

ICPS newsletter[®]

More attention needed to election platforms

Ukraine's political parties all have very similar platforms. Essentially, their programs are developed on the basis of broad appeal rather than on truly vital priorities of government policy and on the identification of approaches to reaching the particular party's main objectives. The problem with the electoral process in Ukrainian society is the lack of institutionalized dialog on party politics. This results in divergence in the way that social development priorities are seen by political parties and their electorate, and in a low level of voter trust

The time for vague programs is over

Nowadays, election platforms are viewed by Ukrainian politicians as a mere formality and draw voter attention only by virtue of calling for economic growth, spiritual revival and so on. Such vague programs, as a rule, contain only empty promises that are impossible to accomplish during the term of office allowed by law. In their political preferences, Ukrainian voters are guided mostly by their personal attitude towards the leader of a party or to the ideological slant of its slogans.

Yet, in a mature democracy, it is the election platform of a political party that serves as the main guiding light for voters. In such societies, there are many more objectives and interests and they are far more concrete than anything that popular clichés can communicate. That is why the ability to identify priorities correctly and to aim public resources at achieving them is so important. Sooner or later, such a social model will work in Ukraine, too—and political parties that want to be in power at that point need to be prepared even today.

Election platforms need dialog between voters and politicians

Both the State and its voters are concerned with a quality political process, as this will result in well-balanced government policy that maximally meets voters' expectations. Absence of institutionalized dialog on party platforms leads to divergence in the way political parties and those who vote for them see social development priorities. When the electorate has no real influence on political process and can see that political parties feel no obligation to implement

the points of their election platforms, voters become pessimistic about effectiveness of democracy as a whole.

To a large extent, such a situation emerges when the population is passive. Neither individual citizens and nor the non-government organizations who represent their interests can see a place for themselves in the process of developing party programs and monitoring how they are implemented. In their turn, political parties make few attempts to involve the public in this process, whether during elaboration or when adjusting their platforms, relying, instead, mostly on the advice of a narrow circle of experts.

NGOs should facilitate this dialog

There is a common stereotype in Ukraine that the main driving forces behind reform are the Government, politicians and lawmakers, and it is with them that all hopes for rapid and effective reforms are associated. At the same time, the role of the community in the process of developing government policy and its influence on lawmakers is insignificant. It is vital for Ukraine to introduce a mechanism for involving the general public in the process of developing party programs and monitoring the way that parties stick to their objectives and carry them out. In our opinion, initiating public debate on social development priorities in Ukraine and strengthening NGO capacity to analyze, monitor and evaluate the programs of different political parties can serve as this much-needed mechanism.

The International Center for Policy Studies (ICPS), with the support of the Ukraine Citizen Action Network (UCAN), has launched a project called "Public participation in the dialog on party

Poland can help Ukraine introduce EU standards

The assistance the European Union is currently providing for Ukraine's benefit should, on one hand, facilitate carrying out the Ukraine-specific Action Plan that the EU is about to sign. On the other hand, this assistance needs to be reformulated somewhat, to take advantage of Poland's experience with using European assistance and the role of Polish non-governmental organizations in transferring this know-how.

This was the subject of a joint declaration prepared by Ukrainian and Polish NGOs participating in the 7th Session of the Ukrainian-Polish Intergovernmental Conference on European Integration, which was held in Warsaw at the end of January.

The statement also notes that NGOs, who engage in international cooperation through advocating democratic ideals, civil rights, humanitarian help, developmental assistance, and the elimination of barriers and negative stereotypes in relations among nations, can effectively support and complement government activities on the international stage.

platforms." This project will develop the idea of establishing a dialog to develop party programs and monitor their implementation. Six regional think-tanks will hold opinion polls as well as public debates on social priorities. A specially-designed method of analyzing, monitoring and evaluating party programs will be tested. In this way, it is hoped that public dialog will be initiated in order to enhance the process of policy-making in Ukraine. The general public will be engaged in the process of putting together party programs, so that both NGOs and Ukrainian voters can gain the analytical skills necessary to evaluate how parties carry out their programs in-between elections.

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Consumer confidence: expectations become more cautious

In Ukraine, the Consumer Confidence Index (CCI) reached 99.4 points in December 2003, exceeding the previous level, observed in September, by 0.3 points. The survey revealed further improvement in the current state of Ukrainians, at the same time as their expectations regarding the country's economic development grew more pessimistic. Inflationary expectations continued to grow in Q4'03. An improvement in confidence was observed in rural areas and among individuals with average incomes

During Q4'03, the Consumer Confidence Index (CCI) did not show statistically significant changes. In December 2003, the CCI totaled 99.4 points (possible range 0–200), exceeding the CCI observed during previous survey, in September, by 0.3 points. Compared to December 2002, the CCI was up by 6 points.

The December survey revealed continuing improvement in the current state of Ukrainians: the Index of Current Situation (ICS) increased by 3.3 points during the quarter, reaching a new record high of 95.3. Meanwhile, the Index of Propensity to Consume, which indicates the readiness of consumers to make major purchases for their homes, grew 5.3 points during this period, going up to 94.9 and exceeding the value observed in December 2002 by 20.2 points.

At the same time, consumers' economic expectations deteriorated somewhat during the quarter. Compared to September 2003, the Index of Economic Expectations (IEE) slipped 1.7 points, to 102.1, in December, a value 4.5 points lower than that observed in December 2001, when economic expectations of Ukrainians were the most optimistic since consumer confidence surveys in Ukraine began, in September 2000. The economic expectations of consumers deteriorated predominantly because of increasingly negative assessments of the development of the economy over the next 12 months: the corresponding index dropped 3.9 points, to 99.7, during the quarter. An index value below 100 indicates the predominance of pessimistic short-term expectations.

The growth of pessimistic short-term expectations is particularly related to rising inflationary expectations among consumers. The Index of Inflationary Expectations (IIE) continued its negative trend during Q4'03, inching up 0.6 points, to 186.1. At the moment, inflationary expectations among Ukrainians are the highest since December 2000. Meanwhile, the Index

of Expected Changes in Unemployment (IECU) improved significantly, decreasing 4.4 points during the quarter, to a new record low of 115.4.

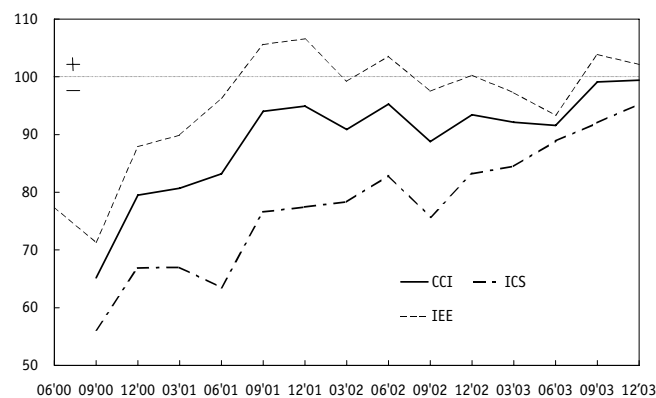
After a sharp decline in the summer of 2003, rural consumer confidence has been improving for the last two quarters. In Q4'03, the rural CCI jumped 7 points, reaching a record high of 99.4. Increased optimism in the countryside is predominantly due to increasingly positive economic expectations: the corresponding IEE jumped 7.5 points, to 106.2, during Q4'03.

The survey revealed rising confidence among consumers with average incomes: the corresponding CCI reached a record high of 98.5 points in December, exceeding the previous level by 2.3 points. Simultaneously, the confidence of the two other income groups fell: the CCI for consumers with above-average incomes decreased by 2.4 points, to 120; for those with below-average incomes it dropped 3.2 points, to 72.9. ■

Consumer Confidence is a joint project of the International Centre for Policy Studies and GfK-USM—one of the leading companies which surveys the Ukrainian market. For further information on the Ukrainian household expectations survey, please contact Yevhenia Akhtyrko at tel. +380-44-236-1292 or e-mail eakhtyrko@icps.kiev.ua.

If you wish to receive the consumer confidence bulletin, with a detailed analysis of the dynamics of the Consumer Confidence Index in Ukraine, please contact Maksym Korepanov at tel. +380-44-236-5464 or e-mail: marketing@icps.kiev.ua. You may also fill out a subscription form or buy individual publications on ICPS's web-site: <http://www.icps.kiev.ua/>.

Consumer Confidence Index in Ukraine



Source: GfK-USM, International Centre for Policy Studies

How the consumer indexes are calculated

In Ukraine, the CCI is determined through a random survey of the country's population; the survey includes 1,000 people aged from 15 to 59. This age group makes up 61.3% of the Ukrainian population, and they are the most active consumers. The survey sample is representative by gender and age, and it also accounts for the type and size of settlement. The margin of error is 3.2%.

To define the CCI, the respondents are asked the following questions:

1. How has the financial position of your family changed over the last six months?

2. How do you think your family's financial position will change in the next six months?

3. Speaking of economic conditions in the country as a whole, do you think the next twelve months will be a good or bad time for the country's economy, or something else?

4. And if we are to speak of the next five years, will they be for the country's economy a good or bad time?

5. Speaking of large purchases for the home, do you think it's generally a good or bad time to make those purchases now?

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