Yats Quits, Poroshenko Vows To Satisfy IMF

by Rachel Douglas

July 25—The parliamentary coalition and government formed after the violent, neo-Nazi-driven, and West-ern-backed coup in Ukraine last February collapsed yesterday, followed by the surprise resignation of Prime Minister Arkadi "Yats" Yatsenyuk, whose candidacy was, infamously, promoted by U.S. Assistant Secretary of State Victoria Nuland. Vicious infighting now dominates the Ukrainian political scene, even as President Petro Poroshenko attempts to ram through the deep economic cuts required by the International Monetary Fund and to step up Kiev's attempts to suppress resistance in the eastern part of the country by military force—a campaign in which the Ukrainian Army is sustaining brutal losses.

The fascist Svoboda Party and the UDAR ("Punch") Party of Vitali Klitschko exited the "European Choice" coalition, amid disputes over laws to fund the military campaign and to allow "budget sequestration"—the drastic budget cuts demanded by the IMF prior to disbursement of the second tranche of a \$17 billion loan. Their move is widely seen in Ukraine as orchestrated by Poroshenko, in order to hold early elections to the Supreme Rada this Autumn and obtain the Parliament he wants. He demanded that Yatsenyuk, a long-time ally of Poroshenko's foe Yulia Tymoshenko, stay on as head of government, but Yats angrily told the Rada he would not.

"I announce my resignation in connection with the dissolution of the parliamentary coalition and the blocking of government initiatives," yelled Yatsenyuk, referring to the spending cuts and military funding. He denounced the Supreme Rada for "failing to vote up the laws, so now there is nothing with which to pay policemen, doctors, and teachers, to buy weapons and put fuel in the APCs. No decision has been taken to fill up Ukraine's natural gas reserves, so that we can get through the Winter and finally be free of dependence on Russian gas. How are we supposed to maintain the



A brawl in the Ukrainian parliament on July 22, as deputies from the Party of the Regions fought with members of the fascist Svoboda party over the government's mobilization of additional manpower for the Armed Forces. Prime Minister Arkadi Yatsenyuk resigned a few days later, saying he couldn't get anything done.

Army and Armed Forces, how can we avoid demoralizing thousands of people, who are not in this chamber, but are sitting in trenches with bullets flying over their heads?"

The Rada had also failed to pass the final form of a law to turn over operation and upgrading of Ukraine's gas transit system (pipelines and storage) to a company that would be 49% owned by U.S. and European investors. Svoboda refused to support this bill unless the Rada were given the power to approve or reject the particular investors.

Today the Rada failed to accept Yatsenyuk's resignation, as required by law, citing the lack of a letter from him, and then went out of session. Nonetheless, an order over his signature appeared on the government website, naming Deputy Prime Minister Volodymyr Hroysman, a close ally of Poroshenko, as acting PM. Also, today Poroshenko and Rada party leaders did agree to reconvene the Rada in emergency session on July 31, to hold a vote of confidence in the government. Members of the Batkivshchyna (Fatherland) Party of Yats and Tymoshenko, meanwhile, accused Svoboda and UDAR of "political backstabbing."

Poroshenko said yesterday, "Society wants a full reset of the institutions of state." NGO opinion polls are pushing the scenario that the top vote-getters in parliamentary elections will be the Radical Party of sadistic thug Oleh Lyashko, who got a surprise 10% in the May 25 Presidential election, and the new Solidarity Party, if Poroshenko heads it up.

In other political developments, the Supreme Rada majority this week dissolved the Rada caucus of the Communist Party (which received 13% of the vote in the last election), which will soon be banned as a "pro-separatist" organization. CP head Petro Symonenko and a Party of Regions leader were each physically assaulted by Lyashko, Svoboda thugs, and others, during debates on budget cuts and the military operations. Turchynov denounced the PoR MP, who had spoken against sending more Ukrainians to kill other Ukrainians, as an "agent of Putin," and ordered his microphone turned off.

The Supreme Rada did, on July 22, pass a law submitted by Poroshenko for a third "partial military mobilization" of manpower for the civil war in the Donbass, eastern Ukraine, this time affecting men up to 60 years of age. But, Finance Minister Alexander Shlapak announced today, as of Aug. 1 there will be no money to pay soldiers. He said that funding for the "Anti-Terrorist Operation" in the Donbass had been approved in March, assuming the conflict would be over by July 1, and 9.1 billion hryvnias (\$780 million) is needed immediately. Meanwhile, there continue to be unconfirmed reports of casualties to the Kiev forces far in excess of the official figure of 325 killed to date. Ukrainian TV and websites this week have shown crowds of angry citizens in the western part of the country, blocking highways to protest the use of their menfolk as cannon fodder. Ukrainian media reported a press conference given vesterday by ex-head of Ukraine's SBU security agency Mykola Malomuzh, who claimed that three top Ukrainian generals are under investigation for treason because of their failures in the Donbass.

Amid this chaotic political landscape, *Zerkalo Nedeli* newspaper reports that IMF Managing Director Christine Lagarde assured Poroshenko in a phone call today, that "your word and your devotion mean a lot for us." The President's press service announced that, "Despite the difficult situation in the country, the Ukrainian leadership and the IMF mission have worked out a revised plan of reforms, subject to approval by the IMF Board of Directors in the latter part of August."

August 1, 2014 EIR International 33