



Gorshenin *Weekly*

SPECIAL EDITION: NEW CABINET

President appoints new cabinet

On 24 December 2012, President **Viktor Yanukovych** appointed a new cabinet chaired by **Mykola Azarov**.

The first deputy prime minister (overseeing agricultural policy, economy, trade, social policy, finance, earnings and levies), **Serhiy Arbuzov** (previously the governor of the National Bank of Ukraine).

Deputy Prime Minister (overseeing ecology, natural resources, energy, coal industry and industrial policy) **Yuriy Boyko** (previously the energy minister).

Deputy Prime Minister (overseeing the infrastructure, regional development, construction and utilities) **Oleksandr Vilkul** (previously the governor of Dnipropetrovsk Region).

Deputy Prime Minister **Kostyantyn Hryshchenko** (previously the foreign minister).

The minister of the Cabinet of Ministers (this post in the previous cabinet was cancelled as a result of administrative reform), **Olena Lukash** (previously a presidential adviser).

Finance Minister **Yuriy Kolobov** (kept his post).

Economics Minister **Ihor Prasolov** (previously the board chairman of the National Bank of Ukraine).

Minister for Earnings and Levies (a new ministry comprising the tax and customs services), **Oleksandr Klymenko** (previously the head of the Tax Service).

Foreign Minister **Leonid Kozhara** (previously Party of Regions MP).

Interior Minister **Vitaliy Zakharchenko** (kept his post).

Justice Minister **Oleksandr Lavrynovych** (kept his post).

Defence Minister **Pavlo Lebedyev** (previously Party of Regions MP).

Agricultural Policy Minister **Mykola Prysyazhnyuk** (kept his post).

Energy Minister **Eduard Stavytskyy** (previously the ecology minister).

Ecology Minister **Oleh Proskuryakov** (previously the head of the State Service of Geology and Natural Deposits).

Construction and Utilities Minister **Hennadiy Temnyk** (previously the deputy governor of Dnipropetrovsk Region).

Infrastructure Minister **Volodymyr Kozak** (previously the head of the Ukrainian Railways company).

Social Policy Minister **Nataliya Korolevska** (the head of the Ukraine Forward! party).

Health Minister **Rayisa Bohatyryova** (kept her post but lost the seat of deputy prime minister).

Education Minister **Dmytro Tabachnyk** (kept his post).

The head of the State Emergencies Service (a new office comprising the Emergencies Ministry and the State Inspectorate for Technogenic Safety), **Mykhaylo Bolotskykh** (previously the first deputy emergencies minister).

The posts of culture and industrial policy ministers remain vacant.

Opposition takes shots at new cabinet members

Since the new government is just an updated version of the previous cabinet, it will not be able to overcome the economic crisis, the deputy head of the Fatherland parliamentary faction, **Volodymyr Yavorivskyy**, has said. MP **Mykola Tomenko** of the Fatherland faction noted that the government was formed exclusively based on the interests of President **Viktor Yanukovich**.

According to the UDAR party, the new government is made of representatives of "the Family" and various oligarchic clans. This, according to UDAR, proves that the president has no systemic approach to fighting the crisis and carrying out reforms.

Also, Fatherland and UDAR have strongly criticized the return of **Dmytro Tabachnyk** as minister of education. According to the opposition, Yanukovich has retained Tabachnyk at the post in order to please Russia.

At the same time, Fatherland has positively assessed the appointment of **Leonid Kozhara** to the post of foreign minister. According to Yavorivskyy, Kozhara is more moderate in views than his predecessor **Kostyantyn Hryshchenko**.

Expert of the Gorshenin Institute **Oleksiy Leshchenko** believes that the balance of interest groups in the new government has been preserved. Thus, the president has removed the so-called "tycoons' rebellion" risk, the possibility of which has been recently discussed by many Ukrainian experts.

"The main structure of the shareholders in the corporation 'Power' has not changed. The groups of businessmen **Rinat Akhmetov** and **Dmytro Firtash** have retained most of the influence, while the controlling stake still belongs to 'the Family,'" he said. "In particular, Akhmetov has retained his influence on the transport industry; economics, social and regional policies of the government also remain in his area. He also preserved influence in the strategically important to him Dnipropetrovsk Region. Firtash has kept his influence in the energy and subsoil management sectors, and he also added the defence agency to his range of influence. At the same time, each group of interest has received a deputy prime minister."

The group personally close to Yanukovich, which is also known as "the Family", according to the Gorshenin Institute expert, has remained the key beneficiary of the "Power" corporation. "The group has gained total control over the country's financial vertical structure. It has also retained the Interior Ministry, and took control of the state's main strategic asset – the land. Serhiy Arbutov will personally deal with the land issue," said Leshchenko.

Gorshenin Institute expert **Yevhen Kurmashov** says that the fact that the secretary

of the National Security and Defence Council Andriy Klyuyev or people close to him got no seats in the new cabinet does not necessarily mean that Klyuyev lost his influence.

"The recent parliamentary polls, hasty election of the speaker and prime minister showed that Klyuyev is unrivalled in his reputation of the country's most effective political manager. Yanukovych seems to be of the same opinion," the expert said.

In Kurmashov's opinion, Klyuyev's non-involvement with the new cabinet only attests that he is becoming the top manager of a far more important project than the Government 2013. The new name of this project is Yanukovych 2015. "If we analyse the resources and opportunities provided by this informal post, [we'll see] that it is for sure one of the most influential persons in the country, who can block any decision should it stand in the way of the president's re-election. Or otherwise – he can lobby certain decisions by justifying them as necessary for the presidential campaign," he said. "By keeping the post of the National Security and Defence Council secretary, Klyuyev preserves his colossal authority granted to him by the constitution in effect. This is one of the best platforms for election projects of such a scale and difficulty as the presidential election."

Our contact information:

18b Mala Zhytomyrska st.,
Kiev 01001, Ukraine
+38 044 230 4962
+38 044 230 4966 f



For more information please visit our website
<http://gorshenin.eu/>