



Turmoil in Ukraine, Reverberations in Russia

Anders Åslund says that Ukraine's instability is causing alarm in Moscow, where any decision to intervene could spoil the Sochi Olympics.

Transcript of interview recorded January 27, 2014. © Peterson Institute for International Economics.

Steven Weisman: Instability and protests are spreading in Ukraine following a period of what seemed like a quiet impasse. Anders Åslund of the Peterson Institute for International Economics is here with me, Steve Weisman on Monday, January 27th to assess a fast-moving situation. Anders, the opposition to President Yanukovych is rising. What are the latest developments?

Anders Åslund: The dramatic developments started on the 16th of January when President Yanukovych quite surprisingly and unexpectedly pushed ten totally anti-democratic laws through parliament which would make all the demonstrations illegal and introduced quite severe prison sentences for all the protestors. The protestors have no choice but to become tougher. Rather than cooling down the situation, [this] led to a heating up. We are seeing now that the opposition has taken over at least 11 regional headquarters out of 27 in Ukraine and there has been a severe fight also in Eastern Ukraine between, on the one hand, the protesters the way of soccer fans, and on the other hand, riot police and thugs, the so-called 'titushki' whose origin is not at all clear. It's really coming to a situation where the question is whether President Yanukovych can carry the country if he's clearly not in charge in the Western half of the country and ...

Steven Weisman: And even in the Eastern parts of it, which is his base, isn't it?

Anders Åslund: Yes. Also in the East we're seeing big demonstrations against him. He tried to mobilize a demonstration on Saturday in favor of him in Donetsk. Three hundred people came and this is supposed to be his power base. So it might simply be that President Yanukovych and his regime collapses. What he has behind him now is effectively 8,000 riot police, so-called Berkut, and a few thousand thugs. The military have firmly said that they are standing outside the conflict. The police, by and large, seem to stand outside the conflict. Saturday night, we saw that 200 interior troops, considered to be elite troops, refused to fight and quietly walked away after they had been attacked by the protesters for several hours.

Everything is coming to a quick crunch. Allegedly President Yanukovych has now lost about 80 of his 203 deputies in the parliament. He has lost the majority, and it remains to be seen if he can hold his former majority or if it's simply gone.

Steven Weisman: What would happen if parliament acts, now that he's lost his majority? Can they force the issue or will this play out more on the streets?

Anders Åslund: I think the best hope for a peaceful solution is that the battle now moves into parliament. We would then expect the center of the parliament that has defected from Yanukovych, and were not with him for too long, to play a major role. A list of these people presented their demands over the weekend and they are very similar to the opposition demand. It is release

all political prisoners, of which there are now hundreds; revoke the ten anti-democratic laws that were rushed through the parliament against all legal procedures on the 16th of January; sack the whole government; hold early parliamentary and presidential elections. What is really in question is resignation of President Yanukovych.

Steven Weisman: Can the parliament legally force his resignation and call a new presidential election? He's duly elected after all.

Anders Aslund: Ukraine has rather tough rules for impeachment. Three quarters of the parliament attendance are needed, so that would be very difficult to mobilize. But what can be done is an agreement with Yanukovych that he gets some kind of immunity if he resigns on his own volition.

Steven Weisman: What is motivating these protesters?

Anders Aslund: Most of all, the Ukrainian people, by and large, want European values, being understood as a freedom and justice democracy under rule of law. It's not about trade agreements. It's somewhat about the economy, but it's very much about corruption. What makes the corrupt rule on President Yanukovych weaker than elsewhere is that President Yanukovych is greedier and doesn't share with as many as in other places. In particular, all the big businessmen are now against President Yanukovych because they are afraid that he will take over their enterprises without necessarily paying for them.

Steven Weisman: On the eve of the Sochi Olympics, what's going through President Vladimir Putin's mind?

Anders Aslund: This is a key factor. Clearly, he is not going to let Ukraine go. He's already shown this summer that he's prepared to undertake all kinds of trade sanctions. I think that we should expect if President Yanukovych falls in some kind of popular revolution, he will instantly stop all imports from Ukraine and also stop all gas supplies to Ukraine. So that will cause major havoc and we never know what Russian troops will do. After all, Russia has a big naval base in Sevastopol with thousands of marines.

Steven Weisman: One can presume that he's going to wait until after the Olympics before he uses any troops. Otherwise this will be a replay of the Moscow Olympics of 1980.

Anders Aslund: Indeed, this is a reason for the opposition to act very fast before Moscow can act.

Steven Weisman: Thank you very much, Anders.

