

№10 (18 December 2014)

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THE RAZUMKOV CENTRE NEWSLETTER

THE NEW VERKHOVNA RADA HAS ALL THE CONDITIONS FOR EFFECTIVE WORK

The Rada elected by the early parliamentary election will significantly differ from the previous parliaments in its structure and, I hope, in the way it will work. First of all, since the election campaign had started, it was clear that in this Rada, the majority will be formed of the political parties that share common political objectives. In fact, like-minded politicians have gathered in this Rada.

The coalition of 302 people's deputies has been now formed. It is slightly more than the constitutional majority. This is the first precondition for at least stable majority necessary for decision-making in Rada.

Moreover, this Rada has been significantly updated – in this Parliament, there are over 240 deputies who were elected for the first time. Also, these people are active citizens: media representatives, civic activists and representatives of volunteer battalions – all are politically active people. Furthermore, they all share pro-European views. These people are not burdened with negative things which were typical of the previous convocations of the Rada, and are not involved in political corruption. Therefore, there is hope that they will bring a new style of political behaviour and decision-making into the work of this Parliament, which

will meet the standards of transparency, openness and accountability to their voters.

Thus, there are expectations related to the new quality of work of the Verkhovna Rada and the new quality of deputies.

Now there is a huge demand for normal, meaningful work of the Parliament, namely in terms of the implementation of goals that the citizens of Ukraine supported at the Maidan and support now – goals related to the European integration.

It was often said that political parties spent a lot of time on the coalition agreement. However, this work actually showed the interest of all the political parties in outlining the document carefully and determining the tasks they will address during their work. Thus, this Verkhovna Rada has the conditions for its meaningful work.

Full <u>text</u>

Deputy Director, Director of Political and Legal Programmes of the Razumkov Centre Yuriy YAKYMENKO



National Security and Defence

NOT ONLY MILITARY PERSONNEL BUT ALSO POLITICIANS SHOULD BE INVOLVED IN THE REFORM OF THE ARMED FORCES OF UKRAINE

The issue of defence resources in the broadest sense, including army reserves, has been discussed in Ukraine for a long time. Back in 2004, when the first strategic concept of development of the Armed Forces was formed, we wondered how the Ukrainian Armed Forces should look like and which place reserves would take in this system. However, as a result of the trend in the defence policy implemented by Yanukovych's Government, the army had become a gold mine for certain economic groups. When the aggression started, the issue of reserves has not only become critical - it has become major. For the Armed Forces were virtually destroyed back then. Hence the issues with equipping volunteer battalions, and now the issue of provision has arisen, in particular with winter clothing. Related corruption scandals in the Ministry of Defence ended mostly with charges against people who actually did not make any decisions.

In Ukraine, taking into account the experience and mistakes of other countries, our own model of the security sector should be created – and, thus, of its own human and material reserves. However, the country's army system should not be reformed from the inside, i.e. by the military personnel alone. Back in summer, the public suggested to create a committee on security sector reform within the Council of Reforms of the Presidential Administration headed by Dmytro Shymkiv, which could be managed by leading politicians vested with sweeping powers – up to hearing the leadership of the security forces as well as forming expert groups in different areas of reforming the Armed Forces. Then the Armed Forces of Ukraine would get public support. Now some just-in-time reform concepts are appearing, separately for each department. They will try to combine them somehow.

The efforts to reform the Armed Forces and their reserves should be comprehensive, also including stabilisation of the economy, in particular in the areas



affected by the aggression. We should not allow Putin to implement all his plans, which are to destroy Ukraine as an independent state.

When comparing human and technical resources and reserves of Ukraine and Russia, it should be noted that in Russia they are limited on the basis on their use. Ukraine is not the only place where Russia may need these capabilities. They say that Putin will start attacking Ukraine next spring. However, I predict that the attack against Russia will start in Central Asia. The so-called Islamic State may become more active there. As a result, Putin may lose his positions. However, he will not allow it because energy sources are there. The Islamists have serious plans there. They need energy flows to make profit, provide for the troops, and continue the expansion. They will not give it up. To confront them, Putin will need forces, money, and reserves. Putin conducted the training of reservists not near Ukraine but in Central Asia. In spring, significant forces of China and Russia may be needed there again.

The overall military capability of Russia is significantly – 4–5 times – greater than the military capability of Ukraine. However, there are many more places to use this capability. In our defence, we are focused mainly on the eastern and northern areas. As to confrontation with Russia, the degree of concentration of our military capability is higher, and the level of motivation of our soldiers and resources is also higher.

Full <u>text</u>

Director of Military Programmes of the Razumkov Centre Mykola SUNHUROVSKYI



THE IMPLEMENTATION OF REFORMS WILL PROVIDE THE GOVERNMENT WITH SUPPORT OF THE SOCIETY AND WESTERN PARTNERS

The conflict with Russia will last for years, and it is impossible to resolve it by military means only. The way out can be found in combining political, diplomatic, and military tools.

Despite a massive propaganda campaign launched by Russia, Ukraine managed to maintain international support.

Today, the willingness of the EU and the U.S. to help Ukraine can be observed at all the levels because everyone understands – there is much at stake in Ukraine. However, a lot will depend on the ability of the Ukrainian Government to prove that they are committed to real reforms and the creation of an entirely new country. First of all, it is about economic reforms and fight against corruption. If there are even



Co-director of Foreign Relations and International Security Programmes of the Razumkov Centre Oleksiy MELNYK the smallest steps in this direction, I think the support will get even stronger.

The conflict in Donbas required rapid decisionmaking, which is often impossible due to complex bureaucratic procedures. When some show heroism on the front line by voluntary fulfilling their civic duty, the state mechanism continues to work in the normal mode of comfort. It is not able to switch to the mode of wartime, especially mentally. Hence the issues with supply and management of the army.

Many lost friends. Many – so many – looked death in the eye. Now it is quite difficult to give them nothing but promises. The government is well aware of the threat of the third Maidan. This is a great challenge and, at the same time, a great opportunity. Politicians are well aware that at any moment, they can be driven out as the previous government. Given the radicalisation and the number of weapons in the country, I am afraid the next Maidan will not be peaceful. Only real problem solving can prevent this scenario.

Full <u>text</u>

Economy

THE NEW GOVERNMENT WILL HAVE TWO MONTHS TO SHOW ITS WILLINGNESS TO IMPLEMENT REFORMS

The government's activities can be described as follows – could have been worse. The fact that Yatseniuk's team "prevented the country" from even greater cataclysms is its achievement. On the other hand, you cannot but say – reforms have not been implemented. It is not surprising that there is certain discontent both in the society and among international partners.



The lack of reforms is largely explained by the elections – first presidential, then parliamentary. Thus, neither the prime minister's team nor the president's team wanted to take unpopular steps. I think the newly created government will have two months to demonstrate its commitment to fundamental change. It does not mean that the results should be there in two months. If during this period, there is a shift from words to deeds, we will be trusted, and investment will start returning to Ukraine. For without investment, implementation of a large-scale systemic reform is impossible.

Full <u>text</u>



Senior research fellow of the Razumkov Centre Volodymyr SIDENKO

CHANGING THE REGIONAL POLICY IS THE MAIN CONDITION OF ECONOMIC REFORMS IN UKRAINE

We have many appointments of people who are not involved in the Ukrainian political traditions. This is both the minister of finance and the minister of economic development. This is a positive thing but it does not guarantee success. It is very important that any impulses that will emerge at the level of ministers or the government in general are relayed to the society, and also to the regions with rather specific conditions. There should be a special approach to each region. The issue of regional policy has now become almost central. Any modernisation requires investment - even if not funds, then your own efforts. The problem is that when we say the word "expensive", everyone thinks that it has to be the budget or the government. However, many things require business investment. Our country must change. All that we have seen since the creation of Ukraine is a modification of the feudal state that gives you some privileges but for this, you have to pay rent regularly. This is not even corruption but the feudal system of relations. We should get rid of it. The state should become a result of an agreement between the society and those whom they chose. The state should become a public institution which would implement common interests. In present

conditions, it means that it should share resources; it should not collect such an amount of tax but enable businesses to develop, be responsible, and ensure law and order in the country. First of all, we should have normal courts. In the country where there is no court, there is no law.

Reforming the system of government procurement is urgent. Our system of government procurement is one of the most corrupt areas. Also, the local government reform and the financial system reform are necessary so that more money stay local. If there is no redistribution of tax at different levels and all the means go to the centre, we will not cope with the system of kickbacks. There should be a clear redistribution between central and regional governments. Everyone should have his own source of income set by the law. Nobody has the right to intervene in this source of income.

Full <u>text</u>

Senior research fellow of the Razumkov Centre Volodymyr SIDENKO

RUSSIA WANTS TO CONTROL THE SOVEREIGNTY OF UKRAINE IN FOREIGN POLICY

It should be noted that the decision of the IMF was made considering the opinion of major shareholders, including the U.S. I think of the IMF aid as substantial – had it not been two tranches from the IMF, our foreign exchange reserves would have been much lower, and we would have had big problems with external debt service. The IMF resources have become a stabilising factor which prevented a collapse of the financial system of Ukraine. If now we use the resources properly, we can expect increasing receipts in the form of financial aid next year.

Now the Ukrainian government should demonstrate maximum transparency in using the IMF funds. The prime minister should report how foreign loans from international financial institutions were used in 2014. We need a clear and transparent report to increase the confidence of foreign partners.

Any statements on exactly how much money Ukraine needs for the implementation of the EU Agreement are speculative. For insignificant resources can also be used effectively, having a significant effect, as well as large amounts can be used without any effect for the country. Therefore, it is now important to look at how the economy is coping with the resources provided because it is not Western countries but us who should change ourselves and implement changes based on their assistance.

Full <u>text</u>

Director of Economic Programmes of the Razumkov Centre Vasyl YURCHYSHYN



OVERCOMING CORRUPTION WILL ALLOW UKRAINE TO RECEIVE FURTHER INTERNATIONAL FUNDING

Foreign countries will continue to provide financial assistance to Ukraine if they see that the new government is really committed to overcoming corruption in the country. The government is ready for this because it has no other options.



Everyone makes no bones about the fact that any assistance to Ukraine is effective and actually possible only if Ukraine really fights against corruption. The issue of transparency of the government's actions, and transparency and effectiveness of using international funds is an extremely important task on the agenda.

It is very important for the Ukrainian government to show initiative and clearly demonstrate that its actions are really aimed at fighting corruption, and that the resources it has received and is going to receive in the near future are used strictly as intended and in no way can be involved in any private or corruption schemes. If the Ukrainian government does not cooperate with international financial institutions and tries to cover up various problems, the process will go back. Even if corruption schemes are not completely closed, and their existence is suspected, with resistance of the government, such things can significantly complicate the situation.

Full <u>text</u>

Director of Economic Programmes of the Razumkov Centre Vasyl YURCHYSHYN

Energy

DESPITE THE LACK OF FUEL, UKRAINE CONTINUES TO EXPORT ELECTRICITY TO THE EU

The main sources of electricity in Ukraine are nuclear power plants that run on nuclear fuel and thermal power plants that run on coal. Power cuts in Ukraine are primarily connected with the lack of coal at thermal power plants. Unfortunately, electricity production cannot be moved to nuclear power plants because their capacity cannot meet all the needs of Ukraine.

Now nuclear power plants are operating as usual, i.e. they cannot respond flexibly to mode changes which occur at different times of the day – for example, when most electricity is consumed, from 7pm to 9pm.

Of course, nuclear power plays an important role but it cannot replace thermal power plants completely – neither today nor in the future. It should be said that Ukraine still has not stopped electricity export. It was terminated only in some countries – Moldova and Belarus – but it continues to Slovakia and Hungary.

However, it is difficult to say whether stopping the export could improve the situation in Ukraine. For



electricity is supplied to Europe from the Burshtyn Island which is completely separated from the Ukrainian energy system. In fact, it is theoretically possible to connect it so that this electricity would go to Ukrainian consumers but this requires calculating how much it will cost and how long it will take.

As most European countries, we are an energydeficit country. As to electricity, it is theoretically possible to buy it in Europe, not in Russia. However, the Ukrainian gas pipeline system should be synchronised with the European system, and an extensive system of power lines should be built in Ukraine.

As to Ukraine's potential partners, Moldova could help us export electricity but it also has limited abilities; the same situation is Belarus. Another option is Russia but it is not a reliable partner.

Our problem is not electricity – we have enough capacity; we only lack fuel. We can buy mazut or coal in other countries – this scenario should get more attention as it is much better than buying energy in Russia.

Full <u>text</u>



Director of Energy Programmes of the Razumkov Centre Volodvmvr OMELCHENKO

EMERGENCY POWER CUTS WILL CONTINUE FOR A LONG TIME ALTHOUGH THEY COULD HAVE BEEN PREVENTED

The crisis that arose in the Ukrainian energy sector cannot be overcome in the near future because too much time was lost. So the only chance to save the country's energy system is emergency power cuts.

We should have acted earlier, in advance. Now it is difficult to get out of the situation. Now the only way is emergency power cuts and restrictions of power supply in the regions and for enterprises. Now there are no other means to maintain the energy system.

It is not possible to quickly buy coal abroad. Coal is not delivered immediately. For purchasing, you should have contracts. Entering into a contract and importing coal – it all needs time.

We should have thought before where to get energy, and now it is too late. We cannot buy fuel in a week when we lost six months. Now we are in a critical situation, and this issue will not be solved quickly.

Importing coal from South Africa, Australia, or Vietnam is a rather complex process, and it takes a long time. At the same time, it is just silly to count on the procurement of energy in Russia – the country that wants to destroy us.

Full <u>text</u>

Director of Energy Programmes of the Razumkov Centre Volodymyr OMELCHENKO

Foreign Policy

WITHOUT REFORMS AND OVERCOMING CORRUPTION, ASSISTANCE FROM THE WEST WILL DO NO GOOD TO UKRAINE



Speaking of Russia's position towards Ukraine, I would distinguish three stages of evolution.

The first one is a soft belief in Eurasian integration.

The second one is rigid enforcement combined with financial and economic methods.

The third stage is violent aggression. The basic element of the Russian policy is blocking European integration of Ukraine that is ruining Russian integration plans in Post-Soviet states.

All the basic documents of the Russian Federation related to foreign policy should also be considered – The Concept of Foreign Policy, Military Doctrine, and the first decree of the Russian president in May



2012. In general, they state that for Russia, Eurasian integration in Post-Soviet states is a top priority of foreign policy conceptually. It is recorded in these documents.

Here Ukraine was a key element. These are the so-called two cores of integration. The financial and economic integration core is the Customs Union and the Eurasian Union. Also, the military and political core – the CSTO (Collective Security Treaty Organisation). Russia has identified Post-Soviet states as an area of its privileged interests. Ukraine appeared to be in the centre of two integration waves. On one hand, it is the European Union, and on the other hand, it is the Eurasian Union.

This year, an important event took place the signing and ratification of the EU Association Agreement. This is a key document that determines the relations between Ukraine and the EU for many years. Today this document is vital for Ukraine. It is one of the basic structures of the country's development in the long term. It is about comprehensive reforms in various fields. First of all, it is the socioeconomic sector. It is the reform of law enforcement agencies and the judiciary. This is a transformation of the energy sector as well as tourism and space. Clear parameters by which the country should develop in the context of the implementation of this Agreement have been defined. This document opens the door to the European community before us. The first chapters of this document refer to security cooperation. There is a number of points referring to a joint fight against terrorism which is very important today. The implementation of these points is paramount for Ukraine.

Also, Ukraine has already received two tranches of assistance from the European Union. Packages of financial and economic assistance have been allocated by the U.S., Japan, Australia, Switzerland, and Canada. Certain humanitarian aid from the UN has been allocated. This is a substantial assistance.

This assistance will be effective and productive under two conditions. The first one is the implementation of domestic economic reforms in Ukraine.

The other one is an effective fight against corruption. These are fundamentally important issues. Assistance to Ukraine from the West goes in different directions. It is loans, opening lines of credit, new projects, grants, and humanitarian aid.

Speaking of Russia-Ukraine relations, there is a number of issues here. First of all, it is Crimea and European integration of Ukraine.

Crimea is a long-term problem that has completely different resolution mechanisms. In this case, Russia just took over Crimea, and the world and Ukraine did not recognise this decision.

In Donetsk and Luhansk Oblasts, in turn, there are hostilities. First of all, there should be a ceasefire. The Minsk agreements provide for this – ceasefire, exchange of prisoners, and the withdrawal of artillery. The main condition which has not been met today is border control.

One of the worst things about this bilateral conflict are casualties, territorial losses of Ukraine, and tremendous economic losses. However, it is also very important that there is a deep dividing line between the citizens of Ukraine and Russia.

80% of Ukrainians believe that over the last year, relations between Ukrainians and Russians have worsened. 70% of Ukrainians have negative attitude towards V. Putin. In Russia, it is the opposite. This alienation is long-term. Ukraine has had a serious traumatic experience which will be extremely difficult to heal.

Full <u>text</u>

Co-director of Foreign Relations and International Security Programmes of the Razumkov Centre Mykhailo PASHKOV



TODAY WE SHOULD NOT EXPECT ANY DRAMATIC CHANGES IN THE RUSSIAN POLICY TOWARDS UKRAINE

From an interview on Russian aggression against Ukraine, prospects of holding the Minsk negotiations as well as the current situation in Donbas in general.

- What possible scenarios in Donbas do you see, given all the military and political factors?

For us, the ultimate goal is stopping external aggression, peaceful settlement of the situation in Donbas, and full restoration of the country's territorial integrity. No alternative is considered here. The only question is when will this happen? Now Russia is interested in maintaining the frozen conflict in Donbas – for Ukraine to spend around 70 million hryvnias daily on the CTO, destabilisation to continue, the socioeconomic situation to deteriorate, people to lose faith in the

European integration etc. So, it is about retaining Ukraine in the area of privileged interests of Moscow. This situation poses a threat to the Ukrainian statehood in general. In turn, we should conceptually define our relations with Russia, and form a clear strategy and tactics towards Russia. This should also be reflected in basic strategic documents in the security sector, and in the principles of foreign and domestic policy.

So, in the current situation, we should amend our concept papers such as the military doctrine and the national security strategy. The fact that these papers should be amended, given the current reality, is obvious. Especially in the context of the present events in Eastern Ukraine. We have an ongoing war. The units of the Russian army are fighting in Ukraine. We can hardly talk about the restoration of good neighbourly relations with Russia in the near future. Let alone any strategic partnership. This should be considered when revising the above papers rather than only in the declarations of the Verkhovna Rada. This should be done now.

– The current ceasefire in Donbas – does it have any strategic objectives or is it just a tactic?

It is rather a tactic. It is exchange of prisoners, ceasefire, and possible withdrawal of troops. However, this is not a comprehensive solution to the problem in general. To settle the conflict, we need breakthrough solutions not at the Minsk level but at the higher level – for example, in Geneva.

- However, the Minsk format seems most likely in current circumstances. How do you see the positions of the parties in these talks, especially of Russia, if they do take place?

Answering the question on positions of the parties in the Minsk negotiations, especially of Russia, I would mention the March statement of the Russia Ministry of Foreign Affairs about the so-called support group for Ukraine, Putin's plan as of 3 September as well as his Address to the Federal Assembly of Russia on 4 December 2014. I should also mention the key foreign policy papers of the Russian Federation – the Concept of Domestic Policy, the National Security Strategy, the Military Doctrine etc. They clearly state key directions of Russian foreign policy – reintegration of Post-Soviet states under the guidance of Russia, of course. Based on this as well as the current actions of Russia, I think that today we should not expect any dramatic changes in the Russian policy towards Ukraine.

- Now many talk about the closure of the Novorossiya project. Based on this, can we talk about some changes in the Russian position, or are these purely protocol matters?

The Russian position dwells in further legalisation and legitimisation of the negotiation of the official Kyiv with the so-called DPR and LPR. Based on this, there is no question of any dramatic shifts in the Russian position or dramatic changes for the better in the



situation of Ukraine today. There are many reasons for this. Firstly, there is a number of red lines where compromise with Russia is not possible today. This is the issue of Crimea, European integration of Ukraine, and its administrative division. Secondly, we have had a tremendous traumatic experience – casualties, territorial losses, and financial and economic loss worth figures with many zeros. Therefore, today it is difficult to say that the negotiations will bring some serious results in the near future. Thirdly, there was the alienation of Ukrainians and Russians of an enormous scale and length of time.

- Do you think Putin will go forward with escalation of the conflict or not?

Most of the experts we interviewed – 70% – believe that the conflict will be frozen without hostilities. In turn, a quarter believes that further aggression in Southern Ukraine is possible.

- In the current situation, to what extent is it right to abolish Ukraine's non-aligned status and aim at join NATO?

This is a rather natural step, logically dictated by the current reality. However, in the issue of the Euro-Atlantic integration, I would not be that adamant. We should better talk about the opportunities, prospects, and the right of Ukraine to make its choice in participation in the collective security system within the Euro-Atlantic Alliance. For today we cannot talk about joining NATO. Neither we nor the Alliance are ready for this. This matter is not on the agenda today for objective reasons.

– How effective is international assistance today, provided to Ukraine by Western countries?

As to assistance, I would like to note a number of points that are fundamentally important to Ukraine. Firstly, it is international solidarity which was explicitly and clearly demonstrated at the recent G-20 summit in Australia. Secondly, it is very serious financial and economic assistance which is provided to Ukraine by Western countries, especially the European Union that provided us with the financial assistance package in the amount of 11 billion. Also, lines of credit are being opened, trust funds are being established, and we are receiving grants and humanitarian aid. All this is going to different sectors of the economy. Thirdly, it is the sanctions "constraining" Russia that have been imposed by the EU and a number of Western Countries the U.S., Canada, Australia etc. The most effective and most sensitive for the Russian economy are certainly sectoral sanctions - the oil and gas sector and the banking sector. This is happening against the backdrop of oil price reduction in international markets. It is no coincidence that the Russian leadership started talking about a possible revision of the budget for 2015.

* The interview is presented in the original language Full text

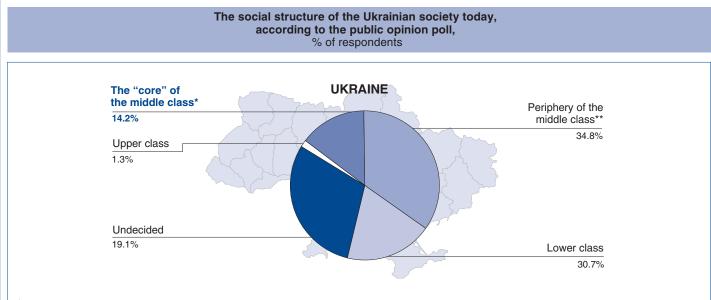
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Co-director of Foreign Relations and International Security Programmes of the Razumkov Centre Mykhailo PASHKOV

Sociology

This issue of the newsletter presents some findings of the survey conducted by the Sociological Service of the Razumkov Centre within the project Middle Class in Ukraine: Life Values, Readiness to the Association, and Promoting Democratic Standards from 26 September and 10 October 2014.

The sample consisted of 10,054 respondents aged 18 and over in all the regions of Ukraine except Crimea, representing adult population by key social and demographic indicators.



* The following respondents were identified as the "core" of the middle class -

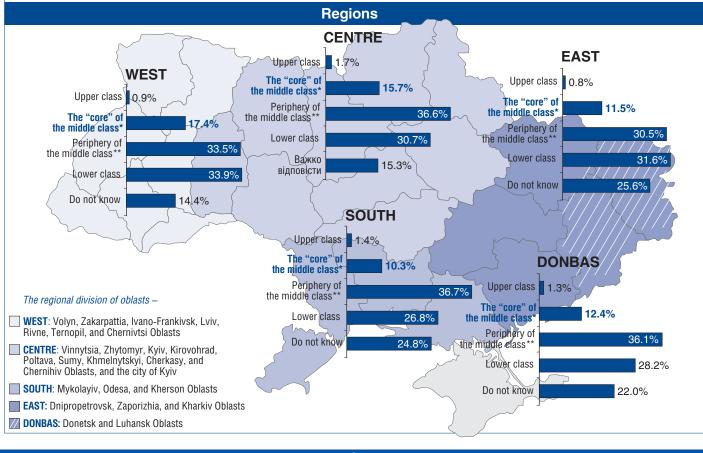
those who identified themselves with the middle class (middle stratum) when answering direct questions (both the first and second wording);
those who, when answering questions of the test of integral self-assessment of the social status, ranked their position between 4 and 6;
those who, when answering the question on family welfare, chose the answers "in general, it is enough for a living but purchasing durables

causes difficulties", "we are well off but we cannot afford some purchases yet", and "we can afford to buy almost anything we want"; • those who, when answering the question on the level of education, noted they had vocational or higher (incomplete higher) education;

those who most often feel the commonality of interests with representatives of the middle class;

• representatives of the middle class dominate among close friends and acquaintances.

** Those respondents who identified themselves with the middle class (on a threefold scale — the upper, middle, and lower classes) but were not included into the "core" of the middle class were classified as the periphery of the middle class. These groups were compared with groups of respondents who identified themselves with the upper and lower classes.



The Razumkov Centre News

THE RAZUMKOV CENTRE ATTENDED THE GLOBAL THINK TANK SUMMIT IN GENEVA

On 4-7 December 2014, the Global Think Tank Summit was held in Geneva, which was organised by the Think Tanks and Civil Societies Programme of the University of Pennsylvania (TTCSP) and Geneva Graduate Institute, supported by the UN Office at Geneva, the Government of Switzerland and other partners.



The Summit was attended by representatives of around 60 leading think tanks from all over the world. The Razumkov Centre, which was the only participant of the Forum from Ukraine, was represented by Deputy Director, Director of Political and Legal Programmes Yuriy Yakymenko.

The Summit was held under the slogan "Think tanks, public policy and governance: national, regional, and global prospects". Representatives of the think tanks discussed potential cooperation with international organisations and governments of national states in addressing global issues, the role of think tanks in public policy and governance, their capabilities in crisis management, and responding to challenges and threats of global and regional nature.

As a result of the Summit, recommendations for international organisations, governments, politicians, donors and think tanks themselves will be summarised and presented.

ROUNDTABLE MIDDLE CLASS IN UKRAINE: LIFE VALUES, READINESS TO THE ASSOCIATION (UNIFICATION), AND PROMOTING DEMOCRATIC STANDARDS



On 16 December 2014, the Razumkov Centre, with the financial support of the Government of Canada, provided through the Department of Foreign Affairs, Trade and Development (DFATD), held the roundtable *Middle Class in Ukraine: Life Values, Readiness to the Association (Unification), and Promoting Democratic Standards.*

A special issue of the journal <u>National Security</u> and <u>Defence (№1-2, 2014)</u> was prepared for the roundtable, which contains findings of the analytical and sociological research of the Razumkov Centre and the Institute for Demography and Social Studies of the National Academy of Sciences of Ukraine – focusing on outlining and analysing the features of formation of the middle class in Ukraine.

During the roundtable, the following issues were discussed – $% \left({{\left[{{{\rm{D}}_{\rm{s}}} \right]}_{\rm{s}}}} \right)$

• A class "in the middle" (a group of people with average income): can it be the basis of formation of the Ukrainian middle class?

• Is the Ukrainian middle class ready to the association and promotion of democratic standards?

• Will the Ukrainian middle class be able to form independently ("bottom-up") or does it need state (government) support?

A VISIT TO BERLIN AND BRANDENBURG



From 23 to 28 November 2014, Expert of Economic Programmes of the Razumkov Centre Kateryna Markevych participated in the programme of the visit of the representatives of economic institutions of Ukraine to Berlin and Brandenburg *Development of Small and Medium Enterprises as an Engine of Economic Competition*, which was supported by the Friedrich Naumann Foundation for Freedom (Ukraine and Belarus). Representatives of local governments, think tanks, businesses, the Chamber of Commerce of Ukraine, and the Taxpayers Association of Ukraine participated in the programme.

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