the Square, renamed Euromaidan, was occupied. Despite a few attempts by the authorities to “liberate” it, it would not be abandoned by the oppositionists. On 17 December, nine days after the gigantic demonstration (around 800,000 participants) of the pro-European opposition, Viktor Yanukovich announced the signing of a strategic agreement with Vladimir Putin on the purchase by Russia of 15 billion US dollars of Ukrainian sovereign debt and a reduction by a third of the price of the natural gas which the Ukraine imports from its large neighbour.

The government offensive didn't stop there. On 16 January, the Parliament, controlled by the President's Party of the Regions³ voted in a bundle of repressive laws aimed at preparing the ground for a direct and conclusive confrontation with the occupiers of Maidan. That didn't happen: the first two killings of protesters by the security forces happened six days later, on 22 January. The revolt grew. The western cities fell under the *de facto* control of the oppositionists. On 27 January Russia sent a first tranche of 2 billion dollars. The Prime Minister Mykola Azarov, close to the president, resigned on 28 January and Parliament annulled the emergency laws passed less than two weeks before.

The last attempt at mediation by Yanukovich was on 29 January: a promise of amnesty in exchange for the protesters abandoning the occupied palaces of power. Nobody believed in the promises of the government. Mobilisation continued. On 14 February, 234 imprisoned oppositionists were released. On the 16th, the occupiers of the Kiev Town Hall suspended the occupation because of the amnesty for the freed prisoners.

The government ordered the encirclement of the Maidan. On 18 February the first battle raged. At least 20 oppositionists were killed, hundreds wounded. On the ground, the resistance involved around 30,000 people ready to fight. Armed confrontations followed. The death toll was heavy. From then on, the deaths could be counted in tenths, maybe 100. At the same time, the diplomats got to work. Without too much conviction and divided amongst themselves (the southern European countries, Italy, Spain and Greece, but also the UK held back), The EU threatened economic sanctions. More concretely the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) suspended their financing of Ukrainian industrial and infrastructure projects⁴.

¹ Oblasts of Kharkiv; Donetsk; Dnipropetrovsk; Lugansk and the Crimea: 15 millions inhabitants out of 46 million across the country.

² Maidan Nezalezhnosti, that we will call the Square in the rest of this text. It's in the centre of Kiev, and was already a theatre of massive demonstrations in 2004 which protested against the presidential election fiddled by the government of Viktor Fedorovich Yanukovich and the powerful clan of steel barons from Donetsk, a city of a million inhabitants situated in the rich mining basin of Donbas around 600 km to the east of the capital (which has around 3 million inhabitants).

³ Created at the end of October 1997, the Party of the Regions generally had a majority in the regions of the east and south east of the country. A regional and ethnic party, it is Russian-speaking and committed to defend the rights of Ukrainians of Russian origin. In the parliamentary elections of 2012, this formation won 185 seats out of the 450 that make up the assembly. They could count on a total of 210 MPs before the defection of around 40 of them between December and February.

⁴ The EIB, the European bank for financing at very low rates, has invested 2.1 billion euros in the Ukraine since 2007. This is in projects including the extension of Kiev metro, the modernisation of the system of air traffic control and credit to SMEs. The EBRD, whose activity concentrates on the

On 20 February, Anders Fogh Rasmussen, the Secretary General of NATO, with which Ukraine is discussing since 1997, told Kiev to cease repression and not to use the army. The USAF general, Philip Breedlove, Supreme Commander of the Armed Forces of NATO in Europe, called on the Ukrainian high command to enter into a direct dialogue (bypassing the government) with NATO – an undisguised appeal for the generals to disavow the President. Straight away Yanukovich sacked Colonel General Volodimir Zamana, the army chief of staff, and replaced him with the pro-Russian admiral Yuri Ilyin. The army was called to defend its installations.

On 20 February, In Lviv⁵ and in other western cities⁶, protesters seized guns and ammunition from police stations (1,500 rifles and 100,000 bullets, according to the SBU secret service). In the west, elected officials and local functionaries of the state went over to the opposition. The state promised anti-terrorist operations. Nothing happened. European diplomacy (France, Germany, Poland) and Russia agreed on six points of compromise on 21 February⁷. But the Square, which had survived attacks from the forces of repression and sniper fire from the special forces, wanted the end of the regime and in particular the immediate fall of Viktor Yanukovich.

The executive collapsed. The president fled and reached Russia after some attempts. He denounced a *coup d'état*. The protesters took over the ministries and the presidential palace. Declarations of allegiance to the new government from the former opposition of administration officials rained down. The democratic insurrection had won. The former Prime Minister who'd been imprisoned for three years was freed. Presidential elections were fixed for the 25 May. The constitution of 2004 was restored. The presidential extraordinary powers inscribed in the fundamental charter of 2010 were removed. So here's the script of the main events of the last few months. What were the causes?

A national question which was never completely overcome

The language issue remains one of the factors dividing Ukrainian civil society. If Ukrainian has been the official language since the revolution of October 1917, a third of the country have Russian as their first language. One of the dearest themes of the Party of the Regions since its constitution has been to guarantee the status of Russian as an official language next to Ukrainian. The collapse of the Russian bloc and Ukraine's declaration of independence has

former countries of the Russian bloc, has invested 8.7 billion euros in Ukraine, in banks, infrastructure and energy.

⁵ 730,000 inhabitants, the biggest town in western Ukraine, 70 km from the Polish border and 470 km west of Kiev.

⁶ Ivanovo-Frankivsk and Ternopil.

⁷ 1) Return to the Constitution of 2004 in 48 hours and commit to form a new coalition government within 10 days; 2) Immediately begin a constitutional reform establishing a reversal of powers between the President and Parliament which must be completed by September; 3) A presidential election as early as is possible but not after December; 4) The creation of a commission of inquiry into the recent acts of violence; 5) A vote for a new amnesty; 6) Commitment by parties not to use force.

revived linguistic conflict in the country with the nationalists always expressing a desire to get rid of Russian. This tendency has already been seen in the Baltic countries in relation to their local languages.

Behind the language issue lurks the profound demographic and above all economic division of the country. The eastern provinces are more densely populated, more industrialised and richer. The average wage of the eastern region of Donetsk is higher than that of the western region of Lviv by more than a third. There is a high level of economic integration between eastern Ukraine and Russia. Integration is founded on the system called *tolling*. Under this system, Russian companies can locate their production in Ukraine while importing raw materials into this country without paying customs duties and VAT. The goods produced are then re-exported to Russia or to third countries to be sold there. The *tolling* system is not reserved for Russian companies but they are the main beneficiaries, and have been for a long time. It's a good example of transnational economic integration founded on unequal exchanges of a semi-colonial type, in the pure style of the old Stalinist empire.

The same goes for energy dependency. Russia has always used the lever of dependence represented by the "political" price of energy products to tighten the links of dependence with its neighbours, including Ukraine. The latter imports 90% of its oil and most of its natural gas from Russia. Natural gas from Turkmenistan also goes through its powerful neighbour. At the same time, 80% of the natural gas sold by Russia to the EU countries passes through Ukraine.

Another vital element: the Russian banks are very involved in Ukraine. In November 2013, Vladimir Putin said that their exposure to the neighbouring country had risen to around 28 billion dollars, of which half related to Russian credit institutions controlled by the federal state (notably Vnesheconombank but also Gazprombank, the bank of the giant gas-producer Gazprom which is where Prime Minister Dmitri Anatolyevich Medvedev, the devoted supporter of Putin, came from), as claimed by the ratings agency Fitch Ratings. Around 75% of the loans from Russian banks were allocated to Ukrainian companies or to Russian or Ukrainian bosses so that they could buy local companies.

In addition, almost a third of Ukraine's foreign trade is with Russia, its main commercial partner. It's not by chance that the first statement by Moscow after the democratic insurrection carried the threat of raising the customs duties on goods exported from Ukraine. This largely explains the close relations between the two countries but also the interminable disputes between them over the price of energy and transport tariffs. These disputes have intensified institutional political struggles in Ukraine and have revived the various nationalisms found in the country. Let's remember that, faced with Soviet imperialism, as Victor Serge said, Ukrainian nationalism largely aligned itself behind Nazi Germany during World War II. Then, as now, "*the enemy of my enemy is not necessary my friend*".

A state incapable of making its own interests those of all the factions of the dominant classes and of representing all of civil society

The first consequence of the residues of the national question which impede capitalist development in the Ukraine is found in the chronic incapacity of the independent state to embody the unitary interests of the bourgeoisie. The bourgeois press is full of anecdotes on the more or less civilised brawls between the oligarchs, the bosses enthroned by the privatisations following the collapse of the Russian empire and the crisis of its capitalist economic model. When parliamentary and presidential majorities are overturned, the nationalist parties, “Ukrainian” or Russophile defend the interests of their powerful proxies to the detriment of others in the opposing fraction. This permanent political fracture which follows the internal geographical frontiers drawn by the specific economic formation of the country is the reflection of an internal market whose unification has not been achieved.

This is a political fracture which can also be found in an almost identical way in the relation of the state to civil society, without even considering the military domination by Russia that Kiev is subjected to. The Black Sea Russian fleet is still based in the Crimea. On 21 April 2010, the deposed Ukrainian president had extended the right of Russia to the military naval bases in the Crimea to 2047 in return for discounts on natural gas prices. Finally, the corruption and inefficiency of the administration coming out of the imperial Russian state bureaucracy has certainly not helped reconcile Ukrainians with the state.

A crisis of valorisation and a fiscal crisis of the state which has lasted a year and a half

In December the IMF reckoned that the crisis of valorisation had lasted since mid-2012. Between January and September 2013, Ukrainian GDP fell by 1.25% relative to the same period the previous year. The IMF attributes this to the fall in exports and investment. At the end of October the reserves of the Central Bank were equivalent to only two and a half months of imports. The IMF predicted a modest return to growth in 2014, thanks to the gradual upturn in external demand, exports of cereals and the resulting increase in household consumption.

“However, this prevision is subject to substantial risks incurred by an inconsistent economic policy and raised again by the economic and political uncertainties of the last few weeks”.

Since then, the official foreign currency reserves of the Central Bank have fallen to less than 18 billion dollars, against more than 20 in December, stressed a note from Standard & Poor’s. The depreciation of the Ukrainian currency, the *hryvnia*, has accelerated (by 11% against the dollar since January) increasing the import bill even more. In January the Central Bank spent 1.7 billion dollars from its reserves to defend the currency. Net public debt will have to rise to 43% of GDP this year, against 36% of GDP in 2013. A supplementary problem is that around 55% of Ukrainian

public debt was contracted in foreign currency. The banking system is very fragile: between 30 and 40% of all its loans are difficult if not impossible to recover. Worse, 34% of bank credit is denominated in foreign currency.

The consequence: interest rates of bank loans to companies can reach 25/30%, compared to 7% in Poland. The channels for financing economic activity vanish from sight and the state does not have the ammunition for a contra-cyclical policy. Crisis of valorisation, fiscal crisis of the state leading to payment default (according to the new authorities in Kiev, the country is in urgent need of 35 billion dollars to avoid bankruptcy) and the financial crisis mounts, creating fertile ground for the political crisis which led to the democratic insurrection.

A democratic insurrection dominated by Ukrainian nationalism

The nature of the insurrectionary movement should not be confused with its outcome or with its political and military leadership. Its final result is still largely unknown because so much depends on the geostrategic game which follows it. Its political and military leadership has been undeniably in the hands of the nationalists and pro-Nazis particularly from 1 December, with the occupation of Kiev Town Hall after the first confrontations with the security forces the day before. However, the gigantic movement of the masses which led to the insurrection at the end of February cannot be reduced to the simple expression of a plot hatched from abroad as is claimed by Russian diplomacy or even a resurgence of the pro-Nazi extreme right from the last world war, as is claimed by a great many leftists, Stalinist parties and the clique in power in Moscow.

The first pro-European posture of the protesters was founded on the illusion that Europe can still bring about: an area of freedom, of freedom of movement, high wages and social protection, states which are efficient and not corrupt. Certainly it’s an erroneous image but one which was held up against that of the Ukraine of yesterday and today. The traditional “Munich” spinelessness of the European states faced with the iron fist of Russia and the brutality of its Ukrainian serf delivered the rebellious crowd to the worst local nationalists. Already diluted in an interclassist unanimity, the social content of the struggle was wiped out, leaving nothing in its place but national demands for more democracy (return to the Constitution of 2004), clean hands and honesty in the running of the state (elimination of the Yanukovich regime). And yet, everything is not decided in advance.

The consequences of the crisis, starvation wages, the dismantling of subsidies and mechanisms of social welfare (the progressive installation of a system of pensions based on personal contribution) along with the accelerated insecurity of the labour market (rewriting of the Labour Code with a reduction of legal defences for workers) make the case for a different outcome. The personalisation and the inevitable militarisation of the struggle have decided otherwise. Yanukovich became (almost) the only thing to fight. The reduction of the confrontation to its purely military

dimension favoured the extreme nationalist fractions who were the first to put themselves on this terrain in an organised fashion. **Clearly, they won the political battle for the militarisation of the movement.** The militarisation was unstoppable when we consider its growing radicality and the response of the state.

For the moment, the popular insurrection has achieved its primary objective, to make Yanukovich leave. Then to install the parliamentary opposition in power, to call elections at the end of May, free the political prisoners and return to the 2004 Constitution. These objectives cannot be described as extreme right, and they do not raise the spectre of an even more authoritarian involution of the state. This is the reason why the insurrection has remained so far in the framework of classic bourgeois democracy.

Certainly the growing strength of the neo-Nazis and radical nationalists must not be underestimated. They were the ones who took over the government buildings first. They were the ones who paid the highest price in blood. Their prestige grew even amongst those, very numerous, on the demonstrations who did not share their strategies and their programme of the restoration of a strong state, even one which is overtly dictatorial, racist and warlike. Another negative point, the worst from our point of view, is that **the workers have never been present in the conflict as a class and even less as a class for itself.** Torn along the lines of fracture which cut across the whole of civil society they are ranged on one side or the other or, above all, on no side, in a total indifference. The information coming out of Donbas is not reassuring, showing a certain support to partisans of the old regime.

The square was stuffed with wage earners and the poor. The insurgents showed great proof of courage and radicality even if some leftists saw them as “the middle classes”, students and the petty bourgeoisie. But the massive presence of proletarians is not sufficient to fill an insurrection with a social content and even less to make it into an episode of proletarian revolution. The total absence of strikes is the most blatant proof of that. Workers’ insurrections give priority to taking over barracks, factories, prisons, communications and less to what seems to be the mode put forward by alter-globalisers and other radical democrats: the occupation of the central squares of capital cities and/or places of government power. A workers’ insurrection aims at the destruction of the state, while a democratic one aims to reform it so as to make it stronger. The Ukrainian democratic insurrection is not a revolution with a social soul taking a political form but rather, as Marx said, a “*bourgeois revolution with a political soul and vaguely social forms*”.

There is no alternative: revolutionary proletarians must take their place in these type of movements by promoting their social content. To do this, it’s necessary to put forward the theme of the struggle against exploitation in the factory, in workplaces, in working class neighbourhoods, of the fight against all bourgeois states, independently of their specific regimes, as well as the political independence of the working class. Democratic demands must be transcended by the practice of a new social order, by the installation at the

base of new rules and ways of cooperative life inspired by the revolutionary process. Revolutionary proletarians do not call on the state to give them freedom, they take it. In this framework the first enemy to beat is the one which slides into the movement, whether it is social-democratic, Stalinist, liberal or fascist. In Maidan, the most dangerous enemy is now represented by the numerous Nazi and extreme right formations. With them, no dialogue or peaceful competition is possible. Only direct confrontation is the right approach.

Now Russia has taken the initiative again. On orders from the Kremlin, its Marines and special forces occupied the administrative buildings in Sebastopol and Simferopol and blocked the roads to the rest of Ukraine. In Perevalne they tried to disarm the coast guards loyal to Kiev and create a *casus belli* which would justify a larger offensive. The fate of the Tatar and Greek minorities doesn’t look good. The signal sent by Putin is clear: the Ukrainian contagion must not spread and the base at Sebastopol, rented or not, is part of Russia. At this stage it’s difficult to tell if Moscow wants to push the military occupation of Ukraine further by taking over the eastern regions of the country. In Kiev, Russian aggression has reinforced national unity on the basis of a general mobilisation of reservists. This leaves even less space in the immediate future for autonomous initiatives of the proletariat. In this unfavourable context we can only salute the courage and lucidity of the anarchist comrades of the AWU⁸ who reacted to the new situation by coherently defending class positions⁹.

Faced with the Russian occupation of the Crimea with the added threat of invasion of the eastern regions of the country, the only possible response for revolutionary proletarians is that of defeatism in both the bourgeois camps which face each other. The colonial policy of annexation and Russification of the eastern Ukrainian provinces is a reflection of the Ukrainian nationalism triumphant in the west. Yet every annexation accelerates the course to capitalist war. Revolutionaries at all times reject annexations not in order to defend the territory of such or such a state but rather because they are an important step towards war. And capitalist war is terrain which is particularly hostile to the emergence of the proletariat as a class for itself.

Rejecting Russia’s colonial policy of annexation and promoting defeatism in the two bourgeois camps confronting each other today constitutes the two indispensable bases of an independent workers’ politics in the region.

⁸ AWU : Autonomous Workers Union

⁹ <http://avtonomia.net/2014/03/02/awu-statement-russian-intervention-uber-die-russische-intervention-erklarung-der-autonomen-union-der-arbeiterinnen-kiev/>