

Ukraine's Orange Revolution

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Summary: The electoral triumph of opposition leader Viktor Yushchenko and the victory of the Ukrainian people over their country's corrupt leadership represent a new landmark in the postcommunist history of eastern Europe, a seismic shift Westward in the geopolitics of the region. But what will come next for the new president--and the rest of the former Soviet Union?

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ORANGE CRUSH

"Razom nas bahato! Nas ne podolaty!" The rhythmic chant spread through the crowd of hundreds of thousands that filled Kiev's Independence Square on the evening of November 22. "Together, we are many! We cannot be defeated!" Emerging from a sea of orange, the mantra signaled the rise of a powerful civic movement, a skilled political opposition group, and a determined middle class that had come together to stop the ruling elite from falsifying an election and hijacking Ukraine's presidency.

Over the next 17 days, through harsh cold and sleet, millions of Ukrainians staged nationwide nonviolent protests that came to be known as the "orange revolution." The entire world watched, riveted by this outpouring of the people's will in a country whose international image had been warped by its corrupt rulers. By the time victory was announced--in the form of opposition leader Viktor Yushchenko's electoral triumph--the orange revolution had set a major new landmark in the postcommunist history of eastern Europe, a seismic shift Westward in the geopolitics of the region. Ukraine's revolution was just the latest in a series of victories for "people power"--in Poland, Hungary, and Czechoslovakia in the late 1980s and, more recently, in Serbia and Georgia.

THE WINDS OF CHANGE

The spark that ignited the popular fire in Ukraine's case was election fraud. Nonpartisan exit polls during the November 21 presidential runoff election had given Yushchenko a commanding lead, with 52 percent of the votes, compared to Prime Minister Viktor Yanukovich's 43 percent. Yet when the official results came in, Yanukovich, the favorite of Ukraine's corrupt elite, had supposedly beaten the challenger by 2.5 percent.

This tally was immediately challenged. When the polling stations had first closed, the Central Election Commission (CEC) had reported that voter turnout in Ukraine's Russian-speaking eastern districts was consistent with the nationwide average of 78 to 80 percent. But four hours later, after a prolonged silence, the election commission radically increased the east's turnout figures. The eastern Donetsk region--Yanukovich's home base--went from a voter turnout of 78 percent to 96.2 percent overnight, with support for Yanukovich at around 97 percent. In neighboring Luhansk, turnout magically climbed from 80 percent at the time the polls closed to 89.5 percent the next morning, with Yanukovich winning 92 percent or more of the votes. Indeed, in several eastern districts, turnout was as much as 40 percent greater than during the first round of the presidential election three weeks before. This "miraculous" last-minute

upsurge was responsible for approximately 1.2 million new votes--well over 90 percent of which went to the regime's favorite, giving him enough for a comfortable 800,000-vote margin of victory.

Throughout election day, independent domestic monitors sounded the alarm about the emerging fraud. Numerous reports indicated that roving teams of voters, tens of thousands in all, were being transported in trains and buses from polling station to polling station, each armed with multiple absentee ballots. If each of these people cast ten ballots, this voter "carousel" would have padded the final result by at least half a million votes.

The efforts to steal the election for Yanukovich had started much earlier, however. For six months, government-controlled national television had subjected Yushchenko to a steady torrent of negative press and distortions, while refusing him the opportunity to defend himself. Yushchenko's campaign faced other impediments as well. Sometimes his plane was denied landing privileges minutes before major rallies. Road barriers slowed his travel and, once, a truck tried to force his car off the road. Yushchenko's private security detail discovered that he was being followed by a state security operative, who was caught with false identity papers, multiple license plates, and eavesdropping equipment. Then, on September 6, Yushchenko became gravely ill. His mysterious sickness forced him from the campaign trail for nearly a month, leaving his body weakened and his face badly scarred. Later tests revealed that he was suffering from dioxin poisoning. The opposition cried foul, but the government-controlled media responded that Yushchenko had contracted the disease himself, by eating contaminated sushi, getting herpes, or undergoing botox treatment to preserve his 50-year-old good looks.

Yushchenko was not the only one to face harassment. Activists from his political coalition were arrested on false charges. Students living in university housing were told by university officials that if their districts voted for the challenger, they would be evicted from their dorms in the middle of winter. When election day came, at polling sites in several areas where support for Yushchenko was high, monitors discovered that pens had been filled with disappearing ink, so that ballots would appear blank after they were cast.

Nongovernmental groups were quick to complain. "It's the biggest election fraud in Ukraine's history," declared the nonpartisan Committee of Voters of Ukraine, which had deployed more than 10,000 monitors to observe the runoff. According to the group, 85,000 local government officials helped perpetrate the fraud, and at least 2.8 million ballots were rigged in favor of Yanukovich. Claims of massive voter fraud were also bolstered by an unlikely source: Ukraine's Security Service (SBU). In the days before and after the runoff vote, a high-ranking SBU official had kept in regular contact with Oleh Rybachuk, Yushchenko's chief of staff. SBU operatives had been cooperating with the Yushchenko camp since the first round of elections, regularly reporting on possible security threats and dirty tricks.

SBU wiretaps provided crucial evidence of the government's chicanery, including late-night manipulation of data in the CEC's computer server. In one taped conversation, an hour before the inflated turnout was announced, Viktor Medvedchuk, the head of President Leonid Kuchma's staff, talked to Yuri Levenets, a Yanukovich campaign operative, about CEC Chairman Serhiy Kivalov:

Levenets: Greetings on democracy's holiday!

Medvedchuk: The same to you, Yura. [Kivalov] is panicking. He says he's not getting anything.

Levenets: He can't be getting anything. The lads are finishing up now; he'll have it all momentarily--literally in 15-20 minutes.

Levenets: No, it's all fine. He can't have anything right now. He doesn't have any information at all over there. It's all under my control.

According to the telephone intercepts, the fraud involved some of the country's highest officials. In addition to Medvedchuk and Kivalov, the conspiracy included Eduard Prutnik, a key aide to Yanukovich, Serhiy Lyovochkin, the president's first assistant, and Serhiy Klyuyev, a major fundraiser for the Yanukovich campaign whose brother was the deputy prime minister responsible for Ukraine's lucrative energy sector.

RED-HANDED

Why did Ukraine's ruling elite resort to brazen fraud to preserve its power? The answer is corruption. In December 1991, Ukraine proclaimed its independence, precipitating the disintegration of the Soviet Union. Former Communist Party officials, recast as national patriots, led the new state. In the first years of independence, corruption became widespread--but remained minor compared to the rampant criminality that spread during the mid-1990s.

Corruption accelerated after Kuchma's election as president in 1994. The former director of the Soviet Union's largest missile factory, Kuchma brought with him ambitious and greedy politicians from his home base, the eastern city of Dnipropetrovsk. The greediest of the crew was Pavlo Lazarenko, who, in June 2004, was convicted in U.S. District Court of fraud, conspiracy to launder money, money laundering, and transportation of stolen property. Lazarenko, currently free on \$86 million bail, was accused of having stolen from the state and extorted from businesses hundreds of millions of dollars between 1995 and 1997, when he served for 12 months as first deputy prime minister and for 7 months as prime minister. When the scale of Lazarenko's corruption became known, some Ukrainian leaders were outraged. But Kuchma could not have been surprised. In 2000, his former bodyguard leaked hundreds of hours of transcripts of the president's private conversations. On the tapes, Kuchma is heard dispensing favors, paying massive kickbacks, and conspiring to suppress his opponents--making it clear that the president sat at the head of a vast criminal system.

Several factors facilitated Ukraine's massive corruption. High inflation meant that until the mid-1990s, many cross-border financial transactions were conducted using a barter system, which was easily falsified to understate the amount of goods traded; resources that were exported to Russia ostensibly for energy often brought huge kickbacks instead. Wide-ranging privatization also enabled government insiders and cronies to buy state enterprises at bargain-basement prices. Steel mills, today worth several billion dollars, were bought for a few million. Regional energy companies fell prey to the same forces. The tax inspectorate was another weakness in the system, as the government manipulated it to gain financial and political advantages: competitors could be harassed or forced out of business by inspections and fines, and oligarchs could easily evade paying taxes.

In general, the oligarchs were able to operate their businesses without fear of independent oversight. Under Ukraine's constitution, local government officials are not elected but appointed by the president, who allowed oligarchic groups to create local enclaves headed by their allies. In the Zakarpattya (Transcarpathia) region, local and central government officials enabled one oligarchic consortium to amass vast fortunes from the lumber industry by stripping the forests of their trees. Now, parts of this once richly forested mountain region have been dangerously depleted, compounding the problems caused by deforestation in the Soviet era.

Over time, several Ukrainian oligarchic clans became dominant in the young nation. Medvedchuk, who became presidential chief of staff in December 2002, represented the Kiev clan, which controlled regional energy and timber companies and invested in broadcast media. The Dnipropetrovsk clan, which invested in the energy pipeline industries, included Viktor Pinchuk, now Kuchma's son-in-law. A powerful group from the eastern coal-mining Donbass region included metallurgy baron Rinat Akhmetov, the postcommunist world's second-wealthiest man, with a net worth of \$3.5 billion.

Each interest group established its own political party in parliament. The Kiev clan ran the Social Democratic Party of Ukraine (United). The Donetsk oligarchs created the Party of Regions, the ranks of which included a local governor who later became prime minister: Yanukovich. The Dnipropetrovsk group created and backed the Labor Party. And the influence did not stop there. The oligarchs owned or controlled their own national broadcast media and local and national newspapers. Each was capable of massively funding political campaigns in the emerging pseudodemocratic system.

In the late 1990s, the oligarchic clans largely remained under the control of Ukraine's powerful president. But in 2000-2001, Kuchma's power began to weaken as the wealth of the robber barons grew significantly and Kuchma's personal corruption and criminality started coming to light. Eventually, Kuchma even faced a vigorous opposition campaign to impeach him for his role in an abduction that ended with the murder of the investigative journalist Heorhiy Gongadze. But the campaign stalled as the president and his backers blocked efforts to institute the legal procedure needed to formally make the charges.

CHANGES

It was this turbulent period that saw the metamorphosis of Yushchenko from colorless central banker into charismatic opposition leader. In December 1999, pressure from Western donor countries seeking deeper economic reforms resulted in his appointment as prime minister. As chairman of the National Bank of Ukraine in the 1990s, Yushchenko had tamed rampant inflation and introduced responsible fiscal controls. In taking the reins of the government, he was determined to impose fiscal discipline and rigorously collect tax revenues and privatization receipts. To achieve these goals, Yushchenko needed to crack down on Ukraine's crony capitalism. He formed an alliance with one of the system's own--Yulia Tymoshenko, a former energy mogul who had run afoul of the Kuchma regime. With Tymoshenko's help, Yushchenko managed in just a year to recoup more than \$1 billion in revenues that had been siphoned off by energy oligarchs.

Yushchenko's new approach helped propel Ukraine's economic turnaround. In 2000, his first year as prime minister, the economy grew by nearly 6 percent. In 2001, the country's annual growth rate rose to 9.2 percent. Without busting the budget, Yushchenko used recovered energy revenues to solve Ukraine's most urgent social problems: wage arrears to teachers, health care workers, and other state employees, and overdue pension payments to retirees. His public image as an honest, effective leader was secured.

In 2001, Kuchma, facing a mounting protest campaign, realized he could not count on an increasingly independent prime minister with a reputation for integrity. Moreover, the president's oligarchic backers were far from pleased with Yushchenko's policies. And so, in May 2001, Kuchma forced Yushchenko out after only 18 months as prime minister. Despite polls showing that 52 percent of the public opposed the move, Kuchma and the oligarchs prevailed.

Although the oligarchs and their temporary ally, the Communist Party, were rid of Yushchenko, their actions had transformed him from a technocrat into an opposition leader with a strong public base. The first sign of his newfound popularity came in the parliamentary elections in March 2002. Half of all

parliamentary deputies were elected on national party lists, while the other half ran as individuals. In the party-based portion, Yushchenko's Our Ukraine captured 31 percent of the seats, and more radical opposition parties and the Communist Party won another 45 percent. But government manipulation of the individual-candidates election reversed the trend. Scores of so-called "independents" flocked to the oligarchic parties, helping create a pro-Kuchma parliamentary majority.

Still, the strong showing encouraged reformers. Yushchenko had clearly become Ukraine's most popular politician by far. With the constitution limiting Kuchma to two terms as president, the elite focused on finding a successor capable of winning. A new name, that of Donetsk governor Viktor Yanukovich, emerged. He was nominated prime minister in November 2002 and, with Russia's backing, soon became the presidential standard-bearer of the ruling class. But any euphoria was short-lived. As the 2004 presidential elections drew near, the elite grew nervous. Although unrelentingly favorable television coverage and a bill doubling retiree pensions sparked a small surge of support for Yanukovich, his criminal record (three and a half years in jail on assault and robbery convictions) and his links to the Kuchma regime raised serious doubts among voters.

Two days before the November 21 runoff election, Tymoshenko, the charismatic opposition leader, worried darkly, "They are going to steal the election." Tymoshenko was nervous about the civic response. "There will be several days of protest, and then they will crack down. ... We are not adequately prepared for this," she said. Indeed, few opposition leaders could have anticipated the scale and persistence of the coming protests. Although Kiev was an "orange town," decorated in the color of Yushchenko's insurgent campaign, no one knew that orange would soon become a symbol of the public's determination to defend their right to self-government.

AWAKENING

On the morning after the vote, Kiev was abuzz with excitement. Cars, trucks, and buses adorned with orange banners drove down the boulevards and avenues, honking three short bursts: Yu-shchen-ko! Responding to Yushchenko's appeal, hundreds of thousands of Kiev residents, most of them wearing orange, walked with a steely determination toward Independence Square. Over the years, Ukraine had acquired an international reputation as a seamy state led by a criminal elite ruling over a passive populace. Under Kuchma's presidency, the authorities had cynically proclaimed the virtues of the people's democratic choice, while doing everything possible to thwart it. Where, then, did the orange revolution come from? Several key factors contributed to the people's resolve.

Ukraine had benefited from more than a decade of civil-society development, a good deal of it nurtured by donor support from the United States, European governments, the National Endowment for Democracy, and private philanthropists such as George Soros. Although such sponsorship was nonpartisan, it reinforced democratic values and deepened the public's understanding of free and fair electoral procedures. Authentic democratic values were being reinforced by a new generation that had grown up initially under glasnost, and later with a broad awareness of democratic practices around the world.

Ukrainian society was also experiencing profound changes of its own, including the rise of a significant middle class in Kiev and other urban centers. In 2002, thanks in part to the ongoing effects of policies enacted by Yushchenko when he was prime minister, GDP grew by 5.2 percent; the next year, it increased 9.4 percent; and in 2004 it grew by 12.5 percent. From 1999 to 2004, Ukraine's GDP nearly doubled. Although this growth mostly benefited a narrow circle of oligarchs, it also spawned many new millionaires and a new middle class. These new economic forces resented the latticework of corruption

that constantly ensnared them--from politically motivated multiple tax audits to shakedowns by local officials connected to business clans.

Another factor that promoted a dynamic civic sector was increasing awareness of the ruling elite's corruption. The country's emerging Internet news sites--which disseminated the damning Kuchma tapes--were an integral part of this process. By November 2004, Ukraine, with a population of 48 million people, boasted some 6 million distinct users accessing the Internet. A lion's share of Internet access was generated by residents of Kiev and other major cities--where the civic protest became the most widespread and opposition the most determined.

Old media, too, played a modest role. Despite the government's nearly total control of political content on national television and the significant pressure placed on independent media, a significant array of objective newspapers and local radio stations continued to function. And there was one opposition television station: Channel Five had a national audience of only around 3 percent and was confined to cable television, but it was popular in Kiev and several other cities.

In the days before the orange revolution, journalists, bristling at government control and censorship, launched strikes and public protests, demanding the right to tell voters the truth. On one national television channel, known as 1+1, the entire news team of producers, reporters, and editors walked out, forcing the station's news director and government loyalist Vyacheslav Pikhovshek to hold multi-hour talk marathons by himself. He soon became the butt of jokes, including, "Question: What does 1+1 stand for? Answer: Pikhovshek and a cameraman."

In banishing Yushchenko from national television, the authorities forced him to run a campaign based on grassroots meetings. In July, August, and early September, Yushchenko and his representatives crisscrossed the country at a blistering rate of five or six meetings per day. Reports told of Yushchenko gathering crowds in the tens of thousands in cities and towns across eastern and central Ukraine. These meetings helped create networks of civic and party activists, crucial in organizing the mass protests.

A final factor in the orange revolution's success was its experienced leadership. In 2001, a significant anti-Kuchma movement had flourished in Ukraine, prompted in part by the president's "tapegate." Although these mass protests eventually dissipated amid violence instigated by agents provocateurs, they represented a kind of dry run for the next revolution. Many of the leaders of the most recent civic protests cut their organizational teeth four years ago.

FIGHT THE POWER

With the massive criminal voter fraud well documented in the aftermath of the runoff vote, Yushchenko and his advisers opted for a two-track strategy: one revolutionary and the other constitutional and institutional, revolving around efforts to appeal to both the parliament and the supreme court.

Engaging the revolutionary strategy, Yushchenko declared himself president and took the oath of office in an abbreviated session of the parliament on November 22--the first day of the nationwide protests. As "president," he called for a nationwide general strike, urged the militia and the military to stand with the people, and called on local governments to transfer their allegiance to him and his council. In the hours that followed the "swearing in" ceremony, palpable nervousness filled the air. Would the authorities respond with force? Fortunately, the answer was no. Yushchenko's risky tactics paid off, creating confusion within the security forces' rank and file. Ukraine suddenly had three presidents: the outgoing

but still incumbent Kuchma; the "official" winner of the runoff, Yanukovich; and Yushchenko, whose swearing in had been covered by the increasingly open national media.

As C. J. Chivers of The New York Times revealed, Ukraine's military and security services began to fragment as the protests gained strength. Although Yanukovich and other hard-liners demanded that force be used to disperse the protesters, the authorities dared not intervene with the military and the SBU divided. According to Chivers, after the Interior Ministry unilaterally marshaled troops to attack the demonstrators, SBU leaders made clear that they would use force to protect the protesters. The cooperation of segments of the SBU with the Yushchenko camp appears to have been a crucial element in preserving the peace.

But Yushchenko's inner circle also understood that a successful civic coup could set a precedent for street-driven politics and remain a long-term source of institutional instability. The actions of the protesters therefore needed to be reinforced by constitutional bodies. Popular demand and coordinated pressure from the international community pushed forward the institutional approach. Soon, deputies from the government majority began to turn to Yushchenko, as Kuchma's power waned and the scale of the fraud became incontrovertible. On November 27, after days of mass protests and the siege of the cabinet of ministers, the presidential administration, and Kuchma's residence, parliament met and by a clear majority voted to declare the poll invalid. Six days later, Ukraine's supreme court annulled the results of the runoff, accepting Yushchenko's legal team's evidence of massive fraud and official high-level conspiracy. The court called for fresh elections.

A key role in the process was played by parliamentary speaker Volodymyr Lytvyn, Kuchma's former chief of staff. While Poland's President Aleksander Kwasniewski, Lithuania's President Valdas Adamkus, and the European Union's Foreign Affairs Commissioner Javier Solana worked in Kiev to negotiate the contours of a democratic solution among the rival interests, Lytvyn brokered the specifics of a comprehensive agreement. It featured significant new protections in the election law to reduce the potential for voter fraud.

The agreement also called for amending the constitution to reduce the powers of the president. As a result of these changes, by the end of 2005, Ukraine will be a parliamentary-presidential republic; the president will be responsible for foreign policy, national defense, and security, with veto power over the legislature. The appointment of the government will now be the purview of the legislature, due to be newly elected in March 2006. Yushchenko accepted these changes with some reluctance, but most of his key aides believe that the remaining one-year window of strong presidential power will give him sufficient time to deal with the legacies of corruption and to shape a broad future parliamentary majority.

On December 26, Ukrainians went to the polls for the third time to vote for president in an election that attracted the largest contingent of international observers in history: more than 12,000 monitors from Europe, North America, Russia, and Asia took part. A more open media covered the election (although not in eastern Ukraine, where broadcast media continued to provide only a pro-Yanukovich perspective). The result was predictable: Yushchenko received 52 percent of the votes and Yanukovich 44 percent, with a winning margin of 2.2 million votes out of 28 million cast. The results showed significant regional variations: Yushchenko carried 17 regions in the western, central, and northeastern parts of the country, and Yanukovich commanded dominant majorities in Ukraine's ten southern and eastern regions.

Early in the morning on December 27, barely six hours after the polls had closed, Yushchenko made a brief, eloquent address to the nation. "We are free. The old era is over. We are a new country now," he said. Yushchenko declared what everyone knew, that he was Ukraine's third president since independence. But he was the first with a record of commitment to democracy and the rule of law.

FROM PROTESTS TO POLITICS

As president, Yushchenko faces serious domestic and international challenges. But his leadership team is far from inexperienced in governing. Many of Yushchenko's ministers have served in high government posts, dismissed only when they challenged the corrupt elite. As a result, his colleagues both know how to run bureaucracies and understand how to overcome resistance to reform.

Yushchenko's coalition is broad and highly representative, although also susceptible to some infighting and division. Some were long-time members of the opposition to Kuchma, while others made common cause with oligarchic parties until a few years ago. Some are members of Ukraine's nouveau riche, while others are civic activists deeply suspicious of the "new oligarchs." Some belong to the social-democratic left, while others are free-market libertarians. Some are conservative nationalists, while others are liberal and secular. To shape a majority in the short term, Yushchenko will also have to form alliances with politicians who until a few weeks ago backed his opponent and the ruling regime.

In part due to his religious convictions, Yushchenko has positioned himself as a member of the European People's Party (the Christian Democrats), a moderate center-right group. On social policy matters he tends to support a robust safety net for Ukraine's elderly, but he is an equally strong proponent of fiscal discipline. These three currents and his desire to balance them have contributed both to his centrist moderation and to his broad-based political appeal.

His team's biggest challenge will include confronting the corrupt, criminal legacy of the Kuchma years. Doing so will require introducing a significant number of new cadres into the upper and middle levels of the Ukrainian state government. It will likely mean wholesale changes in the Interior Ministry and the tax inspectorate, which have devolved into mere political instruments of the oligarchic groups. Yushchenko will replace the country's governors and local executive officials, all of whom are loyalists of Kuchma and the large oligarchic parties. In the wake of the orange revolution, appointed regional leaders from Ukraine's Russian-speaking east came perilously close to threatening secession. They will now certainly be replaced, and some who have resigned are already under investigation by the prosecutor-general's office for anticonstitutional activity.

Given eastern and southern Ukraine's overwhelming support for Yanukovich, a crucial domestic challenge will be bridging the divide that separates them from the western and central regions. There are strong reasons to believe that Yushchenko will succeed. Apart from the Crimea, no Ukrainian regions or cities have ethnic Russian majorities. Ethnic Ukrainians make up three-quarters of the population, whereas Russians constitute only 21 percent. The ideological differences between the regions can be defined in one word: media. In eastern Ukraine, the local press fanned the flames of regional separatism and painted Yushchenko and his team as ultranationalists and CIA agents. Eastern Ukrainians will slowly move beyond these stereotypes as they gain access to more balanced information and to direct contact with their new leaders. As important, the region's two most powerful economic actors, Akhmetov, owner of System Capital Management, and Serhiy Turuta, who leads the Industrial Union of Donbass, seem eager to cooperate with the new Yushchenko team. Working to neutralize the negative impact of the Russian media, which exert a significant influence in the Crimea and eastern Ukraine, will also be important.

The cycle of illegal political intimidation must end as well. Yushchenko expects vigorous prosecution of high-ranking officials suspected of participating in the election fraud. He has stated publicly that former President Kuchma is, like every citizen, answerable to the law. Yushchenko's closest aides make clear that there will be no amnesty for Kuchma. The new government will investigate his conduct in office, and if necessary, he will be prosecuted. Yushchenko has also declared that he knows who poisoned him, and he

will take appropriate measures. There is also an ongoing investigation into a foiled election-night plot to blow up an area one kilometer in diameter in central Kiev and kill many members of Yushchenko's leadership team. Two alleged Russian gangsters, believed to have connections to Russia's security services, have already been arrested. Seven pounds of plastic explosives were found wired to their car.

Another major task will be media reform. State television has long been a wasteland of bland and propagandistic programming. Although much broadcast and print content has improved in the aftermath of Yushchenko's victory, there is still the question of diversifying ownership of privately owned media, which are held mainly by the new government's oligarchic opponents.

In the economic sphere, Yushchenko confronts a rising budget deficit and a slowdown in the country's growth rate, which last year was 12.5 percent and this year is expected to fall to around 6 percent. Yushchenko's closest aides believe that they will be able to pay for the growing debt by revisiting several insider privatization deals that cheated the treasury. One such case is the June 2004 privatization of the lucrative Kryvorizhstal steel plant, bought by insiders for \$800 million less than the offer from a consortium of investors that included U.S. Steel. The Yushchenko team is also confident it can reassert control over the notoriously corrupt energy sector, and it is committed to eliminating Ukraine's preferential "special economic zones," which only benefit the oligarchic elite. With measures such as these, Yushchenko and his team feel certain that there will be no need to reduce public benefits or raise taxes.

REACHING OUT

Ukraine's most pressing international challenge will be to manage the relationship with Vladimir Putin's Russia. Putin strongly backed Yanukovich, and Russian-led election monitors attested to his victory in the first runoff. Putin spent four days in the week before the first-round vote promoting Yanukovich in lengthy press interviews and public meetings. Kremlin image-makers played a crucial role in advising and directing the Yanukovich campaign, and the Yushchenko camp believes Russia spent several hundred million dollars to help Yanukovich win. Yushchenko's victory is thus a humiliating defeat for Putin and a setback for Russia's hegemonic inclinations.

But Yushchenko's circle seeks solid, pragmatic relations with Russia. Advisers in the new government point out that as prime minister, Yushchenko worked to resolve Ukraine's payment arrears for Russian energy and that during that time Russian investment in Ukraine was at its highest. A day after his inauguration, Yushchenko traveled to Moscow for his first official international visit, to be followed by trips to Warsaw, Brussels, and Washington.

Even as he seeks to improve his relationship with Russia, Yushchenko's main goal is the consolidation of Ukraine's democracy and market economy through integration with the EU. Although such an aim once appeared fanciful for political as well as economic reasons, the orange revolution changed all that by generating weeks of positive publicity for Ukraine as an emerging European democracy. In central Europe, among the EU's new member states, the orange revolution helped people vicariously recapture the spirit of their own civic movements of the 1980s. Lech Walesa traveled to Kiev to speak in Independence Square, as did politicians from Germany, the Netherlands, Slovakia, and the Czech Republic. European institutions are voicing their support as well. On January 13, the European Parliament voted 467 in favor, 19 against for a resolution calling on Ukraine to be given "a clear European perspective, possibly leading to EU membership." Although the vote was nonbinding, The Financial Times asserted that it "was the clearest sign to Kiev that the EU's door is open."

But EU integration will remain a long-term objective. Ukraine's population of 48 million and its low level of economic development currently make entry into the common market forbidding. Poland's Kwasniewski believes Ukraine will be a part of the EU in 15 years. Some analysts contend that Ukraine could be invited to begin the drawn-out process of EU accession within 7 years. Yet Yushchenko is moving rapidly. He has entrusted one of his closest and longest-serving aides, Rybachuk, with the responsibility of heading the Ministry of European Integration. Operating at the level of deputy prime minister, Rybachuk will have authority to supervise every ministry's relevant work in meeting European standards.

As for the United States, U.S. policy on Ukraine has long been driven by the contingencies of the Iraq war. In the past, Yushchenko and his inner circle have voiced their disappointment with this state of affairs. As recently as August, in fact, they worried that in return for Kuchma's deployment of a large force in Iraq, the top U.S. leadership was abstaining from public criticism of Ukraine's human rights violations and the restrictions on the freedom of the press, relying instead on lower-ranking diplomats to send Kiev more muted signals. Iraq may linger as a sore spot, as Yushchenko has been a proponent of withdrawing Ukraine's forces. But considering that Kuchma already announced a June 2005 deadline for the redeployment of Ukrainian troops, and that other key U.S. allies such as Hungary are also pulling out, the issue is unlikely to stand in the way of warm relations.

Indeed, in recent months, particularly since the re-election of George W. Bush, the Yushchenko team has praised the United States as a bedrock of support for democracy and the rule of law in Ukraine. And the Yushchenko camp has stated its gratitude for the long-term efforts of the U.S. Agency for International Development to support free media, the rule of law, civil society, and civic election monitoring there.

Ukraine is eager for U.S. support on a number of fronts. Economically, Ukraine's leaders hope the United States will declare Ukraine a market economy and push for the country's quick integration into the World Trade Organization. Diplomatically, should Russia start flexing its hegemonic muscles, Ukraine would appreciate Washington's backing. What is more, quiet lobbying from the United States could only help the Ukrainian aim of integration into Europe. In particular, Washington could encourage the United Kingdom and Italy to add their support to those of central Europe's leaders, who are pressing Ukraine's case for eventual integration.

TODAY, KIEV; TOMORROW...

Although President Yushchenko has come to embody the orange revolution, he is moderate and pragmatic, not a permanent revolutionary. Yet, like his close friend President Mikheil Saakashvili of Georgia, he also believes that democracy can spread to other outposts of the former Soviet Union. On January 11, Yushchenko and Saakashvili issued a joint declaration. Their countries, they said, had overcome tyranny through the efforts of homegrown forces; outsiders could never have effected meaningful civic revolutions. At the same time, Yushchenko and Saakashvili thanked the international democratic community for supporting their struggles. "We are certain that the revolutions in Georgia and Ukraine are shaping the new wave of liberty in Europe," the two leaders stated. "They will usher in the ultimate victory of liberty and democracy across the European continent."

During the 17 days of the orange revolution, groups of protesters at Independence Square gathered around several Belarusian national flags. They were part of a contingent of activists eager to soak in the experience of a revolution in the making and to carry its lessons back home. Kazakh opponents of Nursultan Nazarbayev's authoritarian regime also sought to learn from their Ukrainian counterparts. Russian civic activists, too, came to Kiev to meet with Ukraine's protest leaders and talk about organizing

for change. In mid-January, when Russian pensioners rose up against cutbacks in their benefits, Moscow newspapers speculated that Russia could be going "orange."

Just as activists from Ukraine's Pora youth movement learned from contacts with Serbia's Otpor and Georgia's Kmara youth alliances, civic leaders from authoritarian post-Soviet states are looking to Ukraine while searching for their own path to successful nonviolent democratic change. The orange revolution may not necessarily spread, but people will persist in their struggles against tyranny. And over time, some of them will prevail. Ukraine's victory over tyranny has been dramatic and inspiring. But the implications of that victory--throughout the region and the world--will be fully understood only in the years to come.

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