
The Development of Liberalism in Ukraine

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In the aftermath of Ukraine's declaration of independence on August 24, 1991, the Yeltsin administration issued a statement claiming Russia's right to raise territorial issues with ex-Soviet countries with substantial Russian minorities, including southern Ukraine, eastern Ukraine, and northern Kazakhstan (Solchanyk 1996; Subtelny 2009; Ploky 2017). That statement started the first serious political conflict between Ukraine and Russia in the post-Soviet period. The Russian parliament dispatched a delegation to Kyiv, chaired by Vice President Aleksandr Rutskoi. The Ukrainian parliament (*Verkhovna Rada*) rejected the delegation's offer to join a new union of ex-Soviet states by asserting the right of self-determination for the people of Ukraine.

On December 1, 1991, Ukraine's declaration of independence received 90 percent of the votes in the national referendum. On December 12, 1991, the Russian parliament ratified the Commonwealth of Independent States agreement to preserve the political, economic, and legal partnership among ex-Soviet nations. On December 20, 1991, the Ukrainian parliament issued a statement that "opposed the transformation of the Commonwealth of Independent States into a state formation with its own ruling and administrative bodies" (Ploky 2017, 324). The Budapest Memorandum

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of 1994 and the Russo-Ukrainian Treaty of 1997 settled the border and territorial issues with Russia (Laruelle 2016).¹

Since the early 1990s, ex-Soviet countries have followed different political and economic development paths. While Russia consolidated autocracy and increased state control of the economy, Ukraine defended democratization in two revolutions, implemented de-Communization reform, decentralized the government, and opened a market for almost 30 percent of the world reserves of black soil. The literature on political economy and new institutional economics demonstrates that ideas, ideology, ethics, and rhetoric alter a course of institutional development (Higgs 1987, 2008; Denzau and North 1994; Boettke, Coyne, and Leeson 2008; McCloskey and Carden, 2020; Shughart, Thomas, and Thomas, 2020). Decentralized spontaneous change in ideology, ethics, and social consensus creates political action and institutional transformation (McCloskey and Carden 2020). Top-down reconfiguration of an ideology imposed by elites on the citizenry changes social order (Higgs 2008). Moreover, historical events such as wars, economic depression, or modernization influence the course of ideological change by altering the social structure and changing the rhetoric of great thinkers.

This paper contributes to the literature on political economy and the literature on the new institutional economics. We examine the development of Ukrainian liberalism from the nineteenth century to modern times. For the past two centuries, historical events have characterized Ukraine as a captive stateless borderland between Russia and Europe. However, we conjecture that history does not determine identity. Ukrainian liberalism emerged as an indigenous endogenous system of beliefs that brought comfort and fellowship to a nation over a long period of its struggle for liberty and dignity. We describe how and why liberalism as a social arrangement has driven democratization and market-oriented reforms in Ukraine. The next section of this paper discusses liberalism in nineteenth-century Ukraine. After this, we examine Ukrainian liberalism in the post-Soviet period. The final section contains concluding remarks.

Liberalism in Nineteenth-Century Ukraine

Higgs writes that “ideologies are somewhat coherent, rather comprehensive belief systems about social relations, each such system having cognitive, moral, programmatic, and solidary aspects. Such belief systems have played a critical role in determining the nature of the economic order and the size of government, among other things” (Higgs 2008, 547). The idea of Ukraine as a European nation had long circulated in the writings of Ukrainian intellectuals, including the nineteenth-century classical

1. In the 1990s, the Russian parliament issued several resolutions questioning the legitimacy of the 1954 transfer of Crimea to Ukraine. The 1997 Russo-Ukrainian treaty divided the ex-Soviet Black Sea Fleet (Russia received 80 percent of it) and settled the territorial issue of Crimea.

liberal thinker Mykhailo Drahomanov and the 1920s advocate of national communism Mykola Khvylioviy (Plokhy 2017, 325). The nineteenth-century Ukrainian intellectuals such as Drahomanov, Franko, Kistyakivsky, and Tugan-Baranovsky demonstrated ideological unity. They opposed imperialism, rejected Marxist socialism, and promulgated ideas of liberalism, democracy, and nation building grounded in the European system of beliefs (Bunyk and Krasnozhon 2018).

Between the late eighteenth and early twentieth centuries, Ukraine developed economically, politically, and intellectually under the reign of two empires, the Habsburgs and the Romanovs (Subtelny 2009; Plokhy 2017). The gap in belief systems about social relations between the two empires was tremendous. Between the late eighteenth and mid-nineteenth centuries, the Habsburgs abolished serfdom, implemented mass land reform, and transitioned to a constitutional monarchy. The Russian monarchy abolished serfdom only in the 1860s, and a constitutional monarchy was established only after the “Bloody Sunday” Revolution of 1905 (Subtelny 2009; Krasnozhon and Bunyk 2019).²

Drahomanov (1841–1895) was a leader of the nineteenth-century Ukrainian liberal movement (Rudnytsky 1952, 71; Tomenko 1996, 74). He was employed as a professor of ancient history at Kyiv University until he was dismissed in 1876 for political activity and forced to leave the Russian Empire. During his years in Geneva (1876–1889), he founded the first Ukrainian-language sociopolitical journal, *Hromada* [Community] (1878–1882), which was popular in both the Austrian and Russian Empires. He spent his last years as a professor of history at Sofia University in Bulgaria.

Drahomanov’s political thought revolved around the distinction between government as an institution of coercion and civil society as a spontaneously emergent system of voluntary associations of individuals. He rejected the dialectical method of history and criticized Marxist political philosophy and cultural determinism. Influenced by Aristotle’s idea of corporatism, he envisioned a federation of European nations living in a social order of a decentralized union of language-based voluntary associations. To him, Pan-European federalism was the means of peaceful liberalization and self-determination for stateless captive nations, such as Ukraine, Poland, or Lithuania. In the *Address to the Community* (1878), Drahomanov wrote that the goal of the European federation was “to reduce the power of the government and to make it subservient to individual and community and to lay down the living rule of law of anarchy, and to free the rule of law from aristocracy and state.”

Two disciples of Drahomanov, Ivan Franko (1856–1916) and Bohdan Kistyakivsky (1868–1920), were the leading representatives of the Ukrainian liberal tradition until

2. The October Manifesto (1905) started a short-lived transition of the Russian political system from absolutism to constitutionalism. The February Revolution of 1917 led to Nicholas II (1894–1917) abdicating the throne in March 1917 and forming the provisional government. The October Revolution of 1917 overthrew that government and established the Soviet government under the control of the Bolshevik wing of the Social Democrats.

the beginning of the Soviet period. They dissented from Drahomanov's Pan-European anarchism under the *Socialpolitik* trend in Europe.³ In 1893, Franko received a Ph.D. in history from the University of Vienna. In 1899, Kistyakivsky earned a Ph.D. in history from the University of Strasbourg, where he studied under the supervision of a German historicist, Wilhelm Windelband (1848–1915). Kistyakivsky's writings were widely popular among Ukrainian liberals, and Franko was well-known among Polish, German, and Austrian liberals. He was on the editorial board of the Polish newspaper *Kurjer Lwowski* [The Lviv Post] (Rudnytsky 1967, 143). Moreover, he was a regular correspondent for the Viennese democratic weekly, *Die Zeit*, reporting about western Ukraine.

In *State and Individual* (1899), Kistyakivsky advocated for a limited role of government in protecting life, liberty, and property under the rule of law. He distinguished the *rule of law* from the *police state*. The rule of law was a natural outcome of social development as the highest form of government that served individual interests and protected personal liberties. Kistyakivsky juxtaposed the Austrian Empire as the rule of law and the Russian Empire as the police state. To him, the police state, which lacked institutional constraints inhibiting public predation, did not recognize the freedom of self-determination and self-expression. Similarly, Franko, who studied the enlightened monarchy of the eighteenth-century Austrian rulers Maria Theresa and Joseph II, supported the *Socialpolitik* movement. In *History of the Socialist Movement* (1904), Franko argued for limited government and warned his European contemporaries that Marxist socialism would lead to interventionism and totalitarianism.

Mikhail Tugan-Baranovsky (1865–1919), the last notable representative of the Ukrainian liberal tradition in the nineteenth century, was a political economist, historian, and representative of pluralist thought (Nove 1970). His work on British industrial development and his theory of business cycles were well-known and respected by his European peers, including Joseph Schumpeter (Blaug 1986, 43). He also studied the cooperative farm movement, which started in Kharkiv Province in eastern Ukraine in 1811 and preceded the Rochdale cooperative in England. The most famous Kharkiv-based farm cooperative, *Kharkivskoe Tovarishestvo*, was established in 1854 and grew to be the biggest one in eastern Europe by 1912, with more than thirty regional branches, including a wholesale store in Minneapolis, Minnesota, the flour milling capital of the world from 1880 to 1930 (Ancyferov 1929).

Witnessing the tremendous success of the cooperative farm movement in eastern Ukraine, Tugan-Baranovsky argued that a new social order of “correct socialism” would combine the economic liberalism of private enterprise and the welfare socialism of cooperatives by preserving liberty and equality. In *Social Foundations of Cooperation*

3. In the early 1870s, the German historicists formed the *Socialpolitik* movement, which included social scientists advocating for social policy reform to alleviate workers' and peasants' economic and social hardships across German-speaking Europe.

(1916), he envisioned that European nations would form a democratic, decentralized political system akin to federalism based on a system of joint (i.e., cooperative) decision making among self-governing civic associations. Nineteenth-century Ukrainian liberal thinkers envisioned means of nation building for Ukraine while advocating for integrating Ukraine into a Pan-European political union.

From Communism to Liberalism

State terror eradicated the liberal movement in the Soviet Union in the early twentieth century. Tugan-Baranovsky left his appointment as the chair in political economy at St. Petersburg University after the February Revolution of 1917, became dean of the Faculty of Law at Kyiv University, and served as head of the Ministry of Finance of the Central Rada (1917–1918), a short-lived Ukrainian government (Nove 1970). In Soviet Ukraine, the peasantry resisted farm collectivization and the nationalization of church property (Subtelny 2009; Plokyh 2017). To suppress an outbreak of resistance, the Soviet government implemented the Terror-Famine policies, which killed three to six million Ukrainians out of a population of thirty-two million in 1932–1934 (Conquest 1986; Subtelny 2009; Plokyh 2017; Naumenko 2021).⁴

Ideas of liberalism started resurfacing in the public discourse of Soviet society during the dissident movement in the 1960s and 1970s. Writers, artists, scholars, and journalists who mainly comprised the dissident movement advocated for civil liberties, human rights, and the protection of ethnic minorities (Bazhan 2004). Government censure continued to suppress public discussions of private property rights and free enterprise. In the 1960s, the Liberman economic reform, which introduced a concept of profit-loss calculation into the Soviet socialist economy, avoided the topic of economic liberalism. The reform assumed that a socialist economy would allocate the factors of production rationally if the state changed the method of economic planning and the incentive system of the Soviet enterprise manager (Pejovich 1969).

The idea of the European community and Ukraine as its constituent reemerged in the public discourse after a bold declaration of the Ukrainian Helsinki Group. In 1975, thirty-five nations, including the Soviet Union, held the first Conference on Security and Cooperation in Europe in Helsinki, Finland. The Soviet Union signed the Helsinki Accords and agreed to respect the civil rights of its people. In 1976, the Ukrainian human rights watch group declared that Ukraine was a founding member of the United Nations and retained a historical right of self-determination as a European nation. Overall, Ukrainian society entered the tumultuous 1980s with a loose or almost lost tradition of liberal thinking.

4. Naumenko (2021) estimates the number of deaths at 2.6 million in 1933 alone.

Liberal Tradition in Post-Soviet Ukraine

Rationalism and civil society are two common and recurrent themes that unite Ukrainian liberal thinkers today. F. A. Hayek defines *rationalism* as “a tendency to regulate individual and social life in accordance with principles of reason and to eliminate as far as possible or to relegate to the background everything irrational” (1960, 108).⁵ Hayek writes that two separate traditions in European liberalism emerged in the eighteenth century. The French, or rationalist, tradition treats traditions and institutions as outcomes of human design; the British, or pluralist, tradition is empirical and unsystematic and treats them as spontaneously emergent.

Jacob Levy argues that rationalist liberalism has been a historically dominant strand of liberalism. Levy (2015, 2) defines *rationalist liberalism* as favoring the following features: bureaucratic rationalization, the rule of law, disruption of local tyrannies in intermediate social groups, intellectual progress, and central state power that protects individuals from local group power. Rationalist liberalism is skeptical of intermediate groups, such as local, customary, and voluntary associations, because methodological individualism is its central principle. Levy defines *pluralist liberalism* as favoring intermediate groups and voluntary associations because it builds on methodological pluralism or interest-group politics. Thus, liberalism is not a single entity.

Modern Ukrainian liberalism has very few voices among public intellectuals and government officials. The most influential liberal thinkers are representatives of the old generation that introduced market reforms in the 1990s and remained associated with them, including Oleksandr Paskhaver and Viktor Pynzenyk. In Ukraine, public perception of these 1990s reforms is overwhelmingly negative. Privatization is associated with the genesis of oligarchs and kleptocracy. According to *Forbes* magazine’s list of “The World’s Billionaires,” Ukraine had more billionaires per million people (1996–2010) than the Netherlands or Sweden (see Sanandaji and Leeson 2013). In 2002, about 67 percent of the Ukrainian parliament had personal wealth equivalent to a U.S.-dollar millionaire, while the income per capita (PPP 2010 constant prices) was less than \$2,000 (Subtelny 2009, 654; World Bank 2022). In the first decade of the twenty-first century, public opinion polls demonstrated that market reforms received the lowest approval rating, while 43 percent supported renationalization (Denisova et al. 2009; Subtelny 2009).

Despite a noticeable acceleration of democratization following the Orange Revolution (2004–2005), public approval of market institutions continued to decline.⁶ Between 1992 and 2006, public support decreased for land privatization

5. Hayek (1960) uses the definition of rationalism from Bernard Groethuysen in “Rationalism,” *Encyclopedia of the Social Sciences*, vol. 13, p. 113.

6. The Kuchma administration rigged the 2004 runoff presidential election results in favor of the incumbent prime minister, Viktor Yanukovich. Viktor Yushchenko won the election after public protests

and repealing the prohibition on the farmland market (from 65 percent to 25 percent, and 39 percent to 21 percent, respectively; Panina 2006). In 2005, another public opinion survey showed that 60 percent strongly opposed large-scale privatization (Paskhaver and Verkhovodova 2006). Privatization has remained unpopular among the majority of Ukrainians. According to the World Values Survey (2020), only 19 percent favor increasing private ownership of businesses, compared to 60 percent of Americans.

A burgeoning literature on new institutional economics demonstrates that a well-functioning market economy requires a set of institutions and that private property rights alone are insufficient for it to function (Boettke and Candela 2020). Privatization requires the rule of law, contract enforcement, and anti-trust regulations to foster competition and efficiency. Absent market-oriented institutions, privatization of the public sector creates cronyism and oligarchy, which stifles competition and economic development. In Ukraine, privatization transferred the “commanding heights” of the economy—steel, coal, and heavy machinery—to oligarchs and subsequently disrupted democratization (Paskhaver and Verkhovodova 2006).

Soviet Ukraine had been one of the top four steel producers in the world. In the first decade of the twenty-first century, steel products constituted about 40 percent of Ukraine’s total exports. In Ukraine, ex-Soviet bureaucrats who had been de facto owners of public industrial enterprises embezzled management rights to gain control rights through insider privatization. The centralized state administration system operated primarily by ex-Communist bureaucrats treated privatization as a protection racket. Paskhaver (2014) blames amorphous masses for not organizing spontaneous voluntary associations to serve as watchdogs of privatization. He argues that a bottom-up development of European social values would bring change faster than a top-down ideological reform.

Paskhaver argues that many post-Soviet countries skipped the essential stage that would establish the rules of the game. The classical liberal political economy presents a dilemma of designing and establishing a constitutional contract that empowers legal state capacity (law and order enforcement, provision of public goods) and constrains fiscal state capacity (tax collection and redistribution). In the early post-Soviet period, Ukraine’s government did not use democracy-building and market-oriented institutional mechanisms, such as restoring private property expropriated by the Soviet regime or removing ex-Soviet bureaucrats from public offices. Similarly, Pynzenyk argues that Ukrainian reformers failed to constrain government embezzlement and empower the state to provide public services such as national defense, infrastructure, a welfare system, and environmental protection

and the Supreme Court’s decision to nullify the runoff election. For more information about the Orange Revolution, please see Plokyh 2017 and Subtelny 2009.

(Bunyk and Krasnozhon 2018).⁷ The state and the citizenry entered a social contract of *noncompliance* with the rule of law (Paskhaver and Verkhovodova 2006).⁸

Acceleration of Liberalism in Ukraine

Ukrainian liberalism has accelerated since the Revolution of Dignity (2013–2014).⁹ The Ukrainian government encouraged foreign liberals and libertarians to design and implement reform policies. In 2014, Georgian libertarian policymaker Kakha Bendukidze (1956–2014) joined the Expert Council of the Ministry of Economy. Several weeks before his death, he and a team of international experts, including Daron Acemoğlu of MIT and Anders Åslund of the Peterson Institute, prepared a package of market reforms for the Poroshenko administration (Acemoğlu et al. 2014). Famous East European market reformers Leszek Balcerowicz and Ivan Mikloš served as advisers to President Poroshenko (2014–2019) in 2014–2015.

In 2015, the parliament and President Poroshenko enacted de-Communization reform. This reform considers Communism and Nazism equally evil, reinstates the USSR's Nazi ally status during the 1939–1941 period of World War II, opens secret Soviet police archives, and prohibits propaganda about Communism or National Socialism (Motyl 2015). By 2018, the Ministry of Justice screened almost three hundred thousand government officials and fired around nine hundred (Ukraine's Ministry of Justice 2019). About three thousand secret police officers resigned to avoid the screenings. Ukraine moved from 142nd to 122nd place in the world rankings of the corruption perception index between 2014 and 2021 (Transparency International 2021).

The Czech Republic and Slovakia were among the first post-Communist countries to implement de-Communization (lustration) reform. Between 1991 and 1997, the two countries screened 303,504 people and banned 15,166 (5 percent) from returning to their previously held government positions (Ellis 1996; Williams 1999). In ex-Communist countries, de-Communization laws require examining whether public employees and candidates for public office worked for the Communist regime (Ellis 1996). De-Communization protects emerging democracy from ex-Communist incumbent politicians, supports a new ruling elite without the Communist past,

7. In 1991, Viktor Pynzenyk was elected member of parliament. He held government positions (1992–1997), including minister of the economy, deputy prime minister, and first deputy prime minister, in the Kravchuk administration (1991–1994) and the first Kuchma administration (1994–1999). Between 2005 and 2009, Pynzenyk served as minister of finance during the Yushchenko administration.

8. Paskhaver is one of the architects of the 1990s privatization of the economy and a cofounder of a Kyiv-based think tank, the Center for Economic Development, which monitors privatization.

9. On November 21, 2013, President Yanukovich rejected the signing of the Association Agreement and Free Trade Agreement with the European Union. The decision sparked public protests in Kyiv, and the growing protest movement spread throughout Ukraine, leading to the fall of his administration. The parliament unanimously impeached him on February 22, 2014. For more information about the Revolution of Dignity, please see Plokhy 2017.

and establishes the government's credibility and commitment to changing the status quo.¹⁰

In 2014, the Poroshenko administration started the decentralization reform to improve the country's preparedness for EU membership requirements. It consists of two key policies: redistribution of political power and establishing a new budgetary contracting system between the central and local governments. The reform established a new institution of local territorial self-governance—*united territorial community*—organized by a principle of self-governance and voluntary association. Previously, Soviet Ukraine's administrative-territorial system divided the country into 25 provinces, 490 districts, and 10,900 municipalities (Romanova and Umland 2019). During the decentralization, low-density-population rural areas—with an average population of 1,500 people—and towns consolidated in united territorial communities (henceforth, UTCs). The number of UTCs increased from 159 in 2015 to 1,470 in 2021. On average, each UTC consolidated 4.7 smaller communities and had 10,563 inhabitants. In 2019, over 28 percent of Ukraine's population lived in the UTCs (Ukraine's Center 2022).

In 2019, the parliament and the Zelenskyy administration decentralized the management and auctioning of public farmland that accounted for one-fourth of the total area of agricultural land. This reform requires regional governments to auction the rental rights of public farmland within their jurisdictions, with all rental revenues going to the local government budgets. The budgetary contracting system made local governments residual claimants of the auctions and increased competition among jurisdictions. In 2017, land revenues accounted for 20 percent of government revenues for all rural municipalities. Vasyl Kvartiuk, Thomas Herzfeld, and Eduard Bukin (2022) find that land plots auctioned by rural municipalities generate more competitive land rental outcomes and higher land rental prices. The rental rights for 877,000 acres of state-owned or municipal farmland were auctioned between 2014 and 2020. Local government auctions account for almost 22 percent of these, and around 90 percent of those auctions were held in 2019–2020 (Kvartiuk, Herzfeld, and Bukin 2022).

Between 2014 and 2020, Ukraine moved from 112th to 64th place in the World Bank's Ease of Doing Business rankings (World Bank 2021). In 2019, the Cabinet of Ministers decreased the number of ministries by one-third, from twenty-five to seventeen. The government increased the transparency and competition of public procurement projects by establishing a database and online auctioning system. The decentralization reform increased competition among local economic development projects. Municipalities' share of national tax revenues increased from 42 percent in 2014 to 50 percent in 2018. The share of local tax revenues in municipal budgets grew from 0.7 percent in 2014 to 26.1 percent in 2018 (Romanova and Umland 2019).

10. For a review of lustration laws implemented in post-Communist countries, see Ellis 1996.

However, one could argue that repealing the prohibition on the farmland market was the most significant achievement for liberalism in Ukraine in the past decade. According to the U.S. International Trade Administration (2020), Ukraine is one of the most fertile places in the world, with almost 30 percent of the world's black soil reserves. Agricultural land constitutes 70 percent of its land area (Krasnozhon 2011). The land reform started in December 1991, when the government began divesting state-owned farm assets, including buildings, equipment, and farmlands. The reform consisted of land titling, voucher privatization, and management-employee buyout of state-owned farms (Krasnozhon 2011, 2013, 2015). Nonetheless, the Moratorium Act of 1992 introduced a covenant that prohibited the sale of farmland.

The prohibition of a functioning private land market decreased investment in the agricultural sector, prevented effective farm management, impeded agricultural growth, and deepened rural poverty. In the late 1990s, agricultural productivity collapsed, while the rest of the economy, led by the steel industry, recovered from the 1990s depression. In 1999, 98 percent of farms were unprofitable (Krasnozhon 2015). During the 1990s, almost 40 percent of agricultural land was abandoned. Between 1991 and 2011, farm employment decreased from 24 percent to 15 percent of the labor force (Krasnozhon 2013). The rural population has lost 15 percent of its size since the 1990s despite the urbanization rate remaining at 70 percent (Krasnozhon 2013).

With over one hundred million acres of agricultural land, Ukraine's largest export industry is agriculture, constituting almost 17 percent of GDP (World Bank 2022). In 2019, Ukraine was one of the world's top ten wheat producers, with 4 percent of the world's production (World Bank 2022). Ukraine has 6.9 million owners of land plots (Krasnozhon 2013). On March 31, 2020, the parliament repealed the prohibition on farmland sales.¹¹ After almost thirty years of prohibition, farmland sales started on July 1, 2021. By February 2022, about half a million acres (almost 0.5 percent of the total farmland area) had been sold.

Conclusion

In the past decade, the world witnessed a fundamental change in the relationship between two ex-Soviet countries, Ukraine and Russia. Territorial claims made by President Yeltsin in the early 1990s over the Donbas and Crimea resurfaced in the Russian government in the 2010s. In 2014, Russia annexed Crimea, almost 5 percent of Ukraine's territory, and initiated separatism in the Donbas, 9 percent of its territory (Plokhly 2017). The Donbas, with its two cities of Donetsk and Luhansk,

11. President Zelenskyy of the Servant of the People party is often associated with libertarianism in mass media. His party holds a majority in the Ukrainian parliament, *Verkhovna Rada*. According to its statement, the party adheres to centrism by maintaining a balance between left-wing and right-wing politics. At <https://sluga-narodu.com>.

accounted for 20 percent of the country's industrial production and 17 percent of its population (Subtelny 2009, 608). Nonetheless, Ukraine carried out successful liberal political and economic reforms.

Modern liberalism is closely linked to democracy. Democratization has significantly accelerated in Ukraine since the Revolution of Dignity (2013–2014). The government implemented two critical reforms: de-Communization and decentralization of state administration. The de-Communization reform screened ex-Communist government officials and administrative staff, including secret police officers (Motyl 2015). The decentralization reform redistributed political authority from the central government to municipalities. This reform introduced a new institution of subnational self-governance—united territorial community—and redrew the country's administrative-territorial electoral map (Romanova and Umland 2019).

Moreover, the state decentralized management and auctioning of public farmland by establishing a new budgetary contracting system between the national and subnational governments. This reform increased competition in land rental markets and increased land rental revenues for local governments (Kvartiuk, Herzfeld, and Bukin 2022). The government also decreased the number of ministries by one-third, increased transparency of public procurements, and eased business registration and contract enforcement. Finally, repealing the prohibition on the farmland market was the most significant accomplishment for liberalism in Ukraine in the past decade.

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