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Irina Paliashvili: How to move forward in this transitional time

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People dressed in traditional costumes celebrate the Malanka festival in the village of Krasnoilsk, Chernivtsi district, on January 14, 2016. The holiday, which involves dressing in elaborate costumes and going from house to house as a group singing traditional songs, is celebrated on New Year's Day according to the Julian calendar, a week after Orthodox Christmas. / AFP PHOTO / Oleksandr Ratushniak
Photo by **AFP**

The cascading events of this passing year have put off balance all of us, and undermined any trust in the professional community of experts, the majority of whom could not be more wrong in their analysis. Nobody really knows what the future holds, and the voices of common sense drown in the deafening cacophony of opinions. How we in Ukraine should react to this new global uncertainty? First of all, we need to cool down and invoke common sense, realistically judge the

actual situation inside our country and in the world, and react to challenges of the moment, while holding on to already achieved progress, and to our long-term goals.

Internally we should avoid extremes and look for the balanced view. It is a fact that our macroeconomic indicators are steadily improving, and it is clear that these improvements are transforming into real economy. It is a fact that many reforms, which seemed entirely out of reach even four years ago, have been successfully carried out.

Georgia, under President Saakashvili, was able to change the old post-Soviet, post-colonial system and to modernize quickly and efficiently – what our former Minister of Economy Aivaras Abromavičius called the icebreaker effect. Although in Ukraine the people were ready for that, this effect was not achieved because of the organized resistance of the broader political class, including ruling parties, the Mickey Mouse opposition, oligarchs, judiciary, bureaucracy and law enforcement.

We now have to recognize that the current political class will not allow such radical changes (“Turkeys do not vote for Thanksgiving”). This does not mean that we should abandon our high goals, or ease the pressure on the political class – to the contrary, all existing civic society organizations fighting for long-term reforms should continue their important work! At the same time, we should regroup and allocate new efforts to the tasks that can be realistically accomplished today.

It seems to me that the civic society should focus on building a parallel civilized system of self-governance, creating a web of new institutions and measures to bypass the current system. This parallel self-governance is already emerging organically because businesses and citizens try to stay as far away from the State as possible, and solve their problems outside of the traditional system. Interestingly this phenomenon brings us very much in line with the global anti-establishment trend. However, to channel this trend into a healthy dimension, to avoid chaos, and to separate this trend from the scum of all kinds of rogues, con-artists and populists, we need to create filters, institutions, rules and values.

One of the world’s leading thinkers, Thomas Friedman, believes that a major problem of humankind is that we largely moved into cyberspace, but did not take with us the system of rules and values, that was built for thousands of years

[<http://carnegieendowment.org/events/?fa=5452>]. As a result in the cyberspace nobody is in charge, it is a threatening chaos, like rush hour in a big city without traffic lights and cops.

A lot can be done at the level of communities. Again Friedman suggests that the future will belong not to the states, which are out-of-date and cannot cope with acceleration, but to self-governing “healthy communities.” We have seen a glimpse of this future at our Maidan, the 2013-14 revolution that prompted President Viktor Yanukovich to flee power.

It is often said that Goggle sends us letters from the future, but Maidan, with its unprecedented level of self-organization and trust, also was a letter from the future – Ukraine three years ago stood in the forefront of the progressive global trend! Today the ideas of *direct democracy* are reshaping mainstream politics, for example Pirate Party in Iceland took most of votes in national parliament elections in October of this year, and ultimately was given a mandate to form the government.

What can we do here and today? Simple calculations show that although our economy has enjoyed stable growth, we have reached the peak of our internal resources, and in order to accelerate the growth dynamics we need foreign direct investment. The other day I heard a representative of a major US investor in Ukraine precisely define our main challenge – and this is true for foreign and domestic investors, and for any business however large or small – he said that in any country a business can encounter a bad actor (it can be a corporate raider, dishonest employee, corrupt judge or government official, et.). The point is how the system reacts to this bad actor, and where a legitimate business can seek protection and justice.

Our traditional system, unfortunately, does not offer much comfort – the bureaucracy lacks political will, motivation, tools, and responsibility, still operating under the old Soviet rule: initiative is punishable. Judiciary remains corrupt and law enforcement is busy with politics.

There is a lot of room for our civic society, with the support of international community, to create a system of parallel institutions and measures for the business to rely upon during this transitional period. Already there are some good examples: the Business Ombudsman Council <https://boi.org.ua/>, which is funded

by international community, and quite efficiently resolves disputes between businesses and the government authorities, at no cost for businesses. Similar institutions can be created with varied mandates, or at local levels. There is poorly implemented legislation on domestic arbitration tribunals (*treteis'ki sudy*), why not set up arbitration tribunals under the auspices of reputable organizations? A new independent institution was recently set up, UkraineInvest ([Ukraine Investment Promotion Office](https://www.facebook.com/UkraineInvest/)) <https://www.facebook.com/UkraineInvest/> attached to the Cabinet of Ministers, which is tasked with solving the problems of existing investors and promoting Ukraine in the world.

We should always keep in mind that Ukraine is not isolated, and is functioning within the global system of coordinates. And here too we should recognize the reality: the world is entering the stage of turbulence and uncertainty. The global balance will be changing, including for Ukraine, but it is not possible at this time to determine how and to which extent it will affect us.

While the stakes are rising in the global game, we need to wait, but not as a passive victim – on the contrary, we need to consolidate, continue our activism and firmly stand our ground. Reportedly that what Mexico is doing, for them the global balance is changing too, and according to the US media their political class has set aside their internal feuds and consolidated in the face of the looming danger. Perhaps Mexico is luckier with its political class, but we better not count too much on ours. We should count on ourselves, on our civic society, activists, volunteers, reformers, Diaspora and international community – and project the picture of the New Ukraine into the world.

Succumbing to pessimism or panic would be unfair to ourselves, to our children, to the fallen heroes and to the ones who defend us today. We must take active position, continue to build New Ukraine, support our troops, and definitely support our culture, because there is no nation without culture. As a Ukrainian classic of an early Soviet period once said, also referring to the transformational time in history: “We have to do our own.” Thankfully this time around “our own” will be done not under the orders from the bloody empire, and it will give us a good chance to stand our ground and to move forward in this transformational time.