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THE RAZUMKOV CENTRE SUGGESTED TO DISTINGUISH THE FIRST POINTS OF THE MINSK AGREEMENTS INTO A SEPARATE MEMORANDUM

The Minsk Agreements are not set in marble or cast in bronze. I think that we should seek solutions and mechanisms both within these agreements and beyond them. The very idea of the OSCE police mission was born outside of the agreements. If there is good will of all parties, why not distinguish, for example, the first three points of the Minsk Agreements, which are not connected politically in any way with the others, and present them in a separate memorandum on ceasefire, and suggest them at the talks in the Normandy format.

It refers to an immediate and overall ceasefire; the withdrawal of all heavy weapons by both parties to the equal distance in order to create a security zone at least 50 km wide; and effective monitoring and verification of the regime of the ceasefire and the withdrawal of heavy weapons by the OSCE.

Yes, this is a format of freezing the situation in Eastern Ukraine but this is the best option today.

On the other hand, if the Russian scenario on fulfilling paragraphs 4–13 is implemented, there will be a large-scale civil conflict in Ukraine. In this case, the terrorist area, which is now localised by the Ukrainian Army, will spread throughout Ukraine, the country will turn into a black hole about the size of Spain, and we are getting the second migration volcano. Then Syria may seem like a local misunderstanding. Such threats are very serious.

Our partners who insist on the Russian scenario of implementation of the Minsk Agreements should understand this.

[Full text](#)

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



WHY IT IS TIME FOR UKRAINE TO FINALLY ABANDON THE CIS

It is worth mentioning that, in the basic Law On Principles of Domestic and Foreign Policy, Ukraine's key geopolitical vector is European integration, and the CIS is not mentioned at all. This is logical because, in a quarter century, the Commonwealth has become neither an influential international actor, not a centre of economic integration for the Post-Soviet states. Furthermore, the CIS is unable to resolve either permanently arising conflicts in the Post-Soviet states or actually unite the member states, whose interests and positions differ more and more.

For Ukraine, the CIS is no longer even a platform for "multilevel" dialogue. Let me remind you that, in 2014, Ukraine gave up the chairmanship in the Commonwealth, and Kyiv made statements on the possible withdrawal of the country from the CIS.

Therefore, it is worth mentioning that, on 8 August 2008, the Russian–Georgian war started, and, already on 14 August, the Georgian parliament adopted the Resolution on the Withdrawal from the CIS. On 18 August, the Ministry of Foreign Affairs of Georgia sent the respective note to the Executive Committee of the Commonwealth. A year later, on 18 August 2009, the formality of Georgia's withdrawal from the CIS was finished. Tbilisi officials explained the motives of the withdrawal as follows, "the member state of the CIS, Russia, launched military aggression against another member state of the CIS, Georgia; occupied the integral parts of it..."

Ukraine's motives are identical.

[Full text](#)

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

THE TRAGEDY OF THE FLIGHT MH17

On 28 September 2016, the Joint Investigation Team (JIT) released a report where, based on the collected evidence, it was established that the Malaysian Boeing with 298 passengers and crew on board was shot down on 17 July 2014, from the area of Donbas controlled by the militants, by the Russian Buk missile system, delivered to Ukraine from Russia and back. The investigation revealed about one hundred persons involved in this crime.

Russia, refuting and denying the findings of the international investigation, Russia got caught in their dubious testimonies and suggested false stories. The Kremlin has already managed to state that the report of the investigation group is "not the final truth". The leader of the militants Zakharchenko thought nothing better than to make Ukraine responsible "because they did not ban flights".

However, the proven and published fact of the terrorist attack committed with the Russian weapon

and from the occupied area will have an international outcry and long-term consequences.

Firstly, the report of the group is a convincing public proof of Russia's military presence in Donbas and hostilities, justified by international experts.

Secondly, for Western countries, this is a signal of the unacceptability of undermining and weakening of "the sanction front" against the country whose aggressive policy in Donbas has led to a large-scale resonant crime.

Either way, the results of the intentional investigation is a very strong bargaining chip in the hands of the West, The question is how they will use it.

[Full text](#)

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

THE KREMLIN'S ELECTORAL EXPECTATIONS

The Kremlin is trying to legally implant the pro-Russian puppet formations, the DPR and the LPR, into Ukraine as soon as possible. Against the favourable backdrop of Europe's fatigue, Moscow needs to implement this scenario. Simultaneously, it is important for Russia to achieve the lifting/easing of the sanctions.

Deliberately pushing a clearly unacceptable for Ukraine scenario of resolving the situation in Donbas and maintaining the conflict in a smouldering state, the Kremlin is waiting for the change of the governing elites favourable for them in Vienna, Washington, Paris, and Berlin. Russia's geopolitical expectations, hopes for lifting of the sanctions, and the overall change in the situation at the axis the West–Russia in general are largely due to the nearest elections in the U.S. and Europe. Moreover, Moscow has not taken the stance of an outside observer in the electoral process which is important for them.

The Kremlin's electoral expectations are not unfounded at all. Both in the U.S. and the key EU countries, the candidates who declare the rapprochement with the Kremlin and the revision of the Western policy towards

Russia stand a real chance to win. If this happens, there are grounds to forecast the collapse of the Western sanction front, possible adjustment of the EU priorities concerning Russia, complication of the situation within NATO, and attempts to adjust the formula of Russia's behaviour, adopted at the Warsaw NATO Summit. Russia will turn such a situation into a convincing proof (at least for internal consumers) of the accuracy and efficiency of the foreign policy, and will continue to become more active among the Post-Soviet states and beyond.

In this case, the atmosphere and balance of power in the Normandy Four will change. The pressure on Ukraine to implement "the political package" of the Minsk Agreements will increase, and the official Kyiv will have to defend their positions alone in a critically difficult situation.

Full [text](#)

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

Economy

MONETARY EXPANSION: AN OPPORTUNITY AND A CHALLENGE FOR THE POST-CRISIS RECOVERY OF THE UPSTREAM COUNTRIES

One of the key characteristics of global economic process observed in 2008–2009, there is clear monetary expansion implemented by the major central banks, and which was aimed primarily at normalising the financial conditions of the economy and the banking system.

While successful upstream countries has practised monetary expansion (expansion of the money supply), which enables economic agents to continue and develop activities even in an adverse environment, the situation in Ukraine is fundamentally different.

In general, the philosophy of restrictions and withdrawals is typical for the Ukrainian government, which has been the most apparent in the monetary area.

The result is paradoxical: attempts to counter the crises using monetary restrictions have led to the opposite result – a significant decrease in the GDP, and increasing economic and financial imbalances.

The restrictions imposed by the NBU in the monetary and financial markets turned out to be almost the only significant measures.

Some monetary interrelations for Ukraine are the following:

- economic growth is possible only accompanied by monetary expansion;
- mutual influences of the monetary aggregates and price indicators are very weak;
- an exchange rate shock is inevitably, followed by an inflationary shock;
- monetary "management" of the inflation processes ignoring the needs of monetary incentives of the real sector is wrong.

Therefore, money supply management should be aimed at achieving sustainable economic growth (even with relative high inflation). Namely this growth followed by the expansion of employment can serve as a criterion of positive performance of the country's central bank.

Full [text](#)

*Director of Economic Programmes
of the Razumkov Centre
Vasyl YURCHYSHYN*



TO OVERCOME THE CRISIS, THE ECONOMY SHOULD GROW BY 5–7%

In September 2016, during the presentation of the budget, Prime Minister Volodymyr Hroisman had repeatedly emphasised that the budget was aimed at economic growth.

Indeed, a 3% increase in the GDP is forecasted. However, the budget deficit should not exceed 3%, and will be 77.5 billion hryvnias. For comparison, the 2016 budget provided for limiting the deficit within 3.7%.

The inflation rate is planned at 8% while in this year budget it is 14%.

First of all, we should understand very clearly that separate budget fragments explain nothing. They show the overall direction of the government's considerations on what can happen. On one hand, a 3–4% increase in the economy seems attractive. On the other hand, for the country that would like to

overcome a deep crisis of the last two to three years, it is a very low indicator.

If we look at the experience of many countries that have really overcome a crisis, we will understand that we should talk about 5–7%. Therefore, in this context, the government should be more clear and persistent, and indicate which tools they are going to use to achieve these indicators.

Low inflation can be maintained if there is no increase in public utility rates. If the inflation is at 8–10%, it is very difficult to expect that real welfare indicators will tend to increase significantly.

Full [text](#)

*Director of Economic Programmes
of the Razumkov Centre
Vasyl YURCHYSHYN*

THE REDUCTION OF THE PROFITS OF COMPANIES IS RELATED NOT TO THE LOSS OF THE RUSSIAN MARKET BUT TO THE LACK OF COMPETITIVENESS OF COMPANIES

The war in Eastern Ukraine made many companies choose between a search of new markets or bankruptcy due to the ban on trade with the aggressor country.

However, the reduction of profits cannot be the reason for the restoration of trade with Russia. Many Ukrainian companies have already readjusted to other markets – the European Union introduced a code extension for Ukrainian producers for a variety of goods. This means that Ukrainian goods can compete not only in the markets of the Third World countries (in Asia and Africa) but also in Europe.

If, during two years of the undeclared war, a company has failed to readjust, modernise its production, and

bring its products to a higher level, this is a question to the company's management. The reduction of profits is related not to the loss of the Russian market but to the lack of competitiveness of companies

Companies that incurred losses should seek new markets, and their management should try to modernise the companies, bring them to a new level, and maybe extend the product range and increase capacity.

Full [text](#)

Director of Economic Programmes
of the Razumkov Centre
Vasyl YURCHYSHYN

National Security and Defence

RUSSIA WANTS TO FORCE UKRAINE TO MAKE POLITICAL CONCESSIONS

The current situation of the ceasefire (which continues to be violated despite the agreement on the withdrawal of the military and equipment in three raions in Donbas) is temporary. We see that echelons of the so-called "humanitarian convoy" are coming from Russia. We also see planned training of the Russian troops at the border with Ukraine, they are constantly rotated.

There are also domestic challenges for Ukraine that are not directly related to the Kremlin's actions.

The first is the institutionalisation of the civil society that we saw at the Maidan is going slowly — the mechanisms necessary for the society to influence the state are weak or absent.

The second is corruption.

The third is the lack of political will.

The fourth is bureaucratic sabotage that wants no change.

Speaking of the hostilities, they should be seen as hidden blackmail — showing its military power, Russia is trying to force Ukraine to make political concessions. If Moscow manages to achieve Ukraine's political destabilisation, they will also work in the force field. Not only to push Ukraine to concessions but also to make it agree to all the wishes of the Kremlin.

Full [text](#)

Director of Military Programmes
of the Razumkov Centre
Mykola SUNHUROVSKYI



CONSCRIPTION OR MOBILISATION?

Currently, there is a regular autumnal conscription in Ukraine. There is little difference between the current conscription and a standard conscription before the war.

About 14,000 persons are recruited using the mixed contract and conscription system: 11,000 to the Armed Forces of Ukraine, 5,000 to the National Guard, and 1,000 to the Border Guard.

Why officials of the Ministry of Defence now talk about conscription, and then about mobilisation? Probably because they cannot come to a conclusion what is going on — a war or a CTO.

With the current intensity of the hostilities, mobilisation is not needed at all.

If the signs of preparation to the conflict escalation appear, then it will be really necessary to announce mobilisation, and it will be conducted primarily using the existing active reserve (among those demobilised who have experience in hostilities, and are registered in the Ministry of Defence).

Young people who join the Army at the call fill up the units that do not participate in the CTO.

Full [text](#)

Director of Military Programmes
of the Razumkov Centre Mykola SUNHUROVSKYI

RUSSIA ONCE AGAIN REFUTES ITS OWN DATA ON THE MH17 DISASTER IN DONBAS

It is not the first time when Russia refutes its own data on the MH17 disaster in Donbas, hoping thereby to justify itself, and show Ukraine as a party that is hiding important evidence from the investigation.

When the accident occurred, a bunch of departmental and non-departmental commissions were created in Russia, which proposed many different versions. However, each of them came down to justifying Russia. Moreover, none of them stood up to scrutiny on a physical level.

Obviously, the recent findings of the Dutch court have limited jurisdiction. Therefore, Russia will incur no losses. However, there definitely will be consequences. In any case, politically, this decision will have a significant effect.

Full [text](#)

Director of Military Programmes
of the Razumkov Centre
Mykola SUNHUROVSKYI

WITHOUT ACCOUNTABILITY MECHANISMS, THE AGREEMENTS ON THE WITHDRAWAL OF TROOPS IN EASTERN UKRAINE WILL NOT BE EXECUTED

The process of the withdrawal of forces in Eastern Ukraine in two out of three "pilot" directions are on the verge of failure.

The forecast for the successful withdrawal of forces in Donbas is negative. The representatives of "the Normandy group" are trying to pretend that some progress was actually achieved in Donbas, and Russia pretends that it is taking the step required for lifting of the Western sanctions

on it. No countermeasures by Ukraine are provided here. If we look at the text of these agreements, there is not a word about the accountability of the parties in them, and, without such a mechanism, there is no guarantee that such agreements will be executed.

Full [text](#)

Director of Military Programmes
of the Razumkov Centre Mykola SUNHUROVSKYI

RUSSIAN INTELLIGENCE AGENCIES HAVE BECOME VERY ACTIVE IN THE EU COUNTRIES

Different countries of the European Union are increasingly claiming that Russia's intelligence agencies have become more active on their territory.



*Co-director of Foreign Relations
and International Security Programmes
of the Razumkov Centre
Oleksiy MELNYK*

Arrogant behaviour of the Russian intelligence agencies in other countries fits perfectly into the manners of "good" behaviour, demonstrated in Russian diplomacy at the level of top officials. Their arrogance is striking. All this has a certain impact on other areas too.

It is difficult to say anything about the response of the official Europe to this as this area does not belong to those that are immediately reported in the press. We will hope that this will somehow contribute to the sobering of those Europeans who want to be friends with Russia.

Full [text](#)

Domestic Policy

THE MINSK AGREEMENTS ARE LOSING CREDIBILITY

From the survey of the Razumkov Centre, it is evident that public attitude to the Minsk Agreements is becoming more negative in most regions as the citizens of Ukraine see no effect in them at all.

Half of the surveyed Ukrainians are against giving Donbas a special status when such a decision is supported by 22.7% of the respondents.

Also, according to the study, 38.5% of the respondents do not support amnesty for all participants of the separatist movements who have not committed serious crimes, and 34% do.

Comparing this data to those in spring, the difference between those who do not support and support such amnesty reduced slightly. In March, 42% did not support amnesty, and 31% did. However, this change is not very significant.

Furthermore, I would like to note that this is amnesty for people who have not committed serious crimes. We have not asked questions about those who have

committed serious crimes but previous surveys show that attitude towards the participant of separatist groups who committed serious crimes is much more negative. Also, the share of those who support amnesty among young people is only 28%.

We can also state that the attitude towards the Minsk Agreements is becoming more negative, i.e. their effectiveness is assessed as rather low in most regions. Only in Donbas, the shares of those with a positive attitude and of those with a negative attitude towards the consequences of the implementation of these agreements do not significantly differ statistically.

Full [text](#)



*Deputy Director of
Sociological Service
Mykhailo MISCHENKO*

THE THIRD GLOBAL THINK TANK SUMMIT: BRIEF RESULTS

On 28–30 2016, in Montreal (Canada), the Third Global Think Tank Summit was held.

The theme of the Summit, "Responding to Globalisation and Its Discontents: The Role of Think Tanks", was caused by the current global trends – in particular, the spread of populism, nationalism, nativism and protectionism, income stagnation and growing inequity, security challenges, especially protracted conflicts, that doubt the existing political, economic and social order, security architecture, and the principles of international relations.

The participants of the Summit attempted to answer the question which solutions to these problems think tanks can suggest as well as what think tanks should do to maintain their influence on the policy-making process, find available forms of proving the findings of their studies to different target audiences, and maintain their credibility, and of their political recommendations.

Considerable attention was paid to such development problems of think tanks as preservation of their "identities" and roles in the face of competition from the media and consulting structures, providing high-quality research, research independence and integrity, the need for a deeper understanding of social processes and causes of the spread of populist trends, using strategic communications and contemporary information

technology, and improving transparency of their activities as a condition for public confidence.

It was noted that a particular challenge for think tanks is the need to develop innovative approaches to research and information activities, working with target audiences, seeking funding sources, and involving skilled staff. The participants of the summit reaffirmed the importance of the process of forming a global think tank community – national, regional, and global networks of think tanks.

Given the situation in Ukraine, the problems of the Summit looks quite important – both concerning the sociopolitical processes and given the challenges that national think tanks are facing. The main conclusion is that think tanks in Ukraine should develop as professional organisations able to seamlessly combine high quality research, independence, and impartiality with effective influence on politics and constant communication with the public.



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

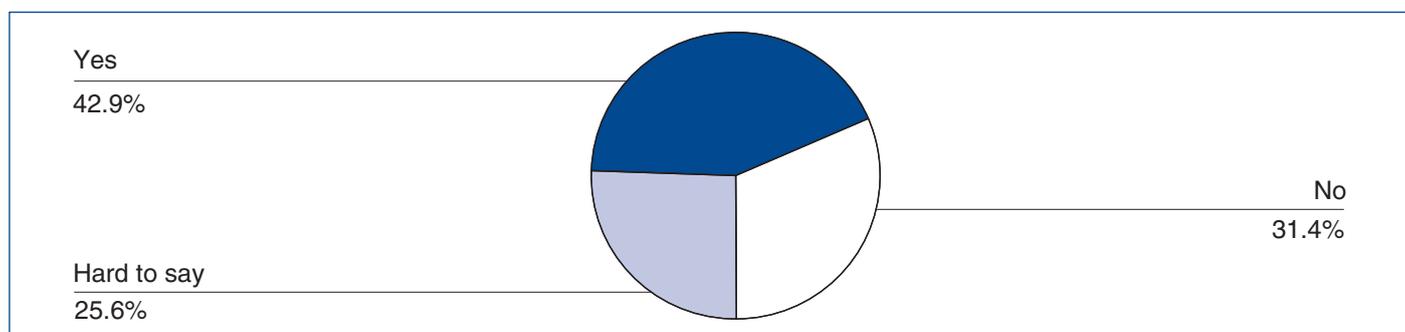
The study was conducted by the Sociological Service of the Razumkov Centre from 9 to 14 September 2016. 2,018 respondents aged over 18 in all the regions of Ukraine, except Crimea and the occupied areas of Donetsk and Luhansk Oblasts, were interviewed. Sampling error does not exceed 2.3%.

For more details on the results of opinion polls conducted by the Razumkov Centre, go to our website at <http://www.razumkov.org.ua>.

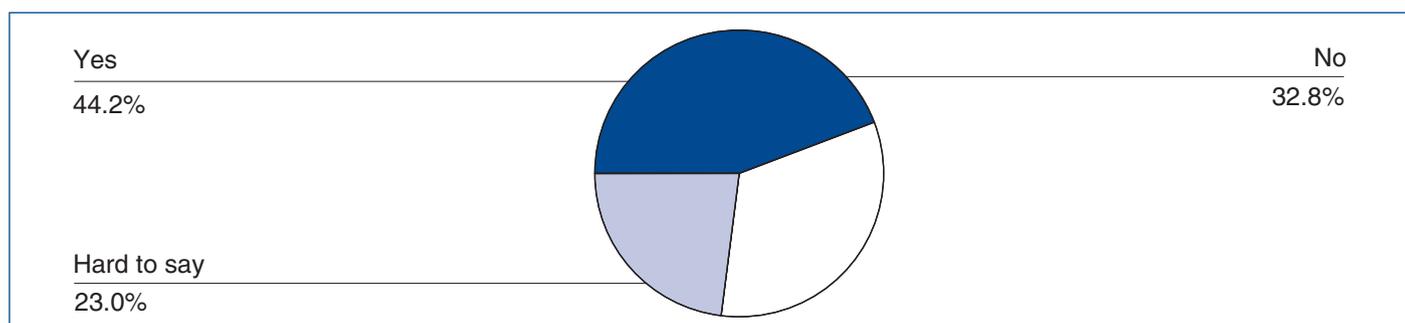
**Now various suggestions regarding scenarios in Ukraine are being expressed.
Do you support the following suggestions?**
% of respondents

	I support it	I do not support it	Hard to say
Severance of any economic relations between Ukraine and the areas of DPR and LPR (including social benefits, energy supply, coal procurement etc) until Ukraine fully regains control over these areas	42.1	36.0	21.9
Giving Donbas a special status	34.0	38.5	27.5
Holding an election in the occupied areas of Donbas before the Ukrainian government regains control over them	23.9	50.6	25.4
Amnesty for all participants of the separatist movements who have not committed serious crimes	22.7	50.0	27.3

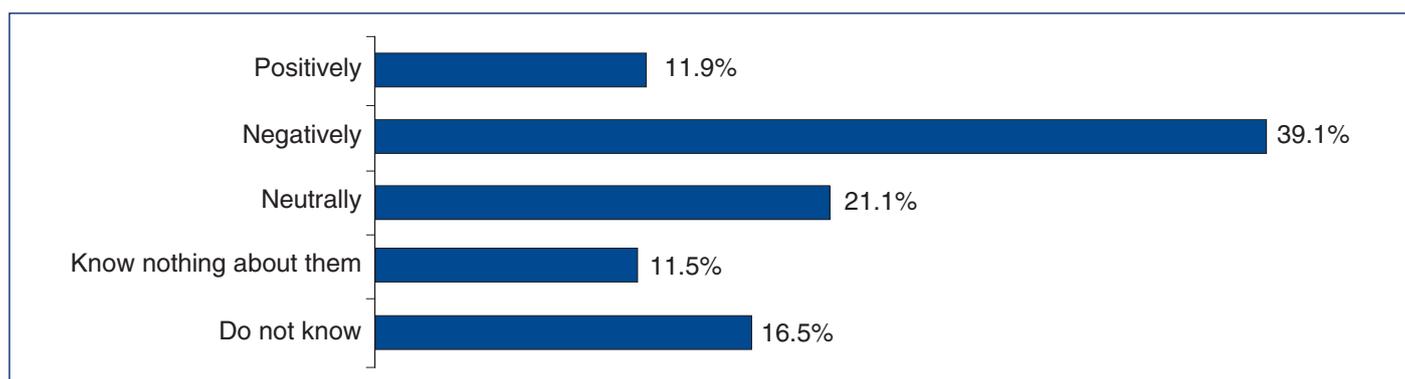
Do you support the proposal of some deputies to recognise occupation of the temporarily occupied areas of Donetsk and Luhansk Oblasts, and isolation of these areas at the legislative level until Ukraine officially regains control over these areas?
% of respondents



Should the question of the status of the temporarily occupied areas of Donetsk and Luhansk Oblasts be put to a national referendum?
% of respondents



How would you evaluate the current outcome of the Minsk agreements regarding the situation in Donbas?
% of respondents



Razumkov Centre Events

ATTENDING THE THIRD GLOBAL THINK TANK SUMMIT

On 28–30 September 2016, in Montreal (Canada), the Third Global Think Tank Summit was held. It was organised by the Think Tanks and Civil Societies Programme (TTCSP) at the Lauder Institute of the University of Pennsylvania (the U.S.), and the Centre for International Governance Innovation (CIGI). The Summit was attended by the representatives of 85 best think tanks of the world from 50 countries. At the Summit, Ukraine was represented by Deputy Director, Director of Political and Legal Programmes of the Razumkov Centre Yuriy Yakymenko.



The theme of the Summit, “Responding to Globalisation and Its Discontents: The Role of Think Tanks”, was caused by the current global trends — in particular, the spread of populism, nationalism, nativism and protectionism, income stagnation and growing inequity, security challenges, especially protracted conflicts, that doubt the existing political, economic and social order, security architecture, and the principles of international relations.

[Full text](#)

INTERNATIONAL CONFERENCE SECURITY SECTOR GOVERNANCE: THE ROLE OF THE MEDIA

On 5 and 6 October, in Kyiv, an important event was held that provided an opportunity to revive the process of seeking understanding between the state security forces and journalists on the basis of international experience and standards. The international conference *Security Sector Governance: the Role of the Media*, hosted by the Razumkov Centre and DCAF, with the support of the Ministry of Foreign Affairs of the Netherlands, has become a platform for a two-day dialogue of journalists, experts, and representatives of the press services of security agencies.

The participants of the discussion agreed that both parties need development and improvement. The security forces should improve the ways of working with the media, demonstrate maximum transparency, and convincingly justify objective reasons of restrictions for the media’s work. On the other hand, the professionalism of journalists should be improved, which refers to compliance with the standards of journalism, their awareness of social responsibility for providing unbiased information, which cannot be subject to a compromise of the editorial policy or the pursuit of page one.

[Findings of the national sociological study of the Razumkov Centre Citizens of Ukraine on Security: Personal, National, and Its Components](#)

[Full text](#)

EXPERT DISCUSSION MONETARY POLICY OF UKRAINE — SOURCE OF GROWTH?



On 29 September 2016, the Razumkov Centre, jointly with the International Institute of Business and with the support of the Representative Office of the Friedrich Naumann Foundation in Ukraine, held the expert discussion *Monetary Policy of Ukraine — Source of Growth?*

The discussion was attended by representatives of legislative and executive authorities, banking and financial systems, government and independent Ukrainian experts as well as representatives of foreign embassies and international organisations.

Research findings were presented, and the following questions were discussed —

- current global trends, factors, and components of the formation of the monetary policy;
- mutual influence of macroeconomic components (inflation, interest rate, investment etc) and effectiveness of the monetary policy tools;
- features of the implementation of the monetary policy in Ukraine, including given the declared policy of the NBU of the transition to the so-called inflation targeting);
- conditions and areas of strengthening of the banking system to the support the country’s development.

MEETING WITH PRESIDENT OF THE H. BÖLL FOUNDATION

On 28 September 2016, President of the Heinrich Böll Foundation Ralf Fücks and Head of the Representative Office of the Foundation in Ukraine S. Sumliennyi visited the Razumkov Centre. At the meeting, the Razumkov Centre was represented by Co-directors of Foreign Relations and International Security Programmes M. Pashkov and O. Melnyk, Director of Energy Programmes V. Omelchenko, and Research Consultant of the Centre Volodymyr Sidenko.

R. Fücks spoke about the activities of the Böll Foundation, findings of the recent studies — in particular, he touched upon the issues of energy, renewable energy sources, and the environmental dimension of economic development. S. Sumliennyi spoke about the activities of the Kyiv office of the Foundation, and the programmes implemented by the Foundation in Ukraine. Representatives of the Centre shared the findings of the recent studies, and outlined the issues within which mutual expert cooperation could be established. In particular, the parties agreed to cooperate in research of security, environment, and gender issues.

During the meeting, the situation in Europe and globally, the prospects of settlement of the Russian–Ukrainian conflict, and the situation in Donbas, including the state of implementation of the Minsk Agreements, were discussed. The parties agreed to maintain contact between the Razumkov Centre and Böll Foundation.

RAZUMKOV CENTRE
Address: 01015, Kyiv, Lavrska, 16, Ukraine
Telephone (044) 201 11 98, fax (044) 201 11 99
Email: newsletter@razumkov.org.ua