

The Causes and Mechanisms of the Ukrainian Crisis of 2014: A Structural–Demographic Approach

Dmitry Shevsky

National Research University Higher School of Economics

This article tests the hypothesis that Ukraine experienced a state breakdown in 2014. The methodology employed to test this statement is based on achievements of structural-demographic theory, created by Jack Goldstone and developed by Peter Turchin. The reasons for a fiscal crisis, intra-elite conflict and mass mobilization (the three criteria for a state breakdown) are discussed. It is demonstrated that budget management in Ukraine was ineffective, and, coupled with an unbalanced political system, led to the fiscal crisis. The intra-elite conflict was caused by Yanukovich's politics and by lack of resources as a consequence of elite overproduction, which led to fewer opportunities among the traditional elites. To demonstrate the mass discontent that was the main factor for the protests and rallies, evidence is presented that the population of Ukraine experienced immiseration in 2010–13. The final factor determining the future of the Ukrainian system was the delegitimization of power. This could happen only under the conditions of intra-elite conflict. All of these factors arose because of the high degree of capital concentration in the hands of the economic elite. The article concludes that we have every reason to say that a state breakdown occurred in Ukraine.

Introduction

Analysis of events that took place in Ukraine in 2014 has been widespread in the scientific literature. The significance of what happened in Ukraine is obvious: these events exacerbated the geopolitical rivalry between Russia and the West.

The literature devoted to the origins and causes of this crisis can be divided provisionally into two major branches. The first branch locates the origins of Euromaidan in the geopolitical rivalry between Europe and Russia and the main causes in a deep split of the society, represented by the pro-Western and pro-Russian orientations of people living in different regions. This point of view has also prevailed in the Western media (Fengler et al. 2018; Surzhko-Harned and Zahuranec 2017: 2; Trenin 2014). Some authors (e.g., Kuzio 2015: 104; Plekhanov

Corresponding author's e-mail: shevskiyd@mail.ru

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2016; Valdai Discussion Club 2014) provide a brief overview of the internal reasons for the crisis but find external reasons more important.

The second branch tries to find internal factors that led to the crisis and to show that external factors were secondary and not in themselves sufficient as explanations (e.g., Khmelko and Pereguda 2014; Surzhko-Harned and Zahuranec 2017). According to authors within this branch, the origins of the revolution should be sought in the unbalanced Ukrainian political system, ineffective management, and an inherited national divide (Khmelko and Pereguda 2014; Minakov 2018; Way 2015). However, their discussions pinpoint different causes; some researchers insist that poverty and the poor state of the economy were the reasons for mass protests (Bojcun 2015: 402; Surzhko-Harned and Zahuranec 2017: 10), while others are inclined to deny these factors (Plekhanov 2016; Valdai Discussion Club 2014: 28). Thus, despite a large body of literature devoted to the events of 2013–2014 in Ukraine,¹ some discrepancies are seen. Another important problem with the existing literature is that almost no attention has been paid to classifying what Ukraine experienced.

To resolve these problems, a well-developed theory is needed. A theory not only helps to sort and organize the facts but also to provide an explanation of why the chosen factors are sufficient to explain an outcome. The social sciences have not generated many general theories to explain the sources and mechanisms of political crises. Some of these theories (like rational choice theory and fiscal-military theory) have failed to predict different outcomes in the same conditions (Lachmann 2009); others (like failed-state theory) have a fragile basis (Dingli 2011). Thus, to choose an appropriate theory, we need to lean on those that have been tested in a variety of cases and have a clear background.

To analyze the Ukrainian case, structural–demographic theory (SDT), one of the most thoroughly verified theories of state crisis in modern macrosociology² (e.g., Goldstone 1991; 2017; Turchin 2003, 2013; Turchin and Nefedov 2009) is applied. It was originally created to analyze the dynamics of agricultural states but has been actively used for modern cases (e.g., Korotayev and Zinkina 2011; Turchin 2014). This theory considers three main variables: the elites, the state, and the people. Elites are understood here to be a small part of the population that concentrates in its hands the coercive (executive), economic, administrative and ideological forms of power (Mann 1987; Turchin et al. 2017: 161), whereas the state is an autonomous structure not reducible to any specific interests (Skocpol 1979).

¹ See below for further discussion of this literature.

²Macrosociology is “an interdisciplinary area of research in the mechanisms and patterns of large and long-term historical processes and phenomena (such as the genesis, evolution, transformation, decay and collapse of societies, states, world-systems and civilizations) by means of objective methods of social sciences” (Rozov 2009).

SDT can be briefly presented as a model of links between population growth and the increase in number of elites, and how both affect government structures. For modern states, the most relevant interactions are those between the growing elite and the state on the one hand, and the population on the other. One of the key concepts of SDT is that of state breakdown, meaning “any event that involves a crisis of central state authority, elite revolts, popular uprisings, and widespread violence or civil war” (Goldstone 1991: 12). It can be represented in a more formalized way as (Collins 2011: 578):

1. fiscal crisis
2. elite deadlock
3. popular mobilization from below

Why these three factors? Fiscal crisis indicates that the state is suffering from both administrative and economic weakness. It struggles to pay its beneficiaries—the traditional elites—and they start to fight for depleting resources, mobilizing the population for protests. Mass protests may be directed against either the state or rival elite factions.

According to the studies mentioned above, these factors are enough to trigger a full-scale crisis, and this means that other factors (notably, external ones) play a secondary role. Thus, the main goals of the article are to test the hypothesis that Ukraine experienced state breakdown in 2014 and to explore objective reasons for the crisis using SDT.

The article begins by considering whether we can say that the Ukrainian state experienced a fiscal crisis. The reasons for the intra-elite conflict will then be discussed. The next section is devoted to analyzing reasons for both mass protests and the split within Ukrainian society. In conclusion, a brief outline of the mechanisms of the Ukrainian crisis and a brief discussion of its basis are presented.

Fiscal Crisis

In SDT, state fiscal distress (SFD) is defined by the formula:

$$SFD = \frac{Y}{G}D$$

“where Y is the total state debt, G is the GDP, and D is a measure of public distrust in the state” (Turchin 2013: 247). This formula shows that fiscal burden should be considered alongside public opinion, because an unpopular state will be restricted in its freedom of action. As a first step, we analyze the Ukrainian state budget and then turn to public distrust.

According to official statistics, the public debt of Ukraine had been growing steadily but not significantly in relation to GDP, from 34.7% in 2009 to 40.1% in

2013 (Ministry of Finance of Ukraine 2020). The percentage, of course, is not small but it is not critical in comparison with other countries. Does this mean that Ukraine did not experience a fiscal crisis? Public debt is a useful indicator, but not the only one; analyzing budget efficiency also helps to reveal fiscal distress. Budget efficiency not only offers an opportunity to resolve some economic challenges and avoid others, but is necessary because the level of distrust of the regime (among both the elites and the population) may depend on the state's performance, other things being equal.

We can analyze the efficiency of the Ukrainian state budget from different angles—both general and particular (see, for example, Radionov 2012, 2013). All of these approaches, one way or another, point to failures of budgetary policy both on the regional level and in the country as a whole. Ukraine experienced a constant budget deficit under President Viktor Yanukovich (Ministry of Finance of Ukraine 2020) and the annual audit by the Accounting Chamber found inefficient spending of funds. Figure 1 shows inefficient expenditure as a percentage of the total deficit.

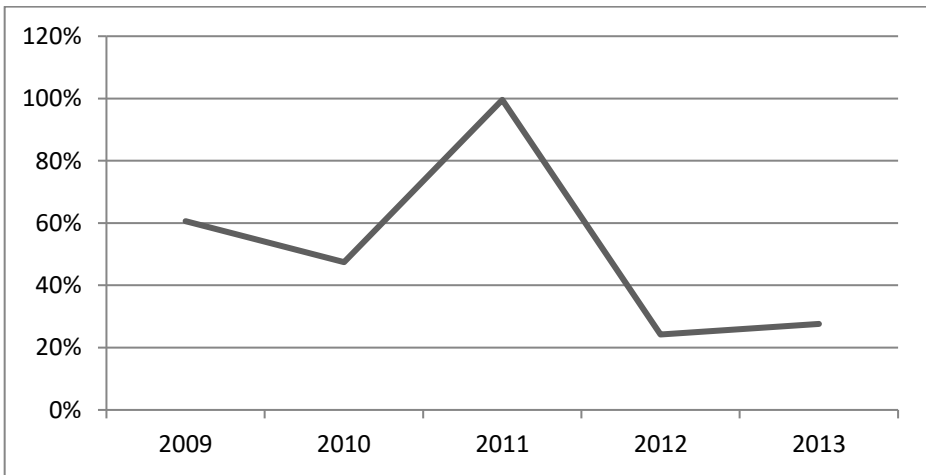


Figure 1. Share of inefficient expenditure as a percentage of deficit for 2009–2013. Source: Accounting Chamber of Ukraine (2010–2014).

The data show that in 2012–13, a quarter of the deficit could be explained by inefficient spending, and in 2011, the size of the budget deficit and amount of inefficient spending were equal. Thus, even a cursory analysis confirms the thesis that the budget of Ukraine was far from effective, even without mentioning mismanagement at the regional level (Radionov 2012).

Now we turn to the level of public trust in 2012–13, which can be examined using polling data (Democratic Initiatives Foundation 2012; 2013). In 2013, 35.0% of all respondents (compared with 15.7% in 2012) felt that Yanukovich was the main political disappointment of the year, and a deterioration in personal attitudes towards the government in general was noted by 68% of respondents in 2013 (22% in 2012). The most vivid evidence of the population's attitude towards the authorities comes from the survey on attitudes towards institutions of power. According to this, 62% of respondents expressed that they mostly or fully distrusted the institution of the presidency. Verkhovna Rada, the Ukrainian parliament, was fully or mostly distrusted by 74%, and the government as a whole by 66% of respondents.

These data, coupled with a widespread sense of impoverishment and pervasive corruption, and the degree of budgetary mismanagement, point to delegitimization of the regime. But it should be noted that this delegitimization was not crucial in the early stages of the crisis. It reached its peak only in February 2014, and is therefore relevant chiefly to the final phases of the state's collapse.

Macrosociology aimed at identifying patterns of historical dynamics has convincingly shown that delegitimization occurs when the elites satisfy two conditions: 1) "political cultures of opposition" are present among at least part of the elite; 2) intra-elite conflict exists, because otherwise mass protests are doomed to failure (for more details see Foran 1997; Lachmann 1997). Since it is obvious that there was intra-elite conflict in Ukraine during the period under study, the next step to test the hypothesis about Ukrainian state breakdown is to discuss the reasons for discontent among the elite.

Causes of Elite Conflict

To understand the causes of acute rivalry among Ukrainian elites, we start with a brief description of the structure of Ukrainian society.

Much research has been devoted to the high degree of oligarchization in Ukrainian politics (e.g., Åslund 2014; Matuszak 2014; Pleines 2016a), but the most important aspect of the political system is its clan-dominated character. Researchers analyzing various groups of influence give different lists of clans and their regional components (Marples 2015: 13; Matuszak 2014: 13; Sakwa 2015: 63). Though there is no consensus among researchers about the number of such groups, it is agreed that the main rivalry took place between two of them, the Dnepropetrovsk and the Donetsk clans (Minakov 2018: 234; Sakwa 2015: 114). According to political analysts, the Dnepropetrovsk clan was represented by Leonid Kuchma, Pavlo Lazarenko, Ihor Kolomoyskyi, Victor Pinchuk, Yulia Tymoshenko, et al., and the Donetsk clan by Mykola Azarov, Viktor Yanukovich, Rinat Akhmetov, Yuriy Boyko, and others.

A peculiarity of the rivalry between these clans was that when one clan came to power, the representatives of another were dismissed. Thus, mass personnel changes at both the highest and regional political levels took place in 2005, when the Dnepropetrovsk clan gained power and influence, and in 2010, when a representative of the Donetsk clan was elected president (Torikai 2019). This system worked with some disruptions until, some experts believe, Yanukovych decided to weaken the influence of the oligarchs. Almost unanimously, analysts concluded that the president of Ukraine and his son had tried to create a new clan, called the “family” (Pleines 2016a: 118; Wilson 2014: 53).

Despite a significant amount of speculation and difficulties verifying the relevant data, researchers agree that the “family” policy was contrary to the interests of many, if not all, oligarchs (Kudelia 2014: 22; Matuszak 2014: 41). What convincing evidence is there of this? If we turn to statistics, we can clearly see that under Yanukovych’s rule, illegal business activity has become more common: in 2010, 75 cases of raider practices (in which, for instance, business assets are seized through unlawful means such as bribing officials or forging documents), were reported, but this jumped to almost 1,000 in the following year (Matuszak 2014: 58). Of course, it is unequivocally difficult to argue that this is the result of the formation of a new presidential clan (Rojansky 2014: 423). However, the figures are so suggestive that they cannot be ignored.

Could it be that the “Yanukovych family” had nothing to do with it, and all those raider practices represented a “preference” to the Donetsk clan for winning the elections? There are reasons to doubt that (Wilson 2014: 54–58). For example, state-owned enterprises (Centrenergo and Donbasenergo) purchased part of their coal mainly from a state-owned enterprise (Coal of Ukraine) and part of it from DTEK, the company owned by Akhmetov. With the strengthening of Yanukovych’s power, the state began to buy coal from companies connected with the President’s son, bypassing Akhmetov. Moreover, in 2013 a tender for the purchase of coal was launched, for which Akhmetov offered the amount of UAH 92 million but lost to the company owned by Oleksandr Yanukovych, which offered a price of UAH 221 million (Forbes 2013b; 2013c). All of this indirectly indicates that Yanukovych acted against his main sponsor’s interests. In addition, according to analysts, when 15 new ministers were appointed at the end of 2012, only 4 of them had mutual business interests with Akhmetov (Forbes 2012).

With the election of a new president, the persecution of the opposing clan’s representatives also intensified. The case of Tymoshenko is often cited as an example of Yanukovych’s tough policy toward his rivals. This arrest received considerable media attention, but there were many other, “quieter” arrests, including that of the former Interior Minister Yuriy Lutsenko, Deputy Minister of Justice Eugene Korniychuk, and Customs Service Head Anatoly Makarenko.

In SDT, elite mobilization potential (EMP) is described by the formula:

$$\text{EMP} = \varepsilon^{-1} \frac{E}{sN}$$

where “ ε^{-1} is the inverse relative elite income (average elite income scaled by GDP per capita)”; E elite numbers; and sN government employees per total population (Turchin 2013: 247).

Although there are methods to assess both the incomes of the elites and their numbers, the peculiarity of the Ukrainian case is not only that some data are not available, but also that radical changes occurred during the short term of Yanukovich’s presidency (i.e., three years). Macro trends are difficult to assess for such short periods. The data most indicative in this context are those illustrating the position of the political-economic elites.

For analysis, we use a dataset of 29 oligarchs in the entire history of independent Ukraine, compiled by the German researcher Heiko Pleines.³ If we focus only on those who were already oligarchs before Yanukovich came to power, we can see that their combined wealth (according to Forbes) remained almost unchanged in the period of interest: \$30.290 billion in 2011 and \$29.738 billion in 2013. Moreover, of the nine oligarchs whose wealth decreased during the period, six had been openly connected with the official government. If we consider the wealth of those who were not oligarchs before Yanukovich, then with rare exceptions the picture looks the same—oligarchs close to power did not get richer, and some even became poorer. At the same time (2011–12), Yanukovich’s son’s wealth increased by 173%, and more than fivefold during just six months in 2013 (Forbes 2013d). One of the main sources of “family” enrichment, besides raidership, was abuses relating to public procurements (Pleines 2016a: 118; Wilson 2014: 54–58). Previously, all oligarchs had engaged in this practice (Plekhanov 2016), but Akhmetov’s case demonstrates that public resources had been depleted, another point in support of a fiscal crisis.

Thus, the formation of a new “clan” of people close to the president, the redirection of rapidly shrinking cash flows towards the “family,” tough actions taken against members of the opposition, and a decrease in the usual opportunities for enrichment for the traditional political and economic elite could not have failed to cause strong discontent with the current state of affairs. In fact, Yanukovich had been narrowing the base of his own support (Åslund 2015: 90; Kudelia 2014: 22; Wilson 2014: 53). So, intra-elite conflict had a firm foundation, but erupted only in late 2013, because the oligarchs did not see any opportunities to change the situation before that point (Way 2015: 82). High elite-conflict potential does not automatically mean mass mobilization, and SDT suggests that the main reason for pro-

³ See Pleines (2016b) for the dataset and calculation methodology.

tests and rallies is public immiseration. As mentioned above, researchers hold contradictory positions about whether Ukraine's population was experiencing immiseration on the eve of 2014.

Public Inequality, Immiseration, and Causes of Mass Protests

British political scholar Richard Sakwa (2015: 61) has stated, without any explanations, that during Yanukovich's term, 100 people owned about 80–85% of all Ukrainian wealth. It is logical to assume the author means the total fortune of the 100 richest people in Ukraine as a percentage of GDP or wealth estimates by country. According to the Forbes list for 2013 (Forbes 2013a), the total wealth of the hundred richest Ukrainians amounted to approximately \$55.245 billion, or 30% of GDP for the same year (\$183.31 billion in real dollars [World Bank 2020a]) and 45% of the country's wealth (\$122.53 billion [Credit Suisse 2013]). This percentage is not small, but it is not the 80–85% given by Sakwa.

Another indicator of social stratification is the Gini index, which calculates the degree of income distribution (or in some cases, consumer spending) among individuals and households. The lower the index, the lower the rate of inequality observed in the country. In general, the Gini index for Ukraine has been quite low, only 24.6 for 2013, and has never been higher than in 1995, when it was 39.3 (World Bank 2020a). For context, the value for Russia for the same year was 40.9, and the USA had a Gini index of 41 (World Bank 2020a).

Similar results emerge from a preliminary analysis of population welfare based on the official statistics (Korotayev 2014; Tsirel 2015). If we rely on these official statistics, we obtain a rather favorable picture: GDP and the population's incomes grew, while the rate of inflation was zero. Moreover, "clear evidence of the growth of social injustice during Yanukovich's governance is difficult to find" (Tsirel 2015: 58). Thus, some researchers reject the hypothesis that economic troubles contributed to the Ukrainian revolution (Hale 2015: 234).

But was Ukraine really so prosperous before its crisis? Even the official statistics offer evidence to the contrary: for instance, relying on the comparison of both price and living wage dynamics, there is reason to believe that inflation fluctuated at around 6–14% (Tsirel 2015: 63). Also, if we compare the growth ratios of total revenues, expenditures on goods and services, as well as tax burden (in %) with the previous year (Figure 2), we can state that the rise in prices for goods and services and the level taxes collected grew faster than income. We can see the real picture more clearly if we look at the amount (in %) remaining for other needs after taxes and the purchase of goods and services (Figure 3). But even these factors are not as important as the widely held expectation among less well-off Ukrainians that their situation would worsen in the months to come (Table 1).

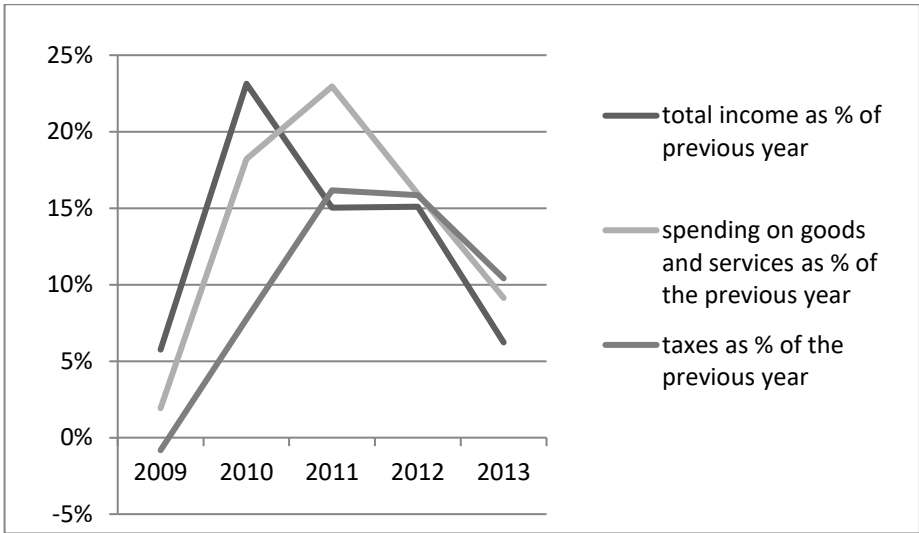


Figure 2. Growth ratios of total revenues, expenditures on goods and services, tax burden (in %) among the Ukrainian population in relation to the past year. Source: State Statistics Service of Ukraine (2020).

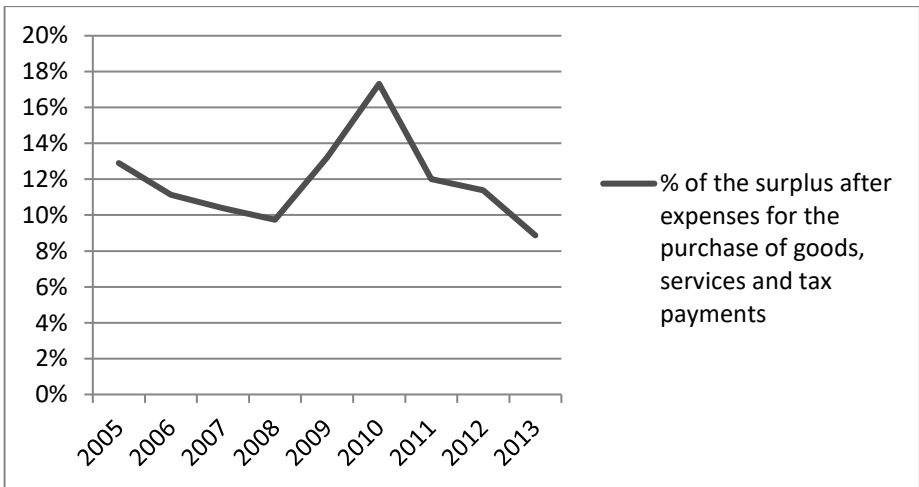


Figure 3. Percentage of surplus after expenses for the purchase of goods, services and tax payments among the Ukrainian population. Source: State Statistics Service of Ukraine (2020).

Table 1. Self-assessment by respondents of their family’s financial situation. Survey data for 2011 (Tsirel 2015: 78).

Self-assessed financial situation	Expected subjective mobility for the next six months (% of respondents)		
	No significant changes	Welfare will increase	Welfare will decrease
Above average	57	39	4
Average	54	11	35
Below average	46	5	49
Low	28	5	67

These surveys show not only low expectations among the Ukrainian population, but also that at the end of 2013, more than half of those surveyed believed that their family’s material wealth would decline (Democratic Initiatives Foundation 2013). This subjective evaluation corresponds with the official statistics described above. Combined, the data suggest that there was relative deprivation in Ukraine in late 2013, i.e. a large discrepancy between the expectations of the population and reality (Davies 1962). Ted Robert Gurr (1970: 64) has previously offered a formula to roughly estimate the level of deprivation and the discontent (anger) of a population caused by deprivation:

$$\frac{V_e - V_c}{V_e}$$

In this expression, V_e stands for the expected value position and V_c for the value position perceived to be attainable (real). Gurr (1970: 65) suggests that users “equate V_c with present wages and V_e with desired wages” to understand the actual state of deprivation. The results for Ukraine can be seen in Figure 4: the level of deprivation before Yanukovich’s election was quite high, and when it soared in 2011, the change was not as marked as in 2013 after a steady decline in the level of discrepancy between reality and desires or expectations.

To sum up, all these data, both downward tendencies and pessimism, combined with an actual decrease in the amount of available cash among the population, were observed regardless of the apparent well-being of the Ukrainian economy. Despite the absence of evidence for strong population stratification (Gini index) and the low level of oligarchization in the country, closer analysis paints quite a different picture. The fortune of the 10 richest Ukrainians in 2013 was 17% of the country’s GDP (Forbes 2013a; World Bank 2020a). This means that with such huge pools of resources, the oligarchs were able to create monopolies, influence the

economy, and, as a result, public policy. Thus, according to SDT, population immigration and the oligarchization of the country accompanying it were the main factors that led to mass protests, but the theory does not predict which particular events would lead to a conflict or what kind of discourse would lead to mass mobilization.

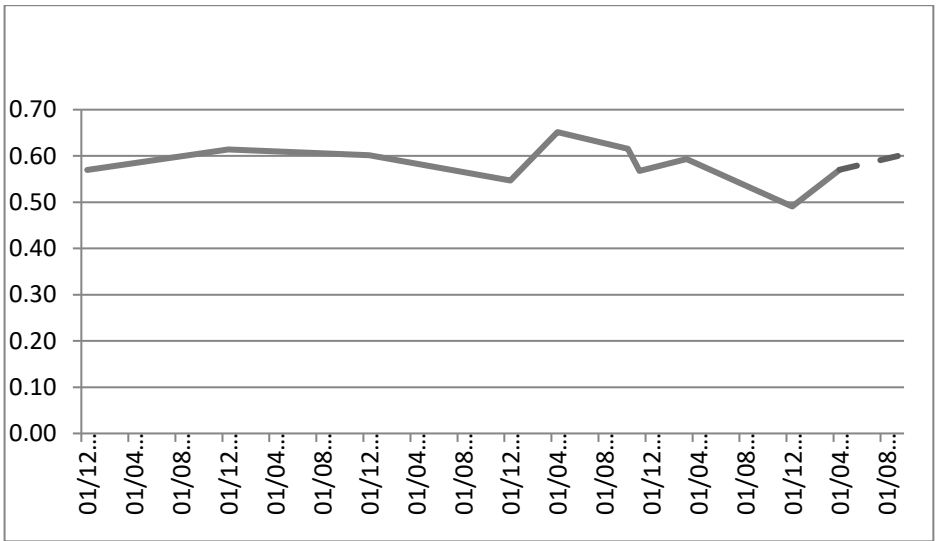


Figure 4. The level of economic deprivation of the Ukrainian population, 2007–2013. Data from Institute for Economics and Forecasting NAS of Ukraine (2015). The dashed line after 01/05/13 shows calculated income, as only expense data are available for September 2013. Since on average the amount of income exceeded expenses by 8.9% in 2013, this number was used to calculate income.

The Split in Ukrainian Society

In 2013–14, Ukrainian society was painfully divided into two parts: pro-Western and pro-Russian. The prerequisites for this split took shape much earlier. On January 17, 2010, the first round of presidential elections were held in Ukraine. No single candidate could gain the necessary number of votes, and in the second round there was a competition between Tymoshenko and Yanukovich. Yanukovich won with a minimum margin of slightly less than 3.5%.

Considering that the candidates took opposite positions on almost all issues, such a minimal gap in the election results indicated a deep split within Ukrainian society, and, significantly, this divide was aligned along geographic lines. In the

western regions of Ukraine, people voted mainly for Tymoshenko and in the east, for her rival. This split was expressed not only in the voting results—including the 2012 parliamentary elections (Marples 2015: 13; Sakwa 2015: 93)—but also in cultural orientation, and even in language.

If the east of the country has always been predominantly an industrial region, the west has focused primarily on agriculture, which naturally entailed a tangible population-level income gap. For comparison, in the five westernmost regions (Lviv, Zakarpattia, Ivano-Frankivsk, Volyn, and Chernivtsi), the average income of the population in 2013 was UAH 38,298, and the median UAH 29,102, while in the five easternmost areas (Kharkiv, Luhansk, Donetsk, Dnipropetrovsk, and Zaporizhia) the average income was UAH 103,300 and the median UAH 91,333 (State Statistics Service of Ukraine 2020).

This split had manifested itself before the “Orange Revolution” (2004), but re-emerged with renewed vigor at the end of 2013. The signing of an agreement on political and economic association with the European Union was scheduled for the end of November 2013, but on November 21, Yanukovych suddenly decided to suspend this process temporarily. Immediately afterwards, this decision was opposed, mainly by young people (the so-called “student camp”), a move that corresponds well with one of the postulates of SDT, which states that the main force of a revolutionary movement is the youth (“youth bulge”). Moreover, scholars have long known that the population of the capital is always more negative toward the existing government than other regions of the country, and that students are one of the main drivers of protest (Goldstone 1991; Huntington 1968).

By November 29, the demonstrations had almost faded away because by that time it had been announced that the agreement would be signed. On the night of November 30, however, authorities dispersed the student tent camp, resulting in more mass demonstrations. According to various estimates, on the following day over 100,000 people came to the Maidan, Kyiv's central square. It was at exactly this time that Ukraine's geographical split became more distinct. At the beginning of December 2013, 51.8% of the participants in the “Maidan revolution” came from western Ukraine, and just 17.3% came from the east of the country (with the remainder coming from central Ukraine) (Kyiv International Institute of Sociology 2014).

The Mechanisms of Ukrainian State Breakdown

Using SDT, we tested the hypothesis that Ukraine experienced state breakdown according to three criteria (fiscal crisis, intra-elite conflict, mass mobilization). We can sum up the causes:

- Public debt (more than one-third of the country's GDP) combined with low-efficiency budget management (caused by, among other things, abuse of public procurements) and a high level of public distrust demonstrate a fiscal crisis.
- The attempt to create a new clan, "the family," at the expense of other elite groups led to intra-elite conflict.
- Public immiseration and low expectations for the future caused public discontent, meaning that many people were waiting for an occasion to demonstrate in the streets (Surzhko-Harned and Zahuranec 2017: 10).

Thus, we can state that a state breakdown occurred in Ukraine, but which mechanisms we can isolate?

The final factor that determined the future of the Ukrainian system was the delegitimization of power. Legitimacy is one of the key concepts in political science, and there are many approaches to its definition (cf. Dogan 1992; Weigand 2015: 9–11). However, it is possible to derive a common denominator and to define legitimacy as the population's belief in the fairness and justifiability of political actions and existing institutions.

We saw that public institutions were distrusted by the population before 2014. After Yanukovich's flight out of the country, delegitimization was clearly manifested in a change of self-description. Self-description plays a key role in the reproduction of a society and is one of the main concepts of Luhmann's system theory (2013). The social system distinguishes between itself and the environment, and therefore constitutes itself through self-description. To simplify, self-description can be likened to ideology, although these concepts are not equivalent. According to this theory, we can note that if earlier Ukrainian policy was based on maneuvering between two poles—Russian and Western—only one direction now dominates.

The public use of language in Ukraine can be examined to illustrate this shift. In his inaugural speech in 2014, President Poroshenko used the word "Europe" 17 times, while words with the morphemes "security" and "Russ" were used only 8 and 5 times, respectively. However, after the relative stabilization of the situation, the picture changed. In 2016, the dominant words in the political media discourse of Ukraine were "Russia," "police," and "authorities," while the words "European Union" and "reforms" did not even enter the top ten most frequently mentioned words (Marketing Media Review 2016). Instead of developing in the direction of European standards, Ukraine is ostentatiously distancing itself from Russia, and the values of Europe have become irrelevant to its current agenda. This means that the reforms have stalled, and the self-description of Ukraine's political system has substantially changed.

These transformations could not happen without intra-elite conflict. As mentioned above, delegitimization and changes of self-description occur only when at least part of the elite offers a new discourse for mass mobilization; another key point is that without a sharp divide within elite groups, protests are doomed (Foran 1997; Lachmann 1997).

Evidently, the main factor that caused intra-elite conflict in this case was a lack of resources. This scarcity was determined mainly by internal factors: decreased opportunities for enrichment by traditional elites due to fiscal crisis, and, as a consequence, elite overproduction, defined by Turchin (2013: 244) as “the presence of more elites and elite aspirants than the society can provide positions for.”

The Ukrainian economic system can be characterized by the concentration of capital in the hands of elites. One vivid and characteristic example: according to Forbes (2013a), the revenue share of the 10 largest private enterprises of Ukraine in 2012 accounted for 27% (26.78%) of the country’s GDP for the same year, and the 100 largest private enterprises accounted for 72% (71.79%). This situation is called “state capture,” or, by Fisun (2012: 94), “oligarchic neopatrimonialism”, i.e., a political situation in which small groups with rent-seeking behavior exercise a great deal of influence.

Yanukovich had tried to free himself from oligarchic influence, but instead of strengthening the structures of the state (as occurred in Russia), he attempted to create his own clan, which led to elite overproduction. Examples of the unexpectedly sharp increase in the fortunes of people surrounding the president and his son, as well as, for example, the young businessman Serhiy Kurchenko, confirm the accuracy of this interpretation.

Conclusion

During Yanukovich’s presidency, Ukraine experienced an ongoing fiscal crisis marked by a constant budget deficit, inefficiency and debt growth. This was accompanied by growing impoverishment and discontent among the population, which was not recognized by the authorities or captured in official statistics. The President’s rather aggressive policies, aimed primarily at weakening traditionally influential groups, caused discontent among the elite. An excessive concentration of economic and informational resources was held by the oligarchs who were annoyed by Yanukovich. Using those resources, the oligarchs managed to mobilize the population to fight the regime. Yanukovich’s misuse of the state’s power had already made the state significantly weaker, especially economically, leaving his administration with no effective leverage to oppose the oligarchs.

Thus, intra-elite conflict, caused by the contraction of resources due to the abuses of power and corrupt economic practices of the emerging new elite (new clan) led to mass mobilization to overthrow the regime. The population actively

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supported the anti-Yanukovych campaign since the necessary conditions of poverty and the formation of a new discourse were already present. The final result of this process was not only Yanukovych's overthrow and subsequent flight to Russia, but also the delegitimization of the regime in general. In February and March of 2014, Ukraine went through dramatic changes: the self-description of the political system transformed, territorial disintegration took place, and economic collapse ensued. These facts combine to allow us to say with a high degree of confidence that Ukraine experienced a full-scale state breakdown in 2014.

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