



# RUSSIA WATCH



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Analysis and Commentary

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## Russian Parties are Inching Forward



For more than seventy years, “party politics” in Russia involved one party—the Communist Party of the Soviet Union. The past decade of Russia’s transition has witnessed an explosion of political movements,

organizations, and parties competing for space in the elections game and seeking the staying power to become democratic Russia’s party of power. Russia’s political party structure remains severely flawed. When viewed incrementally, rather than cumulatively, however, the political party glass is more full than empty.

Critics of Russian political party building often fail to stop and consider the yardstick they are applying. Is the appropriate yardstick how far Russia has come since the days of the Soviet Union? Or is it how far short Russia falls from the standards of established democracies? It is easy to forget that Russia’s political parties are only in the nascent stages of development. As Henry Hale points out on p. 5, the current Russian system resembles the early stages of American political party development more closely than we usually acknowledge. Early American leaders encountered many of the same challenges in vying for political control that Russian party builders confront today. In fact, Russia has accomplished more in its first decade of party building than the United States did during its first four decades.

The fact that after seventy years of Communism Russians have embraced the “democratic presumption”—acknowledging open and competitive elections as the legitimate way to determine who governs—is extraordinary (Graham Allison, “The ‘Democratic Presumption’ is Taking Hold in Russia,” *Boston Globe*, December 21, 1999). Also remarkable, as Nikolai Petrov explains on p. 17, is that the evolution of political parties since 1993 demonstrates that they have become a permanent part of the democratic process in Russia.

Progress in Russia’s political party development over the last decade is clear if not complete or satisfactory. Over three sets of Duma and presidential elections, some party organizations and players have disappeared, while others have survived. With several parties and candidates

making repeat appearances in elections, citizens have had greater opportunities to familiarize themselves with the parties’ ideologies and views, decreasing the distance between parties and the electorate. Democratic elections now have a history in Russia, and with this history, the benefit of cumulative experience for both candidates and voters.



Much remains to be done before Russian (*cont. p. 3*)

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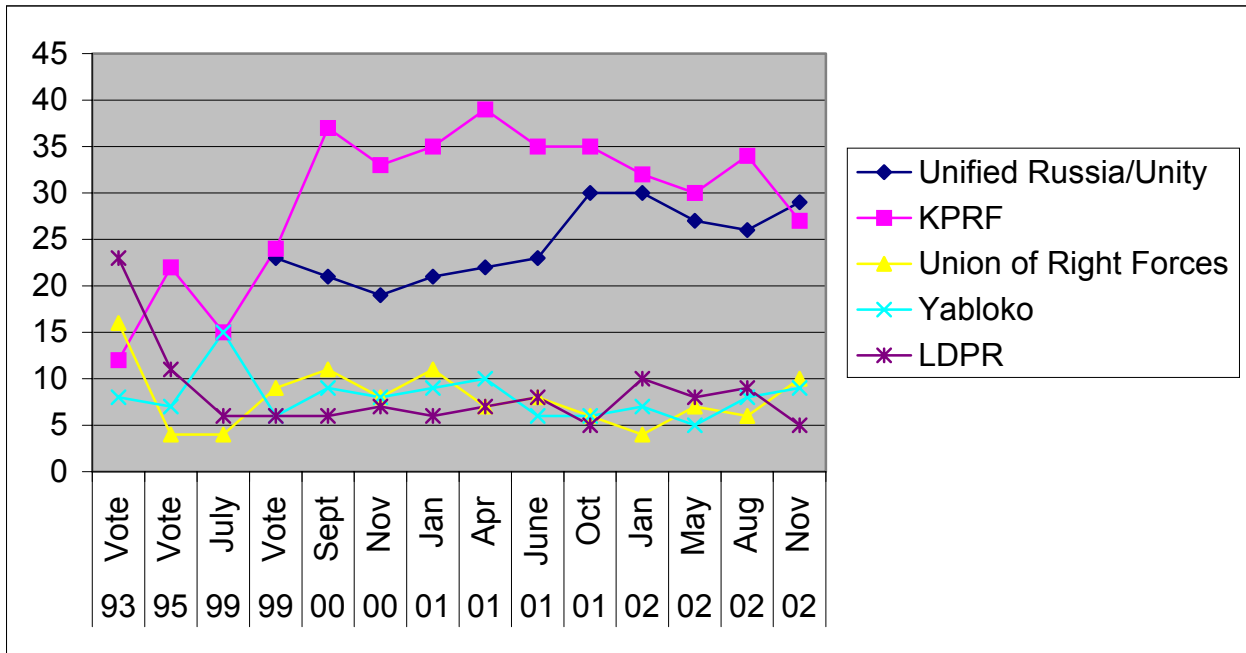
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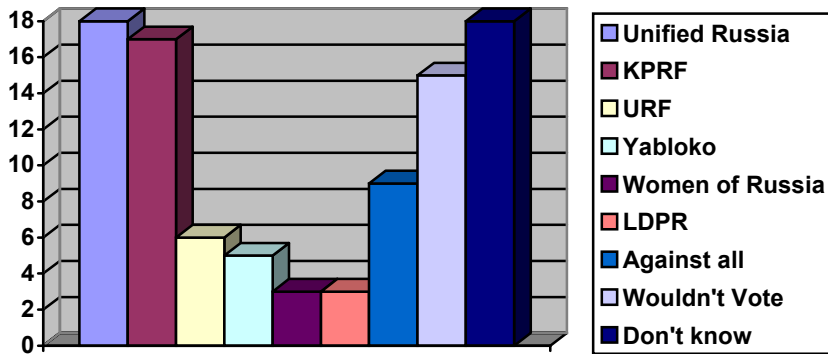
## **Graph of Political Party Support 1993-2002**



The reported survey results come from the All-Russian Center for the Study of Public Opinion (VTsIOM). Election results are from Russia's Central Electoral Commission, as reported on the website <http://www.citiline.ru8080/politika/vybory/vybory.html>. Union of Right Forces figures prior to the 1999 vote refer to parties led by Yegor Gaidar.

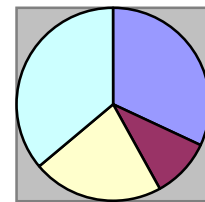
## **What the Polls Say**

Question: For which of the following parties or movements would you be most likely to vote if the elections to the State Duma were next Sunday?



Source: All-Russian Center for Public Opinion Research (VTsIOM). Nationwide survey of 1600 respondents, November 22-26, 2002.

Question: In the single member district ballot, did you vote for a) a candidate supported by the same party as the one you voted for on the party list ballot, b) a candidate supported by another party, c) an independent?



Source: New Russia Barometer IX, fieldwork survey of 1600 respondents April 14-18, 2002.

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(cont. from p. 1) political parties will play their proper role in a democratic system. One frequent criticism of Russian political parties is that they function only as loosely connected associations formed for the sole purpose of electing party leaders to office. In this same vein, another criticism is that most parties are only reflections of their main leaders and lack fundamental uniting principles. The influence of financial-industrial groups—which Sergei Kolmakov argues have become the most important players in the Russian political arena (p. 15)—has also contributed to negative perceptions of the political party process. As a result, it has become increasingly difficult to disassociate the concept of political parties from corruption.

Bridging the gap between the interests of Russian political party leaders and the people is the crucial step that Russian parties must take in order to increase their strength within the electorate, as organizations, and within the government. Secretary of the Central Committee of the Communist Party of the Russian Federation Viktor Peshkov acknowledges that even his party—which arguably has the most consistently loyal following of any in Russia—needs to do more to reach out to the electorate, noting that the Communists have not succeeded at mobilizing their full electoral potential (p. 10).

One of the main challenges all Russian parties encounter in building support among the electorate is the Russian population’s distrust in party politics. As Alexander Domrin notes on p. 14, since Russian citizens do not trust political parties, they do not believe that their involvement in “party activities” can effect change. As a result, party-building and party politics still remain within the realm of Russian elites.

Despite these obstacles, Russian political parties have made incremental progress, especially within the State Duma. Certain parties have demonstrated that they have staying power beyond the elections and are making use of the party structure to develop policy. As Congressman Curt Weldon has observed as leader of the Duma-Congress Study Group, the activity of political parties in the State

Duma provides a telling example of how far Russian political parties have come (p. 18).

Russian party leaders themselves have a variety of opinions as to the health of the party system in Russia. State Duma Deputy Yury Medvedev, a member of the Unified Russia Party, asserts that as a result of Unified Russia’s ability to forge a solid centrist bloc in the legislature, the current Duma has accomplished more real reforms in its brief history than have all of the previous Dumas combined (p. 8).

Yabloko leader Grigory Yavlinsky articulates an opposing view on p. 12. According to Yavlinsky, Russia’s current political system is a “managed democracy,” in which democratic procedures exist in theory, but are actually manipulated to suit the needs of the Kremlin. As a result, Yavlinsky maintains, the State Duma has become a puppet for the executive office, rather than an equal voice within the division of democratic governing powers.

Even if Yavlinsky is right, this does not mean that Russian political parties are doomed to playing puppet to the president forever. While Russia has struggled with its democratic development over the past decade, we have also seen older “managed democracies” in Japan and Mexico move beyond de facto one-party rule during this same period.

In fact, in considering future possibilities for Russia’s political party development, we should take a closer look at the imperfections in the political party systems of established democracies, which we have held up as examples for transitioning democracies. The increase in support for nationalist parties across Western Europe and America’s struggle for campaign finance reform are only two examples of the problems in political party systems with a much longer institutional history. We might find that Russia is only a few feet—rather than miles—behind these established standards. If the past several years are any indication, Russia’s political parties will continue pushing forward in the fits and starts by which Russia is increasingly becoming a democratic country. The glass is beginning to look more full. • —Danielle Lussier

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## ***Law on Political Parties***

Signed into law by Russian President Vladimir Putin in July 2001

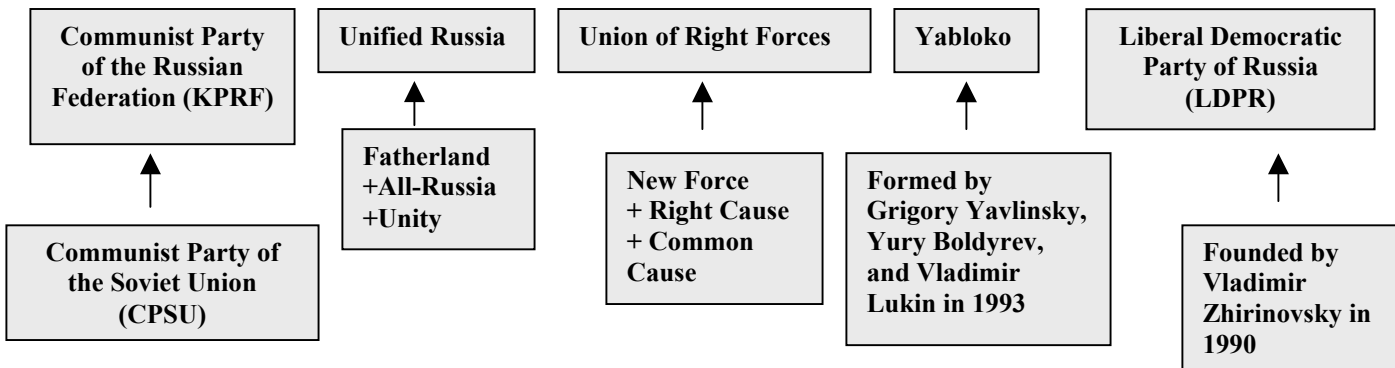
### *Key points:*

- A political party must have regional branches in more than half of the 89 regions of the Russian Federation.
- A political party must have at least 10,000 party members nationwide, and its regional branches in more than half of the regions of the Russian Federation must have at least 100 party members.
- Top government officials are prohibited from working in the executive bodies of political parties.
- A political party is the only type of public organization entitled to nominate candidates for elective offices.
- Federal funding is provided to political parties for campaign and election expenditures.
- Political parties clearing the five percent barrier in the most recent Duma elections can directly nominate a candidate for president without collecting signatures. Other parties can still nominate a candidate, but must collect two million signatures in support of the nomination (double the previous level needed for nomination).
- The creation of political parties on a professional, racial, national, or religious basis is not allowed.
- The president of the Russian Federation may suspend his political party membership during his term in office.

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## ***History of Primary Russian Political Parties***



### ***How the Duma is Elected***

The 450-member Duma is elected every four years through a mixed system of majority and proportional votes:

- Half of the seats (225) are elected in single mandate districts distributed according to population across Russia's 89 regions. Moscow City boasts the greatest representation with 15 seats, complemented by another 11 seats in the surrounding Moscow Oblast, while 38 regions are represented by one seat each.
- The remaining 225 seats are determined by proportional representation, in which votes are cast for a specific political party, which has submitted its own list of candidates. Each party that receives more than 5 percent\* of the popular vote will be allocated a proportional number of seats in the Duma.

The next Duma elections will be in December 2003 and will be the first elections held under the new Law on Political Parties. According to this law, political parties are the only organizations that may compete in the elections.

*\*Amendments to the Law on Election of Deputies to the State Duma recently passed by the Duma—if signed into law—will raise the barrier to 7 percent starting in the 2007 election.*

### ***How the President is Elected***

The President of the Russian Federation is directly elected by popular vote. The winning candidate must receive 50 percent of the vote. The Law on Presidential Elections provides for two rounds of voting if no one candidate receives a majority of the vote in the first round. In 1991 and 2000, the President of the Russian Federation was elected in one round (1991—Boris Yeltsin, 57 percent; 2000—Vladimir Putin, 53 percent).

The State Duma is currently considering amendments to the Law on Presidential Elections. The proposed amendments, which were introduced by Russian President Vladimir Putin, are in part meant to bring the law in accordance with the Law on Political Parties. According to the proposed amendments:

- Political parties represented in the Duma may directly nominate candidates for president by holding a party congress.
- Political parties and organizations not represented in the Duma may nominate candidates but must collect 2 million signatures. These signatures must come from at least 40 regions of the Russian Federation since no more than 50,000 signatures can come from any one region.
- Candidates nominated directly by the people rather than by a political party must first gather the support of 500 voters, and, once the Central Electoral Commission approves the nomination, the candidate must then collect 2 million signatures.

The President of the Russian Federation serves a four-year term and is limited to two terms.

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# ***Bazaar Politics: Prospects for Parties in Russia***

by **Henry Hale**

*Henry Hale is Assistant Professor of Political Science at Indiana University.*

Russia's political party system appears to be stalled halfway up the hill, democratization along with it. While a few parties have staked out important territory, the "kings of the mountain" remain the presidential administration, regional political machines, and politicized financial-industrial groups. Such unruliness may seem exotic to American eyes, but the United States went through a similar phase of political development, during which state and city bosses reigned supreme and many territories were effectively "company towns." It took a visionary and a war hero to set America on the path to a strong two-party system.

Why has Russia failed to follow a similar path? While major party leaders must themselves accept a share of responsibility, the blame lies mostly with the Kremlin. So does Russia's best hope for a "partisan" future.

## **Russia's Political Marketplace**

The "political marketplace" in Russia feels much like that country's lively bazaars. In one cluster, a group of political parties have established visible niches for themselves. The largest—the Communist Party—owes its strength to party attachments forged during Soviet times and can count on at least 20 percent of the vote in any national election. Several post-Soviet parties have also elbowed their way into prominence. Grigory Yavlinsky's liberal Yabloko Party and Vladimir Zhirinovskiy's nationalist Liberal Democratic Party of Russia (LDPR), along with the Communists, have cleared the five-percent barrier in all three elections to the Duma. The party associated with former Prime Minister Yegor Gaidar (the Union of Right Forces) even accomplished the important feat of "returning" to the Duma in 1999 after its predecessor organizations had failed to make the five-percent minimum in 1995. Each of these parties has cultivated a distinctive ideological appeal and commands the loyalty of core parts of the Russian citizenry.

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## **The biggest "party substitute" has been the Kremlin itself.**

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Among these organizations, however, only the Communist Party has broken into the ranks of what might be called "major parties," as the Graph on Political Party Support 1993-2002 (p. 2) clearly illustrates. Likewise, Table 1 demonstrates that political parties have had great difficulty establishing a presence in government organs other than the half of the Duma specifically reserved for them.

**Table 1: Party Penetration of Organs of State Power**

Number of Russian presidents who were members of parties while in office 1991-2000:	0
Share of major-party-nominees among candidates elected to the Duma through single-seat districts in 1999:	47%
Share of governors who have run for reelection as major party nominees, 1995-2000:	3%
Average share of regional legislature members elected as party nominees 1995-2000:	12%

Who, then, occupies the rest of the space in Russia's political bazaar? Without parties to structure the competition, virtually any organization that controls political or financial resources can apply its assets directly to electoral politics. Regional politics tend to be the preserve of powerful political machines, crafted by governors like Bashkortostan's Murtaza Rakhimov who took advantage of the privatization and "democratization" processes to render virtually all major local players dependent on them in ways that might even have made Chicago's former Mayor Richard Daley blush. In addition, nationwide financial-industrial groups not only sponsor, but also actively recruit and manage their own candidates for office. Most visibly, the fall 2002 Krasnoyarsk gubernatorial election pitted a man sponsored by the nickel industry (Alexander Khloponin) against a man backed by the aluminum companies (Alexander Uss), with hardly a peep heard from political parties other than the Communists, whose candidate finished third. In regions like Bashkortostan and Krasnoyarsk, therefore, these "party substitutes" have squeezed parties almost totally out of the picture.

Of course, the biggest "party substitute" has been the Kremlin itself. None of its occupants since the Soviet Union collapsed have accepted membership in any political party. Kremlin structures have sponsored the creation of a whole series of political parties, only to disown them after the election cycle for which they were created. This was the fate of Gaidar's Russia's Choice after 1993 and former Prime Minister Viktor Chernomyrdin's Our Home is Russia after 1995-96. The Unified Russia Party, created under the aegis of the Kremlin to back Russian President Vladimir Putin, may face a similar fate.

While this form of "bazaar politics" may seem quite alien to the contemporary American eye, this kind of system existed immediately following America's independence. Founding Fathers like Thomas Jefferson and Alexander Hamilton actually believed that parties were an evil that should be avoided, forming them only as a last resort in the struggle to shape the emerging country. These first American parties, however, remained primarily coalitions of elites with little in the way of grass-roots

organization. As late as 1827, state and city politics were dominated by local political machines that considered themselves loyal to no party and that tightly controlled regional politics. Throughout the nineteenth century, many areas were in effect “company towns”—the political preserves of giant companies (such as railroads) that dominated local economies and hence, people’s livelihoods.

### **The Polity Rots From the Top**

Expansive federal politics clearly face great difficulties in building strong parties. This is especially true when they adopt electoral rules that allow candidates to run as independents, as is the case for presidential, gubernatorial, most local legislative, and half of the Duma elections in Russia. Nevertheless, some large federal countries have managed to create parties despite these obstacles. Not only America fits this bill, but India as well. While neither of these countries have required candidates for their most important offices to run as partisans, parties developed and effectively “closed out” the electoral market.

The American example illustrates how this can happen, as is elegantly described by American politics specialist John Aldrich in his book *Why Parties?* In short, the U.S. party system was built not by beating the political machines, but by joining them. The party that united them and became America’s first mass party, the Democratic Party, offered them three things: (1) A non-controversial and vague ideology that stressed state autonomy; (2) A popular “nonpolitical” candidate likely to win the presidency (war hero Andrew Jackson); and (3) A promise to share the lucrative “spoils of office” once the party gained control of the presidency. The chief organizer of this effort had to be someone with something to offer—in this case, it proved to be Martin Van Buren, the New York senator who could promise the backing of the largest state in the union at the time. This party then won its first contest in 1828 and is still going strong over 170 years later.

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## **The U.S. party system was built not by beating the political machines, but by joining them.**

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Is such an outcome possible in today’s Russia? Despite the vastly different context, one finds a strikingly familiar pattern of events during the prelude to the Duma election in 1999. Fittingly, it was Moscow’s Yury Luzhkov, boss of Russia’s largest and most visible region, who sought to become that country’s Van Buren. Like Van Buren, he offered powerful governors: (1) a non-controversial platform that left regional leaders with a great deal of autonomy; (2) the leadership of Russia’s most popular politician at the time, former Prime Minister Yevgeny Primakov; and (3) what was considered at the time to be a very good chance of capturing the presidency, with all of the material benefits that would presumably flow from this office, although Luzhkov was careful to avoid language that might suggest corruption.

The fate of Fatherland-All Russia clearly illustrates one of the central problems of party-building in Russia. Russian politicians have the incentive to build parties. By now, thanks in small part to the efforts of organizations like Harvard’s Strengthening Democratic Institutions Project, but mostly thanks to Russians themselves, they also know what they need to do in order to build strong parties. The chief problem facing Russian parties now appears to be the presidency itself, although individual presidents and party leaders must also accept a share of the blame.

Since the inception of the Russian presidency in June 1991, the occupants of this office have repeatedly thwarted efforts to form strong political parties. The 1999 example is only the most dramatic. Through a systematic negative campaign and the gross manipulation of state-controlled media, allies of Boris Yeltsin and his administration’s chosen successor effectively destroyed Luzhkov and Primakov’s attempts to become focal points for the convergence of governors into a robust, nationwide, mass political party. Ironically, the Kremlin has even undermined efforts to build strong, autonomous parties that have been founded under its own aegis and with the sole purpose of supporting incumbent authorities. Thus while presidential allies were closely involved in forming the Unity Party, the goal was primarily to siphon votes and (more importantly) governors away from Luzhkov and Primakov. Putin himself refused to run for office as Unity’s leader, something he has still refused to do three years after the election. By refusing to meld his own reputation with the party’s, Putin has denied Unity its Andrew Jackson, putting it on much shakier ground than the early American Democratic Party. The reasoning behind the Kremlin’s actions appears to be its occupants’ fear that a truly authoritative political party, even one that started out loyal, could get out of control and ultimately threaten their own positions of power, wealth, and/or influence.

One cannot lay all blame at the doorstep of the Kremlin, however. To some extent, Russia’s party leaders themselves must accept some share of the responsibility. Luzhkov and Primakov were so sure of victory in the summer of 1999 that they had no effective plan of counterattack against a negative campaign, something for which any good strategist would have assured them was essential. Likewise, while Yavlinsky’s alliance with former Prime Minister Sergei Stepashin looked brilliant in the summer of 1999, it had effectively dissolved long before the election as the two failed to coordinate on a clear message vis-à-vis Putin’s new move into Chechnya. As a result, Yabloko failed either to capture the sizeable anti-war vote (by most counts at least 20 percent of the public) or to convince people that it was really behind military action in Chechnya. While the Union of Right Forces ran a very effective campaign to win back a significant share of Duma seats in 1999, the failure of its leaders to unify and develop an effective campaign strategy in 1993 and 1995 relegated it to the realm of “minor major parties.” Even the Communists, with their strong core of at least 20 percent of the vote, have failed to choose a leader who could credibly reach out to a potential

majority in a national election. To some degree, Russia's failure to develop strong parties reflects missed opportunities as much as Kremlin machinations or deeper structural obstacles.

### **The Prospects for Russian Parties**

While denying that the time is ripe for the president himself to become a party leader, Putin has approved or has signaled forthcoming approval for several electoral reforms designed to shape Russia's party system. One of the most important reforms will require that at least half of regional legislature seats be contested by party lists rather than by individual candidates vying to represent specific districts. Furthermore, only national parties will be allowed to compete, forcing local parties, governors' political machines, and financial-industrial groups to work with federal parties if they want representation in this part of a given region's legislature. This will certainly give local candidates and their sponsors additional incentive to work through—rather than around—parties.

Accordingly, it will give national party leaders more influence on these power-brokers' activities than they currently have (which is next to zero). Nevertheless, we should not expect that party expansion taking advantage of the new law will reflect pure party influence; expansion in most cases will require parties to accommodate local interests, power structures, and viewpoints to at least some extent. An additional cautionary note is in order: this only affects regional legislatures, which almost always play second-fiddle to the governor in any given region. Indeed, most governors will be in a good position to direct the strongest potential regional candidates to one party or other and to influence voting outcomes, retaining an important lever of influence on the national parties.

Another change will give the right of direct presidential candidate nomination to parties that gained at least five percent of the vote in the preceding Duma election. This law, however, will not prevent independents from running, although it will force them to collect a whopping two million signatures to get on the ballot.

A third change, approved in preliminary form, would raise the party-list threshold for the Duma from the current five percent to seven percent starting with the 2007 (not 2003) parliamentary election. While this may put parties like Yabloko, the Union of Right Forces, and the LDPR at risk of exclusion, only Yabloko clearly opposed the bill in the second round of voting, since the bill also included a provision that the four top parties would automatically win Duma seats even if they did not receive seven percent of the vote.

Overall, these legislative changes will probably put parties in a stronger position to attract ambitious candidates, which will help to strengthen the parties overall. The Communist Party's position will be reinforced—despite repeated predictions to the contrary, it does not appear to be going away anytime soon. Like NATO and the British Labour Party before Tony Blair, it is likely to eventually adapt its powerful organization to new circumstances, choosing a new leader and retooling its image so as to remain a major force and possibly even

capture the presidency one day. Likewise, the LDPR has also exhibited more staying power than analysts had supposed, and it also appears likely to hang onto its modest share of the vote in the foreseeable future. However, if Putin himself joined a party this could conceivably change given Putin's nationalist credentials. It is unlikely that both Yabloko and the Union of Right Forces will remain separate, strong political forces in the new environment; the two will probably eventually merge or the Union of Right Forces will join a party that Putin himself agrees to join (or some combination of the two). None of this is likely to happen before the 2003 elections, however.

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## **The chief problem facing Russian parties now appears to be the presidency itself.**

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Nevertheless, the president will still play a critical role. Under Putin's watch, the Unity Party has expanded its nationwide organization by leaps and bounds, absorbing what remained of Fatherland-All Russia to become the Unified Russia Party. Support for this party, however, is almost entirely due to its association with Putin. As long as Putin refuses to become its leader, public loyalty is also likely to remain superficial, vulnerable to collapse, or to shift suddenly should Putin retire from the political scene or transfer his public favor to a rival organization.

Many observers speculate that Putin is not solidly in Unified Russia's camp. For one thing, he continues to have close ties with networks associated with the Union of Right Forces and its 1999 campaign manager and informal leader, Unified Electrical Systems head Anatoly Chubais. A pair of key Chubais associates, Aleksei Kudrin and German Gref, occupy two of the most important ministerial posts in the country and other Union of Right Forces figures have worked closely with them. Other publicly pro-Putin figures have also launched their own party projects, which some analysts think could be angling to become Putin's *own* party of power, should he decide to sever ties with Unity, which was for the most part created for him by Yeltsin loyalists. These other potential presidential parties include Gennady Raikov's "morality"-mongering People's Party and Sergei Mironov's softer-touch Party of Life. The question facing Putin will be whether he is willing to take the risk of staking his own reputation firmly to the fate of one political party, or whether he will continue to find it in his interest (as Yeltsin did before him) to try and remain "above parties" so as to keep his options more open and to avoid the constraints that parties can bring. We now know a lot about Mr. Putin. One thing we do not yet know: will Mr. Putin be a party man? •

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### **ELECTION DATES**

Duma Election: December 21, 2003

Presidential Election: March 7, 2004

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## What the Parties Say

*Perspectives on political party development from representatives of Russia's leading parties.*

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# ***Political Organizations and the Development of Democracy in Russia***

by Yury Medvedev

*Yury Medvedev is a Member of the Russian State Duma in the Russian Regions faction and is a Member of the Unified Russia Party General Council.*



In June 2001, the Russian Federation put the Law on Political Parties into effect. The implementation of this measure drove the high-water flood of our multi-party system back to more manageable levels. The new law stimulated party building and, at the same time, regulated the process and made it more goal-oriented. This represented an important step in the development of democratic institutions and the formation of civil society.

As it currently stands, political opposition in the Russian system breaks down as follows: the opposition on the left is not constructive, and its potential to destabilize society has substantially diminished. The opposition on the right is mainly declarative in nature and has little chance of realizing its goals. Today's opposition gives little impetus for progress; their proposals are either centered on resolving tactical inner-party disputes or do not take Russia's resource limitations into account. Simply put, opposition forces criticize the powers that be, and the powers that be pay practically no attention to this criticism. However, the fact that the opposition is not leading toward a strict political polarization may not be such a bad thing in the context of the incomplete development of the political system in Russia.

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### **The opposition on the left is not constructive ... the opposition on the right has little chance of realizing its goals.**

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The main foundation of the centrist platform is their dissatisfaction with the concepts of the left and right movements. The centrists believe that the left and right have extreme views on the fundamental questions of the economic and political organization of the state and that the country's negative experience from the implementation of those ideas has led to a marked loss of trust toward the two camps. The basic values of the centrist social platform are a federal organization of Russia, strong presidential

power, national security, democracy, the development of civil society, social justice, high standards of living, a regulated market economy, and an effective state apparatus.

The Unified Russia Party, formed one year ago by the merger of the Unity and Fatherland movements, is the most prominent representative of the centrists. Although the party is relatively young, its electorate is comparable to the Communist Party of the Russian Federation (KPRF) — about 30 percent of the voters. In the State Duma, Unified Russia is represented by the Unity faction (82 votes) and the faction Fatherland-All Russia (52 votes). The party also controls part of the votes in the Russia's Regions (47 votes) and People's Deputy (55 votes) factions. This base allows the party, in many cases, to have a decisive influence on voting results in the Duma. Additionally, centrists have all of the key committees of the State Duma at their disposal and occupy leadership roles within the administrative apparatus. This distribution of power in the highest legislative organ of the country distinguishes this Duma from previous Russian parliaments. Because of this concentration, there is now an opportunity to move reforms from their dead standstill in the economic, social, and political spheres. The centrists have managed to do almost more in the last three years than has been accomplished during the entire time that the Russian parliamentary system has existed. The initiatives Unified Russia has employed include: attention to the budgetary sphere, the fight against poverty and against bureaucracy, and work with young enterprises. The task before us—to achieve a constitutional majority in the State Duma—is realistic but far from certain.

The openness of Russian society and its democratic and economic freedoms are in full accordance with international standards, accepted in those countries with long-standing democratic traditions. In Russia, however, these normative-legal reforms are like a set of clothes tailored for another person; you really do not know how to put them on, and once you do, you don't feel comfortable in them at all. In Russia's case, it can also be expressed another way: society opened all of the grand entrances for the citizens, but they continue to use only the service door in the back alley.

There are several reasons for this:

1. The initial results of the implementation of democratic mechanisms in Russia have demonstrated that the people's choice is not always successful. When you give a child a hammer, he notices right away that there are many things in the house that need breaking. Only after the child's creative process results in a pile of destruction does he experience disappointment and begin to resent the hammer. We must have skill and experience in implementing all of the instruments of democracy. Here we see the unique role of political parties in Russia as schools for democracy.
2. The prolonged negative repercussions of the political reforms and their lack of success resulted in lowered interest among the Russian electorate in active forms of political participation, as well as disillusionment in democracy and its institutions. The level of the population's trust in primary social institutions is dangerously low. One part of the population has lost faith in the process, and the other part still does not believe in the possibility of realizing their rights. This is another challenge for civil society institutions and political parties in particular: closing the gap between society and the authorities.
3. The freedoms that we considered inalienable attributes of democracy in the first outbursts of political expression are in reality very irresponsible and comparable to the idea that everything is permissible. This system led to freedom only for the strongest members of society.

In the development of civil society there are enough mechanisms to allow the weakest members of society to

unite as oppositional forces. Unfortunately, in Russian society, the various organs formed by citizens possess neither the power nor the influence to create anything resembling an institution of self-administration that would have an influence on the authorities in power. As a result, political parties in Russia form more than the connection between society and the authorities in power. They have taken on the function of the missing elements of civil society—that of institution builders in the political arena.

The main part of the population in Russia is best described as a passive, rather than an active, subject in the historical process. Too many members of society need the care and protection provided by the state. For that reason, there is a drift toward paternal politics present in all Russian political parties. The drift is not completely democratic. At this stage, however, it seems necessary.

Russian elections are characterized by an escalation of mutual accusation and scandal during the intensified fighting among various political teams and members of the elite. Everyone clearly understands how high the stakes are; if a party does not make it to the next Duma session, then it will inevitably end up on the margins of elite politics. The new election cycle holds the potential for the regulation of the political arena—which could serve to strengthen the stability of the political system in the long term, or to destabilize that system.

Even with the obvious stabilization of the political system and the absence of any visible sources of internal destabilization, it is necessary to emphasize once more that there are still many unresolved problems that remain a threat to democracy in Russia. The question is not how long political and economic stability will last. The most important question is the shape democracy will take over the long term—dynamic development or stagnation?•

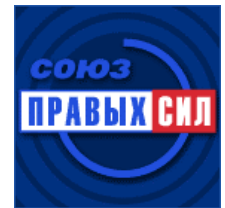
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## ***Interview with Boris Nemtsov***

*Below are excerpts from a December 7, 2002 interview aired on the Ekho Moskvi radio station.\**

*Boris Nemtsov is a Member of the Russian State Duma, Chairman of the Union of Right Forces Duma Faction, and Chairman of the Political Council of the Union of Right Forces Party.*



**Boris Nemtsov:** “The Union of Right Forces is part of the International Democratic Union, a part of a democratic global community. And in order to understand where we belong in Russia, it is necessary to understand who our international partners are—the Republican Party of the United States of America, along with the German Coalition, the Conservative Party of Great Britain, and the French party of Charles de Gaulle are members of the International Democratic Union. These are traditionally

moderate conservative parties, and I think that this is an adequate description of the Union of Right Forces.”

**B.N.:** “As far as Yabloko is concerned, a lot of our positions overlap. There are questions on which we have a distinct difference of opinion. The Yabloko Party supports government financing of political parties and we are categorically against it. Or issues of municipal economy or energy reforms, and others. We have differences of opinion, yes, but we also have similarities. For example,

we have a similar position on how to solve the crisis in Chechnya; we have a similar position on tax reform, and judicial reform. We have a similar approach to mass media and a more or less similar approach to Russian international politics. So, I would say that we have a lot of similarities, but there are differences. The biggest difference is that the Union of Right Forces is an ideological party that can be truly marketed; we are a part of large international party organizations. And Yabloko, unfortunately, is not an ideological party; it is a party of one leader, with the consequences resulting from that.”

**B.N.:** “In 1999, 5,677,273 people voted for us. We remember every one of them, love them, and hope that the number of our supporters will grow. I should tell you that generally speaking, these are educated people who understand where the party is headed. If the social demand did not exist for our party, then there would not be such a result.

The data that we have shows that we have about 20 million potential supporters.”

**B.N.:** “I can say that the Union of Right Forces is probably the most responsible party in our country. We were not afraid to take on the hardest work, we tried to bring to fruition those ideas that I spoke of in the beginning of our program. We succeeded in many things, and, of course, we have mistakes as well.

I, for example, am proud to have Yegor Gaidar on our team, a man who saved Russia from a civil war and hunger—because that is where the country stood in 1991, on the threshold of hunger and civil war. We do not remember that, but I know this for a fact, since I was then the governor of Nizhni Novgorod.”

**B.N.:** “We offered to nominate a single candidate from the democratic powers, and now, I should tell you, that out of the ten parties belonging to the Democratic Conference, eight parties have supported our initiative.”

*\*Reprinted with permission from the website of the Union of Right Forces. The full Russian text can be found on the site at [www.sps.ru](http://www.sps.ru).*

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## ***Government and Opposition in Russia: A State of Uncertainty***

**by Viktor Peshkov**

*Viktor Peshkov is a Member of the Russian State Duma in the Communist Party faction and is the Secretary of the Central Committee of the Communist Party of the Russian Federation.*



The end of the year 2002 represents a starting point for the gradual increase in movement of Russian society and its political forces towards political clashes related to the federal elections in 2003-2004. The country’s leading political institutions and parties will have to prove their viability in the face of various “political challenges” that will call into question many aspects of their public image. These images have taken root in public consciousness over the past decade and will decisively determine the future role of these institutions in modern Russian society.

**The Party of Power Crisis Has Not Yet Been Overcome.** The decline of the authority of power, characteristic of the state of Russian society for at least the past 15 years, has not been overcome—regardless of the successful replacement of Boris Yeltsin by Vladimir Putin—and is becoming more acute. Although Vladimir Putin continues to enjoy a positive standing among mass consciousness (his approval rating has peaked at 83 percent according to the All-Russian Center for Public Opinion Research (VTsIOM)), by and large this level of popularity is the president’s personal achievement.

Only 18 percent of the Russian public holds a positive view of state authority (see Graph 1). Meanwhile, a relative majority of Russian citizens (41 percent) has a very negative view of state authority, deeming it incapable of improving the situation in the country and “ensuring a normal—peaceful and secure—existence for its people.”

As has been the case in Russian society for many years, a large percentage of the population (41 percent) reserves judgment in its assessment of the state: this group does not support or condemn the prevailing state of affairs.

However, even this fragile social construction, which ensures the relative stability of the present sociopolitical system, is losing its steadiness.

The relationship of Russian citizens to the set of problems that the Communists tried to make the subject of a referendum in summer and fall 2002 is a telling example of this instability. The referendum initiative included: a ban on the purchase and sale of land (aside from personal small plots of land, dachas, homestead sections, etc.); the introduction of a price ceiling for housing, electricity, and other utilities that would not exceed 10 percent of the combined family income; raising the minimum wage and pensions to a level corresponding to the minimum cost of living; transfer of property rights on natural resources,

transportation, power engineering, metallurgy, and the military-industrial complex to the state. The government blocked this referendum. However, had the referendum taken place, 80 to 90 percent of Russian citizens would have voted in support of these measures (*Politicheskaja Sotsiologia* №6, 2002, pp. 2-3).

Hence, we see the socio-political potential for an enormous segment of Russian society placing itself in opposition to the present state authority. Mastering this potential and utilizing it for the assertion of its own values is the task that the opposition—primarily the KPRF—has so far been unable to achieve.

**KPRF a Year Before the Duma Elections**

The Communist Party has partially succeeded in establishing itself in the eyes of Russian citizens as the only truly popular party. According to polls by the Russian Center for Political Culture Research, 32 percent of the Russian population acknowledges that the Communist Party has an exceptional role among parties. This is an impressive, but not decisive, level of support.

The Russian public has more widely accepted another image of the KPRF—an image of the KPRF as a clear oppositionist party. In the view of the absolute majority of the Russians (51 percent), the terms “Communist Party” and “opposition” have effectively merged together (*Politicheskaja Sotsiologia*, №1, 2002, p. 2). Almost one out of four Russians recognizes that the KPRF has played a hegemonic role in the opposition sphere in the past (“this party has been like that in the past, but not any more”). If the Communists are going to convince this one-fourth of the electorate that their party can serve as an effective and successful opposition force, they must reestablish people’s

previous views of the KPRF as an opposition party and renew their sense of confidence.

At present, the Communist Party has not yet succeeded in making use of the electoral potential that polling results of the last few years indicate it has. The percentage of Russian voters who would never consider supporting the Communist Party in elections fell from 48 percent in 1998 to 33 percent in 2002. At the same time, the percentage of Russians who do not categorically reject the option of supporting the KPRF has increased from 14 to 42 percent (*Politicheskaja Sotsiologia*, №6, 2002, p.4).

Still, as of fall 2002, only one-fourth to one-third of Russians signaled a firm readiness to vote for the Communist Party, according to research from leading Russian polling centers (Table 1).

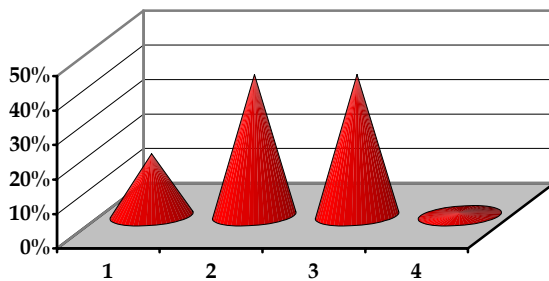
In other words, over the course of the past four years, potential support for the KPRF has increased from one-third to two-thirds of the entire Russian electorate. However, the Communist Party has so far only been able to mobilize half of this electoral base that objectively lies within its sphere of influence.

Hence, the drama of political party structure development in modern Russia will depend on the KPRF’s ability—from the beginning to the end of the approaching elections—to absorb into the field of its ideological, political, and electoral attraction the mass of voters who are both morally and psychologically ready to support the Communists, but who still hesitate to take such a step in practice. Otherwise, the current ruling authority will manage to hold on to the present construction of state power and political party forces. The governing authority has the chance to solidify this construction. However, this is not a foregone conclusion.●

**Graph 1.**

**Can the public structure and the present government in Russia ensure a normal—quiet and secure—existence for its people?**

*(Russian Center for Political Culture Research (TSIPKR). A nationwide poll, September 16-25, 2002. Random, representative, and quota-based sampling in 34 regions of the Russian Federation, 1200 respondents.)*



1. "Yes"	18%
2. "No"	41%
3. "It is still unclear"	41%
4. Other or no response	1%

**Table 1:****Electoral Support (in percentages) for the Leading Russian Parties (Based on the data of various polling services and adjusted to the number of voters with definite party preferences)**

№	Party	Foundation “Public Opinion (“Obshchestvennoye Mnenie”) July	Russian Center for Political Culture Research (TSIPKR) September	Agency for Regional Political Research September	All Russian Center for Public Opinion Research (VTsIOM) October
1	Unified Russia–Luzhkov, Shoigu, Shaimiev	38	29	39	28
2	Union of the Right Forces (URF)– Nemtsov	5	8	7	11
3	Yabloko–Yavlinsky	5	7	7	8
4	Liberal Democratic Party of Russia (LDPR) – Zhirinovskiy	7	7	7	7
5	KPRF– Zyuganov	26	32	23	31
6	The People’s Party– Raikov	0	1	0	1
7	Party “Rebirth of Russia” (Movement “Russia”)– Seleznev	0	1	0	1
8	Agrarian Party–(Lapshin)	4	1	0	1
9	People’s Patriotic Union of Russia– separate from KPRF	0	0	0	0
10	Others	1	8	0	7
11	Against all of the above	16	5	9	5

## ***Un-Managing Democracy***

**by Grigory Yavlinsky**

*Grigory Yavlinsky is a Member of the Russian State Duma, Chairman of the Yabloko Duma faction, and Chairman of the Democratic Party Yabloko.*



In spite of the many political reforms that the current power organs have pursued in Russia under the guise of democratic development, the very real result of these efforts is an attempt to create managed or controlled democracy. This is a very special system. It is a system of quasi-democracy, in which all democratic procedures exist—a democratic facade is in place, but there is no substance. This system, the system of the managed or controlled democracy, is not destroying democratic institutions. It is adjusting them to its own needs and goals. The so-called political elite effectively foists upon the country the following choice: either managed democracy or none at all.

This system of managed democracy operates for the benefit of bureaucrats and functionaries. In contemporary Russia, bureaucrats and the majority of politicians neither want nor are capable of running the country under democratic conditions; they merely want to look

respectable in the eyes of the international community. Thus, instead of democracy, they are creating a Potemkin Village of democracy, whose facade merely has a European appearance.

In reality, power is concentrated in one single center: the Kremlin. The State Duma has ceased to play any serious role and merely acts obediently on the instructions of the executive branch. The government is entirely technocratic and largely represents the interests of natural monopolies and big business, which is intertwined with the state. Federative reforms and the construction of a “vertical executive chain of command” have clearly failed. Presidential plenipotentiaries in the federal districts cannot be called key political figures, even in individual regions of their districts. In regional elections, it has become normal practice to use the dirtiest of smear tactics. The courts, the prosecutor’s office, and law enforcement agencies carry out political “orders,” and the elimination of candidates (on some technicality) on the eve of elections is

widespread. Furthermore, governors and presidents of ethnic republics who pledge loyalty to the Kremlin are not only given carte blanche to continue their arbitrary and unchecked rule, but are also permitted to run for an unconstitutional third term in office.

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## **Power is concentrated in one single center: the Kremlin.**

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A great deal depends on the actions of the democratic opposition. Yabloko represents a systemic opposition. As for domestic politics, we think that what has been done in Russia should be done differently. We disagree with the way elections were carried out, for instance, in Yakutia, the Far East, and Altai. We also disagree with the media situation, when all television broadcasting companies are alike. We disagree with the continual postponement of military reforms. We disagree with the continuation of oligarchism.

In channeling our opposition, Yabloko is building a party on new principles. We have an unprecedented system of accepting people into the party. We have abandoned Lenin's formulation that a party member should work in one of the party's "cells." We want to have it so that any person who submits an application and has not yet been rejected can be a party member. In elections for the party's leadership and for selecting a candidate for the presidential elections, we—for first time in Russia—plan to hold primaries.

As for prospective coalitions, we invite everyone. In considering the political spectrum, the right is the Union of Right Forces (URF). We are democrats. There is a difference here. We hope that we share some views and positions—we defend open society, we oppose totalitarian systems and the communist ideology, and we consider Russia to be a European state. Yet, Yabloko has different views of reforms and different approaches from those the URF has. First, we have different priorities. Yabloko sees individual rights and liberty as the first priority. Moreover, Yabloko and the Union of Right Forces have different relations with the political authorities. We are a party independent of the administration. We talk to the authorities from the position of our independence and determine the extent of compromise ourselves. Additionally, voters from our two parties are incompatible all too frequently. The fact is that 5 to 6 million voters will not want to vote for a bloc with the URF. In the 1999 State Duma elections the Union of Right Forces received votes for their support of Vladimir Putin and the war against Chechnya. That was unacceptable for Yabloko.

We have no outstanding problems with lawmaking, and we vote together with the URF. However, at the moment, Yabloko and the URF combined have fewer deputies than Yabloko itself had in the previous Duma. Nonetheless, such a coalition is sufficient for parliamentary work. We have a joint inter-factional

council, at which we resolve all issues. Nevertheless, there are laws on which we voted unlike the URF.

In fact, the law on importing nuclear waste is a telling example of how the attitude of politicians toward the people has hardly changed over the past decade. It demonstrates how deputies from Unity, Fatherland, and other factions showed that they view their presence in the Duma not as a result of elections, but as an appointment by the presidential administration, or a governor, or a mayor. Otherwise, they would certainly have paid some attention to opinion polls, which indicated that only 3.4 percent of voters would vote for any member of parliament who supported these bills ever again.

Since the presidential "coalition of four" (Unity, Fatherland-All Russia, Russia's Regions, and People's Deputies) Duma factions was formed, the parliament has been completely transformed into a puppet of the executive branch. Selective use of the law as a tool for fighting political opponents has become common practice—as well as disqualifying candidates whom the federal government does not like—immediately before the elections.

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## **Since the presidential "coalition of four" Duma factions was formed, the parliament has been completely transformed into a puppet of the executive branch.**

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In my view, it is especially dangerous that the move toward perverting democracy in Russia is receiving some support, if not justification, even from those whose views are quite democratic. Unfortunately, some democrats are also ready to make this deal; they usually call themselves pragmatists. We have seen in practice how this position can be played out—for instance, when the NTV television network was taken over. As for pragmatic transactions, in 1999, when some Russian democrats supported sending the federal forces back into Chechnya, they also believed that they were doing this temporarily, for the sake of election results. Such "pragmatism"—principles in exchange for percentage of the vote—was the beginning of many current political problems.

In such a political climate, we are able to say resolutely that Yabloko does not intend to move away from its principles—honesty, professionalism, human rights, freedom, competition in market economy, private property, and patriotism. Our core value is liberalism. Our views are derived from the belief that people are born free, and we believe that it is our task to guarantee this freedom and balance it with the state and society. We are prepared to establish a plan that will lead to a change—a principled and qualitative change of the system that has evolved. •

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## Insider Information

*Analysis of political party development in Russia by leading Russian and Western specialists.*

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# ***The Sin of Party-Building in Russia***

by Alexander Domrin

*Alexander Domrin is a Senior Associate and Head of International Programs at the Institute of Legislation and Comparative Law under the Government of the Russian Federation.*

*Each party is worse than the other.*  
Will Rogers

Fifteen years after creation of the first non-Communist proto parties (Democratic Union, “Pamyat,” etc.) and twelve years after formation of the Democratic Platform in the Communist Party of the Soviet Union that triggered the collapse of Communist hegemony in the USSR, political parties as a new social and political phenomenon in Russia are passing through an all-encompassing crisis.

The 1990s witnessed an epidemic of party-building in Russia. Several hundred parties have appeared and vanished from the Russian political arena without a trace. The existence of 199 officially registered political parties and movements as of July 2001 can be explained by several factors, but necessity is not one of these factors. In fact, many (if not most) of these parties can be considered “sofa parties” (when all of its actual members can sit on one sofa) and exist only on paper. Vitaly Tretyakov, former editor-in-chief of *Nezavisimaya Gazeta*, was absolutely correct in 2000 when he publicly questioned how many peasants Yury Chernichenko, the founder of the Peasants Party of Russia, had seen since registration of his party in 1991 (see Tretyakov’s speech at the “Ten Years of Modern Russian Parliamentarism: Results and Perspectives” roundtable (held in Moscow on May 16, 2000)). It would be appropriate to ask similar questions of many other heads of Russian “parties” and “movements.”

Votes and signatures of “dead souls” are easily bought in Russia—not only during electoral campaigns. Western observers make a common mistake when they call Galina Starovoitova a “Russian presidential candidate” in 1996. She was never registered by the Central Electoral Commission as a presidential candidate because a random examination of signatures presented by Starovoitova for her registration showed that half of them were made by the same hand. Foreign sympathisers of Starovoitova never admitted the obvious and prefer to say that she was “kept off the presidential ballot in 1996 for technical reasons.” (Harley Balzer, Johnson’s Russia List, # 2489, November 24, 1998).

It has also become a tendency for criminals and corrupt businessmen to fund fly-by-night parties that carry them into parliament and buy them the immunity from prosecution that comes with a seat in the State Duma. This happened with Sergei Mavrodi, founder of the notorious MMM pyramid scheme and chairman of the People’s

Capital Party, who was elected to the State Duma in October 1994 while being held in detention; he has since been released). Boris Berezovsky’s recent romance with the Liberal Russia Party is another example of this phenomenon: in this case, a robber baron hiding in England used a political party as a proxy tool and weapon against the Russian government. The fact that a “principal position” of “democrats” in Liberal Russia fired Berezovsky as soon as he stopped financing the party hardly improved the Russian public’s attitude towards parties in general or Liberal Russia in particular.

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## **Political parties are among the least trusted institutions in the country.**

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Indeed, numerous opinion polls show that political parties are among the least trusted institutions in the country. In 1997, six years after adoption of the first Law on Political Parties, only 1 percent of respondents in a nationwide survey declared complete trust in them, with 4 percent trusting parties “to a certain extent,” and 76 percent expressing complete distrust of political parties and movements.

Four years later, the average citizen expressed distrust of seven out of ten key institutions of Russian society, with political parties as the least trusted organizations (7 percent) and courts and the army as the most trusted institutions in the country (at 40 percent and 62 percent, respectively).

The Institute of Legislation and Comparative Law’s 2000 report, “Attitude of Population to Federal Laws and Bodies of State Power,” indicates that since 1989, Russian people’s trust in the federal legislature has shrunk from 88 percent (during the time of the USSR Supreme Soviet, which originally did not have any parliamentary factions) to 4.3 percent (at present, when the State Duma has factions representing various parties from across the whole political spectrum in the country).

A remarkable ROMIR survey, “Value Change and the Survival of Democracy in Russia (1995-2000),” indicates that 0.7 percent of respondents were members of political parties and organizations, while only 0.3 percent were “activists” in 2000. These figures are miserable enough by themselves, but they are even lower than the figures from

1995: 2 percent and 1 percent, respectively. Official statistics substantiate ROMIR's findings: today fewer than 1 million people—less than one percent of the Russian population—belong to political parties.

The recent (and much publicized) study prepared by the Information for Democracy Foundation (INDEM) shows that Russians consider political parties not only as the least trusted institutions in the country but the most corrupt institutions as well. It is difficult to argue against this perception.

The adoption of a new Law on Political Parties (signed by President Putin in July 2001) is a significant legislative measure aimed, among other things, at reducing the quantity of parties in the country. By August 2002, the number of newly registered parties did not exceed 23. However, this law has not accomplished a general sanitation of the party scene in Russia.

Party-building and party politics is still within the realm of Russian elites. As for the Russian people, they do

not trust political parties and do not believe that their involvement in “party activities” can change anything.

It is quite understandable that Western governments will continue financial support to their favorite parties in Russia (URF, Yabloko, etc.). According to the General Accounting Office, two American programs in Russia—the National Democratic Institute (NDI) and the International Republican Institute (IRI)—received \$17.4 million in USAID grants to “help reformist political parties strengthen their organizational structures and their role in elections.” (See GAO's report *Promoting Democracy: Progress Report on U.S. Democratic Development Assistance to Russia* (Washington, U.S. General Accounting Office, February 1996), p. 37). In reality Western support for Russian political parties will have little or nothing to do with “strengthening democracy in Russia” since political parties can hardly be characterized as a democratic element of today's Russian society. •

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## ***The Role of Financial Industrial Conglomerates in Russian Political Parties***

by **Sergei Kolmakov**

*Sergei Kolmakov is the Vice-President of the Foundation for the Development of Parliamentarism in Russia.*

**I**n Russia, oligarchic groups—or as they are sometimes called, financial industrial conglomerates (FICs)—have become the most important players in the Russian political arena since the mid 1990s. The most active period of the formation of FICs was connected with the sealed-bid auctions at the end of 1995 and the subsequent investment competitions.

A new stage began in the spring of 1997, ending with the August 1998 default. Boris Yeltsin's reign was a period that completely coincided with the rise of oligarchic capitalism in Russia. This is why the last year of Yeltsin's rule and the 1999 election campaigns for the State Duma placed such a severe stress on all the FICs and, as a result, put a few of them on the verge of collapse. During the bitter intra-elite battles of 1999, when a split occurred between all institutions of federal power, various FICs were forced to change their political loyalties in order to adapt to the circumstances and finance both camps—the Yelstinists and the opponents from Fatherland-All Russia (FAR).

It is easy to draw connections between the complex machinations of the oligarchic groups during 1999 with the key events of that time. Russia's oligarchic groups understood events such as the rise to power of Yevgeny Primakov's government as a result of the August 1998 default, the formation of Yury Luzhkov's Fatherland movement, and the beginning of the Yury Skuratov affair as signs of the beginning of the collapse of Yeltsin's system. The FICs that were direct components of the so-called “Family” felt the biggest threat—including the “Berezovsky Empire,” Sibneft, SIBAL, as well as Anatoly

Chubais's groups that sided with them, especially Unified Energy Systems (RAO-UES) and Alfa. The rest of the FICs adopted a wait and see attitude. The period from the resignation of the Primakov government on May 13, 1999 until the resignation of Sergei Stepashin's government on August 9, 1999 marked the further collapse of the old regime and the rise of uncertainty in the political positions of the leading FICs with their simultaneous movement to the side of the likely victors—the coalition of Primakov, Luzhkov's group, and the regional barons from All-Russia, which formed Fatherland-All Russia (FAR). This strategy was characteristic of Lukoil, primarily, and a number of other large oil companies, as well as Gazprom. At the same time there was a unification of the so-called “family groups,” whose actions—after a number of false starts—resulted in the launch of the “successor” project in August 1999. The spontaneous election campaign, which took place from August to December 1999, was unprecedented in terms of its fierceness among the Russian ruling elite, which used all of its available resources (financial, personnel, political-administrative, media, and political-technological). By the end of this period even those oligarchic groups (except the Moscow groups) that had supported FAR from the very beginning began to play on two fronts.

As a result the FICs amassed tremendous experience in influencing the Russian political process in its different manifestations: FICs appeared in their traditional role as fundraisers and sponsors of political parties, electoral blocs, and individual candidates.

At the same time FICs played the role of distinctive recruiters—suppliers of prospective candidates for the so-called territorial groups in the parties' electoral lists, and also in the single mandate districts, especially in the regions where one of the conglomerate's main ventures was based. As a rule, the largest FICs concentrated their media and political-technological resources for the services of the previously named candidates. For a complete discussion of the use of the FICs' media resources in electoral campaigns, see the appropriate tables in the appendix of S.Ya. Pappe's book *Oligarchs: An Economic Chronicle* (Moscow, 2000).

In 1999, practically all of the leading sociological centers and services, as well as the leading electronic and printed mass media were "privatized." A separate weapon in the FICs' artillery was the fact that political parties, electoral blocs, and individual candidates hired PR agencies and individual, highly qualified specialists for their personnel needs.

In relation to the pollsters, it can be proven that during the election campaign the All Russian Center for the Study of Public Opinion (VTsIOM) allied itself with Chubais's groups, the Foundation of Public Opinion (FOM) "served" the Kremlin and the "Family" oligarchic structures, the Agency of Regional Political Research (ARPI) oriented itself according to the oscillating positions of its sponsors (most of all Lukoil), and the Russian Public Opinion and Market Research (ROMIR) agency and the sociologists of Moscow State University tried to maintain a more or less objective position while fulfilling orders, including those from FAR.

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## **Financial industrial conglomerates have become the most important players in the Russian political arena since the mid 1990s.**

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President Putin added the politics of "equidistance" in relation to the oligarchic groups to his arsenal in 1999-2000 to the exclusion of the FICs from the highest levels of the political process on the federal level. The oligarchs who were the most politicized, media savvy, and opposed to the Kremlin (Boris Berezovsky and Vladimir Gusinsky) were in effect excluded from the Russian political stage by being abroad. Other leading FICs in effect turned into the "transmission belts" of the presidential administration, fulfilling its orders by supporting one or another segment of the political spectrum. For Russian experts the political map of these preferences is no real secret. It is well known that the main financial sponsors of the Unified Russia party are Gazprom, Lukoil, Sibneft, and RusAl. Fatherland was financed by Moscow financial groups, All-Russia and the Russia's Regions deputies' group were financed by Lukoil, Interros, Bashneft and Tatneft. The financial patrons of the People's Deputies group of deputies was the same—Lukoil, Surgutneftegaz, and Alfa-TNK (Tyumen Oil Company). The Union of Right Forces' (URF) traditional partners are Alfa-TNK and RAO-UES. Recently, in addition to Western foundations and the

Media-Most group (up until 2000), Yukos has become the main sponsor for Yabloko. The specific form of financing for the Communist Party of the Russian Federation (KPRF) merits a special discussion. In addition to its official sponsor—the Agricultural Union—since 1995, all the leading oligarchic groups have, in varying proportions, assisted the Communists. Information has been leaked about the sponsorship of Gazprom, Lukoil, Interros, and Yukos. This is particularly important for the FICs during the installation of needed candidates in the territories where their main enterprises are based and also, as of late, for the Kremlin's task of eliminating the negative influence of opponents such as Berezovsky on the KPRF.

In general one could say that the FICs influence on political parties is more like a partnership rather than a competition. The leadership of political parties, especially those with strong leaders (KPRF, Yabloko, the Liberal Democratic Party of Russia) do not allow the FICs direct and visible influence on the ideology and political platform and also try to minimize these groups' influence on the party's personnel policies. The influence of the FICs, particularly RAO-UES, on URF is more systemic and penetrating. It is well known that URF is the most "oligarchic" of all the modern political parties in Russia—not only because it serves the corresponding social stratum but also due to the closeness of its political and ideological positions as well as the extensive personal connections of the leaders of the largest FICs and the leaders of URF.

In 2001-2002 the oligarchic structures (business groups) significantly strengthened their control, including political control, in the regions where they are based. In certain instances one can talk of the transformation of entire subjects of the federation into distinctive estates of individual FICs. For example, in Krasnoyarsk Krai the prevailing influence is Interros-Norilsk Nickel; in Komi Republic—Lukoil; in the Chukotka Autonomous Okrug and Omsk Oblast—Sibneft; in Murmansk and Arkhangelsk Oblasts—Lukoil and Interros; in Tomsk and Samara Oblasts and parts of the Tyumen Oblast—Yukos; in the Republic of Khakasiya and Nizhnii Novgorod Oblast—Basic Element, RUSAL, etc.

It is worth noting the political role of the large, partially state-owned FICs such as Gazprom, RAO-UES, and the Railways Ministry. Such FICs specialize in the widespread funding of candidates in single mandate districts. During the 1999 State Duma campaign, Gazprom alone "carried" up to 130 candidates, with a network of services obtained through the special hiring of the political-technological firm Nicollo-M. These structures and their administrative and media resources, as a rule, are used for the interests of the party of power. In many instances it is these resources, through their presence on all territories of the country, which compensate for the weaknesses and faults of the party structure (such as that of Unified Russia). Those same goals are served by the administrative vertical powers, including individual organs of its power structures (The Ministry of Internal Affairs (MVD))—specifically passport departments, the Federal Security Bureau (FSB), the Ministry of Emergency Situations-State Guard, and the political structures of the army and navy). •

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# ***Political Parties and the Upcoming Major Elections***

by **Nikolai Petrov**

*Nikolai Petrov heads the Center for Political Geographic Research.*

When speaking of Russian political parties and their changing role in elections, experts and readers are consistently confronted with a forced change in concepts. It is not only the case that Russian political parties differ from parties in established democracies, but also that Russian political parties in 1993 and Russian political parties today demonstrate “two sizable differences.” Over the past decade, political parties in Russia have undergone a substantive evolution. In the very beginning of the 1990s they were massive social movements, born in the depths of one single system-establishing party—the Communist Party of the Soviet Union (CPSU). Later, political parties become numerous and personalized to every taste. In 1999, platform-parties appeared—allowing for bargaining between regional and federal elites. Finally, the current Unified Russia Party is an instrument to maintain and preserve a system similar to the CPSU of the Brezhnev era of stagnation.

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## **Political parties in Russia have undergone a substantive evolution.**

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### **A Share of “Party-Affiliates” at the Elections**

The share of “party-affiliates” among the people’s choice is a curious dynamic which reflects not so much the changing role of parties, but more the above mentioned scheme of their evolution. The largest share of members of parliament declaring their party affiliations was in 1989-1990—when 85 to 86 percent of the elected parliamentarians of the Union and Russian Congresses turned out to be members of the CPSU. In 1993, with the adoption of the current combined system of Duma formation, the share of party candidates elected in territorial districts fell to two-fifths. For two years, until the next elections, the parties represented in the Duma actively worked to put their structures in place, and in 1995 the share of party-candidates jumped to two-thirds. The next Duma elections in 1999 marked a break in this tendency: classic Duma parties that had divided mandates in previous Duma congresses moved into the background, giving up their place to the administrative progressive parties like Unity and Fatherland—as a result of which, the share of party-affiliates among the single-mandate parliamentarians fell to one-half. In the upcoming elections, we can expect another increase in the share of party-affiliates at the expense of Unified Russia. Party candidates will once again replace personality candidates.

It should be noted that starting with the 2007 elections “voter groups” will no longer be able to propose candidates as before, and only party candidates and individual candidates will be permitted. Characteristic of this tendency are the principle elections of this season – the presidential elections, as well as in the regional, gubernatorial and legislative assembly elections, in which the share of party-affiliates is several times lower than in the Duma elections—approximately one-fifth to one-sixth, and this tendency is evermore decreasing.

### **The Microcosim of Russian Political Parties**

The electoral preferences of Russian voters and the results shown by political parties at different elections are similar to a kaleidoscope: the proportions between the fragments of the major colors are generally maintained without major changes, while the designs and configurations are always different. A couple of elections in 1993 and 1995 demonstrated, as it turned out, a relative stability in the established party system. The year 1999 showed frailty and the relative nature of this “stability.”

It was assumed that the new Law on Political Parties, adopted in July 2001, would significantly thin out the party groups, establishing a barrier to smaller parties (with less than 10,000 members) and non-federal parties (branches of which are presented in less than half of Russia’s republics). In practice, however, this did not happen, and by December—that is a couple of weeks before the December 21, 2002 official closing of the registration for parties to be allowed to participate in the 2003 State Duma elections—the Ministry of Justice had registered 43 parties, including an entire group of “dwarf-parties” as well as “virtual-parties” with known, half-forgotten and unknown leaders.

To create an empty party to keep “under lock and key” is not cheap, but not that expensive either, costing at least \$50,000-100,000. Who would need this? New projects for political parties, many of whom are actively supported by the Kremlin, can be categorized into two types: The first are duplicator-parties, called to act as *spoilers* – to distract part of the electorate from famous brands: Vyacheslav Igrunov’s Union of People for Education and Science (UPES) is meant to lure the electorate from Yabloko; Gennady Seleznev’s Russian Renaissance Party, S. Atroshenko’s Pensioners’ Party, part of the Russian Federation People’s Party, and several others lure the electorate from the Communist Party of the Russian Federation (KPRF); Liberal Russia lures votes from the Union of Right Forces (URF). They are based on the ambitions of individual politicians, wanting Russia-wide fame, and elite groups, seeking to build their political

weight and influence. Many of them will not reach their own election, playing out their role earlier—in the political bargaining phase between the major players, as a bargaining chip and a potential threat. The second type comprises of “dead souls”-parties. They will be either sold at a profit, or pawned—used as collateral for money or places in election entry lists—which also has a financial equivalent, and other material benefits.

In the run-offs in the first Duma elections in 1993, 13 electoral confederacies participated—8 of them overcame the 5 percent barrier. In 1995, there were 43 finalists: 25 electoral confederacies and 18 blocs; 4 made it to the Duma. In 1999, out of 26 participants, only 6 made it to the Duma. In 2003, according to the predictions of the Central Electoral Committee Chairman, Alexander Veshnyakov, from approximately 30 participating parties, no more than five will overcome the 5 percent barrier. It must be noted that according to the law on presidential elections, it is precisely these parties that will be permitted to nominate their candidates for president without having to collect signatures. For the others, the established norm is two million signatures, and not more than 50,000 from one region. Without powerful administrative resources, only the KPRF would have enough resources to do this. In the next elections in 2007, a new barrier of 7 percent will be in effect, and regardless of the number of votes they receive, a minimum of four parties will enter the Duma. Curiously, several experts predict that it will be easier for the existing parties, like the Liberal Democratic Party of Russia (LDPR), Yabloko, and even URF, to get into the four “prize winners” than it is for them to overcome the 5 percent barrier now.

As far as the current elections are concerned, there are six parties seriously competing for a place in the Duma: KPRF, Unified Russia, URF, Yabloko, Women of Russia, and LDPR. KPRF and Unified Russia are currently head

to head. According to the Public Opinion Foundation, 30 percent of likely voters are ready to vote for each of the leaders now, however these types of estimates usually exaggerate the result of the party in power—considered to be Unified Russia—and decrease the results of the opposition. These polls suggest that URF, Yabloko, Women of Russia, and LDPR can claim 5 to 10 percent each, including sharp rises and drops over the past year. Over the next year, much can change in the division of power among the major players, even though such surprises as in 1999 when freshly-established Unity (23 percent) and Fatherland-All Russia (13 percent), took second and third place are possible, it is unlikely that they will happen again.

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## **Over the next year, much can change in the division of power among the major players.**

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Under the conditions of relative political stability that have followed Vladimir Putin’s coming to power, the contours of the new party system are materializing. This system can be characterized by: the weakening of the “rooted” parties, currently in the Duma (KPRF, URF, Yabloko and LDPR); a sharp strengthening of parties of a new style, or—more specifically—one forgotten since the CPSU: old-style parties, with rigid centralization, a top-down approach, discipline, lack of colorful personalities, and an absence of real ideology; an overall de-idealization of parties and undermining of their social bases; the formation of an essentially bi-central structure: the party in power in different modifications for different social groups, or the same Unified Russia with satellites, on the one hand, and KPRF with satellites, on the other. •

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# ***Increasing Opportunities Through Cooperation***

by **Curt Weldon**

*Curt Weldon is a Member of the United States House of Representatives, elected from Pennsylvania’s Seventh Congressional District. He heads the Duma-Congress Study Group.*

As America and Russia continue to fine-tune their relationship, it has become clear to the most casual observer of international relations that we have made considerable progress in improving our bilateral relationship. Not surprisingly, there is a growing sentiment that cooperation between our two nations is not only inevitable, but will be necessary to ensure peace and long-term stability for both countries and the world.

While one may attribute this positive change to the relationship struck between Presidents Bush and Putin, this is only part of the equation. For more than sixteen years, my colleagues and I have sought to change the tide of U.S.-Russian cooperation, interaction, and understanding.

I recently returned from my thirtieth trip to Russia and am happy to report that my colleagues and I reaffirmed our commitment to working with our Russian counterparts. Our desire to build ties with Russia has never been

stronger. This interaction not only provides a basis for greater understanding between our two countries, but it also allows us to better coordinate our legislative priorities.

Having long held an interest in Russia, and recognizing the fact that our relationship was too important to be solely left to our respective executive branches, I decided to lay the foundation for the Duma-Congress Study Group in 1993. Formally recognized in 1997, our initial objective was to find solutions to combat environmental hazards—specifically arctic pollution—which were threatening vulnerable ecosystems.

The Duma-Congress Study Group, an ongoing parliamentary exchange between the U.S. Congress and the Russian Duma, is designed to foster closer relations between our two legislatures so that we can help address a wide range of substantive issues. I have always felt that

the future of Russia's democracy is dependent on the strength of the Duma, and I hope that these ongoing discussions will provide a basis upon which to continue building a positive relationship.

The Duma-Congress Study Group offers a forum for the candid exchange of views on important issues in our bilateral relationship while providing a vehicle for members of Congress to convey their views and concerns directly to their counterparts. This vehicle proved to be successful in 1999, before the Congress passed my bill, HR 4, the National Missile Defense Act of 1999. In that instance, my colleagues and I had the privilege to travel to Moscow and discuss this legislation with Duma Members.

Through our meetings over the years, lawmakers from both Russia and the U.S. have engaged and continue to engage in discussions about challenges facing our nations as well as providing a forum that will lead to common-sense solutions to these problems. Thanks to participation from notable experts such as then-former Secretary of Defense Donald Rumsfeld and former CIA Director James Woolsey, the Duma-Congress Study Group has tackled many challenging issues. From missile defense and emerging threats to programs designed to promote home ownership for the Russian middle-class, the study group has always had one goal in mind—to improve the lives of the people in both countries.

While the topics for discussion have been as diverse as the members that have engaged in them, witnessing the progression of the Russian democratic system unfold has been particularly interesting.

Although Russian democracy is still in its infancy and its legislative body still yields considerable power to the executive branch, the Duma and the various parties represented in this body, are beginning to lay the foundation for a healthy democracy.

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## **The Duma and the various parties represented in this body are beginning to lay the foundation for a healthy democracy.**

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As the world prepares to recognize the ten-year anniversary of the Russian Duma, we can praise their successes and recommit ourselves to improving its legislative body. Specifically, political leadership is an area where America can lend a helpful hand.

With new political parties and factions springing up everyday, Russians have clearly tried to express themselves politically following years of repression and single-party rule that dominated the country. Another notable observation about the Russian system is the leadership within political parties and the role that individuals play in determining party politics. In Russia, the leader of the party, rather than a basic political philosophy, determines broad party agenda and platforms. This unfortunate trend has contributed to the high turnover

rate resulting in short-lived single-issue political parties. Russian political parties, like those in the U.S., should strive to mobilize and inform the electorate on issues and candidates. This includes introducing grass-roots organizations and get out the vote efforts so more Russians will participate in local, regional, and national elections. Clearly, an opportunity exists for the United States to provide guidance in strengthening Russian political institutions to provide stability.

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## **Political leadership is an area where America can lend a helpful hand.**

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Besides providing leadership with regard to political parties, we have helped provide assistance for improving linkages between our countries. Recognizing that our meetings created an atmosphere for cooperation, there are now avenues for us to work together with our Russian counterparts on mutually beneficial programs. Last year, working with leading experts in the United States and Russia, we formulated a proposal that would serve as a road map to take on many of these issues.

The document, titled "A New Time, A New Beginning" provided the framework for Russian negotiators during President Bush's and President Putin's high-level meetings. Most recently, the prestigious Russian Academy of Sciences unanimously adopted "A New Time, A New Beginning" as their official document for moving forward with expanding relations with the U.S. The Duma-Congress Study Group stands ready to move forward with its most significant legislative accomplishment to date. At the beginning of the 108<sup>th</sup> Congress, legislation will be introduced in both chambers of the Congress and the Duma that will officially recognize our need to have Russia assist in meeting America's energy needs. When this measure passes, America will be well-positioned to free itself from the shackles of Middle Eastern oil.

From local government reform and cultural exchange programs to economic development and diversification of energy options, the United States and our legislative branch can and will play a significant role in formulating policy that will help Russia develop into a thriving and self-sufficient democracy.

Our country has been blessed with a stable and effective legislative body. As Russia approaches a significant milestone, American lawmakers have an obligation to continue to reach out to our Russian counterparts and provide them with the tools necessary to shape this budding democracy.

If we are committed to working together and finding solutions to the problems our two countries face, we will be prepared to provide the leadership that will bring peace and prosperity to our nations and the world. •

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*The views expressed by commentators in Russia Watch do not necessarily represent the views of the Belfer Center for Science and International Affairs, the John F. Kennedy School of Government, Harvard University, or their funders.*

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