Pre-communist Legacies and the 2014 Insurgencies in Ukraine

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2017
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Introduction

In 1991, the Ukrainian referendum to secede from the Soviet Union was supported by all ethnic groups and regions in Ukraine, including 54% of the population in Crimea and well over 80% in all eastern oblasts. Even as late as February 18th, 2014, the majority of Crimeans (59%) and Eastern Ukrainians (70%) wanted to remain part of Ukraine and not become Russian territories. These numbers are similar to other regions of central and western Ukraine. However, by March 16, 2014, less than a month after Ukrainian President Victor Yanukovych left office (February 22), 97% of the Crimean peninsula and over 90% of Donbas voted to secede. Despite the vast majority of the population having seemingly no interest in secession or violence, these regions voted to secede and in its name some acted violently. International relations, the legitimacy of the emerging government, ethnicity, the violence surrounding Euromaidan, and economic interdependence are the most prominent explanations addressing this paradox. However, these studies do not offer a coherent explanation of where and when the insurgencies took place in Ukraine.

The majority of scholarship identifies US, EU, and Russian international relations as central to the insurgencies. The realpolitik school asserts that the US and Russia have been playing a zero-sum game where geopolitical gains in Eastern Europe would inevitably lead to a Russian military invasion (Mearsheimer 2014; Charap & Colton 2017). However, this perspective fails to recognize periods of US-Russian cooperation, where zero-sum politics played little role. Specifically, during the Obama administration the reset, new START, and confrontations with Iran and North Korea exemplified growing cooperation between the two countries (Feinstein & Pirro, 2018). Additionally, zero-sum politics does not explain the timing of the invasion and why Russia did not invade Ukraine prior to 2014 (McFaul 2014). Liberal scholars blame the EU for its lack of executive leadership, leading to the mismanagement of EU expansion and the Association Agreement with Ukraine. However, the structure of the EU and its management included problematic expansionist policies since 1991, creating several opportunities for grievances to trigger Russian retaliation. Classical liberals have looked inside Russia and argued that unrest following the 2011 and 2012 elections encouraged Putin to take nationalist and expansionist measures as a means to drum up domestic support. However, before the invasion of Ukraine Putin had already liberalized laws and regained popular support (Charap & Colton 2017). Overall, these explanations empirically struggle and do not provide insight into when and where the insurgencies occurred.

While constructivist scholars illustrate how the west and Russian identity explain the Russian invasion of Ukraine, little has been described about when and where the insurgencies occurred. Igor Zevelev (2016) argues that as Russia struggled to find a place in international politics following the Soviet Union’s collapse, the country looked inward to find its international place and embraced ideas of ‘greater Russia’ and imperialism. However, little description is offered about why Russian forces would specifically invade Crimea and Donbas, why they would experience a degree of success in these regions, and why they would happen after Yanukovych’s ousting.

Other scholars focus on the domestic nature of the conflict, including those who argue the changing nature of legitimacy. First, Kudelia (2017) argues that the post-Euromaidan Ukrainian government lacks legitimacy. The democratically elected Yanukovych, was unceremoniously ousted, delegitimizing the emerging government. Second, others argue that the violence surrounding Euromaidan led to increased uncertainty that legitimated radical mobilization.
However, these explanations do not address why the prevalence of insurgencies took place in the east, south, and Crimea but not in the west. Western and central Ukrainian voters also supported Yanukovych and his party. They also witnessed the Euromaidan violence. But unlike those in the east and south they stayed home and did not rebel.

Finally, others argue that ethnicity or economics describe the location of Ukraine’s insurgency. Concentrated minorities, Russians in Donbas and Crimea, feared for their future and co-ethnics offered the best means to organize and remain safe. In many cases ethnic identity does help solve collective action problems and reduce uncertainty and security fears (Hale 2008; Feinstein 2016). However, the vast majority in the region - ethnic Russians and Ukrainians as well as those who speak Russian or Ukrainian as their first language – were not in favor of fighting nor secession years, months, and just days before insurgent violence and secessionist elections took place. Furthermore, ethnic concentrations in Ukraine do not correlate with insurgent areas (Zhukov 2015).

Yuri Zhukov (2015) finds that economic factors best explain the location of unrest, but his argument struggles on two accounts. He finds that particular types of industry tied people to trade with either Russia or the EU, and following the ousting of Yanukovych laborers more tied to Russia saw less certainty in their jobs and more economic certainty in rebellion. However, it remains highly questionable that laborers in Ukraine’s highest yielding economic sectors, eastern industry (machine building, mining, and metals industry), would sacrifice relative prosperity on a prognostication that Russian trade would decline. By 2012 the Russian market imported 32% of Ukraine’s built machines, the sector Zhukov identifies as most likely to fight, versus the metal industry in Ukraine, which by 2013 exported 23% of its goods to Russia and was the least likely to turn to violence. In both cases 70% of goods were purchased by non-Russian markets, begging the question whether a potential 9% additional loss in trade would lead people to put their lives on the line. More importantly, these laborers showed no desire to rebel prior to the insurgencies and elections nor after Yanukovych left office, signaling that they were not necessarily motivated by the increasing financial uncertainty of Russian trade and that other conditions and potential actors played a role in the insurgency. Finally, while economic dependence correlates with variation in rebellion across the east and south of Ukraine, Zhukov’s study does not examine why western Ukraine, where the greatest economic shocks took place, remained the most stable.

International factors, shifting legitimacy, ethnicity, and economic dependence do not explain why the insurgencies and violent rebellions occurred in Crimea and southern and eastern Ukraine. This paper argues that in these regions structural conditions favored single party patrimonial rule, and following party collapse these regions lacked an organized authority to oppose the influx of insurgents, rebels, and secessionist referendums.

This paper seeks to demonstrate how pre-Communist political-economic conditions varied across three Ukrainian regions, and despite changes in regime type (monarchy, totalitarian, democracy) each region maintained these conditions leading to different outcomes following the Party of Regions’ 2014 collapse. In the east vertical extractive political and economic institutions limited political contestation, leaving a post-communist democratic Donbas dominated by a single party. After that party collapsed in 2014, the east lacked political organizations to combat insurgents. In western and central Ukraine, extractive institutions confronted a degree of local association and horizontal institutions, leaving a post-communist democratic west and center with greater political contestation and multiple parties. After the Party of Regions collapsed, these two regions had several political organizations to confront insurgents. Variation within these regions is explained by the type of industry and how it was managed (more or less inclusively).
During the 19th century, Ukraine’s 2013 boarders inhabited different empires. As each empire modernized and varied within, it imprinted political and economic interests and identities into Ukraine’s regions. In the west, the Hapsburg Empire developed a horizontal and more inclusive political-economy which underwent minor changes during communism, leaving behind what Kitschelt describes as a ‘national-accommodative communist legacy’ (1999). In the east the Russian empire developed vertical, extractive institutions, which also underwent minor changes during communism, leaving behind what Kitschelt describes as a ‘patrimonial communist legacy’ (1999). Central Ukraine lacked the heavy industry of the east, permitting more rural autonomy within the zemstvo and more pluralistic institutions and practices.

In this paper I discuss the theory of path dependence and then illustrate how critical junctures gave way to different regional political economies in Ukraine. Following a discussion of path dependence theory, I argue that the Russian Empire’s extractive economic policies helped institutionalize patrimonial politics in eastern Ukraine and to a lesser degree in central Ukraine. During the second half of the 19th century the Russian Empire implemented extractive policies forcing labor in Ukraine. In particular, the end of Magdeburg Law, removal of local elites, and heavy head and indirect taxes positioned local industrial and agrarian workers in highly exploitative conditions, forcing people to work in exchange for basic survival. Unable to advocate for worker rights during communism, industrial sectors continued to operate largely through a similar strong-man structure. While post-Stalin reforms brought more people into politics, Ukraine’s industrial sectors – those located in the east and south and worked by populations most greatly devastated through famine, war and exploitative labor – gained few opportunities. In 1991 the industrial extractive policies continued with elites grabbing public sector goods, the majority of which remained in the east where few had opportunities to organize. With economic and industrial power consolidated into the hands of few, the eastern regions of Ukraine lacked a vibrant civil society and remained dominated by strong-men and a single party. While strong-men also governed agrarian sectors, the kolkhoz isolation and communal demands often allowed for a greater degree of inclusive local policies, which continued to gain grounds from the 1950s forward.

In the west, Austro-Hungarian policies, minimal industrialization, and conflict left opportunities for inclusive economic institutions and more plural political organization. These survived during communism as the Soviet Union adapted to the existing bureaucratic structure. Following Euromaidan and the ousting of Yanukovych, Ukraine’s political structures collapsed in the east and south and insurgents and Russian forces face limited organized opposition.

Path Dependency:

Path dependence theory focuses upon critical junctures that reduce future opportunities and open up others. A path dependent idea of change assumes that there are multiple future paths and outcomes that a society can choose, but small events can occur at the right moment and have large and enduring consequences (Pierson 2000, 263). The right, or critical, moment then sends that society and its institutions down a path that is, for a variety of reasons, very difficult to change. The manner in which a small change has long continuing consequences on society is best understood with the idea of ‘increasing returns.’
“Self-reinforcing or positive feedback processes” are the central theme of increasing returns (Pierson 2000, 252). More specifically, the benefits of the current institutional rules compared to alternatives increase with time. This is similar to the economic rational choice argument of transaction cost and institutional maintenance (Shepsle 1989). While an alternative may be seen as a better option, the institution maintains itself because the costs of making the change are too great (Shepsle 1989, 144). In other words, the longer a particular institutional rule is in place the more difficult it becomes to change it.

Daron Acemoglu and James Robinson (2012) deftly apply path dependence theory to policies and their effect on future economic prosperity and poverty. The authors argue that early inclusive policies, as those in the northeastern United States and the UK, institutionalized greater economic inclusivity and prosperity, and extractive policies, as those in Mexico and southern Italy institutionalized greater economic inequality. In the former, inclusive policies, like settler property rights, offered non-elites greater power enabling them to hold elites more accountable. With greater accountability, they could demand a more equal distribution of finances. The more equal distribution of finances set these locations down a path that encouraged more innovation as people were more likely to reap the benefits of their risks. At the same time, inclusivity raised costs of developing extractive practices because such actions, like adopting lower wages and reducing property rights, would agitate a relatively powerful underclass. Conversely, extractive policies, like slavery and Peru’s extractive Potosi *mita* forced indigenous people to subsistence living leaving all excess income for the Spaniards, entrenched status quo powers. Slaves struggled to contest authority and those with governing authority saw innovation as disruptive to their economic and political wellbeing. With major hurdles to innovation these regions struggled to compete in the industrializing global economy. However, the cost of ending extractive policies and implementing inclusive institutions to stimulate innovation would undermine the short term interests of elites. Despite the economic stagnation of these countries, the fear of losing authority encouraged elites to continue to invest in extractive practices in order to maintain the unequal distribution of political and economic power.

As inclusive and extractive policies closed off options for these respective societies, they also opened opportunities and setup structural conditions for future events. In democracies, inclusive institutions generally opened the opportunity for multiple political parties and stability when one party collapsed. On the other hand, extractive institutions generally opened the opportunity for single party rule and instability during the party’s collapse.

Ukraine’s regions had divergent histories with greater inclusivity in the west and central areas and less inclusivity in the east and south. Critical junctures emerged during imperial rule, setting these regions on a path toward economic inclusion and exclusion. With some notable variation, the communist experience built upon these conditions, leaving distinct post-communist political structures that would respond differently during unrest. Western and central Ukraine emerged with greater economic inclusivity, more representation across political parties, and experienced stability following party collapse. Eastern and southern Ukraine emerged with economic extractive institutions, minimal representation across political parties, and experienced instability and insurgency following party collapse.

**Pre-Communist and Communist Variations:**

*Eastern and Central Ukraine*

During the middle of the 19th century, the Russian empire began enacting more centralized and extractive policies in central and eastern Ukraine that diminished the authority of landed elites and the urban middle class. As local nobles and urbanites lost power, political contestation and the
distribution of power decreased. Without local contestation St. Petersburg worked through strongmen to increasingly institutionalize extractive political and economic policies. During communism, Soviet institutions mapped over the environment allowing industrial sectors to continue to operate through this patrimonial structure.

In the mid-19th century the Russian Empire changed its relationship with Ukraine by usurping power from local elites and industrializing the left bank. These changes greatly diminished the role of local elites across urban and rural communities. In urban areas the end of Russian Imperial Magdeburg Law, a law that granted Ukrainian towns self-governance since the 1700s (Kohut 1988, 35), 1 banned non-Russians from government and business ownership. Instead bureaucrats from the center had sole authority to run local administration, guilds, and shops. In rural communities the end of serfdom in 1861 ended the landed gentry’s authority. The emancipation of serfs broke ties between the land owners and the region’s majority peasant population. Without a mass population to govern and tax, the gentry became impotent.

Following these political reforms and the loss of local authority, increasingly extractive practices gained traction across the Russian Empire’s Ukrainian regions. See map 1. While the end of serfdom granted peasants property rights and local government through the zemstvo, these gains were immediately negated. Increased medical advancements and poor proportioning of the land preceded a population boom and insufficient food supplies (Subtelny 2009). Without food, many peasants took to working a lord’s field in exchange for cultivating a small strip of land for familial consumption. Not only was this reminiscent of serfdom, but it was a form of legitimate servitude. While slavery and serfdom in Europe became looked down upon, the inability to access surplus remained reasonable and legal. In effect, emancipation of the serfs without additional socio-economic reforms legitimated and further entrenched forced labor.

Furthermore, landlords forced Ukrainians to work on the land instead of seek employment in cities, keeping them from future economic opportunities (Kappler 2014, Subtelny 2009, Kononenko 1958, Krawchenko 1985 6-8, 39 f). (Conversely, land owners encouraged Russian peasants to seek urban employment.) Roughly 68% of Ukraine’s population in the 1890s remained unemployed, eating hand to mouth or working in serf like conditions (Subtelny 2009, 262).

Those with employment found themselves in harsh industrial conditions. The Russian state brought both new technologies to Ukraine’s resource rich eastern territories and a harsh set of labor practices that did not incentivize production, but rather forced it. Colonial like policies and heavy head and indirect taxes on goods forced coal and iron miners as well as factory workers into extractive relationships.

The eastern regions of Ukraine provided the Russian center with raw materials and sold back to Ukraine finished products. Ukraine produced 70% of the empire’s extractive industry but only 15% of its finished products. This disparity in production and revenue was further entrenched by the empire’s price fixing, holding raw material prices low and charging exceptional amounts for finished goods (Mykhailo Volobuev, 1928). Industrial workers earned pay that was a fraction of European counterparts and most pay went to food and dilapidated living conditions (Subtelny 2009, 271). Consequently, no middle class developed in Ukraine.

Policy took capital north, Russian merchants controlled domestic trade, and foreigners owned the industry.

1 including their own bodies of self-government and substantial oversight of taxes and judiciary
Following Lenin’s negotiation with Ukrainians and capture of Kiev, a lack of opposition permeated Ukrainian politics and economy. As the Soviets attempted to stabilize the state and temper nationalist mobilization following the 1917 Russian Revolution they continued several extractive political and economic institutions.

Following the Bolshevik’s third Ukrainian invasion in December 1919, the Leninist vanguard established authority with a small centralized elite and quickly began eliminating potential opposition. They banned the church, dismantled national elites and agendas, and eliminated all but one political party. However, while war communism nationalized agriculture and industry, after significant economic and food shortfalls, the 1921 New Economic Policy (NEP) permitted the peasantry to sell their surplus.

The NEP incentivized peasant labor, giving way to the world’s largest grain production and peasant gains in authority. Under the NEP, the privatization of agricultural goods faced few costs. First, as most of the rural population experienced self-governance under the zemstvo, few had to learn how to coordinate with increased autonomy. Second, with landed elites weakened under the Russian Empire, and the Bolshevik revolution dismantling the rest, the emerging state had direct access to the peasantry and did not confront established interests. Third, the direct contact between the state and peasantry was relatively new and lacked developed governing levers, providing minimal obstacles to change and opportunities to establish a new relationship.

However, heavy industry remained controlled by the party. Not only did Lenin consider it to be the ‘commanding heights’ of the economy, but heavy industry had a limited number of skilled workers and an effective system of forced labor in place. Changing course and allowing private ownership of industry would come with great costs. First, it would weaken industrial production by necessitating that all producers dismantle the functioning system that established Russian industrialization and begin coordinating under a new and foreign system. Having to learn a new system of competitive coordination necessitates new skills and with new skills and greater autonomy workers and other entrepreneurs would have more opportunities to challenge existing authority. Facing these challenges, like learning a new system and undergoing challenges to authority, production and the engine behind Soviet power would likely experience a period of decline. Relate to, privatization would likely cause conflict among elites, as the limited number of factories would raise questions of ownership. This is in contrast to the privatization of agricultural goods, which already had some inclusive practices in place. While nationalized agriculture involved few start-up costs and skills advantages, industrial production had reached this point through large initial investments that would be difficult to repeat. Second, privatizing industry would directly undermine the proletariat government’s ownership of the means of production, delegitimizing the central ideology supporting the emerging centralized state. Finally, these differences largely developed across the right and left bank. Russian imperial centralized authority in the left bank established an organized and efficient command structure that the Soviets continued to utilize. Soviet policy was confluent with the previous practices, extracting resources and labor from eastern Ukraine and distributing menial wages to the population. As economic policies replaced the NEP, Stalinist totalitarianism continued extractive economic practices in the form of a planned economy that invested in capital goods. Through coercion the Soviets skimmed the profits of workers, so that they could be reinvested creating greater wealth in the future. Most strikingly, forced famine devastated the east in the 1930s and bureaucrats from the center flooded managerial roles.
While agriculture also became increasingly nationalized, the kholhz structure and rural isolation provided continually higher levels of autonomy than industrial urban centers.

*Western Ukraine*

During the middle of the 19th century, Austro-Hungarian policies and conflict opened opportunities for inclusive economic institutions and more plural political organization. Constitutional monarchy allowed greater freedom of association and expression. In particular, landed elites and urbanites held onto power and continued political contestation, which preceded the development of institutions that kept authority dispersed. During communism, Soviet institutions adapted and continued this more inclusive structure.

Local autonomy and incentives came out of the lack of industrial activity and the constitutional monarchy. Without industrial factories and natural resources extractive labor served a minimal purpose. Low product yields discouraged investment in the east and provided little capital to reinvest in maintaining control over laborers. Instead, an incentive based economy took shape. Cooperatives became the primary means of doing business with cooperative stores, warehouses, and credit unions built. The largest became credit unions that included SO MANY PEOPLE and INVESTMENTS. Vasyl Nahirnyw is partially credited with designing this economy after studying cooperatives in Switzerland. The influx of innovative ideas and inability to force labor helped western Ukraine develop inclusive institutions.

The Austro-Hungarian Empire’s 1848 revolutions and uprisings also provided several opportunities for those living in Eastern Galicia and Transcarpathia (modern day Western Ukraine) to commune and continue to develop inclusive political institutions. As the empire faced revolts in Vienna and throughout its territories, central authority decreased and many elites fought for power. In the midst of opportunities opened by the revolutions and chaos, and partly supported by the Austro-Hungarian Count Franz Stadion, those living in western Ukraine continued to develop local government. By May 1848 the Supreme Ruthenian Council (Holovna ruska rada, or HRR) had formed in Lviv, which quickly established fifty local branches throughout several regions. With their new organization, these actors extended their political reach defining unique histories and developing a more formalized education. The events of 1848 provided opportunities for actors to act politically, develop a government, and incorporate a wider rural population.

Despite Polish nationalist policies cracking down against Ukrainians and their councils in cities, limited rural infrastructure and a developed landed gentry prevented Polish nationalism from the countryside and allowed inclusive institutions to continue between intellectuals, land-owning gentry, and peasants. The Greek Catholic land-owning gentry remained entrenched in western Ukraine (Eastern Galicia and Transcarpathia) and provided a sanctuary to many ousted Ukrainian intellectual communities when the Austrian Empire cracked down on their urban collectives. Throughout Austro-Hungarian rule (which began after the partition of Poland in 1772 and continued to 1918), the Ukrainian gentry managed to maintain hold of their lands due, in part, to the limited religious conflict between the imperial center and those in rural western Ukraine. Both the Austro-Hungarians and the Ukrainian landed elites paid tribute to the Holy Roman See. This is different than what happened to land lords under the Russian Empire, where the landed gentry often held differing religious affiliations and were specifically targeted to convert or disband. Thus, with minimal distraction and substantial political opportunity, the rural community built schools, clubs, and museums.
Western Ukraine officially entered Soviet communism in 1945. While during the war years it was the site of clashes between Soviet and German atrocities, the west avoided the forced famine of the 1930s and twenty years of Stalinist anti-Kulak policy. As they did in the Baltics, the Soviets incorporated the existing networks and organizations into the federal structure (Kitschelt et al 1999).

While Stalin’s post-war annexation campaign tragically exiled many western Ukrainian intellectuals, liquidated the Greek Catholic hierarchy, and killed hundreds of thousands of Ukrainians in both Western and Soviet Ukraine, in order to establish a stable relationship the Soviets needed to make numerous compromises. They again brought western Ukrainians into government positions and for a brief period granted Ukraine the right to conduct foreign relations. Consequently, the Stalinist terror and totalitarianism that cracked down on Ukrainians also incorporated its governing system.

The fairly organized Ukrainian intellectual community in the west continued to push for cultural autonomy and reforms. Amidst the struggle to reestablish authority after the war, numerous Moscow propagandists had taken control of Ukrainian education, but in reaction to the usurped authority the Ukrainian intelligentsia became inspired to organize for more rights, which they successfully did. By 1957 a Ukrainian history journal was published (Ukrainskyi Istoryshnyi Zhurnal), as well as Ukrainian intellectual led encyclopedias, volumes about the Ukrainian people’s art, language, towns and villages, and dictionaries. However, potentially the most important reform came when the 1958 national language policy, effective across the Soviet Union, particularly increased Ukrainian coherence, and the coherence of all previously coherent groups. Prior to the reform Ukrainians, like all others throughout the country, had to learn Russian, but could choose whether they wanted to learn a second language. With minimal practical post-war advantages to learning Ukrainian, many passionate Ukrainians chose to only learn Russian. However, the new language policy capitalized on the highly salient Ukrainian identity. Many people associated themselves with the Ukrainian group and, accordingly, had to learn the language. The policy allowed those who identified as Ukrainians to not only learn a common language, but communicate about contemporary interpretations of life through Ukrainian sources and intellectuals. Consequently, Ukrainians increasingly established and observed common notions of their history, language, and future. A new generation of Ukrainian writers and poets arose, and were granted some expressive flexibility, including denunciations of Stalin and communist infractions against the Ukrainian people.

Post-Communist Variations:

As Lipset and Rokkan (1967) discuss, the distribution of resources among political entrepreneurs and their skills will shape electoral alliances over time, “a conversion of social into political divides” (Kitschelt et al 1999, 62). Following this logic, the minimal distribution of resources in eastern Ukraine limited the number of political challengers to large factory owners. By comparison to the owners, workers had few resources and opportunities to voice their perspective and parties had minimal need to address the population’s interests. Without resources, opportunities, and economic retribution as a threat to worker contestation, the costs of political competition kept authority consolidated in the hands of a few and limited oppositional perspectives. This consolidation of authority was furthered by competitive divisions that parties
tapped into regarding Russian language rights and Russian global alignment as singular political issues. With local power concentrated, the east received a very singular narrative and answer to ails. Conversely, western Ukraine lacked concentrated power and contestation permitted different narratives to become salient that attacked various populations at different moments. The latter leading to multiple parties and the former one party rule.

Following Euromaidan and the ousting of Yanukovych, Ukraine’s eastern and southern political structure collapsed. Members of parliament from the Party of Regions quickly defected, and by April more than 120 of the 185 MPs left the party. While central and western Ukraine had MPs defect, they had other political parties that organized and brought order to protests and resistance. In the east, the Party of Regions dominated single member districts and represented the vast majority. As the party collapsed, violent political entrepreneurs and Russian forces faced minimal organized opposition.
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