



Life in a bomb shelter, photo courtesy of Oleksiy Matsuka

What's Next For Donbas?

By Kateryna Smaglyi

As 2014 was drawing to a close, hundreds of thousands of people in Ukraine were spending the holidays far away from their homes. The UN High Commissioner for Human Rights reports that as of January 14, 2015, over a million people in Ukraine have fled their homes (Some from Eastern Ukraine, others from Crimea), with the number of internally displaced persons reaching 633,523 and the number of refugees outside the country reaching 593,622 individuals.¹

The situation is very difficult even in the territories that returned to Ukrainian control. People have no jobs, as almost all state and privately owned mines stopped coal production. In the territories that are still controlled by the rebels - the so-called Donetsk People's Republic (DNR) and Luhansk

People's Republic (LNR) - the situation is even worse: in addition to the destroyed homes, broken gas systems and absence of heat in their homes, local residents have no money to buy food. Many of them have been rendered hostages of the new political circumstances, and physical survival is now their main goal.

Celebrating the New Year in warm homes far away from Donbas, people in Ukraine outside the conflict zone could not help thinking about their fellow countrymen in dire circumstances. As one journalist commented after returning from a humanitarian mission to the village of Maryinka on the outskirts of Donetsk: "Can any of you celebrate the New Year peacefully while knowing that people nearby are dying from hunger?"²

Yet we should realize that the causes of civilian suffering are coming from Kyiv as well as from the separatists' backers in Moscow. In late November 2014 the government of Ukraine decided to suspend social payments to all state-financed organizations in the territories belonging to DNR and LNR. The Cabinet promised to resume paying pensions and other benefits in Eastern Donbas only after all Russia-backed separatists have left the country. Three weeks later, the National Bank of Ukraine directed commercial banks to stop all financial transactions in the territory under separatist control. With that decision, the government effectively cut off thousands of people from any possibility of receiving financial aid from relatives and friends at a time when the state had already ceased making any social payments to them.

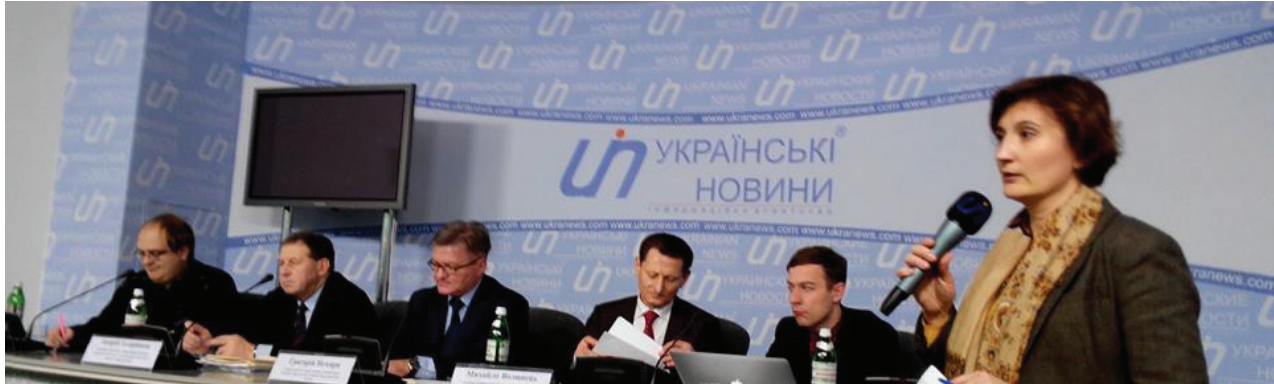
Surprisingly, Ukrainian human rights groups did not object, and there has been very little public debate within Ukrainian society on the legality of these decisions and their consequences for the people of Donbas. In fact, media and civil society groups are reserved in criticizing the government. In the current security and economic crisis, any rational discussion of government actions is often drowned out by patriotic carols. It is considered improper to "rock the boat" and question the authorities' decisions, as Ukraine finds itself on the edge of default with war right outside the door. The majority of international organizations also remain silent on the issue, despite the United Nations' warning of "life-threatening conditions" in the east of Ukraine.³

Since the policy debate in Ukraine has generally overlooked the fate of civilians trapped within the conflict zones, the Kennan Institute in Ukraine saw

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the need to convene policymakers and outside experts to assess the situation and introduce new recommendations for overcoming the humanitarian crisis. In mid-December 2014 it organized a panel discussion in Kyiv to analyze the geopolitical, economic and humanitarian aspects of suspending social payments in Eastern Donbas and propose some actionable ideas to mitigate any negative consequences of this decision. Participants including the Deputy Minister for Social Policy **Viktor Ivankevych**; Chairman of the Verkhovna Rada Human Rights Committee **Hryhoriy Nemyria**; senior fellow at the Cato Institute **Andrei Illarionov**; leader of the Independent Trade Unions of Ukraine **Mykhailo Volynets**; journalist **Olexiy Matsuka**; and senior expert of the Economic Research and Political Consultations Institute **Vitaliy Kravchuk** put their heads together to analyze the crisis and come up with suggestions for resolving it.

The first task was to assess the government's response to the situation in Eastern Donbas. Vitaliy Kravchuk stated that the authorities based their policies restricting state and private payments to the conflict zone on economic, security and political factors. As local production almost stopped and residents of the occupied territories discontinued payments to the Pension Fund of Ukraine, the authorities argued they could no longer carry the financial burden of the related social obligations to



Kennan Institute in Ukraine discusses the situation in Donbas

Donbas. Also, given numerous instances of bank and ATM robberies in the region, the money paid to local residents could easily end up in the hands of rebels and other criminal groups. Finally, the government intended to put pressure on separatist leaders and their Kremlin supporters to push them toward surrendering control over Ukrainian territory. Until such control is returned, Prime Minister Arseniy Yatsenyuk said that continuation of social payments in DNR and LNR would constitute “direct financing of Russian terrorism.”⁴

However, as it deprived its citizens in the east of social benefits available in the rest of the country, the Ukrainian government has also failed to provide them with alternative social safety nets. Though the government says that retirees can continue to receive social benefits by relocating to areas that are under its control and registering as migrants, relocation is simply impossible for the many elderly and disabled. Even if they were able to move and had a safe place to go outside the conflict zone, the cost of a ticket is often prohibitively expensive.

Natalya Gumenyuk, a journalist from Ukraine’s Hromadske TV, recently returned from the occupied territories. She says local residents interpreted

the government’s decision to stop social benefits payments and banking transactions as a sign that Ukrainians simply “gave up on their compatriots.”⁵ Locals refute the government’s justification that Donbas stopped paying taxes to the state budget. Statistics show that tax revenues dropped in late 2014 only by 18.6 percent compared to the same period in 2013. The continuation of tax payment is also acknowledged by the Donetsk Oblast State Administration, which reports that “the population continues paying taxes to Ukraine, even in the territories controlled by the so-called DNR.”⁶

Having decided to stop social payments in Eastern Donbas, the authorities in Kyiv only gave additional trump cards to their political rivals both domestically and internationally. The Opposition Bloc in Ukraine’s parliament (which came first in the party lists vote in six southern and eastern oblasts of Ukraine during the snap October 26 elections and is largely comprised of former supporters of the Yanukovich regime), has already tabled a draft resolution to establish an ad-hoc commission in order to investigate the circumstances behind the Cabinet’s decision to suspend pensions and other obligatory social assistance in Eastern Donbas.

In the meantime, Russia continues scoring public relation points by sending humanitarian assistance to the occupied territories. Overall, 10 Russian convoys have delivered more than 13,000 tons of humanitarian cargoes to the Donetsk and Lugansk regions since August 2014. On January 8, 2015, an 11th humanitarian convoy delivered an additional 1,400 tons of aid, including foodstuffs and articles of prime necessity.⁷ As the Russian Red Cross laments the “dozens of deaths from hunger and cold”⁸ after Ukraine decided to stop social payments in Eastern Donbas, Russian state-owned TV channels continue painting the alarming picture of the Kyiv government facilitating an unfolding “genocide of the Russian-speaking population in the embattled southeast of Ukraine.”⁹

It was not until December 25 that Kyiv officially began sending some humanitarian aid of its own (although assistance was actually delivered by volunteers and private donors). The government of Ukraine sent 326 tons to Severodonetsk and Kramatorsk (currently under Ukraine’s control), 60 tons to the “buffer zone” territories, and just 7 tons for hospices, orphanages and hospitals in the territories controlled by the rebels. Yet, compared to the regular deliveries from the Russian side, the aid from Kyiv is just too little, too late.

Since the beginning of the conflict in Eastern Ukraine, the humanitarian assistance to the regions has been mostly provided by the richest Ukrainian oligarch, Rinat Akhmetov. His foundation established a rather effective system of distributing food packages to single-parent families, war veterans, people with special needs and the elderly. In mid-December, however, Akhmetov’s biggest business rival – the Dnipropetrovsk governor and billionaire Valeriy Kolomoisky – attempted

to politicize Akhmetov’s humanitarian aid. On December 15, 2014, the Dnipro-1 volunteer military battalion (funded by Kolomoisky) stopped twenty-two trucks of charity aid from the Rinat Akhmetov Foundation at the border of the Dnipropetrovsk and Donetsk oblasts on the grounds (which were later proved to be unsubstantiated) that Akhmetov’s “aid” included alcohol and cigarettes and, as such, was meant not for civilians, but the rebels.

The episode was just another illustration of regional oligarchic wars, which do not stop even when hundreds of people are pushed to the edge of survival. The growing local political monopoly of Valeriy Kolomoisky is becoming a factor of Ukraine’s national political developments, as he continues leveraging his financial support of the Ukrainian army into supporting his own political preferences and expansion of his business interests.

The Ukrainian media did manage to sound the alarm that Donbas was just “two weeks ahead of hunger”¹⁰ and appealed to all state actors and legislators to stop using humanitarian assistance as pawns in oligarchic wars and/or political games. But neither the President, nor the Interior Minister, nor the Chief of the State Security Service of Ukraine launched an official investigation to find out what actually happened at the Dnipropetrovsk-Donetsk border.

It is also unclear why the authorities in Kyiv have not attempted to resolve the issue over ambiguous legal status of the territories under separatist control in international courts. Why do they not officially declare DNR and LNR as “occupied territories” in order to apply the Geneva Convention and make Russia, as an occupying power, fully responsible for providing general welfare to local inhabitants?

Is it because the Ukrainian leadership hopes to win the hearts and minds of DNR/LRN residents by showing them a better alternative – the democratic, uncorrupted and economically prosperous European Ukraine, which would ultimately encourage them to drive out the separatists?

In the long-term, this may be a feasible scenario, but as a short-term solution, it is simply not realistic. The Ukrainian government has yet to deliver on the promise of quick reforms to make its own citizens believe the vision of a better future has materialized. Moreover, the local sentiment in Eastern Donbas is still largely anti-Ukrainian. The most recent opinion polling of the residents of Slovyansk – a town that is now back under Ukraine’s control – by the

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Democratic Initiatives Foundation has demonstrated that 70 percent of local residents blame the current Ukrainian government for all their present-day suffering, compared to 43 percent who believe that the blame should be placed on the previous Yanukovich regime. Those, who think that it is all Russia’s or America’s fault are divided almost equally at 31 and 32 percent, respectively.¹¹

A side-effect of the government’s decision to stop social payments in Donbas has been a growing cleavage between Ukrainians who remain under DNR and LNR “jurisdiction,” and those who live

outside the conflict zone. Mistrust, condemnation, outright hatred, and an “eye for an eye” and “death to the enemy” sentiment dominate the prevailing attitudes among Ukrainians, who share the widespread notion that all Donbas residents have assisted terrorists in killing Ukrainian soldiers and thus fully deserve to be punished.

When Olexiy Matsuka, a Donetsk-born Radio Liberty journalist, asked his 15,600 Facebook followers and friends whether they believed the decision to suspend payments was right, 75 percent of respondents said “yes.” Very few differentiated between those who consciously supported the rebels and those who remained in the occupied territories by default—including the most vulnerable groups such as children, disabled, elderly, single-parent families, etc. These individuals might be staying in Donbas for a variety of personal reasons, including difficulties with finding employment elsewhere in Ukraine, or paying rent, or simply enrolling their kids in preschools.

The government of Ukraine will find itself in the dark with no light at the end of the tunnel, so long as it fails to develop a coherent policy of “Donbas-Ukraine reconciliation.” One of the possibilities to overcome the humanitarian problems in Donbas is to annul the decision on social payment suspension. As MP Hryhoriy Nemyrya argued during the Kennan event: “The longer the government’s resolution remains in effect, the fewer local Donbas residents will consider themselves Ukrainians...” Nemyrya also believes that by stopping humanitarian assistance from private donors, Ukraine only gives more arguments for Putin to say that Ukraine’s government is incapable of organizing humanitarian assistance to those territories.

The government should also launch an in-depth analysis of the situation on the ground. Reflecting on the geopolitical consequences of this crisis, Andrei Illarionov observed at the Kennan panel that 4.5 million people lived in Donbas before the war, but at the moment there are no confirmed numbers on how many remain. As actionable policy ideas are impossible without precise data, the Ukrainian government should launch the process of “personal identification” or “re-confirmation of citizenship” in the occupied territories. Ukraine should also offer relocation aid to those who would re-confirm their loyalty to Ukraine and would be willing to resettle. Illarionov drew a historical parallel between Ukraine and Finland after the Winter War in the 1930s, when Finland was forced to relocate 410,000 Finish Karelians (or 12 percent of Finland’s total population) after ceding territory to the Soviet Union as a result of the 1940 Moscow Peace Treaty.

In fact, Poland has already started evacuating its nationals from the conflict-hit regions after some 205 Poles in Donbas requested the Polish Foreign Ministry to provide them with resettlement aid.¹² If the government of Ukraine is compassionate towards its loyal citizens in the occupied territories, it should develop a comprehensive social assistance system to facilitate their relocation to the territories under Ukraine’s control. This should include temporary social housing, additional employment opportunities, child and family services, etc.

The ex-cardinal of the Ukrainian Greek Catholic Church, Lubomyr Husar, has called on Ukrainians to stop perceiving internally displaced people from Eastern Donbas as an additional and unnecessary burden on Ukraine’s economy. “Those individuals, whom we’ll accept wholeheartedly, will become

apostles of Ukraine’s unity. After returning to their homes [in the occupied territories], they will tell those who stayed that they had found kind people in Central and Western Ukraine. ... It is not enough to say ‘we wish you well’. If no specific actions support these words, those words will remain empty.”¹³

The resolution of the Donbas crisis will not be an easy task, but Ukrainian civil society, human rights groups, media and the international organizations should strengthen their advocacy efforts and stop being indifferent to the sufferings of the people in Eastern Ukraine. At the same time, the government of Ukraine should start an open and serious public discussion about its long-term reconciliation strategy in Donbas. Otherwise, the frozen conflict will extend far beyond the cold winter of 2015.







Children in Donetsk living underground to escape artillery fire. Courtesy Oleksiy Matsuka.

Endnotes

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