



New Europe Center
Kyiv, Ukraine

Policy Brief

<http://neweurope.org.ua/>
info@neweurope.org.ua

<https://www.facebook.com/NECUkraine/>
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https://t.me/n_e_c

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SILENCE OF KHARKIV: KHARKIV DIMENSION OF EUROPEAN INTEGRATION

Kateryna Zarembo, Sergiy Solodkyy

On an imaginary European integration map of Ukraine, Kharkiv is a city that sometimes combines mutually exclusive phenomena.

On the one hand, it is a front-line outpost, which in 2014 resisted the hybrid attacks of Russia, and on the other hand, an attractive place for Russians, who visit Kharkiv en masse for entertainment and shopping, in particular, at the Barabashov market. This is a motor city with universities, scholars, intellectuals, and rich intellectual tradition, from Yuriy Shevlyov to Serhiy Zhadan, but also a post-Soviet industrial urban center.

At the same time, Kharkiv is the most Eurosceptic city of Ukraine, after Severodonetsk and Mariupol,

according to the recent poll conducted by Rating Sociological Group: in Kharkiv, Ukraine's accession to the European Union is supported by only 32% of the population.

This number is only a few percent above the level of support for Ukraine's accession to the Customs Union (27%).

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«THE PHENOMENON OF SILENCE» AND THE LACK OF COMMUNICATION

It is important, however, to note that the level of support for European integration in Kharkiv region remains unchanged compared to the pre-war time: in 2013, opinion polls have shown a similar number of supporters of Ukraine's accession to the EU.

However, the conflict with Russia and decline of pro-Russian sentiments compared to 2013 have not led to increase in the number of supporters of European integration; recent polls have recorded more those who can't answer the question about the integration priorities of Kharkiv. So far, the respective figure reaches about a third of respondents.

This uncertainty, or «the phenomenon of silence,» has become typical for the front-line Kharkiv, Donetsk, and Luhansk regions, as well as for the internally displaced persons. It does not necessarily mean that the respondents do not really have any position on the issue, but rather, for certain reasons (distrust, fear, expediency, etc.) refrain from expressing it.

The fact that they still have a position is proven by the fact that the distribution of votes does not change in favor of European integration if the question is about voting on a referendum for accession to the EU: same 32% for compared to 49% against.

This, however, also does not mean that the majority of local population would like to see Ukraine in an alliance with Russia; as noted by the participants of the discussion organized by the New Europe Center on April 5, 2018,

the “non-Europeanness” of Kharkiv does not necessarily mean that it is pro- Russian.

As observed by the authors and according to the results of polls, citizens of Kharkiv are unanimous in opinion that they would like to learn more about the EU and Euro-integration. However, the report on the implementation of the Association Agreement in Kharkiv region, provided at the request of the New Europe Center by the city administration, does not mention any communication activities on European integration performed by local authorities.

At the same time, in 2016, 77% of citizens of Kharkiv stated that they would like to receive more information on this topic, and the participants of the discussion held on April 5 noted that one of the key obstacles to European integration in Kharkiv region is a lack of understanding of the essence of European integration reforms. It seems that the fact that Kharkiv local authorities see European integration as a priority of state policy at the level of official documents obviates the need to justify this priority for the population.

Currently, all advocacy activities on European integration in Kharkiv are conducted by several non-governmental organizations and the informal group Team Europe, which consists of several multi-sectoral experts.

The New Europe Center has noticed the phenomenon of silence earlier, during the analysis of the results of an opinion poll conducted among young people. Most of all, it manifested in the section on the respondents' sentiments toward Russia.



Respondents from the East and the South often refused to answer, and in some cases their numbers reached 60%. In the context of the upcoming presidential and parliamentary elections, it is not difficult to understand that the «silent ones» could bring huge surprises, especially given the fact that the analysis of in-depth interviews in focus groups allows us to assume that those respondents could support political forces with not pro-European or pro-reform views.

«Putin and Poroshenko are the same,» «Ukrainian government is laundering and making money in Donbass,» «Ukraine itself is to blame for the annexation of Crimea» – politicians have already begun to use these messages to earn easy rating dividends.

Official Kyiv, as it seems, has not yet fully realized the gravity of the spread of such ideas that have long been weaponized by Russian propaganda machine.

DISAPPOINTMENT IN «EUROINTEGRATORS,» NOT IN THE EU

We should not deny that residents of Kharkiv are disappointed, not in the EU itself, but in those who implement or should implement European integration if we consider European integration to be a synonym of state-building.

For instance, only 13% of Kharkiv residents believe that their country is moving in the right direction. Even if we do not equate the process of European integration and the state of affairs in Ukraine, we could definitely claim that disappointment in the policies that exploit the European integration slogans lead to frustration

in European integration and the corrosion of its essence.

On the other hand, Kharkiv is a leading city in terms of the level of support for local authorities: 75% (!) of the population of Kharkiv are satisfied with city mayor Gennady Kernes, and 55% believe that their city is developing in the right direction (only Vynnytsia and Ivano-Frankivsk have better numbers). It seems that the heads of both the city and regional administrations are putting much more effort into their personal popularity than communicating the benefits and progress of European integration among the population.

Thus, only the few link the success of the city with European integration.

A vivid example of the informational «victory» of the city authorities is the situation around the decision of the European Bank for Reconstruction and Development to provide Kharkiv with a loan for the construction of two new underground stations, which Kharkiv residents consider to be the mayor's personal success. Moreover, one of the key and tangible for any ordinary Ukrainian achievements of European integration, the visa-free regime, is less noticeable, and thus less significant for Kharkiv citizens than for the residents of the Western regions.

Finally, despite the fact that a regional office of the EU Advisory Mission (EUAM) has been operating in Kharkiv since 2016 and has already implemented several security projects with local authorities, the relevant information does not reach the public or even the experts, as the Mission traditionally does not prioritize communication regarding its activities among the public, and the Mission's office can't be blamed

for the lack of any information about it, both at its location and on the EUAM website.

Among the tangible reforms, residents of Kharkiv name the reform of the Administrative Services Centers (ASC); however, they do not link it to European integration or the support of the West in general (it should be noted that this reform was financially supported by the United States of America).

Among all sectors of the population of Kharkiv, progress and benefits of the European integration of Ukraine have probably affected educators the most, as over 2015-2017, the largest EU programs implemented in Kharkiv region were the Erasmus+ academic exchange program and the research program HORIZON 2020, which engaged several universities in Kharkiv.

INVESTMENTS AND TRADE

In the economic dimension of European integration of Kharkiv region, there are both good and bad news. The fact that the volume of trade with the EU has increased and is now larger than in the pre-war years (before 2013), while machine building products make up a quarter of total exports to the EU (compared to only 9% in 2012) is undeniably a positive trend.

However, while the EU is a major partner for the region in terms of overall trade, Russia remains the key destination for the exports of Kharkiv's goods (25% of exports to Russia versus 20% of exports to the EU).

The «success stories» of Kharkiv's exporters to the EU are mainly associated with large companies: PJSC «Pivdenkabel», PJSC «Turboatom», PJSC «Kharkiv Tractor Plant», PJSC

«Vovchansk Aggregate Plant», «Lozova Forging-Mechanical Plant», and Chuhuiv Aircraft Repair Plant, which have managed to reorient toward the European Union market. Other inspirational examples are the FactorDruk printing house, which receives orders from many European countries, and the Brig, which produces inflatable boats.

On the other hand, small and medium businesses are only attempting to take advantage of the trade benefits that the Association Agreement provides, and the main obstacle for many companies is obtaining the required certification. According to the office of Kharkiv branch of the European Business Association (EBA), they are receiving a significant number of requests for assistance with obtaining certification and occasionally conduct several explanatory events every week.

However, currently there is only a process (although it is necessary), but not the result, which would be the entry of a significant number of new companies into the EU market. Kharkiv businessmen note that their major expectations from the EU's are more information on the process of entering the EU market, and loans for small and medium enterprises.

As for investments, the picture is frustrating: overall, according to preliminary data from the Main Directorate of Statistics in Kharkiv Region, the amount of direct investments into the economy of Kharkiv region has decreased in 2017 almost three times compared to 2016. As for investments from the EU, the key investors generating the largest shares of the overall amount are Cyprus, the United Kingdom and the Virgin Islands, which makes the true origin of these investments questionable.



In general, European business comes to Kharkiv region not from abroad, but from the inside of the market, through the companies that are already present in Ukraine.

For example, Nestle, which stated intention to invest in the reconstruction and modernization of Kharkiv's Mivina factory in 2018. It should also be noted that among the companies that are already present in Kharkiv region, there is no trend to leave the market: e.g., even despite the conflict in the East, none of the EBA members has left the union since 2014.

Among all the EU member states, Germany and France (the latter mostly focuses on cultural projects) are the major supporters of Kharkiv's entrepreneurs. Both countries have Honorary Consulates in Kharkiv, the city is regularly visited by the Chairman of the Board of the German-Ukrainian Chamber of Commerce and Industry Alexander Markus, and the agency supports organization of information and network business events in Kharkiv.

Furthermore, several projects in Kharkiv are implemented by the German Society for International Cooperation (GIZ).

WHAT HINDERS EUROPEAN INTEGRATION? OPINIONS OF KHARKIV'S PUBLIC LEADERS

The New Europe Center conducted an expert poll among Kharkiv activists, analysts, journalists, and politicians. 53 participants of our round table have responded. The respondents evaluated the European integration of Kharkiv region with 2.6 points

on a 5-point scale; interestingly, none of the participants awarded 5 points.

The main obstacles to European integration, according to the respondents, are as follows: corruption (32 respondents); lack of understanding of the essence of European integration reforms (30); incompetence and resistance of local authorities (28); preservation of post-Soviet traits (25); and passivity of the public (23). Interestingly, the opinions of experts do not correspond with the overall trend in Kharkiv, as the majority still supports local authorities. Another thing is that only a few associate these authorities with European integration.

The main drivers of European integration at the local level are NGOs (43); business community (29); and local authorities (23). The last option also reveals a certain paradox: on the one hand, respondents consider incompetence of local authorities as the main obstacle to European integration; on the other hand, local politicians are actually the main drivers of European integration.

What do the residents of Kharkiv consider the main indicators of European integration? First, effective fight against corruption (36 respondents); protection of human rights and democratic freedoms (31); higher standards of living (26); and social security (16).

Therefore, anti-corruption activities of the authorities could become the most significant indicator of Ukraine's progress toward the EU; however, so far only a few activists and opposition MPs have focused on combating corruption.