

World Governance Survey

Russia

Overview of the Process

The standard questionnaire took little account of Russian specifics. In order to fill the gaps, some explanations have been added to the Russian version of the questionnaire, especially with regard to the comments at the end of each part. Respondents were selected very thoroughly so as to ensure that each group contained sufficiently authoritative representatives with a good knowledge of the situation and strong analytical ability. The circle of respondents was chosen in such a way as to reflect a wide spectrum of political attitudes in the country. Many of the comments they provided have proved to be informative and valuable for the analysis.

Many respondents insisted on anonymity so this had to be insured as a condition for cooperation. The questionnaires were handed over to the respondents following preliminary personal interviews with the coordinator. In some cases, there were subsequent conversations to specify the meaning of some responses and comments. In rare cases, respondents found it hard to make assessments.

Summary Findings

The ratings for Russia are summarized in the table below:

Dimension	Institution	5 years ago	Now	Change
Socializing	Civil Society	2.97	2.93	-.04
Aggregating	Political Society	2.53	2.36	-.17
Executive	Government	2.43	2.79	.36
Managerial	Bureaucracy	2.46	2.58	.12
Regulatory	Economic Society	2.32	2.54	.22
Adjudicatory	Judicial System	2.16	2.31	.15
TOTAL		2.48	2.59	.11

Significant Changes in Ratings

Figure 1: Aggregating Dimension

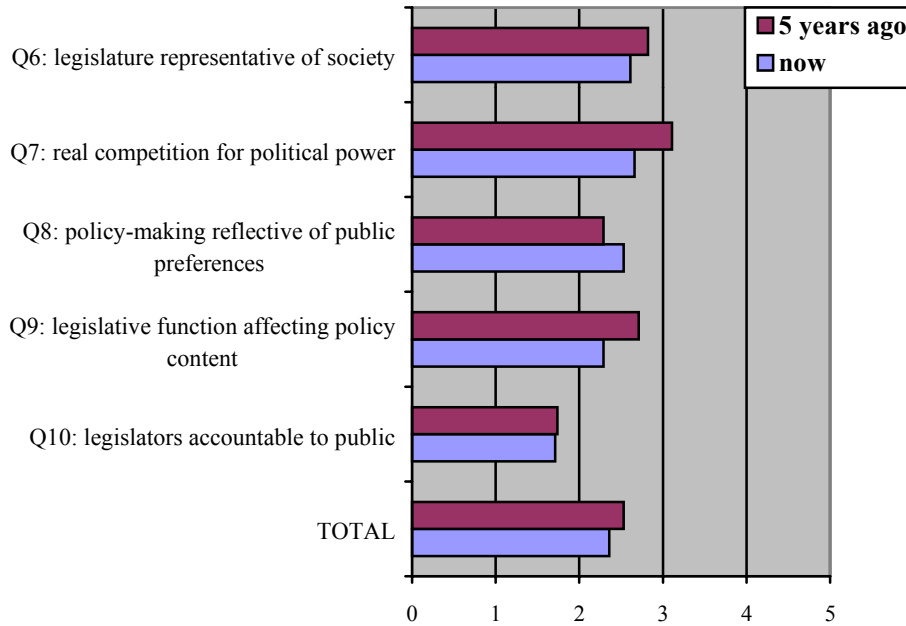


Figure 2: Executive Dimension

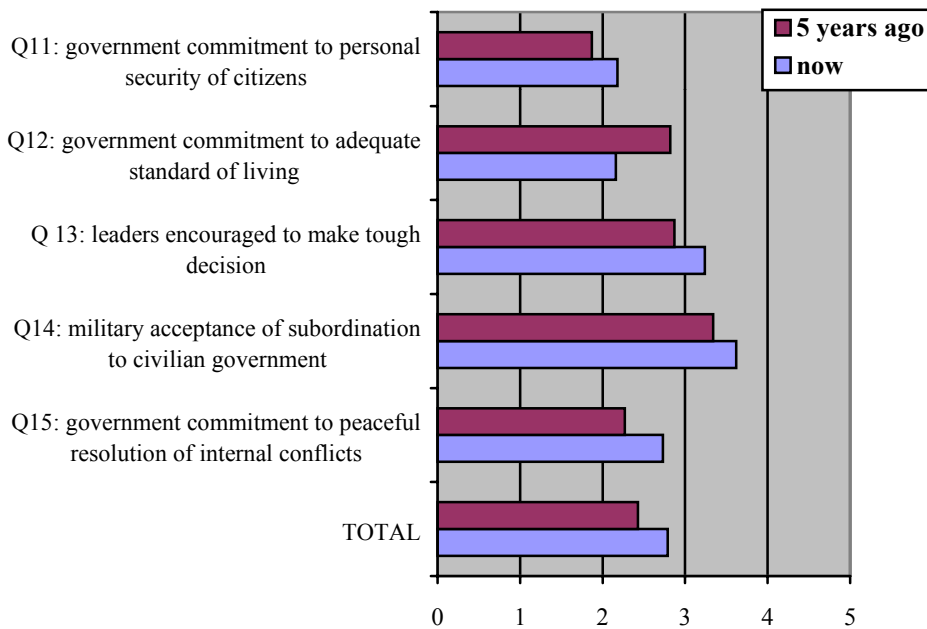
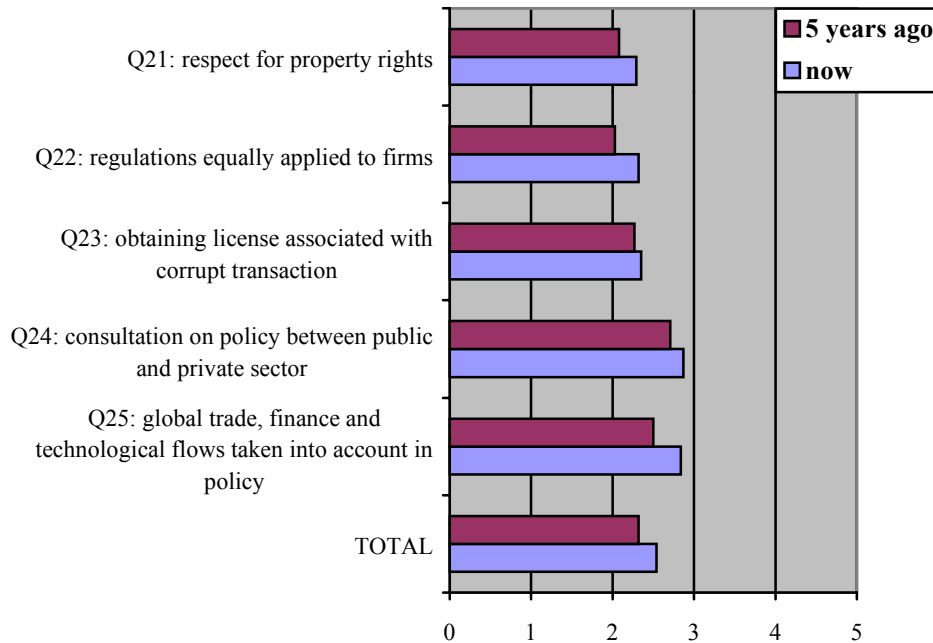


Figure 3: Regulatory Dimension



Findings

The main conclusions to be drawn from the responses and comments are the following:

1. Over the past five years, there have been no serious changes for the better in the implementation and protection of human rights, realization of freedom of expression, improvement of the quality of governance, separation of legislative, executive and judicial powers, or operation of the system of checks and balances. Base on the results of the survey and expert comments, it can be argued that things have taken a turn for the worse in a number of key areas (freedom of expression, representation of society in legislative bodies, protection of human rights, democratic electoral procedures at regional and Federal levels, accountability of legislators to the electorate).

2. Questions of main importance regarding the advances of democracy and the state of governance were given low ratings (between 2 and 3). For example, results show low

accountability of legislators to the public (a current average score of 1.71), and a low degree of equal access to justice (current average score of 1.79).

3. Some ratings do not reflect the exact situation in Russia, since the questionnaire takes no account of the gap between *de jure* and *de facto*; between constitutional norms and laws, on the one hand, and their actual implementation in practice, on the other. In order to show the gap between the legislation on paper and its degree of enforcement, some respondents gave two answers to one question. In this respect, comments are more accurate than the ratings. For example, regarding the freedom of expression, citizens have greater opportunities to receive information than to express their opinion. Another example is the equality and non-discrimination proclaimed by all official documents, but in practice such discrimination does exist, as indicated by comments to Question 3.

4. Public confidence in the central authorities is of a dual nature: confidence in the President is much higher than in the government, which in February 2001, according to opinion polls, enjoyed the confidence of less than half of the population. Five years ago, there was hardly any public confidence in the authorities, whereas today the degree of confidence has increased. Many look at Putin with hopes for a better future.

5. An analysis of the responses and comments points to a number of flaws in the governance system in Russia, which so far cannot be called fully democratic:

* Realization of constitutional rights (freedom of expression, citizens' right to receive objective information) is restricted in practice to a considerable extent. The mass media are increasingly controlled by authorities and oligarchic clans. Freedom of expression is enjoyed by an insignificant part of society, mainly the political elite. The views of those who do not belong to the political elite are poorly represented in the media. Criticism of the authorities is increasingly counteracted. Freedom of assembly and association is fairly wide, but there is no effective channel for expressing the views of participants, let alone the presence of practical influence on government policy. There is no real accountability of the mass media to society in terms of objective coverage, moral and ethical journalistic standards.

* The influence of citizens on policy-making and on the entire political process remains on a low level, and changes for the better are slow. Policy was and continues to be formulated behind closed doors and in the interests of the ruling class. Market reforms have taken no account of the interests of the masses; they have also ignored the interests of most commodity producers, whose congress has put forward a programme of reform as an alternative to the government programme.

* The President and the executive authorities have subjugated the legislature and the judiciary. Over the past five years, the influence of the legislature, limited as it was, has declined still further, while the accountability of legislators to the electorate has not gone up in the least. Legislative activity is often turned into a lucrative business, and deputies' lobbying for corporate interests is beginning to pose a threat to democracy.

* The state does not ensure due protection of human rights or personal security of citizens, and is continually cutting back social guarantees and social security programmes.

* The executive power and law-enforcement agencies at Federal and regional level are heavily bureaucratized and riddled with corruption, government tends to merge with business, and higher civil servants are appointed on the principle of cronyism and loyalty to the authorities instead of honesty and professionalism.

* Under Putin, military people and especially employees of security agencies have been entering (“infiltrating”) the governance realm (both at Federal and at regional level).

The relations between the Center and the regions (political and economic federalism) are marked by many unresolved problems, situation which has an adverse effect on social and economic governance.

* The intellectual and moral standards of the political elite and of the ruling class clash with genuine democratization and advance towards a civilized market economy.

All of the above suggests the need for political reform, to ensure a separation of powers, mutual control of the various branches and greater accountability to society, and the need for an administrative and judicial reform. The federal system is also subject to reform.

6. In view of significant specific features in the relations between the state and the market in Russia, the ratings of some indicators do not provide an accurate account of the state of affairs. The comments, therefore, have equal weight. In their comments, some respondents note the following essential points:

- * Use of public property has been surrendered to managers, over whom the state has virtually no control. Putin has been trying to re-establish state control over such joint-stock companies and natural monopolies as Gazprom and RAO United Energy Systems.

- * The emergence of large-scale private property as a result of privatization took place under the decisive influence of the state, which sold property with the highest income potential at cheap prices to representatives of the old “nomenclature” (top officials) or new businessmen loyal to and “cooperating” with the authorities. Former managers used their power to obtain a considerable interest in the respective enterprises by buying up shares and setting up brokerage firms under their own control.

- * In view of the specific features of Russian privatization, oligarchs fear that their property may be deemed illegal. Hence, they strive to infiltrate the governance realm in order to retain property. The key problem that needs to be addressed is separation of business from power, and abandonment of the state’s selective, political approach to private business.

- * Private property rights are not duly protected, corporate law takes insufficient account of the rights of minority shareholders, the interests of employees are often violated, and deficient bankruptcy procedures are used for arbitrary redistribution of property.

- * Lack of a clear-cut policy on the part of the Federal and local authorities with respect to big, medium-scale and small businesses, and the unsettled status and violation of property

rights are among the factors holding back investments and hindering the development of medium-scale and small businesses in the production sphere.

* The imperfections, slow bureaucracy and high corruption of the fiscal, licensing and judicial systems lead to a growth of the shadow economy. Until recently, the state has in effect connived at the huge flight of capital from Russia (\$20-25 billion a year) and money laundering abroad.

One of the characteristic features of the given survey is that the views and assessments of respondents representing diverse social groups and diverse political opinions coincide on many points. A critical view of the existing governance system and its evolution obviously prevails over the apologetic view, justifying the policy of radical liberal reforms in the economy and the nature of the political power that is taking shape.

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