



# STRATEGIC FILE

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## Zakarpattia: A New Powder Keg in Ukraine?

Dariusz Kałan

*Some features of Ukraine's southwestern Zakarpattia Oblast—geographical exclusivity, poor historical links with Ukrainian statehood, independence of local politicians, and ethnic groups' aspirations for autonomy—could suggest similarities to Crimea. However, a key factor that rules out a repeat of the Crimean scenario is the limited influence of Russia in the oblast. It does not mean that the region is not exposed to any decentralization movements. It seems that now the biggest challenge to the central government in Kyiv regarding Zakarpattia are the ambitions of local elites who have both sufficient financial independence and political tools in the form of non-regulated Hungarian and Ruthenian issues to take part, in the most pessimistic assumption, in the region's destabilization.<sup>1</sup>*

### A Deceptively Important Region

The importance of Zakarpattia Oblast may not be immediately clear. Situated in the southwest corner of Ukraine, the region (also called Carpathian Ruthenia or Transcarpathia), with its 1.26 million inhabitants spread over 12,800 km<sup>2</sup>, is the least populated and worst developed in Ukraine. Its border with four European Union countries means that the base of economic life for this land devoid of any prized mineral resources and limited agricultural capacity is foreign trade (including a rapidly growing “shadow” economy).

However, despite its limited economic potential, Zakarpattia has strategic importance for Ukraine; it hosts key elements of gas and oil infrastructure supplying materials from Russia and Central Asia to the EU, reverse connections from Slovakia and Hungary, as well as international power transmission lines. The region has transit links to the west, including by motor (the arterial M06 Chop–Kyiv) and railway (Budapest–Moscow), that connect Ukraine with the European Union.

Additionally, Zakarpattia's location in the bend of the East Carpathians, which separates the region from the rest of the country, has always been considered an essential element of military strategy as a buffer zone. In the vicinity of Mukachevo, there was a Soviet military base, radiolocation early warning station (one of two, the other in Simferopol, that were located in Ukraine), as well as a small airport in Uzhhorod. Of these facilities, only the airport is still used, though only a little.

Zakarpattia's other traits that distinguish it from the other western regions of Ukraine are its weak historic links with Ukrainian statehood,<sup>2</sup> the relatively strong position of the Orthodox

<sup>1</sup> This analysis was prepared after a study visit to Zakarpattia (Chop, Mukachevo, Berehove, Uzhhorod) in May 2014.

<sup>2</sup> The territory of present-day Zakarpattia Oblast was included in Ukraine (Ukrainian Socialist Soviet Republic) in January 1946, which means that this region was the second newest area, after Crimea, of independent Ukraine. Before that, it belonged to various states, including Hungary (for more than 1,000 years), Austria, Czechoslovakia and Romania.

Church of the Moscow Patriarchate (about 65% of residents), and large percentage of non-Ukrainians. According to the last available census (conducted in 2001), the area is dominated by ethnic Ukrainians (80.5%), but living there are also ethnic Hungarians (12.1%), Romanians (2.6%), Russians (2.5%), Roma (1.1%), Ruthenians (0.8%), and small clusters of Slovaks, Germans and Jews. Despite the ethnic, linguistic and religious differences in its population, there have been no major conflicts of that type in Zakarpattia in tens of years.

### **Hungarian Minority: Vision for Revision?**

But there are good grounds for changes in people-to-people contacts in the region as a result of the Ukrainian crisis bring. This is visible in the position of the Hungarians, the largest national minority in Zakarpattia.<sup>3</sup> In late May, a clear demand for cultural autonomy and local government was mentioned repeatedly in a parliamentary speech and TV interview by Prime Minister of Hungary Viktor Orbán. Indeed, an important motivation for the government in Budapest to stir up the subject of the Zakarpattia Hungarians at that very moment was weakening Ukraine's central authorities after the Crimea crisis, which, was expected to be more prone to pressure from the periphery. Another pretext was anti-Hungarian actions made by the extreme right (e.g., attempts to destroy a Hungarian monument in Verecke Pass or to burn the Petőfi statue in Berehove), which, because of the infirmity of Ukrainian nationalism in Zakarpattia, should rather be considered incidents. However, these events created confusion in Hungarian media and, along with propaganda, fears the new government in Kyiv would have a nationalistic character spurred radical movements, especially the Hungarian far-right Jobbik party, which has been increasingly visible in the region.

Demands for autonomy and self-government are by no means a sign of new trends in Hungarian politics. In fact, both are important long-term elements of the country's "national policy" ("nemzetpolitika") and are found in other countries where, although a minority, large numbers of ethnic Hungarians live, including in Romania and Serbia (the latter remains the only one where there is actually autonomy for Hungarians). The flagship motto of this trend in Zakarpattia is the notion, popularized especially by the former President of the Hungarian Cultural Federation in Zakarpattia (KMKSz) Miklós Kovács, of a "prytysjanski county", which means a separate electoral district. A key argument for its followers is the 1991 referendum, carried out in parallel with referenda on the independence of Ukraine and Zakarpattia's self-government.<sup>4</sup> In the latter, the referendum concerned the creation of the Hungarian Autonomous Region in the Berehove area. Although 82% of the population of Berehove and surroundings were in favour of the new region, the results were not recognized by Kyiv, which in the 1990s struggled to contain the separatist tendencies in Crimea.

Thus, this referendum's results, as well as the strategy to put pressure on a worn-out Kyiv, was what Budapest tried to use in order to achieve the crucial goal of protecting the existing, numerous privileges of minorities in Ukraine. Ethnic Hungarians there enjoy the right to have bilingual information signs in the Berehove area, their own political parties, organizations, media, educational institutions (including the college in Berehove and Hungarian-language departments at Uzhhorod National University), and in practice they may possess both Ukrainian and Hungarian citizenship. This is due to a fluke of law that bans dual citizenship but does not provide any penalties for breaking it. In several cities, such as Berehove, the mayors are local ethnic Hungarians. To keep or strengthen these facilities and prepare for possible decentralization of the

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<sup>3</sup> According to the 2001 census, there are 150,000 ethnic Hungarians, but it seems that this figure may be underestimated (it does not include, among others, some of the Hungarian-speaking Roma population).

<sup>4</sup> In December 1991, in Zakarpattia, three referendums were carried out de facto. The first question concerned the independence of Ukraine from the USSR (92% for), the second, self-government of the region within Ukraine (the idea of autonomy was supported by 77% of the Zakarpattian population), and the third, creation of the Hungarian Autonomous Region in the Berehove area (82% for). The results of the last two referendums have not been taken into account by Ukraine's central authorities.

country, a reform supported by all of the Ukrainian parliamentary groups and Ukrainian President Petro Poroshenko, it is vital for Hungarians to maintain good contacts with the president and to keep their representative in the Verkhovna Rada.

Nevertheless, Orbán's demands could have come as a surprise because they somehow stand in opposition to the voices of the Zakarpattia Hungarian's organizations, which only recently pointed out that what matters to them is not a lack of autonomy, but linguistic issues, precisely the methodology of teaching Ukrainian in public schools where it is taught as a first (not additional) language by teachers unfamiliar with Hungarian, so that in effect, knowledge of Ukrainian among ethnic Hungarians remains limited. A proposal to solve the language fuss, caused by both the fallibility of the education system in Ukraine as well as the attitude of the local Hungarians, who tend to isolate themselves from the Ukrainian community, was raised in two important documents. First was a declaration of 39 ethnic Hungarian organizations in Zakarpattia from 28 March 2014,<sup>5</sup> and a second, with more importance, was a six-point agreement signed on 1 May between then-presidential candidate Poroshenko and the new chairman of the largest Hungarian party in the region, the Hungarian Cultural Federation in Zakarpattia (KMKSz), László Brenzovics, an known as the Poroshenko–Brenzovics agreement.<sup>6</sup> In none of them though was there a demand for cultural autonomy or local government. As KMKSz is closely connected to Orbán's Fidesz party,<sup>7</sup> this sort of "double voice" may suggest that the Zakarpattia Hungarians are using a good sheriff, bad sheriff tactic, with the government in Budapest the bad one, and the more reasonable locals the good one.

Regardless of the intentions of Hungarian politicians, these demands in the midst of an armed conflict between Ukraine and Russia should be considered at least reckless. On the one hand, it has introduced nervousness to the region, which in the long run can negatively affect the relationship between the Hungarian and Ukrainian communities. It has also damaged the image of Hungary, which has seen no benefits in return for its stance, as a country that some Western media have accused of being willing to participate in some form of territorial revision. However, despite the undoubted clumsiness of the leaders in Budapest, one may assume that even if the Russia-Ukraine conflict turns worse, Hungary will not be interested in pressing for the region to be separate, as the costs and additional problems of such a radical step would be too demanding. For the country, this would mean international isolation, an extreme weakening of its position in the EU and NATO, not to mention the fact that the introduction of Hungarian government to this economically inefficient region (or even part of it) would result in administrative chaos in the country and lead to ethnic clashes in the south of Zakarpattia, where the Hungarian minority is mixed with ethnic Ukrainians and Russians.

### **To Be or Not To Be Ruthenian?**

Contrary to the Hungarians, Ruthenians, an ethnic group of Eastern Slavs living to the south and west of the Carpathians, are less numerous and are scattered. In the 2001 census, the status ethnic Ruthenian was declared by only about 10,000 people (that is, less than 1% of residents), and even if we assume that the number is slightly too low (there are different data points, with Ruthenian organizations claiming there are between 130,000 and one million, though this seems to

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<sup>5</sup> A copy of the declaration, which paid attention almost entirely to language issues, is in the possession of the author.

<sup>6</sup> The agreement says that the ethnic Hungarian community will support Poroshenko during the election but in return the candidate is committed to: 1) secure the status of the Hungarian language in the framework of the European Charter for Regional or Minority Languages; 2) ensure the rights of national minorities in implementing the administrative reform; 3) create an independent department for the education of national minorities at the level of the central government; 4) return the property nationalized by the Soviet authorities to churches; 5) secure the position of the representative of the Hungarian minority in parliament; and, 6) rehabilitate ethnic Hungarian victims of the Stalinist regime. A copy of the text is in the author's possession.

<sup>7</sup> In Zakarpattia, there are two large ethnic Hungarian parties, but due to financial dependence on Budapest only one receives support as it is related to the currently governing squad in Hungary—KMKSz, which is close to Fidesz, while the Democratic Association of Zakarpattia Hungarians, UMDSz is tied to the socialists.

be a significant overestimate) it may be said that their influence on the political life of the region is rather limited. What differentiates Ruthenians from the ethnic Hungarians is also the fact that the former are not regarded as a national minority by the Ukrainian government, despite the pretext of the Ruthenian character of Zakarpattia to organize the 1991 referendum on self-governance in the oblast.

The structure and organizational capacities of the two minorities are also different. The Zakarpattia Hungarians have two ideologically diverse political parties, while the Ruthenians' representation is more fragmented. The most known and visible voice belongs to a pro-Russia group gathered around the former *protorei* (archpriest) of Uzhhorod, Dmytro Sydor, and Petr Hecko, the self-styled prime minister of the Zakarpattia Ruthenian Republic. They both declare an intent to create an independent Ruthenian state on the territory of Zakarpattia under the patronage of Moscow, which for a long time has been supporting politically and allegedly also financially their activities (it is also important to know that Sydor is a priest with the Ukrainian Orthodox Church subordinated to the Moscow Patriarchate). However, in spite of very high activity in media, including on the internet, their actual influence seems to be low. For more than 20 years they have failed to construct an organizational base, political or financial background, or durable contacts with local elites.

These radicals do not enjoy support from other Ruthenian organizations, either. Of the latter, one can distinguish three main approaches: compromise (represented by oligarch Viktor Baloha), moderately pro-Russian (associated with Party of Regions Deputy Ivan Bushko, who is right now losing influence), and pro-Hungarian (present on a very small scale in the borderlands). Despite their declared support for obtaining the status of national minority and the idea of autonomy, these movements are mainly dedicated to cultural and educational activities, including organizing Ruthenian schools, low-budget press and literature. They are rooted in the emigrant environments of North America (the unofficial patron of the Zakarpattia Ruthenians is American historian Paul Robert Magocsi), which, however, does not help them resolve their key problems: few financial resources (lack of minority status means limited support from the state), gradual outflow of people who have declared Ruthenian nationality, and the inability to light fire in the young generation in the Ruthenian case. All of these mean that being part of Ruthenian society is now to a large extent a matter of sentiment and culture, not politics.

Although the Ruthenian movement remains a phenomenon that is organizationally weak, internally conflicted, and generally marginal in the country's public life, in the long run it may be troublesome for Kyiv. For almost 20 years, Ukraine has disregarded the case of these minorities, and if this policy is maintained, in the future, the non-settlement of minority issues may become an effective tool to jeopardize the Euro-Atlantic course of the new powers in Ukraine, which plan to open the country to the West.

### **Zakarpattia's Feudal Prince: Viktor Baloha and His Clan**

The link that connects the ambitions and interests of the ethnic groups is oligarch Viktor Baloha, the former governor of Zakarpattia, leader of the small United Centre party, and an owner of the Barva grocery supermarket chain, which operates throughout the region, and local television M-Studio, along with other business interests as well. Baloha is an informal patron of the moderate part of the Ruthenian movement, those gathered around Yevhen Zupan, and he maintains good relations with the representatives of KMKSz, whose new chief, Brenzovics, was vice-president of the Zakarpattia District Council at the same time the chairmanship was held by Baloha's brother, Ivan. It is thus important to remember that by local elites one should understand not only the closest political associates and family to Baloha but also the leaders of the moderate wing of the Ruthenian movement and the present top members of KMKSz, who face a particularly difficult task balancing between local interests and loyalty to the government in Hungary.

The oligarch himself has partly lost influence in Zakarpattia in the last two years after he began to distance himself from former President Viktor Yanukovich's regime, to the benefit of local politicians from the Party of Regions, including his long-time rival, Viktor Medvedchuk. Since Yanukovich's fall, Baloha has been showing interest in restoring his former position and gained leverage by his presence at Euromaidan and support for Poroshenko in the presidential election. Baloha organized Poroshenko's campaign in the region and, according to unofficial information, brought the agreement with KMKSh to be signed. To much extent, these actions mean Zakarpattia is now one of the regions of Ukraine where the current president enjoys the biggest support (during the election he received 62% of the votes).

The support given to Poroshenko shows well the oligarch's method of establishing relations with the powers in Kyiv, that is, an alliance with the strongest player in the political scene. Before the events of the last year, Baloha closely cooperated with former President Viktor Yushchenko (as a head of his secretariat) and with Yanukovich (as minister of extraordinary situations in Azarov's government), who as a matter of fact won in Zakarpattia—the only region in western Ukraine—in the first round of the 2010 presidential election. The oligarch's pragmatic strategy is aimed not only to protect him and his sphere's economic interests and political influence but also to maintain distance from Kyiv. Maintaining relative self-reliance has always been more important to local powers than ideological or party-related sympathies.

It is enough to say that for this specific region, where the governor has never been a person born outside of Zakarpattia, has for several years factually co-governed by an exotic coalition of local deputies from Yushchenko's, Tymoshenko's and Yanukovich's parties. During the 2013–2014 Ukrainian revolution, Zakarpattia was the first Ukrainian region to refuse obedience to Yanukovich's power. This decision was made in February 2014 by the Zakarpattia District Council with the votes of the opposition and mutinous members of the Party of Regions. The Zakarpattia local elite features a kind of “local internationalism”, which means it seeks to maintain an equality in the rights and cooperation of all of the political and national powers; their main value is related to the region, not necessarily with any centre (Kyiv or Budapest). In practice, it is expressed in two key tendencies in the politics of Zakarpattia: the need to establish good relationships with any power in Kyiv as the price of keeping its “independence”, and in the ability to effectively react to change.

### **Conclusion: Not Crimea 2.0, but Zakarpattia 1.0?**

At first glance, Zakarpattia has features that may suggest a move similar to that of Crimea, based on the independence of local elites and aspirations of national ethnic groups. However, a significant difference between the two is the limited influence of Russia in Zakarpattia. Moscow does not have its usual organizations and media or significant businesses (except international corporations such as Sberbank or Lukoil), and it cannot build its position on historical sentiments or the 30,000 or so Russian minority, which has to a great extent been “Ukrainianized” and shows no separatist tendencies. The most significant potential tool of pressure, the Orthodox Church of the Moscow Patriarchate, has not secured a sufficiently strong position to organize around a pro-Russian movement, either. Russia's lack of impact is best seen in the unsuccessful activity of radical Ruthenians gathered around Sydor and Hecko. Indeed, Moscow may feed the ambitions of national minorities as well as use other available tools (e.g., hackers, media provocations or stirring up radicals), but the effects of such actions may be limited, at least in the mid-term. Russia thus will most likely not initiate any decentralizing movements in Zakarpattia, but of course it does not mean that it would not try to make use of it if it starts up.

The absence of conditions relevant to a repetition of the Crimea scenario does not guarantee that the region is free of the risk of internal destabilization. There are many sensitive issues in play there—the financial and political independence of local elites, the unsettled Ruthenian issues and

ethnic Hungarians' ambitions for autonomy (for both, the outcome of the 1991 referendums may be serve as rally cries), and the possible use of strategic areas of the country's economy, such as energy and the transit points in the region, to destabilise Ukraine if it interferes more deeply in Zakarpattia. It seems though that separately these factors' impacts on the situation in the whole country may be moderate. The only group openly demanding Zakarpattia's autonomy from Ukraine are radical Ruthenians, who have neither the political instruments nor efficient social support to make such a step possible. The others—ethnic Hungarians, moderate Ruthenians and Baloha—are interested in securing their own privileges, possibly in the framework of cultural autonomy (for minorities) or maintaining the region's political "independence" from the centre (Baloha), but this may be more easily achieved through diplomatic efforts in Kyiv by pushing for beneficiary solutions in the decentralization reform than via rebellion in the region. Reform, if used properly by Ukraine's central authorities, may be a crucial instrument to reduce tensions in the region.

One problem for Kyiv may be a lack of understanding of the specifics of Zakarpattia, which might be expressed by ignoring the demands of locals in the decentralization reform efforts, the non-implementation of the Poroshenko–Brenzovics agreement, or personnel decisions that go against the local elites (for example, Baloha's role at the side of the president and whether the new governor is a person from the region), may result in negative consequences. Local elites, which include Baloha and his closest associates, and the leaders of the main minorities' representatives have been bound together for years and share many common interests and the conviction that "local" sometimes is more important than "national". In times of peace, their role is stabilizing, but if they feel open hostility from Kyiv, together they have sufficient power to destabilise Ukraine by, in the worst case, seeking to establish a kind of "separate principality" in Zakarpattia, even if this would bring additional economic challenges. It is thus the ambitions of Zakarpattia's elites that seem to be the biggest challenge to the administration in Kyiv and specifically to Poroshenko.

**ANNEX:**  
**Zakarpattia Oblast (also known as Transcarpathia)**



Source: Co-mag.net.