The Australian - 17.10.2011

Bruce Loudon Show trial may backfire on Ukraine

AS a heroine of the pro-Western Orange Revolution that brought democracy to Ukraine after decades of enslavement to Moscow's diktat, Yulia Tymoshenko might reasonably have hoped for something better than a Soviet-style show trial.

Any such expectation by the feisty, 51-year-old former Ukranian prime minister with the distinctive helmet of plaited blonde hair would, however, have been misplaced. It would have misread the ruthless vindictiveness of her rival, President Viktor Yanukovych, an old school, bare-knuckled political fighter.

As well, it would have underestimated the degree to which Ukraine, despite the Orange Revolution and moves to integrate with the EU, remains a redoubt of the authoritarian laws and practices that have their antecedents in previous Soviet domination.

Tymoshenko, Ukraine's so-called Iron Lady who ranked third on the 2005 Forbes list of the world's most powerful women, was bundled into a paddy wagon and jailed for seven years with a staggering fine of \$190 million plus the loss of political rights. The criminal code she was prosecuted under dated back to Nikita Khrushchev's leadership of the former Soviet Union.

The political fallout has jeopardised Ukraine's attempts to integrate with the EU and given Russian Prime Minister Vladimir Putin the chance to drive a wedge between Kiev and Brussels, which is aimed at enticing Yanukovych to instead opt to join the "Eurasian Union" that Moscow wants to establish with other former Soviet republics as a counterweight to the EU and China.

Tymoshenko's trial on charges of misusing her power as prime minister was based on the flimsiest of evidence, the US labelling it "an improper ... display of selective justice". Accusations were that in 2009 she misspent taxpayers' money to the tune of \$190m by concluding a natural gas supply deal with Putin. The result: Ukraine now pays the inflated European price rather than the subsidised rate it enjoyed for decades. Prosecutors alleged bribery by Moscow. But in using the courts to jail his rival, Yanukovych miscalculated. He made what could be an even more costly mistake than Tymoshenko's. Ukraine, on the fault line of Eurasian politics, is finalising its EU free trade agreement. It's a deal as vital to its own economic future as it is to the EU's expansion ambitions in former Soviet countries. It must be ratified by all 27 EU parliaments and the EU parliament. There is little chance of its winning approval.

Crucially, leaders of Poland, Hungary and the Czech Republic say they will oppose attempts to integrate Ukraine. Polish Prime Minister Donald Tusk has declared protection of human rights "the most important human standard", adding, "as long as Ms Tymoshenko sits in jail, it is hard to speak of Ukraine meeting European standards".

Yanukovych is sending out mixed signals. On one hand he is talking about amending the old Soviet criminal code to retrospectively decriminalise sections used to prosecute Tymoshenko, thereby annulling her conviction.

Ominously, Ukraine's security service has launched new corruption cases against Tymoshenko and another former prime minister who was her mentor, Pavlo Lazarenko, accusing them of transferring \$400m of debt from the gas company they owned to the state. Lazarenko is in jail in the US for money laundering.

It remains to be seen whether Yanukovych changes the criminal code and how he will use the new charges against Tymoshenko. But what is clear in this vendetta is the transformation of perceptions of the former iron lady into a martyr who has fallen victim to a modern-day Joseph Stalin in the form of Yanukovych.

Ukraine's Orange Revolution was about Western ideals of freedom and democracy. Yanukovych was never enthusiastic. Tymoshenko, winner of 46 per cent of last year's election

vote, was seen as propounding a European future for Ukraine; Yanukovych as a leader nostalgic for the old way.

Just which direction Ukraine takes hinges on how Tymoshenko's incarceration unfolds. Russia is watching. It takes a dim view of Kiev's EU ambitions. It believes Ukraine, Russia, Belarus and Kazakhstan should be the nucleus of Putin's Eurasian Union.

Yanukovych, when he ordered Tymoshenko's prosecution, may have been intent on no more than a little Soviet-style revenge. But much more is in play. At the core of the crisis is Ukraine's nascent democracy and alignments with either the EU or Russia. The stakes could hardly be higher.