

HUMAN RIGHTS, CIVIL SOCIETY, AND DEMO-
CRATIC GOVERNANCE IN RUSSIA: CURRENT
SITUATION AND PROSPECTS FOR THE FUTURE

HEARING

BEFORE THE

COMMISSION ON SECURITY AND
COOPERATION IN EUROPE

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

FEBRUARY 8, 2006

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

[CSCE 109-2-7]



Available via <http://www.csce.gov>

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 2008

38-050 PDF

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

CHRISTOPHER H. SMITH, New Jersey,
Co-Chairman
FRANK R. WOLF, Virginia
JOSEPH R. PITTS, Pennsylvania
ROBERT B. ADERHOLT, Alabama
MIKE PENCE, Indiana
BENJAMIN L. CARDIN, Maryland
LOUISE McINTOSH SLAUGHTER,
New York
ALCEE L. HASTINGS, Florida
MIKE McINTYRE, North Carolina

SENATE

SAM BROWNBACK, Kansas,
Chairman
GORDON SMITH, Oregon
SAXBY CHAMBLISS, Georgia
RICHARD BURR, North Carolina
DAVID VITTER, Louisiana
CHRISTOPHER J. DODD, Connecticut
RUSSELL D. FEINGOLD, Wisconsin
HILLARY RODHAM CLINTON, New York
VACANT

EXECUTIVE BRANCH COMMISSIONERS

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

HUMAN RIGHTS, CIVIL SOCIETY, AND DEMOCRATIC GOVERNANCE IN RUSSIA: CURRENT SITUATION AND PROSPECTS FOR THE FUTURE

FEBRUARY 8, 2006

COMMISSIONERS

	Page
Hon. Sam Brownback, Chairman, Commission on Security and Cooperation in Europe	1
Hon. Benjamin L. Cardin, Ranking Member, Commission on Security and Cooperation in Europe	3

WITNESSES

Barry Lowenkron, Assistant Secretary, Bureau of Democracy, Human Rights and Labor, U.S. Department of State .	4
Daniel Fried, Assistant Secretary, Bureau of European and Eurasian Affairs, U.S. Department of State	7
Natalia Bourjaily, Vice President for Newly Independent States, International Center for Not-for-Profit Law	18
Allison Gill, Director, Moscow Office, Human Rights Watch ..	19
Andrew Kuchins, Senior Associate, Russia and Eurasia Program, Carnegie Endowment for International Peace	21
Nicolai Petro, Professor of Political Science, University of Rhode Island	25
Andrei Piontkovsky, Senior Visiting Fellow, Hudson Institute	30

APPENDICES

Prepared statement of Allison Gill	36
Prepared statement of Andrew Kuchins	41

HUMAN RIGHTS, CIVIL SOCIETY, AND DEMOCRATIC GOVERNANCE IN RUSSIA: CURRENT SITUATION AND PROSPECTS FOR THE FUTURE

February 8, 2006

COMMISSION ON SECURITY AND COOPERATION IN EUROPE
WASHINGTON, DC

The hearing was held at 3:08 p.m. in room 226, 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; and Hon. Benjamin L. Cardin, Ranking Member, Commission on Security and Cooperation in Europe.

Witnesses present: Barry Lowenkron, Assistant Secretary, Bureau of Democracy, Human Rights and Labor, U.S. Department of State; Daniel Fried, Assistant Secretary, Bureau of European and Eurasian Affairs, U.S. Department of State; Natalia Bourjaily, Vice President for Newly Independent States, International Center for Not-for-Profit Law; Allison Gill, Director, Moscow Office, Human Rights Watch; Andrew Kuchins, Russia and Eurasia Program, Senior Associate, Carnegie Endowment for International Peace; Nicolai Petro, Professor of Political Science, University of Rhode Island; and Andrei Piontkovsky, Senior Visiting Fellow, Hudson Institute.

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

Mr. BROWNBACK. The hearing will come to order.

I welcome everybody today to the hearing on Russia that's being held by the Helsinki Commission. This is the latest of several hearings on the subject of human rights, civil society, and democratic governance in Russia under the Putin administration.

As per the Commission's mandate, we will examine today how Russia is complying with the core principles of the Helsinki Accords and subsequent OSCE documents.

This hearing is being held at a time when many are deeply concerned by the downward trajectory of civil liberties and democratic governance under the Putin presidency. We intend to examine today some of the more recent events that have exacerbated this situation.

There's no question that there are many countries in the world where the human rights situation is much worse. But unlike Rus-

sia, those countries are not longstanding members of the OSCE, the Council of Europe, and the G-8.

Given Russia's desire to play a constructive role on the world stage, the Putin administration will have to decide whether it intends to play by the rules that Russia adopted as governing principles for its own government and its civic institutions. Russia will have to demonstrate beyond rhetoric that it is committed to democratic governance, human rights, and the rule of law.

That will mean, of course, competitive challenges to the existing power structure. It will mean allowing and promoting an open and pluralistic power center. And it will mean listening to the wisdom and wishes of the Russian people, not the other way around.

These were the animating aspirations of the Russian people when they courageously gained their independence and became free from the communist leaders and their system. Instead, Russia today has simply become a stagnant autocracy, living on receipts from energy resources and cozying up to repressive, if not lethal, regimes from around the world.

In the last few weeks, we have seen a spy scandal in Moscow, in which the Russian security services alleged that certain Russian NGOs are linked to alleged British intelligence activities. This smacks of tactics from the communist Brezhnev era and is clearly an attempt to justify recent promulgation of legislation that would restrict Russian and foreign NGO activity.

NGO activity is at the heart of the human rights provisions of the Helsinki Accords, the right to know one's rights and act upon them. The NGOs are the little battalions that empower the citizenry to participate actively in the political process on a day-to-day basis, keeping government open and responsive to its people.

Today we will hear from administration witnesses who will discuss the response by the United States to the challenges faced by NGOs and to the overall decline in human rights protection in Russia today.

We will also hear from a panel of experts who have been extensively engaged in these areas.

There is considerably more cooperation in the past between the United States and Russia in areas of mutual interest, such as security and economics, and the world today is safer and better for it. But the question remains: Is Russia ultimately a reliable partner?

It is an important question, and we hope to find some answers today, because the implications of President Putin's policies extend well beyond Russia's borders. How Russia acts and how the West responds send important signals to dictators in Belarus and in Uzbekistan, and even to Iran, where Russia and the West are intimately involved in trying to resolve tension over its nuclear ambitions.

Earlier today, I spoke by phone to one of those in Russia who was not silent back in the 1970s when she fought for freedom and certainly would not be silent today. In fact, I asked Ludmilla Alexeeva if it would be wise for me to mention at this hearing today that we talked. After all, it is her organization, the Moscow Helsinki Group, that is being accused by Russian authorities of spying.

In the kind of spirit that has characterized her lifelong commitment to human rights, she said to me, "What can the authorities do that they haven't done already?"

I look forward to the statement of our witnesses. I have some questions to follow. And I want to applaud those NGOs in Russia and particularly those in Moscow.

And as I spoke with her, I said: It's relatively easy for me in Washington to talk about the need for human rights than individuals would be able to freely express themselves in Russia. It's quite another thing for somebody in Moscow and an NGO to do the same.

And I applaud her efforts. I applaud what she stands for. It reminds me of—I was at the Coretta Scott King funeral yesterday. And it's one thing to talk about it now; it's another thing to walk on the bridge in Selma going to Montgomery, as they did and as she has done in Russia.

I look forward to the testimony.

Congressman Cardin, if you have an opening statement?

**HON. BENJAMIN L. CARDIN, RANKING MEMBER,
COMMISSION ON SECURITY AND COOPERATION IN EUROPE**

Mr. CARDIN. Well, thank you, Mr. Chairman.

I sat right behind you yesterday at the Coretta Scott King funeral in Georgia. And you're absolutely right to make that analogy. We were challenged then yesterday to make sure that we carry on the torch, carry on the work, what we do.

And I think, in some way, the work of our Helsinki Commission does that. So I'm very proud to be part of the Helsinki Commission and the U.S. participation in the OSCE.

I just want to concur in your opening statement, Mr. Chairman.

I'm very troubled to see that Russia, the Kremlin, appears to use whatever means in order to stifle dissent, that Mr. Putin might make some flying statements about respect for civil liberties or democracy, but then you take a look at his actions and they're extremely troublesome.

His attacks on the NGOs have all of us concerned. And I must tell you, I am very troubled as to whether Russia is complying with their commitments given under the Helsinki Accords.

So I think this hearing is particularly appropriate. Russia is a very important player internationally on the issues that you mentioned. And we need to be able to do everything we can to work with Russia in order to advance these mutual interests.

But it is our responsibility as the Helsinki Commission to make sure that they're adhering to the Helsinki commitments. And quite frankly, I have major reservations as to whether in fact they are doing that.

I look forward to the testimony of our witnesses.

Mr. BROWNBACK. Thank you, Congressman Cardin.

I'm pleased to have our first panel of two assistant secretaries from the State Department. The State Department's been quite outspoken about the need for Russia to adhere to its Helsinki commitments and for the benefit to Russia to move forward in its human rights.

Daniel Fried is the Assistant Secretary of State at the Bureau of European and Eurasian Affairs. And prior to the appointment to this post, Ambassador Fried served as special assistant to the president, senior director for European and Eurasian affairs at the National Security Council. He served as principal deputy special adviser to the secretary of state for the New Independent States and was our Ambassador to Poland from November 1997 until May 2000.

Our other witness is Barry F. Lowenkron. He's the assistant secretary of state for the Bureau of Democracy, Human Rights and Labor. Prior to his appointment, he served as principal deputy director of policy planning for the Department of State. He's held a variety of positions in the intelligence community, including national intelligence officer for Europe and special assistant to the director of the Central Intelligence Agency.

Gentlemen, thank you very much for joining us today. And I don't know if you have selected an order that you would like to go in.

Dr. Lowenkron?

HON. BARRY LOWENKRON, ASSISTANT SECRETARY, BUREAU OF DEMOCRACY, HUMAN RIGHTS AND LABOR, U.S. DEPARTMENT OF STATE

Sec. LOWENKRON. Chairman Brownback, Congressman Cardin, let me begin by expressing my appreciation for the Commission's pioneering work promoting respect for human rights and democratic principles throughout the Helsinki signatory states.

I have a more detailed written statement, which, with your permission, I'd like to submit for the record.

Mr. BROWNBACK. It will be in the record.

Sec. LOWENKRON. Thank you.

Mr. Chairman, I welcome this opportunity to share my thoughts about the Russian Federation's new NGO legislation, the trajectory of democracy and civil society in Russia, and the way forward.

The United States values a strong relationship with Russia. As President Bush has said, it is in our interest that Russia be a strong and valuable partner with the United States, but that we understand that, in the 21st century, strong countries are built by developing strong democracies.

A flourishing civil society is essential to reaching democratic goals. The Bush administration shares the Commission's concern that civil society in Russia is under increasing pressure. Raids on NGO offices, registration problems, visa problems for foreign NGOs, and intimidation of NGO leaders and staff have had a chilling effect.

Secretary Rice asked me to deliver a clear message to the Russia government about our deepening concerns for NGOs. I visited Moscow January 17th through the 19th. Upon arrival, I was greeted with the news that the NGO law, quietly signed on January 10th by President Putin, had been published that very morning.

Over the next 2 days, I met with Russian- and U.S.-based NGOs, including, Mr. Chairman, with Ludmilla Alexeyeva herself. I met with Duma committee chairpersons, officials from the Ministry of Foreign Affairs, the human rights ombudsman, the chair of the

presidential human rights council, and representatives of independent media.

Although some of the more problematic elements were removed in the legislative process—and I would add in part due to concerns expressed by the United States, by European allies, and by Russian and foreign NGOs—key problems remain.

Many provisions of the legislation are vague. What constitutes a threat to Russian sovereignty or extremist activity is not defined. NGOs' financial records as well as current and planned activities are subject to examination.

Officials could order an NGO to cease funding a program, to cease funding an individual, or to shut down completely. Religious groups that receive foreign funding may be subject to review, taxation and special registration considerations.

The authorities have broad discretion to implement the new law. While punitive measures would be subject to court approval, this could entail lengthy, expensive litigation that could cripple an NGO.

We have already registered our concerns at the OSCE Permanent Council on January 26th, when Ambassador Finley said that the law does not appear to meet OSCE commitments in the Copenhagen and Moscow documents.

The new law will go into effect in April; already there are ominous signs. As justification for the new law, President Putin and other officials cited the spy rock case, following allegations by the FSB that British spies had been funding Russian NGOs.

On January 24th, the Duma passed a resolution calling upon the committee on security to direct the FSB to report on political parties and organizations that receive foreign funding.

On January 27th, the Ministry of Justice announced they were seeking to revoke the registration of the Russian Human Rights Research Center, an umbrella organization that includes the Moscow Helsinki Group, for allegedly failing to provide required documentation about its activities.

On February 3rd, the executive director of the Russian-Chechen Friendship Society received a 2-year suspended sentence and 4 years of probation for inciting ethnic hatred for publishing statements by Chechen separatist leaders. This conviction follows a series of repressive actions against the society.

And just yesterday in his speech to the board of the FSB, President Putin said the following regarding NGOs. Quote, "The task that stands before the special services and all law enforcement agencies consists in creating the necessary conditions so that these organizations can operate efficiently. But at the same time, you must protect society from any attempts by foreign states to use these organizations for interfering in Russia's internal affairs."

These and other developments, Mr. Chairman, suggest that the Russian Government harbors a deep mistrust of civil society, and especially of organizations that receive foreign funding and are engaged in politically sensitive activities, like human rights monitoring.

Several Russian officials and lawmakers asserted to me that the law is necessary to clamp down on terrorist activity and money laundering. But what came through from further discussion was

their deep suspicion that Western states had manipulated election outcomes in Ukraine, Georgia and elsewhere by funding NGO activity.

They see our promotion of democracy as part of a zero-sum game of geopolitical influence. I emphasized repeatedly that they were fundamentally mistaken about what happened in Ukraine and Georgia.

Our NGO funding and activities there were fully in keeping with OSCE and other international standards and practices. Our assistance is designed to help ensure that elections are free and fair, not to pick winners or losers.

Whenever NGOs are under siege, democracy is undermined. As I told my Russian interlocutors, NGOs can support governments, they can criticize governments, but NGOs should never be treated as enemies of governments.

The NGO law is just one element of a broader pattern of restricting the space for independent views, consistent with the apparent aim of President Putin to concentrate power in the Kremlin and direct democracy from the top down.

To those ends, the Kremlin has abolished direct elections of governors in favor of presidential nomination. This system in the current Russian context, where checks and balances are weak at best, limits government accountability to voters while further concentrating power in the executive branch.

Electoral and political party law amendments billed as intended to strengthen nationwide political parties in the longer term could nonetheless reduce the ability of opposition parties to compete in elections. There have been harassments and prosecutions of rivals.

Let me be clear. Our concern is not whether this or that oligarch gains or loses power, but whether the Russian Government is selectively enforcing the law as a political weapon.

Cases such as those of Mikhail Trepashkin, Valentin Danilov, and others also raise concerns about the political nature of prosecutions, respect for human rights, and the independence of the judiciary.

The Kremlin also has acted to limit critical voices in the media. The government has decreased the diversity of the broadcast media, particularly television, the main source of news for the majority of Russians.

All independent, nationwide television stations have been taken over either by the state or by state-friendly organizations. Due to government pressure on the media, self-censorship remains a serious problem.

Mr. Chairman, though the current trajectory is discouraging, President Bush and Secretary Rice remain firmly committed to Russia's democratic development. With Congress's help, we will continue robust and open support for programs fostering civil society, for free, fair, transparent, and competitive elections, and democratic governance.

And we will continue to work with other democracies to send a strong message: that we expect Russia to respect fundamental freedoms of expression, association and assembly.

Mr. Chairman, a personal observation, if I may. Assistant Secretary Fried and I have been colleagues for decades. We served to-

gether in the State Department during the dark days of Solidarity's repression. We also served together later on, when the darkness began to lift in the Gorbachev years, leading to the end of the Cold War.

As discouraging as the current trends may seem, today's Russia is not the Soviet Union. The space for individual freedoms is immeasurably larger today than anyone could have imagined in Soviet days. We work in partnership with Russia, but partners who respect one another should speak frankly to each other when they disagree.

The path to democracy is seldom linear; we must not give up on democracy in Russia or break faith with the NGOs working, despite setbacks, to realize democracy's promise.

My DRL team and I look forward to working closely with you, and the members of the Commission, and your expert Commission staff.

Once again, Mr. Chairman, I want to thank you and the Commission for its far-reaching contributions to the cause of human rights and democracy. Thank you.

Mr. BROWNBACK. Thank you. That was an excellent statement, and I particularly appreciate the last thought of that, as well.

I remember traveling in the Soviet Union years ago as a young man, and the oppressiveness and then the shift. But still it is something we should speak candidly, and I think it clearly in the best future interest of Russia that we speak, as well.

Mr. Fried?

HON. DANIEL FRIED, ASSISTANT SECRETARY, BUREAU OF EUROPEAN AND EURASIAN AFFAIRS, U.S. DEPARTMENT OF STATE

Sec. FRIED. Thank you, Mr. Chairman, Congressman Cardin, for your leadership in organizing today's meeting.

I'm honored to be with you today to discuss Russia's efforts at sustaining its democratic and human rights reforms and to discuss the state of democracy and human rights in Russia and U.S.-Russian relations.

I associate myself with everything that my colleague and old friend, Barry Lowenkron, has said in outlining the challenges Russia faces in realizing its potential to become a modern democracy and to meet its international commitments on human rights.

Russia's path toward internal reform and the development of democracy is at the heart of its relationship with the world, including the United States. We cannot and we do not separate Russia's internal development from Russia's external relations, including with us.

The United States seeks a robust partnership with Russia that strengthens our cooperation in as many areas as possible on issues that matter to us and where our interests coincide; at the same time, as friends, we cannot and do not avoid frank discussions about the areas where we disagree.

The United States has had, at various times in the past, a principally adversarial relationship with Russia. Especially since 1991, we have sought to build partnerships on the basis of underlying values which we assumed were shared.

What is called for now in our relations with Russia is an approach that could be described as constructive cooperation wherever possible to address the common threats and challenges facing us, while being realistic and candid about those areas where we disagree and particularly where our values diverge.

Allow me to review briefly both sets of issues which characterize this important and often challenging relationship.

The United States and Russia share a broad strategic agenda that has produced a number of important successes since 2001 that have advanced our national security and foreign policy interests.

And, Mr. Chairman, you referred to some of these in the statement you made at the beginning.

These successes demonstrate the importance of our relations with Russia. Let me cite a few examples. The U.S.-Russia Working Group on Counterterrorism, now led on the U.S. side by Undersecretary Nick Burns, has provided a critical channel for dialogue and cooperation with Russia on counterterrorism for 5½ years.

Ongoing cooperation on nonproliferation of conventional arms and WMDs, counter-narcotics, and cooperative threat reduction efforts, including the redirection of the work on chemical and biological weapons experts, has allowed us to address these critical global threats.

We're pursuing vital and energetic cooperation on anti-money-laundering initiatives. We're making progress towards settlement of the Nagorno-Karabakh frozen conflict, thanks in large measure to the helpful role played by Russia.

We're collaborating well in the Balkans, despite some differences of initial assumptions, including by working together in the Contact Group on the final settlement for Kosovo's future status.

We're cooperating well on Afghanistan, in which Russia, as the largest creditor, recently announced its intention to forgive 100 percent of Afghanistan's debt within the context of the Paris Club. We cooperate on Iraqi reconstruction, and most recently on Iran.

Though we have not always seen eye-to-eye with Russia on how to proceed in Iran, recent Russian efforts, especially the Russian decision to support referral of Iran to the U.N. Security Council, have been constructive. We will continue to cooperate closely to advance a shared objective that Iran not achieve the capability to develop nuclear weapons.

There exists considerable potential for greater progress in these and other areas where we share overlapping interests. These areas include, among others, Russia's WTO accession (where we are making progress in concert with other WTO members), cooperation in the NATO-Russia Council (where we have also made progress in developing NATO's military relations with Russia, but where potential is far from realized.)

Greater integration of Russia with the international community is in everyone's interest, though of course it brings with it obligations and responsibilities.

A second area, Mr. Chairman, is areas of concern, and we are concerned by Russia's policy in some areas, especially regarding Russia's relations with many of the nations of Eastern Europe and Eurasia and, as my colleague said, Russia's backsliding on democracy.

It is in these areas especially where we continue to address our concerns clearly and directly to our Russian friends in a spirit of respect and candor.

Russia's relations with Eurasian and Eastern European countries present us with opportunities and challenges, particularly in the wake of the transformational developments that have unfolded in Georgia, Ukraine and Kyrgyzstan. Partly as a result of these events, many Russians now view U.S. involvement in the region with growing wariness and, quite frankly, increasingly in zero-sum terms.

On visits to Moscow, one can sense Russian public and official concern about the prospect of more so-called "colored" revolutions and the fear that these would undermine regional stability and Russia's security and economic interests.

This Russian view of American policy toward the region is misplaced. The United States does not regard this region as a venue for competition, nor do we believe the United States and Russian interests are in conflict there. We believe it is in Russia's interests, as well as our own, to have stable and prospering democracies developing on its borders, which would naturally lead to these countries maintaining good ties with Russia.

Failed states and authoritarian regimes along Russia's periphery, which alienate their own people, do nothing for regional stability, security or prosperity; indeed, such states are a threat to regional stability.

It would surely be better for Central Asia and Eastern Europe if Uzbekistan and Belarus, for example, were moving in a reformist rather than an increasingly repressive direction. The United States certainly supports economic and political reforms in these countries, and we would hope that Russia would as well.

The recent gas dispute between Russia and Ukraine, in which Gazprom reduced the flow temporarily to Ukraine on New Year's Day, raised questions about Russia's intentions and created a climate of mistrust.

As Secretary Rice noted recently, Russia needs to "demonstrate that it is prepared to act—as an energy supplier in a responsible way." This includes greater transparency and openness, not using energy resources as a political tool, and structuring contracts in ways that do not foster corruption but transparency. Transparency in the energy sector is needed from other countries in the region, too. In addition, persistent tensions with Georgia and recent Russian suggestions that the unfolding process for resolution of Kosovo status could set principles and precedents for resolution of frozen conflicts in Georgia and Moldova have raised questions about Russia's commitment to the territorial integrity of these countries.

It does not, frankly, make sense for Russia to support separatist regimes in the breakaway Georgian provinces of South Ossetia and Abkhazia. This leads to the very instability that concerns Russia. A successful, reforming, stable Georgia ought to be in Russia's interests.

A failed Georgia—and the prospect of a failed Georgia was very real before the Rose Revolution of 2003—could likely become a haven for more and more aggressive organized crime and terrorists that could directly threaten Russia.

The United States has and will continue to encourage Russia and Georgia to work together to advance solutions to these frozen conflicts in ways that respect the territorial integrity of Georgia and the legitimate interests of the people of Abkhazia and South Ossetia.

Assistant Secretary Lowenkron has shared with you our ongoing humanitarian and human rights concerns, and as well as concerns about terrorism in Chechnya and in the North Caucasus. The situation in Chechnya has been for some time one of the principle sources of instability, abuses and violence elsewhere in the North Caucasus, a development in no one's interest.

President Putin, in his press conference last week, said, "Today the situations in some other regions of the North Caucasus concern us even more than that in Chechnya."

We continue to look for ways to support an end to the humanitarian crisis and foster a genuine political dialogue in Chechnya, which are critical to bringing lasting stability and respecting the territorial integrity of Russia. We hope that last November's parliamentary election in Chechnya could be a step in that direction.

In particular, we're looking at new ways to expand our assistance programs in the region and at other ways to reduce the sources of violence and instability; ultimately, however, it is the Russian Government that must develop new ways for addressing problems in the region. We are prepared to be a partner with them and the peoples of the region in that process.

The lack of progress on the development of democracy in Russia is another area of concern for the United States that my colleague has addressed. The United States supports the objective of Russia's development into a strong, prosperous, democratic country.

It is in that spirit that we press Russian officials at all levels, publicly and privately, and speak to Russian civil society about the importance of human rights and democracy.

As friends, we are frank in our meetings, making clear that a commitment to shared values, most importantly those of democracy and human rights, is the foundation for a successful relationship.

As Secretary Rice said in Moscow in May 2005, "For the U.S.-Russia relationship to deepen, and for Russia to gain its full potential, there needs to be greater democratic development."

This has been an uneven process in Russia. As Barry Lowenkron has said, Russia is not the Soviet Union. The country has experienced great change in the past 15 years, including progress toward respect for human rights and the rule of law.

Regrettably, recent developments suggest that the Russian Government's commitment to internationally recognized human rights, including democratic norms, media freedom, and the rule of law has deteriorated. The NGO legislation signed into law and the charges made against NGOs in connection with the alleged spying cases are recent examples.

In response to these problems, the United States is engaged in active efforts to support Russia's transition, over the medium to long term, into a genuine democratic state, with features common to all democracies.

We are working with our European partners to deliver a consistent message to the Russian Government to live up to its inter-

national commitments to democracy and human rights and to help Russians, including those representing Russian civil society, in exercising those rights.

In engaging the Russian Government in supporting civil society, we hope to: promote free and fair elections; broaden access to information; strengthen judicial integrity and independence; eliminate corruption and increase transparency; foster greater capacity for citizens to hold their government accountable; maintain lifelines of support to key human rights groups; increase exchanges in both directions; and provide Russia's youth with opportunities to learn democratic skills and values.

As the Secretary said recently in response to a question at Georgetown University, we will work "with those in Russia who from below are pressuring for a democratic path—and that means nongovernmental organizations, it means university people, it means all of the Russians who themselves want a more democratic future."

The Secretary also noted that we need to "keep open for Russia a path toward a democratic West."

As Russia begins its work as chairman of the G-8, we are committed to supporting Russia in advancing its proposed agenda dealing with energy security, infectious disease, and education, as well as continuing G-8 priorities, such as counter-proliferation and counterterrorism.

But as the Secretary said on January 18th at Georgetown, referring to Russia's chairmanship of the G-8 this year, "Certain obligations and certain expectations come with being the chair of an organization that is avowedly of industrialized democracies."

And so we will encourage the Russian Government to demonstrate to its G-8 partners and the world its commitment to the values of democracy, human rights, and the rule of law, common to all industrialized democracies through practical and real progress.

Mr. Chairman, in his September 2005 speech before the United Nations, President Bush said, "The work of democracy is larger than holding a fair election; it requires building the institutions that sustain freedom—Democratic nations uphold the rule of law, impose limits on the power of the state—Democratic nations protect private property, free speech, and religious expression. Democratic nations grow in strength because they reward and respect the creative gifts of their people. And democratic nations contribute to peace and stability, because they seek national greatness in the achievements of their citizens, not the conquest of their neighbors."

Clearly, Russia has much more to do in these areas to fully secure the benefits of democracy for its people. We will continue to work with Russia to advance democracy and, when necessary, in a constructive spirit, to bring shortcomings and concerns to their attention.

Thank you, Mr. Chairman, Congressman Cardin, for your attention and this opportunity.

Mr. BROWNBACK. Thank you, gentlemen both. Appreciate it very much.

We've got a time clock. We'll turn it at seven minutes, and we might bounce back and forth on a question session. If we don't,

then somebody—let me know when that time period's up so we can move forward.

Gentlemen, I want to both thank you in the outset for your careers given to this region of the world. I too quickly introduced you, but each of you has had a long and distinguished career in dealing with Eastern Europe, Russia, the former Soviet Union, the region. And I deeply appreciate what you've done.

And I hope you have some sense of pride, too, of what you've seen taking place, what you've been a part of. And yet what we're seeing right now is a regression from that, and so it troubles all of us when that takes place.

Mr. Lowenkron, let me ask you first. I take it from what you're getting from the Russians is the lesson they got out of these different color revolutions is destroy these smaller organizations before they get you, is what the lesson that they've learned, and that's why they're going at them. Is that accurate?

Sec. LOWENKRON. It's accurate in the context of a fundamental misreading on their part of what happened in these elections. In their view—I'll put it bluntly—American money beat Russian money, and American money was quicker and more clever, because they used NGOs.

One Russian once told me that we refer to what happened in the Orange Revolution as our 9/11. And I spend conversation after conversation—

Mr. BROWNBACK. Explain that to me. Why is this a 9/11?

Sec. LOWENKRON. It's a 9/11, because it was a wake-up call. It was a wake-up call to Russia that said that the United States, the West, the United States had found a very clever tactic to advance what they call a geopolitical gain to continue to weaken Russia and to advance Western interests in the region.

And the tactic was not the military; the tactic was money funneled through nongovernmental organizations. And I had spent a great deal of time disabusing them of that notion, telling them, as the secretary said, democracy cannot be imposed.

What we do is, in a very transparent way and with full adherence to OSCE principles, we support those indigenous voices that want help to have a level playing field when it comes to elections.

I would hasten to add that, of all the rhetoric and all the speeches that have come out of Moscow on this issue, personally speaking the one that I found was the most damning was the one in which President Putin said he who pays the piper calls the tune, because it sets in motion this mindset American money is paying the piper and so the tune is anti-Russian, pro-U.S., pro-West.

Mr. BROWNBACK. And so the key is to shut the outside money from coming into any NGO organizations, and therefore they will win election after election?

Sec. LOWENKRON. The key is, as far as they believe, is to ensure that they can see every dime, every dollar, every euro, every bit of currency that comes into Russia, every single program, and that they have the right to question the ends of these—the objectives of these funds, they have the right to tell Russian NGOs, "You are not allowed to participate in this political activity."

And they have broad categories, such as threats to the sovereignty of Russia or to its culture or extremist activity, to shut it

down. And it's for this purpose that they're hiring nearly 1,000 individuals who are going to work in the Ministry of Justice to scrub all of the NGOs.

One Russian official said: Take heart of the fact that, at the end of the day, this organization will be inefficient. But my response was, as inefficient as it is, it will bollix up the work of NGOs and it will cast a pall and create a chilling environment for their work.

Mr. BROWNBAC. So is this—and either gentleman—is this just simply an organization, a political structure, a political power structure in search of maintaining its own power now that we're seeing operating in Russia?

Sec. LOWENKRON. Well, Mr. Chairman, in my view what it is, it's at the core a sense that democracy can be imposed from the top. So President Putin and the presidential administration can say, "These are good NGOs; these are bad NGOs. This is the proper civil society; this is civil society beyond the pale."

They've even created structures that will give them, quote, unquote, "constructive criticism." So it's a fundamental misreading of how democracies nourish, nurture, sustain and protect fundamental freedoms.

Mr. BROWNBAC. Mr. Fried?

Sec. FRIED. I think also that the Russians have a misperception of what it would mean to have more successfully reforming democratic neighbors. Many Russians seem to look upon the prospect of democratic nations on their borders with concern, as if this would mean—

Mr. BROWNBAC. Many Russians, you're not talking about Russian officials? You're talking about the Russian people.

Sec. FRIED. Russian officials and some Russians in the media. And I don't know what category to put that in.

Mr. BROWNBAC. But what about the Russian public? Are you saying the Russian public?

Sec. FRIED. That's an interesting question. And there are indications that the Russian public has come to associate events like the Orange Revolution with the weakening of Russian power, that it isn't just officialdom, that people are responding to what they hear in the official media.

And it may be Russians—it's not for me to speak for them, but it seems to me that there is a sense in Russia that they have been weakened and that somehow the democratic transformations that started in Eastern Europe in 1989 and have continued throughout Eurasia have weakened Russia.

Instead of giving Russia great opportunities to shed itself of the communist legacy and join Europe and the West as a successful democracy, these changes have weakened Russia. And therefore, many Russians look upon these changes in zero-sum terms; a gain for democracy must be a defeat for Russia.

That is a fundamental—in my view, that is a fundamentally wrong assessment. I think it is certainly in Russia's interests to have successful reforming countries on its borders, but many Russians don't see it that way.

And in this, I regret that the Russian Government is creating the impression that having democratic and reformist governments in

Ukraine and Georgia is somehow inimical to Russia's interests. I believe it is not.

Mr. BROWNBACK. So that somehow it's better what is happening in Uzbekistan than what is happening in the Ukraine?

Sec. FRIED. I don't want to speak too much for the Russians, but I noted with some dismay that Russia appeared to be very supportive of Karimov after the shootings in Andijan and after the wave of repression in Uzbekistan that accompanied and followed those shootings.

I certainly think it would be better for Russia were Uzbekistan moving in a reformist direction. I think repression in Uzbekistan will ultimately lead to the very instability Russia worries about, whereas reform, economic and political, will lead to lasting stability.

I think reform and democracy in Eurasia is in Russia's interests. I regret that not all—I regret that many in Russia don't seem to see it that way.

Mr. BROWNBACK. Congressman Cardin?

Mr. CARDIN. Let me follow up this line on the NGOs, because I think this is very, very disturbing. It seems like Russia is interpreting the threat to Russian sovereignty or extreme activity as supporting interests that are against the elections of the current regime more so than anything else. So it really seems very frightening.

And the concerns about extremist activities or about spying, et cetera, appears from what you're saying to be ways to justify internationally their strategies to stop NGOs from operating independently within the Russian Federation.

And I think this directly is in violation of the Helsinki Accords. I asked staff to give me the section, and principle seven is the right to know one's rights and act upon them. And this has been used to allow NGOs to operate within the member states of the OSCE. So it seems to me that this is a clear violation.

And I just want to get your views on it. And if you agree, then it seems to me, Mr. Chairman, we might want to see, particularly in the parliamentary assembly, raising these issues in order to try to elevate corrective action within the Russian Federation.

Sec. LOWENKRON. Just the other day, President Putin made a statement about the OSCE which I found distressing, because it gives us all a sense for the magnitude of the problem. He said, and I quote, "It is completely wrong in our opinion to make the OSCE a warder keeping guard over the post-Soviet space. It has not been formed for this purpose."

Now, I enjoy history, but I do not appreciate revisiting history that's already been settled. And OSCE and CSCE have roots that go back to when we began our government careers.

And what happens in these countries is a legitimate issue for OSCE members to raise. I recall the debates on whether or not to allow, at that time, the Soviet Union to have an OSCE or a CSCE conference on the human dimension in Moscow, which then happened in 1991.

Well, they made commitments in 1990 in Copenhagen and in 1991 at Moscow, commitments to honor the freedom of NGOs, the right to assemble, the right to establish contacts and connections

with foreign NGOs, the right to solicit funding, and the right to advance these democratic principles.

And so I do think, as Ambassador Finley pointed out, that this NGO law stands in contrast to the spirit, if not to the actual letter, of these various documents.

And what we will do, what Ambassador Burns will do in Moscow is doing what we will do here, is, as the Russian Government proceeds to implement this law, we will have to pay very close attention to ensure that it is transparent, that it is fair, and when issues come up that highlight whether or not it's capriciously applied or used as a political weapon, we absolutely have to raise it.

Mr. CARDIN. Let me just point out, this is not the first OSCE issue we're having with Russia within the last year or so. Their response on election monitoring has been very, very distressing.

The way that they've gone about negotiating the adoption of budgets within the OSCE is very upsetting, and the list goes on, and on, and on. And every time we seem to be getting progress, it's Russia standing out there causing us a real problem.

And I do think we need to develop strategies that use our bilateral opportunities to stress the importance of the OSCE process with Russia. And Russia wants to become a democratic state. Then living up to its commitments within OSCE and stop badmouthing an organization that has the credibility on these subjects would be very helpful to the Russian Federation, and working constructively.

We all understand trying to negotiate from strength in your relationship with other countries, but I think the way the Russian Federation is going about it within the OSCE is very counter-productive. And I would hope that we would use our opportunities in our bilateral and other regional organizations to strengthen our resolve within OSCE.

Sec. FRIED. Congressman, I agree. And I'd like to say that we have done exactly that. We're working bilaterally with the Russians and enjoyed a measure of success, at least as judged by the relatively better OSCE ministerial in Ljubljana last December. Relatively better, that is better than the previous one in Sofia or the one in Maastricht the year before.

We did defend the rights and prerogatives of ODIHR, the OSCE's election monitoring outfit. We defended them successfully, and we've made very clear to the Russians that we would so.

By working with our allies and by being straightforward with the Russians, we managed to have a better outcome than many expected. We will have to continue to work with the Russians and with our allies to see to it that OSCE's ability to carry out its core functions, among which is election monitoring, is maintained.

Mr. CARDIN. We've all had discussions with the chair in office. We've had discussions with the staff at OSCE, and we're sure we're not violating any confidences to say that this is shared not just by the United States but by the member states of OSCE.

So I think we can get support from the countries that participate in OSCE to really hold Russia to making progress. And it may be that a way to do it is exactly what you are suggesting, in the way they implement this law, to work with the Russian authority, to make sure there's transparency.

I think transparency is going to be the key. And not that there is reason to be optimistic that they'll use an open process, but that probably is our best strategy at this particular moment, unless you have other strategies that we could be hopeful about.

Sec. LOWENKRON. Congressmen, if I could just add two things. First of all, we will also rely on the help of our allies and friends. Chancellor Merkel made a very strong statement publicly in support of NGOs when she was in Moscow before I arrived.

And my second point is the voice of the Congress, working with the Duma and the leadership in the Duma, to explain—to work with them and say: This is what NGOs do, and NGOs are not the front lines of a campaign to undermine Russia's fundamental interests. I think that's critical.

Mr. CARDIN. Thank you.

Thank you, Mr. Chairman.

Mr. BROWNBAC. Should we be backing away from meetings that Russia is hosting, as the chair of the G-8, as a statement of our displeasure with what the trajectory of what Russia is on, gentlemen?

Sec. FRIED. I don't think so, Mr. Chairman. I think that we should work with the Russians, cooperating where we can and speaking frankly about problems where we see them. I appreciate that many thoughtful, serious people have raised questions of the kind you've just raised.

But the question, it seems to me, is not one that we should debate ourselves but a question we should put to the Russians. That is to say, what kind of G-8 summit do they want to have this coming summer? What do they want the world to see? What kind of impression do they want to make?

Russia is going to be in the spotlight because of its presidency this year of the G-8. What do they want the world to take away from it? This is for them to decide, because it is they who will either answer to the world for the problems or help put together a summit which successfully addresses a lot of these problems.

Mr. BROWNBAC. Is there something we will raise at the G-8 this summer, if the trajectory we're on continues?

Sec. FRIED. I think that our dialogue about democracy is going to continue with the Russians. And I think that they understand perfectly well that the world is going to be watching how they implement their commitments to democracy and the rule of law. I don't think there's any question about that.

Mr. BROWNBAC. I would note to both of you, I've traveled this region extensively, for as far as the former Soviet Union, Central Asian region, Kazakhstan, Uzbekistan. I've been to Georgia, Azerbaijan, Kyrgyzstan.

And my experience in that region is that these NGOs, they're the seed of the expansion of freedom for the people. They're the seed. And I could have told you five years ago which ones of these countries would act this way now and which ones wouldn't, by whether there was any seed there.

And there was seed in Georgia, and there wasn't in Uzbekistan. And you could pretty easily see it. I'd go and travel, and I'd ask to meet with NGOs and groups. And you would see a bunch of them in Georgia, and you would see zero in Uzbekistan.

And freedom can't grow in a vacuum, and it doesn't grow overnight. It needs fertile field and it needs seed. And these private NGO groups, many of them very small, operating off of very small budgets, but were nonetheless a conscience of the people and towards the nation. And they're allowed to flourish.

My real problem here is, is I think the Russian Government sees it the same way, so they're taking the seed out of the ground. And that is the wrong way to progress as a civil society, and as a democracy, and as a country, for its own future, because I believe strongly that Georgia and Ukraine are on a far better trajectory to grow as nations than where Uzbekistan is right now.

And for the good of the people, I think you can easily see that this is the case. And certainly, for the course of history, I think you can easily see that this is a better course to go.

And I really fear for Russia itself, that it's pulling the very seed out that would cause it to prosper and to progress as a great nation, continue as a great nation in the future, if they do this.

I really think they're reading this situation wrong and are doing it in harm to themselves. I couldn't agree with you more that this is not a zero-sum game whatsoever; this is in their own best interest. But we will see how they proceed.

Gentlemen, thank you very much. And as I mentioned, thank you for your distinguished careers and commitments to the expansion of freedom and the service of mankind.

We have a second panel of experts that I'll call forward.

Natalia Bourjaily is vice president for the Newly Independent States at the International Center for Not-for-Profit Law, ICNL. ICNL promotes the legal framework for the freedom of association in civil society worldwide.

Allison Gill is the director of the Moscow Office for Human Rights Watch. Before taking her present position, she was a researcher at the Human Rights Watch office in Uzbekistan. Prior to her position in the former Soviet Union, Ms. Gill worked with the International Rescue Committee in Pakistan and Afghanistan.

We'll also hear from Andrew Kuchins. He's returned to Russia to the Russia and Eurasian Program at the Carnegie Endowment for International Peace. After a 2½ year stint as director of the Carnegie Moscow Center.

Nicolai Petro is a professor of political science at the University of Rhode Island. He's served as special assistant for policy in the Office of Soviet Union Affairs at the U.S. Department of State, and as temporary political attache at the U.S. Embassy in Moscow.

And Andrei Piontkovsky, doctor, visiting senior fellow at the Hudson Institute in Washington, DC, and executive director of the Strategic Studies Center in Moscow. He's a weekly columnist at the Novaya Gazetta newspaper in Moscow, and his commentary can be heard regularly on BBC World Service and National Public Radio.

This is quite a distinguished panel. I'm delighted to have all of you present and here with us.

I am going to run the time clock, if I could, at a 5-minute basis. We will take all of your written testimony into the record, and what I would prefer each of you to do would be to summarize the points that you would like to have made.

It's not a hard time on 5 minutes. We can go over some, but I would like to get mostly a summary so we can go through a depth of questions. And your full testimony will be included in the record.

And let's see, we will start—I believe we've got on the record, Ms. Bourjaily, that we would start with you, if that's OK.

NATALIA BOURJAILY, VICE PRESIDENT FOR NEWLY INDEPENDENT STATES, INTERNATIONAL CENTER FOR NOT-FOR-PROFIT LAW

Ms. BOURJAILY. Thank you, Mr. Chairman.

I would like to thank the Commission for this opportunity. I would also like to thank the Commission, the State Department, the USAID, and our courageous Russian NGOs who have been working with us on NGO law.

I understand that other panelists will provide with background on democratic developments in Russia. I have been asked to focus on NGO law.

We're currently in the process of finalizing the comprehensive analysis of the NGO law. But this afternoon, I would like to address only four key issues: its extensive reporting requirements for all NGOs; excessive governmental control over activities of NGOs; broad list of reasons for denial of registration of NGOs; and also, issues of monitoring and implementation.

Let me take next 3 minutes to explain.

The new law requires all NGOs to report on intended use of money, how you use the money, and also on beneficiaries. Then your reporting requirements are going to affect not only human rights groups but all NGOs, if you imagine abused women seeking assistance from NGOs knowing that these NGOs will have to provide their name to the government authorities.

And yet, if NGOs fail to provide the required information, they can be terminated.

To make matters worse, the government can prohibit funding of any activities for very broad reasons, for example, if they can see that activities are contradictory or a threat for Russia's cultural heritage or unique character.

Second, the government has overly broad authority to control NGOs. Using but one example, government officials can participate in any internal meeting or event conducted by an NGO.

Mr. BROWNBAC. They can participate in any meeting under this law?

Ms. BOURJAILY. They have the authority. They can decide in which meeting to participate, and they have the right to participate in any internal meeting or event.

Suppose, for example, a Russian NGO wants to plan next advocacy campaign. The government can sit in the planning meeting. That's making it virtually impossible to carry over the activities. And this is the definite intrusion of the government into their private space.

The Council of Europe, in its opinion on the draft NGO law, has stated that government has only authority to review activities and to request documents when there's valid reason exist to believe that the NGO in question does not comply with existing legislation.

And this recommendation clearly has not been met in the adopted law.

Third, denials of registration. There's a broad list of reasons which are not very well-defined. Some of these reasons are if the goals of established of the following NGO are contradictory to or create a threat to unique character, cultural heritage, and national interest of the Russian Federation.

That's the same argument I had presented earlier in regards to reporting requirements. And my colleagues and I are still in the process of trying to interpret, trying to define what these terms actually mean.

The fourth and the last issue is monitoring and implementation. Some have asked: Why are we concerned about the law, even though it's not yet been enforced? The first reason is that several provisions in this law are raising red flags.

ICNL has been assisting with the NGO legislation in over 90 countries, and several countries have used very similar provisions, misusing, abusing them to restrain civil society.

That said, this will be my last point. I agree that it is important to monitor the implementation of the law. Some have told us that the law will not have negative effect on Russian civil society.

Let's see. Indeed, we call upon Russian Government to establish a joint nonpartisan body which would include all interested parties to monitor the implementation of the new law. And perhaps there will be no problems with it, and perhaps there will be problems. And then we will see how the Russian Government is going to deal with this problem.

Thank you.

Mr. BROWNBACK. Thank you very much.

Ms. Gill?

**ALLISON GILL, DIRECTOR, MOSCOW OFFICE,
HUMAN RIGHTS WATCH**

Ms. GILL. Thank you, Mr. Chairman.

Russia's NGO law follows moves in other countries in the region to restrict or tightly regulate civil society, which have in turn come in the wake of the colored revolutions throughout the region.

Many now wonder what impact the Russian law will have in practice. I would like to look back, in a way, and offer a glimpse of how similar regulations have been put into practice in Uzbekistan, where regulations have been used to silence civil society.

The law should also be set in a broader Russian context, so, time permitting, I would like to look at how the law is just the latest piece of the Kremlin's agenda to dismantle or control all institutions that check or balance the government's power.

Although the new Russian NGO law does not come into effect until April, we don't have to look far to see the possible implications of such restrictions on NGOs.

I come to my work in our Moscow office after 2 years of working in Uzbekistan; I'm afraid my experience there is going to be all too relevant. Uzbekistan bears the dubious distinction of being at the vanguard of efforts to stifle civil society in the region.

To be sure, there are very important differences between Uzbekistan and Russia: their governments, their level of oppression, their civil societies. But the Uzbek experience offers us specific and relevant examples of how an NGO law that purports to merely regulate NGOs can, in fact, be used to punish and control them.

Whereas the Kremlin's moves to remove checks and balances to its power are more recent, in Uzbekistan the government has a long record of formal and informal censorship of the media, intimidating independent activists, restricting public demonstrations, and banning political parties that are not loyal to the government.

The regulations in Uzbekistan were changed in broad terms in late 2003. And they granted the Ministry of Justice broad authority to make registration decisions, and they gave the ministry sole power to decide whether an organization's activities correspond to the goals outlined in the organization's own charter, which essentially gave the ministry an effective veto over activities and organizations that they find undesirable.

Other regulations require international NGOs to receive advanced permission for all their activities from the ministry and, like the Russian law, allow ministry officials to attend all NGO events.

In addition, the government imposed complicated regulations for banking and financial operations, and gave oversight of grants from international NGOs to local Uzbek partners to a secret government commission.

Although the Uzbek Government made assurances that these regulations would not affect international NGO operations, the assurances were quickly proven empty.

I'd like to highlight just a few examples of how administrative regulations that could appear benign on their face were used as a backbone of a government campaign to silence the NGO sector in Uzbekistan. And I should note at the outset that, as far as this campaign involves international as opposed to local NGOs, U.S. NGOs have been the main target so far of the Uzbek Government.

The first test of the new Uzbek regulations occurred in March 2004, several months after Georgia's Rose Revolution. At that time, the Uzbek government refused to reregister the Open Society Institute for renting an office space without the proper zoning permits and other allegations, including damaging the country's image in the international sphere.

Since then, the government has conducted extensive, time-consuming audits of most major international organizations operating in the country. After the completion of each audit, the ministry issues findings of all violations of the laws and, if the government is unhappy with the organization's efforts to correct the violations, it can sue in the courts for suspension or liquidation of the organization.

The audits demand significant time and resources in order to prepare and respond adequately. They can drag on for months, leaving organizations unsure of their fate, complicating decisions about staffing and whether to invest further program resources in the country, and paralyzing the organization's substantive work.

Although the regulations on their face appear to be benign administrative rules that should not affect NGOs' primary work, their arbitrary punitive implementation has produced a stranglehold on civil society.

Never mind that the government's venue of choice, the Uzbek civil courts, have no jurisdiction over these disputes or that, in some cases, the government prepares its court case before even receiving a response from the organizations about any efforts to correct violations, in a system where checks and balances have been dismantled or indeed never existed, and in an atmosphere of clear government animosity toward civil society, the government wins every time.

Just running through a few examples. In the past year in Uzbekistan, the government has liquidated Internews Network, a media support organization funded by the United States, for, among other reasons, failure to register changing its logo and have appropriate licenses for some of its programs. Two local staff of Internews were convicted of related criminal charges.

On the basis of complaints from the Ministry of Justice, the Uzbek courts ordered the suspension of IREX, an educational exchange organization, and Freedom House, a human rights organization, for providing Internet services without a license and failure to receive permission from the Ministry of Justice before conducting internal meetings or trainings.

Again, the Ministry of Justice has requested the Uzbek prosecutor's office to open criminal investigations at staff who work at these organizations.

The picture for local organizations is at once more simple and even more dire. The government just denies registrations to groups it finds threatening or forces registered groups to close.

I would like to emphasize that, in Uzbekistan, the regulations for the most part read well on paper and thorough formal safeguards are in place: The Ministry of Justice must provide written explanations for its decisions within reasonable time periods; organizations are granted 30 days to correct violations after receiving warnings; and the ministry's decisions to deny registration or take other action may be appealed in the courts.

However, again, in a system of unchecked government power, these safeguards are rendered meaningless.

I'll end there. And the rest of my testimony's in writing.

Mr. BROWNBACK. Yes, thank you. And I appreciate those thoughts from your experience in Uzbekistan.

Mr. Kuchins?

ANDREW KUCHINS, RUSSIA AND EURASIA PROGRAM, SENIOR ASSOCIATE, CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

Mr. KUCHINS. Thank you very much, Mr. Chairman, for the opportunity to address the Commission on this important topic today.

As you mentioned, I've just returned from a 2½ year stint in Moscow, where I was the director of the Carnegie Moscow Center, a leading and very pivotal NGO in Russia. My tenure in Moscow began with the Yukos affair, and it concluded with the battle over the recently signed legislation regulating NGOs in Russia.

Mr. BROWNBACK. I'm glad to get you out of there.

Mr. KUCHINS. It feels good to be back in from the cold. My friends joke with me that, "Andy, you know, since you arrived in Moscow, you know, democracy and civil society, things haven't been going very well." [Laughter.]

For the record, I accept the correlation, but I do not take any responsibility for causation. [Laughter.]

For those of us concerned about civil society and democratic governance, there's no question in my mind that the trend in the last few years has been in the wrong direction. And, unfortunately, I do not expect that to change in the near future.

We now have a lot of data to help answer the famous question: Who is Mr. Putin? And while Mr. Putin continuously claims to support civil society and democracy, virtually all the evidence of the past 6 years speaks to the contrary.

It's true that he inherited at best a very weakly institutionalized system of democratic governance. But as weak and deformed as Russian democracy was during the Yeltsin period, there were competitive and pluralistic aspects to it that could have been nurtured and strengthened.

Instead, President Putin has consistently and systematically eliminated competition among independent, contending political forces and centralized more and more political authority in the office of the presidential administration. If Mr. Putin does believe in democratic governance as he contends, he has a very odd way of expressing it, it seems to me.

Now, supporters of Mr. Putin argue that many of the measures he has initiated in recent years are not undemocratic; in a number of cases, in and of themselves, that's true.

But what cannot be denied, in my view, is that the net result of these and other measures is that the hyper-presidential system consolidated during Mr. Putin's presidency has nearly virtually eliminated all existing and potential independent centers of power or, as we like to say, checks and balances.

The form of democracy is there, but the essential content of pluralism and competition are not.

Why is the near-term outlook, in my view, bleak? I think the answer is pretty simple: Mr. Putin, as he has stated on a number of occasions, including last week's lengthy press conference, believes that highly centralized political authority, something he once described as part of Russia's DNA, is most appropriate for Russia's current stage of social, economic and political development. Anything else, in his view, as well as that of his closest advisers, supposedly risk anarchy, even state collapse.

With a constitutionally mandated transfer of power scheduled for 2008, Mr. Putin and his team do not want to leave anything to chance. And the inability of the Kuchma administration to successfully manage the Ukrainian presidential election at the end of 2004 in Ukraine, resulting the so-called Orange Revolution, deeply shook the Kremlin, which had invested tremendous political and financial resources into the election of its favored candidate, Mr. Yanukovich.

This event further alerted the Kremlin leadership, already inclined to centralize and control as much as possible, to the danger

of allowing civil society, particularly organizations supported by foreign financing, to play a role in national politics.

It was the view that foreign-supported NGOs that played a key role in rallying Yushchenko supporters and eventually overturning the presidential elections in Ukraine. This only strengthened the view of the Putin administration that it needed to further weaken civil society in Russia to ensure that nothing of this nature could happen in 2008.

In my view, the chances of any colored revolution taking place in Russia in the upcoming electoral cycle are slim to none. But the prevailing mentality in the Kremlin is that nothing can be left to chance. That is the inspiration for the new legislation regulating NGOs that Mr. Putin signed last month.

It's true that the final legislation is a considerable improvement on the initial draft law, but the key is that what really matters is how it's going to be implemented, as has already been discussed. And as with the selective application of law in the Yukos case, we can expect that the new NGO law will be very selectively applied to shut down NGOs considered against the interests of the Kremlin.

The legislation will also likely push organizations to further self-censor their statements and activities.

So today we are face to face with a very negative trend for democracy and civil society in Russia, and this trend is accelerating precisely as Russia takes over the chair of the G-8 and soon the Council of Europe in May. This is a double irony.

Membership criteria were bent in both institutions to let Russia in. The calculation was that, through membership, Russia could be socialized to take measures to strengthen its adherence to democratic values and practice and respect for human rights.

At the risk of sounding like one of those old Sovietologist dogs that Mr. Putin referred to in his press conference last week, Russia simply does not meet the criteria, to the extent that such criteria exists for membership in the G-8.

It's obviously not a mature democracy, but rather an increasingly authoritarian state with only the trappings of democracy. Still, I do not advocate throwing Russia out of the G-8 or boycotting the St. Petersburg meeting.

But for me, if the first draft of the NGO legislation had been passed, that would have been the final blow. Of course, I had rather sort of a personal interest there.

I think Mr. Putin understood this risk, and he pulled back from the brink. But we should expect that the Kremlin will continue to test the limits as we approach the 2008 elections in Russia.

The United States needs to clarify where the red lines are with Russia, and I admit that's easier said than done. If you'll allow me 1 other minute, I might say a couple of things—

Mr. BROWNBACK. Please.

Mr. KUCHINS [continuing]. About what the Russians refer as "chto delat" what is to be done.

There is clearly no magic bullet in our policy toolkit for the promotion of democracy, civil society, and human rights in Russia. And just as obviously, our leverage today with Russia is far less than the 1990s, when the Russian economy was weak.

Nevertheless, I think there are some things that we can do. When Russian democracy, civil society, and human rights are being attacked, this is clearly not the time to reduce U.S. Government, as well as private funding, for these goals.

And I acknowledge that, although dependence on foreign funding is a real problem for Russian NGOs, and particularly human rights NGOs, the U.S. Government and major U.S. private foundations should quickly make a statement by significantly increasing their support for these essential organizations in 2006 and beyond.

Second, I think we need to increase our support for a variety of exchange programs that strengthen the connectivity of our two societies. The most important area is in education, from high school to graduate programs. From the standpoint of democracy assistance, I think you get the greatest long-term benefit, with support from more Russian youth, to have the opportunity to live and study in the United States.

Finally, a word about our public voice. This is clearly important. First, we must ensure, of course, that we keep our own democratic and human rights house in order, to ensure that we maintain our moral authority to speak on these issues.

And, second, we must consistently apply the same standards to Russia as we do to other countries to ensure that we neither understate nor overstate the problem.

Balancing public criticism by high-level U.S. Government officials with backchannel efforts to lobby the Russian Government will always present challenges. And while it's important that the U.S. Government speak forthrightly at the highest levels about the deficiencies in Russian democracy where it sees them and policies toward civil society and human rights, this must be carefully calibrated in order to avoid the impression of piling on.

A final comment, though, is that, given the importance of Russia for United States foreign policy interests, I think there's no other country in the world, which if you looked at some of the key interests of the United States, has the potential to thwart or to promote those interests, I think we need to pay more attention to that.

And one way of doing it is for a major policy address by a high-level government official, preferably the president. Such a speech would force the U.S. policymaking apparatus to focus on the importance of the challenges Russia presents and to state as clearly as possible the essence of our goal.

As an outside observer, I sense there's some cognitive dissonance or tension within the U.S. Government between those concerned with the dangers of democratic backsliding and its implications for Russian foreign policy with those more inclined to emphasize how we advance our security and economic interests with Moscow.

It's incumbent upon us, I think, to synthesize these idealist and realist inclinations into a coherent policy strategy. Russia's future remains too important for our near- and long-term interests to shirk such an effort, and it's essential that our friends and colleagues in Russia understand this.

Thank you very much.

Mr. BROWNBACK. Thank you.

Dr. Petro?

**NICOLAI PETRO, PROFESSOR OF POLITICAL SCIENCE,
UNIVERSITY OF RHODE ISLAND**

Mr. PETRO. Mr. Chairman, distinguished Commissioners. My name is Nicolai Petro. I am professor of politics at the University of Rhode Island. During the past decade I have lived and worked in Russia, completing a book on democratic development and serving as civic affairs advisor to the mayor of Novgorod-the-Great. A decade before that, thanks to the Council on Foreign Relations, I had the privilege of serving in the State Department as special assistant for policy to the man who would later become our Ambassador to Moscow, Alexander Vershbow.

I am honored to appear before you today, and will focus my remarks on the issue of democratic governance which has become such an apple of discord between Russia and the United States.

You are all no doubt familiar with the view that President Putin is trying to destroy democracy in Russia, so I will get straight to my points. First, I question the accuracy of this view. Furthermore, I believe that its inaccuracy is leading to misjudgments about political trends inside Russia. Finally, I will mention a few areas where the United States and Russia could forge common ground on the issue of democratic governance.

Russia's record on democratic governance has been severely distorted in the mainstream press. Here is a simple reality check: Putin enjoys phenomenal popularity in a country where politicians get extremely low ratings. Why? Because under him real wages have risen 75 percent after inflation, poverty has been halved, and federal budget surpluses are running at 12 percent. It would be suspicious if Putin had anything less than a 70 percent approval rating.

It is also said that his regime has turned back the clock on democracy. A March 2005 survey of attitudes toward democracy, however, shows that three times as many Russians feel that the country is more democratic today than it was under either Yeltsin or Gorbachev. The same percentage rate human rights conditions better under Putin than under Yeltsin.

There is a troubling rift between Western and Russian perceptions of reality when it comes to democracy, and I suspect that the media plays a very large role in it. By focusing so much attention on Putin, it has forgotten about the rest of Russian society. The casual observer this gains the impression that the country is run entirely from the Kremlin; there is no independent media, the situation in Chechnya is deteriorating, the legal system is a joke, and civil society is under assault.

Other charges are sometimes added, but addressing just these four should suffice to illustrate why Putin is credited by most Russians with improving human rights and democracy.

The trend toward economic independence of the media has accelerated dramatically under Putin. Before coming to office just 10 percent of local television stations were financially self-sufficient, that has risen to more than a third. Notably, this has occurred alongside annual growth rates in newspaper, journal and book production in Russia that exceed 10 percent.

I draw your attention to these figures because they are so at odds with the general perception. Put another way: there is more

privately financed media in Russia under Putin than there has ever been in Russian history, both in absolute numbers and as a percentage of the whole.

This is not magic. It is the power of capitalism—specifically advertising—which has grown \$2 billion in the last 2 years and is expected to increase 20 percent each year for the foreseeable future. Profit has done what no foreign assistance programs ever could—to create a wide variety of commercial programming and diversify the ownership of the Russian media. Today, among the 35 largest media holding companies on Russia only a handful are directly or indirectly managed by the state. This genie is long out of the bottle and the notion that the Kremlin could ever put it back, and restrict access to information, is simply too far fetched to be taken seriously.

In 2005 dramatic changes have taken place in this tragically devastated region, renewing hope for peace and stability.

First, more than seven thousand rebels have laid down their arms, many joining the pro-Moscow government to hunt down their former comrades. As a result, terrorist attacks within Chechnya have fallen four fold, and casualties among the Russian military have dwindled from 1,397 in 2000 to just 28 in 2005. Terrorist attacks and kidnappings have fallen at a similar rate over the past 2 years, although sadly more than 1,800 cases remain unresolved. These are official Chechen government statistics; the human rights group “Memorial” gives somewhat higher numbers, but the trend they portray is exactly the same.

Chechnya has become a much safer environment, and this has encouraged more than a quarter million refugees to return and open more than 30,000 new businesses. The State Bank of Russia has re-opened throughout the republic, as have the schools and universities. A significant portion of the municipal infrastructure of Grozny has been rebuilt and housing prices there have increased tenfold.

The final piece in the Kremlin’s strategy for reintegrating Chechnya was the spectacularly uneventful election of a new, bicameral Chechen legislature. 355 candidates, including several former rebel commanders, competed for 58 seats. The stage is now set for an accord that will give Chechens extensive local autonomy within the Russian Federation, while providing a clear time table for federal reconstruction assistance.

The region’s dramatic turnaround has been noted by European observers once sharply critical of Russia. Both Alvaro Gil Robles, Human Rights Commissioner for the Council of Europe, and Marc Franco, the head of the European Commission’s delegation to Russia, went out of their way this fall to applauded the Chechen government’s progress. Franco was even quoted in the Russian press as saying that “in the past the West had made some mistakes with respect to the Caucasus.”

It is unfortunate that these efforts have received so little attention in the Western media, because it is very much in our national security interest to encourage Russia’s state-building efforts in the Caucasus.

Historically Russians have had little faith in the judiciary. This too has begun to change under Putin. Thanks to a new Criminal

Code and Code of Criminal Procedures passed by parliament in 2002, anyone arrested in Russia must appear before a judge within 48 hours. Anyone accused must now be charged with a crime within 2 weeks, amended to 1 month for those suspected of having links to terrorism, or released.

Two further signs of liberalization took place just this past month. First, the annual conference of chairs of regional courts proposed sweeping new reforms aimed at virtually eliminating closed judicial proceedings. Second, the State Duma passed in a first reading an important new initiative in defense of privacy rights. It establishes a federal agency to which a citizen can turn and demand an investigation to find out exactly what information the government is gathering about him, where this information is being kept, and what is in it.

Putin's expansion of the jury system nationwide has had a profound impact on a system that has traditionally favored the prosecution. Today juries acquit 20 percent of cases, and in 2005 Russia saw its highest acquittal rate ever.

Under Chief Justice Valery Zorkin the Constitutional Court has set a more independent course than its predecessor, criticizing the December 2003 electoral law, striking down restrictions on media coverage of elections, and strengthening the rights of defendants and the role of juries.^{viii} Last month Zorkin spoke out about the importance of "very solid, independent courts. If you do not have these sorts of courts then not only will citizens' rights not be protected but also there will not be checks, or reins, if you like, on the executive." In fact it has become commonplace for courts to hear cases on the constitutionality of state, local and municipal charters.

I attribute the speed of some of these changes to the fact that the European Court of Human Rights in Strasbourg is the de facto final court of appeals for Russian civil cases. The dozen or so judgments against Russia rendered by this court in 2005 have received considerable publicity, with human rights violations getting the lion's share of attention. It is worth noting, however, that 86 percent of the cases filed in Strasbourg seek to obtain financial compensation in suits that have already been won by plaintiffs in Russian courts.

It should therefore come as no surprise that the number of citizens appealing to courts for redress of their grievances has shot up from 1 million under Yeltsin to 6 million under Putin, and that more than 70 percent of plaintiffs win the cases they bring against government authorities. In a word, the Russian legal system is fast becoming an important instrument in the defense of civil liberties.

This brings me to the recently adopted amendments on non-governmental/non-commercial organizations (NGO/NCO), which have been described as extending government control, but were in fact designed to do just the opposite.

Public activity requires no registration under Russian law. For specific types of organizations, however, such as trade unions, political parties, religious organizations and civic organizations, registration provides some tax benefits as well as limits on legal liability. The only category of public organizations for which these benefits had not yet been codified were noncommercial organizations. The amendments sought to bring these into conformity with exist-

ing legislation by clarifying the state's obligation toward non-commercial organizations.

They stipulated, for example, that registration cannot be denied on the whim of local officials, but only if an organization's statutes contradicted Russia's constitution or laws, or if the organization was suspected of fraudulent or deceptive behavior (namely money laundering). Registration could be denied if documentation was missing or false, or if another organization claimed the same name, but could not be denied for any other reason that local authorities might deem "convenient." Absent one of these specific reasons, it had to be granted within 30 days.

The proposal strictly limited bureaucratic review of NCO activities to no more than once a year, and stipulated that any administrative actions had to be done under court supervision. The much touted issue of the closing of foreign organizations was clearly a red herring, since nothing in the proposed legislation gave bureaucrats the right to do this.

As anyone who has read the Duma debates on this law knows, its authors, both prominent liberals, put these safeguards in place precisely to deprive local bureaucrats of any pretext for denying registration. They were able to convince a majority of their colleagues but not, apparently, many in the Western media. A public outcry ensued among foreign NGO supporters and several amendments were introduced, including one that allows new foreign NCOs to be denied registration if its goals "threaten the sovereignty, political independence, territorial inviolability, national unity and sovereignty, cultural heritage or national interests of the Russian Federation."

The initial version of the bill, the one that had provoked so much outcry, contained no such provision. It was added at the last minute, in reaction to Western criticisms of the law, an example of how ill-conceived and ill-informed human rights pressure can backfire.

My conclusion overall conclusion from this review is that, while many problems still exist, the Russian political system is struggling to address them in a democratic manner. The political process works, and because it works we shouldn't be treating it as if it were broken.

Many Western observers seem honestly not to know the degree to which Russians are already using democratic institutions and debating issues in a variety of public arenas, including more than two dozen political debate programs that air every week on national television. Instead they attribute Putin's popularity to the flummoxing of the ignorant masses by a state bent on suppressing dissent. This has led many in the West to see any strengthening of the Russian state as a bad thing.

But every survey shows that this is not what Russians think. Having seen their life savings wiped out and the state abandon all pretence of caring for the poor and elderly, they now demand that it take more responsibility. Because they lack faith in Russia's democratic institutions, Putin's critics misperceive the driving force in Russian politics today: Putin isn't forcing Russians into the arms of the state; rather, it is the people who are demanding that the state do more for them and become more accountable.

If I'm right, then it is not hard to understand why Russian-American relations have deteriorated under Putin. Most Americans instinctively view the growth of any state with some apprehension, while most Russians today view the return of the state with relief. This rift in perceptions is dangerous because, being rooted in abstract mental constructs, it is so easily taken to extremes, as when American pundits equate Putin with Stalin or Mussolini; or their Russian counterparts suggest that the West intentionally set out to impoverish Russia in the 1990s. After all, they say, how could such smart people "inadvertently" propose reforms that pushed forty percent of the population into poverty.

In conclusion, let me suggest a few areas where we might find some common ground with Russia on the issue of democracy and civil society.

First, let's not equate the destruction of state institutions with greater freedom. The literature on civil society unequivocally shows that stable and respected state institutions are vital to the development of civil society. Analysts who argue that, by strengthening the state Putin ipso facto diminishes freedom, pit democracy against good government, a choice that Russian voters have always rejected. We can defuse extremist critiques of the West inside Russia by supporting the same model of civil society in Russia that one finds throughout Europe. Of course, one has to first acknowledge the good faith efforts of the Russian Government in this regard.

Second, within Russia civic organizations need to assert themselves as truly independent actors. It is not healthy for Russian democracy that so many civic organizations subsist on foreign grants. By definition this makes them susceptible to foreign influence.

Let's get rid of this suspicion by encouraging Russian NGOs to wean themselves off foreign subsidies and orient themselves toward clearly defined domestic constituencies. A November 2005 poll reveals the extent of the problem: only 13 percent of Russians know what an NGO is, and just 3% have personally encountered examples of NGO activity. Hard to develop much public support that way. Shifting from foreign to domestic financial support is the clearly way to go, and I applaud the recently passed NGO legislation precisely because it pushes civic organizations in this direction.

Supporters of Russian democracy should also encourage Russian NGOs to think strategically about what role they intend to play in Russian society—eternal gadfly? Constructive critic? Supportive opposition? Those that wish to become authoritative voices in their own country would do well to take full advantage of institutions like the Social Chamber that provide them with a public forum.

Finally, a change in the tone of our discourse could only help. No light is shed when a former CIA director remarks that "Russia, under Putin, is either already a fascist state, or close to becoming one," or when a distinguished U.S. Senator chastises the U.S. Deputy Secretary of State saying: "You're being silent on Russia. They're bad guys."

A far more helpful approach would be to defer to the institutions of Russian democracy and to the wisdom of the Russian people, imperfect as they may be. Personally, I would limit my criticisms to preserving the established rules of the game, which serve political

competitiveness and the democratic transition of power. I have faith that the Russian people will do the rest.

What will happen ultimately when, in the not too distant future, a strong Russian state confronts an indigenously well funded civil society? Nothing much; just everyday politics. I am convinced that Russia is far enough along politically that this outcome is a foregone conclusion. The only question in my mind is whether Western political leaders will be wise enough to let it emerge on its own, or will delay it by trying to shape its development.

Thank you for your kind attention.

Mr. BROWNBACK. Thank you very much, as well.

Mr. Piontkovsky, please?

**ANDREI PIONTKOVSKY, SENIOR VISITING FELLOW,
HUDSON INSTITUTE**

Mr. PIONTKOVSKY. Thank you, Mr. Chairman.

Most of the statistics presented just now by my esteemed colleague are correct, but there is an old saying that there are lies, outrageous lies, and statistics.

I'll comment only on the one remark stating that only a handful of media institutions are controlled by state. Yes, only handful. But this handful is three national state TV channels which are the only source of information for 90 percent of the Russian citizens and on which we'll never, never hear any criticism of Mr. Putin.

But I would like to devote the very limited time I have for very important question you, Mr. Chairman, asked Assistant Secretary Daniel Fried. Who (Russians, or rather Russian political elites) are indulging most in anti-Western and anti-American perceptions and sentiments.

It's a very important question for the future of our relationship. The serious Russian security experts are firmly convinced that, in this very dangerous 21st century, the basic strategic geopolitical interests of Russia coincide, rather than contradict each other, whether we talk about the challenges of Islamic radicalism or a rising China

That's why I am more troubled, not by the question of whether our regional governors elected or appointed by Mr. Putin, but this growing anti-American and anti-Western tendencies in our foreign policy rhetoric and sometimes in our foreign policy actions.

Until recently, all opinion polls demonstrated that as in many other countries, these anti-American sentiments are more characteristic for high echelons of political elite, those people who areal estate in the West, send their children to study at American universities, their wives to give birth in American clinics, and have their accounts in American banks.

But approximately from late 2004, the massive indoctrination by these "handful" of media institution of perceptions of West generally and America in particular as a enemy resulted in these feelings penetration widely and deeply into Russian public consciousness and unconsciousness.

It's deplorable that this campaign was unleashed by famous statements of Mr. Putin in his address to the nation after the Beslan tragedy. There is a huge gap between Putin of 2001, who appeared on TV on 9.11 and said, "Americans, we are with you,"

and Putin on TV screens in September 2004 who said, I quote literally, because it's very important "War is declared on us. In this war Islamic terrorists are just instruments in the hands of more dangerous, more powerful, more traditional enemies of Russia who still perceive nuclear Russia as a threat and try to weaken and dismantle it."

The worst thing of all is that Putin sincerely believes in this rubbish, that it's not just rhetoric for internal political consumption. And this is a very serious problem for our relationship.

As all of the panelists, I'm strongly against canceling of G-8 meeting in Petersburg, especially because I think the potential of this institution is not used enough for raising very frank questions.

And may I finish with one suggestion for President Bush as a member of this exclusive G-8 club. He should have asked this question long ago but it's not yet too late—"Volodya, do you really believe that I'm sending terrorists to kill your children? If this is misunderstanding, please explain it to your people and stop your TV spin doctors propagating this outrageous lies about America standing behind the Islamic terrorists attacking Russia. But if you do believe in it, well in this case what are we doing together here and at our other summits.

Thank you, Mr. Chairman.

Mr. BROWNBACK. Thank you.

And I want to thank all the panelists for the thoughtful comments that you put forward here. Russia's central for us, the OSCE, because of what it does is it sends a signal to a lot of the—it sends a signal to the rest of the OSCE countries of what you can get away with or what you can't get away with.

And so what happens there we find will have iterations in various countries throughout the region, and so it's very important that we shine a spotlight on it.

Mr. Kuchins, you most recently came back from—or maybe (inaudible) region, but you were there for a couple of years. It seems like we've been on a steady deterioration line for the past couple of years, and I've been puzzled.

Do the Russian people, do they support this? Dr. Petro, I would gather, would say, yes, that they do. And yet I'm putting it in the framework of if this happens here, if you've got a more centralized media, if you've got less freedoms that are taking place, if you see less organizations that most of the people here would say, "Now, wait a minute. This is not going the right direction, and I don't support the government doing this."

Are we not seeing that take place in Russia? Are the people saying that and we don't hear it? What's been the reaction of the people?

Mr. KUCHINS. It's a perplexing paradox of Russia. As Dr. Petro suggested, Mr. Putin is popular. He's genuinely popular. And there are understandable reasons for why he's popular.

Since he's been president, the Russian economy has been growing robustly. His image as a leader is one that garners respect in the world. Russia is clearly viewed to be on the rise. And there are other reasons for that.

The Russian people, we have to keep in mind, you know, what they experienced in the last 15 years or so: the collapse of the So-

viet Union; your status being diminished from that of a superpower to initially a state that is disdained in the world; power plummeting very, very quickly; state authority over many institutions collapsing.

And at the same—and this is at the precise time when Russia begins its experiment with democracy. So I'm afraid that, in the minds of a lot of the Russian people, the democracy has been associated with anarchy, state collapse, humiliation of the Russian people, et cetera. That's a very unfortunate legacy that we have to deal with.

There's a major study at the University of Michigan called—it's a study on world value systems. And Russians come out more or less at the median, the global median in their support of democracy.

So I don't think that the Russian people are fundamentally not supportive of democracy, but I think that it's not such a high priority right now for the Russian people.

Mr. BROWNBAC. And the hierarchical needs?

Mr. KUCHINS. The hierarchical needs. There's economic recovery. There's building wealth. There's getting rich. And at least for the time being, it seems to me that the Russian people are ready to trade off, to some extent, a truncation of political liberties and the organizational liberties—

Mr. BROWNBAC. If that's what it takes to grow the economy?

Mr. KUCHINS. To grow the economy and as long as their personal liberties are maintained. I think it's very true that Russia today is freer probably than at any time it has been in its history, from the standpoint of individual freedoms, people's freedom to start businesses, to make wealth, to travel, et cetera. That's the priority right now.

Now, the question is, for me, at one time do these political liberties, which have been shrunken—I don't think you can make any—there's not like there's any argument there—at one point does that possibly, you know, come into conflict with individual liberties?

The other thing that gives me hope, somewhat, for the future—and, again, I'm not very optimistic in the near term for Russian democracy, and it's related to this point—that is that the middle class is growing. It's been growing steadily. Incomes are growing.

And I think, in the longer term, a larger middle class that has investments in property, that wants to defend those investments in property, that's where you're going to see, I think, more of the demand for less corrupt, more transparent, more effective state institutions.

There have been some improvements in the legal system, as Dr. Petro suggested. But the demand has to come from below, and so far it's not really there. And unfortunately my disappointment with Mr. Putin, especially in the last couple of years, is that his administration has not been really doing that much, in my view, to encourage that. And I'll stop there.

Mr. PETRO. Mr. Chairman?

Mr. BROWNBAC. Dr. Petro?

Mr. PETRO [Off-mike]. I agree with much of what Dr. Kuchins said. But I think one of the sources of misunderstanding [off-mike]

is over the role that the state plays in promoting stability, including democratic stability.

And democracy in the abstract is something we can philosophize about. But democratic stability is filtered through the institutions of the state, which means it has to have parameters, it has to have definition.

And I think that there is more faith in the institutions of the state than we commonly give—Russians have more faith in the institutions or that they are developing that faith than we have, frankly, than we have faith in Russian Government institutions.

And I think that's a fundamental divide.

Mr. BROWNBACk. Mr. Petro, I want to ask—a statement was made that 90 percent of the media that the people receive is run by the state. Is that correct?

Mr. PETRO. No. It refers to national television programming. But if you take into account all the sources of information that an individual has at their disposal, which I assume when we're speaking about media it would have to include television, radio, the press that one could get, the Internet, and—well, those are the main sources—the availability of information is, well, certainly for people in big cities, limitless.

Television, however, is basically state television on the three major national channels, not regional channels, which differ from region to region. In some regions, like my region, the region I'm most familiar with, in Novgorod (ph), there are five local regional channels. In Yekaterinburg, the third-largest city, there are 25 regional channels. So it differs and depends.

Mr. BROWNBACk. But CBS, NBC, ABC, and FOX, the equivalents would be run by the state, the national network media? Is that correct?

Mr. PETRO. Yes. Well, when you say “run,” there's a corporation that is part of the management process. I don't get the sense—and perhaps others can correct me—that there is that kind of direct—there's no state agency that runs, except for RTR.

But there is essentially a management structure and a corporate body of shareholders that run the different television programming, television companies.

Mr. BROWNBACk. Mister—

Mr. PIONTKOVSKY. About managing (inaudible) the dismantling of NTV station was a very good lesson for most TV journalists, and self-censorship in these three main channel is working more efficiently than any official censorship now.

Mr. BROWNBACk. That's what it strikes me as taking place.

Ms. Bourjaily, I want to—and I want to also—Ms. Gill, your experience is instructive, as well. You are concerned about the nature of the law that has passed on NGOs. Have you seen NGOs operate differently now since the passage of the law, in anticipation of its enforcement, in anticipation of what may follow?

Ms. BOURJAILY. No, I do not. The only difference I see, and that basically throughout the sector, the NGO sector in Russia, that they are (inaudible) they are meeting, they are debating on what appropriate or how much information they will be willing to disclose to the government.

And that's the major difference. The law is not in effect yet.

Mr. BROWNBACK. So they are debating what they're going to have to do, in anticipation of this, but the enforcement provisions haven't taken place yet?

Ms. BOURJAILY. Yes. And also, quite a few groups are very much concerned about the implementation. And I do know that there are quite specific discussions on the ground on how to set up some body which is going to monitor the implementation of the law.

Mr. BROWNBACK. I have to tell you, when I would hear about this, and read about it, and look at it, and experience in the region, this really struck me as a regime attempting to preserve itself. And the way to do this is to hold fair elections but ahead of time clear the playing field off, so it all looks good, clean and fair when we have the actual vote taking place, but ahead of time—you know, I'm going to tie your legs together, I'm going to tie your arms together, and then we'll have race, that it's setting that up.

And it's a much more sophisticated technique to be able to say, "I've got a democracy," but this was not a fair operation in moving it forward. I mean, that's what it struck me as at the time when I read about it.

And it didn't puzzle me, because you can kind of see, well, you know, generally politicians are into self-preservation, and groups are, as well. Being a politician, I understand self-preservation, but it's not good for a system, it's not good for a country, and it's not good for competition taking place.

Am I seeing the situation wrong?

Ms. BOURJAILY. Mr. Chairman, I agree with you. As I mentioned in my presentation, there are quite a few provisions in the new law which raise red flags. And the same or very similar provisions have been misused and abused by other countries.

So, again, we'll only see, and the best way to reevaluate or evaluate the situation is based on the facts on how the law will actually be implemented. But there's a threat, and I think that I share your understanding of the situation.

Mr. BROWNBACK. Mr. Kuchins, you mentioned ways we should progress and proceed forward. All of you, I gather, suggest we don't boycott the G-8 meeting, that that's not the way to go in this process, unless somebody here disagrees with that.

Does anybody else have specific suggestions to the U.S. Government, to the Congress of what we should be doing in sending a clear message to Russia about dismay on what's taking place and the removal and the limitations of NGOs?

Ms. Gill, did you have—

Ms. GILL. I would highlight the fact that, because the law is not yet in force, and because some of the specific provisions of the law will only be later clarified when implementing regulations are passed, that the time to act is absolutely now, perhaps to be able to head off some of the worst-case scenarios.

The United States needs to have a coordinated strategy, I would suggest, with its European allies. I think it's pretty clear that, in some ways, this law is directed against U.S. influence and investment in monies in NGOs. So this is not a time to let Russia divide its allies.

The United States and Europe should speak with one voice. They should speak loudly and clearly to President Putin that this issue

will not go away, this issue will not fall from the agenda. I think he perhaps hopes that, after an initial outcry, the law will be allowed to take sort of its effects under the radar.

And I would emphasize what my colleague has pointed out as some of the law's most pernicious provisions, and most of the work should be geared toward repealing those provisions or softening them, particularly the reporting provisions.

Mr. BROWNBACK. OK. I thank you all very much. If you have other thoughts you'd like for us to consider or to put forward, I'd appreciate that a great deal. And I appreciate your expertise, appreciate your thoughts on this.

And I appreciate your commitment to democracy building and civil society. It is key. It is critical. And what happens in Russia will be a model for much of the rest of the world, whether good or evil. We need it to progress in the right direction.

Thank you very much. The hearing's adjourned.

[Whereupon, at 4:56 p.m., the hearing was adjourned.]

APPENDICES

PREPARED STATEMENT OF ALLISON GILL, DIRECTOR, MOSCOW OFFICE, HUMAN RIGHTS WATCH

INTRODUCTION

On January 10 this year, President Putin signed into law new regulations on NGOs that increase government oversight of the registration, financing and activities of NGOs, with particularly onerous requirements for foreign NGOs.

Russia's NGO law follows moves in other countries in the region to restrict or more tightly regulate civil society, which in turn have come in the wake of the 'colored revolutions' in the region. Many now wonder what impact the Russian law will have in practice. I would like to first offer a glimpse of how similar regulations have been put into practice in one of these countries, Uzbekistan, where it was used to silence civil society. The law also should be set in the broader Russian context, so I will then look at the how the law is the latest piece of the Kremlin's agenda to dismantle or control all institutions that check or balance the government's power.

THE FUTURE?

Although the new Russian NGO law does not come into effect until April 10, we don't have to look far to see the possible implications of such restrictions on NGOs. I come to Human Rights Watch's Moscow office after two years in Uzbekistan where I fear my experience will be all too relevant to the situation now developing for Russia's civil society. Uzbekistan bears the dubious distinction of being at the vanguard of efforts to stifle civil society in the region.

To be sure, there are important differences between Uzbekistan and Russia, their governments, the level of repression, their civil societies. But the Uzbek experience offers us specific and relevant examples of how an NGO law that purports to merely regulate NGOs is in fact used to punish and control them. Whereas the Kremlin's moves to remove checks and balances to its power are rather recent, in Uzbekistan, the government has a long record of formal and informal censorship of the media, intimidating independent civil society activists, severely restricting public demonstrations, and banning political parties that are not loyal to the government.

Over the past two years, the environment for Uzbekistan's fledgling civil society has grown even more hostile: the government tightened restrictions on local and international nongovernmental organizations, constantly harasses and arbitrarily detains human rights defenders and breaks up peaceful demonstrations. It has been particularly harsh with organizations whose work is designed to promote government transparency and accountability, such as local human rights organizations and international organizations such as the International Crisis Group and the Institute for War and Peace Reporting, whose staff were denied visas or accreditation necessary to work in Uzbekistan.

In late 2003, the government announced sweeping changes to the system of registration and oversight of international NGOs operating in Uzbekistan. The new regulations shifted authority over international NGOs from the Ministry of Foreign Affairs, which had performed a ministerial, administrative function, to the Ministry of Justice (MOJ). The regulations granted the MOJ broad authority to make registration decisions and gave the Ministry sole power to decide whether an organization's activities correspond to the goals outlined in the organization's own charter, giving the Ministry an effective veto over activities it finds undesirable.

Other regulations require international NGOs to receive advance permission for all their activities from the Ministry and allow Ministry officials to attend all events. In addition, the government imposed complicated regulations for banking and financial operations and gave oversight of grants from international NGOs to local partners to a closed, or what is in effect secret government commission.

The Uzbek government made assurances that these regulations would not affect INGO operations but instead were designed to help Uzbekistan comply with its international obligations to combat money laundering and the financing of terrorist organizations. These assurances were proven empty. I will highlight just a few examples of how administrative regulations that could appear benign on their face were used as the backbone of a government campaign to silence the NGO sector in Uzbekistan.

The first test after the new regulations came into effect happened in March 2004, several months after the Rose Revolution. At that time the Uzbek government refused to re-register the Open Society Institute for, among other things, renting office in a space without the proper zoning permits and damaging the country's image. Since then, the government has conducted extensive, time-consuming audits of most major international organizations operating in the country. After the completion of each audit, the MOJ issues findings of all violations of the laws and, if the government is unhappy with the organization's efforts to correct the violations, it can sue for suspension or liquidation of the organization. The audits demand significant time and resources in order to prepare and respond adequately; they can also drag on for months, leaving organizations unsure of their fate, complicating decisions about staffing and whether to invest further program resources; and paralyzing the organization's substantive work.

Although the regulations, on their face, appear to be benign administrative rules that should not affect NGOs' substantive work, their arbitrary, punitive implementation has produced a stranglehold on civil society. Never mind that the government's venue of choice, the civil court, has no jurisdiction over these disputes or that in some cases the government prepares its court case before receiving a response from the organization about its efforts to correct any violations. In a system where checks and balances have been dismantled or indeed never existed and in an atmosphere of clear government animosity toward civil society, the government wins every time.

In the past year in Uzbekistan, the government liquidated Internews Network, a media support organization for, among other reasons, failure to have the appropriate licenses for some of its pro-

grams and a failure to register a change in its logo. Two local staff members were also convicted of related criminal charges. On the basis of MOJ complaints Uzbek courts also ordered the suspension of IREX, an educational exchange organization and Freedom House, a human rights organization, for providing internet services without a license and failure to receive permission from the MOJ for conducting meetings and trainings. The MOJ requested the prosecutor's office to open criminal investigations against staff at both these organizations.

Where the MOJ cannot or chooses not to use the audit procedures to stop a foreign NGO's activities, they can also deny visas and work accreditation to international staff, as has happened with IRI, ACCELS and the Eurasia Foundation.

The picture for local organizations is at once more simple and even more dire. The government denies registration to groups it finds threatening, such as all but two human rights organizations, or forces registered groups to close. Local groups are also subject to requirements of receiving permission from the MOJ before conducting any activities, getting approval for participant lists and to intrusive audits.

I would like to emphasize that in Uzbekistan, the regulations for the most part read well on paper and thorough formal safeguards are in place: the MOJ must provide written explanations for its decisions within reasonable time periods; organizations are granted 30 days to correct violations after receiving warnings and the Ministry's decisions to deny registration or take other action against an organization may be appealed in the courts. However, in a system of unchecked government power, these safeguards are rendered meaningless.

In this atmosphere, local staff are frightened and become blacklisted after working with certain organizations. NGOs expend enormous time and resources simply to comply with the government's reporting requirements, audits and allegations of violations, preventing them from conducting their substantive work. This robs NGOs of their crucial function of promoting government transparency and accountability and reduces the civil society sector to simply fighting to survive.

THE RUSSIAN CONTEXT

While the situation in Russia is perhaps not as dire as that in Uzbekistan, the trend in Russia is profoundly negative. Many have viewed the new NGO law as a measure to prevent a 'colored revolution' in 2008. That may be the case, but it is important to bear in mind that the law's antecedents predate the colored revolutions. The law represents only the latest assault on civil society in Russia. Since coming to power in 2000, President Putin has pursued a policy of a gradual but systematic crackdown to remove checks and balances on government's power. Before Putin, Russia had a messy, flawed democracy to be sure, but a vibrant civil society had emerged and Russia had made real achievements in the areas of civic freedoms and human rights. The Putin government has systematically undermined all checks and balances on government power, and these achievements are now lost.

As soon as Putin took office, the government aggressively sought to assert control over the media. By 2003, Putin had achieved effective government control over all television and radio stations with a national reach, severely limiting critical debate in the country.

Putin has also reigned in regional leaders, first appointing “super governors” creating new super administrative districts led by presidential appointees to sidestep regional governors and then backing legislation to strip governors of their seats in the Federation Council of parliament. After the Beslan massacre, direct elections of governors were scrapped altogether, giving Putin the power to nominate candidates.

Putin has also worked to create a compliant Duma and to undermine the independence of the judiciary.

It is in this context of government control over most aspects civil society and political life that we must view the new law on NGOs. Against this background, NGOs appear to be the latest target in the government’s efforts to remove checks and balances on its power.

NGOs working on human rights issues, particularly the war in Chechnya, have long faced official interference that often keeps them from doing their substantive work. Such interference has only increased over the last year. These groups, the activists who lead them, and the people they work with increasingly face administrative and judicial harassment, and, in the most severe cases, persecution, threats, and physical attacks.

The working environment for other NGOs has continued to deteriorate significantly. Government officials at both the federal and regional level stepped up their verbal attacks on these groups. In a few cases, officials used legislation that prohibits extremism to shut down NGOs while in others they selectively used registration procedures or audits to harass groups of which they disapproved.

I will highlight two especially troubling aspect of the new law.

First, the law requires all NGOs to submit reports on their activities to the government registration agency, but the specifics of this requirement will be defined only later in the implementing regulations. It is not as of yet clear whether NGOs will be required to report on their planned activities or only those they have already conducted or the degree of detail that will be required.

Next, the new law has particularly onerous implications for international NGOs. It requires offices of foreign NGOs to inform the government registration office about their projects for the upcoming year, and about the money allotted for every specific project. Russian government officials will now have an unprecedented level of discretion in deciding what projects, or even parts of NGO projects, comply with Russia’s national interests, as required by the law. Officials from the registration office could prohibit foreign NGOs from implementing projects unless they have “the aim of defending the constitutional system, morals, public health, rights and lawful interest of other people, guaranteeing defense capacity and security of the state.” If a foreign NGO implements a banned project, the registration office could close its offices in Russia.

Defenders of the law argue that it is a series of benign administrative regulations and point to. However, when viewed in context,

the law gives rise to concern that the law restricts the abilities of NGOs to operate freely and can be implemented arbitrarily to silence NGOs and civil society activities the government finds undesirable.

RECENT DEVELOPMENTS

Recent developments in Russia highlight the worsening atmosphere for NGOs and perhaps give the flavor of the climate in which the new NGO law will be implemented. The law itself together with Putin's statements questioning whose interests are served by NGOs, send a clear message to the security forces and other government agencies that NGOs should be regarded with suspicion rather than protected.

At the end of January, the Russian Ministry of Justice (MOJ) filed a lawsuit to liquidate the Russian Research Center on Human Rights, an umbrella organization of twelve Russian human rights groups, including the Moscow Helsinki Group and the Union of Soldiers Mothers Committees. The MOJ claims that the group had failed to file reports of its activities for the past five years, a claim disputed by the group.

Last week, a court in Nizhni Novgorod convicted Dmitrievskii Stanislav Dmitrievsky, executive director of the Russian-Chechen Friendship Society and editor of the organization's newspaper on charges of "inciting racial hatred," and gave him a two-year suspended sentence. The charges stem from the publication in the organization's of two statements by Chechen rebel leaders Aslan Maskhadov calling for a negotiated end to the conflict and Akhmed Zakaev who called on Russian voters not to re-elect President Putin.

The Russian-Chechen Friendship Society, which raises awareness about human rights abuses in Chechnya and helps victims seek justice, had previously faced pressure last year, when the Nizhny Novgorod department of justice tried unsuccessfully to liquidate it. The Nizhny Novgorod tax inspectorate has claimed that the organization owed one million rubles (about U.S. \$35,000) in back taxes on a grant, which the inspectorate designated as "profit." The organization is challenging the charges.

**PREPARED STATEMENT OF ANDREW KUCHINS, RUSSIA
AND EURASIA PROGRAM, SENIOR ASSOCIATE, CARNEGIE
ENDOWMENT FOR INTERNATIONAL PEACE**

I first want to thank Mr. Chairman and the esteemed members of the Commission on Security and Cooperation in Europe for the opportunity to discuss with you today the important topic of “Human Rights, Civil Society, and Democratic Governance in Russia.”—As you may know, I have just returned from a two and a half year stint in Moscow as the director of the Carnegie Moscow Center. My tenure in Moscow began with the Yukos affair and concluded with the battle over the recently signed legislation regulating NGOs in Russia. Friends often joked with me that upon my arrival in Moscow, things really went downhill for Russian democracy and civil society. Just for the record, I accept the correlation, not the causation! For those concerned in particular about civil society and democratic governance, there is no question in my mind that the trend in the last few years has been in the wrong direction, and unfortunately, I do not expect that to change in the near future.

While Russia is no longer the “evil empire” as Ronald Reagan famously described the Soviet Union, Winston Churchill’s description of the country as a “riddle wrapped in a mystery inside an enigma” remain relevant. Russian political culture is deliberately Byzantine; we foreigners are not supposed to understand what is being decided in the Kremlin and why. In fact, even for Russian citizens outside the Kremlin walls these deliberations are mysterious. Recall that Russia is a massive country with tremendous power highly concentrated in the capital of Moscow, and the center of Moscow is a medieval fortress. That fact alone speaks volumes about the non-transparent and centralized nature of Russian governance from the Tsars, to the Soviets, to the current day.

MR. PUTIN AND RUSSIAN DEMOCRACY: NOT A PRETTY PICTURE

We now have a lot of data to help us answer the famous question, “Who is Mr. Putin?” While Mr. Putin continuously claims to support civil society and democracy, virtually all the evidence of the past six years speaks to the contrary. It is true that he inherited at best a very weakly institutionalized system of democratic governance in Moscow. But as weak and deformed as Russian democracy was during the Yeltsin period, there were competitive and pluralistic aspects to it that could have been nurtured and strengthened. Instead, President Putin has consistently and systematically eliminated competition among independent contending political forces and centralized, at least on paper, more and more political authority in the office of the Presidential administration. If Mr. Putin does believe in democratic governance as he contends, he has an odd way of expressing it.

This is not a new story, but given our topic today, it is worth repeating, as it has great bearing on the potential in the near-term for Russian democracy. The legislative branch of government which served in the 1990s as a forum, albeit imperfect, for deliberation, debate, and development of law is now virtually subordinate to Presidential fiat. Federation Council members are appointed rather

than elected. The new fully proportional representative system in the Duma, combined with more restrictive electoral laws concerning party formation, will reduce the likelihood of real oppositional and new independent parties emerging. After the Yukos case, big business remains cowed and fearful of playing a more independent, let alone oppositional role. While a few print media outlets, one radio station, and the internet remain independent, the most important medium, national TV, has now lost all independence from the Presidential administration. Regional governors who were formerly elected are now appointed by the President and approved by extremely pliant regional legislatures. In response to the virtual elimination of opposition parties, independent media, and further concentration of executive power, Freedom House's political rights rating of Russia in 2005 moved from "partly free" to "not free".

Supporters of Mr. Putin argue that many of the measures he has initiated in recent years are not un-democratic. And it is true that in a number of leading democracies regional leaders are appointed by the central executive rather than popularly elected. It is also true, of course, that many mature democracies have parliament members selected only on the basis of party support in elections—or fully proportional representative systems. They will argue that many of the elected regional governors were deeply corrupt and/or inept. They will also argue that the oligarch-dominated political system was deeply corrupt as big business had, shall we say, a very liberal interpretation of "lobbying". And Mr. Putin's supporters will be for the most part correct in all of these assertions. What cannot be denied, however, is that the net result of these and other measures is that the hyper-presidential system consolidated during Mr. Putin's presidency has nearly eliminated all other existing and potential independent centers of power, or as we like to say, "checks and balances." Under President Putin, political space in Russia has shrunk, and democracy has been truncated. Russia is, as my colleague Lilia Shevtsova describes it, an "imitation democracy" with imitation democratic institutions. The form of democracy is there, but the essential content of competition and pluralism are not.

Supporters of Mr. Putin will also point to his consistently high personal approval and popularity ratings over the past six years to support the contention that democracy is not dying in Russia since their elected leader is very popular. It is true that Mr. Putin is genuinely popular, and there are understandable reasons for this. The Russian economy has been growing at a robust rate of more than 6% a year during his tenure. Unlike the Yeltsin years when the Russian economy was in tatters, salaries and pensions are regularly paid—in fact incomes are rising quite rapidly, mostly due to high oil prices. He has also restored a higher level of decorum and consistently professional behavior to the office after the erratic and often absent Mr. Yeltsin. In March 2004 Mr. Putin could have promoted a truly free and fair democratic presidential election, and he still would have won by a large margin. Yet he chose not to, and instead the presidential election looked more like a farce with the cast of so-called opponents.

WHY THE PICTURE WILL GET DARKER

Why is the near-term outlook for democracy in Russia bleak? The answer is simple. Mr. Putin, as he has stated on a number of occasions including last week's lengthy press conference, believes that highly centralized political authority—something he once described as “part of Russia's DNA”—is most appropriate for Russia's current stage of social, economic, and political development. Anything else, in his view as well as that of his closest advisors, supposedly risks anarchy, even state collapse. With a constitutionally mandated transfer of power scheduled for 2008, Mr. Putin and his team do not want to leave anything to chance. Their self-named system of “managed democracy” (long on management and short on democracy) will ensure that Mr. Putin's appointed heir will win the election, or that, a more unlikely event, the constitution will be revised so that Mr. Putin may stay in power. Every indicator suggests that no independent political force will be allowed to emerge in the next two years to upset the Kremlin's plan for the transfer of power. There is also no indication that the plan has been finalized, and political logic argues that it is in the interests of President Putin to keep the plans unknown.

The inability of the Kuchma administration to successfully manage the Ukrainian presidential election at the end of 2004, resulting in the so-called “Orange Revolution”, deeply shook the Kremlin, which had invested tremendous political and financial resources into the election of its favored candidate, Viktor Yanukovich. This event further alerted the Kremlin leadership, already inclined to centralize and control as much as possible, to the danger of allowing civil society and particularly organizations supported by foreign financing to play a role in national politics. In his annual presidential address to the Federal Assembly in spring 2004, Mr. Putin made some very threatening remarks about the civil society organizations in Russia acting, in his view, against state interests, especially those receiving foreign financing who “would not bite the hands that feed them.” While civil society was put on notice then, the Kremlin did not act immediately. But the view that it was foreign supported NGOs that played a key role in rallying Yushenko supporters and eventually overturning the presidential election results in Ukraine only strengthened the view of the Putin administration that it needed to further weaken civil society in Russia to ensure that could not happen in 2008.

In my view the chances of any “colored revolution” taking place in Russia in the upcoming electoral cycle are slim to none, but the prevailing mentality in the Kremlin is that nothing can be left to chance. That is the inspiration for the new legislation regulating the non-governmental and non-commercial sector that Mr. Putin signed last month. It is true that the final legislation is a considerable improvement on the initial draft law, a draft that the Duma approved in its first reading by a vote of 370–18. According to the analysis of the International Center for Non-governmental Law, the first draft would have put Russia in a category with countries like China, Zimbabwe, and Egypt with their highly restrictive regulation of NGOs. Only after Mr. Putin was quietly but effectively lobbied by the US and European governments did he intervene to

call for a softening of the law. But while the new law is an improvement, it is principally better for foreign NGOs operating in Russia. And like any legislation in Russia, what really matters is how it will be implemented. As with the selective application of law in the Yukos case, we can expect that the new NGO law will be very selectively applied to shut down NGOs considered against the interests of the Kremlin. The legislation will also likely push organizations to further self-censor their statements and activities.

ALL IS NOT LOST . . .

Before saying a few words about policy recommendations and Russia's status as chair of the G-8 now and beginning in May, the Council of Europe, let me point out a couple of perplexing paradoxes of current Russian realities. While the near-term future, the next few years does not appear promising for democracy and civil society, the current Russian polity, a throwback to Russia's centuries-long tradition of centralized and authoritarian governance, does not appear sustainable for the longer term. It is an anachronism in an increasingly democratic and globalizing world. The "power vertical" also too often results in an ineffective decision-making process prone to error.

But the paradox lies in the fact that Russia for the last six years has become a less democratic state while incomes and the middle class have been growing. It is complicated to measure the size of the middle class in Russia, but today it is probably approaching 30% of the population. Many observers, including myself, have been hopeful that a growing middle class over time will serve as the foundation for a more stable and democratic Russia. So far that is not happening. Why not? It is not because Russians are culturally undemocratic. The University of Michigan World Values Study indicates that Russians are at about the global median in support for democratic values. But today, after the difficult legacy of the 1990s, democracy is not such a high priority; Russians have been ready to trade off greater stability and order for less democracy. And the current government has encouraged the view that more democracy now will result in greater instability—that Russia is not ready for real democracy. But over time, as the middle class grows and there are more stakeholders in the economy with property to defend, the existing centralized and highly corrupt order will be less and less acceptable. This is a source of optimism.

The other paradox to note is that while political freedoms have been systematically constrained, individual freedoms, for the most part, have become more entrenched with the Russian people. While the political revolution has stalled, as my colleague in Moscow Dmitri Trenin has put it, Russia has had a "revolution of money" for which there has been no thermidor. Russians are freer today probably than at any time in their history. They can buy and sell property. They are traveling the world in rapidly growing numbers. With a robustly growing economy they are experiencing a consumer boom. However, at some point further restrictions of political freedoms will erode individual freedoms, and I do not think this will be acceptable to Russians. This also makes me more optimistic about Russian democracy in the long run.

But today we are face to face with a very negative trend line for democracy and civil society in Russia. And this trend is accelerating precisely as Russia takes over the chair of the G-8 and soon the Council of Europe. This is a double irony. Membership criteria were bent in both institutions to let Russia in. The calculation was that through membership Russia could be “socialized” to take measures to strengthen its adherence to democratic values and practice and respect for human rights. At the risk of sounding like one of those old Sovietologist dogs that Mr. Putin referred to in his press conference last week, Russia simply does not meet the criteria, to the extent that such criteria exists, for membership in the G-8. This is obviously not a mature democracy, but rather an increasingly authoritarian state with only the trappings of democracy. Still, I do not advocate at this point throwing Russia out of the G-8. But if the first version of the NGO legislation had been approved and signed by the President, for me that would have been grounds for throwing Russia out and canceling the St. Petersburg meeting. I think Mr. Putin understood this risk and pulled back from the brink. We should expect that the Kremlin will continue to test the limits as we approach the 2008 elections. The U.S. needs to clarify where the red lines are with Russia, although admittedly that is easier said than done. However, I think the Bush administration did that quite effectively with the NGO legislation issue at the end of last year, and the message was effectively conveyed to the Russian leadership.

FOREIGN POLICY IMPLICATIONS OF CURRENT TRENDS

There are also worrisome trends in Russian foreign policy that are related to some extent—it is difficult to calculate how much—to the authoritarian trend in Russian politics. There is no question that as Russian politics has become more authoritarian, Moscow’s relations with the West have cooled. This has been most noticeable in disputes over policies in the states on the territory of the former Soviet Union. The Ukrainian presidential elections were the biggest dispute in 2004, and the brutal repression of the Andijan riot in Uzbekistan was a major and indicative difference of viewpoint in 2005.

In the second half of last year Uzbekistan asked the United States to abandon its military base there and then signed a security treaty with the Russian Federation. This event marked the first setback for the United States that redounded to the benefit of Russia in Eurasia after a virtual 20-year roll for the United States. But the larger point is that Russia has been consistently siding with regional authoritarian leaders like Karimov in Uzbekistan and Lukashenko in Belarus while opposing more democratically oriented leaders like Yushenko in Ukraine and Saakashvili in Georgia.

As Russia’s ties with the West have cooled in the last few years, Moscow’s relationship with Beijing continues to deepen. The Sino-Russian military exercises of last summer may not have carried much military significance, but they did reflect Russia’s frustration the West. The current Russian leadership has very little tolerance for what it perceives as excessive criticism and interference in its domestic affairs from the West. Suffice to say that there will be no

public hearings in China where one could hear criticism of Russian democracy, civil society, and human rights!

I have dubbed this trend in Russian foreign policy “Authoritarians of the World Unite,” but I think the relationship between Russian domestic politics and its evolving foreign policy remains poorly understood despite its importance for near and long-term US foreign policy interests. In fact, I think Russia’s importance for US interests is underestimated in Washington, especially given our concerns about the proliferation of WMD, radical Islamic-inspired terrorism, and energy security. What other country can potentially promote or thwart our interests on all three of these first-order priorities to the extent that Russia can?

It is true that we would have important business to pursue with Moscow on these and other issues even if Russia were to become a full-fledged authoritarian state. But I am also convinced that Washington and Moscow would find their interests in closer alignment if Russia were a more open and developed democracy.

CHTO DELAT’? WHAT IS TO BE DONE?

Obviously there is no magic bullet in our policy toolkit for the promotion of democracy, civil society, and human rights in Russia. Just as obviously, our leverage today with Russia is far less than the 1990s when the Russian economy was weak. The self-named ideology of the current Russian government is “sovereign democracy,” with the emphasis on sovereign. Part of the backlash we see today against foreigners emerges from the sense of humiliation and weakness that Russia experienced during the 1990s when foreign influences (the United States, the IMF, the World Bank, etc.) played an outsized role in Russian policymaking. In contemporary Russian political mythology, this period is likened to the Time of Troubles at the turn of the 17th century when Russia was internally weakened and for a short time Polish troops occupied Moscow. Last year, the old Soviet holiday of Revolution Day, November 7, was finally replaced with a new holiday on November 4 which celebrates the eviction of Polish troops from Moscow nearly four hundred years ago. The message of this new holiday is that “Russia is for Russians!”

Not surprisingly after the experience of the 1990s, there is an acute sensitivity among much of the Russian political elite to foreign influences. And with \$60+/barrel oil prices fueling a virtual macroeconomic miracle, the Russian leadership is indeed feeling very confident. In addition to “sovereign democracy,” the other catch phrase in Moscow today is Russia’s status and future as an “energy superpower.” The high oil price is the most important factor driving current realities in Russia today. International experience shows that sustained high oil prices will encourage neither democratization nor economic diversification in countries highly dependent on export of fossil fuels. This is not to say that we are powerless to promote democracy in Russia, but rather to be aware of our limitations and obstacles.

Certainly Russia’s chairmanships of the G-8 and the Council of Europe offer us and our European partners a modicum of leverage. We have already seen this play out in the battle over the new NGO legislation. If Russia had not been assuming the chair of these

groups, I am pretty confident that a far more draconian piece of legislation would have been signed by President Putin. The U.S. and Europe need to speak in one voice and seek to draw as much attention as possible to Russia's anomalous membership status, let alone chairmanship, of these groups at a time when democratic institutions and values are under attack. In particular, we should expect that the Russian government will seek to control and co-opt the civil society component of the G-8 meeting. We should take initiative to not let this happen by promoting a major gathering of Russian civil society and international civil society organizations at the time of the of the G-8. It is outrageous that in the first weeks of its G-8 chairmanship, the Russian government is attacking domestic NGOs, including an important umbrella organization, the Research Center for Human Rights.

When Russian democracy, civil society, and human rights are being attacked, this is clearly NOT the time to reduce US government as well as private funding for these goals. Although dependence on foreign funding is a real problem for Russian human rights NGOs, the U.S. government and major U.S. private foundations should quickly make a statement by significantly increasing their support for these essential organizations in 2006 and beyond. Support for internships for young Russians in international NGOs abroad should also be encouraged.

We need to increase our support for a variety of exchange programs that strengthen the connectivity of our two societies. The most important area is in education, from high school through graduate programs. From the standpoint of "democracy assistance," I think you get the greatest long-term payoff with support for more Russian youth to have the opportunity to live and study in the U.S.

Our public voice is important also. First we must ensure that we keep our own democratic and human rights house in order so that we maintain our moral authority to speak on these issues. Second, we must consistently apply the same standards to Russia as we do to other countries to ensure that we neither understate nor overstate the problem at hand.

Balancing public criticism by high-level USG officials with back-channel efforts to lobby the Russian government will continue to present challenges. While it is important that the US government speak forthrightly at the highest levels about deficiencies of Russian democracy and policies towards civil society and human rights, this must be carefully calibrated in order to avoid the impression of "piling on". While we do not want to compromise our principles, we also do not want to lose the interest and attention of our interlocutors. Again, I think the Bush administration handled the balance of public criticism with intense back-channel discussions just right on the NGO legislation issue. President Bush raised the issue with President Putin when they met at the APEC meeting in South Korea, and this put the issue on the agenda for a series of State Department, NSC and other officials to express their concerns with Russian officials.

We should also be able to de-link our concerns about backsliding on Russian democracy with other areas of national security and economic cooperation with the Russian Federation. In other words, yes we must try to work as closely with the Russians on, for exam-

ple, closing down nuclear weapons programs in Iran and North Korea, but these policy goals should not prevent the US government, including Congress, from speaking forthrightly and continuing to promote democracy and civil society as well as defending those whose human and civil rights are being violated.

Finally, I agree with my colleague Michael McFaul that it is time for a U.S. government official to make a major address about Russia and its importance for U.S. foreign policy. Probably the ideal candidate for the job is Secretary of State Rice. Russian political elites have simultaneously felt miffed at the perceived diminished priority Moscow holds for Washington and relieved that Washington may pay less attention to the systematic weakening of democratic institutions in Russia since it is bogged down in Iraq, rising energy prices, and nuclear challenges from Iran and North Korea. Such a speech would force the US policy-making apparatus to focus on the importance of the challenges Russia presents and to state as clearly as possible the essence of our goals. As an outside observer, I sense some cognitive dissonance or tension within the administration between those more concerned with the dangers of democratic backsliding and its implications for Russian foreign policy with those more inclined to emphasize how we advance our security and economic interests with Moscow. It is incumbent upon us to synthesize these “idealist” and “realist” inclinations into a coherent policy strategy. Russia’s future remains too important for our near and long-term interests to shirk such an effort, and it is essential that our friends and colleagues in Russia understand this.



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).

★ ★ ★

All Commission publications may be freely
reproduced, in any form, with appropriate
credit. The Commission encourages
the widest possible dissemination
of its publications.

★ ★ ★

<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.