

# CRS Report for Congress

## Democracy in Russia: Trends and Implications for U.S. Interests

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## Summary

U.S. attention has focused on Russia's fitful democratization since Russia emerged in 1991 from the collapse of the Soviet Union. Many observers have argued that a democratic Russia with free markets would be a cooperative bilateral and multilateral partner rather than an insular and hostile national security threat. Concerns about democratization progress appeared heightened after Vladimir Putin became president in 2000. Since then, Russians have faced increased government interference in elections and campaigns, restrictions on freedom of the media, large-scale human rights abuses in the breakaway Chechnya region, and the forced breakup of Russia's largest private oil firm, Yukos, as an apparent warning to entrepreneurs not to support opposition parties or otherwise challenge government policy.

Democratization faced further challenges following terrorist attacks in Russia that culminated in the deaths of hundreds of school-children in the town of Beslan in September 2004. President Putin almost immediately proposed restructuring the government and strengthening federal powers to better counter such terrorist threats. The restructuring included integrating security agencies, switching to party list voting for the Duma (lower legislative chamber), eliminating direct elections of the heads of federal subunits, and asserting greater presidential control over civil society by creating a "Public Chamber" consultative group of largely government-approved non-governmental organizations. All the proposals had been enacted into law or otherwise implemented by early 2006.

Some Russian and international observers have supported the restructuring as compatible with Russia's democratization. They have accepted Putin's argument that the restructuring would counter Chechen and international terrorists intent on destroying Russia's territorial integrity and political and economic development. On the other hand, critics of the restructuring have branded them the latest in a series of anti-democratic moves since Putin came to power. They have characterized these moves as fine tuning a system of "managed democracy," if not authoritarianism, in order to gain more influence over electoral processes ahead of Duma and presidential races in 2007-2008. The stakes for various power groups seeking to avert unwanted popular electoral "interference" are high, since Putin has declared that he will not seek another term.

The U.S. Administration and Congress have welcomed some cooperation with Russia on vital U.S. national security concerns, including the non-proliferation of weapons of mass destruction (WMD), strategic arms reduction, NATO enlargement, and since September 11, 2001, the Global War on Terror. At the same time, the United States has raised increased concerns with Russia over anti-democratic trends, warning that a divergence in democratic values could increasingly stymie U.S.-Russian cooperation. Some U.S. observers have urged restraint in advocating democratization in Russia, lest such efforts harm U.S.-Russian cooperation on vital concerns, while others have urged stronger U.S. advocacy, regardless of possible effects on bilateral relations. This report may be updated as events warrant. See also CRS Report RL33407, *Russia*, by Stuart D. Goldman.

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# Democracy in Russia? Trends and Implications for U.S. Interests

## Introduction

U.S. attention has focused on Russia's fitful democratization since it emerged in 1991 from the collapse of the Soviet Union. Many observers have argued that a democratic Russia with free markets would be a cooperative bilateral and multilateral partner rather than an insular and hostile national security threat. At the same time, most observers have cautioned that democracy may not be easily attainable in Russia, at least in part because of a dearth of historical and cultural experience with representative institutions and modes of thought.<sup>1</sup> Concerns about democratization progress appeared heightened after Vladimir Putin became president in 2000. Setbacks to democratization have included more government interference in elections and campaigns, restrictions on freedom of the media, civil as well as human rights abuses in the breakaway Chechnya region, and the forced liquidation of Russia's largest private oil firm, Yukos, as an apparent warning to other entrepreneurs not to support opposition parties or otherwise challenge government policy.

Democratization faced further challenges following terrorist attacks in Russia that culminated in the deaths of hundreds of school-children in the town of Beslan in September 2004. President Putin almost immediately proposed restructuring all three branches of government and strengthening federal powers to better counter the terrorist threat to Russia. The proposed restructuring included integrating security agencies, switching to purely proportional voting for the Duma (lower legislative chamber), eliminating direct elections of the heads of federal subunits, asserting greater presidential control over the judiciary, and achieving more control over civil society by creating a "Public Chamber" consultative group of largely government-approved non-governmental organizations (NGOs).<sup>2</sup> After this restructuring had been largely implemented, President Putin in his May 2006 State of the Federation address hailed it as "even[ing] out the imbalances that have arisen in the structure of the state and the social sphere."<sup>3</sup>

Much controversy has attended the restructuring of the political system. On the one hand, some Russian and international observers have supported the restructuring as compatible with Russia's democratization. They have accepted Putin's argument that his moves counter Chechen and international terrorists intent on destroying

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<sup>1</sup> Richard Pipes, *Foreign Affairs*, May-June 2004.

<sup>2</sup> Open Source Center, *Central Eurasia: Daily Report* (hereafter *CEDR*), September 13, 2004, Doc. No. CEP-92. The judicial initiatives were unveiled later.

<sup>3</sup> *CEDR*, May 10, 2006, Doc. No. CEP-950166.

Russia's territorial integrity and political and economic development. On the other hand, critics of the restructuring moves have branded them as the latest of Putin's democratic rollbacks since he came to power in 2000.

In a sensational move, Putin declared in April 2005 that he would not seek re-election, stating that "I will not change the constitution and in line with the constitution, you cannot run for president three times in a row." According to several observers, this declaration has spurred the maneuvering of Putin's supporters to fine tune a system of "managed democracy" (see below for definitions), if not authoritarianism, in order to gain substantial influence over electoral processes ahead of State Duma elections scheduled for December 2007 and the Russian presidential election set for March 2008.

The U.S. Administration and Congress have welcomed some cooperation with Russia on vital U.S. national security concerns, including the non-proliferation of weapons of mass destruction (WMD), strategic arms reduction, NATO enlargement, and since September 11, 2001, the Global War on Terror. At the same time, the United States has raised concerns with Russia over anti-democratic trends, warning that a divergence in democratic values could eventually harm U.S.-Russian cooperation. Following Putin's Beslan proposals, then-Secretary of State Colin Powell urged Russia not to allow the fight against terrorism to harm the democratic process, and President Bush raised concerns about "decisions ... in Russia that could undermine democracy."<sup>4</sup>

In the wake of Russia's cutoff of gas supplies to Ukraine in early 2006, Vice President Dick Cheney appeared to reflect an Administration consensus that authoritarianism was deepening in Russia. He stated that Russia's "government has unfairly and improperly restricted the rights of her people" and that such restrictions "could begin to affect relations with other countries." He called for Russia to "return to democratic reform."<sup>5</sup>

Some U.S. observers have urged circumspection in criticizing lagging democratization in Russia, lest such criticism harm U.S.-Russian cooperation on vital U.S. national security concerns. Others have urged stronger U.S. motions of disapproval, regardless of possible effects on bilateral relations. The Putin government and state-controlled media have criticized such U.S. Administration statements as "interfering in Russia's internal affairs," as not recognizing the grave threat of terrorism in Russia, and as misrepresenting sensible counter-terrorism measures as threats to democratization.

This paper assesses Russia's progress in democratization, including in the areas of elections, media rights, civil society, and federalism. Four scenarios of possible

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<sup>4</sup> U.S. Concerned Over Kremlin Power Grab, *Associated Press*, September 14, 2004; The White House. Office of the Press Secretary. *Remarks by the President at the Hispanic Heritage Month Concert and Reception*, September 15, 2004. See also Bush: 'Mixed Signals' Cause U.S. To Question Russia Democracy, *Dow Jones*, May 7, 2006.

<sup>5</sup> Office of the Vice President. *Vice President's Remarks at the 2006 Vilnius Conference*, May 4, 2006.

future political developments are suggested — a continuation of the current situation of “managed democracy,” deepening authoritarianism, further democratization, or a chaotic interlude — and evidence and arguments are weighed for each. Lastly, U.S. policy and implications for U.S. interests, congressional concerns, and issues for Congress are analyzed.

## Russia’s Democratization

Most analysts agree that modern democracy includes the peaceful change of leaders through popular participation in elections. Also, political powers are separated and exercised by institutions that check and balance each others’ powers, hence impairing a tyranny of power. Democracies generally have free market economies, which depend upon the rule of law and private property rights. The rule of law is assured through an independent judicial and legal system. The accountability of government officials to the citizenry is assured most importantly through elections that are freely competed and fairly conducted. An informed electorate is assured through the government’s obligation to publicize its activities (termed transparency) and the citizenry’s freedom of expression.<sup>6</sup> In contrast, in an authoritarian state the leadership rules with wide and arbitrary latitude in the political sphere but interferes somewhat less in economic and social affairs. The government strictly limits opposition activities, and citizens are not able to change leaders by electoral means. Rather than legitimizing its rule by appealing to an elaborate ideology, an authoritarian regime boasts to its citizenry that it provides safety, security, and order.<sup>7</sup>

Some theorists have delineated a political system with mixed features of democracy and authoritarianism they label “managed democracy.”<sup>8</sup> In a managed democracy, the leaders use government resources and manipulation to ensure that they will not be defeated in elections, although they permit democratic institutions and groups to function to a limited extent.<sup>9</sup> Presidential advisor Vladislav Surkov and the pro-presidential United Russia Party have advocated use of the term “sovereign democracy,” which they define as a culturally appropriate form of government that is not influenced by other countries.<sup>10</sup>

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<sup>6</sup> Ralf Dahrendorf, *Journal of Democracy*, Vol. 14, No. 4, 2003, p. 103; Robert Barker, *Issues of Democracy*, U.S. State Department, August 2000.

<sup>7</sup> Authoritarianism is here differentiated from totalitarianism, with the latter viewed as rule using ideology and coercion to tyrannize the economy and society. Juan Linz, *Totalitarian and Authoritarian Regimes*. Boulder, CO: Lynne Rienner, 2000.

<sup>8</sup> Other labels for this hybrid include “partial democracy,” “delegative democracy,” “guided democracy,” “electoral clanism,” and “oligarchy.” See Neil Robinson, *Political Studies Review*, Vol. 1, 2003, pp. 149 — 166.

<sup>9</sup> Mark Smith, *Russia After the Presidential Election*, Defense Academy of the United Kingdom, April 2004. See also Thomas Carothers, *Journal of Democracy*, January 2002, pp. 11–12; and Nikolas Gvosdev, *Demokratizatsiya*, Fall 2002, pp. 488-501.

<sup>10</sup> CEDR, June 28, 2006, Doc. No. CEP-950012. Andrey Vorobyev, chairman of United (continued...)

Russia certainly has made some progress in democratization since the Soviet period. The extent of progress, however, and the direction of recent trends, are subject to dispute. Democratization has faced myriad challenges, including former President Boris Yeltsin's violent face-off with the legislature in 1993 and recurring conflict in the breakaway Chechnya region. Such challenges, virtually all analysts agree, have hindered Russia from becoming a fully-fledged or "consolidated" democracy in terms of the above definition. Some analysts have viewed Putin as making decisions that have diverted Russia further away from democracy, but they have argued that the country is not yet fully authoritarian and may be described as a "managed democracy."<sup>11</sup> Others insist that he is clearly antagonistic toward democracy, not least because he launched security operations in Chechnya that have resulted in wide scale human rights abuses and civilian casualties.<sup>12</sup> The NGO Freedom House claims that Russia under Putin has suffered the greatest reversal among the post-Soviet states in democratic freedoms, and warns that the main danger to Russia's future political stability and continued economic growth is an overly repressive state.<sup>13</sup>

Other observers agree with Putin that stability is necessary to build democracy. He stresses that the government's first priority is to deal with terrorism and other threats to sovereignty and territorial integrity, such as corruption. Some suggest that such a "strong state" may be compatible with free market economic growth.

## Trends in Democratization

### The 2003-2004 Legislative and Presidential Election Cycle

Most analysts agree that Russia's democratic progress was uneven at best during the 1990s, and that the 2003-2004 cycle of legislative and presidential elections and subsequent elections in 2005-2006 demonstrate the increasingly uncertain status of democratization during Putin's leadership.<sup>14</sup>

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<sup>10</sup> (...continued)

Russia's Central Executive Committee, has stated that sovereign democracy is a system of rule "tried and tested through the many centuries of Russia's history, for protecting the rights, freedoms, and moral values of citizens." December 14, 2005, Doc. No. CEP-11001.

<sup>11</sup> Timothy Colton and Michael McFaul, *Popular Choice and Managed Democracy*, Brookings Institution Press, 2003, pp. 206-219.

<sup>12</sup> Zbigniew Brzezinski, *Wall Street Journal (WSJ)*, September 20, 2004, p. A6.

<sup>13</sup> Freedom House, *Nations in Transit 2006*, June 13, 2006. Freedom House stated that "the major theme for 2005 was the state's continuing crackdown on all aspects of political life in Russia, demonstrating that Russia is moving further from the ideals of democracy." The NGO further downgraded Russia on several indicators of pluralism, including electoral processes, civil society development, and corruption.

<sup>14</sup> Colton and McFaul argue that the 1999-2000 election cycle (during which Putin was acting president and then a presidential candidate) marked the reversal of democratization rather than the consolidation of regular pluralistic processes. *Popular Choice*, p. 223.



**Table 1. The 2003 Duma Election Results**

Party/Bloc	% Party List Vote	List Seats	District Seats	Total Seats
United Russia	37.57	120	104	224
Communist	12.61	40	12	52
Motherland	9.02	29	7	36
Liberal Democratic	11.45	36	0	36
Other Parties	24.65	0	32	32
Independents	—	—	67	67
Total	100*	225	225**	450

**Source:** Central Electoral Commission, December 19, 2003.

\*4.7% voted “against all.”

\*\*New races were held in 3 districts in March 2004, so seats do not total to 225.

**The 2003 Duma Election.** On December 7, 2003, Russians voted to fill 450 seats in the State Duma, 225 chosen in single-member districts and 225 chosen by party lists. Nearly 1,900 candidates ran in the districts, and 23 parties fielded lists. Public opinion polls before the election showed that Putin was highly popular, and it was expected that pro-Putin parties and candidates would fare well. On election day, there was a low turnout of 56 percent and 59.685 million valid votes cast. The Putin-endorsed United Russia party won the largest shares of the party list and district votes, giving it a total of 224 seats.<sup>15</sup> The ultranationalist vote was mainly shared by the newly formed pro-Putin Motherland bloc of parties and Vladimir Zhirinovskiy’s Liberal Democratic Party (which usually supports the government). Candidates not claiming party affiliation won 67 district seats (most later joined the United Russia faction in the Duma). Opposition parties and candidates fared poorly. The opposition Communist Party won far fewer seats (52) than it had in 1999 (113 seats), marking its marginalization in the Duma. The main opposition liberal democratic parties (Union of Right Forces and Yabloko) failed to reach the five percent threshold for party representation in the Duma, and were virtually excluded.<sup>16</sup>

Election observers from the Organization for Security and Cooperation in Europe (OSCE) and the Parliamentary Assembly for the Council of Europe (PACE) concluded that the Duma race was less democratic than the previous one in 1999. They highlighted the government’s “extensive” aid and use of media to favor United Russia and Motherland and to discourage support and positive media coverage of the opposition parties. Such favoritism, they stated, “undermined” the principle of equal treatment for competing parties and candidates and “blurred the distinction” between the party and the state. They further considered the Central Electoral Commission’s (CEC’s) failure to enforce laws against such bias “a worrisome

<sup>15</sup> Robert Orttung, *RFE/RL Russian Political Weekly*, June 2, 2004.

<sup>16</sup> The Union of Rights Forces and Yabloko won a total of seven seats in district races, too few to form a party faction in the Duma.

development that calls into question Russia's ... willingness" to meet international standards.<sup>17</sup>

Before the Duma convened on December 29, 2003, most of the nominally independent deputies had affiliated with the United Russia party faction, swelling it to over 300 members. This gave United Russia the ability not only to approve handily Putin's initiatives, but also the two-thirds vote needed to alter the constitution without having to make concessions to win the votes of other factions. The United Russia faction leader assumed the speakership, and its members were named to six of nine deputy speakerships and to the chairmanships of all 28 committees. The United Russia faction took control over agenda-setting for the chamber and introduced a streamlined process for passing government bills that precluded the introduction of amendments on the floor by opposition deputies.<sup>18</sup>

The Duma of the 2003-2007 convocation has handily passed Kremlin-sponsored legislation requiring a two-thirds majority, including changes to federal boundaries. Even a highly unpopular government bill converting many in-kind social entitlements to monetary payments (but retaining them for officials and deputies) was overwhelmingly approved in August 2004. The Russian newspaper *Moscow Times* reported that some Duma deputies complained that the bill was pushed through even though there was not a full text. Many senators in the Federation Council (the upper legislative chamber), who represent regional interests, raised concerns about the shift of the welfare burden from the center to the regions. They allegedly were warned by the Putin government, as were the regional leaders, not to oppose the legislation.<sup>19</sup> Other controversial bills easily passed by the legislature in 2005-2006 included the elimination of gubernatorial elections and single member district balloting for Duma races (see below).

**The 2004 Presidential Election.** The overwhelming successes of pro-Putin parties in the Duma election were viewed by most in Russia as a ringing popular endorsement of Putin's continued rule. Opposition party leaders were discredited by the vote, and Putin's continued high poll ratings convinced most major potential contenders to decline to run against him. Union of Right Forces party bloc co-chair Irina Khakamada and Motherland co-head Sergey Glazyev ran without their party's backing, and Glazyev faced a split within his party bloc from members opposed to his candidacy against Putin. The Communist Party leader declined to run. The party nominated a less-known surrogate, State Duma deputy Nikolay Kharitonov. Similarly, the Liberal Democratic Party leader, Vladimir Zhirinovskiy, declined and the party nominated Oleg Malyshkin. The Party of Life (created by pro-Putin

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<sup>17</sup> OSCE/PACE International Election Observation Mission, Statement of Preliminary Findings and Conclusions, *Russian Federation Elections to the State Duma*, December 8, 2003; Final Report, January 27, 2004. See also William Clark, *Problems of Post-Communism*, March/April 2004.

<sup>18</sup> Konstantin Demchenko, *Russkii kurier*, July 12, 2004.

<sup>19</sup> The senators objected even though they are appointees of the president. *Moscow Times*, August 4, 2004. Several polls indicated that a majority of the public opposed the monetization of benefits. *CEDR*, July 2, 2004, Doc. No. CEP-333; July 9, 2004, Doc. No. CEP-102; July 9, 2004, Doc. No. CEP-218.

interests in 2002 to siphon votes from the Communist Party) nominated Sergey Mironov, Speaker of the Federation Council. Mironov publicly supported Putin and criticized the other candidates.

**Table 2. The 2004 Presidential Election Results**

Candidate	% of Vote*
V. Putin	71.31
N. Kharitonov	13.69
S. Glazyev	4.1
I. Khakamada	3.84
O. Malyshkin	2.02
S. Mironov	0.75
Against All	3.45

**Source:** Russian Central Electoral Commission.

\*69.5 million votes were cast.

Despite poll results indicating that Putin would handily win re-election on March 14, 2004, his government interfered with a free and fair race, according to the OSCE. State-owned or controlled media “comprehensively failed to ... provide equal treatment to all candidates,” and displayed “clear bias” favoring Putin and negatively portraying other candidates.<sup>20</sup> Political debate also was circumscribed by Putin’s refusal to debate with other candidates. Concern that the low public interest in the campaign might be reflected in a turnout less than the required 50 percent, the CEC aired “get out the vote” appeals that contained pro-Putin images, according to the OSCE.

While praising the efficiency of the CEC and lower-level electoral commissions in administering the election, the OSCE also reported that vote-counting appeared problematic in almost one-third of the precincts observed. Irregularities included penciling in vote totals for later possible alteration, and in one case, the reporting of results without counting the votes. In six regions, including Chechnya, voter turnout and the vote for Putin were nearly 90% or above, approaching implausible Soviet-era percentages. The CEC instigated troubling criminal investigations of signature-gathering by Glazyev and Khakamada that were not resolved before the election, putting a cloud over their campaigning.

## Democratization Trends in Regional Elections in 2005-2007

Several dozen regional legislative elections have taken place in the past two years. The last fourteen regional elections will take place in March-April 2007. The elections already held have been closely watched by the Putin administration and

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<sup>20</sup> OSCE. Office for Democratic Institutions and Human Rights. *Russian Federation Presidential Election, 14 March 2004: Election Observation Mission Report*, June 2, 2004.

United Russia to ascertain popular sentiments and to work out strategy for retaining power during the planned December 2007 State Duma election. These regional races have witnessed the United Russia Party gaining the largest proportion of votes and legislative seats in almost all cases. This party in most cases has been strongly backed by the regional governors, the majority of whom are party members.<sup>21</sup>

Elections to the Moscow City Duma (Moscow has federal regional status) in December 2005 resulted in United Russia winning nearly 50% of the party list vote and all 15 single member constituencies, giving it a majority of 28 out of 35 seats in the city Duma. The Communist Party remained viable, winning four seats. Several liberal parties cooperated with Yabloko, and it won three seats. A party had to get at least 10% of the votes in order to win seats, resulting in the elimination of six parties, including the Liberal Democratic Party and the Party of Life. Reportedly reflecting the Putin administration's disfavor, the Motherland Party was disqualified from running. Some observers criticized severely circumscribed election monitoring and media coverage, which made it difficult to assess whether the vote was free and fair. According to one report, when the city duma winners met to divvy up responsibilities, the winners in single member districts demanded that all the duma staffers serve them, since they represented constituents who had voted for them, and the party list winners were forced to ally themselves with these deputies in the hope of obtaining staff support.<sup>22</sup>

In the formerly breakaway region of Chechnya, legislative elections were held on November 27, 2005, as part of Putin's plan to pacify and control the region. More than 350 candidates ran in single member constituencies and on the lists of eight registered parties for 58 seats in the 2-house legislature. The Electoral Commission announced on December 3 that turnout was 69.6% of about 600,000 voters and that United Russia won 33 seats (a majority of the seats). The Communist Party gained 6, the Union of Right Forces won 4, and the Eurasian Union won one seat. Candidates not claiming a party affiliation won the remaining seats. President Putin the day after the election proclaimed that "a legitimate, representative authority has been elected in Chechnya.... This completes the formal legal procedure of restoring constitutional order." A small group from the Council of Europe evaluated the election. They raised concerns that administrative resources were used heavily to support favored candidates. Other critics charged that all aspects of the election, from the reported turnout figures to the reported winners, had been predetermined.<sup>23</sup>

Nine regional legislative elections held on October 8, 2006, were aggressively contested by political parties positioning themselves for the December 2007 Duma race. According to many analysts, the results of these races reflected many of the electoral tactics that United Russia and the authorities will use in the Duma election. In these regional contests, United Russia performed better than previously, while the Liberal Democratic and Communist parties lost ground, and Yabloko (which ran in

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<sup>21</sup> CEDR, March 21, 2006, Doc. No. CEP-11001.

<sup>22</sup> CEDR, December 7, 2005, Doc. No. CEP-11001.

<sup>23</sup> CEDR, November 28, 2005, Doc. No. CEP-27150; December 5, 2005, Doc. No. CEP-27189; *ITAR-TASS*, November 28, 2005.

two regions) won no seats. Where party lists were used, the governors were highlighted on the United Russia Party lists, indicating the favored status of the party (after the election, the governors declined their legislative seats). Central and regional electoral decisions and administrative resources were used to support favored parties and hinder non-favored parties. United Russia successfully used campaign advertising and community outreach to substantially boost its image among many voters who earlier had blamed the party for the monetization of social benefits.<sup>24</sup>

## Freedom of the Media

During Putin's presidency, Freedom House has lowered its assessment of Russia's media from "Partly Free" to "Not Free." Most recently, the NGO gave Russia a score of six (where one represents the highest level of democratic progress and seven the lowest). It warned that in 2005-2006, the Russian government further tightened controls over major television networks, harassed and intimidated journalists, and otherwise acted to limit what journalists reported.<sup>25</sup> In 2003, the government allegedly used its direct or indirect ownership shares to tighten control over the independent television station NTV, close down another station (TV-6), and rescind the operating license of a third (TVS). In 2005, the pro-government steel company Severstal and some German investors purchased Ren-TV, a television station with a national reach that had been permitted some editorial freedom. It had been owned by the government monopoly United Energy Systems and private investors. After the takeover, the new owners imposed a pro-government editorial stance. Not only does the government reportedly have controlling influence over these major nationwide television networks and other major broadcast and print media, but a Ministry of Culture and Mass Communications created in 2004 has major influence over the majority of television advertising and print distribution. The government has tightened its control over the press even though the subscriber base of newspapers and periodicals is small relative to the population.<sup>26</sup>

The Committee to Protect Journalists, a U.S.-based NGO, in late 2006 listed Russia as the "third deadliest country in the world for journalists" over the past fifteen years, behind only Iraq and Algeria. The NGO counted 42 murders of journalists, and most cases are unsolved. It has also assessed Russia poorly in terms of the frequency of lawsuits and the imprisonment of journalists, the suppression of alternative points of view, and biased coverage of the Chechnya conflict. Prominent cases include the July 2004 murder of *Forbes* reporter Paul Klebnikov, the September 2004 arrest of Radio Free Europe/Radio Liberty reporter Andrey Babitskiy after being attacked by government airport employees, the alleged

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<sup>24</sup> CEDR, October 16, 2006, Doc. No. CEP-21007; November 17, 2006, Doc. No. CEP-25017.

<sup>25</sup> *Nations in Transit 2006; Freedom in the World 2006*. See also Reporters Without Borders, *Worldwide Press Freedom Index 2006*, October 23, 2006. This NGO rates Russia at 147 on a scale from 1 (most free; Finland) to 168 (least free; North Korea). According to this NGO, "Russia continues slowly but steadily dismantling the free media, with industrial groups close to ... Putin buying up nearly all independent media outlets."

<sup>26</sup> CEDR, July 7, 2004, Doc. No. CEP-451; July 23, 2004, Doc. No. CEP-239.

poisoning in September 2004 of *Novaya gazeta* reporter Anna Politovskaya, the murder of *Novoe delo* reporter Magomedzagid Varisov in June 2005, and the murder of Politovskaya in October 2006. Babitskiy and Politovskaya in September 2004 had been en route to southern Russia during the Beslan hostage crisis, where Politovskaya hoped to help the government negotiate with the captors. The murders of Klebnikov and Politovskaya have not yet been resolved.<sup>27</sup>

## Civil Society

**Constraints on NGOs.** According to Freedom House and other observers, the status of civil society in Russia has worsened during Putin's presidency. The government increasingly has constrained the operations and financing of human rights NGOs that lobby for reforms, and declining public participation in political parties and NGOs weaken their influence over government policy. Worrisome trends have included Putin's criticism in his May 2004 state of the federation address that some NGOs receive foreign funding and "serve dubious group and commercial interests," rather than focusing on "severe problems faced by the country and its citizens."

After Putin's address, Russian Foreign Minister Sergey Lavrov met with several NGOs in June 2004 and called for them to present a united front to the world, such as by rebuffing criticism of Russia's human rights policies by the Council of Europe. Critics alleged that Lavrov's call appeared to mark efforts to re-create Soviet propaganda organizations under the control of intelligence agencies, such as the Soviet-era Committee for the Defense of Peace (its successor organization, the Federation of Peace and Accord, took part in the meeting). They also raised concerns that many of the NGOs that met with Lavrov appeared newly created, and that the government's aim was for these groups to crowd out established and independent NGOs.<sup>28</sup>

In July 2005, President Putin re-emphasized his concerns about foreign funding for NGO political activities, asserting that "no self-respecting state will allow this, and we will not allow it." In November 2005, the Duma began consideration of a draft NGO bill banning the presence of branches of foreign NGOs in Russia, forbidding foreigners from belonging to Russian-based NGOs, and strengthening the auditing functions of the government to monitor and control foreign and domestic funding of NGOs. Some observers suggested that the bill reflected the Putin administration's perception that foreign-based or foreign-funded NGOs helped trigger "color revolutions" that overthrew governments in Georgia, Ukraine, and Kyrgyzstan, and that such NGOs similarly were subverting the Russian government.<sup>29</sup>

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<sup>27</sup> Committee to Protect Journalists, *World's Worst Places to be a Journalist*, Press Release, May 3, 2004; and *Deadly News*, Fall-Winter 2006. In November 2006, Russia's Supreme Court overturned an acquittal of two suspects in Klebnikov's murder and ordered a retrial.

<sup>28</sup> *Moscow Times*, June 25, 2004. In March 2006, Lavrov reiterated this call for NGOs to burnish Russia's image abroad. *CEDR*, March 13, 2006, Doc. No. CEP-27099.

<sup>29</sup> Claire Bigg, Russia: NGOs Say New Bill Threatens Civil Freedom, *RFE/RL Russian* (continued...)

Following harsh criticism of the draft NGO bill from many Russian and international NGOs and others, including U.S. officials, President Putin (and many Public Chamber members) suggested some changes to the draft to permit branches of foreign NGOs to operate in Russia under certain conditions. President Putin continued to argue that this legislative change, like others he had orchestrated, was prompted by the need to protect Russia from foreign “terrorist ideology.” The bill was approved and signed into law in December 2005 and entered into force in April 2006.

Potentially worrisome provisions in the law include the ability of officials from the Federal Registration Service (FRS) to attend meetings of NGOs without their consent or a court order. If activities of the NGO do not match those described in registration documents, the FRS can call for legal proceedings against the NGO. The FRS may cancel the activities and ban financial transactions by Russian branches of foreign organizations. The law also imposes onerous annual reporting requirements on NGOs. According to FRS officials, a major goal of the law was to prevent foreign-based and other NGOs from engaging in activities that might be construed as political. As pointed out by the U.S. Commission on International Religious Freedom, “this purpose is not directly stated in the NGO law” and raises the specter that the FRS could close down democratization and human rights education and other programs deemed “harmful” to Russian “values.”<sup>30</sup> In one such case, the Stichting Russian Justice Initiative, a Dutch-based NGO providing legal assistance to Chechens, was denied registration under the new NGO law, allegedly for providing improper paperwork.<sup>31</sup>

New definitions of “extremist” activities subject to prosecution were enacted in July 2006 (see also below, *Political Parties*) that some observers warned could be used against NGOs not favored by the government. Perhaps indicative of such warnings, in October 2006 the Russian-Chechen Friendship Society (RCFS), an NGO aimed at facilitating peace in Chechnya and monitoring human rights, was closed down because its head had been given a suspended sentence for publishing articles by separatists. According to the human rights NGO Amnesty International, the closure “delivers a double blow — one to freedom of expression and another to civil society [and] sends a chilling signal that other NGOs stepping out of line can share its fate.”<sup>32</sup>

In January 2007, Putin stated at a meeting with NGOs that his monitoring of the execution of the NGO law had indicated that “the fears some voiced over a likely onslaught on the NGOs by the authorities have turned out to be devoid of any foundation.” He called for Russian businesses to contribute to NGOs to replace

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<sup>29</sup> (...continued)

*Political Weekly*, November 23, 2005.

<sup>30</sup> CEDR, December 5, 2005, Doc. No. CEP-27094. Commission on International Religious Freedom, *Russia Policy Focus*, Fall 2006.

<sup>31</sup> Carl Schreck, Chechnya NGO Denied Registration, *The Moscow Times*, November 27, 2006.

<sup>32</sup> Amnesty International, *Press Release*, January 23, 2007.

support from foreign donors. Several NGOs disagreed with this assessment, telling Putin that the costs of preparing paperwork necessary to register a new NGO were onerous, so that small groups were basically barred from registering and operating legally, and that government inspections also imposed onerous costs.<sup>33</sup>

**Creation of the Public Chamber.** In the wake of the Beslan tragedy, authorities endeavored to manage the large number of public demonstrations throughout the country to make sure they were anti-terrorist, rather than anti-government, gatherings. A few observers suggested that the demonstrations raised new fears in the Putin administration of public passions and spurred the proposal to create a “Public Chamber.” As urged by Putin on September 13, “mechanisms to bind the state together” to fight terrorism would include strong political parties to make sure that public opinion is heard and a Public Chamber composed of NGOs that would discuss draft laws, oversee government performance, and possibly allocate state grants. The influence of public opinion also would be bolstered, he claimed, by setting up citizens’ groups that would pass on information to security and police agencies and help the agencies “maintain public order.”<sup>34</sup> A primary architect of the Chamber’s work, deputy chief of the presidential staff Vladislav Surkov, allegedly stated that it would help divert and ameliorate public passions. Rejecting the necessity of a Public Chamber, some democracy advocates called instead for strengthening legislative functions, parties, and NGOs to represent citizens’ interests.<sup>35</sup>

The 126 members of the Public Chamber were selected in late 2005. One-third were appointed by President Putin. These 42 members in turn selected another 42 members (representing the heads of NGOs and other non-profit organizations), and these 84 members selected the final 42 (representing regionally-based organizations). Members included prominent artists, singers, scientists, editors, lawyers, businessmen, and religious leaders. The first session of the Chamber was held in January 2006. It set up over a dozen public oversight commissions. Virtually all were headed by President Putin’s appointees. Addressing the session, President Putin stated that the Chamber would ensure popular influence over state institutions, “real independence” of the mass media, public control over the use of budget funds allocated for presidential projects, input into law-making, and oversight over the activities of NGOs. Some critics compared some of these reputed responsibilities to those of the Soviet-era People’s Control Committees, which supposedly permitted workers to oversee the operations of state agencies and to publicize shortcomings.<sup>36</sup> Appearing to belie their reputed functions, the Public Chamber’s newly created

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<sup>33</sup> *ITAR-TASS*, January 11, 2007; *CEDR*, January 11, 2007, Doc. No. CEP-950355.

<sup>34</sup> *CEDR*, September 9, 2004, Doc. No. CEP-348; September 13, 2004, Doc. No. 92. Putin first broached the idea of a “public chamber” in May 2004. *CEDR*, May 26, 2004, Doc. No. CEP-67.

<sup>35</sup> Alexey Arbatov, *BBC Monitoring*, September 16, 2004; *CEDR*, December 12, 2004, Doc. No. CEP-73 and Doc. No. CEP-56; January 25, 2006, Doc. No. CEP-380002.

<sup>36</sup> *CEDR*, January 22, 2006, Doc. No. CEP-27036, CEP-27007, and CEP-27048. Others compared it to the Soviet-era Congress of People’s Deputies or the Supreme Soviet, rubber-stamp legislative bodies. *CEDR*, November 30, 2005, Doc. No. CEP-6001.



Commission for Public Monitoring of Law Enforcement and Military Structures, the Commission on Questions of Tolerance and Freedom of Conscience and the Commission on Media held meetings in February 2006 closed to the media.<sup>37</sup>

In September 2006, the Public Chamber announced that proposals from over 500 NGOs for government funding would be granted. Reportedly, the presidential administration made the final decisions on funding following recommendations from the Public Chamber. Some critics alleged that mostly pro-government NGOs — including those linked to many members of the Public Chamber or to pro-government political parties — had been selected and that some nonfavored democracy and human rights NGOs had been denied funding. These critics also claimed that the criteria for selection were not transparent, except for the requirement that NGO show that they can “cooperate” with the government.<sup>38</sup>

**Public Opinion.** Polls in Russia have been interpreted as both proving and disproving that Russians value democracy. U.S. researcher Richard Pipes has concluded from his examination of polls conducted in 2003 that “antidemocratic [and] antilibertarian actions” by Putin “are actually supported” by most Russians, and that no more than one in ten Russians value democratic liberties and civil rights. The disdain for democracy, he argues, reflects Russians’ cultural predilection for order and autocracy over freedom.<sup>39</sup> Other observers reject placing the bulk of blame for faltering democratization on civil society. Russian analyst Alexander Lukin has objected to Pipes’ conclusions, arguing that Russians embraced democracy in the late 1980s, and that while the term “democracy” since then has fallen into disfavor in political discourse, Russians continue to value its principles.<sup>40</sup>

Recent polls seem to illustrate the mixed attitudes of Russians toward various aspects of democratization. Several polls by Russia’s privately-owned Levada Center over the past two years seem to indicate that most Russians value social rights more than political rights and do not object to the idea of well-liked President Putin holding substantial power. According to polls taken by the Levada Center in early 2006, a majority of respondents thought the government should urgently address economic and social issues, while only 12%-13% thought that President Putin or a possible successor should emphasize democratization and human rights. The Levada Center concluded from the polls that “most people would like the country to follow the same course that Putin is taking it on.”<sup>41</sup> However, another poll by the Levada Center in November 2005, which asked whether President Putin was doing a relatively good job defending democracy and human rights, appeared to tap some

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<sup>37</sup> CEDR, February 13, 2006, Doc. No. CEP-21002; February 17, 2006, Doc. No. CEP-21011.

<sup>38</sup> CEDR, September 21, 2006, Doc. Nos. CEP-9002 and CEP-9007.

<sup>39</sup> Richard Pipes, *Foreign Affairs*, May-June 2004; Richard Pipes, *Russian Conservatism and Its Critics*, Cambridge: Yale University Press, 2005; Dmitriy Babich, *Russia Profile*, August 23, 2004.

<sup>40</sup> Alexander Lukin, *Moscow Times*, July 21, 2004; Colton and McFaul, pp. 223, 228.

<sup>41</sup> Leonid Aleksandrovich Sedov, Opinions About the Country and the World, CEDR, May 26, 2006, Doc. No. CEP-313002.

popular concern about recent trends. In this poll, 46% of respondents viewed Putin as doing a good job, but 43% expressed reservations.<sup>42</sup>

Popular attitudes toward democratization and human rights can differ according to the questions and issues addressed. Some specific questions have revealed positive attitudes toward aspects of democracy among some fraction of Russians. Although polls suggest that Russians appear to uniformly trust President Putin, a March 2006 poll by the Levada Center found that 60-61% of respondents tended not to trust the court system or prosecutors.<sup>43</sup> According to late 2005 national polls by the Levada Center, 66% of respondents felt that there needed to be an effective political opposition, and 57% felt that the media should scrutinize the conduct of officials. A July 2006 poll by the Levada Center found that 32% of respondents believed that Russia should return to a one-party system, while 42% favored at least a two-party system.<sup>44</sup> A late 2005 poll by the government-financed All-Russia Center for the Study of Public Opinion on Social and Economic Questions (VtsIOM) found that one-half of respondents did not oppose democratization assistance from foreign countries. However, only about one-third viewed such assistance from the United States as acceptable, in part because of suspicions about U.S. intentions. An early 2006 poll by the Levada Center found that 37% of respondents considered it acceptable for Russian NGOs to accept foreign grants, while 42% considered it unacceptable.<sup>45</sup>

Several polls appeared to document the initial opposition of many Russians to the elimination of direct gubernatorial elections, but this viewpoint may have changed. Although nearly one-half of those polled nation-wide objected to eliminating such elections in late 2004, less than one-third objected in late 2005, perhaps reflecting growing resignation or indifference.<sup>46</sup>

**Political Parties.** Putin has orchestrated several changes to the electoral system that he claims will create a strong and stable party system with fewer parties. These changes are resulting in party mergers, with small parties joining together or joining larger parties in order to survive. The changes include giving parties the exclusive prerogative to nominate candidates, providing state funding that benefits parties that have received more votes, requiring parties to have at least 50,000 members spread across the country in order to be legally registered (thus eliminating regional parties), making party list voting the only method of election to the Duma (see below) and raising the bar to gaining seats in the Duma from 5% to 7% of the vote.

At the same time, the Putin administration has moved against unfavored parties and activities. Many observers suggest that the arrest of Vladimir Khodorkovskiy, the

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<sup>42</sup> CEDR, December 12, 2005, Doc. No. CEP-18003.

<sup>43</sup> CEDR, July 28, 2006, Doc. No. CEP-313005.

<sup>44</sup> Will Russia Have its Own Elephant and Donkey? *RIA Novosti*, August 22, 2006.

<sup>45</sup> CEDR, December 15, 2005, Doc. No. CEP-11002; July 28, 2006, Doc. No. CEP-313005.

<sup>46</sup> CEDR, September 15, 2005, Doc. No. CEP-11005.

head of the Yukos oil firm, in late 2003 was motivated at least in part by his political ambitions and his support for the democratic liberal opposition Yabloko Party in the upcoming Duma election. In this view, Putin aimed to block the so-called oligarchs (leaders of the top private firms) and other entrepreneurs from gaining greater political influence through support for opposition parties and for candidates in single-member district races. Since Khodorkovskiy's arrest and imprisonment, businessmen sharply have reduced their donations to opposition parties, and business groups have pledged fealty to Putin.

Apparent government manipulation of the party system included its substantial support during Putin's first term to bolster the appeal of Unity (renamed United Russia) as the "presidential party."<sup>47</sup> The Putin administration also was widely viewed as helping to create the Motherland bloc in 2003 to appeal to nationalist elements of the Communist Party and to members of small fascist groups. Some observers speculate that the Putin government was surprised by the strength of Motherland's electoral support. Although widely viewed as a creature of the Kremlin, Motherland claimed that it was a "loyal opposition" to the government in the Duma. The "opposition" component appeared to become a reality during early 2005 when Motherland sided with protesters who were against the monetization of social benefits (these benefits previously had involved free or discounted goods and services). Moving against this disloyalty, the Putin administration allegedly blocked the party from participating in most regional elections and orchestrated Dmitri Rogozin's ouster as party head in March 2006.

In July 2006, Motherland announced that it would merge with Federation Council chairman Mironov's Party of Life.<sup>48</sup> Paradoxical to the concept of democratic political parties, the merger was worked out in secret and was later announced to the party members as a *fait accompli*. Also paradoxical was the merger of a larger party possessing some electoral success with a smaller party with less electoral success. In late October 2006, the Pensioners Party also merged with the Party of Life, and the new grouping renamed itself the Just Russia Party.

According to one scenario, the Putin administration (and United Russia) in 2005-2006 projected that United Russia, the Communist Party, and the Liberal

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<sup>47</sup> Eugene Ivanov, *Sovereign Democracy: Is it United Russia's Ideology?* *Johnson's Russia List*, No. 15, January 22, 2007. According to Ivanov, United Russia's bureaucratic base has resisted urging by the Putin administration to adopt the ideology of "sovereign democracy," to include respect for private property and for small to medium-sized business.

<sup>48</sup> *CEDR*, March 24, 2006, Doc. No. CEP-950192; April 5, 2006, Doc. No. CEP-379001; July 28, 2006, Doc. No. CEP-25003. The announcement of the merger claimed that the new party would remain the "loyal opposition" and would "counterbalance the influence exerted by the party of power on the processes taking place in this country." The Party of Life released an alleged speech to party officials given by the deputy chief of the presidential administration, Vladislav Surkov, in March 2006 in which he called for the party eventually to become the favored "second leg," joining United Russia (with each party headed by a legislative chamber speaker) in a two-party system. He also reputedly stated that it would be better if disgruntled citizens voted for this party rather than for "destructive forces." *CEDR*, July 27, 2006, Doc. No. CEP-380001; The Minimal Minutes, *Kommersant*, August 16, 2006.

Democratic Party would likely win seats in a prospective Duma election in 2007 but feared that United Russia might fall short in winning two-thirds of the seats. Deciding not to rely on the support of the Liberal Democratic Party in the Duma, and determined to further reduce the power of the Communist Party, the Putin administration launched the creation of the pro-government Just Russia Party. United Russia hopes to rely on Just Russia to take votes from the Communist Party and the Liberal Democratic Party and win a number of seats. By this means, United Russia hope to form a super-majority in the Duma in alliance with Just Russia (perhaps with some cooperation from a weakened Liberal Democratic Party).<sup>49</sup>

Following the enactment of new requirements for party registration, the Federal Registration Service announced in late October 2006 that 19 out of 35 parties had successfully re-registered. The requirements that a party must have more than 50,000 members disbursed throughout every federal component — with at least 500 members in half of the components and 250 in the other half — led to the loss of legal standing for 16 previously registered parties that were essentially moribund, too small, or only based in a few regions. Opposition parties that were re-registered included the Communist Party, Yabloko, and the Union of Right Forces.

Analyst Stephen White has suggested that because the large majority of Russian citizens do not belong to political parties or identify with them, the parties remain weak and highly vulnerable to manipulation by the government. This manipulation, in turn, harms the development of stable and legitimate party organizations, memberships, and platforms. He argues that as long as this situation prevails, Russian citizens will lack one of the primary means in a democracy of influencing policy and personnel in the political system. Another analyst, Steven Fish, suggests that the constitutional system plays an important role in creating such a situation. Russia's weak legislature, he argues, discourages citizens from participating in parties, while the strong presidency provides grounds for the growth of authoritarianism.<sup>50</sup>

***Electing All Duma Members by Party Lists.*** In August 2004, a working group of the CEC, with Kremlin support, proposed to eliminate single-member districts in the Duma in favor of having all seats determined by the proportion of votes each party won nationally. It argued that proportional representation would give more importance to minority parties and regions with small populations.<sup>51</sup> It also argued that proportional voting would reduce the alleged practice of “buying” single member seats.<sup>52</sup> After the Beslan tragedy, Putin in September 2004 included

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<sup>49</sup> Dmitriy Badovskiy, *Gazeta.ru*, August 6, 2006, in *Johnson's Russia List*, August 7, 2006.

<sup>50</sup> Stephen White, Russians and Their Party System, *Demokratizatsiya*, Winter 2006, pp. 7-23; Steven Fish, Stronger Legislatures, Stronger Democracies, *Journal of Democracy*, January 2006, pp. 5-21.

<sup>51</sup> *Kommersant*, August 30, 2004; *CEDR*, June 4, 2004, Doc. No. CEP-366.

<sup>52</sup> Mikhail Vinogradov, *Izvestia*, September 24, 2004; Maksim Glikin, *Nezavisimaya gazeta*, October 4, 2004. This view is supported by CEC chairman Aleksandr Veshnyakov, who claimed that eliminating single-member districts would prevent “buying democracy with (continued...)”

this proposal in his package of electoral “reforms,” claiming that proportional elections would strengthen public unity in the war on terrorism. After popular dissatisfaction in Ukraine with vote-rigging resulted in an “orange revolution” there that brought reformists to power, the Putin administration (and the ruling United Russia Party) appeared more committed to making Russia’s electoral code less democratic, according to some critics. Another spur to efforts to limit and control popular participation may have been the mass protests in early 2005 over the monetization of social benefits. This shift to party list voting in Duma elections was enacted in May 2005.

Other observers familiar with party list voting for legislatures in democratic countries have taken a supportive or neutral stance regarding the new electoral law. German analyst Alexander Rahr argued that party list voting was practiced in Europe and is “quite in line with the political practice of any democracy.” Russian analyst Konstantin Simonov likewise asserted that “elections according to party lists, tested by experience in many countries, create perfect opportunities for the development of political parties.” These observers argue that eliminating single-member district legislative elections at all levels will eliminate nonparty candidates, hence strengthening parties and making them better able to articulate citizens’ interests.<sup>53</sup>

Besides establishing party list voting, the 2005 Law on Electing State Duma Deputies banned electoral party blocs, raised the minimum percentage of votes necessary for a party to gain seats in the Duma from 5% to 7%, lowered the percentage of invalid signatures permitted in registering a candidate, and forbade parties or partisan groups from helping transport voters to the polls. Perhaps ominously for foreign NGOs, it stated that their efforts “to assist or impede the preparations for, and conduct of, elections ... will not be tolerated.” It also stated that foreign electoral observers had to be invited by the president, the Federal Assembly, or the CEC. Appearing to stifle free debate, the law stated that deputies had to adhere to party discipline as members of party factions in the Duma, and if they did not, they had to resign their seats. Seemingly positive elements of the law included directing Federation Council and Duma members to endeavor to represent their assigned constituents, forbidding legislators from holding most executive branch posts, banning the use of government premises and property (without compensation or equal access) for campaigning, and stipulating days for elections at all levels. Virtually all attempts by opposition deputies in the Duma to change the draft law as

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<sup>52</sup> (...continued)

dirty money.” *CEDR*, June 4, 2004, Doc. No. CEP-366. Appearing contrary to Veshnyakov’s assertion, “businessmen” and others reportedly purchased slots on party lists in regional elections held in 2006.

<sup>53</sup> *Rossiyskaya gazeta*, September 15, 2004; Vladimir Ignatov, *Trud*, September 15, 2004; Jonathan Riggs and Peter Schraeder, *Demokratizatsiya*, Spring 2004. Eric Kraus has asserted that single-member district candidates for the Duma usually have been “cronies” of the governors or oligarchs. *Johnson’s Russia List*, September 25, 2004. In the case of the December 2005 Moscow City Duma election, Aleksey Makarkin, Deputy General Director of Political Technology Center, similarly argued that the opposition party list winners “will ... not be dependent on the executive branch of government, as some of the liberal candidates from single-seat districts were in previous convocations of the Moscow City Duma.” *CEDR*, December 5, 2005, Doc. No. CEP-4002.

submitted by the Putin administration were defeated by the pro-government United Russia Party.<sup>54</sup>

Critics of the changes charged that they aimed “to redistribute ... deputy accountability from the voters to the [government loyalists] who compile the party lists.”<sup>55</sup> They also raised alarms that, in the condition where United Russia is the dominant party, elections may come to resemble Soviet-era elections where citizens were mobilized to vote for the roster of the Communist Party. Some critics claimed that the Putin government’s main aim was to eliminate the surviving minor party and independent “back-bench” deputies, who often were the sole critics of government-initiated bills. One Russian commentator viewed the law as indicating that the Putin administration equated the threat of terrorism to political opposition, and aimed to eliminate both.<sup>56</sup>

In July 2006, Putin signed into law amendments to a 2002 law on extremism that widened the category of “extremists” subject to criminal prosecution. Some democratic liberal politicians raised concerns about the broadening of the definition of extremism to include obstructing the activities of government officials, defaming officials, “undermining the country’s security, seizing or usurping power, forming illegal armed formations, staging mass unrest, terrorist activities, or public justification of terrorism, as well as inciting racial, ethnic, religious, and social discord by means of violence or calls for violence.” Also, public appeals or speeches “prompting” such rioting and acts might be judged as extremist. These politicians warned that such a vague definition of extremism could easily be used to disqualify individuals disfavored by the government from participating in elections. Some journalists likewise raised concerns that defamation suits could result in their being branded as “extremists.”<sup>57</sup>

In October 2006, the Federation Council proposed amendments expanding the applicability of the extremism law to include closing down political parties so that they could not take part in elections, if they are judged to be “extremist.” The Duma is planning to examine the amendments in Spring 2007. The Communist Party and the Union of Right Forces were among parties that denounced the amendments, with Communist Party head Gennadiy Zyuganov terming them another step by United Russia to deprive opposition candidates “of any possibility of taking part in elections at all.... [A]most any critical statement addressed to the authorities can be interpreted

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<sup>54</sup> Veshnyakov has stated that he supported the 5% barrier for winning Duma seats, while the original proposal was for a 10% barrier, and that a compromise of 7% was worked out. He has argued that two conditions on the 7% rule — that at least two parties have seats and that they share at least 60% of the vote — improve the representative nature of the Duma. *CEDR*, November 30, 2006, Doc. No. CEP-23018.

<sup>55</sup> Nikolay Petrov, *Moscow Times*, September 15, 2004.

<sup>56</sup> *CEDR*, August 18, 2004, Doc. No. CEP-215; September 5, 2005, Doc. No. CEP-379002; Robert Coalson, *RFE/RL Feature Articles*, October 11, 2004.

<sup>57</sup> *CEDR*, December 14, 2006, Doc. No. CEP-380001; August 3, 2006, Doc. No. CEP-21007; July 12, 2006, Doc. No. CEP-21005.

as extremism if they want.”<sup>58</sup> In a surprise move, the head of the CEC, Aleksandr Veshnyakov, also denounced the proposed provisions on extremism, asserting that they should not “exclude parties and politicians from lists of candidates for positions of power only because they criticize the existing order in the country.”<sup>59</sup>

Veshnyakov denounced a draft law on amendments to electoral laws and civil procedures when it was introduced in early July 2006. He stated that it reflected a view that “everything must be regulated and in that way no candidate the government does not like will be permitted to participate in an election.” He warned that if the changes become law, “we will have elections without choices, as it was in fact in Soviet times.” He objected to one amendment that would resurrect the practice of early voting (balloting before election day, ostensibly for those unable to get to the polls), which was subject to abuse. He also objected to language creating onerous procedures for a candidate to register and easier grounds for revoking registration.<sup>60</sup> In November 2006, the Duma dropped some of the provisions he objected to and the law was enacted.

Provisions included in the enacted law that Veshnyakov viewed as unnecessary or as having some undesirable consequences included the elimination of the option on the ballot to vote against all candidates, a holdover from the Soviet period. He argued that this option was insurance against conditions where the authorities had blocked popular opposition candidates from running. He also felt unease about the elimination of the requirement that a minimum percentage of 20% of voters had to turn out in an electoral district for the results to be valid. He argued that the elimination of this requirement might contribute to un-advertised elections where a scant number of trusted voters would ensure the desired outcome of the authorities.<sup>61</sup>

## Other Issues of Democratic Development

**Independence of the Judiciary.** According to legal scholar Peter Solomon, Putin’s presidency has witnessed important judicial and legal reforms,<sup>62</sup> but these

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<sup>58</sup> *CEDR*, October 27, 2006, Doc. No. CEP-25004.

<sup>59</sup> *ITAR-TASS*, July 3, 2006.

<sup>60</sup> *CEDR*, June 28, 2006, Doc. No. CEP-11004; July 12, 2006, Doc. No. CEP-21005; July 18, 2006, Doc. No. CEP-19002. Veshnyakov also stated that “we need ... free and fair and democratic [elections], which forces the government to refrain from making absurd decisions and to think about what it is doing and what it should bring to the elections, rather than bringing the people to the boiling point.”

<sup>61</sup> *CEDR*, November 10, 2006, Doc. Nos. CEP-950009 and CEP-11015; November 23, 2006, Doc. No. CEP-25002; November 30, 2006, Doc. Nos. CEP-23005 and CEP-23018; *ITAR-TASS*, August 30, 2006 and November 23, 2006. In January 2007, Veshnyakov raised concerns that a Duma bill to permit individuals without legal educations to serve on the Central Electoral Commission or to head regional electoral commissions might contribute to politicizing the commissions. *CEDR*, January 17, 2007, Doc. No. CEP-950175.

<sup>62</sup> Reforms include the adoption and early stages of implementation of criminal, civil and arbitrazh codes, increased funding of the courts and legal salaries, and jury trials. Peter  
(continued...)

reforms have been threatened by several “counter-reform” initiatives. These counter-reforms have included efforts to establish greater government influence over the functions of juries and the selection, tenure, and salaries of judges. He argues that although many of the counter-reform efforts have been successfully resisted by the legal establishment, the efforts retard the progress of reforms, and jurists face continuing government pressure to conform.<sup>63</sup> In the case of jury trials, prosecutors have interfered in the selection of jurors, their deliberations, and their verdicts, particularly in high-profile cases. They appeal many cases in which juries have rendered not guilty judgments.<sup>64</sup> Appearing to reflect a view that juries need to be “organized” so that they do not interfere with prosecutors’ decisions, President Putin in January 2007 stated that a jury’s acquittal in 2006 of individuals charged with the murder of U.S. journalist Paul Klebnikov “of course discredits the very institution [of trial by jury], but this does not mean we must stop its work, we must develop it, strengthen it... We must think about how to safeguard the independence and security of jurors and we must simply better organize the work of juries.”<sup>65</sup>

**Freedom of Assembly.** In 2003, opposition parties and groups were somewhat effective in persuading the government to modify amendments it had introduced to tighten restrictions on public assembly. At first, the legislation was bottled up in a committee headed by a Communist deputy whose party opposed the bill. After the election of the new Duma, however, United Russia moved to enact the bill, but complaints from some deputies and public organizations led Putin to intervene to “propose” some changes. The amended bill then was quickly passed and signed by the president in June 2004. Some critics assess the bill as still overly restricting public demonstrations by prohibiting them in front of court houses, jails, and the president’s homes, and permitting them to be terminated if participants commit undefined “illegal acts.”

According to some reports, freedom of assembly and expression were illegally circumscribed in the run-up to the G-8 summit in Moscow in July 2006. Analyst Masha Lipman reported that “more than 100 people were intimidated, harassed or beaten by the police in various Russian cities” to prevent them from coming to

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<sup>62</sup> (...continued)

Solomon, Threats of Judicial Counter-Reform in Putin’s Russia, *Demokratizatsiya*, June 22, 2005, pp. 325-346.

<sup>63</sup> Analyst Peter Roudik testified in July 2005 that the new laws regarding criminal justice and the courts are “extremely deficient.” He stated that the new criminal procedural court “was supposed to establish an independent judiciary, increase the rights of the accused, and instill firm rules of procedure and evidence for police and prosecutors. However, the current system continues the old practice of automatically convicting almost everyone who appears in court.” He also argued that “judges understand what decisions are expected from them and behave accordingly,” and that the legal system remains corrupt. Commission on Security and Cooperation in Europe (Helsinki Commission). *Briefing: The “Yukos Affair” and its Implications for Politics and Business in Russia*, July 13, 2005.

<sup>64</sup> Kristi O’Malley, “Not Guilty until the Supreme Court Finds You Guilty: A Reflection on Jury Trials in Russia,” *Demokratizatsiya*, January 1, 2006, pp. 42-59; “In Russia, Trying Times for Trial by Jury,” *Washington Post*, October 31, 2005, p. A12.,

<sup>65</sup> Guy Faulconbridge, *Reuters*, January 11, 2007.



Moscow to protest or attend a human rights meeting. He likened the repression to Soviet-era tactics of the 1970s. In January 2007, human rights activist Ella Pamfilova reported to Putin that bans and restrictions by local authorities on rallies and demonstrations were increasing.<sup>66</sup>

**Other Civil Rights.** According to the U.S. Commission on International Religious Freedom, progress in Russia in protecting religious freedom has increasingly been threatened by authoritarian trends within the Putin government “and the growing influence of chauvinistic groups in Russian society, which seem to be tolerated by the government.” The Commission has raised concerns that the 2006 NGO law restricts foreign donations for charitable and other activities of religious groups, that the number of anti-Semitic statements by government officials and the media has increased, and that official discrimination against observant Muslims has risen. The U.S. State Department has argued, however, that even though conditions deteriorated for some minority religious groups during 2005-2006, Russian government policy “continued to contribute to the generally free practice of religion for most of the population.”<sup>67</sup>

The problem of discrimination against ethnic minorities has appeared more acute in recent years. Recognizable ethnic minorities — including some Chechens and other North Caucasians, Roma gypsies, Jews, and foreigners such as South Caucasians, Africans, and Asians — increasingly have been targeted in racist attacks. Human rights activists have alleged that Russian police and security forces and semi-official militias contribute to such abuses and are rarely punished. The Putin government’s long-time human rights abuses in Chechnya, its support for the former Motherland Party, and its recent anti-Georgian rhetoric and sanctions contribute to racism and xenophobia, according to these activists. Just after an ethnic Russian-Chechen race riot in a town in northern Russia and Russian moves to deport some ethnic Georgians, in October 2006 Putin called for a law to protect Russia’s “indigenous population.”<sup>68</sup> This Law on Migration, enacted in December 2006, sets limits on the number of guest workers permitted from various countries and sets quotas on economic activities performed by non-citizens. Some critics of the law assert that it contributes to making ethnic discrimination a policy of the Russian government. According to the law, no foreigners will be permitted to work in retail markets after April 2007. Critics of this ban assert that it particularly targets ethnic Azerbaijanis, Georgians, Tajiks, and Chinese who commonly sell produce and other goods in the markets.<sup>69</sup>

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<sup>66</sup> Masha Lipman, *Washington Post*, July 15, 2006; *CEDR*, July 10, 2006, Doc. No. CEP-35002; *Associated Press*, June 2, 2006; *Interfax*, January 11, 2007.

<sup>67</sup> U.S. Commission on International Religious Freedom. *Annual Report*, May 1, 2006; and *Russia Policy Focus*, Fall 2006. U.S. Department of State. *International Religious Freedom Report 2006*, September 15, 2006.

<sup>68</sup> *ITAR-TASS*, October 5, 2006.

<sup>69</sup> *CEDR*, September 4, 2006, Doc. No. CEP-22002; October 11, 2006, Doc. No. CEP-25003; October 29, 2006, Doc. No. CEP-950020; November 10, 2006, Doc. No. CEP-25002; *Europe: Daily Report*, September 12, 2006, Doc. No. EUP-342007; Owen Matthews

**Federalism.** The Putin government has substantially reduced the autonomy of the regions. During his first term in office, Putin asserted greater central control over the regions by appointing presidential representatives to newly created “super districts” (groups of regions) to oversee administration. He greatly reduced the influence of the governors in central legislative affairs by forcing through legislation that eliminated their membership in the Federation Council. He also strengthened the powers of central agencies and the authority of national law in the regions.

In the latter half of the 1990s, virtually all governors of the regions and presidents of the autonomous republics came to be elected by direct vote.<sup>70</sup> In many of Russia’s 21 autonomous republics, this principle was enshrined in their constitutions, and it was also part of regional statutes. During the Yeltsin period, presidential interference in these direct elections was generally characterized as selective and inept, but it became more organized and effective under Putin. According to one estimate, during Putin’s first term fewer than a dozen of the elections held in the regions (in 2004 there were 89 regions) resulted in wins for candidates who were not favored by the center.<sup>71</sup> Primary examples where the Putin administration appeared to manipulate local elections included the 2003 St. Petersburg mayoral race and elections of the regional heads in Ingushetia and Chechnya. Voters elected Valentina Matvienko, a Putin proxy, as mayor of St. Petersburg after a campaign where opponents complained of harassment and biased media coverage.<sup>72</sup>

**The Appointment of Governors.** The loss of a few regional elections to non-favored candidates and undesired demands by these popularly-elected governors (and ethnic-based republic “presidents”) for budgetary resources may have contributed to Putin’s September 2004 Beslan proposal to eliminate direct gubernatorial elections. He proposed that regional heads be designated by the president and confirmed by regional legislatures so that the federal system functioned as “an integral, single organism with a clear structure of subordination.”<sup>73</sup> In addition, he proposed that these governors should “exert more influence” in forming and “working with” lower-level governments. These “reforms,” he stated, would not violate the constitution. His deputy chief of staff, Vladimir Surkov, explained that the “presidential nomination” of regional heads would facilitate anti-terrorism efforts

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<sup>69</sup> (...continued)

and Anna Nemtsova, State of Hate, *Newsweek*, November 6, 2006.

<sup>70</sup> In late 1991, the Russian legislature granted Yeltsin the temporary power to appoint governors to newly created posts in Russia’s 66 regions, territories, and areas (the heads of the 21 republics and two federal cities remained locally elected). Some regions were permitted to elect governors, and in 1996-1997 such elections were held across the country.

<sup>71</sup> *Washington Post*, September 16, 2004, P. A28.

<sup>72</sup> Gordon Hahn, *Demokratizatsiya*, Spring 2004, pp. 195-234.

<sup>73</sup> *CEDR*, September 13, 2004, Doc. No. CEP-92.

by permitting central authorities to freely crack down on “extremist infection” in the regions.<sup>74</sup>

Indicating that the proposal would easily pass in the legislature, pro-Putin party officials praised the proposal as ending the practice of governors constantly lobbying the central government for funds. Most federal subunit leaders such as Moscow Mayor Yuriy Luzhkov and Tatarstan President Mintimer Shaymiyev hailed the proposal, with Luzhkov proclaiming that it would end the election of “popular” rather than “professional” rulers. Besides the possible distaste of these leaders for having to solicit votes, and their desire to remain on the Putin “bandwagon,” many governors endorsed the proposal because they would no longer face term limits. Many were in their final term of elected office. Both chambers of the legislature approved the bill and it was signed by Putin and went into effect on December 15, 2004. The last gubernatorial race was held in January 2005 in the Nenetskiy Autonomous Area.

In his April 2005 State of the Federation address, President Putin called for the State Council (a conclave of federal officials and heads of regions) to consider procedures that would give the dominant regional party a voice in the presidential appointment of governors. According to some observers, the intention was to codify procedures ostensibly giving regions an indirect means of nominating candidates for governor. He subsequently sent a bill to the Federal Assembly that it approved in December 2005. Under the procedures, the dominant party in a region (that is, the one that garners the most votes in legislative elections) nominates a candidate for governor for consideration by the president. If the president concurs with this choice, the regional legislature (controlled by the dominant party) then confirms the appointment. Some officials admitted that the regional party nomination would be influenced — if not controlled — by the central party leaders. In most cases at present, United Russia’s leaders, allied with the presidential administration, would play this role, so the regional nominee also would be the president’s preferred nominee.

In the majority of cases where President Putin has appointed governors, the incumbent has stayed in place, and in virtually all cases, regional legislatures have voted by overwhelming majorities (80%-100%) to confirm whomever Putin has appointed.<sup>75</sup> As of early 2007, the majority of Russia’s regional leaders had been appointed by President Putin (he is also pushing for the merger of regions to reduce their number and make them more manageable; see below).

**Moving Against Direct Mayoral Elections.** Some observers have raised concerns that the Putin administration, post-Beslan, is seeking to reverse some aspects of local self-government, including by gaining the power to appoint mayors. The 1993 Russian Constitution strictly separated local self-government from the “system of state power” and directed that “local self-government is exercised by citizens by means of referendums, elections, and other forms of direct expression of will and through elected and other organs” (Articles 12, 130). A 1995 law on self-

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<sup>74</sup> *Komsomolskaya pravda*, September 29, 2004; *Russia Profile*, October 14, 2004.

<sup>75</sup> *CEDR*, January 20, 2006, Doc. No. CEP-318002.

government, decisions of the Constitutional Court, and Russia's ratification of the European Charter of Local Self-Government, have been viewed as codifying the democratic election of mayors (or other popularly determined means of local administration). During Putin's presidency, a 2004 law on local self-government assured cities, towns, and settlements of certain powers and called for large-scale direct elections of local councils and mayors but problematically removed much local financial independence.

Observers concerned about democratization trends have warned that there appear to be more complaints by central officials about "incompetent" and "criminal" mayors and about the need to protect local citizens from such popularly-elected mayors. In April 2006, some United Russia deputies in the State Duma — reportedly at the initiative of some members of the presidential administration — introduced a bill that would permit regional governors to assume "interim" control over many functions carried out by mayors. Although this bill would not eliminate direct mayoral elections, it would make affected mayors "figureheads," according to critics. After the bill was criticized by the democratic liberal opposition deputies, many mayors, and elements within the Putin administration, the State Duma "postponed" examination of the bill. In late 2006, a proposal in the Duma that the mayors of regional capitals might be appointed was not endorsed by the United Russia leadership and was not acted upon.<sup>76</sup>

**Merging Federal Subunits.** The Putin administration has advocated the merging of small federal subunits with larger regions or territories to achieve greater administrative and economic efficiencies. Critics of the merger proposals have asserted that they represent Putin's further assault on Yeltsin-era initiatives to expand local democracy and the civil rights of ethnic minorities that have privileged status in the subunits. The mergers that have been completed have reduced the number of federal subunits from 89 to 84.<sup>77</sup> Most recently, Putin approved the petitions of the legislatures of the Chita Region and the Aga-Buryat Autonomous Area on merging, and referendums will be held in each on March 11, 2007.

The merger efforts have involved hard bargaining among local elites, and the Putin administration has offered economic incentives for mergers (although the mergers also relieve the federal government of direct budgetary support for the smaller subunits by shifting support to the larger subunits). One sensational incident involved Adyge Republic head Khazret Sovman, who in April 2006 alleged that he had refused exhortations from President Putin and from Putin's southern district representative to go along with plans to merge Adyge with Krasnodar Territory. Reported popular protests in Adyge against the alleged merger plan contributed to concerns elsewhere in the North Caucasus about possible mergers and led Putin's

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<sup>76</sup> CEDR, November 17, 2006, Doc. No. CEP-25017.

<sup>77</sup> During the referendum vote in Kamchatka Region, the governor proclaimed that the administrative re-unification of the Koryak area with Kamchatka would "rectify the mistakes of our democratic perestroika years." CEDR, October 23, 2005, Doc. No. CEP-29034.

representative to announce that there were no federal plans for mergers in the North Caucasus.<sup>78</sup>

## Implications for Russia

The implications of Putin's rule may be organized into three or perhaps four major trends or scenarios of Russia's future political development, namely democratization, authoritarianism, or a middle ground that many observers term "managed democracy." Another possible scenario (perhaps considered as an interlude) is a period of chaotic instability that may occur if President Putin steps down in 2008. (The breakup of Russia — also termed the "failed state" scenario — is deemed by many observers to be less likely, and is not examined here, but has been advanced by Putin as a justification for his political changes.)<sup>79</sup> The main question in considering the scenarios is whether the current level of managed democracy can endure for some time, or whether it is a stage on the way to either more democratization or more authoritarianism. Implications include how the level of democratization may affect the economy and foreign policy.<sup>80</sup>

### Scenarios for Russia's Political Evolution

**Managed Democracy?** Scenarios of managed democracy usually envisage the continuation of current policies that hinder democratization. Eventually, according to some analysts, Russia may resume democratization, or it may become authoritarian. Others warn that managed democracy could persist indefinitely, with political processes sometimes leaning toward greater "management" and sometimes toward greater "democracy," but not leading to fundamental changes in policy or personnel. Those who view recent politics as managed democracy suggest that Putin prevented public debate during the 2003-2004 Duma and presidential elections of problems facing Russia — such as Chechnya and privatization — that might have resulted in different electoral choices and policies.<sup>81</sup>

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<sup>78</sup> CEDR, March 31, 2006, Doc. No. CEP-324005; April 5, 2006, Doc. No. CEP-950259.

<sup>79</sup> As related by *Moscow gazeta*, "a principle, key thesis, around which the Putin administration ... intends to build its political campaign in 2005-2008 ... [is the] threat of disintegration of Russia.... This shocking thesis — about the possible disintegration of Russia as the result of the intrigues of international terrorism, supported by certain forces in the West — was 'tossed' into the Russian political space by President Putin," in September 2004. CEDR, April 5, 2005, Doc. No. CEP-165.

<sup>80</sup> For background, see CRS Report 98-642, *Democracy-Building in the New Independent States*, by Jim Nichol.

<sup>81</sup> Steven Myers, *New York Times*, September 1, 2004; Steven Levitsky and Lucan Way, *Journal of Democracy*, April 2002, pp. 51-65; Michael McFaul and Nikolai Petrov argue that such electoral irregularities may be common in recently democratizing states. See *Journal of Democracy*, July 2004, pp. 20-32. Also see Larry Diamond, *Journal of Democracy*, April 2002, pp. 21-35.

Some observers argue that regional, ethnic, economic, bureaucratic, and other groups have been strong impediments to Putin's exercise of more power. Putin has used revenues generated by high world oil prices as largesse to these groups to placate them, rather than using the funds to further democratic and market economy reforms. Such a standoff could persist for some years (even if Putin steps down in 2008), but eventually democratic activism and economic developments could threaten this fragile system of rule.<sup>82</sup>

Other observers assert that Putin is necessarily stifling some democratization in order to pursue economic reforms that would be threatened by populism. They suggest that popular demands for prosecuting the oligarchs and other businessmen, re-nationalizing assets, and resurrecting Soviet-era price controls and social subsidies would have been irresistible if democratic institutions functioned freely. They also caution that ultra-nationalists and communists might have garnered dangerous electoral power. In this sense, they claim, Russia has the level of democratization typical of many developing countries. Eventually, according to this view, popular prejudice against free markets — a legacy of Soviet-era propaganda — will abate as the economy grows, and Putin or his successors can permit greater democratization.<sup>83</sup>

Another view at least somewhat supportive of Putin's Beslan proposals is that they are necessary to combat terrorism and do not fundamentally set back Russian democratization. According to this view, Russia will continue to cooperate with the United States on the Global War on Terror and issues such as non-proliferation, although differences on some foreign policy issues may occur, such as Russia's criticism of U.S. operations in Iraq. Analyst Dmitriy Simes has suggested that Putin's Beslan proposals to concentrate decision-making "make a lot of sense," in order to strip power away from "political warlords called governors," eliminate power grabs by oligarchs, and end control by regional "corrupt structures" over Duma deputies elected in the districts.<sup>84</sup> Analyst Andrew Kuchins appears to make a somewhat similar argument. Although Putin's Beslan proposals have weakened democratization, assertions that Putin is much less democratic than former Russian President Boris Yeltsin are overblown, the political system is better run in several respects than it was under Yeltsin, a free market economy is still developing, and Russia has not become an imperial state.<sup>85</sup>

In contrast, Analyst Anders Aslund has viewed the Putin era as interrupting Russia's substantial movement toward democracy and a market economy during the 1990s. He argues that Putin's rule is a throwback to the early 20<sup>th</sup> century and tsarism, both typified by rule by whim without checks and balances, an overweening

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<sup>82</sup> Donald Jensen, *RFE/RL Russian Political Weekly*, October 1, 2004; Daniel Kimmage, *In the National Interest*, October 1, 2004.

<sup>83</sup> *RFE/RL Russian Political Weekly*, April 28, 2004; Andrey Shleifer and Daniel Treisman A Normal Country, *Foreign Affairs*, March-April 2004. Joseph Siegle rejects the thesis that greater democratization can threaten economic development. *Harvard International Review*, Summer 2004, pp. 20-26.

<sup>84</sup> Dmitriy Simes, *PBS Newshour*, September 14, 2004.

<sup>85</sup> Andrew Kuchins, "Russia in the Age of Putin," *SAIS Review*, Winter 2006, pp. 193-197.

bureaucracy and security apparatus, and rampant corruption. By constraining democratic and media checks on his power, Putin has been freer to move against the private sector, and foreign investment and economic growth will suffer. Putin's atavism cannot long endure, Aslund states, but it is uncertain whether ultra-nationalist authoritarianism or democratization might come to the fore.<sup>86</sup> Freedom House has argued similarly that the increasing level of governmental corruption under Putin's rule is linked to the declining accountability of the government to its citizens.<sup>87</sup>

Several analysts have argued that Russia's heavy reliance on oil and gas for economic growth and budgetary revenues supports managed democracy of a sort found in similar economies such as Venezuela, Azerbaijan, and Kazakhstan. Analyst Lilia Shevtsova asserts that the Russia's energy-based economic boom has "tranquilized" the Putin administration, so that it simply has honed, rather than challenged, the "principles that hold the post-communist Russian system together: personified power, the dominance of the bureaucracy, great power ideology, and state control of all significant property."<sup>88</sup>

Some observers suggest that younger, educated Russians are more likely to support democracy, so that generational turnover eventually will end the current era of managed democracy. Many current officials spent their formative years and careers in the Soviet era, and hence may be attuned to authoritarianism, but the numbers of such officials will decline within a decade or so (although in the near term they may cling to power). Other observers are more pessimistic about this support for democratization, citing polls supposedly indicating that younger Russians may be more worldly than their elders, and value freedom over equality, but are not yet committed to the "basic values of human rights, tolerance, and constitutional liberalism." In the 2003-2004 elections, these young Russians appeared to support United Russia or Zhirinovskiy's Liberal Democratic Party rather than liberal parties.<sup>89</sup>

**Authoritarianism?** Some analysts view current political developments in Russia as marking the descent to undemocratic rule in Russia, although they usually argue that such rule will not approach the repressiveness of the former Soviet Union. The task force of the Council of Foreign Relations has reflected this viewpoint, warning in March 2006 that "under President Putin, power has been centralized and pluralism reduced in every single area of politics. As a result, Russia is left only with the trappings of democratic rule — their form, but not their content."<sup>90</sup> Responding to the opening in July 2006 of a Group of Eight (G-8) summit chaired by President

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<sup>86</sup> *Sunday Telegraph*, March 14, 2004, p. 25; *New York Times*, April 21, 2004, p. 1; *Financial Times*, August 24, 2004.

<sup>87</sup> Freedom House, *Nations in Transit 2006*; Council on Foreign Relations, March 2006.

<sup>88</sup> *Imitation Russia*, *The American Interest*, November-December 2006.

<sup>89</sup> Beat Kernan, *East European Quarterly*, March 2004, pp. 85-107; Nadia Diuk, *Journal of Politics*, July 2004; *CEDR*, August 4, 2006, Doc. No. FEA-26003.

<sup>90</sup> John Edwards, Jack Kemp, and Stephen Sestanovich, *Russia's Wrong Direction: What the United States Can and Should Do*, Task Force on Russia, Council on Foreign Relations, March 2006, p. 21.

Putin, former vice presidential candidates Jack Kemp and John Edwards (co-heads of the task force) urged the G-8 leaders to push for democratization in Russia. They argued that “a more democratic Russia [would] be forcefully engaged in efforts to end Iran’s nuclear weapons ambitions ... would not play host to Hamas ... would not work to kick the United States out of vital bases in Central Asia ... would not be using energy as political leverage ... [and] would not be supporting autocrats in Belarus or undermining democrats in Georgia and Ukraine.”<sup>91</sup>

Analysts who blame lagging democratization in part on the Soviet legacy point to the high percentage of Russian officials that are holdovers from the Soviet period or received training in Soviet-era organizational methods. These officials have feared democratization and have worked to substantially undermine it, according to this view.<sup>92</sup> Russian sociologist Olga Kryshtanovskaya argues that these holdover officials have relied on ideologically-kindred security, police, and military personnel (the so-called *siloviki* or “strong ones”) to retain power, and have elevated them to many posts. She asserts that about 60% of Putin’s top advisors are *siloviki*, about 20% of the Duma, and over 30% of government officials. Researcher Mikhail Tsypkin has reported that about one-third of the deputy ministers in the government are *siloviki* who continue to be paid by their agencies. At the regional level, even if security officials do not hold governorships, many hold deputy governorships, Kryshtanovskaya alleges. The *siloviki* are attuned to order and obedience to authority and view pluralism and free markets as chaotic, Kryshtanovskaya warns, and they will work to ensure that they remain in power following the upcoming 2007-2008 cycle of Duma and presidential elections.<sup>93</sup> Tsypkin has speculated that the Federal Security Service is in charge of voting machines and computerized vote-counting in Russia, giving the *siloviki* final control over election results.<sup>94</sup>

Another proposed reason for authoritarian tendencies is that ageless cultural factors predispose Russians to seek a *vozhd* (strong leader), and that Russians are not ready for democracy.<sup>95</sup> But some observers, while recognizing the influence of culture, also stress that political leaders such as Gorbachev, Yeltsin, and Putin may bolster or hinder democratization. For instance, U.S. scholar James Billington suggests that under Putin, Russia may be moving toward “some original Russian variant of a corporatist state ruled by a dictator, adorned with Slavophile rhetoric, and

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<sup>91</sup> “We Need to be Tough with Russia,” *International Herald Tribune*, July 12, 2006.

<sup>92</sup> Jonathan Riggs and Peter Schraeder, *Demokratizatsiya*, Spring 2004, pp. 265-293; Emil Pain, *Demokratizatsiya*, Spring 2001, pp. 182-92.

<sup>93</sup> Vitaliy Yaroshevskiy interview, *Novaya Gazeta*, August 30-September 1, 2004. Some observers have warned that the *siloviki* increasingly influence state finances and the media. See Jamestown Foundation, *The NIS Observed: an Analytical Review*, June 24, 2004.

<sup>94</sup> *Journal of Democracy*, July 2006, pp. 72-86.

<sup>95</sup> One pollster argues that even though many Russians think they should participate in local affairs, they think that they have no influence on politics so do not participate in this realm, except perhaps to vote. *CEDR*, August 4, 2006, Doc. No. FEA-26003.



representing, in effect, fascism with a friendly face,” that he hopes will only be a temporary interlude.<sup>96</sup>

Authoritarianism might deepen in the political system if the reported rise in xenophobia and ultra-nationalism among the population is reflected in greater support for political candidates espousing such sentiments in the 2007-2008 cycle of Duma and presidential elections. Although appearing to support such sentiments in some cases, the Putin administration has seemed intent to channel and constrain them by manipulating political party and group formation and activities and by enacting legislation banning parties and candidates from espousing “extremist” views. Some observers warn, however, that newly elected deputies and a new president might support policies that are xenophobic and ultra-nationalist, particularly since countervailing influence by civil society advocates of democratization and human rights has been constrained by recent laws.

**Democratic Progress?** Some analysts urge patience in assessing Russia’s fitful progress toward democracy, and argue that a stable pluralism sooner or later will be established. They point to democracy analyst Robert Dahl’s suggestion that it may take new democracies around twenty years, or about a generation, to mature enough to resist backsliding.<sup>97</sup> They argue that a robust civil society will emerge as cultural predispositions favoring all-powerful leaders change. Analyst Christopher Marsh has argued that despite the authoritarian legacy of a thousand years of tsarist and communist party rule in Russia, some cultural aspirations for democracy have developed and form a basis for further democratization.<sup>98</sup> While many observers acknowledge that moves by the Putin administration to raise barriers to political participation can reinforce a political culture of passivity, they point to the popular “color revolutions” in Georgia and Ukraine as evidence that this vicious circle can be broken. These analysts suggest that as the civil society matures, prompted by the growth of the middle class, Russians will rewrite the constitution and otherwise restructure their political system to create a more democratic balance of power.<sup>99</sup>

Those researchers who maintain that Putin is essentially committed to democratization argue that the term “managed democracy” exaggerates the degree to which he has been able to dominate politics. Although civil society is underdeveloped, some regions remain authoritarian, and the Kremlin intervenes in elections, “the overall trend is still probably toward democracy,” according to analyst Richard Sakwa. Although the numbers of *siloviki* in top political posts have greatly

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<sup>96</sup> Graeme Gill, *Perspectives on European Politics and Society*, Vol. 3, No. 2, 2002; James H. Billington, *Russia in Search of Itself*, Woodrow Wilson Center, 2004.

<sup>97</sup> *Democracy and Its Critics*, New Haven, CT: Yale University Press, 1989, p. 315.

<sup>98</sup> *Making Russian Democracy Work*, Lewiston, New York: Edwin Meilen Press, 2000. See also Senate Foreign Relations Committee. Hearing on Russia: Back to the Future? *Testimony by Dmitri Trenin*, Moscow Carnegie Center, June 29, 2006.

<sup>99</sup> Paul Goble, “Window on Eurasia: 1993 Constitution Blamed for Russia’s Leadership Problems,” in *Johnson’s Russia List*, August 24, 2006; Yevgeniy Gontmakher, “Freedom of the Wheel — Russian Middle Class Moving Into Civil Action Phase,” *CEDR*, May 25, 2006, Doc. No. CEP-318002; Steven Fish, *Journal of Democracy*, January 2006.

increased during the Putin era, Sakwa has argued that they do not appear to make policy in the economic, foreign policy, or regional realms.<sup>100</sup>

According to some critics, the Putin government's early 2005 replacement of many social benefits in kind (mainly free rides on public transportation, but later including medicine, rent, and utility subsidies) by cash subsidies demonstrated that democratic institutions had not fully functioned. Instead of a democratic process that involved soliciting public input, the government and legislature too hastily enacted the monetization reforms, these critics allege. The monetization reforms caused large-scale protests not seen in Russia in several years, because the cash payments fell short of the former in-kind benefits. Putin's popularity dipped briefly for the first time below the 50% range. The Putin government resisted overturning the monetization reforms but postponed eliminating some in-kind benefits and greatly boosted budgetary funding for cash payments. In January 2005, Putin partly justified the elimination of direct gubernatorial elections by blaming the sitting regional governments for the problems with the monetization reforms. The "constructive opposition" Motherland Party demanded the resignations of "liberal ministers" and a moratorium on the monetization reforms. The United Russia Party faction in the Duma blamed the central ministries and regional governments for problems with the monetization reforms and continued this mostly successful tactic of deflecting blame during regional and local electoral contests in 2005-2007.

Protests by many pensioners, war veterans, students, and disabled persons about the monetization reforms galvanized opposition political parties, which moved quickly to abet protests and appeared to gain at least temporary popular support. Some college students and other youth became involved in the protests and set up new groups, viewed by some observers as encouraging aspects of future civil society development.<sup>101</sup>

**A Chaotic Interlude?** Some observers have warned that Russia could have a period of political uncertainty in 2007-2008 and perhaps beyond if President Putin does not run for re-election. They argue that the current political system bears Putin's personal stamp and lacks strong independent, legitimate institutions. Many officials are now appointed rather than elected and are concerned about their fate under a new president. These officials appear to belong to several bureaucratic factions. They may vie for influence during the 2007-2008 election cycle and beyond, resulting in stalemated political and economic affairs. Putin might seek continuity of government by following former President Yeltsin's example of appointing a premier and then resigning from office. This premier would constitutionally become the acting president and be poised as the Putin-favored front-runner in a presidential election. These observers argue that after a possibly chaotic

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<sup>100</sup> Richard Sakwa, *RFE/RL Russian Political Weekly*, July 7, 2004.

<sup>101</sup> Tim Murphy, *Los Angeles Times*, January 31, 2005, p. A1. CEDR, "Analysis: Russian Intellectuals Say Civil Society Growing," August 4, 2006, Doc. No. FEA-26003.

period of political succession, a more stable system of managed democracy, authoritarianism, or democratization might emerge.<sup>102</sup>

## Implications for U.S. Interests

### U.S.-Russia Relations

Successive U.S. administrations have argued that the United States has “overriding interests” in cooperating with Russia on critical national security priorities, including the Global War on Terror, the threat of weapons of mass destruction, and the future of NATO. They also have agreed that the United States has “a compelling national interest” in seeing Russia consolidate its transition to democracy and free markets. Such a Russia would provide a powerful example and force for democratization and stability in the rest of Eurasia, would expand U.S. opportunities for trade and investment, and would enhance Russia’s ties with the Euro-Atlantic community.<sup>103</sup>

At least until the last cycle of elections in 2003-2004, the Bush Administration has viewed Russia as having made some progress in democratization. However, the Administration has criticized threats to the process such as state control over media, Khodorkovskiy’s arrest, and pressure on NGOs. While the Administration has been critical of Russia’s human rights abuses in Chechnya, it also tentatively has supported Russia’s efforts to hold elections and a constitutional referendum there (but also has criticized the campaigns and outcomes as not free and fair).<sup>104</sup>

Reflecting a positive assessment before the 2003-2004 cycle of Russian elections, President Bush at the September 2003 Camp David summit stated that “I respect President Putin’s vision for Russia: a country at peace within its borders, with its neighbors, and with the world, a country in which democracy and freedom and rule of law thrive.”<sup>105</sup> In the wake of the 2003 Duma election, however, former Secretary of State Colin Powell was more critical, writing in the Russian newspaper *Izvestia* in January 2004 that “Russia’s democratic system seems not yet to have found the essential balance among the ... branches of government. Political power is not yet fully tethered to law. Key aspects of civil society ... have not yet sustained

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<sup>102</sup> Mikhail Rostovsky, No Matter Who Becomes the Next President, Russia is in Trouble, *Moskovskii komsomolets*, August 15, 2006.

<sup>103</sup> Office of the Secretary of State. *Congressional Budget Justification for Foreign Operations, FY2005*, February 10, 2004; U.S. Agency for International Development (USAID). *Budget Justification to the Congress, FY2004*, Annex III, p. 355.

<sup>104</sup> *Congressional Budget Justification for Foreign Operations, FY2005*. USAID. *Budget Justification to the Congress, FY2005*, Annex III, p. 361. Assistant Secretary of State Lorne Craner, remarks, National Endowment for Democracy, June 10, 2004. Craner acknowledged that Russia had made progress in democratization, but that the “pace seems to be slowing.”

<sup>105</sup> The White House. Office of the Press Secretary. *Remarks by the President and Russian President Putin in Press Availability, Camp David*. September 27, 2003.

an independent presence.” He also raised “concerns” about Russian actions in Chechnya and in former Soviet republics, and warned that “without basic principles shared in common,” U.S.-Russian ties “will not achieve [their] potential.”<sup>106</sup> President Bush, however, still appeared to stress Putin’s democratic potential during a June 2004 G-8 meeting, hailing “my friend Vladimir Putin” as “a strong leader who cares deeply about the people of his country,” although he reportedly also raised concerns about media freedom in Russia.<sup>107</sup>

Putin’s announcement on September 13, 2004, that he would launch a government re-organization heightened concerns by the U.S. Administration and others that Russia’s democratization might be threatened. Although supporting Putin’s goal of enhancing anti-terrorism efforts, then-Secretary Powell the next day raised concerns that Russia was “pulling back on some ... democratic reforms” and emphasized that there must be a “proper balance” between anti-terrorism efforts and democracy.<sup>108</sup> Dispensing with Putin’s earlier apparent subtlety, Lavrov retorted that the re-organization was an internal affair and that the United States should not try to impose its “model” of democracy on other countries.<sup>109</sup> Russia’s efforts in late 2004 to interfere in Ukraine’s presidential election raised additional Administration concerns about Putin’s commitment to democratization at home and in other Soviet successor states.<sup>110</sup>

Despite these concerns, the Administration has stressed that it must maintain a balance between advocating democratization and U.S.-Russia cooperation on anti-terrorism, non-proliferation, energy, and other strategic issues. In testimony at her confirmation hearing in January 2005, Secretary of State-designate Condoleezza Rice reiterated this policy to “work closely with Russia on common problems,” while at the same time to “continue to press the case for democracy and ... to make clear that the protection of democracy in Russia is vital to the future of U.S.-Russia relations.”<sup>111</sup>

Perhaps illustrative of this approach, before a planned summit meeting with President Putin in late February 2005, President Bush stressed that “for Russia to

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<sup>106</sup> *Izvestia*, January 26, 2004. The next day, however, former Secretary Powell seemed to soften this criticism by affirming that “what we have seen over the last fifteen years is a remarkable transformation [in Russia] to a democratic system.... So I am not concerned about Russia returning to the old days.... [T]he United States views Russia as a friend and a partner and wants to be helpful.” U.S. Department of State. *Interview With Vladimir Varfalomeyev, Ekho Moskvyy Radio*, January 27, 2004.

<sup>107</sup> The White House. Press Release. *Remarks by the President and President Putin of Russia in Photo Opportunity*, June 8, 2004.

<sup>108</sup> U.S. Department of State. Washington File. Interview by Arshad Mohammed and Saul Hudson of Reuters [With] Secretary Colin L. Powell, September 14, 2004.

<sup>109</sup> *RIA Novosti*, September 15, 2004.

<sup>110</sup> For details, see CRS Report RL32691, *Ukraine’s Political Crisis and U.S. Policy Issues*, by Steven Woehrel.

<sup>111</sup> U.S. Senate. Committee on Foreign Relations. *Opening Remarks by Secretary of State-designate Dr. Condoleezza Rice*, January 18, 2005.

make progress as a European nation, the Russian government must renew a commitment to democracy and the rule of law.... We must always remind Russia [that we] stand for a free press, a vital opposition, the sharing of power, and the rule of law.”<sup>112</sup> At the summit, the status of democratization in Russia appeared to be a major issue of contention, but President Bush emphasized continued cooperation with Russia on nonproliferation and anti-terrorism. He reported that he had told Putin that “strong countries are built by developing strong democracies” and had raised concerns with Putin about the rule of law, minority rights, and viable political debate. President Putin countered that Russia’s media were free and that the new method of selecting regional governors was akin to the U.S. electoral college. He emphasized that Russia’s democracy would be attuned to “our history and our traditions” but would nonetheless be akin to those in other “modern, civilized” societies. At the same time, he seemed to qualify this assurance by stressing that democratization should not interfere with the creation of a strong Russian government and economy. President Bush in turn hailed this declaration of what he termed Putin’s “absolute support for democracy in Russia.”<sup>113</sup>

Advocates of such a balanced U.S. response argue that the United States has economic and security interests in continued engagement with Russia. The Task Force on Russia has argued that “on a number of issues — Iran, energy, HIV/AIDS, and preventing terrorists from acquiring weapons of mass destruction — Russia’s cooperation is seen as central to promoting American interests.” Although U.S.-Russia cooperation has been “disappointing” on many issues, according to the Task Force, “selective cooperation” should still be pursued where possible. U.S. economic interests include diversified sources of energy. Russia’s capabilities to provide oil and liquified natural gas to U.S. markets are growing, and proposed Russian shipping from arctic ports would be quicker and more secure than shipments from the Middle East, according to some experts.<sup>114</sup> Some observers more generally urge a U.S.-Russia relationship like that between the United States and China, where the United States advocates democratization but nonetheless maintains close economic ties that may “mak[e] China richer and eventually freer.”<sup>115</sup>

Some observers have discerned a greater Administration recognition in recent months that authoritarianism is deepening in Russia. Vice President Dick Cheney reflected this perhaps less hopeful view in May 2006 when he stated that Russia’s “government has unfairly and improperly restricted the rights of her people” and that such restrictions “could begin to affect relations with other countries.” He called for Russia to “return to democratic reform.” He also stated that “no legitimate interest

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<sup>112</sup> Transcript of Bush Remarks in Belgium, *Associated Press*, February 21, 2005.

<sup>113</sup> The White House. Office of the Press Secretary. *President and President Putin Discuss Strong U.S.-Russian Partnership*, February 24, 2005. Some observers criticized President Bush’s public statements at the summit. Soft on Mr. Putin, *The Washington Post*, February 26, 2005.

<sup>114</sup> CNBC broadcast, *Russia*, October 20, 2004. The White House. *National Energy Policy*, May 17, 2001; *National Security Strategy of the United States of America*, April 29, 2003.

<sup>115</sup> David Ignatius, *Washington Post*, September 17, 2004. Council on Foreign Relations, March 2006, p. xi.

is served when oil and gas become tools of intimidation or blackmail.... And no one can justify actions that undermine the territorial integrity of a neighbor, or interfere with democratic movements.”<sup>116</sup> In his May 2006 State of the Federation address, President Putin appeared to respond to Vice President Cheney by criticizing those who follow “stereotypical bloc-based thought patterns” of the Cold War. He also obliquely stated that “comrade wolf knows whom to eat. He is eating and listening to no one.... Where does all the rhetoric on the need to fight for human rights and democracy go to when it comes to ... one’s own interests? It turns out that everything is permitted.” President Bush was reticent in his public statements about the status of democracy in Russia when he attended the Moscow G-8 Summit in Moscow in July 2006, in line with his declared plan not to publicly “scold” Putin.<sup>117</sup>

As Russia prepares for the upcoming 2007-2008 cycle of Duma and presidential elections, the U.S. Administration has urged the Russian government to affirm its commitment to democratization.

Several U.S. allies have become increasingly concerned about democratization trends in Russia.<sup>118</sup> After Putin’s Beslan proposals, EU Commissioner Chris Patten warned that the Russian government should not try the failed policy of combating terrorism by centralizing power. PACE in January 2005 adopted a resolution stating that it appeared that the Putin government’s arrest of Khodorkovskiy “goes beyond the mere pursuit of criminal justice, to include such elements as to weaken an outspoken political opponent, to intimidate other wealthy individuals and to regain control of strategic economic assets.”<sup>119</sup> In the wake of Russia’s cutoff of gas shipments to Ukraine in January 2006, German Chancellor Angela Merkel visited Russia in April 2006 and reportedly voiced serious concerns about democratization trends in Russia. EU concerns about democratization were reflected in several documents and decisions, including a May 2006 decision at an EU-Russia summit to launch negotiations on a new EU-Russia Agreement that recognizes “common values such as democracy, human rights and the rule of law” and covers energy cooperation. At a European Parliament session in December 2006, European Commission President José Manuel Barroso called for a united EU stance vis-a-vis Russia on respect for human rights.<sup>120</sup> Some advocates of a united Euro-Atlantic stance have called for enhancing the electoral monitoring activities of the European

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<sup>116</sup> Office of the Vice President. *Vice President’s Remarks at the 2006 Vilnius Conference*, May 4, 2006.

<sup>117</sup> *Deutsche Welle* (English), July 13, 2006.

<sup>118</sup> According to the Task Force on Russia, “because the authoritarian trend in Russia is such a broad one, and because it intersects with negative trends in Russian foreign policy, American and European assessments are converging.” Council on Foreign Relations, March 2006, p. 36.

<sup>119</sup> PACE. Resolution 1418, approved January 25, 2005.

<sup>120</sup> European Parliament, *Press Release*, December 18, 2006. Some human rights advocates had claimed that their concerns were soft-pedaled by EU representatives at a November 2006 EU-Russia summit. *Inter Press Service*, November 30, 2006.

Network of Election Monitoring Organizations, the OSCE, and Russian democracy NGOs.<sup>121</sup> (See also below, *Congressional Concerns*.)

## U.S. Democratization Assistance

U.S. democratization assistance historically has accounted for less than 10 percent of all U.S. funding for Russia. Most aid to Russia supports security programs (in particular, Comprehensive Threat Reduction initiatives to help secure and eliminate WMD), and economic reform efforts. Democratization aid has included technical advice to parties and electoral boards, grants to NGOs, advice on legal and judicial reforms (such as creating trial by jury and revising criminal codes), training for journalists, advice on local governance, and exchanges and training that familiarize Russian civilian and military officials and others about democratic institutions and processes. Most aid has shifted over the years from government-to-government programs to support for local grass-roots civil society programs, particularly aid to NGOs.

**Table 3. U.S. Democratization Aid to Russia**  
(million dollars)

Budgeted FY1992-FY2005 <sup>a</sup> (Freedom Support Act and Agency funding)	Budgeted FY2005 <sup>b</sup> (Freedom Support Act and Agency funding)	Estimated FY2006 <sup>c</sup> (Freedom Support Act and Agency funding)	Requested FY2007 <sup>a</sup> (Function 150 funding) <sup>e</sup>
1,097.67	62.95	45.2	29.78
7.9% <sup>d</sup>	6.3%	4.8%	46.6%

- Data received from Office of the Coordinator of U.S. Assistance to Europe and Eurasia, U.S. Department of State.
- U.S. Department of State. Office of the Coordinator of U.S. Assistance to Europe and Eurasia. *U.S. Government Assistance to and Cooperative Activities with Eurasia*, January 2006.
- U.S. Department of State. Bureau of European and Eurasian Affairs. Fact Sheet: U.S. Assistance to Russia FY2006, May 11, 2006. Mid-year estimate.
- Democratization assistance as a percentage of funding for Russia.
- Includes Freedom Support Act, Child Survival, International Military Education and Training (IMET), and Non-proliferation, Anti-Terrorism, Demining, and Related Programs (NADR) funding requests.

**FY2004 Budget and Democratization Aid.** In its FY2004 budget request, the Administration called for substantially less FREEDOM Support Act aid to Russia, “in recognition of the progress Russia already has made” in transforming itself into a free market democracy integrated into global political and economic institutions. The budget request averred that Russia would be “graduated” over the next few years from receiving FREEDOM Support Act aid, with ebbing aid dedicated mainly to ensuring “a legacy of sustainable institutions to support civil

<sup>121</sup> European Commission. *Press Release: European Commission Approves Terms for Negotiating New EU — Russia Agreement*, IP/06/910, July 3, 2006; Council on Foreign Relations, March 2006, p. 62. For an argument that Europe is too accommodating toward Russia, see Crumbling Before Putin, *The Washington Post*, June 19, 2006, p. 21.

society and democratic institutions.” FY2004 aid was planned to support NGOs, independent media, and exchanges at the grassroots level to foster ethnic and religious tolerance, civic education, and media freedom. However, most FREEDOM Support Act and other Function 150 aid to Russia was focused on non-proliferation and cooperation in the Global War on Terror. Congress disagreed with the Administration’s level of support for democratization and increased the amount of aid earmarked for Russia (see also below).

**FY2005 Budget and Democratization Aid.** In its FY2005 budget request and factsheet on aid to Russia, the Administration averred that it was placing greater emphasis on support for democratization than the year before, stating that “given Russia’s strategic importance, the United States has a compelling national interest in seeing Russia complete a successful transition to market-based democracy.” The Administration stressed that this emphasis reflected concerns that limits on media freedom, the manipulation of elections, abuses in Chechnya, increased control over the regions, and seeming political prosecutions had “called into question the depth of Russia’s commitment” to democratize. The FY2005 assistance focused on supporting independent media, NGOs, local governance, free and fair elections, and government accountability. Additionally, assistance supported regional television stations, radio, and print media, training for young people and political leaders, training for journalists, and partnership work between Russian and American judges and attorneys.

**FY2006 Budget and Democratization Aid.** In its FY2006 budget request and factsheet on aid to Russia, the Administration stated that democracy support would continue “despite concerns about Russia backsliding on human rights and democratization.” It raised concerns about changes in legislative election laws and the elimination of direct elections of governors, government pressure on the media, legislation signed into law in January 2006 that “could severely hinder the work of NGOs,” and continuing human rights abuses in Chechnya and elsewhere in the North Caucasus. U.S. assistance programs continued to focus on supporting civil society, independent media, the rule of law, respect for human rights, free and fair elections, and government accountability. An emphasis was placed on expanding cooperation between NGOs and regional governors and mayors in designing and making budgetary decisions on social programs.

**FY2007 Budget and Democratization Aid.** In its FY2007 budget request for aid for Russia, the Administration argued that despite its “near-term” concerns about rising corruption, an over-centralization of power, and “assertiveness in its own neighborhood,” it retained a “deep stake” in encouraging the emergence of a “stable, democratic country with a market-based economy” that is fully integrated with global institutions and cooperates in combating terrorism and the spread of WMD. Concerns were raised that during 2005, the Russian government gained more control over free expression on national television, exerted more pressure on NGOs, continued to commit abuses in Chechnya, and carried out possible political prosecutions. U.S. democracy aid is planned for electoral training in the run-up to Duma and presidential elections and on programs to strengthen civil society, media, and democratic institutions “as a necessary check on the power of the central government.”



## Member Concerns in the 107th-109th Congresses

Major congressional concerns with democratic progress in Russia have included passage of the Russian Democracy Act of 2002, signed into law on October 23, 2002 (H.R. 2121; P.L. 107-246). The law stated that a Russia that was integrated into the global order as a free-market democracy would be less confrontational and would cooperate with the United States, making the success of democracy in Russia a U.S. national security interest. It warned, however, that further liberalization in Russia appeared uncertain without further assistance, necessitating a “far-reaching” U.S. aid strategy. The “sense of the Congress” was that the U.S. government should engage with Russia to strengthen democracy and promote fair and honest business practices, open legal systems, freedom of religion, and respect for human rights. Among other provisions, the law amended the Foreign Assistance Act of 1961 by adding language stressing support for independent media, NGOs, parties, legal associations, and grass-roots organizations. Responding to the passage of the act, the Russian Foreign Ministry criticized it for underestimating Russia’s reform accomplishments and for presuming to teach democratization to Russia.<sup>122</sup>

Actions in the 108<sup>th</sup> Congress regarding democratization trends in Russia included S.Res. 258 (Lugar; approved by the Senate on December 9, 2003), which expressed concern about Khodorkovskiy’s arrest. Following the arrest, Representatives Tom Lantos and Christopher Cox established a Congressional Russia Democracy Caucus to highlight concerns about the decline of freedom of the media, property rights, and other violations of the rule of law in Russia. Other bills included S.Con.Res. 85 (McCain; introduced on November 21, 2003) and H.Con.Res. 336 (Lantos; approved by the House International Relations Committee on March 31, 2004) that recommended that Russia be denied participation in G-8 sessions until it made progress in democratization.<sup>123</sup>

Growing concerns in the 108<sup>th</sup> and 109<sup>th</sup> Congresses about democratization trends in Russia have been evident in deliberations over foreign assistance and have contributed to funding levels for Freedom Support Act aid for Russia that have been higher than the President’s requests.

- Conference managers on H.R. 2673 (Consolidated Appropriations, including foreign operations for FY2004; P.L. 108-199; signed into law on January 23, 2004) stated that they were “gravely concerned with the deterioration and systematic dismantling of democracy and the rule of law” in Russia. Calling for not less than \$94 million in Freedom Support Act aid for Russia, \$21 million above the request, the conferees (H.Rept.108-401) “expect[ed] a significant portion of these [added] funds to be used to support democracy and rule of law programs in Russia.”

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<sup>122</sup> *Associated Press*, November 4, 2002.

<sup>123</sup> *Congressional Record*, November 21, 2003, p. S15400.

- In H.Rept. 108-599 on H.R. 4818, foreign operations appropriations for FY2005, the Appropriations Committee raised concerns about risks to democracy and human rights in some Soviet successor states, “particularly in Russia, Ukraine, and Belarus,” and urged the Administration “to commit a greater proportion of the resources appropriated ... to support for democracy and human rights NGOs.” The Committee also requested a report from the Coordinator for Assistance to Europe and Eurasia on plans to bolster democracy building. Conference managers (H.Rept. 108-792), requested that of the \$90 million in Freedom Support Act aid provided for assistance for Russia, \$10.5 million above the Administration request, \$3.5 million be made available to the National Endowment for Democracy (NED) for democracy and human rights programs in Russia, including political party development (signed into law on December 8, 2004; P.L. 108-447).
- In S.Rept. 109-96, on the Senate version of H.R. 3057, foreign operations appropriations for FY2006, the Appropriations Committee warned that “an authoritarian Russia presents a growing danger” to nearby countries and that “offsetting this threat” should be a U.S. priority. They stated that “significant resources” are required to support democracy building efforts in Russia and urged the Administration “to increase the budget request for these purposes in subsequent fiscal years.” They called for more support for political process programming in Russia and continued support for programs to strengthen the rule of law in Russia. Conference managers (H.Rept. 109-265) requested that, of the \$80 million in Freedom Support Act aid provided for assistance for Russia, \$32 million above the Administration request, \$4 million be made available to NED for political party development in Russia (signed into law on November 14, 2005, P.L. 109-102).

**Other Debate.** Putin’s Beslan proposals triggered debate in the 108<sup>th</sup> Congress about possible U.S. responses. In introducing H.Res. 760, condemning terrorist attacks against Russia, Representative Edward Royce stated that while setbacks to democratization in Russia are of concern, the United States and Russia face critical terrorist threats.<sup>124</sup> Senator McCain criticized Putin’s proposals as an excuse to “consolidate autocratic rule.” He characterized Putin’s rule as a “long string of anti-democratic actions,” and urged that the United States “make known our fierce opposition” to anti-democratic moves that will rebound to less Russian cooperation with the United States.<sup>125</sup> Representative Curt Weldon the next day warned that punishing Russia in response to democratization lapses would be the “worst step” the United States could take, because it would only boost authoritarianism there. Instead, he called for developing closer economic and security relations with Russia, so that

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<sup>124</sup> *Congressional Record*, September 13, 2004, p. H7011.

<sup>125</sup> *Congressional Record*, September 21, 2004, p. S9420.

President Bush would have leverage to convince Putin to “allow democracy to survive, to grow, and prosper.”<sup>126</sup>

Senators McCain and Joseph Biden joined over 100 prominent Western officials and experts in signing a September 28, 2004, letter to NATO and EU leaders that warned that Putin’s Beslan proposals “bring Russia a step closer to authoritarianism.” They also stated that Putin was reverting to the “rhetoric of militarism and empire” in foreign policy. Putin’s policies, they concluded, jeopardize partnership between Russia and NATO and EU democracies. They urged Western leaders to change strategy toward Russia by “unambiguously” supporting democratic groups in Russia and perhaps reducing ties with the Putin government.<sup>127</sup>

In the 109<sup>th</sup> Congress, trends in Russian democratization were a concern during the hearing and floor debate on the confirmation of Secretary of State-designate Condoleezza Rice. Many Members appeared to endorse Senator Dianne Feinstein’s view that Rice’s expertise on Russia would prove useful in responding to a more authoritarian Putin government.<sup>128</sup> Senator Joseph Biden criticized the Bush Administration for advocating democratization in the Middle East while “being silent” about declining democratization in Russia. He stated that the Administration had received little in return for “silence” on this issue, not even Russia’s cooperation in dismantling WMD.<sup>129</sup> At the hearing, Senator Lincoln Chafee asked Rice why the United States maintained close ties with some authoritarian countries and not with others, and she responded that “some of this is a matter of trend lines,” but that “the concentration of power in the Kremlin ... is a real problem [and] is something to be deeply concerned about, and we will speak out.” She also stated that “while we confront the governments that are engaged in nondemocratic activities, we also have to help the development of civil society in opposition,” and suggested that more such support was needed in Russia.<sup>130</sup>

Congressional concerns about the suitability of Russia as a member of the G-8 had been raised in S.Con.Res. 95 and H.Con.Res. 336 in late 2003-early 2004 (mentioned above) in the 108<sup>th</sup> Congress, and a follow-on resolution, S.Con.Res. 14, was introduced on February 17, 2005, in the 109<sup>th</sup> Congress. In the House, a similar resolution, H.Con.Res. 143, was introduced by Representative Christopher Cox on May 3, 2005. The resolutions expressed the sense of Congress that the President and the Secretary of State should work with other democratic members of the G-8 to suspend Russia’s participation in the G-8 until it adheres to “the norms and standards of free, democratic societies as generally practiced by every other member nation of the G-8.” Senator Lieberman explained that the resolution was inspired by President

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<sup>126</sup> *Congressional Record*, September 22, 2004, pp. H7430-H7436.

<sup>127</sup> *Washington Post*, September 29, 2004, p. A21; October 2, 2004, p. A20; *Novaya gazeta*, October 4, 2004, p. 13.

<sup>128</sup> *Congressional Record*, January 25, 2005, p. S411.

<sup>129</sup> *Congressional Record*, January 26, 2005, p. S518.

<sup>130</sup> *Transcript*, Federal Document Clearing House, January 18, 2005.

Putin's efforts to undermine democracy in Russia and that it was a show of U.S. support for democrats in Russia.<sup>131</sup>

The Congressional Helsinki Commission co-chairs reacted to Khodorkovskiy's sentencing in early 2005 with a statement that it appeared to be politically motivated and was a selective prosecution that harmed Russia's legal system. The Commission also held a briefing on the implications of the "Yukos affair" on democratization and privatization in Russia in July 2005. Opening the hearing, Co-chair Christopher Smith stated that Khodorkovskiy's trial was reminiscent of Soviet show trials and indicated Russia's "indifference or hostility to the rule of law." S.Res. 322, introduced by Senator Biden and approved on November 18, 2005, expressed the sense of the Senate that Russia's imprisonment of Khodorkovskiy and his associate Platon Lebedev were politically motivated and violated the rule of law and Russia's international human rights commitments.<sup>132</sup>

Strong misgivings about the late 2005 Duma bill restricting the rights of NGOs were registered in a letter from the Congressional Helsinki Commission to the Duma in November 2005 and in H.Con.Res. 312 (introduced by Representative Henry Hyde and approved on December 14, 2005) and S.Res. 339 (introduced by Senator McCain and approved on December 16, 2005). The letter and resolutions called on the bill to be withdrawn or rewritten so that it did not severely restrict the activities of domestic and foreign NGOs in Russia. In the House, Representative Christopher Smith warned that the Duma bill especially targeted NGOs dealing with democracy and human rights for "invasive" government financial and other monitoring.<sup>133</sup>

Concerns in the 109<sup>th</sup> Congress arising out of Russia's cutoff of gas supplies to Ukraine were reflected partly in the introduction of S. 2435, the Energy Diplomacy and Security Act, by Senator Lugar in March 2006. The bill called for enhanced U.S. energy diplomacy with energy exporters in support of U.S. national security.<sup>134</sup> At a hearing on Russian energy and politics held by the Senate Foreign Relations Committee in June 2006, Senator Lugar stated that "the United States must engage with Russia on energy security and send a clear and strong message promoting principles of transparency, rule of law, and sustainability. Efforts under the current U.S.-Russia energy dialogue ... should be expanded and fully supported [to sustain] the long-term mutual interests shared by both countries in stable energy markets." At the hearing, Senator Biden stated that "my hope for Russia is that it become a respected, prosperous and democratic state" but that "the current policies of President Putin's government work against these goals [and may] condemn Russia to a future of weakness and instability, and deny Russia its rightful place as a great power." He called for the Bush Administration to coordinate a strong call for Russian

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<sup>131</sup> U.S. Congress. Commission on Security and Cooperation in Europe (Helsinki Commission). *Briefing: The "Yukos Affair" and its Implications for Politics and Business in Russia*, July 13, 2005; *Congressional Record*, February 17, 2005, pp. S1685-S1686; February 28, 2005, p. S1792.

<sup>132</sup> *Congressional Record*, November 18, 2006, pp. S13396, S13410.

<sup>133</sup> *Congressional Record*, December 14, 2005, pp. H11621-H11624.

<sup>134</sup> *Congressional Record*, March 16, 2006, pp. S2326-S2327.

democratization at the July 2006 G-8 meeting, to urge NATO to provide Georgia and Ukraine with Membership Action Plans by the end of the year, and to support NGOs and civil society groups in Russia.<sup>135</sup>

Marking long-standing congressional concerns about religious freedom in Russia, Representative Christopher Smith introduced H.Con.Res. 190, which was approved on March 14, 2006. The resolution raised concerns that the rights of minority religious groups in Russia were being increasingly threatened and called on Russia as a member of the OSCE and the chair of the G-8 to uphold “basic, internationally recognized and accepted standards to protect peaceful religious practice.” In support of the resolution, Representative Tom Lantos warned that the limited democratic “achievements of the past decade are being reversed” in Russia and called on the other members of the G-8 to warn Russia that it faces suspension from the group unless it re-embraces democratization and respect for human rights.<sup>136</sup>

Continuing congressional concerns about the suitability of Russia as a member of the G-8 were raised by Senator Biden on July 14, 2006, with the introduction of S.Res. 530. As approved the same day, the resolution called on President Bush and other leaders to impress upon President Putin at the G-8 summit (which was due to convene the next day) that his government’s “anti-democratic” policies are incompatible with G-8 membership and that his government should guarantee “the full range of civil and political rights to its citizens.”<sup>137</sup>

## Issues for the 110<sup>th</sup> Congress

### How Significant is Democratization in Russia to U.S. Interests?

Successive administrations and Congresses generally have agreed that a democratic Russia would be a U.S. friend or ally rather than a strategic security threat. They have viewed political developments in Russia as a vital U.S. interest because of Russia’s capabilities, including its geographical size (including its extensive borders with Europe, Asia, and Central Eurasia), educated population, natural resources, arms industries, and strategic nuclear weapons. A democratic Russia that is integrated into global free-markets could cooperate with the United States on a range of economic, political, and security issues, rather than use its capabilities for hostile confrontation, in this view. At the same time, setbacks to democratization in Russia have led successive U.S. administrations to argue that the

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<sup>135</sup> Senate Foreign Relations Committee. Hearing on Russia: Back to the Future? June 29, 2006.

<sup>136</sup> *Congressional Record*, March 14, 2006, pp. H888-H890.

<sup>137</sup> *Congressional Record*, July 14, 2006, pp. S7563-S7564.

United States should remain engaged with Russia to cooperate on international and security issues and to urge it to democratize.<sup>138</sup>

Many observers argue that there has been a close relationship between domestic and foreign policy in Russia, so U.S. policy-makers must try to encourage pluralism and discourage authoritarianism. They maintain that when the Soviet Union (of which Russia was a part) was communist, it opposed the West, and as it began to democratize, its foreign policy became more accommodationist. These observers argue that a prospective Russian dictator would need to rely on the military and security forces to maintain power. These forces have lagged the most in adopting democratic values and continue to favor anti-American foreign policies that, if implemented, would threaten U.S. national security interests.<sup>139</sup> Such policies conceivably might include a hostile nuclear strategic posture, stepped-up proliferation of arms and WMD technologies to governments or groups unfriendly to the United States, and neo-imperialist moves to threaten Europe and to re-impose authoritarian, pro-Moscow regimes in the former Soviet republics.<sup>140</sup>

Other observers stress that Russia's cooperation with the United States in the Global War on Terror is a critical U.S. security interest, while the issue of democratization in Russia is of lower priority and if necessary, must be de-emphasized. They assert that Putin, regardless of his political orientation, has been at least somewhat effective in combating terrorist activities in Chechnya and elsewhere in Russia and safeguarding WMD and infrastructure from falling into terrorist hands. A post-Putin leadership in Russia, they argue, would continue these policies, since they accord with Russia's security interests.<sup>141</sup>

In the 110<sup>th</sup> Congress, S. 198 (Nunn) has appeared to reflect some of these assessments. In introducing the bill on September 8, 2007, Senator Sam Nunn stressed that "the proliferation of WMD is the number one national security threat facing the United States today." He argued that "it is in U.S. interests to eliminate and secure weapons and materials of mass destruction," rather than spend substantial time to decide whether Russia and other prospective recipients of Comprehensive Threat Reduction assistance are satisfying various conditions, including respect for

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<sup>138</sup> Michael McFaul, *Los Angeles Times*, February 2, 2003. See also nnnn

<sup>139</sup> Colton and McFaul, pp. 225-229; Strobe Talbott, *Financial Times*, September 27, 2004; Gordon Hahn, Andrew Kuchins, and Janusz Bagaiski comments in Peter Lavelle, *UPI*, October 15, 2004. Stephen Blank, *Demokratizatsiya*, Spring 2003.

<sup>140</sup> On Russia's attempts to influence the Ukrainian election, see Jackson Diehl, *Washington Post*, October 25, 2004, p. A19; Mark MacKinnon, *Globe and Mail*, August 17, 2004; Fredo Arias-King, *Demokratizatsiya*, Winter 2004, pp. 9-12.

<sup>141</sup> Some of the members of the Council on Foreign Relations task force viewed increased U.S. support for Russia's democratization as unnecessarily impeding U.S.-Russian cooperation on U.S. strategic interests. Council on Foreign Relations, March 2006, views of Walter B. Slocombe, joined by Robert D. Blackwill and Dov S. Zakheim; and the view of Richard Burt, pp. 72-74. Dan Simpson, *Pittsburgh Post-Gazette*, October 6, 2004. Analyst Dale Herspring argued that "we have bigger fish to fry now," than freedom of the press in U.S.-Russian relations, namely "the war on terrorism." Comments in Peter Lavelle, *UPI*, October 15, 2004.

human rights. In the case that conditions are not met, waivers are exercised after lengthy delays, he argued, and these delays harm U.S. interests in combating WMD. The conditions also provide no effective leverage on Russian behavior, he stated.<sup>142</sup>

## **How Much Can the United States Do to Support Democratization in Russia, and What Types of Support are Appropriate?**

Many observers have maintained that U.S. democratization aid to Russia will at best be effective at the margins, given limited funding and the large scope of the challenge. Those who advocate ending such aid point out that the Russian government increasingly regards it only as interference in its internal affairs, so the aid actually reduces U.S. leverage to encourage Russia to cooperate in the Global War on Terror and other issues. They also maintain that civil society should be able to stand on its own resources, given Russia's recent economic growth.<sup>143</sup> U.S. diplomatic and public expressions of disapproval about Putin's Beslan proposals and actions such as the Chechnya conflict are likewise counterproductive, they assert, because they are regarded by Putin as offensive and reduce U.S. credibility. Instead, the United States should work with Russia only when solicited to foster democratization in Chechnya and elsewhere in Russia.<sup>144</sup>

Others reject the view that U.S. democratization aid can only be of marginal effectiveness in Russia. They argue that some of the assistance has proven beneficial, and that there would be much more of a positive effect if the aid were increased. These observers suggest that such aid will serve U.S. interests because Russia will ultimately become a more cooperative partner to the West. They warn against any reduction of such aid at the present time, because Russia's civil society is too fragile to stand on its own in the face of threats from the Russian government. These observers claim that U.S. diplomatic and public expressions of concern to Russia about its democratic policies should be matched by an active U.S. democratization aid effort. In particular, they urge stepped-up democratization aid as Russia prepares for a Duma election in late 2007 and an election to choose a new president in early 2008.<sup>145</sup> They stress that the United States, as the world's oldest democracy and sole superpower, has a responsibility to urge Russia to continue to democratize. They have maintained that such a stance is in line with the Administration's objective of fostering democracy and respect for human rights in the Middle East and elsewhere in the world.<sup>146</sup>

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<sup>142</sup> *Congressional Record*, January 8, 2007, pp. S237-S238.

<sup>143</sup> Dmitri Simes, commentary, *PBS Newshour*, September 14, 2004.

<sup>144</sup> Vlad Sobell, commentary in Peter Lavelle, *UPI*, October 15, 2004.

<sup>145</sup> Council on Foreign Relations, March 2006, p. 7; James Goldgeier and Michael McFaul, *Power and Purpose: U.S. Policy Toward Russia*, Washington, D.C.: Brookings Institution Press, 2003; Graham Allison, Mark Brzezinski and Toby T. Gati, *Moscow Times*, June 16, 2004.

<sup>146</sup> *Washington Post*, September 15, 2004, pp. A17-A18, A24. The newspaper editorialized (continued...)

Some observers dismiss the view that the United States has little leverage to encourage democratization in Russia. They agree with other analysts that the U.S. advocacy of democratization should not be permitted to endanger cooperation with Russia on critical national security issues, but see a role for minor U.S. threats and sanctions against Russia for civil and human rights abuses. Russia has a large stake in its major ongoing and potential exports of energy and other resources to the United States and the West, they argue, providing the West with major potential economic leverage to encourage democratization in Russia.<sup>147</sup>

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<sup>146</sup> (...continued)

that while his democratic proclivities might not have been clear in 2000 when he was first elected president, now it was apparent that Putin is a “dictator.” It also stated that the Beslan proposals should have “galvanized” Administration condemnation.

<sup>147</sup> Gordon Hahn, commentary in Peter Lavelle, *UPI*, October 15, 2004.