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Government of experts in Ukraine

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On 29 August, Ukraine's parliament voted through Oleksiy Honcharuk's candidacy for the position of prime minister, together with the composition of the new government (see annex). The new cabinet received the support of the Servant of the People party and a large number of independent deputies (281 votes in total). The number of ministries was reduced from 21 to 17, and the number of deputy prime ministers from six to two. The average age of the new government's members is 39, making it the youngest cabinet in the history of Ukraine. On the same day, the parliament approved the candidacies of the new heads of the Ukrainian Security Service and the prosecutor's office, and chose the composition of the parliamentary committees (of which 19 out of 23 will be headed by deputies from Servant of the People).

In a short speech before the vote, the new prime minister focused primarily on economic issues; he proclaimed the need for rapid and deep reforms, to fight corruption, to de-oligarchise the country, and stated that cooperation with the IMF will continue. On the same day, the Parliament passed a law introducing amendments to the constitution eliminating parliamentary immunity. Before it can come into force, this measure needs an opinion from the Constitutional Court, and to win a re-vote by a majority of 300 votes in the next parliamentary session (which begins on 3 September).

Commentary

- The new Ukrainian government is made up largely of experts, and not professional politicians. Both the prime minister and most of the new ministers are renowned specialists in their fields; most of them have experience of working in the state administration. Honcharuk himself is a lawyer and economist; for the last four years he has headed the Better Regulation Delivery Office in the Ministry of Trade and Economic Development. He supports an unambiguous pro-European course; deep, free-market reforms, including permitting the sale of agricultural land; the fight against corruption; and an acceleration of the privatisation programme. Honcharuk has limited management experience. Some positions, primarily in the economic ministries, have been filled by experts who have not previously worked in government. However, the high level of competence of the new government's members, together with the support they can count on from the President and the parliamentary majority formed by Servant of the People, offer the greatest chance in independent Ukraine's history for effective change and the modernisation of the country.

- Although several of the new ministers have had experience working with Honcharuk, the greatest influence on the make-up of the new cabinet was wielded by President Volodymyr Zelensky and Andriy Bohdan, the head of the President's Office. They see Honcharuk as a technocratic prime minister, lacking any great political influence, who has been tasked with the rapid introduction of economic reforms. However the prerogatives which the constitution gives him – according to which the head of government, not the president, has more power – may lead him to try and assert his independence.
- Most controversial has been the decision to leave Arsen Avakov in post as interior minister (where he has been since 2014); he is a powerful and long-lasting player on the Ukrainian political scene. He has retained his position in the government (although this caused resistance from some Servant of the People deputies), probably because he adopted a neutral attitude to Zelensky and Servant of the People during the election campaigns, while criticising the then President Petro Poroshenko, with whom he had been in conflict. It is also probably of some significance that he has also had good relations with Ihor Kolomoisky, currently Ukraine's most influential oligarch, who has publicly demonstrated his familiarity with him.
- The scope of influence for the oligarchs in the new government is still difficult to assess. The backgrounds of the defence minister Andriy Zahorodniuk and the chief of cabinet Dmytro Dubilet suggest they may have links to Kolomoisky, who supported Zelensky and his party during the election campaign, and whose former lawyer is the head of the President's Office. Also, the new culture minister Volodymyr Borodiansky ran Viktor Pinchuk's media holding for more than a decade. At the same time, the ministries they are now running are not among those which offer the widest possibilities for corruption, nor do they have a decisive influence on economic or financial policy.
- The new ministers responsible for foreign affairs represent a continuation of the pro-Western foreign policy of the post-Maidan governments. Both Dmytro Kuleba, the deputy prime minister for European and Euro-Atlantic integration, and Vadym Prystaiko, the foreign minister, are experienced diplomats who have expressed clear Euro-Atlantic views. At the same time, however, how much influence they will really wield remains an open question. In the Ukrainian political system, it is the president who has final say on foreign and security policy, and with Prystaiko's transition from the President's Office to the government, a key position in this regard has been vacated.
- The decision to merge some of the economic ministries led to the creation of two super-ministries: the Ministry of Economic Development, Trade and Agricultural Economy, and the Ministry of Energy and Environmental Protection. Most controversial is the liquidation of the Ministry of Agricultural Policy, especially as the agricultural sector is one of the few areas of the economy which has been growing rapidly. As a result, the importance of the particular deputy ministers in the new ministries will increase (there is no information on the potential candidates); their decisions may be less transparent, especially in the context of the announcement that the moratorium on the sale of agricultural land will rapidly be lifted and a land market introduced.
- Among the ministers responsible for the economy, only Oksana Markarova has extensive experience, due to her work in the Ministry of Finance from 2015 (including as minister

from 2018). Likewise, Oleksiy Orzhel is also highly qualified for the post of energy minister. Less unequivocal is the nomination of Tymofiy Mylovanov who, although considered an eminent economist, has no experience in managing such a large ministry. The biggest doubts are raised by the appointment of Vladyslav Krykliy as the minister of infrastructure; he has never dealt with such matters before, has been suspected of unlawful enrichment, and is considered a placeman for Arsen Avakov.

Annex

The head of government, Oleksiy Honcharuk (born 1984 in Horodniany, Chernihiv oblast). Trained as a lawyer and graduated from the Vladimir the Great Institute of Law at the Interregional Academy of Personnel Management in Kyiv, the National Academy of Public Administration under the President of Ukraine, and the Business School at the Kyiv-Mohyla Academy. Holds a PhD in law.

In 2005-8 he worked as a lawyer in the PRIOR-Invest investment fund; since 2008 he has run his own law firm. Since 2009 he has been chairman of the Association for Abused Investors. He was an active participant in the Revolution of Dignity. In 2013-14 he was involved in providing legal assistance to people persecuted during the protests on the Maidan.

In 2014 he stood in the parliamentary elections at the head of the list for the People's Strength party, a group formed in 2013 made up of reform-minded people (the party received just 0.1% of the votes). In 2015 he worked for three months as an unpaid advisor to Ihor Shevchenko, the ecology minister, who was regarded as a placeman for the businessman Oleksandr Onyshchenko (who is currently resident abroad, and is wanted on charges of corruption). Honcharuk was considered for the post of head of the State Service of Geology and Natural Resources. From September 2015 to May 2019 he was the head of the Better Regulation Delivery Office (*BRDO*), a think-tank operating at the Ministry of Economic Development and Trade, whose task was to devise ways to improve the investment climate in Ukraine. BRDO was funded by Canada and the EU. BRDO is an initiative of Aivaras Abromavičius, the minister for economic development from 2014-16, and Honcharuk took the position as a result of an open competition for the post.

In 2016-19 he was an advisor to Stepan Kubiv, first deputy prime minister and minister for economic development; Honcharuk was recommended by Abromavičius. In 2018 Honcharuk suspended his membership of the People's Strength party and became co-founder of a new grouping, People Are Important, whose members included the then deputy economy minister Maksym Nefiodov, one of the few reformers in the Hroisman government, who became head of the State Customs Service in July. This party did not participate in the elections, and some people associated with it stood on the lists of Servant of the People or the Voice party.

In May 2019 Honcharuk was appointed deputy head of the Presidential Administration (later renamed the President's Office), where he was responsible for issues related to economic development and reforms. He joined Zelensky's team quite late (only in May), but quickly gained the President's confidence and accompanied him on trips abroad and around the regions of Ukraine. Since June he has been a member of the National Council for Anti-Corruption Policy and of the National Investment Council.

It is unclear how Honcharuk found himself in Zelensky's circle. In April he published posts on his Facebook page that could have been seen as supportive of then President Poroshenko. According to one version, in May he was introduced to the head of the Administration Andriy Bohdan by Dmytro Dubilet, the co-founder of the online Monobank, and son of the long-term president of Pryvatbank, which belongs to the oligarch Ihor Kolomoisky. According to another report, he may have been introduced to Zelensky's team by Dmytro Razumkov, the new speaker of parliament; or by Abromavičius, who has been in the Zelensky team almost from the beginning.

So far Honcharuk has been unfamiliar to the public. Because the positions he held have not been very prominent, there is no information about his possible ties to oligarchs or involvement in corruption scandals (although his candidacy was positively received by Kolomoisky). Similarly, it is difficult to be more specific about his views, except that he is a supporter of deep, free-market reforms, including permitting the sale of agricultural land, the fight against corruption, and accelerating privatisation. Honcharuk has limited management experience (only 65 people work in BDRO). He is considered to be a workaholic.

Honcharuk is the youngest head of government in the history of Ukraine. The Servant of the People party contains at least 5 people associated with him (former employees of BRDO and the People Are Important project).

No information about his private life is available.