



Ukraine is de facto bankrupt.

Salaries and pensions for civil servants, teachers and pensioners, which were financed by American and other Western taxpayers, will soon no longer be paid.

Felix Abt

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The money needed to pay civil servants' salaries and benefits is running low in Ukraine. According to the [Financial Times](#), Yulia Svyrydenko, the minister of economics for Ukraine, stated that these payments will have to halt if the US and the EU do not quickly restore their financial support. "Support from our partners is extremely important," she continued, "we need it urgently."

Five hundred thousand civil servants, one million teachers, and ten million retirees would all be impacted by the payment block. This year, Kiev will require at least 37 billion dollars from overseas. A financial package worth 60 billion dollars is being

blocked by Congress in the USA, while in the EU, Prime Minister Viktor Orban of Hungary is spearheading the opposition that will stop 50 billion euros from being disbursed over the next four years.

Svyrydenko was upbeat and thought the EU funding might be approved in February and distributed in March. This would not be sufficient, though. Kiev has increased the profit tax on banks to fifty percent as part of its efforts to boost its own revenue. It would finance the military and debt repayment in the first place. Bottlenecks in the social sector are expected.

Billions from the USA, the UK and the EU have not been able to prevent this catastrophic financial situation. On the contrary, the unconditional flow of money and war materiel into one of the world's biggest corruption quagmires, which not only fuels the war further, but also allows billions to disappear into the pockets of oligarchs and elsewhere, and war materiel to disappear along dark paths of the arms trade to dubious organizations and individuals, has exacerbated the economic imbalance.

The Ukrainian economy has never recovered since the country's near-bankruptcy in 2015 – and all on credit, mainly by issuing new government bonds and borrowing from the International Monetary Fund, which in Ukraine's case broke its own rules, as we [reported here](#). Both forms of debt would require regular refinancing.

In contrast to its oligarchs, Ukraine has been de facto bankrupt for a long time. It is a hopeless case, its economy is being kept on a drip by the West. Its armed forces were built up, trained, equipped and financed entirely by more than two dozen NATO countries. The military would collapse immediately if it had to rely solely on Ukrainian resources.

Kiev could easily have avoided war with Russia and also signed a peace treaty on favorable terms with its large neighbor in the spring of 2022, as we [reported here](#), but refused to do so, as NATO patrons expected. This move was as politically dutiful as it was economically suicidal

So if Ukraine were a normal country and not a vassal state at the mercy of Washington, it would have to finance itself, war or no war. And if it lacks creditworthiness, there should be no more money and it should be allowed to go bankrupt. If Western taxpayers had a say, that is exactly what would happen.

Can the collapse be avoided?

As long as Zelensky remains in power, nothing will change, because he is just as delusional as the Western Russophobic neocons he blindly follows. Thus, he will keep going down the route of self-destruction. He boasts about his ultimate triumph over Russia and demands in his "peace plan" that Moscow submit, remove its soldiers unconditionally, and restore all the areas it took during its special military operation, plus Crimea. Zelensky, however, displayed obvious signs of desperation when he recently used a missile to attack a market in the Donetsk People's Republic, killing numerous civilians (we were the first to report on this, [refuting the false claims](#) by Zelensky and the Western media that Russia had absurdly bombed a city under its own control).

Certainly, civilians in Eastern Ukraine have been bombed by Kiev since 2014, when the majority of the Russian-speaking population in Donbass refused to recognize a hostile regime that came to power through a US-initiated coup d'état and forcibly deposed the democratically elected government.

The New York Times

Ukraine Used Cluster Bombs, Evidence Indicates

By **Andrew Roth**

Oct. 20, 2014

DONETSK, Ukraine — The Ukrainian Army appears to have fired [cluster munitions](#) on several occasions into the heart of Donetsk, unleashing a weapon banned in much of the world into a rebel-held city with a peacetime population of more than one million, according to physical evidence and interviews with witnesses and victims.

A 2014 New York Times report on Kiev terrorizing the majority Russian-speaking population in the east with cluster bombs. (Screenshot New York Times)

But the desperation of Zelensky and his Western-backed regime has just worsened massively as it has taken on a whole new dimension: For the first time, he bombed the civilian population of a city in Russia. At a New Year's street party in the city of Belgorod's center plaza on December 30 at 3 p.m. local time, the Ukrainian army launched rockets from multiple rocket launchers fitted with cluster munitions. Up

to now, over 100 people—including children—have been injured, and 25 people—including five children—have been killed. The films of the shelling (see [here](#), [here](#), and [here](#)) show just civilian casualties; no military personnel are visible. Kiev used illicit cluster munitions to intentionally bombard a public fair, knowing that this day held great significance for Russian citizens. The obvious aim of this terrorist attack was to murder as many civilians as possible.

This will not bother the Western elites, who will welcome [Zelensky](#) with open arms at their World Economic Forum in Davos in January. After all, President Putin is the one to be condemned because, unlike Western Ukraine and Israel, he is not deliberately bombing civilians but evacuating children from the life-threatening war zone. This is why he was absurdly branded a war criminal by the Western-financed and instrumentalized International Criminal Court and "punished" with an arrest warrant.

The Ukrainian voices of reason are getting louder

While nothing good can be expected from Zelensky and his regime, other Ukrainians are coming to their senses and thinking about a way out of the boundless chaos.

One of them is Zelensky's former advisor Oleksiy Arestovych, who explains that both Ukraine and Russia are victims of Western policies. Therefore, both states should sue the West together, the former presidential advisor said in a stunning [interview](#) with Russian opposition journalist Yulia Latynina, also reported by [Ukrainian media](#). "You should go to Putin and say: Vladimir Vladimirovich, let's make peace, but let's do it in a particularly cunning way and file a class action lawsuit against the West."

He urgently called for a new collective security system for Europe "*that takes into account the real interests of both sides*". This includes stopping the eastward expansion of NATO, as Russia sees this as a real threat to its security. "We cannot ignore this, because they are prepared to kill and die for it, and the West is not."



"The West owes us":

In contrast to his former boss Zelensky, who forbade negotiations with Russia, Arestovich calls for "talking to Putin" and concluding a just peace that takes into account the legitimate interests of both neighbors and not those of Washington. (Screenshot of the interview)

Arestovich, who resigned from his post last year, was thus repeating a demand that Moscow had last made a few weeks before the armed conflict began. However, it was arrogantly rejected by the USA and NATO, which triggered the Russian special military operation.

The West had tried to *"rely on structures that were created in 1945 and died in 1989"*. But that would not work, he concluded.

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