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# Democracy in Russia

Almost ten years after Mikhail Gorbachev launched his tentative experiment with parliamentary democracy in the former Soviet Union and five years after the adoption of President Yeltsin's new constitution for the Russian Federation, Russia has again been facing a political and economic crisis which calls into question the stability of Russian society and the future of the Russian state. This paper looks at the condition of democracy in the Russian Federation and the prospects for an orderly political response to the current very difficult economic circumstances.

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## **Summary of main points**

Russia had little experience of democratic or participatory government before or after the revolution of 1917. Since the late 1980s there have been repeated attempts to establish a settled system of government which would combine a strong and consistent central government with genuine democracy and devolution of appropriate powers to the far-flung regions and autonomous republics. The first such experiment, organised by Mikhail Gorbachev and like-minded reformers within the Soviet Communist Party, foundered quickly because monopolistic party government was already thoroughly discredited and the non-Russian republics of the Soviet Union opted for secession at the earliest opportunity.

The next phase was masterminded by Boris Yeltsin and based on the Russian Federation alone after 1991. A two-tier parliament carried over from the Soviet period now competed for power with the directly elected president. The Communist Party was much reduced in influence, but the new reformist parties remained weak and the Supreme Soviet came to be dominated by a loose coalition of nationalists and other elements hostile to the president's reform programme. The conflict culminated in the violent confrontation of September 1993 and the imposition of an entirely new constitution at the end of that year.

The 1993 constitution was intended to give elements of influence at the centre both to directly elected representatives of the people and to representatives of the regional components of the Federation, but to contain both within a framework guided and controlled by the President. Despite opposition to the President in the Dumas elected in 1993 and 1995, this produced a period of apparent stability until the early months of 1998. With hindsight it can be seen that the underlying economic conflicts and dilemmas were not being resolved, that private financial interests had come to determine many areas of public policy and that the disastrous handling of the conflicts in the North Caucasus had been even more damaging than previously realised. As the president became progressively less able to play the part which the constitution required of him, both chambers of parliament, with their differing composition and interests, came to play more prominent roles, making coherent government even more difficult to achieve.

Matters came to a head with the forced devaluation of the rouble in August 1998 and the collapse of confidence in the new, and as yet only partly reformed economic system. The President's decision to recall Viktor Chernomyrdin to the post of prime minister was firmly rejected by the Duma. Instead the job has been given, with the blessing of the Duma majority, to Yevgeny Primakov, a senior foreign policy specialist from the Soviet era who has put a leading communist, Yury Maslyukov, in overall charge of economic policy.

However, the appearance of a communist "restoration" may prove short-lived. The constitution remains strongly presidential and it may be only a matter of time before the electorate is given the opportunity to select a new "strong man" whose response to the deepening economic and social crisis may turn out to have little in common with either Soviet-style communism or liberal democracy.

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## I The development of democracy in Russia

Until the early twentieth century Russians had very little experience of parliamentary institutions, having lived under a more or less autocratic monarchy for most of their history. Medieval Novgorod had a citizens' assembly and "assemblies of the lands" were occasionally summoned until the seventeenth century. The last of these brought the "time of troubles" to a close by selecting Mikhail Romanov to be tsar, but his successors in the Romanov dynasty showed little interest in consulting the wider populace thereafter. The development of a multi-ethnic and often unruly Russian Empire during the eighteenth and nineteenth centuries further reinforced the habit of autocracy.

After the limited reforms of the 1860s a system of elected regional assemblies with a very limited franchise was introduced to supervise schools and other local institutions in the mainly Russian-speaking parts of the Empire. Liberal intellectuals hoped that the reforms of the 1860s and 1870s might be crowned by the introduction of a constitution with democratic features, but the growth of radical opposition to the tsarist system and the assassination of Alexander II in 1881 led instead to a period of even more autocratic rule by his son, Alexander III.

In any case, the parliamentary institutions of Western Europe tended to be held in low esteem in Russia by intellectuals of both the right and left and few believed that anything similar could or should be introduced in the Russian Empire. One of Alexander III's leading ministers, Konstantin Pobedonostsev, described parliaments in general as "the great lie of our times".<sup>1</sup> One of his most bitter critics, Mikhail Saltykov-Shchedrin, wrote scathing satires on the parliamentary "speechifying" of the French Third Republic.<sup>2</sup>

A constitutional parliament was introduced for the first time in Russia in 1905 in response to the widespread unrest which followed the defeat of Russia in its brief war with Japan. Like the lower chamber created under the 1993 constitution, it was known as the Duma, which in Russian suggests a body devoted to reflection and advice, and was conceived by reformist ministers as a modernising institution in the framework of a constitutionally limited monarchy. The first and second dumas were dissolved because it seemed impossible for them to find common ground with the tsar and his advisors. The third duma, elected in 1907, had been manipulated to produce a reliable "moderate" majority, but again the constitutional experiment failed as the tsar became impatient with having to seek the views of parliament and even the "moderates" were soon forced into opposition.<sup>3</sup>

During the upheavals of 1917 the workers' and soldiers' "soviets" (literally "councils", in this case elected by public meetings at the workplace or barracks), which had first been

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<sup>1</sup> Quoted in Norman Stone, *Europe Transformed 1870-1918*, p 200

<sup>2</sup> In *Abroad*, 1881. Echoes of these sentiments have been heard more recently in criticism of the reformed USSR Supreme Soviet and its successors in the Russian Federation as mere "talking shops".

<sup>3</sup> See Geoffrey Hosking, *The Russian Constitutional Experiment: Government and Duma 1907-1914*, 1973

created in 1905, reappeared and began to challenge the authority of the provisional government. The Bolsheviks used them first as a springboard to power and then as a substitute for more conventionally elected bodies. They regarded western-style parliaments as inherently corrupt and bourgeois, but they were also aware that it was easier to secure the endorsement of Bolshevik candidates through a system of Soviets than, for example, through the elections for a Constituent Assembly in which their agrarian socialist rivals, the Socialist Revolutionaries, scored much better. In due course the Soviets were built into the constitution and gave their name to the new federal state which replaced the Russian Empire. In theory they represented a form of “direct democracy”, but in practice real power was exercised throughout the communist period by the highly centralised Communist Party of the Soviet Union (CPSU) which maintained a firm grip on nominations and elections to the Soviets at all levels. The USSR Supreme Soviet, theoretically the Union parliament, met for only a few days each year to hear long speeches by the party leaders and provide ritualised unanimous votes of approval. For the rest of the year the Supreme Soviet gave full powers to its Presidium, the chairman of which acted as head of state. From 1977 this post was combined with that of General Secretary of the CPSU.

The CPSU also had a “parliament” of sorts, in the form of the Central Committee. This brought together the key officials of the CPSU central apparatus, along with all the republican and regional chiefs, senior party members holding posts in the army, the KGB, academic and cultural organisations, and a leavening of token women, workers, farmers etc. Once again, election to the Central Committee (formally from the occasional party congresses) was tightly controlled from the centre, but it did sometimes serve as a forum for carefully coded discussion of problems and priorities. Opinion within the Central Committee could become significant at times of leadership transition, such as in 1964 when members of the Politburo conspired to oust Khrushchev from the post of First Secretary.

Neither the USSR Supreme Soviet nor the CPSU Central Committee provided Russian society with any experience of electoral politics, of frank parliamentary debate, of deliberative law-making or financial accountability. Consequently, when Mikhail Gorbachev decided in 1988-89 to create a working parliament as an engine of reform, following years of inaction by elderly communist party leaders, there was virtually nothing to build on. Moreover, unless the role of the CPSU and Gorbachev’s own authority were to be fatally undermined, it remained necessary, from his perspective, to manipulate the elections and keep criticism within certain boundaries. However, once the concession of free speech in the new-style Congress of Peoples’ Deputies had been made, it proved impossible to prevent respected figures such as Andrei Sakharov from exposing the rottenness of the whole Soviet system while almost the whole country watched on television. It also became impossible to resist the election, in 1990, of similar parliaments in each of the Union republics, a move which paved the way for the dissolution of the Soviet Union and the collapse of the CPSU in 1991.

The Russian Federation entered a new era as a separate state at the beginning of 1992 with an *ad hoc* constitution, a president and vice-president who had been directly elected

on a joint ticket the previous June (Yeltsin and Rutskoi) and a two-tier parliament consisting of a periodic 1033-member Congress of People's Deputies and a permanent 252-member Supreme Soviet drawn from it. At first President Yeltsin also served as prime minister, but he soon assigned this role on an acting basis to the young economic reformer Yegor Gaidar. Since Yeltsin was at this time set on a course of radical economic, social and legal reform and had embarked on an entirely new foreign policy based on international co-operation he was soon locked into conflict with the Congress of People's Deputies where many still resented or feared the collapse of the old order. Without the support of the Congress or the smaller Supreme Soviet, the president and government ruled largely by decree, it proved impossible to get Gaidar confirmed as head of government and efforts to agree a new constitution were also deadlocked.

The conflict between president and parliament culminated in the violent events of September 1993 and a constitutional hiatus. On 21 September 1993 President Yeltsin announced that he was suspending both parliamentary bodies and would call new elections. Then the majority in the Supreme Soviet voted to suspend Yeltsin from the presidency and install vice-president Rutskoi in his place. There ensued a tense stand-off with sporadic violent incidents until, on 4 October, armed units loyal to President Yeltsin stormed the parliament building and arrested the ring-leaders of what became known as the "parliamentary putsch". The death toll for the whole period of confrontation seems to have been around 150. Since it was the president who came out on top in this confrontation (having the majority of the armed forces, and, it would seem, of public opinion, on his side), he was strong enough at the end of 1993 to impose a completely new constitution and to win its endorsement in a referendum held simultaneously with elections to the new bicameral parliament.

The December 1993 elections to the new Duma produced a narrow majority for parties and individuals sceptical about, or overtly hostile to the Yeltsin reform programme as it then stood, but this majority was not so clear or cohesive as to make the Duma inevitably oppositional across the whole range of issues. However, the reformist elements in the Duma were weakened by their fragmentation.

## II The "Yeltsin" Constitution of 1993

The new constitution had been submitted to a referendum on 12 December 1993, the same day as the parliamentary elections. President Yeltsin had decreed that the constitution would be validated by the referendum if more than 50% of the votes cast were in favour. In the event, the Central Electoral Commission announced that 54.8% of the electorate had voted and of those 58.4% had approved the constitution.<sup>4</sup> Subsequent reports indicated that the turnout figure had been exaggerated and that only 46% had voted, meaning that less than 27% of the electorate actually endorsed the constitution. Few chose to question the validity

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<sup>4</sup> *Izvestiya*, 22 December 1993, p 1

of the decision at the time, but the doubts could be used to justify future constitutional upheavals.

The most important feature of the new constitution was that it strengthened the powers of the presidency and narrowed those of the new bicameral Federal Assembly. It did not give the president arbitrary or dictatorial powers, but it did allow him to control foreign and defence policy while maintaining order and continuity in domestic policy should political divisions lead to deadlock either between the elected presidency and the legislature, or between the two chambers of the legislature. At his press conference to introduce the draft President Yeltsin said, "We need order, but not the horrible repressive order of the Stalinist camps."<sup>5</sup>

The lower chamber or State Duma would consist of 450 directly elected deputies, the method of election to be determined by separate federal legislation. The Federation Council or upper chamber would have 178 members, consisting of two representatives from each of the 89 components of the Federation, one from the local legislature and the other from the local executive, the method of selection again to be determined by federal legislation. The head of government was to be appointed by the President, but with the consent of the Duma. Should the Duma reject the President's choice of Prime Minister three times or express no confidence in the government twice within 3 months then the President would be empowered to resolve the conflict by dissolving the parliament and calling new elections. The threat of dissolution was to prove a powerful tool in persuading the Duma to adopt the president's nominations for prime minister on each occasion until the confrontation of August-September 1998.

The two chambers of parliament were to concern themselves principally with the task of legislation. This could be initiated by either chamber, by the government, the president or by the legislatures of the regions, but would always start its passage in the Duma and fail if not approved there. Legislation which passed the Duma could, however, be vetoed by either the Federation Council or the President and the veto overcome only by a rarely attainable two-thirds majority in favour in the Duma, or an even less attainable two-thirds majority in both chambers in the case of a presidential veto. Laws on issues covered by the constitution had to be approved by three-quarters of the total membership of the Federation Council and by two-thirds of the total membership of the State Duma and be signed by the president.

The general effect of these provisions was to make general legislation difficult to pass and constitutional legislation even more so. However, the President was to enjoy the right under Article 90 to issue decrees and instructions on any issue provided that they neither contradicted the constitution nor previously enacted federal laws.<sup>6</sup> The right to examine

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<sup>5</sup> *BBC Summary of World Broadcasts*, SU/1843 C/1-2

<sup>6</sup> The right of the president to legislate by decree in areas where legislation would otherwise be necessary was upheld by the Constitutional Court in a judgement of April 1996.

and revoke decrees which had been enjoyed by the Supreme Soviet under the pre-1993 constitutional order was abolished.

The president was also supreme commander-in-chief of the armed forces and might introduce martial law in response to acts or direct threats of aggression against the RF without the authority of the Federal Assembly, though the latter must be notified (article 87). Similarly he might declare a state of emergency (article 88). However, the State Duma might not be dissolved during martial law or a state of emergency (article 109.5), nor could it be dissolved once it had initiated impeachment proceedings against the president, though the final decision on impeachment lay with the Federation Council (109.4).<sup>7</sup>

The constitution made no provision for a vice-president, but in the event of the president dying in office or being unable to perform his duties, these would be temporarily exercised by the prime minister, pending new presidential elections (article 92).

Giving the elected president such strong powers pre-supposed, as it was no doubt intended to do, that the president would be a vigorous and responsible figure with a clear political and economic strategy. Provided that this were the case, the president would be able to use the constitution to over-ride his opponents in the Duma, unless these were confident of triumphing in successive elections. The constitution would also allow for a president to assume more of a figure-head role, provided that he were able to appoint and consistently support a strong head of government. What the 1993 constitution could not do was protect a weak president in the circumstances of the summer of 1998 when, having dismissed two heads of government in the space of a few months, he had no further solutions to propose in the face of a major economic crisis.

### **III The political impact of the Russian Parliament**

Within a year of the adoption of the new constitution, doubts were already creeping in as to whether President Yeltsin could provide the coherent leadership which the constitution required. The military intervention to suppress separatism in Chechnya was popular with the majority in the Duma, but proved disastrous and quickly brought heavy costs to human life, to the central budget, to army morale and to Russia's international reputation. It may also have added to the strain on President Yeltsin, whose health began to decline markedly. While Prime Minister Chernomyrdin succeeded in curbing inflation, he could not disguise the huge and growing gulf between government revenue and the demands for government expenditure, many of which were vigorously backed by lobbies in the Duma. The government could avoid printing money only by increasing its borrowing, or by failing to pay public sector salaries, pensions and debt repayments. Domestic economic production continued to decline and new investment was running far below the levels necessary for a successful western-style economy.

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<sup>7</sup> in imitation of the US Constitution

The Duma elected in December 1993 proved relatively quiescent. Perhaps this was inevitable, given the fate of its predecessor. However, since many nominal “independents” elected from constituencies aligned themselves in practice with the communists, and the pro-reform elements in the Duma were fragmented, the communist deputies and their allies were often able to win votes and succeeded in electing their candidate, Ivan Rybkin, a member of the Agrarian Party, as chairman. Early in its life the Duma embarrassed President Yeltsin by adopting an amnesty for those involved in the 1993 “parliamentary” rebellion.

However, the Duma was also willing to confirm the cautious reformer Viktor Chernomyrdin as prime minister and to vote the annual budgets through, albeit after some haggling and amendment on behalf of various powerful lobbies.<sup>8</sup> The Duma also gave strong backing to President Yeltsin’s increasingly assertive foreign policy.

An annex to the 1993 constitution had laid down that the Duma elected in December 1993 would have a life of only two years. At the end of 1995 new elections produced a communist/nationalist majority more distinctly hostile both towards President Yeltsin and, in particular towards the more reform minded ministers in the government. such as Anatoly Chubais and, later, Boris Nemtsov.

### **A. Composition of the present Duma**

The rules for the 1995 elections were essentially the same as in 1993: 225 of the 450 seats in the State Duma (lower house) were allocated proportionally to parties winning more than 5% of the popular vote and the other 225 were allocated to the victors in single-mandate constituency contests.

Of the 43 parties and blocs which took part, only 4 succeeded in surmounting the 5% hurdle, taking just under 50% of all votes between them. Given that the official turnout was only 64.4% this means that the parties securing the proportional seats actually reflected the choices of only 32% of the electorate.

The four successful parties were the Communists (22.3% - 99 seats), the right-nationalist “Liberal Democratic” Party of Vladimir Zhirinovskiy (11.18% - 50 seats), the governmental “Our Home is Russia” movement led by prime minister Chernomyrdin (10.13% - 45 seats) and the liberal alliance “Yabloko” (6.89% -31 seats). Three parties which had played a notable part in the 1993-1995 State Duma failed narrowly to cross the threshold in 1995, though each of them won seats in individual constituencies. These were

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<sup>8</sup> See Joel M Ostrow, “Procedural breakdown and deadlock in the Russian State Duma: the problems of an unlinked dual-channel institutional design”, *Europe-Asia Studies*, Vol 50 No 5, July 1998, pp 807-809

Women of Russia (4.61%), Russia's Democratic Choice (3.86%) and the Agrarians (3.78%).

Although the results of the single-member constituency contests produced a significantly different pattern, each of the four principal parties gained some further seats by this means, as did some of those which had fallen below the threshold. The Communist Party was most successful with 58 seats, followed by the Agrarian Party with 20. Some 77 seats went to independents, many of them local office-holders.

The following table shows the composition of the Duma immediately after the elections and in the summer of 1998, by which time some of the smaller groupings had dissolved and many independents had joined parties or larger groupings, including a new "Russia's regions" grouping. On paper the communists had fewer deputies, but this was partly due to some of them having migrated to "Power to the People", which, like the Agrarian Party, has normally voted with the communists. These three groups form the loosely structured "People's Patriotic Union".

Name of party/group	Strength in December 1995	Strength in July 1998 <sup>9</sup>
Communist	157	131
Our Home is Russia	55	64
Liberal Democratic Party	51	50
"Yabloko" (Apple alliance)	45	44
Agrarian	20	35
Russia's Democratic Choice	9	0
Power to the People <sup>10</sup>	9	44
Congress of Russian Communities	5	0
Other parties	22	0
Russia's regions	0	44
Independents	77	31
Vacant	0	7

While the Communists and their allies have remained just short of a controlling majority in the Duma, they normally have had sufficient support to win important votes. An early indication of this was the election of a member of the Communist Party, the former *Pravda* editor Gennady Seleznev, to the chairmanship on 17 January 1996. The rightwing Liberal Democratic Party has also voted regularly with the three parties forming the

<sup>9</sup> Figures from the official Duma website: <http://www.duma.gov.ru>

<sup>10</sup> A party led by the former Soviet prime minister N Ryzhkov and allied with the Communists and Agrarians in the "People's Patriotic Union".

“People’s Patriotic Union”.<sup>11</sup> By contrast, only the “Our Home is Russia” group was consistently supportive of the Chernomyrdin government. The “Yabloko” alliance has remained liberal-reformist in its general stance, but also has a nationalistic tinge and has been consistently critical of the President and government on grounds of competence. On some issues “Our Home is Russia”, Yabloko, the “Russia’s Regions” group and individual independents were able to put together a broadly pro-reform coalition in the Duma, but well short of the numerical strength to win votes against the left-nationalist coalition.

## **B. Achievements and influence of the Duma since 1996**

While the composition of the new Duma suggested from the outset that the majority would often be at odds with President Yeltsin over issues such as privatisation, land rights and industrial subsidies, it was also the case that most of the parties and other groups in the Duma accepted the ground rules established by the 1993 constitution and did not wish actively to destabilise the government. Indeed, although the communists and their allies liked to refer to themselves as “the opposition”, they were also not averse to some of their individual members accepting ministerial posts. While some, including the communists, had longer term aspirations to amend the constitution in order to secure executive power for the party or parties dominating the Duma, there was no immediate prospect of them achieving the two-thirds majority in the Duma and three-quarters majority in the Federation Council necessary for this.

The volume of legislation processed by the Duma has been very high by any standard. This largely reflects the continuing need to overhaul the legal heritage of the Soviet system and to regulate new areas of activity which have arisen from the creation of a market economy, but it also reflects the poor quality of much of the legislation already adopted in the new era and the new obstacles to its enforcement which are constantly arising. The two-year Duma of 1994-95 actually passed around 400 laws altogether, including treaties awaiting ratification. It also left a substantial legacy of bills at various stages of completion, including over 600 which had not even been given a first reading. The new Duma which convened in January 1996 selected 135 incomplete bills from this legacy for further work and jettisoned the remainder. However, between January 1996 and March 1997 a further 1,110 bills were initiated.

By the end of 1997 the new Duma had either approved or re-approved some 462 items of legislation, including treaty ratifications, but 198 of these, including many of the most significant ones, had been rejected by either the president or the Federation Council, or both.<sup>12</sup> There have been frequent disputes over the blocking of Duma decisions by the government or the president, leading to frustration in the Duma and an increasingly

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<sup>11</sup> In 81% of votes between January and June 1998 according to data on the Duma website “results of voting” section.

<sup>12</sup> Figures from the State Duma *Information-Analytical Bulletin*, no.10, 23 December 1997

confrontational atmosphere. Agricultural land reform has remained deadlocked because of fundamental disagreement over the break up of the collective farms and, as a result, only 5% of cultivated land has been privatised.

Like its predecessor, the Duma elected at the end of 1995 has occasionally departed from its heavy legislative workload to adopt sharply worded and deliberately provocative resolutions on matters which it could not immediately influence, but which have had a symbolic political importance. For example, at the beginning of the 1996 session the new communist/nationalist majority in the Duma caused alarm by symbolically annulling one of the decisions which had dissolved the Soviet Union in 1991. Similarly, in October 1996 the Duma claimed authority to legislate for the status of Sevastopol, the historic Russian Black Sea naval base which is politically and geographically in Ukraine; and on 5 February 1997 it voted, against the advice of the government, for a draft law which would legitimise the retention by Russia of works of art taken from Germany in 1945 as compensation for the war-time destruction of Russian art and architecture. The Duma has also declined to ratify the START II treaty with the USA, despite frequent requests from the foreign and defence ministries.

The decision of the Duma on 19 June 1998 to investigate the grounds for a possible impeachment of President Yeltsin could be seen as a further sign of frustration and willingness to exploit the few opportunities which the constitution offers to an otherwise weak legislature.

### **C. The Federation Council**

The 1993 Constitution determined that the upper chamber would consist of two representatives of each of the 89 entities which make up the Russian Federation. These include all of the nominally ethnic autonomous republics, the Russian regions and the cities of Moscow and St Petersburg. One representative was to come from the local executive and the other from the local legislature. For the first convocation of 1994-95 these were to be directly elected, but the future composition was left to a subsequent constitutional law. In 1995 the decision was taken that from the beginning of 1996 the Federation Council would automatically consist of the head of administration (now usually known as the "governor") and the chairman of the local legislature from each of the 89 components of the Federation. Since there is no uniform timetable for the election of local heads of administration, the Federation Council effectively has a rolling composition. Members of the Federation Council decided when they first met that they would not organise the chamber on party lines. In practice some members are more closely identified than others with the parties operating in the lower chamber (the communists, for example, are believed to have a normal strength of about 45 in the Federation Council), but many act and vote as independents expressing the interests of their region or republic. The chairman (speaker) since January 1996 has been Yegor Stroev, the head of administration of the Orel region, who was a Communist Party Central Committee secretary and is still informally associated with the communists. On 5 December 1996 the

Federation Council followed the State Duma in adopting a provocative resolution which affirmed that Sevastopol remains a Russian city.

The Federation Council normally sits for only one week in every four and proceedings tend to be dominated by the “governors” rather than the chairmen of legislatures. Although it provides the regional governors with a regular opportunity to transact business in Moscow, the Federation Council often has difficulties in achieving a quorum. Given the weakness of central government and the huge economic problems facing many of the regions, the elected governors and presidents of autonomous republics have become powerful and often controversial figures in Russian politics, but they cannot afford to spend too much time deliberating in Moscow. However, it has increasingly been recognised that elected provincial governorships offer a vital power base to ambitious politicians.

For example, the former vice-president Aleksandr Rutskoi, who led the "parliamentary rebellion" in 1993, was elected governor of Kursk, with a seat in the Federation Council, in 1996; Vasily Starodubtsev, one of the leaders of the unsuccessful 1991 “putsch” against Mikhail Gorbachev, was elected governor of Tula in 1997; and Aleksandr Lebed, often spoken of as a possible future president, was elected in Krasnoyarsk in 1998. Mayor Luzhkov of Moscow, another possible future presidential contender, is also active in the Federation Council.

The degree of independence enjoyed by provincial governors is controversial. In practice it seems to be the case that many republics and provinces get away with significant infringements of federal competence because enforcement mechanisms are so weak. Strong local governors can even run their own policies on the pace of economic reform, or, for example, introduce local price controls. Federal Justice Minister Valentin Kovalev complained about this in November 1996, claiming that it leads to juridical and economic chaos and that whole regions of the federation, including 19 of the 21 republics, were living largely outside federal law.<sup>13</sup> There are also considerable variations in the conduct of elections in the regions and republics and some members of the Federation Council seem to have secured their positions by dubiously democratic means.

Apart from the subjects listed in Article 106 of the Constitution, the Federation Council is not obliged to debate legislation already approved by the State Duma, but it tends to scrutinise any law which touches on the powers and prerogatives vested in the regions and rejects many on constitutional grounds.

#### **D. The 1998 crisis**

The election of a lower chamber with a majority distinctly hostile to the President and to reform at the end of 1995 did not immediately have a decisive political impact, because of the strong presidential powers under the 1993 constitution, and, in particular, the

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<sup>13</sup> *BBC Summary of World Broadcasts, SU/2775 B/2*

president's option to veto unwelcome legislation and replace it with legislation by decree. However, this situation could endure only as long as the president was vigorous and clear about the general direction of policy, and could rely on the prime minister to administer economic policy. In the event President Yeltsin became increasingly confused and distracted by the failure of his policy in Chechnya, his need to get re-elected in June 1996 and his declining health. While he eventually won in the second round of the presidential election, he did so only by incurring numerous political debts and was immediately hit by serious heart disease. Chernomyrdin was reappointed as prime minister and continued his previous course of low inflation and a nominally balanced budget, but lacked vision and strategy when it came to the underlying weaknesses of the economy.

During 1997 both the president and the government seemed to drift, while tensions mounted and the hitherto passive Duma began to flex its muscles, sensing a political vacuum and progressively less worried by the threat of early dissolution. Prime Minister Chernomyrdin, who in any case had few loyal supporters in the Duma, seemed to cultivate the governors gathered in the Federation Council instead. When President Yeltsin suddenly decided to dismiss Viktor Chernomyrdin on 23 March 1998 and replace him with a young and unknown reformer, Sergei Kirienko, he just managed to obtain the consent of the Duma, but only on a secret ballot and at the third attempt after much arm-twisting. When, in August 1998, faced with a collapsing financial system, he changed his mind and tried to reinstate Chernomyrdin, he was to find his credibility exhausted. By this time the Duma had voted by 300 votes to 3 (on 19 June 1998) to set up a commission to investigate possible impeachment charges against President Yeltsin. Significantly, the initiative was backed by a wide range of parties, citing widely differing grounds for impeachment. For the liberals of Yabloko President Yeltsin's principal crime was his responsibility for the bloody and unsuccessful Chechnya campaign; for the communists it was everything from the dissolution of the USSR in 1991 to the crisis in the defence industrial sector.

The summer crisis could be traced back to the budget debates at the beginning of the year. It was apparent then that the budget deficit was likely to be much greater than allowed for. Officially central government expenditure was set at 500 bn roubles and revenue at 367.5 bn roubles, leaving a planned deficit of 132.5 bn roubles. Unofficially, it was estimated that revenue was unlikely to reach 300 bn roubles, given previous overestimates, leaving planned expenditure greatly in excess of likely revenue. To make matters worse, 121 bn roubles was needed just to cover debt repayments (75 bn for internal debt, 46 bn for external debt). This meant the government would actually have money only to meet a fraction of the expenditure agreed by the Duma.<sup>14</sup> Despite this, the budget was approved earlier than usual and received its fourth and final reading in the Duma on 4 March 1998.

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<sup>14</sup> Figures from the Duma analytical service: [www.duma.gov.ru/infgd/98/](http://www.duma.gov.ru/infgd/98/)

On 23 March 1998 President Yeltsin unexpectedly announced the dismissal of Viktor Chernomyrdin from the post of prime minister, asking him instead to concentrate on political preparations for the next elections. In his address to the nation the president said:

I feel that, lately, the government has clearly been lacking in dynamism and initiative, new views, fresh approaches and ideas. Without that, a powerful spurt in the economy is simply impossible. In short, the country needs a new team, able to achieve real, tangible results. I think that members of the cabinet need to concentrate more on dealing with concrete economic and social matters and to engage less in politics.<sup>15</sup>

The precise circumstances are unclear: there were rumours that the President thought Chernomyrdin too powerful and presumptuous, and also that Chernomyrdin wanted to get out of government in order to prepare a presidential bid. Yeltsin's choice to replace Chernomyrdin was the little known 35-year old Sergei Kirienko, who had served briefly in the Chernomyrdin government as Minister of Fuel and Energy and previously worked in the new private sector as manager of a private bank and an oil company. In the Duma the Patriotic Union claimed the removal of Chernomyrdin as the result of its criticisms, but immediately rejected his replacement. Only on 24 April did the Duma confirm Kirienko in office.

His administration was immediately faced with enormous problems. The financial crisis in the Far East and other "emerging markets", coupled with the falling international oil price meant that international bankers and investors were rapidly losing confidence in the stability of the rouble and the ability of the Russian government to service its debts, while the Russian stock market fell rapidly and short-term interest rates had to be raised dramatically, reaching 150% in June. The Russian government responded by trying to tighten up on tax collection, while negotiating with the Duma to accept a new and drastically revised budget, and with the IMF for a new \$22bn stand-by loan. By July it was claiming partial success on all of these fronts, but could not dispel the rumours of an impending collapse of the rouble and of the fragile Russian banking sector.<sup>16</sup>

The crisis entered a new phase in August, while both the President and the Duma took their summer break. Comments by George Soros on the inevitability of a rouble devaluation were met on 14 August by denials from President Yeltsin, who also declined to interrupt his holiday. On 17 August the prime minister Kirienko and central bank chairman Dubinin announced, as part of a new "anti-crisis" package, that the rouble could no longer be supported at its dollar exchange rate and must be allowed to float. The package also included a moratorium on the servicing of government treasury bills and of foreign commercial debt. The decisions appear to have been prompted by the exhaustion of central

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<sup>15</sup> *BBC Summary of World Broadcasts*, 23 March 1998

<sup>16</sup> See, for example, "Russia's Crisis: Could it lead to fascism?", *The Economist*, 11 July 1998

bank foreign currency reserves and were later said to have been taken without reference to President Yeltsin.

The Duma was recalled early on 21 August to debate the new situation. While deputies reacted sceptically to the government's explanations of its actions, their greatest ire was reserved for the President, against whom a vote of censure was adopted by 248 votes to 32. On 23 August President Yeltsin astonished his opponents by dismissing Sergei Kirienko and recalling Viktor Chernomyrdin, sacked only 5 months earlier, as his new nominee to head the government.

At this point a head-on confrontation between the Duma and the President became inevitable. Both the Chernomyrdin and the Kirienko governments had been broadly based coalitions, not inspiring universal confidence, but to some extent bridging the gaps between President and parliament, as also between different approaches to reform and consolidation. Both prime ministers, along with many of the ministers who had served in their cabinets, had now been damaged in the eyes of the Russian public, foreign investors and bankers. The Duma had become steadily more hostile towards Chernomyrdin during the final phase of his government and its majority had rejoiced in his sudden departure. It now held the whip hand over his reappointment and could demand a high price in return. Even early dissolution and new parliamentary elections now seemed no longer a potent threat and, in any case, many in the Duma believed that their decision in June to begin the investigation of impeachment charges against President Yeltsin would mean that under Article 109.4 of the Constitution the Duma could no longer be dissolved.

Meanwhile there were rumours of dissent within the President's administration and suggestions that Boris Berezovsky, the financier, media magnate and part-time presidential official openly compared with Rasputin by the Speaker of the Duma,<sup>17</sup> might be manipulating events to secure his own interests. At the height of the crisis, on 1-2 September, President Yeltsin had to appear in public to play host to President Clinton looking confused and physically frail.

The leadership of the "People's Patriotic Union", ie the Duma majority, seemed undecided about which of two goals to pursue. Should it insist on a new government being appointed from among its own ranks, on the economic and political platform for which it had been campaigning? Or should it play the longer game of trading its support for President Yeltsin's prime ministerial nominee for cast-iron guarantees of constitutional change, which would pave the way for government by parliamentary majority in the future? Given the widespread perception that the Communists and their allies were more likely to enjoy electoral success in parliamentary elections than in presidential elections, the latter course seemed more attractive. Representatives of the Duma majority and the presidential administration entered an intense bout of negotiation during the final week of August and

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<sup>17</sup> *BBC Summary of World Broadcasts*, 3 September 1998

first week of September. On 27 August the two sides were supposed to be close to signing a deal, but nothing came of it.

On 7 September, after the Duma had rejected the candidacy of Chernomyrdin for a second time, by a margin of 273 votes to 138, Yeltsin himself broke out of the deadlock by withdrawing his nomination and putting forward one of the alternative names floated by his Duma opponents as being acceptable to them as prime minister, that of Yevgeny Primakov.

Primakov was not the Duma communists' first choice for the prime ministership: they had repeatedly suggested Yegor Stroeve, the chairman of the Federation Council. He, however, had declined the honour and the Federation Council over which he presides had surprised the State Duma on 4 September by endorsing Viktor Chernomyrdin. In the circumstances, the Duma majority was happy to back Primakov as an alternative, since he had been a respected member of the former Soviet foreign policy "establishment" and as foreign minister since 1996 had steered Russia back to a more independent "great power" stance on issues such as Bosnia and Iraq.

On 11 September the Duma voted by 317 to 63 to endorse Primakov as prime minister. While the Duma Speaker, Seleznev, said that both the constitutional discussions and the preparations for possible impeachment of the president would continue, the immediate pressure on Yeltsin had been eased by his decision no longer to defy the Duma. However, the friendly reception given to Primakov by almost the whole of the Duma (excepting Zhirinovskiy, who had swung behind Chernomyrdin at the last minute) on the day of his confirmation, soon gave way to suspicion and confusion. Primakov made some appointments immediately which were clearly designed to please the Duma majority and reflect its preoccupations. A Communist and former head of the old Gosplan,<sup>18</sup> Yury Maslyukov, was appointed first deputy prime minister with overall responsibility for the economy, while Viktor Gerashchenko was recalled to the chairmanship of the Central Bank, fulfilling a longstanding Communist demand. Primakov did not, however, intend to form a party government in the western sense. Claiming that his government would be a government of pragmatic professionals with no particular party allegiance, he also invited the head of Yabloko and two leading figures from Chernomyrdin's parliamentary faction, Our Home is Russia, to take up senior positions, only to be met with refusals by two and the prompt resignation of the third.

At the time of writing, the final composition and the complexion of the new government remains unclear, as does the main thrust of its policy.

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<sup>18</sup> The State Planning Committee of the Soviet era which, coincidentally, was the previous occupant of the Duma building.

## IV The future of democracy in Russia

Russia is in the throes of a desperate economic and social collapse. Statistical comparisons with the Soviet period are inherently unreliable, but most estimates put the level of economic output at barely half of what it was in 1989. Living standards for many people have fallen to levels not experienced since the immediate post-war years. The distribution of wealth has also changed dramatically with a wide gap opening between the conspicuously prosperous new elite and the mass of the population. For many people, especially in towns, the crisis manifests itself as an absolute lack of money to buy food and other essentials. According to a recent survey only 18% of the population are receiving a regular salary at their official place of work.<sup>19</sup> It is true that some manage to earn cash in the black economy and others, especially in the countryside, can survive by a combination of growing their own food and bartering the surplus. Nonetheless, many will be dependent during the coming winter on the rationed distribution of basic foodstuffs by government and charitable agencies. These circumstances inevitably put the political system under great strain.

For the present, but perhaps not for very long, Russia has a government which derives its legitimacy from the support which the new head of government, Yevgeni Primakov has obtained from the majority in the directly elected chamber of parliament. To this limited extent the Russian system has come to resemble a western-style parliamentary democracy. Since the communists and their allies form the largest faction in the Duma and can win votes on most issues by aligning themselves with other parties opposed to President Yeltsin, the current ascendancy of the Duma has led many people both inside Russia and abroad to speak of a communist "return to power".

The appearance could prove deceptive. The constitution, after all, remains unchanged and is strongly presidential in bias. Only the absence of a strong president, quite possibly a temporary hiatus, lends the Duma the appearance of enhanced power. Ever since Boris Yeltsin's health began to weaken, and with it his political grip, there has been talk of possible populist "strongmen" who have sufficient credibility to win a presidential election, gain the loyalty of the army and other security forces and then initiate a new era of tough centralised government. Aleksandr Lebed, the former army general who negotiated the peace settlement in Chechnya and is now the elected governor of Krasnoyarsk region, continues to be the likely front-runner in these stakes, followed by Yury Luzhkov, the mayor of Moscow. Lebed scored 14.5% of the vote in the first round of the presidential elections in 1996 against Yeltsin and the communist Zyuganov, but could be expected to pick up many more votes in a contest from which Yeltsin was missing.

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<sup>19</sup> *The Economist*, 3 October 1998, p 58

For strong parliamentary as opposed to presidential government to be firmly established as the normal rule would require major amendments to the present constitution and these are unlikely to be agreed and voted through by constitutional means, at least in the near future. While a deal might still be struck between President Yeltsin and the dominant Duma factions, it would be most unlikely to find favour with the Federation Council which has always been quick to veto any move seen as concentrating power at the centre.<sup>20</sup>

Parliamentary democracy founded on the Duma faces another serious obstacle. It has become a matter of notoriety that many of the individual regions and republics which make up the Russian Federation are a law unto themselves, barely acknowledging or bothering to implement the laws and decisions made at the centre. Regional power is represented at the centre by the Federation Council, which was prepared, until the last minute, to do a deal with Viktor Chernomyrdin and the interests which he represents. Should a new strong president emerge from amongst the current membership of the Federation Council, a new power-sharing bargain between the regions and the centre could side-line the Duma.

Finally, the Duma itself, despite its democratic credentials, may not currently represent the views and interests of the majority of voters, most of whom did not vote for the parties which now dominate there. The party system is still barely in existence in most parts of Russia and linkages between the politicians in the Duma and organised opinion outside appear weak. According to the leader of one of the smaller parties represented in the Duma, the slow development of a party system in Russia has been “an unambiguous disappointment.”<sup>21</sup> This makes any predictions about the outcome of the next elections, due late in 1999, very difficult. The communists, despite their ageing voter base, may remain the largest party, but this will not necessarily translate into a coherent parliamentary majority as the basis of government.

For the moment, prime minister Primakov continues his efforts to form a “government of professionals” with both communist and non-communist participation, and to formulate a set of policies to stabilise and then improve the economic situation. His aim seems to be to make a short-term injection of cash into the economy by printing roubles, in order to be able to pay arrears of wages and pensions, but to keep this within limits which will avoid hyper-inflation and make it possible to return to monetary and budgetary discipline as early as possible in the new year. There have also been suggestions that banks may be nationalised and some elements of state control over the economy restored, but this remains unconfirmed. Following talks in early October with representatives of the IMF it seemed likely that this general approach would preclude further international financial assistance for the time being. EU foreign ministers meeting on 5 October did not rule out

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<sup>20</sup> See Peter Frank, “Beyond the Chaos”, *The World Today*, October 1998, p 248

<sup>21</sup> Grigory Yavlinsky, “Russia’s phoney capitalism”, *Foreign Affairs*, May-June 1998, p 74

further assistance to Russia under existing programmes, but stressed that this would depend on “a credible and sustainable Russian economic programme”.

Meanwhile, the communist party and trade unions went ahead with a day of strikes and demonstrations on 7 October, focusing their anger not on Primakov, who is still given the benefit of the doubt, but on President Yeltsin. In the weeks since the “August events” calls for his resignation have come from many quarters and have been increasingly strident. His departure from office, were it to come sooner rather than later, would inevitably add to the instability and raise questions not only about the way forward for the Russian economy, but also about the formulation of foreign policy and command of the armed forces.

In short, Russia faces not only an economic crisis, but also a period of acute uncertainty about the constitution and the whole system of government, with no easy democratic solutions in sight.