

Resignation of Aivaras Abromavicius, the Lithuanian-born economy minister: No to corruption

HRWF (09.02.2016) - Aivaras Abromavicius, the Lithuanian-born technocratic economy minister, resigned last week saying implementing reforms had become impossible. He accused a long-time ally of President Petro Poroshenko of pressing him to appoint cronies to state-controlled companies and to his ministry. His resignation lays bare Ukraine's continuing failure, two years after the "Maidan" uprising, to curb corruption and establish the rule of law.

This resignation is a political disaster for both President Poroshenko and Prime Minister Yatseniuk. It is also a disaster for the Ministry of Economic Development too – for there were several good Deputy Ministers unlikely to remain either.

The name of Igor Kononenko is often mentioned as the hidden hand of President Poroshenko behind the Ukrainian political curtain. This presidential "enforcer" has been a long-term business partner and accomplice of Poroshenko.

The Odessablog predicted the 'departure' of Minister Abromavicius

That the maneuvering of Mr Abromavicius out of the Ministry of Economic Development would occur prior to any privatisation of State Owned Enterprises (SOEs) was predicted by the [Odessablog](#) after mid-January:

"His removal as Minister from the ministry that will oversee such matters was clearly a matter of necessity for the dark powers behind the Ukrainian political curtain. An honest man and a squeaky clean privatisation of SOEs is clearly not in their interests – even if an honest man controlling a squeaky clean privatisation programme is unquestionably in the interests of Ukraine.

The issue was how to remove Mr Abromavicius from the privatisation and SOE management appointment process when he was and is so highly thought of by Ukrainian civil society, society, and major donor nations to Ukraine. Sacking him was clearly out of the question, so political dark arts were required.

Among a chain of events, Mr Abromavicius states he and his ministry were subjected to pressures under which the ministry could not work effectively. Indeed it is claimed that a "Kononenko man" simply arrived as a newly appointed Deputy Minister to oversee Naftogaz and SOE management appointments – in short to oversee the corruption and money flows associated with state subsidies, recapitalisation and bad debt write-offs that flow into Naftogaz and SOEs, and then onward into nefarious pockets.

Mr Abromavicius stated the pressures placed upon himself and his ministry were from specific people – *"These people have names, I will say one of these names – Ihor Kononenko"*.



Ihor Kononenko

And thus a public and politically prickly resignation occurred. Bravo Mr Abromavicius for having the moral fortitude to cause significant political damage to both President, Prime Minister and the "grey cardinals" lurking behind the curtain alike – not before time!

The political damage caused was swift in coming (within a matter of hours) [*via a public note*](#) signed by 10 Ambassadors to Ukraine from extremely significant nations as far as President Poroshenko, Prime Minister Yatseniuk, and Ukraine as a nation are concerned. An unusual occurrence, but a necessary one, for the resignation of a much respected minister, and the public claims he made, could not and should not have gone without significant diplomatic response. That it was so swift and public is a credit to those Ambassadors who did not quibble about signing up immediately."

Statement on the Resignation of Minister of Economic Development and Trade Aivaras Abromavičius (3 February 2016)

We are deeply disappointed by the resignation of Minister for Economic Development and Trade, Aivaras Abromavičius, who has delivered real reform results for Ukraine. During the past year, Abromavičius and his professional team have made important strides -- implementing tough but necessary economic reforms to help stabilize Ukraine's economy, root out endemic corruption, bring Ukraine into compliance with its IMF program obligations, and promote more openness and transparency in government. Ukraine's stable, secure and prosperous future will require the sustained efforts of a broad and inclusive team of dedicated professionals who put the Ukrainian peoples' interests above their own. It is important that Ukraine's leaders set aside their parochial differences, put the vested interests that have hindered the country's progress for decades squarely in the past, and press forward on vital reforms.

Ambassador of Canada Roman Waschuk
Ambassador of the Republic of France Isabelle Dumont
Ambassador of the Federal Republic of Germany Christof Weil
Ambassador of Italy Fabrizio Romano
Ambassador of Japan Shigeki Sumi
Ambassador of Lithuania Marius Janukonis
Ambassador of Sweden Andreas von Beckerath
Ambassador of Switzerland Guillaume Scheurer
Ambassador of the United Kingdom Judith Gough
Ambassador of the United States of America Geoffrey R. Pyatt

Kononenko in the dock

And [Odessablog](#) pursues its analysis:

"In his defence, Mr Kononenko is now playing political theatrics in an attempt to mitigate the very real and significant political damage this has caused to his friend President Poroshenko and his relationships with the nations he is reliant upon.

Mr Kononenko has resigned as First Deputy Chairman of the President's party – as if this is meant to signify in any way a reduction in his actual power within the party, or access to the President. He has also "insisted" that both he and Mr Abromavicius undertake a lie detector test over statements made that Mr Kononenko refutes. Further, he has also offered unconditional cooperation with the National Anti-Corruption Bureau over the matter.

The damage however is done. None of this will mitigate for the resignation of Mr Abromavicius within certain capitals and their respective diplomatic missions, whatever may yet appear in the public realm, or whatever actions are taken.

The embassies of all the signatory nations to the note expressing ire over Mr Abromavicius' resignation will all be very much aware of what Mr Kononenko is and has been doing since becoming the Presidential "High Chamberlain" (just as all were, and are, aware of the actions of Martynenko before the Prime Minister forced him upon his political sword). As those embassies will be very aware of what he has been doing and with whom, when urgent questions were asked from respective capitals, those capitals are now very much aware of what Mr Kononenko has been doing, and with whom.

The choice therefore facing Mr Kononenko and President Poroshenko is one of Mr Kononenko's political suicide (per Prime Minister Yatseniuk sacrificing Martynenko) or President Poroshenko taking significant and lasting (perhaps fatal) political damage among the nations he is relying upon for support.

Those nations are already clearly not going to settle for conversations that can be summarised as "And what about corruption President Poroshenko?" to be answered "Look at the Russians in Donbas breaking their agreements and killing us still" as an answer.

As President Poroshenko has not "released" the Prosecutor General, Mr Shokin, despite very robust public comment by international partners of note bluntly inferring he should go, is it likely that his old friend, business partner, political party "enforcer" (a role that will continue regardless of any formal position) Mr Kononenko will be sacrificed – or will President Poroshenko take more needless (and this time perhaps fatal) political damage?

It is already probably far too late for Prime Minister Yatseniuk to convincingly lead another government making claims of "reform" and "anti-corruption" as the agenda toppers.

The attempts by Mr Kononeko to mitigate the fallout of the Abromavicius resignation via his hollow political theatrics will fool nobody, and thus President Poroshenko has a definitive decision to make over his own presidential political future if he is in any way entertaining the thought of a second term (or perhaps seeing out a full first term).

It seems the current political class remain determined to snatch their own defeat from the jaws of their own victory. Fortunately for Ukraine, it will survive and eventually reform in spite of, rather than because of, its current political class."