HUMAN RIGHTS AND U.S.-RUSSIAN RELATIONS: IMPLICATIONS FOR THE FUTURE

HEARING

BEFORE THE

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

JULY 27, 2006

Printed for the use of the
Commission on Security and Cooperation in Europe

[CSCE 109–2–8]

Available via http://www.csce.gov

U.S. GOVERNMENT PRINTING OFFICE

41–343 PDF WASHINGTON : 2008

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2104 Mail: Stop IDCC, Washington, DC 20402–0001

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

LEGISLATIVE BRANCH COMMISSIONERS

HOUSE	SENATE
CHRISTOPHER H. SMITH, New Jersey, *Co-Chairman*	SAM BROWNBACK, Kansas, *Chairman*
FRANK R. WOLF, Virginia	GORDON SMITH, Oregon
JOSEPH R. PITTS, Pennsylvania	SAXBY CHAMBLISS, Georgia
ROBERT B. ADERHOLT, Alabama	RICHARD BURR, North Carolina
MIKE PENCE, Indiana	DAVID VITTER, Louisiana
BENJAMIN L. CARDIN, Maryland	CHRISTOPHER J. DODD, Connecticut
LOUISE McINTOSH SLAUGHTER, New York	RUSSELL D. FEINGOLD, Wisconsin
ALCEE L. HASTINGS, Florida	HILLARY RODHAM CLINTON, New York
MIKE McINTYRE, North Carolina	VACANT

EXECUTIVE BRANCH COMMISSIONERS

VACANT, Department of State
VACANT, Department of Defense
VACANT, Department of Commerce

HUMAN RIGHTS AND U.S.-RUSSIAN RELATIONS: IMPLICATIONS FOR THE FUTURE

JULY 27, 2006

COMMISSIONERS

WITNESSES

APPENDICES

HUMAN RIGHTS AND U.S.-RUSSIAN RELATIONS: IMPLICATIONS FOR THE FUTURE

July 27, 2006

COMMISSION ON SECURITY AND COOPERATION IN EUROPE
WASHINGTON, DC

The hearing was held at 1:10 p.m. in room 562 Dirksen Senate Office Building, Washington, DC, Hon. Sam Brownback, Chairman, Commission on Security and Cooperation in Europe, presiding.

Commissioners present: Hon. Sam Brownback, Chairman, Commission on Security and Cooperation in Europe.

Witnesses present: Felice Gaer, Chair, Commission on International Religious Freedom; Carl Gershman, President, National Endowment for Democracy; Tom Melia, Deputy Executive Director, Freedom House; Fritz Ermarth, former Chairman, National Intelligence Council, National Intelligence Officer, USSR and East Europe, Central Intelligence Agency; and Nikolas Gvosdev, Editor, The National Interest.

HON. SAM BROWNBACK, CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. BROWNBACK. Good afternoon. The hearing will come to order. Thank you all for joining us. Apologies for being a little late on getting this going.

I want to welcome everybody today to this Helsinki Commission hearing on "Human Rights in Russia: Bilateral Relations and Implications for the Future." We will discuss the extent to which the United States can effectively promote human rights and democratic governance in Russia, while assessing the prospects for working cooperatively on issues of importance to both our nations and the limits to such cooperation when our interests diverge.

To be sure, there are many countries in the world where the human rights situation is much worse than in Russia. But those countries do not currently hold the presidencies of the Council of Europe and the G–8.

What are we to make of President Putin's hosting of President Karimov of Uzbekistan on the 1 year anniversary of the massacre at Andijan? Or Moscow's indifference to human rights violations in Chechnya? Or recent attempts to intimidate political opposition and human rights activists?

Clearly, it is not in the interest of the United States to ignore or attempt to isolate Russia. We should be open to working with Russia when and where beneficial, such as the war on inter-

national terrorism, eradication of weapons of mass destruction, health and environmental issues, and energy supplies.

The challenge for the United States, then, is to be true to our broad mission of promoting human rights and democratic governance in Russia, while at the same time attempting to maintain a productive and mutually beneficial relationship. This is a difficult task.

Our experts today are uniquely qualified to address these questions, and I look forward to hearing their testimony. Be pleased to add also to the hearing record a statement by Joseph Grieboski, president of the Institute on Religion and Public Policy, for his testimony.

Our first panel is Ms. Felice Gaer, Chair of the Commission on International Religious Freedom. She's also Vice President of the International League for Human Rights, a member of the board of directors of the Sakharov Foundation and a member of the advisory committee on Human Rights Watch, Europe and Central Asia division.

I would also note, for those watching or present, that most of the witnesses attended the G–8 or the pre-G–8 conferences, so they'd have some direct experiences to discuss.

I'd also like to note for those here or watching that we issued a press release recently with Senator Clinton and myself on the Senate-passed resolution on "Forbes" journalist Klebnikov. And I want to thank my colleague, Senator Clinton, who is also a member of this Helsinki Commission, for her work on this important topic.

With that, Ms. Gaer, thank you very much for being here with us today. It's been a pleasure to work with you. And I appreciate greatly your work and your contribution.

The floor is yours.

FELICE GAER, CHAIR, COMMISSION ON INTERNATIONAL RELIGIOUS FREEDOM

Ms. GAER. Thank you, Senator, and thank you for the opportunity to testify on behalf of the United States Commission on International Religious Freedom.

I'll summarize the commission's testimony in my oral remarks, but I do request that the full testimony be included for the record.

Mr. BROWNBACK. Without objection.

Ms. GAER. And before beginning on this, the 30th anniversary of the establishment of the Helsinki Commission, I wanted, on behalf of our commission, to express appreciation to you and each of the members of the Commission and its expert staff for the excellent advocacy of human rights in the countries that have made up Organization for Security and Cooperation in Europe.

Throughout the past 30 years, Commissioners on the Helsinki Commission and their staff have worked effectively to ensure and maintain a focus on the human rights agenda in the context of this important international organization. And as Andrei Sakharov said at the time, it has changed the international climate.

Mr. BROWNBACK. It really has.

Ms. GAER. So, I thank you.

Mr. BROWNBACK. Would you please pull that microphone a bit closer to you? I don't think it's picking up as well. Thank you.

Ms. GAER. Senator, as you know, a delegation from the U.S. Commission on International Religious Freedom—an independent, bipartisan commission—traveled to Russia just this last month. We visited Moscow, St. Petersburg, and Kazan, the capital of Tatarstan.

We had many meetings with government officials, religious figures, nongovernmental organization representatives, legal advocates, and the like. As a result of the visit to Russia, the commission delegation found five major areas of concern.

First, the rise in xenophobia and ethnic and religious intolerance in Russia, resulting in increasingly violent attacks and other hate crimes, and the government's failure to adequately address this problem.

Second, the Russian Government's challenging of international human rights institutions and its persistent claim that foreign funding of human rights organizations constitutes illegitimate interference in Russia's internal affairs—familiar words we thought we wouldn't hear again.

Third, our commission found that official actions related to countering terrorism have resulted in harassment of individual Muslims and Muslim communities.

Fourth, that new amendments to the law on non-commercial organizations—or nongovernmental organizations, which include religious organizations—that these amendments that may be used to restrict severely their ability to function.

And fifth and finally, we found continuing restrictions by Russian authorities on the exercise of freedom of religion or belief, particularly at the local or regional level.

To elaborate on these problems, the commission is very concerned about the Russian Government's failure to adequately investigate and prosecute hate crimes. Russia reportedly has 12 million migrants.

Many Russian human rights groups have concluded that crimes based on ethnic or religious hatred have become more and more violent, as demonstrated by the killings of African students and Tajik migrants in St. Petersburg just this year, as well as the knife attack in January in a Moscow synagogue that injured nine Jewish worshippers.

Although many of these attacks are motivated by ethnic hatred, some attacks against Muslim, Jewish, Protestant, and other religious communities are explicitly motivated by religious factors.

This is fueled in part by the perception that Russian identity is currently threatened due to a mounting demographic crisis stemming from a declining birth rate and a high mortality rate among ethnic Russians.

Hostile articles in the de facto state-controlled Russian media contribute to this atmosphere of intolerance, as do statements of some public officials and religious leaders.

Persons who have investigated or been publicly critical of hate crimes in Russia themselves have been subject to harassment or violent attacks, including the famous case that both of our commissions have addressed, of Nikolai Girenko, a St. Petersburg expert who testified in court numerous times and who was gunned down at his door in June 2004.

The failure to investigate properly such incidents is one that the commission is greatly concerned about. Judges, in some cases, have received death threats, and so forth.

Many Russian officials continue to label crimes targeting ethnic or religious communities simply as hooliganism. Officials from the Leningrad Oblast declined to meet with our commission on our visit, because, in their words—and I quote—there was no government official responsible for monitoring or prosecuting xenophobia or hate crimes because they did not have these problems.

More can and should be done to ensure that law enforcement agencies recognize such crimes for what they are. Hate crimes are human rights abuses. And more should be done to ensure that they prevent and punish such hate crimes.

While vigorously promoting freedom of expression, Russian public officials, as well as leaders of religious communities, should take steps to discourage rhetoric that promotes xenophobia or intolerance.

The new mechanisms to address intolerance and related human rights issues, recently established by the OSCE, are directly relevant in this context. Due, in part, to the persistent and effective efforts of the Helsinki Commission and our religious freedom commission and the State Department, the OSCE has taken decisions in recent years obligating all member states to develop and implement policies against ethnic and religious intolerance in their societies.

Member states—including Russia—are required to report to the OSCE on the specific measures they have undertaken to address hate crimes, including such measures as maintaining statistics on hate crimes, strengthening legislative initiatives to combat them, and establishing training programs for law enforcement and judicial officials to deal more effectively with them. Fulfilling such obligations will do a great deal to advance the current status of Russia's efforts to battle hate crimes and other intolerance.

Second, the commission is very seriously concerned about the Russian Government's attempts to challenge international human rights institutions and norms, and to undermine Russia's own domestic human rights advocacy.

Although Russia has ratified all the international human rights treaties, Russian officials and other influential figures have challenged international human rights institutions, as well as the validity of their advocacy of human rights in Russia, charging that they are foreign-funded and being used for political purposes.

These officials complain of double standards, selectivity and politicization whenever there is an inquiry into Russia's human rights practices. In the OSCE, for example, the Russian Government has led efforts critical of the organization's election monitoring efforts and human rights scrutiny of Russia and neighboring countries.

It has become clear to our commission as a result of our visit, that the problem of rising ethnic and religious intolerance has been exacerbated by the repeated efforts of such Russian Government officials to label foreign funding of nongovernmental organizations as meddling in Russia's internal affairs.

Moreover, the official branding of human rights organizations as foreign has increased the vulnerability of these very same human rights advocates in Russia, and those that they defend.

The commission heard these and similar views expressed not only by government officials, but also by Metropolitan Kirill of the Russian Orthodox Church. And we believe this is a particular cause of concern, given the increasingly prominent role provided to the Russian Orthodox Church in Russian state and public affairs today.

The third point the commission is concerned about are the increasing reports of official government actions against Muslims in Russia. The commission acknowledges, and is concerned, that the Russian Government faces significant challenges as it addresses genuine threats of religious extremism and terrorism with a religious linkage in Russia.

One challenge involves protecting freedom of religion, even as counterterrorist efforts are undertaken, and protecting the human rights of all persons in such circumstances.

Russian human rights defenders provided evidence of many cases in which Muslims were prosecuted for extremism or terrorism, despite no apparent relationship to such activities. In some cases, it was possessing religious literature, such as the Koran. In several regions, mosques have been closed by Russian Government officials.

These developments, according to Russian human rights advocates, are of special concern in the way that they are implemented. And of course, they're of concern, because Muslims are Russia's second-largest religious community, and any arbitrary actions, such as those described to us, could, in fact, increase instability and extremism and radicalism among the Muslim community in Russia.

Fourth, the commission is concerned that the new restrictive NGO law will have a negative effect on religious groups. And although one member of the Presidential Administration Liaison told our delegation that the new law would have little impact on religious organizations, another—the director of the Federal Registration Service—confirmed quite clearly that some of the law's most intrusive provisions will certainly apply to religious organizations and to the charitable and educational entities set up by religious organizations, as well as to groups defending human rights.

If violations are found of this law, the Federal Registration Service can call for court proceedings against the group, possibly resulting in liquidation of the groups. The agency's regulations on the use of its new powers have not yet been finalized.

The fifth and final concern of the commission is that while religion, per se, has flourished, and the ability to profess and practice religion has grown, minority religious groups continue to face restrictions on religious activities at the regional and local level.

We were eager to keep within your time limits, Mr. Chairman, and so I'll hold comments on those specific kinds of restrictions, just to go directly to our recommendations.

The commission recommends that the President and Secretary of State should work to encourage other G–8 countries to speak out more actively and with one voice on the whole, this whole set of matters, and that the president and other U.S. officials should be

prepared—and genuinely prepared—to counter the persistent claims by Russian leaders that U.S. and U.N. efforts to advance human rights concerns constitute foreign meddling or are aimed at harming the Russian Federation.

We believe the U.S. Government needs to more vigorously encourage the Russian Government to take the following actions. And by vigorously, we mean including through public statements.

First, to affirm publicly that all religious communities in Russia are equal under the law and entitled to equal treatment.

Second, to speak out frequently and specifically to the citizens of Russia, to condemn specific acts of xenophobia, anti-Semitism and hate crimes, and to avoid taking steps that could exacerbate religious extremism.

Third, at a minimum, with regard to the new law on NGOs, to develop regulations that clarify and will sharply limit the state's discretion to interfere with the activities of NGOs, including religious groups.

That they implement the many specific recommendations made by Russia's own Presidential Council on Human Rights—Russia's own official human rights ombudsman's office, and the Council of Europe's European Commission Against Racism and Intolerance, on which a Russian citizen serves.

And the issues that they could address regarding xenophobia and hate crimes would include a complete review of the residence registration system, a full implementation by local and regional law enforcement personnel of the criminal code provisions on incitement and violence motivated by ethnic or religious hatred, and the establishment of national and local mechanisms to collect and publish official statistics on such crimes, and to establish dedicated units of local law enforcement on hate crimes that will work to prevent and prosecute them.

To conclude, the commission is continuing to examine options for U.S. policy to advance freedom of religion and related human rights in Russia. We plan to issue a further report on our review and our visit this fall.

And as always, we look forward to continuing to work with you and the members of the Helsinki Commission on the situation in Russia and other OSCE member states. Thank you.

Mr. BROWNBACK. Thank you very much, as well. I appreciate that and I appreciate the succinct and pointed testimony.

Have there been a series of—you note hostile articles at the opening of your testimony—have there been a series of hostile articles in the quasi-official press on xenophobia, on religious minorities' expansion in Russia?

Ms. GAER. There have been a series of continued remarks, criticisms and derogatory comments made about—essentially about minorities, about "strange" and "non-Russian groups". And that is the angle that is taken.

The argument is that Orthodoxy is Russia's true religion. And therefore, everything else—all these strange, other people—are not only strange and other, but they are harming Russia's true essence.

And there is—this is part of a broader anti-Western trend, and it's part of—I mean, anti-Americanism has grown, as well. And yes, it's in the media, as well as in ordinary discourse.

Mr. BROWNBACK. What are the officials in the Russian Orthodox Church saying about this? What are their public statements?

Ms. GAER. Well, their public statements are really quite troubling in this regard.

They have—they portray human rights advocates as political actors paid for by foreigners.

Mr. BROWNBACK. These are the Orthodox Church statements.

Ms. GAER. Yes, yes. They are—they portray them as people who identify with the interests of those "who do not love Russia." And they suggest that only if they change will they be acceptable.

I'm looking for a direct quote for you. But what we——

Mr. BROWNBACK. Did you meet with officials of the Orthodox Church to query them about these statements?

Ms. GAER. We had an extended discussion. We also met with the religious council—the members of the four, so-called "traditional" religions, as well.

We were, I would say quite candidly, Senator, shocked by this line of argumentation.

We were told human rights groups don't represent Russia; they represent foreign ideas.

We were told that human rights——

Mr. BROWNBACK. By the Orthodox Church?

Ms. GAER [continuing.] Cannot be used to defame things that are holy. And the example we were given were the Danish cartoons, or the cartoons that were shown in—not the cartoons—the exhibit that was shown in Moscow at the Sakharov Center, dealing with the commercialization of religion.

We were told that religion could not be used to defame peoples, and it couldn't be used to somehow work against the interests of the Russian people. And we were told it couldn't be used for immoral—to advocate immoral acts.

We were really quite surprised by the language, because what we heard were that human rights is selective and politicized, foreign-funded and not impartial.

And this is the language that I, as somebody who has spent a lot of time at the United Nations with U.S. delegations, at the OSCE with U.S. delegations—I'm familiar with such language, but I'm not familiar with it since the demise of the Soviet Union, coming from people from Russia.

Mr. BROWNBACK. It just seems like an odd stance for the official church to take. Those comments just seem to be one that would—you could expect, maybe, out of a government, but not out of the official—or not out of the Russian Orthodox Church. This seems to be at odds.

When you presented counter arguments to them, those were apparently then not well received, or not considered as useful or germane? They were, again, seen as a foreign influence?

Ms. GAER. They weren't—there was no climb-down. But, for example, I raised the point that by calling human rights defenders foreigners—foreign and foreign-funded—one was recreating the enemy specter that one could take back to Stalin's day, or any other such period.

This is an argument that's used around the world to target and, in fact, often results in the killing of human rights defenders around the world.

And I queried why such language was being used and what its implications were. And other members of the commission did, as well. And we were told that there was no intention to bring harm to these people, that they were courageous.

And I drew attention to the fact that these very same people were the ones who helped the Russian—Andrei Sakharov, for example—the very same people who helped the Russian Orthodox Church fight against Soviet power. And that's well acknowledged.

The argument is over what's being worked on, what specific issues are being addressed. And we were told that—we were told that Russian human rights defenders don't work to help old people get housing and social benefits, and things of that sort—which, of course, they do.

But a dichotomization was created, which I think is very troubling and is repeated. We found quotes by Putin, by [Foreign Minister] Lavrov, by church officials, as well, with this mantra about foreign-funded, representing the interests of foreigners and those who do not love Russia.

Mr. BROWNBACK. What's the root of this? You usually have some rootedness—they do have some root somewhere. Is it a fear of the demise of Russian influence in Russia? Or the expansion of minority faiths?

What's at the root of this?

Ms. GAER. There are many factors at the root of it. One—a simple one is the whole effort in Russian society to establish so-called order, to deal with the problems of Chechnya—which, of course, the human rights groups have, as a whole, addressed frontally—the Russian abuses and the failure to investigate and punish those responsible.

Part of it is the changing demographics. It's useful to have an enemy when you're trying to pull people together around concepts that you may not have been able to bring them together on in the past.

So, there is a—there are issues of convenience and there are issues of practicality. And then there, of course, are cultural and historical factors that can be used to rally people. These are not unknown in the last 6 or 7 years in Russia.

Mr. BROWNBACK. And how is the rest of the G–8 doing on speaking out regarding human rights and some of these disturbing trends against human rights in Russia?

Ms. GAER. The G–8 is not speaking with a single voice, as we would like to see it. I think probably——

Mr. BROWNBACK. Why not?

Ms. GAER. Well, there are different points of view about whether speaking out makes sense. There are economic interests. There are political interests.

We have a huge concern over Russia's role right now as the arbiter with Iran. There are lots of issues that have stilled the public voice on these issues.

The question is: can communicating these concerns privately be enough? And our view is that it can't be.

And Senator, I just wanted to mention, when you asked me about the Russian Orthodox Church, I may not have mentioned in my oral remarks that we met with Metropolitan Kirill, who is the head of external affairs for the Moscow Patriarchate. So, this was not just a random conversation with a random cleric.

Mr. BROWNBACK. Well, thank you very much. Thank you for your continued work in this very important field.

And it's important that we keep getting information brought forward and continue to advocate for these human rights for everybody, every where in the world. Thank you very much.

The second panel will be a series of experts on Russia and what's been taking place recently. As I noted earlier, many of these witnesses attended the G–8 or the pre-G–8 conferences, so they've got some updated information to present.

Mr. Carl Gershman is a longtime friend of this Commission, and myself personally. He's President of the National Endowment for Democracy. He's just returned from Moscow where he attended the Other Russia Conference during the run-up to the G–8 summit.

Mr. Thomas Melia, Deputy Executive Director of Freedom House. He's held senior posts at the National Democratic Institute for International Affairs and was Associate Director of the Free Trade Union Institute of AFL–CIO. He served 6 years with one of my favorite former colleagues, U.S. Senator Daniel Patrick Moynihan, who unfortunately has deceased.

Mr. Fritz Ermarth, retired October 1998 as a member of the Senior Intelligence Service of the CIA. He has worked over 40 years in national security affairs and government, academia and commercial institutions specializing in Soviet strategic and regional conflict issues, and currently consults with several organizations working on national security, including nuclear weapons policy and intelligence reform, U.S.-Russian relations and regional security.

And Nikolas Gvosdev, editor of "The National Interest," and a Senior Fellow at the—for strategic studies at the Nixon Center. He's a frequent commenter on U.S.-Russian relations, Russian and Eurasian affairs.

We will put all of your testimony into the record. So, I would appreciate a summary so we can have as much time as possible for questions. And I hope you can get at the direct pointedness of your comments, so we can discuss those as much as possible.

Mr. Gershman, let's start with you.

CARL GERSHMAN, PRESIDENT, NATIONAL ENDOWMENT FOR DEMOCRACY

Mr. GERSHMAN. Well, thank you very much, Senator Brownback. And I'm grateful for this opportunity to testify before the Commission in the aftermath of the G–8 summit.

As you noted, I and others from the NED and its associated institutes were among the international participants at the Other Russia Conference that was convened in Moscow by the All-Russia Civil Congress on July 11th and 12th—4 days before the opening of the G–8.

The Other Russia Conference was organized with two goals in mind. First, to declare to the world that there was, in fact, a different, more pluralist and democratically committed Russia than

the bureaucratic nomenklatura that would be on display later in the week in St. Petersburg.

And second, to rally and bring together a broad coalition of NGOs and opposition political forces to fight, as the conveners said, for human rights and "for the democratic principle of organizing government and society," and against "bigotry and xenophobia" and "a culture of bureaucratic theft." Those are quotes taken from the convening document.

I'm pleased to report that the conference achieved its objectives, and more. It received enormous attention in the international media, thereby enabling the Other Russia to have its message heard.

And more importantly, it provided a forum where Russians representing widely different points of view and areas of engagement were able to overcome a history of internal strife and mutual reproach and unite around a common vision for a new democratic state of Russia under the rule of law.

Significantly, a permanent council was established at the conference that will convene in September, and it plans to meet regularly thereafter to exchange information and opinions.

Not surprisingly, the official Russia did not take kindly to this meeting. Police and unidentified assailants physically assaulted dozens of activists en route to the conference, forcibly removing them from trains and reportedly planting drugs and bullets on them.

At the conference itself, police arbitrarily arrested four young activists, assaulting a German reporter for "FOCUS" magazine, and confiscating his camera as he tried to film them being forced into a police van.

A State Duma deputy was also knocked unconscious on his way to deliver a speech at the closing day's events.

In addition, attempts were made to prevent official participation in the conference, with an aide to President Putin warning foreign diplomats that attendance at the Other Russia meeting would be treated by the Kremlin as an unfriendly gesture.

I'm pleased to report, however, that Assistant Secretaries Dan Fried and Barry Lowenkron attended the gathering, along with other G–7 representatives.

I'm also pleased to note that SEC Chairman Chris Cox, who is also a member of the NED board, delivered an important video message to the conference, in which he explained why freedom to say, write, publish, broadcast and think the truth as one understands it, without fear of persecution, is essential to a free capital market.

His implicit message to the Russian leaders was that they cannot hope to achieve sustained economic growth and full integration into the global economy if they continue to drive Russia backwards toward authoritarianism.

The holding of the other G–8 conference side by side with the G–8 summit graphically illustrates the hybrid, semi-authoritarian nature of the current Russian polity.

As the conference agenda emphasized, there are two Russias in conflict with one another—a Russia of bureaucrats that is trying to hold on to power by closing off all independent avenues of political

participation and expression, and a Russia of citizens that is pressing to reverse the return of authoritarianism and build a normal democracy.

As I pointed out in my own remarks to the Other Russia Conference, a hybrid system is inherently unstable, for the simple reason that Abraham Lincoln explained almost 150 years ago when he said that a government cannot permanently endure half-slave and half-free. It will have to become all one thing or all the other.

Its capacity for effective governance is also severely constrained by the absence of normal channels of participation and communication that give a government feedback from society.

As one Russian specialist said to me in his critique of "over-managed democracy," it is a little like trying to drive a car without adequate visibility—something the Kremlin discovered in January of last year with the unrest over benefits reform.

And as the Bulgarian, Ivan Krastev explained in his own remarks to the Other Russia Conference, such a system also feeds paranoia, since leaders who don't know what people think will assume that everyone is against them. Such paranoia was certainly on display in the way official Russia treated the Other Russia meeting.

The Russian leaders speak of establishing a sovereign democracy, by which they presumably mean a Russia that is not beholden to foreign powers.

But as the closing statement of the Other Russia Conference pointedly noted, quoting from the elegant words of Article III of the Russian constitution, "the multinational people of the Russian Federation shall be the vehicle of sovereignty".

And the only source of power in the Russian Federation, the so-called sovereign democracy of official Russia is an increasingly hollow Potemkin democracy that bears little resemblance to the real thing.

The United States should continue to deal with the two Russias, as it did earlier this month, by participating in both the Other Russia Conference and the G–8 summit. No one who supports democracy in Russia and desires the best for the Russian people should want to return to the enmity of the old days.

But effective relations with official Russia will not be possible if we do not demonstrate strong support for the Other Russia, which is especially threatened today by the harsh new NGO law. The $180,000 tax just levied on the International Protection Center, which helps Russians take cases to the European Court of Human Rights in Strasbourg, is an example of how the new law can be used punitively to silence independent NGOs.

The Russian Government justifies this and other repressive measures—and I think this speaks to the question you raised earlier about root causes—by claiming that they are a necessary defense against foreign enemies, chiefly the United States.

We should respond, in my view, by showing our clear and unambiguous solidarity with those who are fighting for a free Russia under the rule of law. Supporting the aspirations of Russian democrats will not only refute the argument that we are against Russia, it will also make clear to the Russian people that we have no illu-

sions about the direction the current leadership is taking the country.

The Other Russia has taken an important step toward building a new, unified, democratic movement. This is a significant development that we need to understand and support—one that holds promise for Russia and U.S.-Russia relations and for the cause of democracy in the world.

Thank you.

Mr. BROWNBACK. Thank you very much. Mr. Gershman, I look forward to talking with you some more about this issue overall.

Mr. Melia, thank you for joining us very much today.

TOM MELIA, DEPUTY EXECUTIVE DIRECTOR, FREEDOM HOUSE

Mr. MELIA. It's good to be back, Senator.

Freedom House appreciates this opportunity to testify about the situation in Russia today, its implications for the future and the American response.

It's important to note that we gather today, not only in the immediate aftermath of the G–8 summit in St. Petersburg, but in what one might call the opening days of the campaign that will culminate with critical parliamentary elections next year in the Russian Federation.

Having spent a week in Russia last month, I can offer some personal observations, as well as reflect the analysis presented in our institution's reports.

We went to Russia last month in the run-up to the G–8 meeting, precisely in order to engage with a broad range of Russians, inside and outside of government—journalists, human rights groups, scholars, and NGOSs—including some people sympathetic to Vladimir Putin's administration.

While there, we released our most recent report on Russia from the survey, "Nations in Transit," at a well attended press conference on June 14th. And so, these findings were conveyed to at least some Russians through the dwindling array of still-independent newspapers and radio stations in Moscow.

And that report documents the continuing decline of freedom in Russia during the past year. We have copies of that to be submitted to the record, as well.

That report focuses on several specific developments that have been prominent in the last year: the resurgence of corruption in the growing state-owned economy; the development of the NGO law, that further curtails civic activity and obstructs international efforts to assist; and the adoption of election laws that will make it even more difficult for opposition parties to win seats in the Duma next year and virtually impossible for independent monitors to observe the electoral process.

But there's a larger, even more important story to be told, when one looks at the accumulated series of reports on Russia over these last number of years in the series, "Nations in Transit."

Scores for Russia's democratic performance have been declining in every year since 1997.

The deterioration is—or, I was going to say, the deterioration of democracy, although it's probably the dissolution of that country's

democratic potential—has been a serious, deliberate and long-term project. It's not something that has just happened on President Bush's watch, nor even since Vladimir Putin became President of Russia.

The recent, much publicized effort to hamstring the civic sector in Russia comes on the heals of previous, successful efforts to eviscerate political parties and render hollow the electoral process, to concentrate power in the hands of the Kremlin by altering the constitution to allow the president to appoint governors who had previously been elected, efforts to cow the business community through strong arm tactics by the Putin administration, abetted by the courts that have led to the re-nationalization of major corporate assets that had been privatized in the 1990s, and the campaign to intimidate business leaders to desist from supporting political parties and candidates they might prefer through a selective prosecution epitomized by the incarceration of Mikhail Khodorkovsky, who was previously the principal financial backer of several rivals to Vladimir Putin's United Russia.

We've also witnessed the effort to control the national media, quite explicitly in the case of television and most radio, which are now under government control once again, and indirectly in the case of the print media, which one by one are being bought out by interests sympathetic to the Kremlin, after the independent minded publications find their advertisers being discouraged by the Putin administration and friends, until they become financially untenable as businesses and are sold to people who the government finds more to their liking.

Russia is not yet a consolidated dictatorship. It may well be what Carl Gershman describes as a semi-authoritarian polity.

But it is an autocracy. It is an authoritarian polity with nuclear weapons, fast accumulating wealth through its oil and gas reserves, increasingly assertive and self-confident in its work on the international stage, and more importantly, perhaps, one governed by a community that is convinced that the United States wishes to see Russia fail as a state.

This paranoia about what our motives are comes through in private conversations and public statements alike, and needs to be acknowledged in any serious conversation about Russia.

Mr. BROWNBACK. Can I—let me ask you about that.

Mr. MELIA. Sure.

Mr. BROWNBACK. That just makes no sense to me. Why on earth would people think we want Russia to fail as a state? And what is it going to be replaced by? I mean, it's not going to be ungoverned.

Mr. MELIA. Well, that's—that's the question.

Why do they hear us in a different way than we think we're speaking?

They hear us—when we talk about democracy and human rights, they hear us uttering anti-Russian statements. This is the community around the Kremlin. This is the elite that now governs Russia.

When we talk about human rights and democracy, and they take that as a challenge to the state they're trying to build. So, they think we're being anti-Russian, when we think we're trying to be

pro-Russian. We think we're trying to advocate for the interests of the Russian citizen.

Mr. BROWNBACK. And they honestly believe we're trying to be anti-Russian?

Mr. MELIA. They do.

Mr. BROWNBACK. We're still in the Cold War?

Mr. MELIA. They think that we're in a confrontation with them, and that this is a battlefield that we're engaged on, in support for civil society and for democratic practices. They see that as something that's hostile to their interests.

And so, yes, it is seen as something that's done by us in response to the rising power of the Russian state under Putin and with this growing oil wealth.

They think that we're discomforted by their growing strength. And that that is the motivation for our discussion about democracy.

Mr. BROWNBACK. Please proceed. I'm sorry.

Mr. MELIA. And they point—directly in this context—they point to the enthusiasm that many of us in the West showed for Boris Yeltsin's governments in the 1990s, when many Russians now believe Russia collapsed, lost its great power status and fell into disarray at home and abroad.

While we thought we were embracing an admittedly chaotic situation that would sooner or later get through its convulsions and onto a path towards stable democracy, many Russians came to believe that we actually sought the chaos and insecurity and impoverishment that was so widespread during that period.

And this view is reinforced in the minds of some Russians by what they perceive as a selective policy of democracy promotion by the United States.

Many Russian democrats took heart from the bold speech delivered by Vice President Cheney in Vilnius in May. But they wonder why it wasn't delivered in Russia itself, or by President Bush himself, and why it was so conspicuously undermined by the President's warm welcome of Azerbaijan's President Aliyev to the White House in May, and by the Vice President's subsequent visit to Kazakhstan and his embrace there of a leader who governs a country that Russians know is less free even than Russia.

So, I will skip forward to offer a few concluding observations as a basis for discussion.

I think it matters to Russia's democrats that we in the outside world continue to call them as we see them. The reports that we've issued and that others do—the Commission on Religious Freedom, the Helsinki Commission, the State Department's reports, statements by Members of Congress—these are paid a great deal of attention to by Russians, in and out of government.

And it's important that we continue to be straightforward and public in our analysis and commentary. It matters to Russia's democrats that the major governments—and most conspicuously, the United States—maintain credibility in the democracy discourse.

I've talked about the seeming contradictions in our treatment of Russia versus Kazakhstan and Azerbaijan.

But keep in mind that every inconsistency in our dealings is publicized broadly in Russia by the official media—often with a smirk, an editorial smirk. Every misstep and mistake in Iraq is well pub-

licized throughout Russia as an illustration to the Russian public of what we really mean by democratization.

Every time a Ukrainian or a Georgian official takes issues with Russian policy, it confirms that the real reason for our support for democratic reform in those countries was about installing anti-Russian governments.

If our democracy promotion policy is seen in the world as a weapon to be used mainly against unfriendly governments, rather than a goal pursued more broadly and consistently, then we will have lost credibility and alienated those in places like Russia who could be our allies and who are our natural allies, in some cases.

If Russians become convinced that our goal is not a truly democratic Russia, but instead a weak, impoverished or divided Russia, then our promotion of democracy will come across as punitive and insincere. And it's not clear that our message now is getting through to very many Russians.

The third and related point is that it's important, therefore, that we not permit Russia to be further isolated from the international community. This is exactly what some in the Kremlin are seeking to do with the new punitive legislation regarding NGOs.

Carl mentioned the hefty tax bill, suddenly presented this week to one of the important NGOs, the Center for Assistance in International Defense. According to the NGO, Memorial, several smaller NGOs in Russia's regions are being overwhelmed by paperwork from the tax service, in order to comply with the new NGO law, and are considering shutting their doors, because they can't keep up with the bureaucratic obligations being imposed on them.

Russia's autocrats want to isolate Russian democrats, civic activists, and human rights defenders from their natural support networks in the international community.

So, we need to think about how to overcome that isolation. This means that Russia needs to be a major topic of discussion with European and other allies, so that a principled and consistent engagement with Russia is a high priority for the West generally.

We need to think again about the current U.S. investment in democracy promotion in the country. For the size of the country and the nature of the issues, a rather modest investment of about $40 million is being made by the State Department and AID. And it's slated to decline to about ⅓ of that by ⅓—by next year.

This does not convey the message that we're serious about investing in Russia's democrats who want to work with us.

And perhaps most urgently, Congress ought to reexamine the budget proposal that proposes elimination of Voice of America's Russian language radio, leaving it to RFE and Radio Liberty alone to serve the Russian-speaking radio audiences.

There are Russians who want to listen to American radio. Let's not cut them off.

Another point would be that more Members of Congress—you personally and institutionally—ought to engage more often with more Russians. To the extent you can, I would urge you and the Commission and other bodies in the Congress to visit Russia more often, engage with a broader range of Russians—in and out of government, not just with the human rights defenders and activists

that are most keen to work with us, although we should not overlook them.

Interestingly, and unlike what is the case in some other countries, Russians want to engage with their American counterparts. They usually don't seek our approval, but they want our respect. And they're eager to engage with Americans to determine how to win that respect.

So, we need to all of us be engaged more often and more seriously with Russians—listening to them, as well as talking at them.

And finally, I would just say, we need to take a serious interest in the way that Russia is prosecuting its wars in the North Caucasus. A Reuters report this week said that the Russian Ministry of Interior has just sent a letter to NGOs working in Chechnya, to require them to report on the movements of their staff members, to obtain permission from the FSB in advance for trips into Chechnya, to report on their trips when they return to Moscow from Chechnya.

The process could be holding up much needed humanitarian aid and services to people in the North Caucasus. Just on Monday, a U.N. convoy was turned back from a trip to Chechnya, when checkpoint guards told the convoy that they didn't have the right paperwork.

These are foreboding signals for Chechens, who view the traveling back and forth of NGOs and the U.N. as their lifelines to the outside world. And just as Russians are trying to isolate Russia from the world, they're also trying to isolate Chechnya from the rest of Russia.

And I hope we can find ways to overcome these efforts.

Thank you. I look forward to the conversation.

Mr. BROWNBACK. Thank you very much.

Mr. Ermarth, delighted to have you here today, and thank you for joining us and your long years of service. I look forward to your testimony.

FRITZ ERMARTH, FORMER CHAIRMAN, NATIONAL INTELLIGENCE COUNCIL, NATIONAL INTELLIGENCE OFFICER, USSR AND EAST EUROPE, CENTRAL INTELLIGENCE AGENCY

Mr. ERMARTH. Mr. Chairman, thank you very much for the opportunity to address the Commission on such a very important subject, this balancing of the pursuit of democracy, promotion of democracy and human rights in Russia, and striking or pursuing a relationship that allows us to safeguard a security agenda on both sides.

We have this problem elsewhere in the world—our relations with China and our relations with the complex worlds of Islam.

It's gotten more difficult in the Russian case for reasons other witnesses have already addressed.

Most commentary about Russia lately in our relationship has been gloomy. Kremlin authoritarianism is creeping forward. Russian foreign policy displays a defensiveness bordering on paranoia, and an assertiveness bordering on pugnacity.

"Russia is back," say many pundits with foreboding and many Russian authorities with pride. One might say old Russia is back,

for the attitudes and reflexes on display have deep roots in Russian history.

The recent history is important. Putin, Putinism and the behavior of the Putin regime are very much a product of, as a backlash to, Russian developments in the late 1980s and 1990s—political disorder, loss of empire and international standing, and especially the economic collapse, accompanied by rampant criminality and corruption, and the impoverishment of most Russians.

To be fair to the Russians and to the history we're talking about here, we have to recognize our role in this. Some of our actions were good and necessary, but they inevitably caused resentment.

Expanding NATO into a zone that caused two world wars, as a cause of encouraging the Westernization, the democratization of the peoples of East and Central Europe, getting out of the ABM treaty—good and necessary, given the world we face—and the ease of constructing ballistic missiles; expanding our influence into the former Soviet republics—good and necessary decisions, but they inevitably caused resentment on the part of Russian elites and Russian people.

We also have to recognize the complicity in the 1990s of U.S. and Western governments and businesses in the plundering privatization and bandit capitalism that robbed the state, pauperized the people, and produced a hated new class of oligarchs.

Although exaggerated in Russian minds, this role was real. It was neither good nor, in my view, necessary.

Different behavior on our part in that period might not have produced different results in Russia, but they would not have produced the resentments, the deep resentments we now see in the Russian public.

I mean, it is a tragedy that, in the early 1990s, no country in the world was more respected and admired by Russians than the United States. Within a half a decade that had begun to disappear, and is largely, not wholly, gone today.

This whole sordid history of the 1990s and privatization—the Russian word for privatization is "privatizatsia." But the proper word for it in Russian has a good Russian root, "prikhvatitatsia," which means plundering or stealing or seizing.

All this ought to someday be thoroughly explored. Congressman Cox did a good job in 2000, but it was incomplete.

On the foreign policy and security fronts, given the landscape of Russian attitudes, the interests that history, contemporary and ancient, have produced, I believe the Bush administration is not actually—is not doing too badly. And the Putin regime is showing some constructive realism and occasionally initiative.

On the basis of public information, I believe this judgment holds on the very important areas of cooperation in counter-proliferation and counterterrorism.

Now, I know there are negatives there. And had I the kind of access I had through most of my career, I probably would know more about them. But the public picture is pretty encouraging.

On other fronts, like energy and economic relations, like WTO, I'll recuse myself for lack of expertise. But I want to make a point or raise a question about the energy front.

Russia wants to make itself a great energy power. There's an old Russian expression that says, Russia has only two loyal allies, her army and her navy. Now the pundits say it's her oil and her gas.

The question is, does the Kremlin want to use oil and gas the way it once used armies and navies for coercion, intimidation, pressure, dominance? Some of their rhetoric and actions, like behavior toward Ukraine at the beginning of the year, suggest that they do.

But one needs to ask whether oil and gas, like other forms of economic leverage, could be used that way. If markets prevail, over the long run they can't. Economic leverage requires cooperation, mutual respect for wellbeing and certainly survival among customers and suppliers.

So, it's an open question, but a hopefully open one, whether the pursuit of energy power will exercise a moderating and—if I can say so without saying sounding patronizing—civilizing influence on Russian foreign policy.

On many security fronts, Russian attitudes and behavior, resentment of the United States, a desire to counter our superpower position, at least make trouble for us here and there, official secrecy—they pose big problems for us.

But Russia has rationally perceived authentic national interests which we must understand if we are to deal with realistically, even if we don't defer to them.

On Iran, for example, Russia has manifold political, geopolitical, economic interests there. Moreover, Russian leaders suspect that were they to follow the United States in lock step on Iran, it would not materially change Iranian behavior—and I think they're probably right on this—but only increase the likelihood of a conflict and regional instability, of which they are the more likely victim than we, if it escalates.

I recently convened a workshop of Russian hands that are much more expert than I. And they emphasized the need to understand, if not necessarily defer to, these kinds of interests.

Let me note in this context before turning to the main agenda, that there's been a recent development of great importance in U.S.-Russian relations on security cooperation, that has strangely been ignored by the American press and largely so by the Russian press.

Late last month, our Undersecretary of State for Arms Control, Robert Joseph, and his Russian counterpart, Sergei Kislyak, reached an agreement to revive an official diplomatic dialogue on strategic nuclear arms issues, one task of which is reportedly already begun—to craft a successor to the START I arms control agreement, which expires in 2009.

Now, unless superseded by a similar agreement, the provisions of START I on declaration, verification, and inspection of strategic nuclear forces will also lapse. The revival of official negotiations of this kind between the United States and Russia is very good news, which should not be hidden under a bushel.

Successful management of the world's nuclear problem will require a sustained, frank and constructive dialogue between the world's original nuclear weapons powers about controlling and reducing their own weapons.

After all—if I don't sound too cute about this—survival is also a human right.

Now, let's turn to the all-important topic of human rights and democratic self-government. I just want to make a few basic points from my career perspective, really.

We—point one—and by that I mean the U.S. Government and all concerned people and institutions, organizations, NGOs—must make the best effort to understand what is really going on inside Russia. This is difficult.

Counting my years as a student along with a professional lifetime thereafter, I've been trying to understand that country for nearly half a century.

Despite—and in some ways because of—the abundance of open information, it is more difficult than ever to determine what is true, what is false, what is important and what is trivial, and what dubious assertions by authorities are sincerely meant or made cynically for political show, including "Russia is back."

Are they merely proclaiming that and knowing how weak that proposition is? Or do they really sincerely believe it?

These puzzles litter the landscape, from economic statistics to who set off the bombs that got Putin elected, or how the Chechen warlord, Basayev, really died.

Still, there are very important truths that—big truths, if nuanced ones—that can be appreciated.

Russia has an authoritarian regime, and if anything, is getting more authoritarian. But it is a weak authoritarian regime. It is strongest at monopolizing political power and suppressing or marginalizing serious competition—political competition.

It is not strong enough to effectively tackle Russia's real problems—the demographic crisis, the decaying infrastructure, the backwardness of the economy outside the energy sector—and even inside the energy sector, when you talk about, you know, fields, pipelines, infrastructure—and pervasive corruption.

And there are important divisions and factions within the regime itself.

Russia needs, but does not have, a strong state. It has a huge, bloated, flabby state that is as much an assembly of avaricious clans and bureaucracies, as a state.

A truly strong state can be built by Russians. It could be built only by Russians.

It could be built on the basis of strong authoritarianism—strong authoritarianism. But that would require charismatic leadership, a charismatic militant ideology beyond just Russian nationalism, and probably large-scale repressions.

This cannot be ruled out for the future, but happily, does not seem likely.

Or the Russians can build a strong state on the basis of true democracy, which is what we and a lot of Russians—alas, too few for now—are trying to promote.

Russia needs, but does not have, a free media environment for information and ideas. The media of broadest reach and influence, especially television, are dominated and largely controlled by the Kremlin.

Still, there are significant degrees of freedom in the print media and on the Internet. People can think and say what they please, and propagate what they think, more freely than throughout most

of Russian—and especially Soviet—history over decades and centuries.

Still, the combination of political power, limited though it may be, to squelch genuine political competition and opposition, and Kremlin dominance of the media—mass media, the media of broadest influence—call into serious question the meaning of upcoming parliamentary and presidential elections, even if there's no falsification or vote fraud in the usual sense.

As of today, Putin's weak authoritarianism has broad political public support, because it has brought a sense of order, a sense of pride and, thanks to energy revenues, increased economic wellbeing for many. The question is how long this will last.

Part of the reason for Putin's public support is that, for much of the population, as I noted earlier, democracy and market capitalism—meaning the experience of the 1990s—which offered too little of either democracy or capitalism. Beyond the regime and elites, we have to find ways to address the broad population that harbors these resentments.

Point two, we need to clarify and codify for the Russian audience—and, for that matter, for many other audiences in the world—our doctrine of democracy in its fullest sense.

Democracy can come in many different flavors, informed by culture, tradition, rational choice among alternative institutional arrangements and procedures.

But the ingredients or requirements are the same: rule of fair and reasonable law established by legitimate representatives, chosen through authentic public participation in authentically competitive electoral processes, enacted by transparent parliamentary procedures, surrounded by the free exchange of ideas and information, and enforced by independent courts and nonpartisan police.

Democracy requires a strong state, effective in performing the proper tasks as defined by law, but limited to them, such as defense, public order, regulating commerce, supporting the deserving disadvantaged.

This doctrine is more complicated than just voting or freedom for NGOs or freedom of the press. But it's not all that complicated.

And we've got to be better—we've got to get better—at conveying the tapestry of real democracy to get at some of these prejudices about, well, you're promoting the American model, or Western-style democracy.

Mr. BROWNBACK. Chairman Ermarth, let's see if we could get this wrapped up, because I want to get to some questions here, if we can.

Mr. ERMARTH. OK. Let me turn to the question of how to promote democracy. Let me make just two points.

We need to impress upon Russian leaders, including Putin and his successor, that our interest in—our concern as a government, as a country, as a people—in the democracy agenda is serious and in harmony with our security agenda.

Now, this requires style as well as persistence. Somebody who had both was Ronald Reagan, and I saw him apply this, personally. Very impressive.

Russian leaders aren't necessarily going to be moved by our protestations and our pleas, but it's important to impress upon them that we're serious about it.

As I said earlier, the biggest—and barring a far more authoritarian regime—the most enduring obstacle to the democratization of Russia is a population that is somewhat hostile by—made by the recent past, and largely indifferent, because of a mildly authoritarian regime that has brought a measure of stability and security for them.

How do we reach that and educate that audience more effectively? We need to recognize that as a priority.

How do we reach the broad audience at the level of technique and technology?

My experience is way out of date, in the Cold War—shortwave radio, book shops for foreign travelers. You know, with the end of the Cold War—globalization, satellite broadcasting, Internet, the information age—we have all kinds of new opportunities and avenues for communication about which others are far more expert than I.

But I will add, note in closing, that a lot of these experts on communications are Russians. They know and share our agenda. They know how to act on it. They are programmatically, operationally, if you will, technically expert on how to do this. They're enthusiastic. They're determined. They're daring.

They don't need education on democracy or the ills of their country. They need our support.

Mr. BROWNBACK. Thank you very much. Very interesting thoughts and comments.

Mr. Gvosdev, thanks for joining us.

NIKOLAS GVOSDEV, EDITOR, THE NATIONAL INTEREST

Mr. GVOSDEV. Thank you for inviting me.

I don't need to reiterate what you've already heard from every previous speaker about the very real problems for human rights and democratic governance in Russia. I don't need to repeat and enhance, that I think we've gotten a very clear picture. And it's not a pretty picture.

If this were solely a hearing about human rights in Russia, stop. We could end the discussion. But now, we've been asked also to say, how does this fit into the larger U.S.-Russia relationship and the conduct of diplomacy?

And I think we have to be very upfront to recognize that we may have to choose between a number of less than wonderful options.

I have been concerned that sometimes people in this discourse present very glib solutions, as if only we do X, Y and Z, within a matters of months the situation will change and be wonderful.

It's clear that these problems that we're seeing are endemic, they are sustained. They are not going to be overturned or changed simply by an act of will or an act of faith.

It's going to take engagement, and it is going to have to take setting of priorities, both short term and long term, for how we want the U.S.-Russia relationship to evolve and how we think is the most effective way in the long term to promote a Russian society that is governed by the rule of law and that is democratic.

I think when we're looking at the problems we're hearing today, we have to first of all recognize what I call the democracy paradox in Russia, which is that the growing authoritarianism of the Putin administration enjoys broad-based support within the population.

We can look at opinion polls, not only those conducted by Russian entities, but by those that are connected to Gallup and elsewhere, and assess that the Putin administration enjoys anywhere from 50 to 70 percent approval rating, even now.

This support for the regime is also linked, in the minds of many Russians, to the view that they are free enough. And the World Value Surveys and others confirm this—a high number of Russians believing that they do enjoy a reasonable amount of personal autonomy.

We can disagree with those assessments, and certainly, I think what we're seeing is that, if you're on the margins of Russian society—you belong to a minority religion, you want to be more politically active—you come much more into conflict with the state.

But for many ordinary Russians, they feel that their lives are better now than they've been at any point in the past, and certainly better than what their parents or grandparents have.

Paradoxically, if we look at the polling data, Putin enjoys his highest level of support from the youngest post-Soviet generation. If you look at his approval ratings, his approval ratings are lowest among the 55-and-older crowd in Russia, and his approval ratings are highest among 18- to 24-year-olds.

This is because, as Fritz pointed out, the experience of the 1990s, for many people the sense that the 1990s represented economic loss, degradation, so on and so forth, and that with the Putin authoritarian shift, this has opened up ways for opportunity.

And particularly the younger and more educated generation is also one that is able to travel. It has higher disposable income. It is more connected into the global information superhighway, particularly the Internet.

So, again, the perception that the state is closing in is less for some of them, because, if they feel that they can travel, they can study abroad, they can log on to any Internet site for news that they wish, if they have satellite TV which broadcasts all the international channels, then the perception that society is closing in on you is less.

And I think that we have to acknowledge that for many people, right now their priority—and the opinion polls, again, reflect this—is short-term stability, short-term prosperity. How do I get my family's income and livelihood in order? And then, over time, how do I expand this zone of personal autonomy?

I think it's important, because if we look at simply assessing various factors on the ground, prior to the Velvet Revolution in Serbia, prior to the Orange Revolution in Ukraine, there were a number of factors that were in play, that enabled those revolutions to succeed.

Right now, as of 2006—and this is not because I think this is great, but just this is my assessment of what's happening on the ground—I don't see those conditions in Russia. I don't see the conditions that led to those kinds of revolutions in other societies prior to their elections. That could change in the next several years.

My sense is that this kind of clash between a state that's closing in and a rising middle class with its sense of personal autonomy, that those trend lines probably aren't going to intersect, really, until the next decade—maybe 2010 to 2015—rather than occurring between 2006 and 2008.

People talk about the oil price being the magic solution for Russia, and it certainly has. But even if the oil price dropped below $30 a barrel, the Russian economy would still be growing at about 3 to 5 percent a year, so it would still be providing a certain degree of prosperity. But I certainly don't see the oil price within the next 2 years going anywhere below $55 a barrel.

So, the Russian Government will certainly have a lot of walking-around money at its disposal prior to the 2007 parliamentary elections and the 2008 presidential election.

And I think it's important for us to be understanding. If you're a Russian member of the middle class who lost their savings twice in the 1990s—first in the hyperinflation of 1992, second when the banks collapsed in 1998—it might be understanding that in this decade you might put a greater, higher priority on securing your economic standard of living first, as your first sense.

Certainly, there's a lot of discontent in Russia about corruption, arbitrariness, bureaucracy. Again, I don't see that this is leading a lot of people to conclude that they want a revolutionary change of government in the next several years.

And so, I think that we have to keep this in mind when we're looking at the Russian situation. It's not simply that there's a small clique at the top that we have to deal with, that only if it changed we would see radical changes.

I would estimate 30 to 40 percent of the current Russian population feels that it is economically invested in the survival of the current regime, which gives it a certain degree of staying power.

It also means why, if we look at elections, elections are flawed in Russia, to be sure. But if we look at the Moscow elections last year, liberal democratic forces didn't do that well in terms of winning elections, putting their candidates forward.

And if in Moscow, the wealthiest, most educated, liberal city, a city that in 1990, democratic forces swept when they had to deal with the Communist Party, it does indicate that there's a problem of message, that it's not—the message about that democracy leads to prosperity, leads to long-term stability is not yet resonating with many people, particularly if the 1990s is their sense of experience.

My colleague, Ian Bremmer, is coming out with a very interesting study called "The J Curve," which addresses this, which is that short term, more authoritarian governments can produce a certain level of prosperity and stability. To get to democracy in the long run means you have to go down the curve.

Russia sort of went down the curve, decided it didn't like where it was going, and it's going back up this authoritarian side of the curve.

And for us to simply say, well, if you're more democratic, you'll get to this long-term vision of greater peace and prosperity, we have to be able to explain how you can minimize the impacts of going through that kind of disruption.

We didn't really do a good job of it in the 1990s, and we're seeing some of this today.

Let me just touch on several other issues briefly, since they're included in the written testimony.

With regard to foreign policy, one of the elements that I'm suspicious about is this notion that much of Russia's current foreign policy difficulties with the United States stems solely or largely from a more authoritarian Putin government, and that if the government were more democratic, it would be more in line with U.S. foreign policy objectives.

Again, if you look at some of the opinion poll data when Russians are asked about questions like involvement with Iran, involvement with Iraq, other things like that, it's difficult to see that there would be a more democratically accountable government, would of necessity bring its foreign policy closer in line with that of the United States.

What we might get—and what would, of course, be a more desirable objective—is a more transparent understanding of how Russian foreign policy takes place. And we certainly didn't have much of that with regard to decisions about Ukraine and gas.

But to assume that a more democratic Russian Government automatically will track toward the United States in foreign policy, again, is not something that I think automatically occurs from the data.

With regard to this question of selective engagement, which has been put forward, that we can somehow have a back-and-forth on this, my impression from Russia, having been there during the time of both of these meetings—the alternative, the Drugaya Rossiya, and the G–8 itself—is that, in the end, there was dissatisfaction on both sides.

The Kremlin was dissatisfied there was an American presence, and it felt that there was a kind of—as some of them put it to us on the side—of an attitude that made it difficult to reach consensus with the United States. And a number of the people associated with Drugaya Rossiya felt that the U.S. presence was anemic.

Kasparov appeared 2 days ago on the "Charlie Rose" program to complain that, why didn't the Assistant Secretaries of State who attended actually play much more of an active role. And he cited disagreement—or that the British Ambassador was willing to make a speech, and the U.S. delegation simply attended.

So, there's this sense of—what I'm concerned about is that selective engagement often can result in—as I have cited the proverb about chasing two rabbits at the same time—you end up catching neither.

You neither develop a better working relationship with the Kremlin, if you want, on the security issues. And at the same time, the opposition doesn't feel that you've been doing much beyond providing some rhetorical support.

So I think that, in the end, one of the recommendations I would have is for us—for the Congress, for the administration—to really develop a better calculus of the U.S.-Russia relationship.

Are these human rights abuses—does it mean—is this a Russia we can still do business with, or that we can't? And if so, how we answer that question should then inform our policy.

But I think an attempt to try to say, well, we can do business with the Kremlin while at the same time be seen or be perceived as trying to undermine it or undermine the current government, I can't see that that leads to a solution where either you find a cooperation with us on things that affect our foreign policy interests, and at the same time not doing much to really advance our sense of values and democratic governance.

So, I would think that in the end with all of this, is we have to—we'll have to come up with some degree of how we're going to prioritize. Which of these things matter? What linkage are we prepared to offer on any one of these given issues?

I don't think necessarily for me to suggest that. But I think it has to be done much more, both within the Congress and the administration, rather than sort of asserting that we can have it all simultaneously.

I think we're going to have to decide if a more authoritarian Russia is a government we can do business with. Can we live with some of these problems? If not, are we prepared, then, to diminish cooperation with Russia and to have those consequences?

And to at least have an understanding of how we can make what are going to be very difficult choices, because I don't think that we're going to have a magic solution, that in the next year all of this is resolved and we enter 2008 without having this issue in front of us.

Mr. BROWNBACK. Let me pursue right off of that, because that seems to me to be the real question and the real issue here and the real art of this—not science, but the real art of this—which is, how do you engage Russia and at the same time push Russia?

I've wrestled with this myself a great deal, particularly in the work that I've done in the Central Asian countries—Kazakhstan, Azerbaijan, Uzbekistan—less recently and more previously.

But how do you engage them and yet push them? Because we want to engage. We want to encourage. And I believe strongly that you need to build the relationship to have any credibility, and that they have to believe you're there in their best interests.

But at the same time, we are not satisfied with their status. We believe people deserve to be free. We believe it's a universal right. We believe it's a God-given right.

And we're not—the old statement, to feel fully free ourselves until everybody's chains are off and they're free.

So, how do you do that? What's the—is there a formula you can look at? Or did we ever get this right in any time in previous U.S. history, that we could look back to that model and say, OK, here's how you model and do that?

Mr. GVOSDEV. I think—and, Fritz, perhaps you'll address more the historical side, based on your experience.

But I think right now, one of the things that's critically important is capacity building, and that includes more exchanges, more students, things going back and forth—really having a long-term vision, though.

Mr. BROWNBACK. OK. I'll give you that.

Mr. GVOSDEV. This is not going to happen——

Mr. BROWNBACK. I agree with that.

Mr. GVOSDEV. I think that we need a situation where we need to be consistent in what we say and what consequences are. I think one of the problems that——

Mr. BROWNBACK. Now, let me probe you on that, because I—because that's—I agree with that.

Mr. GVOSDEV. Take, for example, Jackson-Vanik. Let me give that as an example.

If a particular piece of legislation has specific conditions attached to it, and the conditions are fulfilled, then you move on.

If there's a sense, though—this is the complaint, both at the U.S.-Russia dialogue in February, and then afterwards in the G–8—is the sense that there's a Christmas tree approach, that if Russia—if a Russian official makes a movement on a particular area, then people will say, well that's great. You moved on this particular area, but now we have these other complaints, as well. And therefore, there's—the idea that there's workable linkage, that movement on something produces a concrete response from our side.

I think there's a growing sense, particularly among the younger people in the presidential administration—this is what one of them told me—it's just not worth it to deal with the Americans. You don't—they won't—you won't—you won't reward movement.

And, I mean, that to me seems to be one of the issues here, that there's no reason to—that there's no benefit now to be gained in the presidential administration for advocating, maybe we should listen to the United States on these concerns, because the perception is it's talk.

And Putin himself went in the other way when he said, well, they bring up these—you know, when he said in February—they bring up these concerns and we sort of shrug them off. His famous phrase—the dogs bark and the caravan keeps moving.

So——

Mr. BROWNBACK. Mr. Gershman, answer my question, would you?

Mr. GERSHMAN. I'd be happy to.

Let me start by just saying that I'm a little bit uneasy with the way Mr. Gvosdev has spoken about the problems of selective—what he called selective engagement.

I mean, because if what he's pushing for, of course, is engagement, it means, you know, that really we should do less of the support for human rights and democracy. I think he's saying one way or the other.

And I don't think it's ever going to be so simple. And I don't think there's ever a simple formula.

The United States, first of all, is always going to be divided in how it approaches these issues. And the more autocratic a country is, the more divided we're going to become.

There'll be people who are pushing for engagement, people who are pushing more for human rights. The administration will always, probably be out front on—more out front—on engagement issues. The Congress is a voice for human rights.

There'll be different—I'm just making a point—there'll be different pressures here, and I think that's perfectly appropriate.

I don't think the United States—as I said in my testimony—can walk away from the relationship with Russia. But what I at least would like to see is that we don't approach it with any illusions, that we're honest, and that we send clear messages to people in Russia who are our friends, that we're going to be standing with them and that we're going to be doing everything we can to try to support them when they're undergoing a great deal of stress today, because of the new laws and the—which is really an attempt to close off the last remaining area of independent activity, which is civil society.

And I think this is something that we can do. I think it's going to be long term. I have no disagreement with that.

I think it's going to come from within Russia. I think the importance of what I saw was that something emerged from within Russia. But we were associated with it, and I think properly so, at the request of the Russians.

They make the call on whether they want the Americans or other Westerners, or people from outside to come in and to give them support. They wanted it and they deserve it, but of course it's going to have to come from within Russia.

I think, frankly, the schedule that was enunciated by Mr. Gvosdev is actually a rather optimistic schedule. I think we have to be prepared for a long-term process here, where we're going to be engaged, and we're also going to be supporting a clear democracy agenda.

And one more point. I think one of the reasons we, as the National Endowment for Democracy, were taken out of the government and made an independent entity, is so we can continue to pursue these types of issues as our government, you know, is engaged. I don't think there's a contradiction there.

Mr. BROWNBACK. It seems like to me that the situation that you want to try to do is be fully engaged, and yet always maintaining tension on the democracy-human rights agenda, until it's to a Western standard, recognizing that it's never, ever perfect in any country.

And, for instance, we just had a signing ceremony I was at today on the Voting Rights Act, the VRA, which 40 years ago there were substantial places in the United States where if you were of a certain racial group, it was pretty tough to vote and often you couldn't vote.

And so, there's always that. But that we should be engaged yet always maintaining the pull, to move people forward——

Mr. GERSHMAN. It was Wendell Phillips who, in 1858—the Abolitionist—who said that the price of liberty is eternal vigilance.

Mr. BROWNBACK. Or eternal tension maybe would be——

Mr. GERSHMAN. Well, both.

Mr. BROWNBACK. Could use that, too.

Mr. Ermarth, I know, I'd like—I want to just make a statement to you, because I want to go to another point here.

I've been—I've watched the Soviet Union for a number of years, even when growing up I watched it, because they were a great marketplace for our wheat at that time. Communism is a terrible producer of goods and services, but that makes great market advantage for some others.

What amazing change that that country has gone through in the years that I have observed—the Soviet Union to Russia and the various countries. It's really breathtaking, and remarkable things that have happened.

But them looking now to use oil and gas as an economic leverage point, which I read and I see in some practice. I can tell you from practical experience in this country, when you use a commodity as an economic leverage, it will ultimately backfire on you, because the people that are on the other end of that stick, they figure this out real fast.

And even if things go back to the way they normally were, they say, we're not going to be in that trap again, so we're going to figure another way out.

So, we now have—what have we got now—five ethanol plants being built in Kansas as I speak, biodiesel plants going up—I was figuring out—cellulosic ethanol. I think you're going to see these other places go, yes, we don't like this thing.

We did it. We tried it as a country ourselves. I remember this one vividly, too, capturing the soybean market in the 1970s, and with the Japanese we cancelled soybean contracts so that we could have more of the soybeans here.

That really backfired, because then they invested in Brazil and started the big soybean industry that was competing against us. That was a really smart move on their part to do that.

And so, people in hindsight they go, you don't mess with commodity markets. It's just—those will ultimately teach your buyer you're not reliable. Not only are you not reliable, you can be punitive with this. And they will not succumb to that.

I think—I can understand, and the tools do work and can work near term. They can work on a short-term basis and produce a real havoc and produce a real pressure. But ultimately, they produce their own solution, too.

And I think that's an unwise way for them to go, even though oil is certainly a dear commodity to the world and the global economy at the present time.

I want to look at—and this has been a very helpful panel. I want to thank all of you for condensing the thought of what's taking place in Russia.

And I would certainly say, anybody in that country that might look at any of the things we're saying here, nobody in the United States wants a weak Russia. We want a strong, vibrant, democratic Russia. We want an open and free Russia. And we want to see the country grow and prosper.

And that is just not in our makeup. And right after the fall of the Soviet Union, this country leaned in to help in a big way to try to help see that transition. Fallout as it may have been at some points, or the United States gaining—some private interests gaining financially from that. I lament that that happened.

But we want to see a vibrant, strong Russia.

One question I want to ask you, and I was curious about it in the last panel, is the role of the Russian Orthodox Church in supporting a move back toward more authoritarian rule.

If I understood the prior witness, this is—the primary church is supporting that. That just seems strange to me, is a religious institution to do that.

Is that, indeed, the case? And should we be engaging more them pushing towards a more human rights free society?

Mr. GVOSDEV. Senator——

Mr. BROWNBACK. Mr. Melia? I don't know—or is there somebody? Please.

Mr. GVOSDEV. Go ahead.

Mr. MELIA. I would just add, first of all, I'd defer to Felice Gaer and the people on the commission on many of the specifics.

But, you know, it's the Russian Orthodox Church. It is part of the nationalist sort of identity of Russia. It's part and parcel of the Russian national identity for many Russians.

It's not unsurprising that the leaders of the Russian Orthodox Church share this view of Russia's place in the world, and this—paranoia is not too strong a word, maybe a little bit strong, but it's not overly strong—this view that they are under assault from other cultures and other countries, and that they need to be defensive.

From their point of view, their assertiveness vis-a-vis minorities—and we see them as largely harmless or small communities of believers or missionaries, or whether that's on the religious side or, frankly, on the political side, people talking about different kinds of political ideas—they feel besieged by this.

And I don't say that to excuse it. I say that we need to understand that, as powerful as they seem to be as a country—and they are in many ways—they feel like they're coming out of a period of profound weakness in these last 15 years, and they're trying to find their sea legs again, as a country and as a society.

Mr. BROWNBACK. So, here's the anchor for the sea legs? Here's the solid ground we can stand on?

Mr. MELIA. That's part of it, yes. I don't know the degree of religiosity in Russia. I don't know how important it is to many Russians, but I think it's part and parcel of that.

It's not a church in confrontation with the Putin administration. It's one that I think shares some of its ambitions.

Mr. GVOSDEV. And Senator, I'd like——

Mr. MELIA. I'd defer to better experts on that.

Mr. GVOSDEV. Just to give you maybe a point of reference, the hierarchy of the Russian Orthodox Church, in terms of its theological outlook, in terms of questions of democracy, human rights, is very similar to where the Roman Catholic Church was prior to Vatican II.

They would probably be similar to the mindset of a Pope Pius XII. You're suspicious, to some extent, of pluralism. You're suspicious of things that seem to be eroding traditional bases of authority.

Again, the experience of the 1990s fed into that.

Also, to the extent that the Russian Orthodox tradition, as it was expressed in the diaspora, largely has, in terms of theological movements, which are largely akin to what occurred at the Vatican II Council in Russia—or sorry, at the Vatican II Council in Rome—have not as much permeated Russia itself, which is the theological

underpinnings of human rights and other things based upon the notion of the human being as created in the divine image.

It's present in Russia. It's present in the 2000 social doctrine that the church issued. But you can see that when you read the social doctrine, it's only a backhanded endorsement of democracy as basically being better, perhaps, than other alternatives, if it assures the church the ability to carry out its functions. But it's not quite a ringing endorsement.

So that's why we think maybe it might be useful to think of where the Catholic Church was prior to Vatican II, in the 19th century and its questions on democracy. It's theologically still working its way through.

At the local level—and this goes to the questions of religiosity—Russia is largely a very secular society. You're only looking at about five percent of Russian citizens, and these are both ethnic Russians and non-ethnic Russians who happen to be of Orthodox nationality.

It's only about 5 percent attend church on anything that can be described as a regular basis. About half of Orthodox believers never attend church, other than to attend baptisms, weddings—you know, hatched, matched, dispatched—and not even coming necessarily on Easter or Christmas.

That's where you then get this nationalist sense, where you have people who don't necessarily know what the religion teaches, but say, to be Russian is to be Orthodox. And therefore, if you're not Orthodox, you're not Russian.

But I can't really tell you much about what the theology is, or what it means to be as a person, or anything like that. So, you do have this phenomenon. And, of course, not limited to Russia, of where religion also becomes a marker of national identity.

But you do have relatively low levels of religiosity, in terms of who goes to church on any given Sunday. And that does——

Mr. MELIA. If I could add—could I add one diplomatic layer to that very helpful commentary by Mr. Gvosdev?

There is now underway in international diplomatic circles, around, for instance, the U.N. Human Rights Council deliberations, a discussion in which some governments of Islamic majority countries are finding common cause with governments in places like Russia, to talk about religious pluralism as a threat to culture. And that religious diversity is seen as a threat to their sovereignty and to their national sense of identity.

And so they, for instance, defend blasphemy laws in some countries that make it illegal and punishable by some very harsh means, to advocate for different religious interpretations, even of Islam in certain Islamic countries.

And that instinct to control the debate, to punish people who have different views, that we see and can understand in one dimension when it's on a religious plane, easily spills over into the political arena.

If you're not allowed to challenge the official view of Islam or of Russian Orthodoxy in different countries, because that's blasphemous or, you know, culturally disrespectful, then you can be accused of being blasphemous or culturally insensitive for other things that get beyond sort of standard religious discourse, like

complaining about laws on family policy or social laws that have a religious connection to them.

But this is slippery slope. And once states, especially, begin to embrace certain religious perspectives—that they have the right view of the world and universe—and can use the power of the state to control religious dialogue, then it also is a political issue and constricts freedom.

And we see that emerging in this way in Russia, as we have seen in some other countries. It's a resurgent, active discussion. This may well be part of the discussion at the next session of the U.N. Human Rights Council in September in Geneva.

There'll be an effort by the Organization of Islamic Countries to push the envelope on getting an endorsement for a view that religious pluralism is a threat to their status in their cultures.

Mr. BROWNBACK. That's an interesting point.

I have great respect for Orthodoxy as a faith. I think it's beautiful, and I have a great respect for it. It's just—it just seems to me at odds with one of the great—I don't know—I guess theological debates.

But a number of people would assert that one of the most difficult decisions God ever made was to give us freedom. So that this is one that is to be so cherished, because it was such a difficult thing.

And it's one for us to protect, and it's one for us to guarantee for others is just freedom. Freedom to do as we choose—or nothing—their freedom to do nothing.

And that's what—you know, I look at it and I go, that just seems to be so central to faith is the freedom to choose regardless. And then, you may choose wrong. A lot of us do at many different times in our life. And that's why it just seems a bit odd to me.

It also, I think, does outline that one of the real, key, difficult issues of our day is to get that understanding of freedom within a religious context for a global society. I mean, that this is a very basic human right. It's the very basic human freedom, and it needs to be guaranteed for everybody to choose to do however they choose to do.

And we need to continue to be really vigilant and respectful of all faiths, supportive of all faiths, but also pushing that the very foundation of this is that you're free to choose whatever, or to choose nothing, if you so choose.

Very good.

Mr. MELIA. Amen, so to speak.

Mr. BROWNBACK. A very interesting panel. I appreciate your outlines, your thoughts and how we can continue to move all of this forward.

The hearing record will remain open, if additional questions need to be supported or put forward by members, or if statements that you want to correct for the record need to be put forward.

I appreciate very much the presenters. The hearing is adjourned.

[Whereupon, at 2:48 p.m., the hearing was adjourned.]

APPENDICES

PREPARED STATEMENT OF FELICE GAER, CHAIR, COMMISSION ON INTERNATIONAL RELIGIOUS FREEDOM

Thank you for this opportunity to testify on behalf of the United States Commission on International Religious Freedom. I plan to summarize the Commission's testimony in my oral remarks, but would like to request that my full written statement be included in the record.

I would like to take the opportunity, on this, the 30th anniversary of the establishment of the Helsinki Commission, to express appreciation to this body for its excellent and valuable advocacy of human rights in the countries that make up the Organization for Security and Cooperation in Europe, or OSCE. Throughout the past 30 years, Commissioners on the Helsinki Commission and their expert staff have worked effectively to ensure and maintain a focus on the human rights agenda in the context of this important international organization. And it has changed the international climate.

As you know, a delegation from this Commission traveled to Russia just last month. We visited Moscow, St. Petersburg, and Kazan, the capital of the Republic of Tatarstan. The Commission met with Russian government officials from the National Security Council, the Presidential Administration, the Ministry of Foreign Affairs, the Justice Ministry's Federal Registration Service, the Presidential Council on Religious Affairs, as well as the President of the Republic of Tatarstan and other regional and local officials and legislators. The delegation also met with representatives from a wide range of Russia's religious communities, including Metropolitan Kirill, External Affairs spokesman of the Moscow Patriarchate of the Russian Orthodox Church, and academics, legal advocates, and representatives of human rights organizations.

As a result of its visit to Russia, the Commission delegation found five major areas of concern:

- The rise in xenophobia and ethnic and religious intolerance in Russia, resulting in increasing violent attacks and other hate crimes, and the government's failure adequately to address this serious problem.
- The Russian government's challenging of international human rights institutions and its persistent claim that foreign funding of Russian human rights organizations constitutes illegitimate interference in Russia's internal affairs.
- Official actions related to countering terrorism that have resulted in harassment of individual Muslims and Muslim communities.
- New amendments to the law on non-commercial organizations (i.e., NGOs, which includes religious organizations) that may be used to restrict severely their ability to function.
- Continuing restrictions by the Russian authorities on the exercise of freedom of religion or belief, particularly at the regional and local levels.

I will expand briefly on each of these specific concerns.

First, the Commission is concerned about the Russian government's failure adequately to investigate and prosecute hate crimes. Russia reportedly now has 12 million migrants, most of whom are Muslims from former Soviet republics. Many Russian human rights groups have concluded that crimes based on ethnic or religious hatred have become more and more violent, as is demonstrated by the killings of African students and Tajik migrants in St. Petersburg this year, as well as the knife attack in a Moscow synagogue earlier this year that injured nine Jewish worshippers.

Although many of these attacks are motivated by ethnic hatred, some attacks against Muslim, Jewish, Protestant, and other religious communities are explicitly motivated by religious factors. Indeed, leaders from these three communities expressed concern to us about the growth of chauvinism in Russia, and the underlying belief of many ethnic Russians that their country should be reserved for them and that the country's so-called "true religion" is Russian Orthodoxy. Many official and other interlocutors suggested to us that this view is fueled in part by the perception that Russian identity is currently threatened due to a mounting demographic crisis, stemming from a declining birthrate and high mortality rate among ethnic Russians. Hostile articles in the de facto state-controlled Russian media contribute to the atmosphere of intolerance, as do statements of some public officials and religious leaders. Persons who have investigated or been publicly critical of hate crimes in Russia have themselves been subject to violent attacks, including Nikolai Girenko, a St. Petersburg expert on xenophobia, who often testified in trials concerning hate crimes and who was gunned down in June 2004. Local police claimed in May—two years after the murder and shortly before the G–8 meeting—to have found the five men guilty of the killing (and that the triggerman was killed by police in a shoot-out), but some who are familiar with the case have questioned whether these are the real perpetrators. In addition, several judges who have ruled against skinheads have received death threats.

Of particular concern to the Commission is that many Russian officials continue to label crimes targeting ethnic or religious communities simply as"hooliganism." It is notable that officials from the Leningrad Oblast declined to meet with the Commission because, in their words, there was no government official responsible for monitoring or prosecuting xenophobia and hate crimes since "their region did not have these problems." Although some efforts are being made to prosecute these cases, more can and should be done to ensure that law enforcement agencies recognize these crimes for what they are—hate crimes are human rights abuses—and prevent and punish such hate crimes, including if ethnicity and religion are involved. While vigorously promoting freedom of expression, Russian public officials—as well as leaders of religious communities—should take steps to discourage rhetoric that promotes xenophobia or intolerance, including religious intolerance.

The new mechanisms to address intolerance and related human rights issues recently established by the OSCE are directly relevant in this context. Due in part to the efforts of the Helsinki Commission and our Commission, working with the U.S. delegation to the OSCE, the OSCE has taken decisions in recent years obli-

gating all Member States to develop and implement policies against ethnic and religious intolerance in their societies. As part of these policies, Member States, including Russia, are required to report to the OSCE on the specific measures that have been undertaken on a national level to address hate crimes, measures which should include maintaining statistics on these crimes, strengthening legislative initiatives to combat them, and establishing training programs for law enforcement and judicial officials to deal more effectively with violent acts motivated by intolerance. Fulfilling these OSCE obligations will do much to advance Russia's efforts to battle hate crimes and other forms of intolerance.

Second, the Commission is seriously concerned about the Russian government's attempts to challenge international human rights institutions and undermine Russia's own domestic human rights advocacy. Although Russia has ratified international human rights treaties, Russian officials and other influential figures have challenged international human rights institutions, as well as the validity of human rights advocacy in Russia, charging that they are being used for political purposes. Moreover, Russian officials and other influential figures have complained of "double standards," "selectivity," and "politicization" when there is an inquiry into Russia's human rights practices. In the OSCE, for example, the Russian government has led efforts critical of the organization's election monitoring efforts and human rights scrutiny of Russia and neighboring countries.

It became clear to us as a result of our visit that the problem of rising ethnic and religious intolerance I described above has been exacerbated by the repeated efforts of Russian government officials to label foreign funding of non-governmental organizations (NGOs) as "meddling" in Russia's internal affairs. Moreover, the official branding of human rights organizations as "foreign" has increased the vulnerability of Russia's human rights advocates and those they defend. The Commission heard these and similar views expressed not only by Russian government officials, but also by Metropolitan Kirill of the Russian Orthodox Church. This is a particular cause for concern, given the increasingly prominent role provided to the Russian Orthodox Church in Russian state and public affairs.

Third, the Commission is concerned about increasing reports of official government actions against Muslims in Russia. The Commission acknowledges that the Russian government faces significant challenges as it addresses genuine threats of religious extremism and terrorism with a religious linkage in Russia. One challenge involves protecting the freedom of religion and other human rights of all persons, even as counter-terrorist efforts are undertaken. However, the Commission met with a number of NGOs and human rights activists who are tracking human rights abuses against Muslim individuals and communities, a problem that is beginning to gain some public attention inside Russia. Russian human rights defenders provided evidence of numerous cases of Muslims being prosecuted for extremism or terrorism despite no apparent relation to such activities. Human rights activists also presented evidence that dozens of individuals have been detained for possessing religious literature such as the Koran, or on the

basis of evidence planted by the police. In several regions, mosques have been closed by Russian government officials. These developments are of special concern because Muslims are the second largest religious community in Russia and because any arbitrary actions such as those described to us may in fact increase instability and exacerbate radicalism among Russia's Muslim community.

Fourth, the Commission is concerned that the new, restrictive NGO law will have a negative affect on religious groups, in addition to non-governmental and non-commercial organizations. Although Aleksandr Kudryavtsev, Director of the Presidential Administration Liaison with Religious Organizations, told the Commission delegation that the new law would have little impact on religious organizations, Sergei Movchan, the director of the Federal Registration Service (FRS), confirmed that some of the law's most intrusive provisions do apply to religious organizations—and to charitable and educational entities set up by religious organizations, as well as to groups defending human rights. Under the new law, the 2,000 FRS employees who are charged with oversight of NGOs have broad discretion to summon an organization's documents, including financial information, as well as attend its events, without the group's consent or a court order. If violations are found, the FRS can call for court proceedings against the group, possibly resulting in the group's eventual liquidation. FRS officials told the Commission that agency regulations on the use of its new powers had not yet been finalized, but that officials would be able to use this new authority if they believed that an organization was acting contrary to its charter.

One key purpose of the new legislation was to prevent NGOs—especially those receiving foreign funding—from engaging in so-called political activities, a purpose not spelled out or defined in the legislation. Russia's human rights organizations are particularly vulnerable to this implicit prohibition, which is subject to arbitrary interpretation. It is the Commission's view that these provisions of the NGO law on foreign funding are a part of the broader effort by Russian officials described above to link human rights groups to "foreign interference," and thus to discredit—and perhaps ultimately halt—their activities.

Finally, although people in today's Russian Federation generally are able to profess and practice the religion of their choice, experts, legal advocates, and representatives of religious communities in Russia told the Commission that minority religious groups continue to face restrictions on religious activities at the regional and local level. These ongoing problems include de facto state-controlled media attacks that incite intolerance; registration denials; refusals to allot land to build places of worship; restrictions on rental space for religious activities; and long delays in the return of religious property. The Commission learned from the Russian Human Rights Ombudsman's office and others that the restrictions and limitations that produce these complaints are based on subjective factors, including the notion that Russian officials should accord different treatment to the four so-called "traditional" religions (Russian Orthodoxy, Islam, Judaism, and Buddhism) compared to that accorded the many "non-traditional" religious communities in Russia. Another factor is the alleged influence on local and regional govern-

ment leaders of Russian Orthodox priests who object to the activities of other religious groups.

Metropolitan Kirill told the Commission that although all religious communities should be equal under the law, it was unrealistic to expect that all such groups would be accorded equal respect by government officials, especially given the role that the so-called "traditional" religions have played in Russian history and society. However, this distinction between equal legal rights and perceived cultural and social significance is unfortunately not always understood by officials at the local and regional level. The Commission also noted from its discussions with Russian officials, religious leaders and NGO representatives that there was a lack of interest at the local level in promoting engagement among the various religious communities in order to build a culture of tolerance that would support freedom of thought, conscience, and religion or belief and the associated freedoms needed for its exercise.

COMMISSION RECOMMENDATIONS

Based on the findings and observations from its visit to Russia, the Commission has made several recommendations. The Commission recommends that the U.S. government encourage the Russian government to take the following actions:

—Affirm publicly that all religious communities in Russia are equal under the law and entitled to equal treatment, publicly express its reported opposition to any legislation that would grant preferences to so-called "traditional" religions over other groups, and direct national government agencies to address and resolve continuing violations of religious freedom at the regional and local levels.

—Speak out frequently and specifically to the citizens of Russia to condemn specific acts of xenophobia, anti-Semitism, and hate crimes, and to affirm a commitment to uphold the multi-ethnic and multi-confessional nature of Russian society. In addition, the government of President Vladimir Putin should protect the religious freedom and other human rights of Russia's Muslim community, and, in the context of counter-terrorism, avoid taking steps that could exacerbate religious extremism.

—Although the new law on NGOs is troublesome enough to warrant its full withdrawal, one minimal step needed immediately is to develop regulations that clarify and sharply limit the state's discretion to interfere with the activities of NGOs, including religious groups. These regulations should be developed in accordance with international standards and in conformity with international best practices.

—Implement the many specific recommendations made by Russia's Presidential Council on Human Rights, the official Human Rights Ombudsman's office, and the Council of Europe's European Commission against Racism and Intolerance to address xenophobia and prevent and punish hate crimes, including:

- a complete review of the residence registration system, including its effects on migrants
- a full implementation by regional and local law enforcement personnel of criminal code provisions on incitement and violence

motivated by ethnic or religious hatred, in accordance with standards established by the European Court of Human Rights; and

• the establishment of 1) national and local mechanisms to collect and publish official statistics on such crimes; and 2) units of local law enforcement dedicated to their prevention and prosecution.

In advocating all of these steps, the President and Secretary of State should work to encourage the other G–8 countries to speak with one voice on these matters. President Bush and other U.S. officials should also be prepared to counter the persistent claims by Russian leaders that U.S. and UN efforts to advance human rights concerns constitute foreign "meddling" or are aimed at harming the Russian Federation.

CONCLUSION

To conclude, the Commission is continuing to examine options for U.S. policy to advance freedom of religion and related human rights in Russia, and we plan to issue a further report and recommendations in the fall. As always, we look forward to continuing to work with the Helsinki Commission on the situation in Russia and other OSCE members states.

PREPARED STATEMENT OF TOM MELIA, DEPUTY EXECUTIVE DIRECTOR, FREEDOM HOUSE

Mr. Chairman,

Freedom House appreciates this opportunity to testify about the deteriorating democracy and human rights situation in Russia today, its implications for the future—and the American response. We gather today not only in the immediate aftermath of the G–8 summit in St. Petersburg, but in the opening days of the campaign that will culminate with critical parliamentary elections next year in the Russian Federation. Having spent a week in Moscow last month, I can offer some personal observations as well as convey to you the findings from recent reports published by Freedom House about Russia.

Freedom House sent a multinational delegation, led by our executive director, Jennifer Windsor, and including some of our research team that focuses on Russia. We went to Moscow just prior to the G–8 summit quite deliberately to engage personally with a broad range of Russians—including the community of democratic activists and politicians who mainly now find themselves outside of government, journalists and human rights groups, scholars and NGOs, as well as with those in the Kremlin and others sympathetic to Vladimir Putin's administration.

While there, we released our most recent report on Russia, from our survey called Nations in Transit, at a well attended press conference on June 14, and so these findings were conveyed to at least some Russians through the dwindling array of still independent newspapers and radio stations in Moscow. That report documents the continuing erosion of freedom in Russia during the past year, and I have brought copies today for your reference. The report, by one of America's most eminent Russia-watchers, Robert W. Orttung of American University, focuses on several specific developments that have been prominent in the last year—the resurgence of corruption in the growing state-owned economy; the development of the NGO law that would further curtail civic activity, and obstruct international efforts to assist civil society; the adoption of election laws that will make it even more difficult for opposition parties to win seats in the Duma and virtually impossible for independent monitors to observe the electoral process. But the larger, even more important story to be told is found in the accumulated series of reports on Russia that track the steady, continuing restriction of political space in Russia. In the annual assessments contained in Nations in Transit, one notes that the scores for Russia's democratic performance have been declining in every year since 1997.

Freedom House is often vilified in official media outlets in Russia (and some neighboring countries) for our reporting on developments there, and our release of this most recent report was no exception. The Russian Foreign Ministry issued a formal statement denouncing us and challenging our motives and our methods. Though the statement cavils about several things, including a concern that "isolated facts are ferreted out and become 'dominating tendencies'," the ministry's writers seem most concerned that Americans care at all about the state of Russia's democracy. Of our report, they say:

> All this should not be taken so seriously but for one important circumstance. In the new strategy for US national security, Russian-American interstate relations are made directly contingent upon how Washington appraises our "behavior" in the field of democracy and human rights.

We wish this were true! While of course we appreciate that the U.S. Government needs to be engaged with the Government of Russia on many fronts, we believe it is of the utmost importance that the U.S. government engage Russia's democrats, to listen to them, and to think of responsible ways we all, in and out of government, can help them.

We at Freedom House do not believe that Russia should be shunned or isolated by the international community—to the contrary, we believe that broad engagement is called for by Western governments and civil society alike. And our friends in Russia confirm this. We do think it odd that this particular international gathering even included Russia, let alone was hosted by Moscow.

The rush of world leaders to St. Petersburg is clearly seen by Russians, both those who support President Putin and his critics alike, as a sign that the West does not really have major concerns about political trends in Russia these days.

What are these trends? The deterioration of democracy in Russia—or, perhaps more accurately, the dissolution of that country's democratic potential—has been a serious, deliberate long-term project. So this is not just something that has happened only on President Bush's watch—nor even just since Vladimir Putin became president of Russia. The recent, much publicized effort to hamstring the civic sector in Russia, through a combination of legal shackles and a vituperative media campaign questioning the patriotism of Russian NGOs, comes on the heels of previous successful efforts:

- to eviscerate political parties and render hollow the electoral process, a practice that started during the Presidential elections in 1996 under President Yeltsin, when all means were acceptable to fend off a resurgence of the then-increasingly popular communists;
- to concentrate power in the hands of the Kremlin by altering the constitution to allow the president to appoint governors of the regions who had previously been popularly elected;
- to cow the business community through strong-arm tactics by the Putin Administration, abetted by the courts, that have led to the re-nationalization of major corporate assets that had been privatized in the 1990s;
- to intimidate business leaders to desist from supporting political parties and candidates they might prefer, through selective prosecution epitomized by the incarceration of Mikhail Khordokovsky, previously the principal financial backer of several rival parties to Vladimir Putin's United Russia, now languishing in a remote Siberian prison;
- to control the national media, explicitly in the case of all television and most radio (which have now come back under government control), and indirectly in the case of print media, which are one-by-one being bought out by interests sympathetic to the Kremlin, after independent-minded publication find their advertisers

being discouraged by the Putin Administration until they become financially untenable as businesses.

Russia is not yet a totalitarian state, and may not fully become one again, but it is well down the road to a consolidated dictatorship—one with nuclear weapons, fast-accumulating wealth due to its oil and gas reserves, increasingly assertive and self-confident on the world stage, and, importantly, one governed by a community convinced that the United States wishes Russia to fail as a state. This paranoia about what our motives are comes through in private conversations and public statements alike, and needs to be acknowledged in any serious conversation about Russia.

Notwithstanding what I perceive to be a broad consensus among Americans, in and out of the government, that we want to see a Russia that is strong and stable, secure and prosperous, democratic internally and constructive in its international policies, many leading Russians seem to think we want the country to be weak and poor, as well as pliable. They point to the enthusiasm the West showed for Boris Yeltsin's governments in the 1990s, when—many Russians now believe—Russia collapsed, lost its Great Power status, and fell into disarray at home and abroad. While we thought we were embracing an admittedly chaotic situation that would get through its convulsions and onto a path toward stable democracy, many Russians came to believe that we actually sought the chaos, insecurity and impoverishment that was so widespread in that period.

This period is thus closely connected with broad American support. Furthermore, Russians believe that the current more critical view of their government is based on the increasing economic strength of Russia under President Putin. They say claim that as soon as Russia was able to pull itself up by the bootstraps, and started asserting an independent policy, it was branded "undemocratic."

This view is reinforced in the minds of some Russians by what they perceive as a selective policy of democracy promotion by the United States. The dismay among Russian democrats at the gap between the Bush Administration's soaring calls for democracy worldwide and the, well, let's call it a measured response to the steady erosion of freedom in Russia was quite evident during our visit. Some Russian democrats take heart in the bold speech delivered by Vice President Cheney in Vilnius in early May—but they wonder why it wasn't delivered in Russia, or by President Bush himself, and why it was so conspicuously undermined by the President's warm welcome of Azerbaijan's President Aliyev to the White House in May and the Vice President's subsequent visit to Kazakhstan and his embrace there of a leader who governs a country that Russians know full well is less free even than is Russia.

Let us return to the issue of where Russia was in the 1990s. The fact that Russia's creeping authoritarianism has been discussed for so long should not cause us to overlook the long arc of its downward trajectory. It has been widely reported, for instance, that our annual survey of political rights and civil liberties, Freedom in the World, last year recorded that Russia had dropped back into the ranks of the Not Free countries, after thirteen years of being counted in the ranks of the Partly Free. This has been just as widely

misinterpreted as meaning that something especially dramatic and draconian happened in 2004. While 2004 did see the deterioration of the electoral process, as Putin's favored United Russia Party secured more than two-thirds of the seats in the Duma, it was in fact, the steady accumulation of downward steps that finally caused Russia to cross the line to Not Free that year.

It is important to note that Freedom House has never declared that Russia at any time in the 1990s was a consolidated democracy or a Free country. We did, in the early 1990s, determine that Russia had become an "electoral democracy," based on the competitive and open parliamentary and presidential elections of 1991 (the last year of the Soviet Union) and the increasingly transparent political debates of 1992 and 1993, when Boris Yeltsin struggled very publicly with a legislature dominated by holdovers from Soviet era elections. While some assessments of post-Soviet Russian political developments admittedly may have been too rosy—by ourselves and many other hopeful observers—our ratings of Russia peaked in our Freedom in the World report for the year 1991, when Russia was given a score of 3 for political rights and 3 for civil liberties, thus earning the distinction of being at the high end of the Partly Free band of countries in our flagship survey. By the following year, the civil liberties score had declined to 4, beginning a trend that has continued, in fits and starts, ever since.

I mention this because it is a point of contention among Russian supporters of President Putin, who—we discovered very directly—complain that like many others in the U.S. and the West, Freedom House had overstated the degree of democratic achievement in the 1990s, and so we are exaggerating the degree of decline at present. Because Russia matters so much to us and to the stability of the international order—as is evident when one considers the crises relating to North Korea, Iran and the sudden crisis between Israel and Lebanon—it is all the more important that we be clear and accurate in all our analyses. Equally important is that we not let our interest in urgent resolution of crises on other fronts, such as with North Korea and the Middle East, allow us to take our eyes off the ball concerning democracy and human rights in Russia. Moscow would be a more reliable ally and useful friend on these fronts if it were more democratic.

So what shall we do? I would offer as a basis for discussion today, several thoughts.

1. It matters to Russia's democrats that we in the outside world continue to call 'em as we see 'em. Reports such as ours and those produced by other independent organizations, and by the U.S. government in its annual human rights reports and other public statements, and by the U.S. Commission on International Religious Freedom are welcomed by Russian democrats, as are clear statements by government officials and Members of Congress. So we must continue to be straightforward and public in our analysis and commentary.

2. It matters to Russia's democrats that the major governments, and most conspicuously the United States, maintain credibility in the democracy discourse. I have noted the concern expressed by some Russian democrats about the context of what was otherwise a welcome address by Vice President Cheney in Vilnius in May. It

is also important to realize that Russian democrats, and the Kremlin alike, are watching what we do elsewhere. Every misstep and mistake in Iraq is well-publicized throughout Russia as an illustration to the Russian public of what we "really mean" by democratization—armed intervention and callous or brutal treatment of civilians. Every inconsistency on our dealings with Kazakhstan and Azerbaijan is well reported and with a smirk. When we do try to raise the issue of democracy in Russia, as President Bush did ever-so-gently during the G–8 summit, President Putin was able to quip "I can tell you honestly that we certainly would not want to have the same kind of democracy that they have in Iraq." And every time a Ukrainian or a Georgian official takes issue with Russian policy, it confirms that the "real reason" for our support for the democratic reform movements in those countries was about installing anti-Russian governments. If our democracy promotion policy is seen in the world as a weapon to be used mainly against unfriendly governments, rather than a goal pursued more broadly and consistently, then we will have lost credibility and alienated those in places such as Russia who are our natural allies. If Russians become convinced that our goal is not a truly democratic Russia, but instead a weak, impoverished or divided Russia, then our promotion of democracy will come across as punitive and insincere. It is not clear that our message—about our motives, our methods and our goals—is getting through to very many Russians.

3. It is important that we not permit Russia to be isolated from the international community. This is exactly what the Kremlin is seeking to do with its new punitive legislation regarding NGOs. Now that the G8 summit is over and world attention has turned to the crisis in the Middle East, the Russian government's crackdown on NGOs has accelerated.

• The NGO "Center for Assistance in International Defense," headed by one of Mikhail Khodorkovsky's lawyers, has been presented with a bill for back taxes that could force it to shut down. According to the NGO Memorial, several smaller NGOs in Russia's regions are overwhelmed by paperwork from the tax service under the NGO law and are considering closing their doors.

• Another example of the Kremlin's efforts to isolate and stifle civil society was its attempt to discourage diplomatic participation in the NGO conference, "The Other Russia," ahead of the G8 summit. It should also be brought to everyone's attention that many democrats and human rights activists were prevented from participating in this conference. As mentioned by those here today who participated in the Other Russia conference, some supporters were forcibly taken from trains on their way to Moscow, others were beaten or detained after falsely being accused of carrying drugs.

• The National Democratic Institute (NDI) has been accused by Russian official media of supporting a bid by opposition politician Mikhail Kasyanov for the 2008 presidential campaign when in fact NDI has only had informal meetings with him to discuss the general political situation in Russia, as it does with all political actors in Russia and other countries. This type of targeting and pressure by the Russian government appears to be intended to discourage international nongovernmental organizations from having dialogue with the political opposition and vice versa.

Russia's autocrats want to isolate Russian democrats, civic activists and human rights defenders from their natural support networks in the international community. This means, first, that Russia needs to be a major topic of discussion with our European and other allies, so that a consistent and principled engagement with Russia is a high priority for the West generally. This could also help defuse the notion that our interest in democratization is an American post-Cold War effort to debilitate a rising Russia. Second, government sponsored and government-funded efforts to engage with Russia need to be enhanced, not diminished. While The New York Times reported recently that the oil company BP has invested "hundreds of millions of dollars" in the development of one natural gas field in Russia, the current U.S. investment in democracy promotion programs is reported to be about $38 million annually—and is slated to decline to about one third of that next year. If we are not seen to be seriously interested in helping those who want to work with Americans and Westerners, than the tough talk of the occasional speech by senior officials will be discounted accordingly. Private foundations and other kinds of exchanges also need to be ramped up, to the degree consonant with Russia's importance on the world stage.

4. International broadcasting needs to be expanded not contracted. Perhaps most urgently, Congress needs to re-examine the budget proposal from the Broadcasting Board of Governors for FY 2007 which proposes elimination of Voice of America's Russian-language radio and significant funding reductions for RFE/RL as well which will be forced to cut daily programming. There are Russians who want to listen to American radio. Let's not cut them off.

5. Congress should engage with Russians. Mr. Chairman, you—personally and institutionally—should engage more with Russia. More Members of Congress and staff of bodies like this Commission should go to Russia more often and visit with a broad range of Russians, in and out of government. Interestingly, and unlike some other countries, Russians actually want to engage with American counterparts. They usually do not seek our approval, but they do want our respect, and they are interact with Americans to determine how to win it. We all need to be involved in conveying our motives and our hopes for Russia, and in learning how they perceive us and the democratic values we are espousing.

6. We need to take a serious interest in the prosecution of Russia's wars in the North Caucasus and the humanitarian situation in Chechnya. A Reuters report earlier this week said that the Russian Ministry of the Interior sent a letter to NGOs working in Chechnya to require them to report on the movements of their staff members, to obtain permission from the FSB weeks in advance for trips into Chechnya, and to report on their trips when they return from Chechnya. The process could hold up much needed humanitarian aid and services to people in Chechnya. Last Monday, an UN convoy turned back from a trip to Chechnya when check point guards told the convoy that it "didn't have the right paperwork." These are foreboding signals for Chechens who view the traveling back and forth of NGOs and the UN as their lifeline to the outside world. The Russian authorities are trying to further isolate Chechnya from international observers.

We need a serious, broad-gauged policy toward Russia that integrates our concerns about the long-term consolidation of authoritarianism with an appreciation of how a more democratic Russia would be more helpful on other fronts, and that articulates a positive future for a stronger Russia, better integrated into the international community. We need more American—and western—engagement with Russia, not less. Rather than wait for an argument down the road about "who lost Russia's democracy?" we must elevate our attention to this matter now to the uppermost ranks of policy questions, and not leave the subject aside now that the G–8 summit is behind us.

Thank you for your attention. I would be pleased to answer any questions you may have.

PREPARED STATEMENT OF NIKOLAS K. GVOSDEV, EDITOR, THE NATIONAL INTEREST

Mr. Chairman, I thank you and the Commission for the opportunity to offer my thoughts on the future of the U.S.-Russia relationship. Having been present at the G–8 summit in St. Petersburg, I am happy to share what I saw and heard, and to provide my own opinions and analysis to the Commission.

Russia today is moving toward a system defined by unchecked executive power, a greater state role in the economy, and a more tightly managed and circumscribed civil society. The Kremlin's distrust of pluralism and growing limits on civil and political liberties raises concerns about the government's commitment to democracy and human rights, as well as to the rule of law impartially and dispassionately dispensed. The consensus view is that what is emerging in Russia is a form of "soft authoritarianism" (I have, in the past, used the term "managed pluralism"), which retains some democratic features but is a far cry from what might be described as the "developed democracies" found in the post-industrial societies of the West—leading to an evident "values gap."

At the same time, given its size, geopolitical position, and natural resource endowments, Russia remains a country critical to achieving success for a number of key U.S. foreign policy goals, from stemming nuclear non-proliferation to improving energy security. It is particularly timely to address the question of how Washington should balance its concerns about the state of human rights and democratic governance in Russia with securing its vital interests. As former Secretary of State Henry Kissinger said in the current issue of The National Interest, "The domestic nature of a regime is a factor that has to be considered" in assessing its relationship with the United States—but we still often lack a set of realistic criteria that would enable policymakers to set priorities.

I feel that it is important we dispense with glib pronouncements about the relative ease in balancing contradictory and competing impulses or that, with only a modicum of effort, we can simultaneously be very critical of the Putin Administration and achieve full compliance with our most pressing concerns.

My impression, in the aftermath of the G–8 summit, was that this so-called "selective cooperation" approach has alienated and even irritated the Putin government without doing much to strengthen the cause of liberal democracy in Russia. It has undermined efforts to enlist more active Russian support for U.S. objectives vis-à-vis Iran and North Korea. The United States is neither safer nor are its values on surer footing.

Too often over the past 15 years, we have swung from one extreme to another in assessing Russia, and usually have, in turn, exaggerated the country's virtues and vices. We should be prepared to speak openly and frankly about what we feel is going wrong in Russia—whether it be the state of press freedom, onerous restrictions on civil society organizations or the existence of a fair electoral system. But, at the end of the day, we have to be able to answer the question I posed in an essay in the Spring 2004 issue of The National Interest: "[E]ven with all these disappointments, is this a Russia with which we can live?"

This question needs an answer because I do not see major changes occurring in Russia for the foreseeable future. While some Russians are concerned at the direction the country has taken under Vladimir Putin, polling data collected by the respected Levada Foundation indicates that for the vast majority of the citizenry, the current government has provided both the stability and the prosperity needed to enjoy a wide array of personal liberties. Asked to give their impression of contemporary conditions in comparison with those under Gorbachev's perestroika, 84 percent found Putin's Russia to be better in terms of guaranteeing religious freedom; 81 percent agreed that they had freedom of speech and 83 percent felt they could join any civic or social organization they wished. Significantly, the Putin Administration enjoyed a 65 percent approval rating—versus 26 percent for the Yeltsin government in 1996, and, significantly, 88 percent anticipate major improvements after 2008.

For Russia's rising middle class—which by some estimates is now over 30 percent of the population, the prosperity of the last seven years has given them greater opportunities to take advantage of freedoms that before existed only in the abstract. And so, while the zone for political activism and various organizational freedoms has been shrinking, most people do not perceive much of an infringement at all in their sense of personal autonomy, especially in terms of access to global networks of information (via the internet) and ability to travel overseas.

This produces what I have called a "democracy paradox"—that the authoritarian tendencies of the Putin Administration are supported by a large majority of the population which sees this as a necessary palliative to the chaos, collapse and poverty of the 1990s. (And I might note that this "democracy paradox" is present in other countries as well, and helps to explain the large basis of support for the Nazarbayev government in Kazakhstan as well as the revival in the political fortunes of Viktor Yanukovych in Ukraine).

The Russian polling agency ROMIR categorizes the mood of most Russians today as what it terms "conservative liberalism"—a desire for a period of relative stability and quiet marked by no major upheavals in order to rebuild and guarantee a certain level of economic and social security as market reforms continue. I realize that some in the United States see this as a "selling out" of freedom. But given that many Russians lost their savings twice during the 1990s—the first in the hyperinflation of 1992 and the second in the collapse of the financial system in 1998—the Putin bargain, a certain retrenchment in terms of political liberties in order to better secure the economic foundations of society—is quite appealing. It also explains why, with the exception of those few for whom life under the Putin regime has gotten worse (for certain business figures, for example), the U.S. invocation of the 1990s as a more democratic period in Russia's history (as the vice- president alluded to in his speech in Vilnius this past spring) has not had much resonance.

For most Russians, the increased level of state control and supervision has not yet collided with the outward expansion of their own sense of personal autonomy. This accounts for major differences in perception between outsiders looking in (such as Freedom House

rating Russia "unfree") and the sense of many Russians of being in a position to live without state compulsions. To take the religious freedom question: for many Russians, freedom of religion means the right not to be compelled to take part in religious activity, not that every religious organization should have equal access to facilities and the public square.

At some point in the future, these two trend lines may intersect, where the state's desire for control impinges on what is perceived to be the personal liberties of the average Russian. We are not in that situation today—and for many, the problems experienced by "minority" groups—whether religious, political or social—is seen as something unrelated to ensuring the continued prosperity of the country and the exercise of personal autonomy.

The Putin Administration continues to enjoy a good deal of support in Russian society—significantly among the 18 to 24 year old demographic—the country's first post-Soviet generation—that sees in Putin's revival the path to opportunity and prosperity after the uncertainties of the Yeltsin era. There is certainly discontent—particularly with corruption—but nothing that suggests the current government is viewed as illegitimate by its people, especially given the fact that, despite Kremlin management, Putin has twice received an electoral mandate to govern.

All of this suggests to me that the likelihood of a colored revolution in Russia—given conditions on the ground in 2006—is highly unlikely. In Serbia and in Ukraine, there was widespread dissatisfaction with the status quo and an opposition that had already demonstrated its credibility by winning local elections; neither of those conditions exists in Russia.

We must also avoid falling into the trap of assuming that a more democratic government in Russia would have better relations with the United States. Testifying before you earlier this year, Assistant Secretary of State Dan Fried noted, "We cannot and do not separate Russia's internal development from Russia's external relations, including with us." Certainly, having a Russian government that is more open, more transparent and more accountable benefits the United States. I am concerned, however, that there often seems to be a tacit assumption that Russian disagreements with the United States on foreign policy issues are primarily caused by authoritarian tendencies within the Kremlin rather than based on differing assessments of national interests. This is why I do not believe that a change in government in Russia would lead to major changes in foreign policy, unless the West was prepared to radically alter its own approach.

Misreading the Eastern European experience, where newly-democratic governments worried about their security moved much closer to the United States, there are those who assume that if only the Russian government became more "accountable to the people" its positions would move into alignment with those of Washington. I would direct your attention, however, to opinion polls which demonstrate that there is a great deal of suspicion about the United States and that a more democratic government would have even less maneuvering room in foreign policy than the current regime. It should also be noted that in a variety of key Russian economic sectors—from the nuclear power industry to the oil and gas com-

plex—there is a perception that the U.S. works against their economic interests (e.g. by wanting Russia to terminate its contracts with Iran or by seeking pipeline routes that bypass Russian sources of supply). As I concluded in an op-ed in the Los Angeles Times earlier this year: "In fact, it is difficult to conceive of any Putin foreign policy decision of the last several years that would have been reversed by a more democratically accountable Russian government. Eighty-nine percent of the people, for example, opposed any participation of Russian forces in an American-led coalition in Iraq."

At the same time, the United States has lost a great deal of credibility with many Russians, both those in the government as well as in the general public. A constant refrain is that the U.S. is interested only in a weak and pliable Russia and that concerns about democracy and human rights are but cover for interfering in Russian affairs. The argument about double standards, even in the Eurasian space, is often raised—one Russian interlocutor once point-blank asked me whether, if the Kremlin has decided to open up Russia's energy sector to greater U.S. participation and had given Washington a blank check vis-à-vis Iran, whether the same level of concern about "Russian democracy" would still be raised, or whether Russia would be given a more positive assessment a la recent praise for Azerbaijan and Kazakhstan.

The perception that the United States is driven more by opposition to Putin rather than concerns for democracy received a major boost because of the participation of senior U.S. government officials in the "Alternative Russia" forum prior to the G–8 which included representatives of fascist and communist movements (and which a number of Russia's mainstream opposition parties boycotted precisely because of the attendance of those elements). There is a growing belief among members of the government that the United States constantly moves goalposts (the continued reluctance of the Congress to graduate Russia from Jackson-Vanik is usually cited). In the aftermath of the G–8 summit, one senior Russian official told us that while Putin is not looking for confrontation with the United States, making concessions for the sake of partnership with the U.S.—walking the extra mile in the name of improving U.S.-Russia relations—is increasingly losing currency in Moscow.

In our discussions about Russia, therefore, I would first lay down two ground rules:

First, it is of vital importance that all countries in the OSCE be held to the same standards and that matters such as elections, press freedom and so on be evaluated by using objective criteria regardless of whether a given country is considered to be "pro-American" or "pro-Russian." It sends a significant signal when, as during this Commission's July 2004 hearing on religious freedom in the Caucasus, U.S. allies Georgia and Azerbaijan were nonetheless subjected to criticism. The willingness of the U.S. Commission on International Religious Freedom to subject long-time allies like France and Germany to scrutiny alongside states like Uzbekistan or Turkmenistan has also been essential in establishing an impartial U.S. interest in advancing human rights. Nothing is more damaging to this than the perception that criticism of a country's human rights record is conditional, or when U.S. officials are seen

as defending or excusing behavior in a country considered to be friendly to the U.S. that draws condemnation in a state considered to be unfriendly to Washington. The proliferation, in recent years, of both official and unofficial teams of observers to contested elections and the emergence of "dueling reports" has also contributed to this. This was a major point of contention during the spring session of the U.S.-Russia Dialogue in Moscow.

Second, I believe it to be counterproductive to challenge the essential legitimacy of the Putin Administration. And here I would draw a critical distinction between recognizing a government's legitimacy versus conveying approval of its policies. To be critical of the Putin legacy is one matter; to assume, as some here in Washington have, that his basis of support within Russian society comes from a citizenry that has been duped, fooled or otherwise has some psychological longing for autocracy is another matter altogether. It ignores the extent to which the Putin government has been able to respond to the needs and concerns of most ordinary Russians, and it encourages the temptation to accord to advocates the status of somehow speaking on behalf of a "silent Russian majority." Elections may be flawed in Russia, as they are elsewhere, but they are still a much more reliable guide to popular sentiment.

This then returns me to the fundamental question I posed at the beginning: is the Russia that has emerged under Vladimir Putin a Russia with which the United States can live with and pursue common interests—and can we expect cooperation on vital issues of concern to us? If a house divided cannot stand, any policy predicated on two contradictory answers to this question has no chance of success.

If the answer to this is no—then we should act accordingly and not delude ourselves that we can oppose the regime while expecting its cooperation. Perhaps this logic worked for a time in Kyrgyzstan, where Aksar Akayev facilitated U.S. strategic interests in Central Asia even up to being overthrown in the Tulip Revolution, but this to me seems to be an outlier rather than the rule. This would mean being prepared to act on issues such as Iran, North Korea and terrorism without significant Russian cooperation and a willingness to invest much more effort and resources in the Eurasian periphery, a willingness I have to frankly say seems somewhat lacking in the Congress.

Let me put forward my own opinion that it is possible to have an effective, business-like relationship with the current government in the Kremlin. I would dispense with expansive rhetoric about strategic partnership and shared values, although I do believe that Putin's Russia is a vast improvement on the Soviet system and has been much more successful in securing the blessings of liberty than the chaotic Yeltsin Administration and that, however imperfect now, the long-term foundation for a developed democracy is still being laid in Russia. I think that it should be possible to find common ground on a number of key issues and for the U.S. to speak frankly about its concerns—but only if we set clear priorities.

But this would also require both the Bush Administration and the Congress to develop a larger strategy vis-à-vis Russia in which criticism of Russia's democracy deficit would serve a larger purpose beyond grandstanding and where, following Kissinger's advice, the

failings (or the positive aspects) of the domestic regime could be assigned some sort of weighted ranking in the formation of policy. Mark Medish, who served on the National Security Council during the Clinton Administration, had this to say on the uses of criticism vis-à-vis Russia in a U.S. Commission on International Religious Freedom roundtable this past February: "We must use it, but we need a strategy. The message that's delivered through the speech needs to be a smart one. We have to pick our battles. And finally, the voice that delivers it has to be credible. That's the challenge of using speech effectively. And I don't think we've always done that, whether Democrats or Republicans have been in power."

This means having guidelines and a willingness not to "Christmas tree" different concerns in an effort to exert pressure. It is utterly inconceivable to me why the People's Republic of China could be graduated from Jackson-Vanik provisions years ago while Russia is still ungraduated from the provisions of the legislation, although for at least the last 12 years Russia has been in full compliance with the specific provisions, especially regarding immigration. But the willingness of members of Congress to add other complaints about things such as religious freedom or protection of intellectual property rights—legitimate ones, to be sure—as additional reasons not included in the original legislation for not graduating Russia (and a very clear signal sent by graduating Ukraine only after the Orange Revolution, even though Ukraine had also been in effective compliance for many years) has sent a message that the U.S. will arbitrarily move goalposts and that, as one Russian told me, there is no incentive to seek mutually-acceptable compromises with the United States.

As I said, I do believe that an effective businesslike relationship with Russia is possible. Perhaps the grey areas produced by our nuanced relations with states like China, Saudi Arabia and Pakistan—where key interests and values are often in conflict—has produced a sense that with Russia, a line should be drawn. And in the aftermath of the G–8 Petersburg summit, I question how likely we can sustain a broad interest-based relationship with Russia, given the failure to come to an agreement on Russian entry into the World Trade Organization. Russia is increasingly poised to reject U.S. criticism of its human rights record while at the same time U.S. leverage over Russia continues to shrink. I think that much of the remaining time of the Bush and Putin Administrations will focus on maintaining existing ties and exercising damage control rather than leading to any rapid and fundamental redefinition of U.S.-Russia ties. This is still a marked improvement over even the best days of the Cold War and the supposed halcyon days of Gorbachev—but falls far short of expectations of Russia joining the Euro-Atlantic community as a full and influential member. No longer an adversary, not yet an ally—that seems to be the ongoing trajectory of the U.S.-Russian relationship.

I thank you for your time.

MATERIAL SUBMITTED FOR THE RECORD BY HON. SAM BROWNBACK, CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

BROWNBACK, CLINTON ANNOUNCE SENATE APPROVAL OF RESOLUTION CONDEMNING MURDER OF AMERICAN JOURNALIST

MURDER OF FORBES EDITOR PAUL KLEBNIKOV REMAINS UNSOLVED

Wednesday, July 26, 2006

WASHINGTON—U.S. Senators Sam Brownback (R–KS) and Hillary Rodham Clinton (D–NY) announced unanimous Senate approval of a resolution they introduced condemning the murder in Moscow of American journalist Paul Klebnikov. The resolution urges the Russian government to aggressively continue its investigation and accept U.S. offers of assistance.

"I'm glad the Senate stands in solidarity with Paul Klebnikov's family and their fight for justice and truth," said Brownback. "Klebnikov's murder sent chilling shockwaves throughout the journalist community and I hope a vigorous investigation fights back against encroachments on freedom of the press in Russia. We continue to offer our prayers and support for the Klebnikov family."

Clinton added, "The Senate has sent a powerful signal of support for the family of Paul Klebnikov, which has worked for more than two years to uncover the truth and bring those responsible to justice. I hope the Russian government will heed this call to continue their aggressive efforts to investigate this heinous crime and to take steps necessary to ensure the freedom and safety of journalists working in Russia."

Klebnikov, the editor of Forbes Russia and an American citizen, was gunned down as he left his Moscow office on July 9, 2004. The Russian Prosecutor General's office arrested and tried two suspects for his murder. However, both suspects were acquitted by a jury in May 2006. Reportedly, the prosecutor's office has declared its intention to appeal the verdict on procedural grounds. Russian officials have asserted that Klebnikov's murder was ordered by a figure in the Chechen underworld, but to date he has not been prosecuted.

At the same time, journalists working in Russia remain at risk. In its 2005 Country Report on Human Rights Practices, the State Department underscored how the freedom and independence of the media in Russia continues to deteriorate. Twelve journalists have been murdered in Russia since 2000, and according to the Committee to Protect Journalists, none of these murders have been solved.

Klebnikov is survived by his wife Helen and three young children.

MATERIAL SUBMITTED FOR THE RECORD BY TOM MELIA, DEPUTY EXECUTIVE DIRECTOR, FREEDOM HOUSE

NATIONS IN TRANSIT—RUSSIA (2006)

NIT Ratings	1997	1998	1999	2001	2002	2003	2004	2005	2006
National Governance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.75	6.00
Electoral Process	3.50	3.50	4.00	4.25	4.50	4.75	5.50	6.00	6.25
Civil Society	3.75	4.00	3.75	4.00	4.00	4.25	4.50	4.75	5.00
Independent Media	3.75	4.25	4.75	5.25	5.50	5.50	5.75	6.00	6.00
Local Governance	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.75	5.75
Judicial Framework and Independence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.25	5.25
Corruption	N/A	N/A	6.25	6.25	6.00	5.75	5.75	5.75	6.00
Democracy Rating	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.61	5.73

Capital: Moscow
Population: 143,000,000
Status: Not Free
PPP: $2,610
Private Sector as % of GNI: na
Life Expectancy: 66
Religious Groups: Russian Orthodox, Muslim, other
Ethnic Groups: Russian (79.8 percent), Tatar (3.8 percent), Ukrainian (2 percent), Bashkir (1.2 percent), Chuvash (1.1 percent), other (12.1 percent)

EXECUTIVE SUMMARY

Russia started on the path to democracy with great hope in 1991 when the Soviet Union collapsed. While Russia's Constitution enshrines the basic principles of democracy, the current policies of the Kremlin are undermining them in practice. President Vladimir Putin's administration is effectively excluding citizen input from important governmental decisions, setting up hollow institutions like the Civic Chamber that imitate real mechanisms for social oversight. It is concentrating all power in the executive branch and minimizing the legislative and judicial branches' ability to operate independently, largely taking control of the legislature's agenda and defining policies for the country's judges.µ Likewise, the presidential administration is undermining the ability of the regional and local governments to act as a check on other levels of government. Increasingly, groups of individuals around the president who control the levers of the state are taking over Russia's economic assets from individuals who do not have formal state power, using claims of protecting the national interest to cover up their own narrow goals.

The major theme for 2005 was the state's continuing crackdown on all aspects of political life in Russia, demonstrating that Russia

is moving further from the ideals of democracy. The Kremlin continued to separate Russia from Western democracies by tightening control over the media, harassing the already weak opposition, and seeking to put greater controls on nongovernmental organizations (NGOs). At the same time, the conflict in Russia's south is spreading from Chechnya and destabilizing much of the North Caucasus. The country's inability to adopt and implement military and police reforms made clear that the state not only lacked the tools to address these problems, but was actually making the situation worse by doing nothing. Although there were some signs of a vibrant civil society on the Internet and in opposing the most restrictive Kremlin initiatives, non-state groups have not gained a broad ability to check the growing power of the bureaucracy, and the level of corruption in the country grew.

National Democratic Governance. Political power is becoming increasingly concentrated in the hands of the Russian president. Accordingly, the question of whether Vladimir Putin will actually step down when his term ends in 2008 is growing more pressing. While this top-heavy system may remain in place for the foreseeable future, it is becoming increasingly fragile, since it has less capacity to respond to public demands. At the same time, the violence of the Chechen conflict is spreading far beyond the borders of the rebellious republic. Desperate young men, suffering from police repression and a lack of jobs, are joining the extremist cause, bringing new recruits to the long-simmering conflict. Russia's rating for national democratic governance worsens from 5.75 to 6.00. Numerous problems are accumulating that could push the country further away from democracy. They include a ruling elite that claims a commitment to democratic values but violates them in its behavior and extensive reliance on the use of force against segments of the population that are becoming increasingly radicalized, particularly in the North Caucasus.

Electoral Process. During 2005, Russia adopted a package of electoral reforms that make it easier for incumbents to preserve their power. Elections are becoming more controlled and less decisive in determining the national and regional leadership. By replacing votes for individual representatives with party lists, the Kremlin helped to strengthen the bureaucracy and its political party appendage, United Russia. The latest round of amendments makes it much harder for the opposition to win representation in the State Duma, easier for the powers that be to remove candidates they do not like, and more difficult for independent observers to monitor the elections. There is little political opposition left in the country, and what remains is under constant attack by federal and regional officials. Russia's rating for electoral process worsens from 6.00 to 6.25. The newly adopted provisions in the electoral law hand considerable power to the federal authorities and are likely to be abused in the upcoming round of national elections.

Civil Society. With parliamentary approval for a new law on NGOs in December 2005 the presidential administration tightened its leash on Russia's growing civil society. Strong public outcry against the new legislation managed to remove its most restrictive features but could not halt the adoption of the law itself. Russian NGO activists are particularly concerned about how bureaucrats

will apply the provisions of the law against groups that are critical of the government. Critics fear that the state will have broad powers to harass NGOs, thus blocking any real social oversight of the state. Groups providing alternative information about the conflict in Chechnya were a particular target. The Kremlin also sought to expand its ability to organize society by setting up the Civic Chamber, which is filled with members that toe the Kremlin line and are unlikely to provide independent oversight. At the same time, xenophobic and racially motivated crimes continued to increase in Russia with little opposition from the state. Russia's rating for civil society worsens from 4.75 to 5.00 because of the state's efforts to curtail any unsanctioned initiatives on the part of Russian citizens. While outcry against Kremlin plans to limit social activities testified that a vibrant community of activists exists in Russia, their ability to continue functioning, particularly with restricted access to Western funding, remains in great doubt.

Independent Media. The Putin administration continued its long-standing attack on the freedom of Russian media. Having already brought the three main national TV networks to heel, a Kremlin-friendly company this year took action against Ren-TV, a relatively minor player. The Kremlin is increasingly using its television and radio stations to spread state propaganda and replace serious political debate with entertainment programming. With dropping readership and influence, newspapers remained a secondary target, and Gazprom-Media acquired control of the prominent national daily Izvestia. The Internet was a bright spot for Russia, offering alternative viewpoints on difficult questions such as the conflict in Chechnya, though only to a limited audience. The appearance of new Web sites like livejournal.com is creating online communities to discuss pressing issues. This material is making its way into the traditional media, giving the Internet the potential to influence even Russians who are not online. Russia's rating for independent media remains unchanged at 6.0. The country's political leadership spent the year fine-tuning its ability to keep alternative opinions off the airwaves, which are the main source of information for most people. At the same time, the Internet provided hope for those seeking to learn about and discuss pressing issues in a non-state-controlled format.

Local Governance. After establishing a new set of local government institutions, the federal authorities postponed for three years the transfer of real power. Even when the reform is implemented in 2009, local governments will continue to be strongly subordinated to the regional governments and deprived of a reliable, independent tax base. Putin moved cautiously with his new power to appoint governors, avoiding putting new leaders in potentially unstable republics like Tatarstan and Kalmykia. Efforts to make the regional elite more manageable by reducing their number also moved ahead. This was exemplified in the merger of Perm oblast and the Komi-Permyak Autonomous Okrug into Perm Krai, bringing the number of regions down by 1 to 88. Russia's rating for local governance remains unchanged at 5.75. Although few were happy with the reform of local government adopted in 2003, the decision to postpone implementation of these plans from 2006 to 2009 was

another setback to establishing a local government system that can respond effectively to grassroots concerns.

Judicial Framework and Independence. The high-profile case against Yukos leader Mikhail Khodorkovsky and the predictable guilty verdict cast a long shadow over the court system as a whole, reducing popular trust in its independence. The Kremlin clearly used the legal process, including attacks on Khodorkovsky's lawyers, to serve its political purposes. Judges unfortunately have little ability to resist pressure from the administration on key decisions. Nevertheless, the number of people appealing to the courts is increasing, and they are frequently able to win decisions against the state. The penal system is also in need of attention, as prisoners are slashing themselves with razor blades in a desperate protest against their treatment and living conditions in prisons. Russia's rating for judicial framework and independence remains unchanged at 5.25. Russian judges need to demonstrate that they are free of executive influence. There are also warning signs that advances of the previous years, such as the use of jury trials, may be overturned.

Corruption. Several independent research groups found that corruption increased in Russia in 2005. The basic problem is that current policies hand more power to state agencies while limiting the ability of social groups and the media to provide real oversight. This trend was most evident in the lucrative energy sector, where the Russian state secured majority ownership of the natural gas monopoly Gazprom and brought 30 percent of oil production under direct state ownership, creating numerous opportunities for corruption. Abuse of funds is also rife in Russia's policy toward the North Caucasus, adding to the troubles of this region. Russia's rating for corruption drops to 6.0 owing to the increased role of the state in the economy, ongoing attacks on potential oversight bodies, and the failure to adopt administrative reforms that would reduce the power of bureaucrats in the country.

Outlook for 2006. At the beginning of 2006, Russia took over the chairmanship of the G8, the exclusive club of rich democracies. Nevertheless, the thrust of the Kremlin's policies regarding democratic development cast doubt over whether the Russian system really matches the qualifications of this elite group. With Moscow insistent on imposing a solution by force, the situation in the North Caucasus will likely continue to deteriorate, bringing more unpleasant surprises as violence continues to spread in the region. With ever fewer areas for popular input into the policy process, unhappy citizens will have difficulty affecting change in ways they deem necessary. However, an influx of oil money will likely make it possible to delay necessary systemic reforms.

NATIONAL GOVERNANCE (SCORE: 6.00)

The stability of Russia's political system has grown increasingly fragile thanks to the accumulation of power in the Kremlin and a spreading insurgency in the North Caucasus. With power largely in the hands of one man, succession becomes progressively more important to the system as a whole. The key question hanging over Russia's national political system is whether power will change hands in free and fair elections at the end of President Vladimir

Putin's second term in 2008. Political commentators are now examining a variety of scenarios in which Putin will find a way to hold on to power by amending the Constitution or transferring power to a new center of gravity, either by making the prime minister's office more powerful or by restoring an effective one-party system under a Soviet-style United Russia in which he can rule as head of the party. Additionally, Putin could anoint a successor who would come to power in much the same way Putin himself succeeded Boris Yeltsin, benefiting from all the powers of political incumbency.

Against this backdrop of speculation, presidential adviser Andrei Illarionov, upon resigning his post on December 27, warned that after six years of Putin's leadership Russia was richer but no longer free.μ Today there are few checks on the executive branch's power. The Federation Council's decision to release an analysis of the state's performance during the 2004 Beslan hostage incident on December 28, just as most people were preparing for the New Year and Orthodox Christmas celebrations, was only the latest example of the legislative branch's subservience. The report placed most of the blame for the botched handling of the crisis on local authorities, while exonerating the federal forces.

Russia faces further problems caused by the violent insurgency that is spreading beyond the borders of Chechnya and undermining stability in an ever widening arc across the North Caucasus. While there have been many attacks outside of Chechnya since the beginning of the war in 1994, the current level of unrest increasingly threatens the republics surrounding Chechnya. This upheaval has taken the form of numerous antigovernment military operations, including assassinations and bombings in Dagestan and Ingushetia, and a violent antigovernment attack in the once seemingly peaceful Kabardino-Balkaria. Clearly, there is plenty of blame to go around, as the crackdown by Russian authorities in Chechnya and the terrorist targeting of civilians in response have both been brutal.

The killings of officials and police officers in Dagestan have made it difficult for the government there to function properly. In the summer, Dmitrii Kozak, presidential envoy to the south, released a widely read report warning that the "uncontrolled development of events" could lead to the "collapse of the republic" and its devolution into interethnic fighting. The report suggested that a significant part of the Dagestani population (7–8 percent) was ready to take up arms, capture buildings, and paralyze transportation. Moreover, many observers now see Ingushetia as a base for Chechen rebel operations.

In the Kabardino-Balkaria capital of Nalchik on October 13, fighters attacked symbols of the government, such as police stations, administrative buildings, the prison, and the airport in response to the extensive crackdown on Islam in the republic. This systematic oppression occurred during the long rule of the region's former president Valerii Kokov, who resigned shortly before the attack. Although the rebel Chechen leadership took responsibility for the raid, the 95 fighters killed were mainly young, local Muslims who had not taken up arms before, demonstrating that the antistate cause is gaining active new members. Young Muslims who

would not have considered resorting to violence are frequently arrested and beaten, a humiliating experience that often radicalizes them, according to Ruslan Nakhushev, coordinator of the Russian Islamic Heritage organization. Nakhushev had sought to build bridges between the authorities and radicals before his disappearance in early November.

Russian society has little control over the people who are supposed to protect it, and extensive distrust of the law enforcement authorities is exacerbating instability in the North Caucasus and the rest of Russia.μ To prevent further attacks on the authorities like the one in Nalchik, military, law enforcement, and security agencies will need the cooperation of the local population. However, these enforcers of the law are often involved in crimes against the local population, such as indiscriminate sweep operations, abductions, and extortions. Following the brutal police sweep of the city of Blagoveshchensk in Bashkortostan in December 2004, there were similar sweeps in Ivanovskoe and Bezhetsk, where police arrested young people at discos and cafés. Many police officers are rotated through brutal tours of duty in the North Caucasus and return to their home regions inured to the use of violence.

Unfortunately, the quality of Russia's police is deteriorating. Interior Minister Rashid Nurgaliev complained on October 26 that half the police officers in city and rural police stations were under 30 years old and therefore lacked the necessary experience for police work. He said that the situation was "catastrophic," with the number of crimes committed by the police increasing every year. While officials admit to the problems, they have offered no plans to reform the system.

ELECTORAL PROCESS (SCORE: 6.25)

In 2005, the Russian authorities passed new electoral laws that make it easier to control who wins elections. These reforms reduce electoral oversight while increasing opportunities to falsify election results. Consequently, the changes do little to improve confidence in a system that already suffers from low levels of trust. Only 22 percent of respondents to a September ROMIR poll thought that elections in Russia in general were "free and fair."

The electoral reforms proposed and adopted since the fall of 2004 make it harder for opposition parties to win representation in the federal legislature. With the selective application of these provisions, the authorities will be in an even stronger position. The 2005 reform continues a long-term trend in Russia in which the authorities "fine-tune" the electoral system after each voting cycle to make it more responsive to their needs.

The reforms bring a number of changes to the Russian legislature's lower house, the State Duma. All seats will now be filled through party lists, replacing a system in which half were filled by party lists and half by single-member districts. This system does not build up broad-based political parties but rather concentrates power in the hands of a few kingmakers able to determine who will become legislators. Where party list voting took place at the regional level in recent elections, local businessmen were able to buy spots on the lists and win election to regional legislatures, according to sociologist Alla Chirikova. These new legislators have no real

political or ideological ambitions and little interest in forming a political opposition; they are mainly concerned with pursuing their business goals, which generally means working closely with the governor. It will likely be even easier for the Kremlin to work with these people than members of previous legislatures.

Additionally, parties now need to win 7 percent of the vote to enter the Parliament and are not allowed to form electoral blocs. In the past, the electoral blocs did well against United Russia in regional legislative elections. Also, there must be at least two parties in the Duma, representing not less than 50 percent of the vote. In the past, the Duma had to have a minimum of four parties. To win registration, parties must have at least 50,000 members and organizations in at least half the Russian regions, a provision that sets the bar very high in areas where political parties still have not earned widespread trust. This provision also removes the possibility for the formation of regional parties.

Under the new electoral reforms, the percentage of invalid signatures required to reject a candidate's application dropped from 25 to 5 percent of the mandatory 200,000 needed for registration. As a result, the authorities can more easily remove candidates they do not want by challenging their signatures and then taking the matter to pliant courts, which likely will decide in their favor.

The reforms also allow the state budget to provide increased funding to parties crossing the 3 percent barrier in the previous parliamentary elections based on the number of votes they received. Each party will get 5 rubles (US$0.18) per vote each year, clearly favoring the biggest vote getters (113 million rubles [US$4 million] for United Russia and 38 million [US$1.4 million] for the Communist Party based on the results of the last election). In practice, though, these funds are of little importance since other sources of funding, legal and illegal, are likely to be much larger.

As a result of these reforms, the opposition will now find it harder to monitor elections. Under current legislation, only parties competing in the elections are allowed to provide election observers, and there is no provision for independent electoral observers or for journalists to watch the vote count. International observers will be permitted only by invitation, a violation of the Helsinki accords, which Russia signed. The use of electronic voting machines and a ban on a manual vote count make it impossible to check the reliability of vote totals in areas where such devices are used.

The political opposition disappeared almost completely after the 2003-2004 electoral cycle, which international observers declared free but not fair. Opponents of the current leadership have not been able to take advantage of the Kremlin's policy failures, such as the botched social benefit reforms at the beginning of the year. Despite the weakened state of the opposition, the authorities have moved decisively against the two most open critics of Putin, former chess champion Garry Kasparov and former prime minister Mikhail Kasyanov, even though neither has much chance of replacing Putin. Kasyanov now faces criminal charges about how he acquired a summer cottage from the state; Kasparov's speaking tour across the country draws constant harassment from regional authorities following orders from above.

CIVIL SOCIETY (SCORE: 5.00)

During the course of 2005, the Kremlin stepped up its campaign to strictly limit the activities of independent NGOs. On July 20, at a meeting with members of the official Council for Promoting the Development of Civil Society, Putin called for restricting foreign financing of Russian NGOs' "political activities," repeating similar calls from previous years. Putin's attack was sufficiently vague to leave officials and activists in considerable doubt as to what activities he had in mind, those that focus strictly on political parties, or encompassing a broad range of environmental, social, and cultural causes. This ambiguity left the door open for abuse.

By the end of the year, the Parliament rushed through a highly controversial new law putting strict limits on Russian and foreign NGOs. Following Putin's signature, the law was set to go into effect on April 18, 2006. While sharp criticism of the bill by Russian activists and Western supporters forced the Kremlin to remove the most egregious features of the legislation, the final bill was nonetheless a sharp blow to the development of Russian civil society.

The law's critics warned that it handed extensive power to the Justice Ministry's Federal Registration Service for NGOs, making it possible for the ministry to exploit vague provisions in the law to shut down organizations whose activities the government did not support. NGOs must supply information to the registration service when they receive money from foreign funders, including the purpose for the funding and how the money is actually spent. Failure to provide this information would be grounds for closing an NGO. The government agency, rather than the courts, would make the determination on the fate of the organization.

While transparency is a requirement for civil society groups in any country, many observers feared that officials would abuse the provisions of the new law for their own purposes. The Justice Ministry's Federal Registration Service reported that it had closed about 300 NGOs in 2005 and had a further 400 cases pending. Provisions deleted from the bill before its final adoption would have barred foreign NGOs from operating in Russia unless they set up a Russian entity and would have required all groups operating informally to register with the authorities.

Despite clear signals that the Kremlin wanted to crack down,,more than 1,300 NGOs issued a statement on November 22 charging that the legislation would limit civil society, demonstrating that not all groups were ready to toe the official line. The bill was prepared hastily behind closed doors, and its drafters did not consult with NGOs. Such backroom dealing on the fate of NGOs is particularly ironic since the Kremlin was also in the process of setting up a Civic Chamber supposedly to bring together leaders of civil society to coordinate with the country's highest political authorities. The presidential administration blatantly expected to pass the law on NGOs before the chamber formally met, thus handing it a fait accompli.

The Civic Chamber was established shortly after the Beslan crisis in late 2004. Its membership was formed in the latter part of 2005, and it planned to launch operations at the beginning of 2006. The membership includes celebrities, pro-Kremlin activists, law-

yers, businessmen, and many who had never held public office selected by the presidential administration. Many of the members have no obvious connection to social organizations, and only a handful are critical of the Kremlin. The body is supposed to supervise the government, Duma, media, and law enforcement. Unlikely to carry out these functions in practice, the Civic Chamber mainly represents an attempt to give the government greater influence over the NGO movement while attempting to increase government legitimacy in the civil sector.

In combination with these initiatives, the Duma has proposed handing out 500 million rubles (US$17.4 million) to NGOs in Russia and abroad as compensation for the money potentially lost from foreign funders because of the new legislation. This sum is smaller than what foreign funders are currently giving. Naturally, this money would be under the control of the presidential administration, and opposition groups would have little chance of receiving any of it. Critics complain that much of it would go to the members of the Civic Chamber.

Human rights groups are already working under difficult conditions. The administration began systematically to harass NGOs that work on issues related to Chechnya after Putin lashed out against such organizations in his State of the Nation address in 2004, according to Human Rights Watch. Moscow Helsinki Group head Lyudmilla Alexeyeva charges that human rights groups are coming under increasing pressure through financial scrutiny, such as the investigation of grants, tax returns, and donations. Even without official pressure, Russian human rights groups have little impact in a society that generally focuses its attention elsewhere.

While the positive forces of civil society have had difficulty establishing themselves, there has been a rise in the number of racially motivated hate crimes in Russia, according to the SOVA Center, which tracks these incidents. The frequency of the attacks increased in 2005, with a record 179 incidents, though the number of murder victims dropped to 28, down from 46 in 2004. The authorities often do not prosecute these crimes, choosing to protect ethnic Russians who commit them, according to human rights activists in St. Petersburg like the Democratic Russia Party's Ruslan Linkov. Linkov cited the authorities' failure to crack down on the sale of literature that openly calls for violence against non-Russian groups.

Further evidence that the authorities were turning a blind eye to intolerance came when Vladimir Yakovlev's Ministry of Regional Development prepared a draft nationalities policy that sought to form a "united multinational society under the consolidating role of the Russian people." At the same time, the Kremlin is advancing nationalist youth projects, such as the group Nashi (Ours), while working with an eye toward countering the rise of youth groups such as those in Ukraine that might seek political change in Russia. SOVA also notes that it has become harder to punish people convicted of racially motivated crimes.

INDEPENDENT MEDIA (SCORE: 6.00)

During the 1990s, much of the media was privatized. Since Putin came to power, there has been a reversal of this process, with the

state taking over much of television and key national newspapers, especially through the instrument of Gazprom-Media. The most apparent result has been the replacement of hard-hitting news reports with entertainment programming. Only the Internet provided a bright spot, with extensive discussion of current events and the establishment of new communities of online participants among the still limited numbers of people with access to the Internet.

Television news is a top priority for the political elite because Channel One, Rossiya (RTR), and NTV are the main sources of news for 79 percent of Russians, according to a September 22, 2005, ROMIR poll. All programming at the three major TV networks, though varying in style, is state controlled, with weekly meetings between network executives and presidential administration officials to determine the overall shape of the news coverage. The Kremlin's control over the portrayal of the events in Chechnya is particularly intense. For example, presidential staffers told electronic media representatives to replace the phrase Chechen terrorism with international terrorism and the word jamaat, which means local Muslim community and might be interpreted favorably, with terrorist organization or gang, according to the Web news site gazeta.ru.

Moscow City's TV Tsentr is controlled by Mayor Yurii Luzhkov's government and therefore occasionally presents a different picture on national issues from that of the three main networks, demonstrating the existence of competing factions within the state. However, at the end of the year, the station fired General Director Oleg Poptsov for a show critical of Putin, Poptsov claimed. Ren-TV, with relatively low ratings and less national reach than the top networks, was a bit more adventurous in its coverage than the big three, but during the summer, the Kremlin-friendly steel company Severstal and a group of German investors purchased the station from Russia's electricity monopoly, which had not required it to toe the Kremlin line. At the end of November, recently appointed Ren-TV general manager Aleksandr Ordzhonikidze removed news anchor Olga Romanova from the air in a dispute over efforts to broadcast a story about the criminal case against Defense Minister Sergei Ivanov's son. The young Ivanov had struck and killed an elderly woman with his car but was found not guilty. Whatever the merits of the case against the well-connected driver, the authorities did not want extensive publicity for what appeared to be an arrogant elite who cared little about average citizens. With this attack on Ren-TV, the authorities effectively eliminated all significant alternative points of view in the broadcast media. Live broadcasts are no longer common, and shows with a range of opinions are "edited," according to Alexei Simonov of the Glasnost Defense Foundation.

The state-controlled networks have replaced the feisty political talk shows of the past with straightforward entertainment, apparently seeking to distract public attention with reality shows, music, and film. To the extent that there is network coverage of political events, it is frequently biased. On the eve of the Moscow City Duma elections, Russian television stations gave much more airtime to the pro-Kremlin United Russia than any other party, according to research by Nezavisimaya Gazeta and the Medialogiya

Research Company. The data showed that during October and the first half of November, United Russia had 552 mentions, followed by the Communists and Rodina (350 each) and the Liberal Democratic Party of Russia (258). Detailed coverage and investigative reporting are left to outlets that have smaller audiences.

The national newspapers are owned mainly by media holding companies with enormous assets from the stock market, gas and oil sector, and industrial enterprises. Over the summer, Gazprom-Media bought the popular newspaper Izvestia from oligarch Vladimir Potanin's Prof-Media. While there has yet to be a radical shift in the newspaper's content, the state now has an effective lever to control this news outlet.

The journal Ekspert is one of the country's truly free publications since its staff was able to purchase the political and economic weekly from its previous oligarch owner and can survive on its income from ads and other services. The Boris Berezovsky-owned Kommersant is also profitable, giving it some autonomy from the state, while foreign-owned publications like Vedomosti work according to their own professional standards. Other alternative sources include Novaya Gazeta, Ekho Moskvy radio (majority owned by Gazprom-Media but operated autonomously by the journalists, who own a 30 percent stake), and 30 to 40 regional newspapers with a combined circulation of 500,000, a small fraction of Russia's 150 million population, according to the Glasnost Defense Foundation.

In contrast, Russia's thousands of district newspapers, with circulations of 3,000 to 10,000, have all but lost their independence since they are heavily reliant on state subsidies. Now they retain only the right to elect their editors and receive subsidies directly from higher-level bodies, avoiding the micromanagement of district governments. The print media is continuing to lose its audience to electronic and online sources of news and therefore becoming less influential among the population.

Content analysis of the media by the Glasnost Defense Foundation shows that up to 70 percent of news items are about the authorities, while reports about the opinions and initiatives of the public get much less attention and therefore are unlikely to influence policies significantly. Given the media's heavy emphasis on serving as conveyors of policy from the authorities to the population, they cannot perform their function of criticizing the authorities and gathering alternative viewpoints.

In its Worldwide Press Freedom Index issued in October 2005, Reporters Without Borders ranked Russia 138 out of 167 countries owing to controls on the media, curbs on different points of view, and biased coverage of the war in Chechnya. The situation is likely to get worse, as state pressure on mass media is mounting, according to Pascal Bonnamour, the head of Reporters Without Borders' European Department.

The Internet was the main bright spot in the area of information freedom. More than 10 million people, or 9 percent of the adult population, went online in early 2005. Even more optimistic, more than 40 percent of these were under the age of 25 in 2004. Russian news sites attract wide usage during crises, such as the Beslan hostage crisis in September 2004.

The Internet provides a source of alternative information about the Chechen war, allowing the rebel fighters to address readers directly through their own Web sites. The Russian authorities have sought to suppress such access through other outlets. For example, Stanislav Dmitrievskii, head of the Nizhnii Novgorod-based Russian-Chechen Friendship Society, received a suspended two-year sentence (in February 2006) for inciting racial hatred for publishing two interviews in his newspaper in 2004 with now deceased Chechen leader Aslan Maskhadov. Kommersant also received a warning for publishing an interview with Maskhadov. Many politicians have suggested cracking down on the freedom of information exchange on the Internet, but the government has not taken serious steps to do so.

Blogging has also become a popular way for young Russians to learn about, and actively discuss, political and current events. The site livejournal.com, for example, is building an extensive online community and is increasingly bringing different points of view into print journals such as Ogonek and Moscow News, which mentioned the site in discussions of topics ranging from the case against Ivanov's son to the trial of a woman who murdered an attempted rapist.

The authorities are also increasingly using the courts as a way to pressure journalists. In the beginning of the year, Kommersant had to pay US$1.5 million in damages for a libel suit it lost to Alfa Bank, after an appeals court reduced the initial fine from US$11.4 million. In July 2005, the tax authorities ordered the paper to pay an additional US$736,000 in back taxes for 2004, claiming that the paper had understated its profits by excluding the sum it paid to Alfa Bank.

Likewise, international observers protested the sentencing of journalist Eduard Abrosimov to seven months forced labor for an article referring to a local lawmaker's sexual preferences and an unpublished account accusing an investigator for the regional procurator of taking bribes. Reporters Without Borders particularly objected to a prison sentence for an unpublished article. In Smolensk, Nikolai Goshko received a five-year sentence for accusing the governor and two other top-ranking officials of killing his boss, the director of an independent radio station in Smolensk, without supporting evidence. Observers admitted that the journalist's work was sloppy but maintained that the sentence was far too harsh. The UN and the Office for Security and Cooperation in Europe recommend against requiring jail time for slander.

Two journalists were killed in Russia in 2005. On June 28, Magomedzagid Varisov, a journalist for Novoe Delo in Dagestan whose articles were often critical of the opposition, was shot in a contract killing. Pavel Makeev was apparently killed on May 21 in Rostov oblast when he tried to film illegal drag races for a TV report. The Committee to Protect Journalists charges that the Russian authorities have not done enough to prosecute the killers of a dozen journalists since 2000.

LOCAL GOVERNANCE (SCORE: 5.75)

After imposing greater formal federal control over Russia's 89 regional governors during the first years of the decade, the Kremlin

turned to bringing local government under the aegis of the country's vertical hierarchy. Unfortunately, rather than giving truly autonomous local officials the means to address the needs of their grassroots constituents, efforts at local reform have largely led to the imposition of greater top-down control. By making mayors more dependent on governors, the Kremlin removes one of the key checks and balances in Russia's overall political system.

Local government reform began in January 2004, doubling the number of municipalities in Russia to 24,000. "The law provided for the creation of three types of local institutions-poseleniia (settlements), munitsipal'nye raiony (municipal counties), and gorodskie okruga (city districts)- each with a specifically defined set of functions. This elaborate but clearly demarcated group of institutions sought to improve on the 1995 Yeltsin-era law, which allowed for numerous types of local bodies without defining their precise responsibilities," according to local government expert Tomila Lankina. By the end of 2005, 84 of the 89 regions had held elections to fill these slots, with only a few North Caucasus republics failing to do so. With all the new institutions and officials in place, the local government law was supposed to take effect on January 1, 2006. However, in October the federal authorities postponed implementation of the reform for three years, until the beginning of 2009.

The thrust of the 2003 Law on Local Government gives Russia's regional governments considerable authority over municipalities. Moreover, the law does not provide local government with an independent and reliable tax base to support even the modest functions assigned to it. During the process of implementation, the most politically powerful and economically self-sufficient localities have suffered the most, with cities up to 250,000 often losing their autonomous status and being demoted to urban settlements, according to the Moscow-based Urban Economics Institute. Small cities now must keep extensive accounting records that further strain their meager resources. In many regions, voter interest in the new institutions has been low, with large parts of the population ignoring the municipal elections.

Even though local government advocates were not happy with the gist of the reform and the rush to elect so many new officials by the end of 2005, the last minute decision to postpone the implementation of the reform came as another blow. Now Russia has essentially established the shell of a local government system but not endowed it with any powers for the next three years. Lankina points to the rationale that presidential chief of staff Dmitry Medvedev and his deputy Vladislav Surkov provided in justifying the delay—avoiding "social instability" that might "negatively influence the results of the 2007–2008 elections"—as evidence that the federal authorities hope to use the new officials as part of an effort to ensure that all goes well in the 2007–2008 electoral cycle. Allowing inexperienced local government officials to start working earlier could lead to unpredictable outcomes that would threaten the status quo.

With local government reform on hold, the Kremlin continued to tighten its control over the regions, particularly through the president's new power to appoint governors. Until the end of 2004, the

population had been able to elect governors directly. In general, Putin has been cautious in his appointments, keeping in place long-serving incumbents in ethnic regions like Tatarstan and Kalmykia, where appointing a new leader might destabilize the situation. Of course, such actions cannot be stable in the medium to long term because many of the current leaders are old and change will come eventually. By canceling elections, the Kremlin now has the task of appointing regional leaders whose legitimacy depends on their ties to Moscow rather than popular approval. With the crackdowns on the media, nongovernmental groups, and the election process, the public has no outlet to vent its frustration.

The Kremlin further solidified its power when the Constitutional Court ruled on December 21 that Putin's system of appointing governors is constitutional, putting an end to attempts to restore gubernatorial elections. The Union of Right Forces, one of Russia's most critical, but largely powerless political parties, had argued that annulling direct gubernatorial elections violated Russia's basic law. Kommersant argued that with this decision the Court made it possible to ignore the Constitution, effectively eliminating any need to amend it. Yaroslavl governor Anatolii Lisitsyn withdrew his region's support for the case long before the decision was announced, claiming that Yaroslavl depended on federal subsidies and therefore could not afford to oppose Kremlin policies.

Many mayors are no longer elected directly, as in the past. Rather, they are elected by the city council from among its own members. Although cities decide for themselves how to choose their leaders, in big urban areas like Samara, the Kremlin clearly prefers the more manageable system of having the city council choose the city leader. This new procedure sparked a massive protest in Samara, where 20,000 residents joined an October 25 rally to support direct elections. The city's political elite is split, with one faction banking on elections to preserve its power while its opponents seek to cancel the elections as a way of taking office. Thus, the "rules of the game" have become an object of political battle, with each side seeking to shift the rules to favor its particular interests.

Despite the Kremlin's assertions to the contrary, the November legislative elections in Chechnya had little impact on the overall situation in the republic. Real power seems to be going increasingly to First Deputy Prime Minister Ramzan Kadyrov, the former Chechen leader Akhmad Kadyrov's son, who is widely feared for his powerful group of armed fighters. At the end of the year, the elections to the relatively powerless Moscow legislature were marred by the disqualification of an opposition party and alleged violations. In both elections, the heavy hand of the Kremlin was obvious.

Russia has also begun pushing ahead with the idea of merging regions to reduce the number of units in the federation from 89 to a more manageable figure. On December 1, the country lost one region when Perm oblast and the Komi-Permyak Autonomous Okrug officially merged into Perm Krai. The merged region will elect a single legislature in 2006, which will prepare a joint budget in 2007. In this case, as in other pending mergers, a small, poor region was integrated into a larger, richer region. In theory, the richer regions will provide subsidies to the poorer regions, taking over

this burden from the federal government. However, since many of the proposed projects aimed at developing the isolated Komi-Permyak make no economic sense, the financing that okrug leaders anticipated from the merger is unlikely to appear.

JUDICIAL FRAMEWORK AND INDEPENDENCE (SCORE: 5.25)

The trial of Mikhail Khodorkovsky and his ultimate sentencing to eight years in a Siberian prison colony demonstrated that Russian justice is applied selectively and, when necessary, for political purposes. With the initial verdict in hand, the court rushed through an appeal of Khodorkovsky's sentence, rejecting the not guilty plea but reducing the term by one year, thus preventing Khodorkovsky from running in a December 2005 State Duma by-election in a Moscow district. While there may be improvements in some aspects of the judiciary's functioning, the fact that the courts remain tools of the executive branch in high-profile political cases casts a long shadow, undermining public confidence in the fairness of the judiciary.

Russia has a long way to go before achieving an independent judicial system. President Putin holds frequent meetings with Russia's top judges- Constitutional Court chairman Valerii Zorkin, Supreme Court chairman Vyacheslav Lebedev, and newly appointed Supreme Arbitration Court chairman Anton Ivanov-to discuss a wide range of issues from housing to tax evasion. Indicating a desire that the judicial branch implement policies adopted by the Kremlin, at the November 9 meeting Putin said, "Hopefully our meeting will contribute to the dialogue between different branches of power in Russia, making the interaction between executive and judicial authorities more productive," according to the official ITAR–TASS news agency. At their meeting, Putin and the judges also discussed reform of the judicial system and the implementation of key laws. These are substantive issues where the president can clearly influence the context in which judges make their decisions.

These meetings are problematic not because Putin is seeking to influence the judges, as any president presumably would, but because the judges see nothing wrong with it. Like other officials in Russia, the justices are susceptible to influence within a society that assumes policies are set at the top. Putin's suggestions undoubtedly trickle down through the judicial hierarchy. In lower and regional courts, chief judges have great influence over judicial salaries and which cases judges hear, thereby making it possible for them to determine the outcome of cases with a high degree of predictability.

The Federation Council confirmed Putin's appointment of Anton Ivanov, the former first deputy general director of Gazprom-Media, as chairman of the Supreme Arbitration Court on January 26. Many see the move as being connected to the fact that the courts are now considering a number of cases affecting Gazprom's interests. The previous chair had to step down because he had passed the age limit of 65.

Beyond high-level meetings, the federal authorities have a variety of ways to pressure the judges. In 2004, Federation Council Speaker Sergei Mironov suggested changing the qualifications for

defining who could serve as a judge, a proposal the judges ultimately succeeded in blocking. In 2005, he suggested moving the courts to St. Petersburg. Longtime observers of Russia's courts, like Pennsylvania State University Distinguished Law Professor William Butler, claim that it often seems that whenever the Kremlin wants to exert pressure on the judges, a proposal appears that would make their lives more difficult. On December 21, Zorkin publicly opposed moving the courts.

The authorities have also sought to put more pressure on lawyers involved in high-profile cases. After the Yukos trial, the procurator sought to disbar Khodorkovsky's lawyers for "drawing out" the trial. However, the Moscow Lawyers Chamber qualification commission found no reason to punish them. Yukos lawyer Svetlana Bakhmina was held in pretrial detention after her arrest in December 2004 for allegedly participating in a criminal group organized by Khodorkovsky to take over local oil companies. Robert Amsterdam, a human rights lawyer and member of Khodorkovsky's legal team, was expelled from Russia in September for alleged visa irregularities.

Despite the obvious political purposes to which the courts can be put, they have advanced in some areas. Commercial lawyers report an improvement in the arbitrazh system. New criminal and civil codes as well as criminal procedures have been adopted, and many aspects of the new legislation are implemented in practice. In contrast with the past, defendants must now be brought before a judge within 48 hours. Judges, not prosecutors, issue arrest warrants, and jury trials are now available for defendants in serious cases.

More citizens are appealing to the courts, and in some important cases the courts do decide against the state's position. According to a 2003 government order, federal agencies are required to maintain Web sites informing the public about their activities. On October 18, a federal court in St. Petersburg agreed with a lawsuit brought by Yurii Vdovin of the Institute for the Development of Freedom of Information obligating seven federal agencies to open their own sites. The agencies included the Federal Guard Service, the Federal Bailiff Service, the Federal Service for Defense Orders, and the Ministry for Regional Development. Likewise, Vladimir oblast pensioner Olga Yegorova used the courts to block the authorities from opening a dump on forest land she maintained.

Nevertheless, many procedural and substantive problems remain. Judges often lack the training necessary to fulfill all the new functions expected of them. The Council of Europe found that judges' salaries are not commensurate with their responsibilities, making them vulnerable to corruption and outside pressure. Conviction rates remain very high in criminal cases. Where juries are involved, about 15 percent of the cases result in acquittal, but between 25 and 50 percent of jury acquittals are overturned by higher courts, often on technicalities. When the acquittal is overturned, the defendant then faces a new trial that will presumably return the "correct" decision. Jury trials are particularly unpopular with procurators and judges, who do not always believe in the presumption of innocence and must now work much harder to present and examine the evidence against the defendant. Proposals to limit the use of such trials are becoming more frequent.

Defendants still have fewer rights than in Western systems. They are often held in pretrial detention when bail or house arrest might be more appropriate. Additionally, defense lawyers are generally barred from collecting evidence during a criminal investigation, judges routinely declare defense testimony inadmissible at trial, and prosecutors can appeal acquittals or sentences they deem too lenient. In the United States, only defendants can appeal a verdict. In trials such as the one against police accused of abusing citizens in the city of Blagoveshchensk, the authorities have apparently sought to intimidate witnesses.

Russia is also facing growing problems with its enormous and overburdened prison system. The country had 621,148 inmates on July 1, 2005, giving it one of the highest incarceration rates in the world. Russian prisons are crowded, disease-ridden, and violent. Some 250 inmates at a prison in Lgov (Kursk oblast) cut themselves with razor blades in the summer, demanding an improvement in conditions and the dismissal of the prison's administration. Subsequently, about 60 inmates at a prison colony in Smolensk oblast went on a hunger strike, and 10 slashed themselves with razor blades to protest beatings of inmates, according to the Moscow-based NGO For Human Rights. The authorities will need increased political will and financial resources to address these problems.

Putin signed a decree on July 13 transferring a number of detention centers from the Federal Security Service to the Justice Ministry's prison service. The purpose of the move is to place the investigators' handling of suspects under the supervision of the Justice Ministry, a condition Russia had to satisfy to join the Council of Europe in 1996. The council had long asked Russia to enact this reform, and although Russia's Ministry of the Interior gave up its control of prisons in 1997, the Federal Security Service managed to hold on to the centers until this year. Whether the change will make any difference in practice remains to be seen.

CORRUPTION (SCORE: 6.00)

Numerous observers of Russia independently came to the conclusion that the level of corruption in the country increased in 2005. The basic problem is that the Kremlin is handing more power to state institutions while removing societal controls over them.

An INDEM study released over the summer indicated that officials had learned to wring more money from citizens and businesses for services, which they monopolize more efficiently than in the past. While the researchers found that fewer bribes were given in 2005 than in 2001 in both business and daily life, the size of these bribes had increased. Sadly, the survey found increased bribery in areas that are vital to family life: education, real estate, and army draft boards.

Transparency International's Corruption Perceptions Index 2005 likewise suggested that corruption is increasing in Russia, with the absolute score dropping from 2.8 to 2.4. The global average is 4.11, and the regional average is 2.67. Transparency International blamed the decline on reduced transparency in government agencies and a crackdown on independent organizations and the media. Russia ranked 126 out of 159 countries. The World Bank and European Bank for Reconstruction and Development concurred, finding

increasing kickbacks in awarding government contracts, with the proportion of kickbacks rising from 1.51 percent to 1.91 percent of the overall value of state contracts over the previous three years.

In the face of this growing corruption, the good news is that the public is increasingly opposed to giving bribes. The INDEM survey found that there were greater efforts to avoid extortion where possible, suggesting that many in Russia had had enough and may be willing to take action against the pervasive corruption. Along these lines, the Levada Center published survey data on August 9 showing that the public thought police and bureaucrats were the most criminal elements in society, with their perceived level of criminality exceeding even the level of actual mobsters.

The Kremlin's policy of expanding the state's role in the energy sector, creating national champions in Gazprom and Rosneft, is likely to increase the level of corruption in the most lucrative part of the Russian economy and slow economic growth. In 2005, the state increased its holdings in Gazprom to 51 percent and added the oil assets of Sibneft to the natural gas monopoly. Former Sibneft owner Roman Abramovich was the main beneficiary, apparently receiving billions of dollars for giving up his oil company. State-owned Rosneft acquired the most lucrative assets of Yukos as partial payment for a US$28 billion tax claim against the company in a shady deal following the ruling against Khodorkovsky. Controlling Yuganskneftegaz provides vast opportunities for embezzlement, according to the INDEM Foundation's Vladimir Rimsky. Before 2005, private companies carried out the vast majority of Russia's oil production. Now the Russian state controls 30 percent of this sector. The problem is not with state ownership per se, but with the way the Russian state operates its holdings. Growth in the sector was 9 percent a year in the last five years but has now dropped to around 3 percent.

This process is not nationalization (using Russian resources in the public interest), but a transfer of property to people with close ties to the Kremlin. The actual divisions among these different groups inside the state became apparent when Rosneft managers fought off attempts to merge their company with Gazprom into one giant state energy holding company. Kremlin chief of staff Dmitrii Medvedev chairs the board of Gazprom, while Igor Sechin, deputy chief of staff, heads the board of Rosneft. Rosneft management bitterly fought plans to merge it into Gazprom, thereby preserving control over the company's money flows. In another sector of the economy, the company that monopolizes arms exports took over Russia's largest automobile manufacturer at the end of the year.

Even in dealing with the country's poorest regions, corruption is rife. Federal transfers to the North Caucasus are the main source of criminal money in southern Russia, according to Valery Tishkov, director of the Institute of Ethnology and Anthropology at the Russian Academy of Sciences. The subsidies support a clan structure that monopolizes local resources and power, creating wide public discontent. Moscow's basic policy in the region is to provide subsidies in exchange for loyalty, hoping to preserve stability even in the face of mounting evidence that the region is sliding into anarchy.

Russia is taking some steps to deal with its corruption problem, though these are likely to have little impact. In spring 2005, Prime Minister Mikhail Fradkov launched a program to double the nominal salaries of federal officials working outside of Moscow by 2008 in order to attract better talent to these jobs. Salaries for federal officials working in the regions increased by 27.6 percent in nominal terms over the first six months of 2005, but they are still lower on average than the salaries of their local counterparts, earning 8,839 rubles (US$316) per month versus 14,791 (US$530). Despite these efforts, bureaucrats' salaries are peanuts compared with their ability to make money from business; therefore, the scope for corruption remains enormous.

After many years in which plans for administrative reform were successively proposed and then abandoned, on November 1 Fradkov signed the latest administrative reform blueprint and an implementation plan for the next three years. The goal is to overhaul the civil service with clear regulations and state service delivery standards. However, this plan will not be implemented anytime soon, since 2006 is devoted to the "theoretical" preparation of the reform. Similarly, Russia is working on ratifying the UN Anticorruption Convention. This means reintroducing the confiscation of property into Russian law, a provision required by international standards but one that worries many rights advocates for fear it will be used by the authorities to take property arbitrarily.

This is an official publication of the
Commission on Security and Cooperation in Europe.

★ ★ ★

This publication is intended to document developments and trends in participating States of the Organization for Security and Cooperation in Europe (OSCE).

★ ★ ★

★ ★ ★

http://www.csce.gov

The Commission's Web site provides access to the latest press releases and reports, as well as hearings and briefings. Using the Commission's electronic subscription service, readers are able to receive press releases, articles, and other materials by topic or countries of particular interest.

Please subscribe today.