

Democracy's Eclipse in Russia— Why Is the United States So Concerned?

By Jonathan Weiler | March 24, 2005

As editorialists from across the United States and Western Europe have reiterated lately, Russian democracy is under assault. During a joint press conference following the recent summit meeting in Slovakia, President Bush outlined for President Putin the importance of “a rule of law and protection of minorities, a free press, and a viable political opposition.” Bush’s comments represented the culmination of months of growing U.S. dissatisfaction with the backsliding of democracy in Russia, a dissatisfaction ostensibly based on three recent developments in Russia: the campaign against former oil tycoon Mikhail Khodorkovsky, the progressive limitations on independent media, especially television, and the decision to abolish direct elections for Russia’s regional governorships.

On its own terms, much of the criticism is merited. What is striking about it, however, is its failure to acknowledge that these authoritarian tendencies were part of the very genetic code of Putin’s Russia from his presidency’s inception. In fact, the seeds of Putinism were all sown during what some consider the “golden age of Russian democracy,” the Yeltsin era. Furthermore, those seeds were sown with strong U.S. support. This article examines some of these earlier anti-pluralist developments in Russia and suggests that uncovering the roots of current Russian authoritarian tendencies sheds light on the highly selective nature of Washington’s democracy promotion efforts. The article also questions the motives behind America’s professed goal of promoting freedom and explores whether that ostensible goal is consistent with pressing policy concerns.

The War on Independent Media

Lilia Shevtsova, one of the best-known observers of the Russian political scene, has written, “During the run-up to the parliamentary and presidential elections in late 1999 and early 2000, television had been the decisive force in transforming Mr. Nobody into Mr. President, and Vladimir Vladimirovich did not want this powerful political resource in the hands of his opponents—or even his mildest critics.” In other

words, Putin set his sights on reining in television from the very beginning. The biggest obstacle to doing so was Vladimir Gusinsky, an oligarch who loomed large over Russian politics and society in the chaotic 1990s and the owner of the largest independent television network in the country, NTV. By the summer of 2000, just a few months after Putin’s election, Gusinsky was arrested. Ostensibly, the charges were economic in nature: Gusinsky’s failure to repay loans he owed to the state. This established a pattern later to re-emerge in the Yukos affair—an oligarch prosecuted for economic crimes that many others had committed, raising the specter of a political motive behind the legal attack. Gusinsky was eventually released and later left the country, and NTV was shut down in April 2001, two months before President Bush first met Putin and said he “looked into his soul and liked what he saw.”

TV-6, another independent television station where many NTV journalists sought refuge after NTV was closed down, also was snuffed out by the Kremlin in 2002. Thus, current concerns about media (especially television) freedom in Russia are not new.

Even before the clamp down, it was unclear whether Russian media were truly independent promoters of meaningful democratic accountability. For



example, during the decisive 1996 presidential elections, in which Boris Yeltsin beat back a serious challenge from Communist Gennady Zyuganov, oligarch-controlled “independent media” played a decisive role in Yeltsin’s come-from-behind victory. NTV eschewed its independent character to become a propaganda arm of the Yeltsin team, and, in a staggering conflict of interest, NTV’s president became media coordinator for the Yeltsin team. Many are concerned that a withering of media independence in Russia shields Putin from serious accountability. But how effective a watchdog is the Russian media? Whenever its Kremlin paymasters were seriously threatened, as during the 1996 presidential elections or the 1999 legislative balloting (after which Putin first cultivated a pliant parliamentary majority), the media became a propaganda arm for the administration.

The Attack on Oligarchs

Putin’s attack on Gusinsky was only one element of a broader intention to discipline the oligarchs who had so dominated Russian politics under the more-accommodating Boris Yeltsin. Though Boris Berezovsky, perhaps the most politically well-connected oligarch, originally supported Putin’s rise to power, he soon became a critic. Like Gusinsky, Berezovsky’s vast holdings included media properties. Berezovsky had held a minority (but controlling) stake in ORT, Russia’s Channel one, the largest network in the country. By mid-2000, fearing that he would soon suffer a fate similar to Gusinsky’s, Berezovsky left the country. Prosecutors later charged him with a series of crimes, including not repaying massive debts and loans. As with Gusinsky, there was no need to trump up the economic charges; many oligarchs made their fortunes by exploiting connections to the authorities and borrowing money on highly favorable terms, often with no intention of repaying the loans. Putin’s decision to attack these individuals would have been viewed as a plausible effort to assert the rule of law if other more-cooperative but equally shady businessmen had also been targeted.

In this context, the fall 2003 attack on Yukos Oil and Mikhail Khodorkovsky’s business empire was not

necessarily illegal, since the circumstances under which Khodorkovsky acquired his staggering wealth were certainly questionable. But the attack followed a pattern: the most outspoken, media savvy, and politically ambitious oligarchs were singled out. This pattern is consistent with Putin’s larger effort to curb alternative sources of power.

Many Western supporters of shock-therapy economic reforms saw in these oligarchs the qualities of robber barons who, despite their outlaw profiles, would bring capitalism to Russia. But the success of Russia’s oligarchs in the 1990s came at the expense of ordinary citizens. In fact, Yeltsin’s American-supported economic reforms, whatever their merits, impoverished millions and deeply polarized Russian society. This polarization led to the creation of political institutions, including a super-presidency, that have become increasingly remote from Russia’s nascent civil society and are vital to Putin’s political designs.

Economic reform in Russia has concentrated wealth in a way that undermines the very basis for a broad-based civil society. With such vast disparities in wealth and such a weak middle class, the unobstructed distribution of resources necessary for the emergence of a politically independent society simply does not exist. Recent data suggest that economic inequality is only getting worse, but the Western commentariat, let alone the Bush administration, surely won’t waste its time criticizing economic inequality in Russia, *despite its political significance for democratic development*. In short, the concern about the attack on oligarchs as representatives of liberal economic and political freedom in Russia is misplaced. The attacks are more properly understood as a squabble within an elite that has already largely inoculated itself from an open civil society.

Bringing the Regions to Heel

The shocking middle-school massacre in Beslan in September 2004 prompted calls for authorities to more aggressively deal with the growing problem of terrorism in Russia. Looming over the school assault is the ongoing war in Chechnya, a bloodbath now more than five years old that has claimed many

thousands of lives. From the time he was appointed prime minister in August 1999 and emerged as Yeltsin's likely successor, Putin insisted that the conflict with the breakaway republic of Chechnya was essentially a fight against terrorism, for which there was no conceivable negotiated solution. At the same time, in the aftermath of the Beslan horror, Putin argued that corruption in the regions had contributed to the attack, and he abolished the direct election of governor for each of Russia's 89 regions, excluding Chechnya. Putin has now begun appointing governors, who are then approved under highly constrained circumstances by the respective regional legislatures. Critics who argue that this move was nothing but a cynically timed attempt to further consolidate the president's power certainly have a point.

Actually, Putin has been working to restrain regional independence from the time he took office. Phrases such as the "power-vertical" and "dictatorship of law" have characterized Putin's governing philosophy since 2000. Among his first significant initiatives was to organize Russia's regions into seven super-regions, each supervised by a Kremlin appointee. So the appointment of governors is not really a new direction. In fact, among Putin's earliest successes, Shevtsova argues, was his ability to "tam[e] the governors."

The regions had more latitude under President Yeltsin, but that latitude did not serve a positive democratic purpose. Corrupt governors willing to use the most extreme methods to combat opponents, whether journalists or others, were characteristic features of Yeltsin's Russia. Furthermore, it was Yeltsin's elimination of serious political opposition in fall 1993 that led, according to many well-placed observers, to his decision to invade Chechnya in late 1994 despite the opposition of almost all political forces in Russia's new and weakened Parliament. That invasion left perhaps 100,000 people dead before it ended in late 1996. The Clinton administration decided that Boris Yeltsin's shock therapy program and subsequent re-election justified all means of support, which contributed both to Washington's shameful muteness about Russian conduct during the first Chechen incursion and to effective U.S. endorsement

of a presidency increasingly unaccountable to any other political and social forces in Russia.

Promoting Polyarchy

So, recent developments only represent the intensification of longer-term trends that successive U.S. administrations either ignored or actively endorsed. This fact raises questions about the real motives behind Washington's current public criticisms of Russia. As William Robinson argued in his important book *Promoting Polyarchy*, U.S. administrations since the 1970s have increasingly engaged in "overt operations" to install in each target country a pliant leadership sympathetic to the agenda of transnational capital. Instead of relying on active military force or supporting a domestic coup, according to Robinson, Washington cultivates a network of civil and business organizations able to wangle elections to bring to power a transnational-friendly ally.

Robinson's work focuses on Chile, Nicaragua, and the Philippines, where the United States is able to exert much more direct influence than in Russia. Robinson's critics note that U.S. overt operations predate the 1970s and that the United States has been perfectly content with non-polyarchies, as long as they are receptive to transnational interests. A key point for Robinson, however, is that U.S. policymakers increasingly recognize that democracy, if properly masterminded, can serve as a most effective tool for installing foreign governments sympathetic to transnational economic interests. Such democracies hold elections and, on paper, protect democratic rights. In reality, however, these "polyarchies" are only nominally accountable to broad-based domestic interests. Thus, functioning as a legitimizing smoke screen, Washington's rhetoric about democracy and freedom effectively serves the transnational corporate interests that decisively influence U.S. foreign policy.

Although not as malleable as smaller countries traditionally influenced by the United States, Russia largely conforms to the model of polyarchy promotion outlined by Robinson. Civic organizations are weak and tend to support the administration. Media, particularly television, are in the hands of

government allies. The authorities promote an economic agenda much more compatible with Washington's blueprint than with the needs and desires of broad-based interests in Russia. And all of this is christened as legitimate through elections compromised by official manipulation and U.S. support for that manipulation.

Russia is too powerful to be subject to direct pressure. But, as the important work of Janine Wedel and others has shown, the Yeltsin administration was especially cooperative in the 1990s both in pursuing an economic approach compatible with transnational corporate interests and in instituting the ideology most reflective of those interests—neoliberalism, often referred to as the Washington Consensus.¹ In fact, during the 1990s, the United States gave more than ten times as much assistance to Russia's privatization efforts as it gave to support democracy building through efforts such as cultivating independent civic organizations. Washington's two-fold interest in the 1990s in Russia was keeping Yeltsin in power and ensuring the application of economic shock therapy. General support for democratic institutions, if they might result in opposition to Yeltsin's economic agenda, was not a priority; Yeltsin's compliance with broader U.S. ideological and transnational interests was. The influence of the International Monetary Fund and World Bank on Russia in the 1990s and the complicity of these multilateral bodies in Russia's deeply corrupt privatization process only underscore the nature of U.S. priorities in Russia at the time.

Once Russia had started down the path of genuine pluralism and democratization, it was difficult to support an obvious reversal on that front. The United States had no meaningful control over the reform processes that began under Gorbachev in the late 1980s, and those processes clearly served Yeltsin's interests as he rose to power during 1990 and 1991. This prehistory necessitated asserting a narrative about Russia as continuing down a contentious but increasingly democratic path. In that context, it made more sense for the United States, whatever its policymakers' genuine sentiments in this regard, to encourage a version of democracy that saw neoliberal

economics as intimately interwoven with Russia's procedurally democratic institutions.

There is also reason to believe that U.S. policymakers were concerned about a reversion to communism, or something like it, in the difficult days of 1993. Thus, the Clinton administration's support for Yeltsin in his standoff with hard-liners in Parliament undoubtedly flowed from real concerns about the reform process. What's important to understand, though, is that the Washington Consensus constructed a very specific understanding of what reform, democracy, and free markets meant—an interwoven complex of institutions in which the political leadership, once empowered by an electoral majority, accepted the idea that responsible public policy decisions involved accepting the primacy of capital markets and interests in determining what was best for the country's future. If significant social costs accompanied that understanding, that was perhaps a matter for compassion, but other historical options had been ruled out, so there was no alternative. In this way, Robinson's outline of polyarchy promotion comports well with the outcomes observed in Russia, though what was concretely at stake there may have differed from the situation that he analyzed in Latin America.

Why the Current Concerns about Russian Democracy?

Independent sources of potential political opposition have been progressively curbed under Putin. But what has not changed in any meaningful way is that the most powerful political interests in society were as unaccountable for their wrong-doings in the past as they are now, unless they happen to cross Putin. So, why is Washington currently so concerned with democracy in Russia, when it has been perfectly content with only superficial democratic trappings since 1993? This question has at least three possible answers.

First, the administration's growing rhetorical commitment to democracy, necessary to justify its actions in Iraq and its broader efforts to reshape the Middle East, is perhaps having spillover effects kindling demands for cultivating democratic institutions

elsewhere. One could argue that this rhetorical commitment prompted American calls for the invalidation of Ukraine's contested presidential runoff election last November, as we'll explore later. In reality, the development of Russia's political institutions certainly takes a back seat to issues of nuclear cooperation and Putin's ongoing cooperation in the war on terror, including his continued acceptance of a U.S. military presence in Russia's "near abroad" (neighboring ex-Soviet republics). Rhetorically, however, the momentum generated by the march of "freedom and liberty" combined with lingering hostility and distrust of Russia among many neoconservatives prompt an elevated and ideologically motivated attention to Putin's recent moves.

Second, Clinton's support for Yeltsin was predicated on the belief that the worst possible outcome for Russia in the 1990s was a reversion to communism. In fact, economic shock therapy's supporters often justified their neoliberal elixir in political terms: the more rapidly the old economic order is dismantled, the more unlikely communism will re-emerge. Seen in a different light, Yeltsin's fealty to the principles of shock therapy, especially its openness to international capital, represented the preferred outcome for U.S. policymakers, and Yeltsin's primary political opponent, Gennady Zyuganov, despite his own attempted assurances, never convinced relevant interests that he would similarly facilitate Russian economic openness.

Under Putin, Russia largely imitated Yeltsin's economic course by installing a flat income tax and reducing business taxes to among the lowest in the world while pursuing international economic integration. This continued until the attack on Yukos Oil, which represented a potential departure from that economic trajectory. In fact, in the months before Khodorkovsky's arrest, Yukos and British Petroleum had agreed in principle to a merger that would have made the new entity perhaps the third-largest oil company in the world. Observers at the time suggested that Putin found such a possibility—the loss of control over a significant portion of a critical strategic resource—unacceptable.

For the United States, the forbidden line that Putin crossed was not a disdain for freedom, liberty, or democracy *per se*. Rather, his action signaled a possible rejection of full compliance with larger U.S. economic preferences, including openness to foreign capital and access to key resources, notably oil. In the discourse of the post-Soviet world, "free market democracy" is often seen as a seamless and historically transcendent political-economic configuration. In reality, the complex and historically specific interaction of market institutions and democratic ones, as they've evolved in the West, often allows for the promotion of destabilizing economic reform in the guise of democracy promotion. Putin's refusal to cooperate fully in economic terms triggered an almost reflexive criticism of his anti-democratic tendencies, as if the two constitute a seamless larger whole.

Third, although Washington and other Western governments raised concerns about the Khodorkovsky affair, it was the Ukrainian elections of last fall that appear to have opened the floodgates for the full-throated criticisms of Putin that have followed. Within days of the disputed second-round election last November, then-Secretary of State Colin Powell declared "unacceptable" the official outcome, in which Moscow-backed Victor Yanukovich was named the winner. Moscow was, in turn, furious at what it regarded as Western meddling in the affairs of Ukraine, a vital strategic partner with Russia. The subsequent decision by Ukraine's Supreme Court to order new elections and the victory of U.S.-backed Victor Yushchenko represent perhaps the most embarrassing single political defeat Putin has suffered.

Europe and the Ukrainian Elections

But why was the United States so adamant about the proceedings in Ukraine? Significant violations had characterized Ukraine's previous presidential elections in 1999, and Ukraine's outgoing president, Leonid Kuchma had, over the course of a decade in office, been accused of fraud, corruption, and even contract murder without triggering much interest from U.S. authorities. Furthermore, clearly fraudulent elections and widespread repression in other

post-Soviet republics, such as Azerbaijan and Uzbekistan, have not merited condemnation by the United States or any meaningful U.S. media attention.

One possible answer lies in the strained relationship between the United States and Europe since 2002. Candidate Yushchenko expressed strong interest in Ukrainian integration into Europe, including the European Union (EU) and NATO. Moscow found these possibilities especially disturbing, threatening the historical relationship between Ukraine and Russia. It is arguable that the United States perceived in Europe's reaction to the November results (Europe condemned the elections as stolen and insisted on a remedy) an opportunity to remind the Western alliance of a shared set of value commitments, commitments that President Bush stressed on his recent trip to Europe.

Furthermore, Russia is now Europe's largest supplier of natural gas and oil. Given the rising price of oil and Russia's increasing emergence as an oil-producing giant, the prospect exists for a growing synergy between Russian and European economic cooperation and investment interests. With the continued weakening of the U.S. dollar and the growing urgency of securing access to strategic oil supplies to keep America's increasingly indebted economy afloat, Washington may wish to discourage this synergy from developing. This would explain Bush's desire to remind the EU allies that Europe and the United States share values that Russia does not. It is also true that Ukraine represents a vital transit point for oil and gas flowing westward into Europe. A more Western-oriented Ukrainian leadership could be a positive development for Europe, and this perhaps motivated the United States to hop on the Yushchenko bandwagon in exchange for other considerations.

Designer Governments vs. the Risk of Democracy

Rarely does one factor alone drive significant policy initiatives. Certainly the recent erosion of the minimal pluralism that existed in Russia is not a very plausible reason for the escalation of rhetoric and

growing diplomatic emphasis on Russia's pluralist deficiencies. U.S. democracy-promotion efforts have historically been compromised by the central importance of securing foreign markets for significant financial interests or at least promoting an ideological vision of market openness potentially compatible with such interests, even if an actual economic payoff is not always immediately realizable.

Furthermore, the pattern in U.S. foreign policy is clear—noncompliant leaders sitting atop strategic oil supplies, whether Saddam Hussein in Iraq or Hugo Chavez in Venezuela, are potential targets for “regime change.” Systematic abusers of human rights who are compliant and who sit astride strategically important oil resources, such as Uzbekistan and Saudi Arabia, get a pass. Russia is still too powerful to fall victim to U.S.-orchestrated regime change. But the growing possibility that Russia might wield its increasing oil and energy clout for interests not totally compatible with U.S. corporate understandings of free markets (that is, foreign capital access) has created a window of opportunity for U.S. criticism. Putin has contributed to that opening by engaging in a series of self-serving political maneuvers. But concerns about democracy, by themselves, provide an insufficient explanation for Washington's recent rhetorical offensive.

To be true to its word, the United States should support the integrity and importance of democratic institutions and should help struggling nations develop self-organization and meaningful defense of their interests. For example, Washington could redirect aid priorities to enhance civic organizations and legal training instead of supporting potentially destabilizing and corrupting economic reforms. The White House would also do well to resist the temptation to personalize U.S. foreign policy by handpicking savior-winners. In Adam Przeworski's words, nascent democracy entails “institutionalized uncertainty” and involves risking other people's right to choose their own path. Unfortunately, President Bush's new budget calls for cutting democracy support programs. This is a revealing signal.

Additionally, Washington might reconsider its often-unqualified support for privatization, liberalization, and fiscal austerity. Advocacy of policies with a more social-democratic bent, such as support for economic safety nets during painful transitional periods, could serve at least two useful purposes.

First, such an approach might forestall the emergence of destabilizing political movements, of either the far right or the far left, which feed off the chaos, insecurity, and suffering of many ordinary citizens during times of wholesale economic and social transformation. Though Vladimir Zhirinovskiy turned out to be a clown, at the time of his unexpectedly strong showing in the 1993 parliamentary elections, many in the West wrung their hands at Russia's potential ultranationalist turn. Clearly, the Zhirinovskiy phenomenon was an outgrowth of the chaos and instability of the previous two years. Greater sensitivity to the social costs of reform might have foreseen such a reaction.

Secondly, shock therapy has produced extraordinary inequalities, which have undermined the prospects for a genuinely broad-based civil society. This is both a political and an economic concern. As the eminent economist Marshall Goldman has shown, Poland's decision to encourage new business creation instead of focusing on breakneck privatization of state enterprises created a strong economic foundation not beholden to narrow and highly corrupt elite interests. In turn, Poland's economic foundation will likely serve to foster the development of a more sound civil/political foundation yielding a stable, consolidated democracy that meets the genuine needs of a majority of the country's citizens.

If U.S. foreign policy were less fixated on ensuring conditions under which transnational interests can flourish unfettered by responsibilities or accountability, America could nurture the roots of a broad-based, vibrant, and less-concentrated global economic order. This type of economic arrangement would have salutary political consequences as well and would almost assuredly moderate the foreign policy tendencies of all the world's nations.

Disregarding the emergence of disturbingly undemocratic tendencies and a lack of respect for basic legal principles, U.S. policy toward Russia in the 1990s was still guided both by a Cold War mindset and a rigid ideological commitment to a particular understanding of capitalism. Consequently, Washington was more concerned with guaranteeing particular political outcomes than with cultivating institutions that could legitimize both uncertainty and accountability as central democratic processes. The *reductio ad absurdum* of such an approach is evident in Putinism.

Jonathan Weiler received his Ph. D. in political science from UNC Chapel Hill, where he is an adjunct professor of Russian and East European Studies and a fellow at the UNC Center for Slavic, Eurasian and East European Studies. His book Human Rights in Russia: A Darker Side of Reform was published by Lynne Rienner Publishers in 2004.

END NOTES

- ¹ Janine Wedel, "Rigging the U.S.-Russian Relationship: Harvard, Chubais and the Trans-identity game," *Demokratizatsiya*, Fall 1999.

Published by Foreign Policy In Focus (FPiF), a joint project of the International Relations Center (IRC, formerly Interhemispheric Resource Center, online at www.irc-online.org) and the Institute for Policy Studies (IPS, online at www.ips-dc.org). ©2005. All rights reserved.

Foreign Policy In Focus

“A Think Tank Without Walls”

Established in 1996, Foreign Policy In Focus is a network of policy analysts, advocates, and activists committed to “making the United States a more responsible global leader and global partner.” For more information, visit www.fpiif.org.

Recommended citation:

Jonathan Weiler, “Democracy’s Eclipse in Russia—Why Is the United States So Concerned?” (Silver City, NM & Washington, DC: Foreign Policy In Focus, March 24, 2005).

Web location:

<http://www.fpiif.org/papers/0503eclipse.html>

Production Information:

Writer: Jonathan Weiler
Editor: John Gershman, IRC
Layout: Chellee Chase-Saiz, IRC

p. 8

www.fpiif.org

A Think Tank Without Walls

