# **RUSSIA'S** FRAGILE UNION

By Matthew Evangelista



November 1998: The funeral of Galina Starovoitova, gunned down at her St. Petersburg home.

N NOVEMBER 20, 1998, GALINA Starovoitova, one of Russia's few democratic politicians worthy of the name, was murdered in the entryway of her St. Petersburg apartment. Her death attracted brief notice in the Western press at first. But following an outpouring of anger and sympathy among the Russian public, the media paid attention for a few more days—long enough to cover the demonstrations that coincided with her funeral and the initial investigation into her murder.

Starovoitova, it seems, was the victim of a contract killing of the kind that Russian bankers and businessmen, in the absence of a functioning legal system, typically use to settle economic disputes. But unlike other politicians who had been murdered in similar circumstances, Starovoitova was not known to be involved in any shady deals. She was widely considered honest and incorruptible. A human rights activist and colleague of Andrei Sakharov's during the Soviet period, her work as a deputy of the Russian State Duma had been driven by principle.

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Much as Sakharov's death in 1989 demoralized the supporters of the democratic reforms triggered by Mikhail Gorbachev's perestroika, Starovoitova's murder signaled the demise of hope for any way out of the greed, violence, and political bankruptcy of Boris Yeltsin's Russia.

Another death last November went unnoticed by the Western media, but it also served to highlight an important dimension of the Russian crisis. Nearly 12,000 kilometers east of Moscow, in the city of Petropavlovsk-Kamchatsky, 13-year-old Zoya Korshunova was killed when the batteries in a flashlight exploded in her mouth. She had been trying to do her homework in the dark, in a region suffering such an acute shortage of energy that electricity was available only (and briefly) three times a day. Zoya's death received some attention in the Russian media. So did a

plea to the United Nations from the local authorities on the Kamchatka peninsula for emergency humanitarian aid.

Russian Prime Minister Yevgeny Primakov, deeply embarrassed, sent a special team to help resolve Kamchatka's energy crisis. Meetings with officials from the ministries of Energy, Finance, and Defense came up with a temporary solution: The navy would provide oil from its stockpile.

The circumstances surrounding the two deaths tell us much about today's Russia. Starovoitova's murder is still unsolved, but speculation about it abounds. She had many enemies. For instance, when I met her in Moscow in

early November, three weeks before she was killed, Starovoitova had just returned from a Duma session where she had unsuccessfully promoted a motion to censure Gen. Albert Makashov, a notoriously anti-Semitic communist deputy, for remarks inciting violence against Jews. She was already receiving death threats from Makashov's supporters.

It is perhaps more likely, though, that her murder was a local affair unrelated to her role in the Duma. Her concern for her St. Petersburg constituents had led Starovoitova to try to clean up corruption in the municipal elections by running a slate of likeminded candidates. Her efforts annoyed local organized crime figures.

Nevertheless, according to the *St. Petersburg Times*, the investigation of Starovoitova's murder—led by former KGB officials—has focused on digging up dirt on her democratic allies rather

Russia may not break apart, but the regions will surely take more power from the center.



A three-year-old and her cat in an unheated apartment in the far eastern city of Petropavlovsk, Kamchatka peninsula.

than actually solving her murder. "We are going to solve this case in such a way that it buries your democratic movement," one of the investigators told a *Times* journalist who was close to Starovoitova.

## A Potemkin village

In the wake of Starovoitova's death, some of the leading "reformers" on the Russian political scene—including

Yegor Gaidar, Boris Nemtsov, Anatoly Chubais, and Sergei Kirienko—put aside their internecine squabbles to form a center-right bloc, dubbed "Just Cause," ostensibly under Starovoitova's banner. The efforts of these four politicians—all former prime ministers or deputy prime ministers in Yeltsin's cabinets—only highlighted the advanced state of Russia's political bankruptcy.

In the Gorbachev era, common political discourse identified the orthodox communists as the "right," and supporters of perestroika and democratic socialism as the "left." Now the communists are back on the left and the self-styled reformers are on the right. The words "reform" and "democrat" have become epithets in today's Russia, thanks to Chubais and the others.

During their years in power, many of the reformers preached the virtues of the market while engaging in privatiza-

tion schemes in which the most valuable state assets were sold at fire-sale prices to their cronies. Just Cause is widely considered the party of the nouveaux riches, a party that follows the dictates of the International Monetary Fund and the U.S. Treasury Department, but which is out of touch with the needs of ordinary Russians.

The reformers are blamed for the devaluation of the Russian ruble last August, the default on Russian loans, and the subsequent collapse of the Russian banking system, when millions lost their savings. That financial collapse precipitated a crisis that continues today. Most important,

perhaps, the crisis revealed that the vaunted transition from a command economy to a market economy was a mere Potemkin village—an overused but sadly appropriate metaphor for Russia's reforms.

Much of Russia's economic activity before the August meltdown took place not through normal market mechanisms, but on the basis of sometimes extraordinarily complex systems of barter. The August collapse undermined the Rube Goldberg economy and put the survival of the regions beyond Moscow at risk.

#### Bartering for heat and light

The story of how Zoya's hometown of Petropavlovsk ended up without fuel oil illustrates how the barter system works—and why it failed in this case. Kamchatskenergo, a partly private, partly state-owned company, supplies most of the energy for the Kamchatka peninsula, which was a key military outpost on the Pacific during the Soviet era. Most of its customers, including the local military base, are agencies of the Russian government.

But the government has been notoriously negligent in paying its bills, as many Russian workers know from the personal experience of going months without receiving wages. In this case, Kamchatskenergo was able to continue supplying heat and energy to government-run schools, hospitals, and other institutions, without payment, in return for tax credits.

As Colin McMahon of the Chicago Tribune figured out when he interviewed the director of Kamchatskenergo, the energy company was allowed to trade its tax credits to a profitable Moscow-based oil firm. In turn, the Moscow firm was excused from paying a corresponding amount of taxes to the federal government.

The Moscow company provided crude oil that was sold or bartered on the international market in return for processed fuel oil. In turn, Kamchatskenergo used the fuel oil, acquired at lower-than-market prices, to power its two main energy plants. But when the ruble's value dropped by a third last August, Kamchatskenergo could no longer afford to buy imported oil, which was denominated in dollars.

Meanwhile, Kamchatskenergo's Moscow partner was having trouble selling its crude oil on the glutted international market. All of these events conspired to leave much of the Kamchatka peninsula without heat or electricity as temperatures dropped below zero by mid-November.



September 1, 1996: The center of Grozny, a day after Russia's Gen. Alexander Lebed and separatist commander Aslan Maskhadov signed a pact ending the conflict in Chechnya.

## The Chechnya debacle

The Russian Federation is formally made up of 89 "subjects," including 21 ethnically identified republics such as Tatarstan, Chechnya, and Bashkortostan, and 68 non-ethnic units of various kinds. All 89 are commonly known as "the regions."

The central government's reaction to the crisis in Kamchatka—and in the regions in general—was revealing. By sending in troubleshooters from Moscow to knock heads together, Prime Minister Primakov reverted to the tried-and-true methods of the Soviet period. But Moscow no longer wields as much power as it once did vis-à-vis the regions. The deal to supply fuel from the navy depot, for instance, unraveled within weeks and Petropavlovsk again ran short of energy.

Moscow's inability to cope with regional crises has led to speculation that the federation might break apart, much as the Soviet Union did at the end of 1991. This is not the first time such concerns have been raised. When the Soviet Union split into its 15 constituent ethnic republics, many feared that Russia would go the same way.

Boris Yeltsin himself fueled the ear-

liest concerns about a Russian breakup in 1991. As part of his campaign to undermine Soviet President Gorbachev, Yeltsin, then president of Russia, went to Tatarstan's capital city of Kazan and issued a challenge for the regions to "take as much autonomy as you can swallow."

Chechnya and Tatarstan took him at his word and declared formal independence. In 1992 both refused to sign the treaty that the Yeltsin administration promoted as the foundation for relations between the center and the regions. Moscow eventually worked out an uneasy modus vivendi with Tatarstan; the republic, acting as if it were a sovereign state, negotiated "treaties" with the federal government to regulate essentially internal matters, such as taxation.

Chechnya did not fare as well. Under the erratic leadership of Dzhokar Dudaev, the republic insisted on a special independent status. In retrospect, many observers believe that if Yeltsin had been willing to meet directly with Dudaev in 1992, the conflict could have been resolved peacefully. Instead Yeltsin thwarted efforts to open negotiations with Dudaev.

In 1992 Galina Starovoitova, then serving as Yeltsin's adviser on ethnic politics, contacted Dudaev in the Chechen capital of Grozny by telephone. Russian hardliners, with Yeltsin's blessing, attacked her efforts at reconciliation.

The next time Starovoitova tried to contact Dudaev, she found that the government phone service to Grozny had been cut. Seeing the writing on the wall in the increasing militarization of Moscow's relations with Chechnya, Starovoitova resigned in protest—well before the Russian armed forces launched an invasion in December 1994.

The war against Chechnya was a low point in Yeltsin's already sagging popularity and a high point in concern about the future of the Russian Federation. At first many of the neighboring regions in the Caucasus expressed solidarity with the Chechens, as citizens from Dagestan and Ingushetia, for example, tried to prevent Russian military forces from crossing their territory.

In the wake of the Chechen war, Andrei Shumikhin, a Russian analyst, expressed a fear shared by many that "a 'brush fire' of drives for independence may pick up elsewhere across Russia, leading to the eventual destruction of Russian territorial integrity."

Starovoitova criticized Moscow's "crude use" of "notorious tools of imperial policy" and predicted that the military intervention in Chechnya would "produce mistrust of the center's policy and centrifugal tendencies in Tatarstan, Bashkortostan," and elsewhere in the Russian Federation.

Gen. Aleksandr Lebed, who led Soviet forces in the disastrous intervention in Afghanistan, warned that an invasion of Chechnya would lead to a similar, protracted guerrilla war, resulting in "a Pyrrhic victory."

Lebed was right. The war in Chechnya dragged on for nearly two years, claimed tens of thousands of casualties, and produced hundreds of thousands of refugees.

But Starovoitova and others who feared that the war would tear apart the federation were wrong. The war ended with a cease-fire brokered by Lebed himself in 1996 and a treaty on future relations signed by Yeltsin and Dudaev's successor Aslan Maskhadov in May 1997.

## Creeping autonomy

After the end of the Chechen war, a new—and somewhat contradictory—consensus emerged in the West and in Russia:

- The Chechen victory would not inspire other regions to attempt to achieve independence. The cost of gaining independence was too high—tens of thousands of lives, mainly civilian, and the total destruction of Grozny, the capital city, as well as many regional centers and villages.
- The war was also disastrous for Russia, undermining Yeltsin's popularity, demoralizing the armed forces, and draining the federal budget. It was unlikely that Moscow would ever again resort to such a brutal and foolhardy use of violence to resolve a conflict with one of the regions.
- Finally, common interests would maintain the federation, particularly economic interests, such as trade, distribution of taxes and subsidies, and a common currency; a common transportation network; and a common energy grid.

But the financial crisis of last August undermined such arguments. Perhaps it is too early to speak of a new consensus, but many Russian and Western observers believe a major change in center-regional relations is leading, if not to the breakup of the federation, at least to a substantial decentralization of power and more autonomy for the regions.

A conference in Washington in December, sponsored by the Harvard-based Program on New Approaches to Russian Security, captured the mood among U.S. specialists. Kathryn Stoner-Weiss, a political scientist at Princeton, spoke of "creeping regional autonomy," and Henry Hale, from Harvard's Davis Center for Russian Studies, described the "consolidation of ethnocracy" within the republics and "regional autocratization" throughout the country.

Eva Busza, from the College of

William and Mary, focused on the implications of the economic crisis for regionally based military forces. As resources from the center dry up and troops become "reliant on the goodwill of regional leaders for their day-to-day survival," what might those leaders demand in return, particularly as their policies come into conflict with those of the central government?

In many respects the concerns of Western analysts simply reflect fears in Moscow. Primakov put it starkly in a speech to the Duma last August, shortly after being named prime minister: "We are facing a very serious threat of our country being split up." And on Russian television last September, he argued that "89 constituent parts of the federation is too many." He supported plans to consolidate the regions into as few as eight regional economic groups.

In fact, several interregional economic associations already exist, and their horizontal economic links may serve as a "bulwark against disintegration," as Graeme Herd of Aberdeen University has argued.

But Prime Minister Primakov is not satisfied with the status quo. In January, at a meeting of Siberian governors representing the Siberian Accord, an interregional association, Primakov called for the "restoration of the vertical state power structure, where all matters would be solved jointly by the center and local authorities." He also criticized "talk of conflict between the center and the regions" and insisted that separatist trends "must be quelled, liquidated, and uprooted."

The concern of Western analysts about "regional autocratization"—that is, the demise of democratic procedures within the regions—is also heard in Moscow. Many regional governors have manipulated electoral laws to eliminate any challenges to their rule. Galina Starovoitova told me of a particularly blatant, but not unusual, technique employed by the leader of the small ethnic republic of Marii El, located just north of Tatarstan. He sponsored a law requiring that any candidates for the presidency of the republic be fluent in Russian as well as two

dialects of the Marii language.

With ethnic Marii people a minority in the republic (43 percent of the population), the law would have eliminated candidates from other groups—such as Russians—who make up 48 percent—as well as the many Marii who have lost their native language. In effect the law would have limited the field to the incumbent himself.

Starovoitova made her political reputation in the late 1980s by supporting autonomy for the Armenian enclave of Nagorno-Karabakh in Azerbaijan. But she was not one to offer blind support for ethnic chauvinism at the expense of democratic principles. In one of her last achievements in the service of democracy before her murder, she challenged the Marii El electoral law as unconstitutional and the Russian Constitutional Court ruled in her favor.

Unfortunately, widespread manipulation of local elections often goes unremarked by the Moscow authorities, especially if the regional leaders have supported Yeltsin's own electoral efforts in the past. Primakov favors doing away with regional gubernatorial elections altogether in favor of appointing local rulers directly from Moscow.

#### More talk; less defiance

Although the concern about antidemocratic tendencies in the regions is well founded—some local politicians have even targeted critical journalists for assassination—the prospects for either successful regional political consolidation or more centralized control from Moscow seem dubious.

Nevertheless, outright disintegration does not appear likely. That impression comes in part from my recent discussions with representatives from some of the regions viewed as most likely to seek greater autonomy—Tatarstan, Bashkortostan, and Dagestan—and one, Chechnya, that has already achieved de facto independence.

Despite the undeniable crisis atmosphere in the regions, there seems to be a strong commitment to working out compromises with the central government. Few regional leaders really

want to see Russia go the way of the Soviet Union.

All of the regions have permanent representatives stationed in Moscow who are in daily contact with federal officials to discuss issues ranging from the budget to foreign investment to constitutional disputes. (The constitutions of many regions contradict the federal constitution on key points.)

Even Chechnya, which claims to be independent, has kept its Moscow office open. The most noticeable change is that the staff now answers the phone with a hopeful "Embassy," even though no major country has recognized Chechen sovereignty.

The Chechen office is headed by Vakha Khasanov, a former factory manager from the Nadterechny region of Chechyna, an area that, as Khasanov put it, tried to maintain "neutrality" during the war. Khasanov explained that he was not trained to be either a diplomat or a politician.

His refreshingly outspoken views suggested as much. He criticized the late Chechen leader Dzhokar Dudaev, whose eccentric behavior and megalomania contributed much to the outbreak of the war. He was forthright in admitting that the crime rate in the republic is so high as to discourage any foreign investment. (He told a recent commercial delegation from Malaysia that they would need a small army of security guards even to consider a potential site visit to the republic.) The prerequisite for solving Chechnya's problems, in Khasanov's view, lies in improving relations with Russia.

Further, relations with Moscow are not the only thing that preoccupies the Chechen government. Chechnya teeters on the brink of civil war as the relatively moderate, popularly elected president Aslan Maskhadov—the top military commander during the war faces challenges from his erstwhile subordinates, including Salman Raduev. whose contributions to the Chechen victory included notorious terrorist attacks and the taking of civilian hostages. Raduev has threatened cross-border attacks on Russian military bases in neighboring Dagestan, putting at risk President Maskhadov's attempts at

working out a modus vivendi with Moscow.

Tatarstan offers a sharp contrast to Chechnya, in that it was able to gain substantial independence from Moscow without provoking violence. Indeed, the "Tatarstan solution" is often cited as a lost opportunity that Dudaev and Yeltsin should have pursued.

Given its level of de facto independence, one might expect the recent economic crisis to have driven Tatarstan even further away from the central government. To be sure, its authoritarian leader Mintmir Shaimiev has implemented several measures that isolate the republic, including a ban on the export of food stuffs or the import of Russian vodka. At the same time, Tatar officials in the Moscow office are busy trying to reconcile differences with the central government.

Some of their reasons are obvious. "It's too big a price what was paid in Chechnya, and for the Russian Federation," says Mikhail Stoliarov, a deputy head of the Tatarstan delegation in Moscow.

Tatarstan has come a long way since its defiant claims of independence from Russia in the early 1990s. Stoliarov believes the situation then was fraught with the danger of a Chechenstyle military conflict, but not anymore. "I'm talking about lessons of Chechnya, which should be a warning to everybody, to all the radicals in Tatarstan as well as in any other republic—and to radicals in Russia, whatever, governmental or non-governmental radicals. So it's a warning that's clear, the Chechen conflict should not be repeated in any form."

Tatarstan and neighboring Bashkortostan are among the richest regions in the Russian Federation, thanks to substantial oil and natural gas deposits and high-technology industries inherited from the Soviet military-industrial sector. They are among the small number of "donor" regions—regions that receive no subsidies from the central budget, but instead contribute through their taxes to the redistribution of income to poorer, "recipient" regions.

In my discussions I probed for some signs of resentment toward the poorer



January 1996: Magamed Abdurazakov, Dagestan's internal affairs minister, listens to Chechen rebels engaged in a civil war with Russian troops.

regions, but the reactions of the Tatar and Bashkiri representatives were more mixed. They spoke of pride in their own regions and a desire to protect their achievements. They also seemed to view their economic development as a product of Soviet-era policies, and their abundant resources as a matter of good fortune.

In describing the sources of his republic's wealth, Erik Yumabaevich Ablaev, the representative from Bashkortostan, said: "We understand very well that these were not the achievements of our republic alone. They were developed in the course of 70 years by the whole Soviet people." The vast investments in oil processing were "created by the efforts of the entire Soviet Union."

Ablaev was sensitive to the charge that Bashkortostan's wealth accords it a privileged position vis-à-vis Moscow. But he also stressed the negative side of the republic's development. Industrial pollution poisons the land, water, and air. According to Ablaev, every second child in Bashkortostan is born unhealthy, the victim of an environmental disaster that the central government in Moscow ignores. "They

speak of 'privileges,'" he complained. "If we had healthy children, that would be a privilege."

At the other end of the spectrum is Dagestan, the poorest of the 89 regions, except for Chechnya. On economic grounds the republic has no reason to secede, as one of its Moscow representatives readily acknowledged.

Although Chechnya was also poor, it had something Dagestan lacks—a relatively homogeneous population with a strong tradition of opposition to Moscow. Dagestan's two million residents comprise 32 ethnic groups and speak 33 languages. The republic still reflects much of Soviet "internationalist" ideology. Robert Chenciner, the author of a recent book on Dagestan, calls it "a microcosm of the ethnic mosaic of the Soviet Union."

That is pretty much how Mamay Mamayev, the Moscow representative, described his region, as he pointed to it on an old map of the Soviet Union tacked on the wall behind his desk. Most likely, he is not the only Dagestani nostalgic for the stability of Soviet rule. The Chechen war wrought havoc on Dagestan, where some 100,000 refugees fled from the destruction of

Grozny and surrounding villages. "Some of them are still living at our house," Mamayev said.

Further, the republic is now awash with weapons. In the capital city of Makhachkala, competing political factions command their own armed militias. Mamayev played down the violence, inviting me to visit the capital, and insisting that only the border area with Chechnya posed any risks. The day after my interview, an American teacher was kidnapped in Makhachkala in broad daylight.

#### The deeper threat

Despite the crisis atmosphere in much of the country, concern about the imminent disintegration of the Russian Federation seems unwarranted. Relations between the regions and Moscow will not go smoothly. But they will probably continue to be worked out on an ad hoc basis, as they have been for the last several years.

And despite Prime Minister Primakov's ambitious plans for consolidation of the regions, there are few governors or presidents of republics who would willingly relinquish political and economic power to be swallowed up by a larger agglomeration more closely controlled from Moscow.

The real story of the regions is the one represented by the deaths of Galina Starovoitova and Zoya Korshunova. Corruption and political violence are undermining the fragile foundations of Russian democracy. Lack of food, lack of medicine, and lack of heat over the winter months have produced humanitarian catastrophes throughout the country. The Russian government, bulging with more bureaucrats than even Leonid Brezhnev employed, seems utterly incapable of dealing with the various crises, whether large or small.

An official at Radio Free Europe put it just right in January: "It is the collapse of the Russian state, not the breakup of the federation or economic depression, that may in the long run prove the greatest threat to Russian democratic development and international stability."