

PREZIDENT ZELENSKYI'S FIRST YEAR: ACHIEVEMENTS AND MISCALCULATIONS

Summary of the Analytical Report*

National Security and Defence

The efficient performance of functions of the Supreme Commander-in-Chief and the Head of State would seem to have become the biggest challenge for the President Volodymyr Zelenskyy. While there are no formalized strategy documents and no adequate communication, critically important questions about the President's intentions remain without answers, as well as about the mechanisms of fulfilling his promises, and his ability to realize the authority he has.

Over the last year, the country has not come one step nearer the completion of the Russian-Ukrainian conflict. "Simple solutions" and the new style as well as some undoubtedly positive actions like disengagement of troops, the exchange of prisoners, opening of new crossing points have not changed the situation in principle, be it in the conflict zone or in the negotiation process. Most of the authorities' initiatives target tactical goals, and are rather dubious from the point of view of their practical realization, while some of them create long-term risks for the stability, sovereignty and territorial integrity of Ukraine.

In spite of the visible radicalism at the levels of rhetoric and personnel decisions, the notable trends are signs of continuity in both developing the reforms started by the previous authorities in some sectors (defence), and in conserving years-long problems in others (Security Service of Ukraine, law-enforcement bodies).

The results of the first year of the new authorities' activity provide weighty reasons for unfavorable forecasts as for the ability of President Zelenskyy and his political force to solve the priority problems of the national security in the future. Under these circumstances, critically important are the active stand of the civic society and efforts of international partners aimed at the all-round support of the processes of reforming the security sector and at the settlement of the Russian-Ukrainian conflict.

Foreign Policy

The foreign policy contains both achievements and systemic problems. Thus, on the one hand, a positive dynamic in relations with the EU and NATO has been observed. The authorities have declared and applied efforts to implement the course at Euro-integration; however, the results over the past year cannot be considered satisfactory (one of the reasons being the pandemic explosion). The deepening of relations with the NATO continued (after a lengthy interval, the Ukraine-NATO Commission met in session, and Ukraine has joined the Enhanced Opportunities Program).

Kyiv made bilateral dialogs with the neighbouring countries of Poland and Hungary more active, having made initiative steps towards them. However, so far the problem issues that are burdening bilateral relations remain non-settled, in the final count.

The situation at the American direction looks complicated and controversial. The Ukrainian authorities manage to avoid involvement in the internal political fight in the USA and to retain support of the two parties and the Congress in general.

On the whole, the inertia of traditional contacts continued at other directions. Regrettably, the implementation of the "commercial diplomacy" program remains at the initial stage.

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Meanwhile, the President's main promise, i.e. stopping the war in Donbas, remains unfulfilled. Vulnerable and situation-dictated policy of concessions has not produced the desired results and can produce dangerous consequences. A new armed aggression of the Kremlin against Ukraine cannot be ruled out.

When generalized, the problems in the sphere of foreign policy boil down to the following: a) lack of conceptual approaches, of strategic vision; b) lack of efficiency of the system of organizing and maintaining the external relations; c) a controversial character of structural-and-personnel reforms; d) deficit of communication between the authorities and the society. So, when assessing the results of the authorities' actions in this sphere, there are grounds to discuss, first of all, problems and challenges.

Domestic and Legal Policy

During the year, the President remained the most influential official in the system of authority, had a powerful influence on both the Verkhovna Rada (Parliament) and the Government, while the scope of his constitutional authority has not changed. The independent actor quality of the Verkhovna Rada's activity has become lower, while the Government has been completely dependent on the will of the President and his circle. As the President's level of competence is low, the influence of his circle on decision-making has grown.

From the start of their activity, the new authorities proved to be incapable of offering the society a systemic vision of the priorities of the state policy for their term in office. They failed to transform the set of pre-election slogans and promises into state program documents. Lack of clearly defined program basis of the new authorities was accompanied by manifestations of voluntarism, conflicts with local self-government bodies, and with various strata of the society (small and medium-sized business, volunteer community, war veterans).

In his ideological concept, President V.Zelenskyy has attempted to avoid self-determination on world-view issues causing contradictions in the society. His attempts to distance himself from the previous authorities have manifested in negating their policies in the language and information policy, in the policy on national memory, national identity symbols, ethnic relations, religion, etc.

The beginning of the President's term was marked by the forced initiation of constitutional changes: the Head of State submitted eight draft laws to the Verkhovna Rada on introducing amendments to the Constitution of Ukraine which created an impression of serious intentions to reform different spheres of constitutional and legal spheres. Under the guise of intentions to expand people's authority, the Head of State had in fact suggested that the President's authority be strengthened, while representative institutions be weakened at the same time.

However, only two (out of eight) draft laws submitted by the President to the Parliament got positive rulings by the Constitutional Court, were preliminarily approved by the majority of the constitutional composition of the Verkhovna Rada and received a real prospect of being adopted by the Parliament. One draft law (on the decentralization of power) was even revoked by the initiator himself for further work on it.

The first year of V.Zelenskyy's presidential term has not become a year of the quality continuation of the judiciary reform, of an essential improvement of the work of the Prosecutor's Office, of a breakthrough in investigating resonant criminal cases, or of a notable changes in making the fight against corruption more active. The attempt to reform the Supreme Court within the framework of the so-called Parliamentary "turbo-regime" by adopting amendments to the Law of Ukraine "On the Judiciary and the Status of Judges" came to a fiasco as these changes were pronounced unconstitutional. Instead, dangerous trends appeared in the authorities' activities to resume the practice of politically motivated court processes, of using law-enforcement bodies in order to put pressure to bear on the political and social opposition.

At the same time, positive changes, in particular, in the sphere of fighting corruption, during the first year of V.Zelenskyy's presidency, may include restoring criminal responsibility for unlawful enrichment, as well as settling issues related to the legal status of whistleblowers on corruption, protection of their rights, and providing for conditions of revealing information on corruption. The promises of introducing the election system with open lists may be assessed as rather fulfilled.

The review of legislation on public service that was meant to make “the renovation” of authorities easier led to stepping away from European principles of its organization, and lowering the level of professionalism. Appointments to responsible state positions frequently happen according to the principle of personal loyalty. The new authorities are in no haste to delegate additional resources to local self-government, and there are attempts to retain “the presidential vertical” which runs contrary to the very idea of decentralization. The realization of the course for e-governance development and digitalization of the state is more consistent.

On the whole, over the first year of V.Zelenskyy’s presidency, most of the declared goals in the political and legal spheres were not achieved, and most of pre-election promises were not fulfilled. Moreover, negative trends have appeared and are developing, which may have different negative consequences. Meanwhile, the incumbent Head of State still possesses a rather significant credit of trust in the society, as well as a store of time in order to change the situation for better.

Economic Policy, Situation in Economy

According to the Constitution, the President of Ukraine does not have direct power for economic policy making and implementation (this is the prerogative of the parliamentary majority and the government, responsible to it). However, the incumbent Head of State, Volodymyr Zelenskyy, is at the same time the leader of the governing parliamentary party which got the right to appoint the government on its own, which makes the President an unconditional leader in the sphere of developing and realizing the economic policy.

Regrettably, the political platform of V.Zelenskyy lacks a scientifically founded wholesome concept of conducting economic reforms. Under such circumstances, the entire economic policy changes into a set of unreasonable and little-coordinated actions torn away from the resource base.

Within the set of economic intentions of the President, a number of main directions have become notable on their own: market-oriented institutional transformations, providing for the economic growth, reforming the fiscal sphere, developing and capital repair of infrastructure, assisting innovations and digitalization of the economy. With all the topicality of these directions of actions, the real results of the first year of the new authorities’ activity turned out to be extremely controversial. Most of the set goals and tasks in this sphere remained at the level of political slogans, while the results most often were far from the expected or desired ones.

The desire to implement the resolution of many problems in the so-called “turbo-regime” has not led to resolving complex basic problems (a weak social protection, low efficiency of state institutions, unbalanced growth). Expectations pinned on the new President and the new authorities as to the change of the basic accents of the state policy in the socioeconomic sphere and resumption of the state-provided care for a person have not come true.

The new team in power, having initially got an unprecedented credit of trust of the population:

- has not been able to offer new tangible and efficient measures of economic transformations;
- has not displayed adequate skills in shaping economic policy;
- has ignored challenges and risks that have been mounting and unbalancing the country’s economy.

Losses and failures in the priority directions of economic policy were happening during the entire year of V.Zelenskyy’s presidency, one of the consequences being the dismissal of O.Honcharuk’s government in March 2020, even before the start of the coronavirus crisis. This is why the attempts to justify drawbacks and failures by the negative impact of the epidemic do not have a rational foundation.

The lack of understanding of the main economic accelerators drivers and of peculiarities of their functioning have causing worsening indicators in the main production spheres and branches, first of all in the industry and transportation, and provoked the erosion of investment. At that, the President was not able to get rid of the significant influence of oligarch clans on the formation of economic policy.

The authorities were not able to make up their mind on the introduction of fiscal incentives for investment activity, although it is the support for investment that could provide the country with

a chance for an easier way out of the coronavirus crisis. Privatization processes have again stalled, and not a single tender on “attractive” enterprises have happened.

The main institutional change which, at the same time, was the most questionable, was the cancelling of the moratorium on purchase and sale of agricultural land. The law met serious resistance not only of the opposition factions but (and this is much more important) runs contrary to the position of the absolute majority (almost two-thirds) of the Ukrainian society.

Ukraine’s immersion into the global crisis provoked by the coronavirus epidemic has sufficiently sharpened the existing profound internal contradictions and disbalances, and there are grounds today to make the following statements concerning the country’s economy in 2020-2021:

- new stimuli for the development of small and medium-sized business will not appear;
- economic structure and infrastructure will remain at a low level of competitiveness;
- access of business to financial and loan resources will remain weak and will not have a principled significance for a stable renewal;
- support of export and exporters will not have an adequate resource provision.

It is not clear so far how the President and the political force he is leading will provide answers to acute systemic challenges.

Energy Sector

During the first year of V.Zelenskyy’s presidential term, significant developments have happened in the energy sector. The signing of the gas transit agreement and the introduction of the wholesale electricity market are to be listed here. At the same time, the actions of the new power team in the energy sector had, on the whole, a controversial character and led to the unfolding of the energy crisis in the country: the growth of the problem of non-payments, stoppages of the work of coal enterprises, the growing debt to the nuclear branch and to the enterprises of the “green” energy.

The most complicated challenges for the “energy bloc” of the new authorities have been the reforms of the liberalization of the natural gas market for the population, the attraction of foreign investments to the domestic gas extraction, as well as the stabilization of the functioning of the wholesale electricity market, accompanied by a sharp decrease in the consumption of the energy resources because of the economic decline and quarantine measures connected to the spread of the COVID-19 pandemic.

One of the main reasons for the new authorities’ mistakes and of the problems in the energy sector was a weak personnel policy of the President. In spite of having the full power, President V.Zelenskyy and his political force, “*Sluha narodu*” (“Servant of the People”) have not managed, over the year, to implement a significant part of the urgent profound reforms in the energy sector because of the lack of conceptual approaches, and because of not-thought-over and hasty government decisions.

Social Policy

While social promises form an insignificant part in the pre-election promises of President Zelenskyy, their majority have not been fulfilled, and some of them have been implemented in a directly reversed way. The situation with the fulfillment of promises was made even more complicated with account to the coronavirus pandemic which has deepened the negative processes in the Ukrainian economy, as well as made clear the failures of the previous reformist initiatives.

Thus, starting from 2019, incomes’ growth has been twice as slow as in the previous years, and in 2020, the three-year-long trend of the growth of the population’s real incomes has stopped. The increase in pensions was done with a delay, and only up to the rate of inflation (11 percent). The additional coronavirus payments and the indexation of pensions have increased the Pension Fund’s deficit from UAH172 billion to UAH202 billion.

The declared return of labor migrants to Ukraine became possible only as a result of the spread of the COVID-19 pandemic across the world and closure of the borders of the majority of the world’s countries. However, the quarantine measures helped the quick rise in unemployment. While this was happening, the promised state support for the small and medium-sized business was in fact failed,

and the program of support for the business with the 5-7-9-percent loans has not started to work. As a result, the Ukrainian labor migrants began to actively return to work abroad.

In reforming the medical sphere, lack of position and consistency is notable. The President and the Government have recognized the problems of the medical reform, and they have stated the necessity for reviewing approaches and principles of its reforming, but the new approaches have not yet been defined.

Thus, expectations for the change in basic accents of the state policy and for the resumption of the state care for a person have not been justified. Moreover, the declared neo-liberal reforms run contrary to the social nature of the Ukrainian state determined by the Constitution of Ukraine.

Public Policy

It is very hard to assess the public policy of President V.Zelenskyy's team because of its extremely undefined character and the lack of normative and organizational-and-personnel provision. Thus, the Strategy of the state public policy, announced in August 2019, has not been presented until now; there is not a single document now which would define the goals and priorities of the public policy. Legislative initiatives are aimed mostly at settling the pin-pointed problems. All this may testify to the lack of a defined ideology of the pro-power party and of the world-view positions of members of the President's team.

Managerial and human-resources mistakes are evident. Over less than a year, the respective Ministry (now, the Ministry of Culture and Information Policy) has undergone two large-scale reorganizations and saw three heads of the Ministry. The situation is similar in the Ministry of Education which saw four heads, while all the appointments were negatively met by the respective professional communities.

The above-mentioned mistakes make the resolution of urgent problems impossible. The status and rights of indigenous peoples and ethnic minorities have not been determined legally. The Law on the functioning of the Ukrainian language is not implemented in its full scope. The state's positions in the sphere of historical memory remain undefined. Risks of destabilization of relations between confessions and between the state and confessions are still there, however, the authorized institution, the Department for the issues of ethnic policy and the freedom of conscience, still is not working.

Such a state of affairs in the circumstances of the hybrid war, of bringing in politics into the components of the humanitarian sphere, of the regionally localized sociocultural specifics of the Ukrainian society does not provide foundations for optimistic forecasts on the state humanitarian policy in the near future.

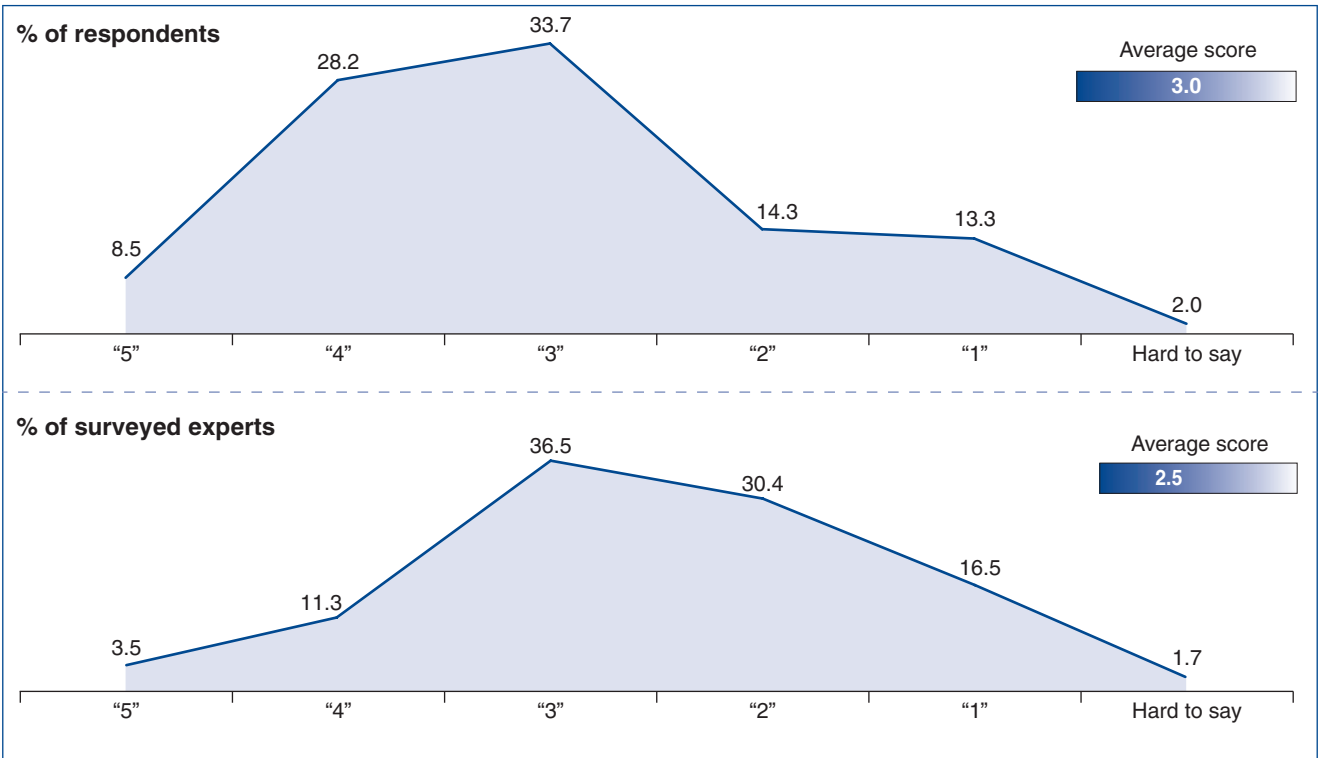
The Assessment of the First Year of V.Zelenskyy's Presidential Term by Citizens and Experts**

After a certain period of growth of the society's optimism, the majority of citizens returned to the traditionally critical assessment of the authorities' actions. Both experts and citizens consider a majority of the President's pre-election promises not fulfilled, and are skeptical about their fulfillment in the future.

The society retains a relatively higher level of trust towards the President than to the Verkhovna Rada and the Government but this level demonstrates a trend for becoming lower. Both the experts' and the citizens' majorities think that the new authorities so far have not managed to improve the situation in the country.

** The Ukrainian version of the Project's sociological research is available on the Razumkov Centre's website http://razumkov.org.ua/uploads/article/2020_Rik_diyalnosti_Prezydenta.pdf.

How would you generally grade President Zelensky's activities during his first year in the Office?*



* Against the 5-point scale from 1 to 5, where "1" is "very bad" and "5" is "very good".

Will Volodymyr Zelensky fulfil his election promises during his tenure as the President?

