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Ukraine is not a Westphalian nation-state. It has an opportunity, like America or Russia, to form a new pan-Ukrainian nation that incorporates all of its peoples. But it would be a great mistake for Ukraine to attempt to become European via Washington's channels

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The economic situation in Ukraine is beginning to resemble the favourable conditions of 2003 and 2004 more and more. However, there are differences: the absence of upcoming elections and the presence of foreign investors who are actively exploring the Ukrainian market. It is the right time for replacement of technology and equipment and implementation of structural reforms.

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Europe's largest bank holding companies will become major players in the Ukrainian financial market in the next few years. This will help resolve the issue of Ukraine's European integration

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The persisting opacity of the insurance market is to a large extent the regulator's fault. Yet, some companies have started to disclose information regarding their owners, as well as the details of their financial reports.

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The worst days are now in the past for Ukrainian life insurance business. The market remains small but for-

eign companies with long-term prospects have already come to dominate it

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The Ukrainian hotel market has begun to expand as key international investors enter the playing field. This turn of events is facilitated not only by the high rates of return in the hotel business in Ukraine and steadily growing demand, but also by the authorities' desire to introduce transparent rules of the game

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Shell, one of the world's leading oil and gas companies, arrived in Ukraine with plans to explore the gas fields in north-eastern Ukraine and on the Black Sea shelf

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It is unlikely that the pressure, exerted on Ukrainian metallurgical companies by transnational companies, will result in the Ukrainians merging with or selling their companies to the transnationals. The Ukrainian metallurgists possess enough natural resources and strong lobbying potential to remain competitive

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The Ukrainian automobile market is undergoing a real boom. Rush demand for new models is largely catered to by Asian and Russian manufacturers. European companies, on the other hand, still consider Ukraine a second-priority market — and herein lays their immense miscalculation

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It took Kharkiv fifteen years to recover from the economic blow brought on by the collapse of the USSR — Kharkiv used to be the country's third most important industrial centre. The region is gradually recuperating from the prolonged crisis and is beginning to recognise its new role in the national division of labour

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Though Ukraine lacks oil reserves, it compensates for it with the abundance of fertile soil and innovative ideas, which makes it an ideal location for phytogenic fuel alcohol production

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Over the next three years, the Ukrainian market for Internet services will expand by at least 40% per

EXPERT UKRAINE

EDITORIAL

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annum. Such growth will allow Ukraine to catch up with the European level of Internet penetration

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In the last few years, Ukrainian rock musicians have begun to look for inspiration in Ukrainian folk music. This has brought them success both in Ukraine and abroad

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