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Will to power?

Two years after his inauguration as president, Dmitri Medvedev is finally making a bit of headway with his constituents: recent polling suggests that an increasing percentage, 22 percent of respondents this month, think Medvedev formulates his presidential policies independently, and nearly 70 percent approve of his presidency. The poll also finds that his chances at re-election in 2012 are perceived as a mere 3% below the respondents' assessment of the likelihood of Putin's return to the presidency. The difficult news for Team Medvedev is the perception of the workings of the Medvedev-Putin tandem, as approximately 66 percent persist in the view that Medvedev is "under the control" of Putin. (1)

Despite the apparent clear vision among the poll’s respondents, there have been sufficient gaps appearing between the president and prime minister to suggest that what was once a synchronous tandem might have been thrown askew by the demands of personal ambition. A clear line is traceable from Putin’s unrestrained overreach at the Valdai Conference last summer on the subject of his further presidential ambitions to the current president’s modernization campaign complete with its implicit, and occasionally explicit, attacks on the stable, but static, Putin decade. It seems clear that among Moscow’s official blue light apparatchiki brigades, there has been a tendency to take sides and perhaps to engage in or encourage competition with the opposing team. It becomes difficult to disentangle actual conflict between the two diarchical heads of the Russian state from rumored conflicts between Putin’s siloviki and Medvedev’s “liberals.” The distinction of teams is made more difficult by the fact that, despite the weight of history and experience, analysts continue to identify western-
leaning, glasnost’ inspired approaches only with the president and heavy-handed state pressure tactics, including the assertion of state control over previously private assets, solely as the work of the prime minister and his siloviki cohorts. While the truth of player selection in these cases is nuanced (Putin did, after all, bring different “teams” with him to Moscow, including the liberal economists—as well as lawyer Medvedev—from St. Petersburg, some of whom clearly maintain their loyalty), still the broader picture provides its analytical advantages. It is unlikely to find siloviki capo, Igor Sechin, for example, making pro-Medvedev moves to the detriment of Putin.

At those times when there appears to be extraordinary strain on the diarchy, the teams are agitated and the apparatchiki enter their field of battle, as evidenced by rumors of personnel shuffles.

Slowly over the last few weeks, the shifts of officials into positions on new modernization program boards, Olympic oversight committees, and investment enticement centers have suggested a fierce, bureaucratic battle behind the scenes. Lately, rumors have surfaced of a change in the disposition of forces within the government (featuring, for example, siloviki brothers hoping to strip the liberal finance minister of some of his authority), (2) as members of Team Medvedev pour into more high-profile financial and innovation roles. The re-emergence of Aleksandr Voloshin, a close Medvedev adviser and one-time mentor, as well as former Yel’tsin “Family” friend, who recently was appointed to head a presidential council on financial markets, suggests a realignment of presidential forces, as if a heavy-hitter was being moved around the line-up to optimize his talents for the team. (3)

Complicating the current situation even more is the new trial of Mikhail Khodorkovsky, who is accused of embezzling his company’s profits and oil. Among the witnesses called for the defense was former Russian Prime Minister Mikhail Kasyanov, who served as PM during Vladimir Putin’s administration.
Kasyanov testified to “no violations of the law by Yukos,” and commented that the criminal case against Khodorkovsky was politically motivated and sparked by his support of opposition political parties, including “the Union of Rightist Forces, Yabloko … also the Communists.” (4)

What makes the latest prosecution of Khodorkovsky most interesting, aside from the defendant’s brief hunger strike, launched to focus presidential attention on his case, and also aside from his defense lawyer’s attempts to call Putin as a witness, is the juxtaposition of the main bureaucratic antagonists in the initial case, then serving as Kremlin chief of staff and head of the presidential chancellery. Their roles now have them as leaders of rival tandem factions. In 2003, the arrest of Khodorkovsky seemed to signal the ascendance of the siloviki then, as now, led by Igor Sechin; Aleksandr Voloshin resigned his Kremlin office, apparently concerned that his continued presence gave heart to liberal hopes in a Putin presidency (or, perhaps, just gave heart to former “Family” friends). (5) Now, it seems likely that there will be another round in this apparatchiki battle for the Kremlin.

According to the opinion polls, a solid majority of Russia’s citizens seems to have fixed their view of the relationship between the heads of their divided executive leadership. Putin and Medvedev themselves well might have worked out their division of authority. It seems clear, however, that at least some members of their respective teams still see something worth fighting for…or, perhaps, against.

Source Notes:
Western-friendly foreign policy report leaked

A Foreign Ministry policy report addressed to President Dmitri Medvedev was leaked to Russian Newsweek last week. The report proposes to abandon confrontational foreign policies in order to build closer economic ties with the West and modernize domestic industries. The report expresses concern that Obama’s “transformative potential” tends to be hindered by the US military and intelligence establishment that seeks to “return to the confrontational policies of the previous administration” and pressures the president to adopt foreign policies in line with the “war on terror.” (1)

Officials at the Foreign Ministry and the Kremlin have confirmed the document's authenticity, but its purpose is unclear, particularly as it is not a new doctrine. Apparently, the report is a response to President Medvedev’s call to make foreign policy a driving force for foreign investment and modernization. (2) "It
sounds like someone with an American logic must have leaked this, because it’s absolutely not normal for it to happen in Russia,” comments Yevgeny Bazhanov, vice rector of the Diplomatic Academy. Many experts agree that the leak was most likely deliberate, and some suggest that it may be a sign of growing tensions between President Medvedev and Prime Minister Putin. (3)

The report is a sign that Russia’s leadership realizes that Russia cannot modernize on its own, and that cooperating with the West may yield better results than covering up the country’s diminishing status with aggressive rhetoric. The global crisis has caused Russia to fall behind in the areas of industrial, technological and scientific capabilities, despite a relative abundance of energy resources and its nuclear arsenal. (4) In his address to the Federal Assembly in 2009, President Medvedev stated that Russia ought to be less pompous in order to attract foreign investment, and needs to modernize its economy to thrive in the current environment. He ordered the Foreign Ministry to reevaluate Russia’s long-term foreign policy priorities. (5) In February, 2010, the Foreign Ministry responded with confidential reports to the president, who approved the documents and sent them to the government for consideration. (6)

The published document, “The Program for Systematic Effective Use of Foreign Policy for the Long-Term Development of the Russian Federation,” is noticeably different from other, similar programs that often originate with the Security Council of Russia. Instead of the usual, vague generalities, the program consists of concrete tasks and recommendations for Russia’s foreign policy goals in 61 countries and regions. For example, the document calls for a strong economic presence in the Baltic states, “considering their decreasing economic attractiveness for the European Union countries and serious devaluation of national assets.” The program proposes that Russian companies buy out enterprises belonging to the former Soviet military industrial complex enterprises in Central Asia. The document urges the government to insist on “concrete
economic returns,” such as favorable regimes for Russian trade and investments, from “rogue states” such as Iran, Cuba and Syria.

Russian Foreign Minister Sergei Lavrov wrote the preamble to the program. He contends that the global economic crisis has destabilized “the material base of Western dominance in world politics, economics and finance.” According to Lavrov, this has increased the necessity “to strengthen relations of mutual interdependence with the leading world powers,” such as the European Union and the US. Lavrov describes President Obama as a “potentially transformative” leader, who is under pressure from the U.S. military and intelligence establishment to “return to the confrontational policies of the previous administration… in line with the ‘war on terror.’” (7) Thus, a weakening of Obama’s position could lead to increased tensions between Russia and the US. The program proposes negotiating for “most favored nation” status from US. Other Western-oriented goals include joining the World Trade Organization and negotiating a visa-free regime between Russia and the European Union. Germany, France, Italy and Spain are named as Russia’s most promising partners in Europe. There is no mention of Britain in the program, which may be due to an incomplete draft or a sign that relations remain strained after the 2006 murder of the FSB officer Alexander Litvinenko in London, the war in Georgia, and other disputes. (8)

Most likely, a lack of funds necessary for modernizing the economy is one of the main reasons for the sudden shift in policy. The federal budget can only finance one third of the currently envisioned social programs, and the Central Bank’s reserves are insufficient to sponsor the rest. In today’s post-crisis world, Russia cannot afford to invest in its own modernization and is facing the need to forge meaningful economic alliances. The program’s emphasis on economic ties with the European Union and the US is driven by the need for foreign investment and technology. (9)
Russia’s leaders have taken some cooperative steps, such as signing the new START Treaty and supporting Washington’s efforts to tighten sanctions on Tehran. Nevertheless, the leaked program calls for military cooperation between Iran and Russia. Shortly after the report was released, Medvedev visited Syria to discuss Russia’s possible assistance in building a nuclear power plant there. (10) While in Syria, he met with Khaled Meshaal, the leader of the Palestinian Islamist group Hamas, which is classified as a “foreign terrorist organization” by the US Department of State. (11)

The decision to leak the foreign policy report represents a mixed signal from Russia’s leadership. The unofficial status of the report lends an ambiguity that reflects the tension between Medvedev and Putin. It is also possible that Russia is waiting for concessions before officially pursuing a softer approach. It is clear, however, that Russia understands that it needs foreign investment in order to modernize its economy and is exploring the options for a positive “reset” in relations with the economic powers.

Source Notes:
Russian Federation: Security Services
By Fabian Adami

Orwell writ large
In late April, a draft law was submitted to the State Duma by the Russian Government. The document consisted of a series of “amendments” to the laws governing the FSB and the “Federation Code of Administrative Infringements,” which would increase significantly the authority of Security Service officers over Russian citizens. (1) The language of the document states that the FSB will be allowed to warn individuals of the “impermissibility of actions by them creating the conditions for the commission of crimes,” that are in the FSB’s jurisdiction. (2) What this means in practice is that FSB officers would be permitted to censure individuals for “disobedience” to “legitimate instructions,” in a three-step process; “warning-fine-arrest…for 15 days.” (3) According to the document’s preamble,
one of the punishable offences is “lack of belief in the state’s ability to protect citizens:” (4) in theory, the FSB—in the words of Viktor Ilyukhin, Deputy Chairman of the State Duma Committee for Constitutional Legislation and State Building, will be able to label “any citizen” as “extremist” for espousing political views contradictory to those of the government. (5) It would appear that the FSB believes it needs these new powers because “individual” media outlets have been encouraging dissent and “drawing young people into extremist activity.” (6) As a result of this viewpoint, the FSB is granted the power to detain for two weeks any editor who refuses to remove an article from an online (and presumably also print) publication upon demand. (7)

Government monitoring of media outlets is not unheard of. Parliamentary democracies such as the United Kingdom and Australia possess the so-called Defense Advisory Notice (DA-Notice), whereby editors may be asked to remove content on the grounds of national security. But the DA-Notice may be issued only in the form of a request, not as an order. If this law is passed, it would mark yet another step toward the re-amalgamation of powers possessed by the KGB during the Soviet era. Russia would once more have “Thought Police.” The language of the amendment itself illustrates just how Orwellian this law is: The new powers to be granted to the FSB are described as “social preventative work.” (8)

An interesting question arises as to whether this piece of legislation might be connected in some manner to the Moscow bombings of late March. Those events would seem to have provided the security bodies with a perfect excuse to use the fear of terrorism as a shield to mask the accumulation of greater powers. Would the draft law have been submitted to the Duma without the suicide attacks?

Metro bombing update
Seven weeks ago, two suicide bombers struck the Moscow Metro system. The attacks clearly were targeted at the Russian political and military establishment, with detonations occurring at the Lubyanka and Park Kul’tury stations, respectively near FSB Headquarters and a number of Defense Ministry buildings. 48 hours later two further bombings were carried out in Dagestan, one of which targeted the FSB’s regional offices.

On April 1, a video appeared online, in which Doku Umarov claimed responsibility for the attacks, and noted that they were carried out in revenge for the deaths of “noncombatant” individuals at the hands of Russian commandos during the first week of February. (9) By April 6 the Security Services had established the identities of the women (labeled as Black Widows) responsible for the bombings, naming them as Dzhennet Abdurakhmanova and Mariam Sharipova. (10) By the middle of April, Russia’s security agencies apparently had made significant progress in their investigation, with FSB Chief Aleksandr Bortnikov claiming that the “masterminds” and “circle of accomplices” involved in the bombings had been identified, and that operations to find them had been launched. (11)

On April 29, Vladimir Markin, a spokesman for the Prosecutor General’s office, announced that detectives working the case had created “identikits” of all of the accomplices, (12) and that the local investigation was complete, with forensic, genetic and explosive analyses carried out at the blast sites. (13) On May 2, Kommersant reported that Special Forces had killed Akhmed Rabadanov in a shoot-out in the Dagestani village of Novyy Kostek. According to local law-enforcement sources, there could be “no remaining doubt” that Rabadanov was one of the individuals guiding the Black Widows in Moscow. (14) Finally, on May 13, Bortnikov announced that three more individuals—allegedly the planners of the Metro attacks—had been killed. The FSB Director claimed that operatives had attempted to detain the suspects, but “to our great regret,” that had been impossible because “they put up fierce armed resistance.” (15)
At the time of writing, the FSB has not released photographs of those killed. Nor, has it apparently released publicly the aforementioned “identikits.” Given the pressure placed on the security services by President Dmitri Medvedev and Prime Minister Vladimir Putin, who particularly wished perpetrators be scraped “from the bottom of the sewers,” (16) a cynic might note that Bortnikov’s claims must—at least for now—be taken with a pinch of salt. It is possible that the FSB is claiming what would appear to be a major success to please its political masters and to demonstrate its competence for fear of losing some of its power in the anti-terrorist reshuffle ordered by President Medvedev on April 1. (17)

Source Notes:
(1) “Duma Aide: Amendments to FSB Law Provide for ‘Preventative’ Work With ‘Dissidents’ Interview With Viktor Ilyukhin, Deputy Chairman of the State Duma Committee for Constitutional Legislation and State Building, by Nadezhda Krasilova and Anatoliy Dmitriyev; date and place not given: ‘Everything has been Farmed Out to the Agents,’—First Paragraph is Novyye izvestiya Introduction,” Novyye izvestia Online, 1 May 10; OSC Translated Text via World News Connection.
(4) Ibid.
(5) “Duma Aide: Amendments to FSB Law Provide for ‘Preventative’ Work With ‘Dissidents’ Interview With Viktor Ilyukhin, Deputy Chairman of the State Duma Committee for Constitutional Legislation and State Building, by Nadezhda Krasilova and Anatoliy Dmitriyev; date and place not given: ‘Everything has been Farmed Out to the Agents,’—First Paragraph is Novyye izvestiya. Introduction,”
Novyye izvestia Online, 1 May 10; OSC Translated Text via World News Connection.


(8) Ibid.

(9) See The ISCIP Analyst, Volume XVI, Number 12, Part 1 (22 Apr 10).


(11) “FSB Establishes Identities of Moscow, Kizlyar Blasts Perpetrators,” ITAR-TASS, 13 Apr 10; OSC Transcribed Text via World News Connection.

(12) “Investigation Identifies All People Responsible For Moscow Metro Bombings—Official,” Interfax, 29 Apr 10; OSC Transcribed Text via World News Connection.

(13) “Investigation Identifies All People Responsible For Moscow Metro Bombings—Official (Part 2)” Interfax, 29 Apr 10; OSC Transcribed Text via World News Connection.


(16) Ibid.
New military command structure and outsourcing initiatives

Over the past year, Russian leaders have reformed many aspects of the military. On the organizational front, the military has removed one level of command and restructured into a three-tier command structure encompassing military districts, operational commands, and brigades. It also has transformed the majority of its regiments and divisions into 85 mobile brigades. On the personnel side, the military has decreased its active duty military down to one million personnel. In addition, the defense ministry has pledged to modernize 70% of the military’s aging and decaying hardware by 2020. (1) So far, the ministry has committed $33 billion to the acquisition of modernized equipment over the next three years. (2) Although President Medvedev is pleased with the progress of reform, (3) Russia’s defense leaders continue to press forward with new reform initiatives in military organization and basing structure.

On the organizational front, Russian defense sources have indicated that the defense ministry plans to consolidate the army’s military districts and the navy’s fleets into four operational-strategic commands (OSC). (4) Geographically divided, the four commands will be called North (HQ in Yekaterinburg), South (HQ in Rostov-na-Donu), East (HQ in Yekaterinburg) and West (HQ in St. Petersburg). (5) The northern OSC will consist of the Siberian military district, except for a number of units which are moving to the eastern OSC. (6) The southern OSC will include the North Caucasian military district, the Black Sea, and the Caspian fleets. (7) The eastern OSC will combine the Far East military district, the Pacific Fleet and a number of units in the Siberian military district. (8)
The western OSC will consolidate the Moscow and Leningrad military districts and the Baltic fleet. (9)

The ministry of defense plans to consolidate six military districts and five naval fleets into the four operational-strategic commands by December 2010. (10) The consolidation of the fleets and military districts is a major undertaking that undoubtedly will face significant scrutiny. Former General Staff Chief Yuri Baluyevskiy attempted a similar consolidation effort that was ultimately declared a failure after he left the post in 2008. (11)

So far, Russia’s military commanders have responded positively to the proposed change. According to Col-Gen Postnikov, commander-in-chief of the ground troops, “[the consolidation] is being considered as a way of increasing the functions of operational-strategic command in a war theatre.” (12) Lt-Gen Bogdanovskiy, Leningrad Military District commander of troops said, “Establishing an interagency structure in a strategic area is an issue that is long overdue.” (13) The consolidation appears to continue Defense Minister Serdyukov’s effort to streamline Russia’s post-Soviet military.

Since 2008, the Ministry of Defense has reduced the Russian officer corps from 355,000 to 150,000. (14) As part of the overall officer reduction, the consolidation of operational commands provides the defense ministry with an opportunity to draw down a number of senior officer billets. In addition, the new operational commands may deliver a more streamlined and effective command and control network between the army and the navy. However, the notable absence of the air force in the proposed consolidation may preclude any significant gains.

Although current military leaders initially have responded positively to the consolidation, one vocal pundit has not. According to Colonel Anokhin, vice president of the Academy of Geopolitical Problems, Defense Minister
Serdyukov’s “chief aim is the definitive destruction of the army that was based on Russian traditions.” (15) Stakeholders in the current command structure, as well as entrenched institutional resistance may present significant challenges to the consolidation effort.

In addition to the operational-strategic command initiative, the defense ministry is implementing a new policy that consolidates many military compounds, while closing others. According to Deputy Defense Minister Naginskiy, the defense ministry already has allocated resources to build two of the new garrisons in the Moscow Military District and the Baltic Fleet. The larger garrisons will hold 15,000 to 20,000 service members and will be located 70-80 kilometers from the oblast centers so that officers will have access to the city during their off time. (16)

In addition, the new compounds will outsource their mess halls and guard services. (17) According to Col-Gen Bulgakov, the Rear Services Chief-Deputy Defense Minster, “all military units and military organizations will be fed using civilian organizations by 2015.” (18) The military expects the newly contracted messing facilities and guard services to allow service members to focus on combat training instead of being distracted by additional duties.

In the Moscow Military District, Col-Gen Gerasimov said they “are now working on a program for optimization of military compounds.” (19) The general indicated the new policy would consolidate a number of his 1,500 compounds into a few larger compounds near training ranges, beginning with the Mulino garrison in the Nizhniy Novgorod Region. (20) According to the general, he expects the new policy to produce significant savings due to reduced transportation, housing, and utility costs. (21)

The latest reform initiatives are small steps toward achieving President Medvedev’s vision of “an efficient, compact but powerful, well trained army.” (22)
Clearly, many challenges await the latest ministry of defense reforms. The most significant challenge will be how and whether the air force, strategic missile forces, special forces and other military units such as the internal troops will be incorporated into the new strategic-operational command structure. Undoubtedly, the debate surrounding this latest reform effort will be worth observing over the coming months.

Source Notes:
(1) Medvedev Calls For Building Modern Army Capable of Responding to Any (Adds), ITAR-TASS, 22 Feb 10; OSCE Translated Excerpt via World News Connection.
(2) Ibid.
(3) Medvedev Gives ‘satisfactory’ Mark to Army Reform – Serdyukov, Interfax, 9 Mar 10; OSCE Translated Excerpt via World News Connection.
(5) Ibid.
(6) Russian Army to Form Four Strategic Commands, Interfax-AVN Online, 29 Apr 10; OSCE Translated Excerpt via World News Connection.
(7) Ibid.
(8) Ibid.
(9) Ibid.
(10) Merged Russian military districts, Interfax-AVN, ibid.
(11) Russia: Defense Source Says Four Operational-Strategic Commands Will Be Created, Moskovskiy komsomolets Online, 5 May 10; OSCE Translated Excerpt via World News Connection.
(12) Merged Russian military districts, Interfax-AVN, ibid.
(13) Ibid.
(14) Chief of Russian Gen Staff on army reform, personnel cuts, Interfax-AVN, 22 Dec 09; via Lexis-Nexis Academic.
(15) Russian Pundit: Abolition of Military Districts Will Mean “Elimination” of Army, Svobodnaya presssa, 4 May 10; OSCE Translated Excerpt via World News Connection.

(16) Russia to Build New Type of Military Garrisons, Civilian Run Mess Halls; Vremya novostey Online, 6 May 10; OSCE Translated Excerpt via World News Connection.

(17) Ibid.

(18) Ibid.

(19) Russia to “optimize” number, location of military compounds – general, Ekho Moskovy Radio, 2 May 10; OSCE Translated Excerpt via World News Connection.

(20) Ibid.

(21) Ibid.

(22) Russia Needs “powerful, Well-trained” Military – Medvedev, Interfax, 7 May 10; OSCE Translated Excerpt via World News Connection.

The thoughts and opinions expressed in this article are those of the author and do not necessarily reflect the official position of the United States Air Force, Department of Defense, or the United States government.

**Russian Federation: Foreign Relations**

*By Alexey Dynkin*

**Victory Day ceremony sheds light on foreign policy trend**

This year's 65th celebration of Victory Day—the high-profile ceremony commemorating the Soviet Union's victory over Nazi Germany on May 9, 1945—was marked by a number of notable differences from past events. While the primary purpose of this annual celebration is domestic—revived in post-Soviet Russia in 1995 after a five-year hiatus following the collapse of the Soviet union—to promote national unity (perhaps even to help forge national identity), Russia's
Victory Day also has an important international component, which typically includes the invitation of foreign dignitaries and a public display of military might. Thus, the differences between this year's celebration and those of past years serve to underscore recent changes and new developments in the trajectory of Russia's relations with past and current allies and adversaries in the former Soviet region, the former Warsaw Pact, and the West.

For the first time in history, soldiers from four NATO member countries—the United States, United Kingdom, France and Poland—participated in the parade in Moscow alongside Russian soldiers and veterans. They were joined by soldiers from all members of the Commonwealth of Independent States (CIS), with the exception (for which no known explanation was given) of Uzbekistan. (1) In addition to the foreign troops, the list of visiting foreign dignitaries included a sprinkling of some surprising personalities. Poland, for instance, was represented by acting president, Bronislaw Komorowski, but also in attendance was General Wojciech Jaruzelski, the former Polish leader responsible for the 1981 imposition of martial law and the subsequent crackdown on the Solidarity labor movement. Not surprisingly, Georgian president Mikhail Saakashvili was not invited to attend. Nonetheless, Georgia was “represented” by two members of the opposition (and erstwhile Saakashvili supporters), former Prime Minister Zurab Noghaideli, and former parliamentary Chairwoman Nino Burjanadze, both of whom allegedly met privately with Russian Prime Minister Vladimir Putin, in addition to attending the official ceremony. (2) Also attending were the heads of state of Estonia and Latvia—two Baltic countries, which have difficult relations with Russia over the presence of large Russian-speaking minorities and other issues. These unusual guests were joined by the more usual attendees, including Chinese President Hu Jintao, leaders of the Russian-recognized “independent” republics of South Ossetia and Abkhazia; and most of the members of the Commonwealth of Independent States.
Following the victory ceremony, Russian President Dmitry Medvedev took the opportunity to appeal for international unity and cooperation, in addition to patriotism: “The main lesson [to be learned from the war] is that we must work together with other countries, with other members of the international community, to try to eliminate such threats.” (3) In the same press interview, Medvedev criticized the repression that took place under Stalin, as well as some of Stalin's decisions, emphasized a distinction between the Stalin regime and the Soviet people and army, and hinted at some acknowledgement that the post-war order imposed by the Soviet Union had major flaws. At the same time, he castigated certain unnamed individuals for what he called attempts to falsify history and portray the Soviet army as an aggressor, specifically calling out his Estonian and Latvian guests for such tendencies, while praising the Germans for their candor in facing Germany's past. Medvedev ended the interview on an optimistic note that in the future, “outdated” security structures including both NATO and the more recent Collective Security Treaty Organization (CSTO) will be replaced by a new, more “multi-polar” international security structure that would prevent conflicts such as the August 2008 war with Georgia. (4) Though this interview was given to Izvestia, a Russian news agency, many of Medvedev’s points appeared to coincide with the intended international message of Moscow's May 9 celebrations this year.

In spite of the unprecedented participation of NATO troops in the Victory Day parade and the uncharacteristically conciliatory tone struck by the Russian president, many prominent international figures were notably absent from the Red Square ceremony of May 9, 2010. Of the leaders of the major Western countries, only Germany's Chancellor Angela Merkel attended the ceremony. Both French President Nicholas Sarkozy and Italian Prime Minister Silvio Berlusconi had planned to attend, but canceled the visit citing the need to address the ongoing European financial crisis, while US President Barack Obama and British Prime Minister Gordon Brown declined invitations from the onset. (5) By some accounts, Obama had requested to have vice president Joe
Biden represent the United States at the ceremony, but the request was denied in connection with Putin's displeasure at Biden's closeness to Georgia's Saakashvili. (6) Likewise absent were two pro-Russian leaders in the former Soviet region, Ukraine's President Victor Yanukovich and Belarus' President Aleksandr Lukashenka. Overall, observers have pointed out that the number of foreign heads of state attending the 65th anniversary of Victory Day was less than half of what it was during the 60th anniversary in 2005, during Putin's presidency. (7) While these foreign leaders well may have legitimate explanations for their absences (Lukashenka and Yanukovich, for instance, oversaw similar ceremonies in their home countries, where May 9 is a significant date as well), these explanations all boil down to the simple fact that, five years later, most of the heads of state who had attended the 60th Victory Day anniversary had more pressing issues to attend to.

All these observations lead to several conclusions. First, both the participation of NATO troops in the celebration ceremonies and the remarks made by Medvedev suggest that the Kremlin intends to continue its recent trend of presenting a more friendly stance towards the West, while at the same time affirming its historic role as victor in World War II and demonstrating its continuing great-power status. Second, the participation of both a Polish military contingent and the acting Polish president confirms the theory that the crash of President Lech Kaczynski's airplane en route to the memorial of the Katyn massacre has resulted in at least a short-term Russo-Polish rapprochement, which, if it takes on a more permanent nature, has the potential to change Russia's overall position in Europe significantly. Third, the combination of the presence of Georgian opposition leaders and the possible rejection of the American vice president due to his association with Saakashvili is an indication of the apparent determination in Moscow to undermine the current Georgian president. The message to Tbilisi appears to be that Russia well may seek peace with Georgians, but not with the one currently in power. Finally, and somewhat surprisingly perhaps, it appears that, judging from the absences from the ceremonies, less international attention
is paid to Russia today than it was five years ago. This, in spite of Russian efforts
to engage in a more pro-Western policy and what appears to be a string of recent
foreign policy “successes,” including the election of Yanukovich in Ukraine, de
facto acceptance (or, at least, acquiescence) of Russia's actions in Georgia in
August 2008, the installation of a more pro-Russian government in Kyrgyzstan,
rapprochement with Poland; and the signing of the new START agreement with
the United States. Using the Victory Day celebration as a barometer, it would
appear that relations between Russia and most of the West may have declined in
importance, while relations between Russia and some of the other post-Soviet
states have regained significance. Nonetheless, if the participation of soldiers
from Western countries continues as a May 9 tradition, this year's anniversary
may well be considered the start of a new phase in relations between Russia and
the rest of the world.

Source Notes:
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(2) “Moscow Grooming a Political Team in Tbilisi,” by Vladimir Socor, The
Eurasia Daily Monitor, Volume: 7 Issue: 91, 11 May 10 via
ntnews[backPid]=27&cHash=2a57e89846.
(3) “Russian president interviewed on World War II, Stalin, Cold War - Kremlin
report,” BBC Monitoring Former Soviet Union, 10 May 10 via Lexis-Nexis.
(4) Ibid.
(5) “Welsh Guards march in historic Victory Day parade in Moscow; Battalion
joins troops from US and France for first time since 1945,” by Clare Hutchinson,
The Western Mail, 10 May 10 via Lexis-Nexis.
(6) “Propaganda Overwhelms Russian Society,” by Pavel Felgenhauer, Eurasia
Daily Monitor Volume: 7 Issue: 93, 13 May 10 via
http://www.jamestown.org/single/?no_cache=1&tx_ttnews[tt_news]=36373&tx_tt
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Russian Federation: Energy Politics

By Creelea Henderson

State strategy and private tragedy shape the Russian coal sector
This month Prime Minister Vladimir Putin, following twin blasts in Russia’s largest underground coal mine, flew out to the Kemerovo region in Western Siberia to tour the scene of the disaster and meet with relatives of those killed and injured. (1) He arrived three days after the explosions, when hope of rescue was slipping away for the miners and emergency workers who remained trapped in the Raspadskaya mine. Access to the mined had been cut off by rubble from collapsed structures on the surface, and by flood waters coursing through nearly 194 miles of underground tunnels that were already choked with explosive methane gas and fires. (2) As rescue efforts foundered, Putin stepped forward with a slate of relief initiatives: he ordered regional authorities to investigate the cause of the explosions and to assist the survivors with employment and housing; he announced that miners would continue to receive full pay while the Raspadskaya mine is out of operation; and he demanded to know why a nine-fold increase in spending on mine safety over the past decade had failed to reduce the number of fatalities in the industry. (3) Back in Moscow, President Dmitry Medvedev signed a law supplementing miners’ monthly retirement payments with proceeds from the national pension fund. (4) Seldom have Russian authorities at the federal level devoted so much attention to an industrial accident. Yet the extraordinary expression of concern from government officials so far has not been matched by managers at Evraz Group, the steel and mining
giant that co-owns Raspadskaya mine. Their apparent indifference in the wake of the tragedy has sparked protest in the Kemerovo region, where this week miners and their families blocked a railway to demand better working conditions. “The main thing is that none of the managers came to ask for forgiveness, not one of them,” said one protestor. (5)

The mine disaster has focused new scrutiny on a sector of the Russian economy that has been long overshadowed by the country’s oil, gas and nuclear industries, bringing its peculiar features into sharp relief. Closure of one of the most productive mines in Russia has drawn attention to the important role of coal in the national energy mix, and underscored a fundamental disconnect between state strategic interests and the commercial interests of the private coal sector.

The fuel mix
Russia has established a reputation as a world leader in petroleum production. Less well known is the strength of the country’s coal sector. Russia has the world’s second-largest proven reserves of coal, behind only the United States. (6) The country is the world’s fifth-largest producer and third-largest exporter of coal. (7) In the past several years the growth rate of coal production in Russia has overtaken the growth rate of both oil and gas, driven mainly by demand for coking coal used in steel production and steam coal for export. (8) Russian policy makers have come to appreciate coal’s potential to fuel national power and industry, and are presently seeking ways to increase the share of coal in the country’s energy mix. Beginning in 2006, then President and now Prime Minister Putin set out a national energy strategy to capitalize on the rising price of oil and gas on foreign markets and boost export revenue to the national government. (9) Because gas exports generate greater revenue than coal exports, the Russian government devised a plan to reorient domestic power production toward coal-fired generation in order to redirect gas currently used in power generation to foreign markets. (10) According to the national energy strategy, coal will account for 37 percent of the energy used for domestic power generation in 2015, up from
28 percent in 2008. (11) The plan has proven difficult to put into practice, however, due to the peculiar disconnect between the state-controlled oil and gas sectors on the one hand and the privately owned coal and electricity sectors on the other.

**State strategy/Private industry**
The certainty of the government’s energy strategy has run up against the vagaries of the marketplace and a general unwillingness among coal producers to reduce their prices to levels competitive with gas. The Russian coal industry has been in private hands since about 2002, when most Siberian coal mines were sold at public auctions. At that time, the coal industry’s reputation as a dubious sector with uncertain revenue potential and high social liabilities dampened interest among many eligible Russian and foreign investors. This opened the way for regionally-based investors with preexisting interests in the coal and metals industries to acquire valuable assets without significant competition. Evras Group was one of several metals concerns that sought out steam and coking coal for steel production in 2002, and by 2009, its Raspadskaya mine was producing 13 to 14 percent of the total coking coal used to manufacture Russian steel. (12) Other coal producers have profited from monopoly conditions created by the country’s remote electricity markets and poor transport infrastructure, where regional power stations depend upon local coal fields for fuel supplies. (13) When the Russian electricity industry was restructured in 2008, investors in the sector pledged to expand national power generation capacity by commissioning new, coal-fired plants. With the onset of the global recession, however, international investment in the power sector has fallen off dramatically, jeopardizing the government’s plans to build domestic capacity; meanwhile power producers have begun to convert coal-fired generators to burn gas, as market prices for coal creep upward, while state controlled gas prices remain fixed. (14) Ultimately, the Russian state-controlled gas industry appears more amenable to the constraints of a national energy strategy than does the privately owned coal industry.
Private/Public

When the Russian coal sector was privatized, the new owners faced several regulatory anomalies. First, the free-floating prices for their product did not reflect its associated environmental and health liabilities, nor were coal prices commensurate with the price of other fuels on the domestic market. In addition, the existing legal and regulatory framework did not adequately address environmental and safety measures. Although the laws were stiff, enforcement was lax. That situation partly was ameliorated through a system of taxation based on safety, with more dangerous enterprises paying more into the state welfare fund to compensate victims of coal mining accidents. However, the Raspadoskaya mine disaster has exposed the limits of such state and private institutional arrangements, and Putin’s well-publicized response offers some indications as to the kinds of measures the Russian government may take to address such lapses in the future.

Addressing the owners of the mine and Kemerovo regional officials, Putin railed against the neglect of safety endemic throughout the coal sector, and warned that federal agents would be authorized to issue sanctions and shut down mines without a court order if violations continued to destabilize the industry. He stressed that the nation’s once notoriously lax oversight regime had been tightened and now regulators would perform surprise inspections at mines across the country. In addition, he proposed that compensation payments to victims and their relatives would be made mandatory. Missing from his statements was any suggestion that the Evraz Group steel magnates would be singled out for censure, or that the federal government would regard the Raspadoskaya mine disaster as justification for targeted renationalization of coal industry assets. Putin has expressed sympathy toward the Kemerovo miners, but withheld blame from the mine owners. His visit to the region did not avert the miners’ unrest in the wake of the disaster, but it may have refocused their discontent onto the managers who failed to show a commensurate degree of concern. The Russian
coal sector remains in the hand of private industrialists, but an emboldened regulatory regime will give the state the leverage needed to draw commercial interests into line with national energy strategies.

Source Notes:
(4) “Putin Visits Mine as Death Toll Passes 50,” ibid.
(6) Russia Energy Profile, EIA via http://tonto.eia.doe.gov/country/country_energy_data.cfm?fips=RS.
(7) Ibid.
(10) Russia Energy Profile, EI, ibid.
Newly Independent States: Caucasus

By Robyn Angley

GEORGIA

Constitutional changes and succession

Amendments to the constitution are not a new phenomenon in Saakashvili’s Georgia. In fact, Georgia’s current politicians seem to view the constitution as something that should be altered to suit shifting political realities, rather than the consistent foundation of a political system. The amendments made to the constitution in 2004, shortly after Saakashvili came to power through the Rose Revolution and the subsequent presidential election are a case in point. In February 2004, the constitution was amended to reestablish the post of prime minister, abolished by Shevardnadze in 1995. The reinstatement of this position resulted from the need to give Saakashvili’s co-revolutionary, Zurab Zhvania, an influential post in the new government.

Now it seems that the constitution once again will be altered to grant one particular politician a powerful post in government. That politician appears to be Mikheil Saakashvili.

The state commission on constitutional reform officially was launched in June 2009 at the behest of the president. However, plans to reform the constitution have been under discussion since at least December 2008. At that time,
Saakashvili proposed reforming the constitution in order to strengthen parliament and the position of prime minister at the expense of the presidency. “Our task is to gradually switch to the classical European constitutional pattern,” said Saakashvili, apparently referring to a system of parliamentary democracy. “Although there are various European patterns we will find the one which is the most suitable for Georgia.” (1)

The changes tentatively approved by the constitutional commission on 11 May considerably weaken the executive. The proposed amendments remove the president’s right to reject the budget and his ability to veto laws passed by parliament. The president also loses the right to dismiss the government and to appoint the defense and interior ministers, thereby losing control of most national security issues. (2)

The prime minister, on the other hand, gains the right to appoint and remove government ministers. Under the prime minister’s leadership, the government would be responsible for overseeing and executing policy, both foreign and domestic, and would be answerable to parliament, rather than the president. Significantly, under the proposed amendments, the government and prime minister would be drawn from the party that had won the highest percentage in the parliamentary election.

The envisaged changes would not come into effect until 2013, by which time President Saakashvili will have completed his constitutionally limited second presidential term. Given the dominance of Saakashvili’s United National Movement party, the prospective changes to the Georgian constitution may pave the way for President Mikheil Saakashvili to succeed himself as the most powerful man in Georgia. If, as expected, National Movement maintains its current hegemony in Georgian politics, it is entirely feasible that Saakashvili could run for parliament in the 2013 election and, as the senior politician of the winning party, claim the reinforced prime ministerial post according to the newly
implemented constitutional amendments. The concept is by no means an
unfamiliar one to Eurasia observers. Despite the enmity between the two
politicians, Saakashvili appears to be taking a page from the playbook of Russian
President Vladimir Putin, who set the precedent of leaving the executive office
only to continue to direct the country’s affairs from the post of prime minister.

While the establishment of a Putin/Medvedev-like diarchy in Georgian politics
could represent a technically “constitutional” transfer of power if the amendments
go through, such a scenario would do little to enhance Saakashvili’s increasingly
questionable democratic credentials. The veneer of legality provided by
amending the constitution would not offset the fact that Saakashvili would be
manipulating the rules of the game, in order to assure his continued ascendance.

Unfortunately, there is no precedent in Georgian politics for a genuinely
constitutional transfer of power in the executive branch. Georgia’s first president,
Zviad Gamsakhurdia, was ousted from power in a violent coup in 1992.
Saakashvili’s predecessor Eduard Shevardnadze, on the other hand, resigned in
2003, following elections in which the former Soviet foreign minister tried
unsuccessfully to ensure a pro-presidential presence in parliament that would
maintain his influence once he stepped down at the end of his second term. Now,
with opinion polls indicating that Saakashvili has recovered from the dip in his
approval ratings that followed the August 2008 war with Russia, (3) the proposal
to change the constitution suggests that Saakashvili, too, will attempt to hold on
to power beyond the limits of his second presidential term. If so, he will harm
Georgia’s prospects of building institutionalized democracy; the model
established by continuing to suit systems to meet personal political goals, rather
than long-term national objectives, is a dangerous one.

Source Notes:
(1) “Saakashvili speaks about plans to weaken president’s powers,” Russia &
CIS Presidential Bulletin, 29 Dec 08 via Lexis-Nexis.
Newly Independent States: Western Region

By Tammy Lynch

UKRAINE

Ukraine enters era of Kuchma II?

On 21 May, a group of prominent journalists announced the formation of a new campaign called “Stop Censorship.” In a letter released to the public, these journalists suggested that their new group would protest against increasing “pressure from politicians and authorities” on the media. In particular, the journalists—who represent many of the most respected news outlets in the country—complained of “barefaced interference by the authorities in the news making policy of TV channels,” and “police inactivity regarding violent behavior toward journalists.” (1)

These comments suggest that a potentially systemic level of state-condoned censorship may be resurfacing in the country after five years of a relatively free press.

The loss off a free press—and a return to the oppressive and occasionally violent methods of former President Leonid Kuchma—would, in turn, undermine Ukraine’s other newly-developed freedoms, such as freedom of elections and freedom of assembly. Both of these depend on open access to media for all political candidates and civic activists.
In fact, questions have been raised recently about an attempt by the Security Service of Ukraine (SBU) to order students at the Ukrainian Catholic University in Lviv to stay away from anti-government protests or risk prosecution for “illegal activities.” University Rector Borys Gudziak said he was informed that failure to receive approval to protest in advance constituted an illegal activity. (2)

Perhaps not coincidentally, students from the Catholic University recently protested against Ukraine’s decision to extend the lease for Russia’s Black Sea Fleet in Crimea.

In conjunction with this SBU action, Ukraine human rights activist Yevhen Zakharov recently suggested that all levels of administrations—from city to federal—have returned to aggressively using puppet courts to ban gatherings that may not suit them. (3)

These concerns came two weeks after journalists at several television stations publicly spoke out against what they said was an accelerating “crackdown on the free press.” (4) Representatives from one of Ukraine’s biggest stations—1+1—were particularly blunt. “Our reports which criticize the current leadership are being pulled off the air. We are at risk of losing our profession, the trust of our citizens and the country in which all of us wants to live,” they wrote. (5)

Although these 1+1 journalists have so far seen no clear retribution for their choice to speak out, another station recently found itself under investigation (briefly) by the SBU, which is fully subordinate to the president. (6) In March, President Viktor Yanukovych appointed longtime ally Valeriy Khoroshkovsky as SBU head. Khoroshkovsky is also the owner of Ukraine’s biggest privately-owned TV network, Inter.

Following Khoroshovsky’s appointment to the SBU, the organization opened an investigation of television channel TVi. (7) The investigation was quickly closed
after backlash from the media, but it sent a clear signal. The recent SBU questioning of Kommersant’s Artem Skoropadsky, following his coverage of a rally protesting education policy, also has caused concern. (8) The fact that it is journalists who have exposed these possible threats to media freedom underscores the necessity of maintaining an open, free press.

Ukraine observers also have expressed alarm at the sudden near disappearance of investigative journalists at news outlets and the apparent avoidance of a number of topics on television news programs, including opposition activity and criticism of national and local officials. Following the signing of the agreement to extend the Russian Black Sea Fleet’s lease in Crimea, for example, “There was precious little analysis of the agreement… despite the clear economic and political ramifications,” wrote analyst Halya Coynash. Furthermore, “Of particular concern was the chaos in parliament on April 27 [when eggs and smoke bombs were thrown]. … The coverage by all channels was woefully inadequate.” (9) In fact, several individuals reported to this author that they saw no coverage of the parliamentary scuffles on certain channels.

The problem with a lack of media freedom, of course, is that government decisions cannot be monitored and politicians cannot be questioned. Whereas debate often appeared out of control and unwieldy during the last five years, today it appears to many to be almost entirely lacking. The Black Sea Fleet agreement, gas agreements, and the state budget all have seen very little public discussion.

So far, with the exception of limited political opposition activity—which has been regularly met with masses of troops—and statements condemning media censorship, the general population seems to be taking a “wait and see” attitude toward the administration’s current actions. (The administration, for the record, vigorously denies any press censorship.)
However, the current situation lends itself to potential backroom deals and corruption – like those that helped spark the so-called “orange revolution” of 2004. Of course, it has been clear in Ukraine for some time that no real “revolution” occurred. Now, Ukrainians will determine whether the country can continue to claim even a small “evolution,” or whether it—and they—truly never changed at all.

Source Notes:
(5) Ibid.
(7) Ibid.

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