

Ukraine's President balances out groups of influence

On 9 December, President Viktor Yanukovich issued a decree reducing the number of ministries from 20 to 16, subordinating the ministries to the deputy prime ministers, and creating around a dozen new central offices. These changes in the government's composition have strengthened the 'Donetsk' faction of the deputy prime ministers Boris Kolesnikov and Andriy Kluyev, but the competing 'RosUkrEnergo (RUE) group', represented by Yuri Boyko, has not suffered significant losses. It seems that Yanukovich wanted to make the government an even stronger counterbalance to his own Presidential Administration, which is run by Serhiy Lovochkin, a representative of the 'RUE group'.

There was no substantial decrease in the number of executive authority agencies; the detailed powers of the new and reformed offices have not yet been defined, and it is highly doubtful that the announced budget cuts to the central administration will take place. The most important change is that the two deputy prime ministers have been strengthened by giving them the direct management of ministries: Kolesnikov has become the minister for infrastructure, and Kluyev the minister for economic development and trade (these two areas are of crucial importance for economic policy). Boyko's importance as the minister of energy and coal mining has also increased (previously he only managed energy), as has that of the minister of education and science, Dmytro Tabachnyk, who now handles youth and sport.

Two departments, with partly overlapping jurisdictions, are subordinate to the President of Ukraine – the Government and the President's Administration. The latter is dominated by politicians linked to the 'RUE group' of oligarch Dmytro Firtash; the government, by politicians from the so-called 'Donetsk' group. Strengthening the position of the 'Donetsk' deputy prime ministers also indirectly strengthens Prime Minister Azarov, another 'Donetsk' man. Meanwhile for Yanukovich, this move is probably an element in balancing up his political surroundings, so that neither of the groups would threaten his independence. At the same time, there is a concern that the government's internal collegiality is weakened and the government arrangements will be made among its top people. <TAO>