

UKRAINE

# Stability or Stagnation?

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Ukraine has entered into a strange state of stagnation. While something is going on, nothing has changed. There is no actual economic slump, yet improvement is unlikely. The Central Bank is keeping the *hryvnia* flat, but hardly anyone believes that strategy is sustainable. The Cabinet has been renewed, but few new faces have appeared in the top ranks of government. And the ruling group proudly calls all of these developments “stability.”

The post-election reshuffle at the top appears to simply strengthen the position of the president's family. The former governor of the National Bank, Sergey Arbuzov, moved into the first vice prime minister's seat, leaving Igor Sorkin at the Bank. The State Customs Service and State Tax Service were merged into the Ministry of Taxes and Charges, with Alexandr Klimenko, a close friend of the family, in charge. Now all state money channels, including payroll tax collections, are under family control.

A detective story envelopes the currency>>>