## UKRAINE-CANADA POLICY AND TRADE MONITOR



rockets, and produce items indispensable to the chemical industry. Access to European markets is one of the most important forms of assistance that the West could give Ukraine to support its process of economic reform. This would allow our enterprises to help themselves, rather than seek state subsidies.

A year ago we adopted one of the world's most liberal laws on foreign investment. For example, the law provides a five-year tax holiday. Last year the number of joint venture established in our country tripled. In 1992 the output of joint ventures was over one hundred million dollars. In the first quarter of 1993, 1,350 joint ventures

## DEMOCRATIC FORCES GAINING STRENGTH

Now let's look at the domestic political scene. Although in Ukraine there are 15 more or less significant political parties, the basic lines of division in politics is between two forces. The first and largest are the national-democratic forces enjoying greatest support in Western and Central Ukraine. The second and smaller can be characterized as the procommunist forces concentrated in the East and South. However, it should be stressed that the pro-communist forces cannot boast significant support amongst workers in Eastern and Southern Ukraine.

The national democratic forces defend the full independence of Ukraine and its development as a European state. The democratic forces are divided amongst movements and parties, not because of programmatic differences, but because of the ambitions of their leaders. These are regiments of the same army, which, unfortunately, do not have a joint command and thus have difficulty in winning battles with weaker opponents. However, the parliamentary opposition - the Narodna Rada - supported by the population, did achieve some brilliant successes. For example, it forced the wavering majority in Parliament to vote for Ukraine's independence.

On 26 September Ukraine is scheduled to have a plebiscite of confidence in Parliament and the President (Ed. note: The plebiscite was cancelled and is to be replaced by elections in 1994 - See page 2). Whether the referendum will take place remains to be seen. Certain that Parliament will lose the vote, deputies may agree to new elections instead. The population, disillusioned with slow pace of economic reforms, may not wish to go to the polling stations to cast their ballots in a referendum whose result binds neither the President nor Parliament. general, the electorate has become increasingly indifferent towards political life, and focuses on daily concerns.

The main task before today's or tomorrow's Parliament is the adoption of a new constitution. Differences of opinion exist: will we have a presidential or a parliamentary republic? . Democrats favour a presidential system; pro-communistsparliamentary. The status of oblasts regions - has to be defined. Will Ukraine be a federal or a unitary state? Democratic forces support a unitary state: their opponents federalism.

Despite all the economic problems, one must not lose sight of Ukraine's achievements. It is a remarkably stable society characterized by a high degree of social consensus. We are developing under the optimistic tone of



Ukraine's Foreign Affairs Commission Chairman Dmytro Pavlychko meets with Monitor editors Orest Dubas (I) and Andrij Hluchowecky (r) during 1991 visit of President Leonid Kravchuk to Canada (file photo).

were registered, and 68 wholly-owned foreign companies were established whose total investment was valued at one hundred ten million dollars. Of course, this is still insufficient, but it is a sign of things to come.

Ukraine's GNP (Gross National Product) is one third of Russia's. Yet the assistance that the West gives Ukraine is only 12% (twelve per cent) of what Russia gets. The latest G-7 meeting in Tokyo showed that this tendency will continue. If Western government's enthusiasm for assisting economic reform in Ukraine was in the same proportion as their attention to our nuclear weapons, our economy would be in much better shape.

Thus, during the recent miners strike communists invited miners to attend their congress but without success: workers do not trust communists. The revival of communist ideology has little perspective in Ukraine because communism there never existed as a serious indigenous force - it was always a mask worn by Russian imperialist forces. There is a danger that the newly reconstructed "national" communist forces, who claim to be defenders of Ukrainian statehood will, in a critical moment, betray Ukraine and submit themselves to their "centre". Communists, even of the national variety, are pulled towards the Moscow centre as a wolf by the forests, as we say in Ukraine.