

# **Local Politics and Democratization in Russia**

**Cameron Ross**

BASEES/Routledge Series on Russian and East European  
Studies

# Local Politics and Democratization in Russia

This comprehensive study of local politics in Russia shows that the key reforms of local government, and the struggle to forge viable grass-roots democracies, have been inextricably linked to the wider struggle for power between the regions and the Kremlin, and to the specific nature of Russia's highly politicized and negotiated form of asymmetrical federalism. During the Yeltsin era all attempts to create a universal and uniform system of local self-government in the Federation were a failure. Under the protection of their constitutions and charters, and the extra-constitutional rights and powers granted to them in special bilateral treaties, regional leaders, particularly in Russia's 21 ethnic republics, were able to instigate highly authoritarian regimes and to thwart the implementation of key local government reforms. Thus, by the end of the Yeltsin era the number of municipalities, their type, status and powers, varied tremendously from region to region. Putin's local government reforms also need to be viewed as an integral component of his wider centralizing political agenda, and his assault on the principles and practices of federalism. With the instigation of his 'dictatorship of law' and 'power vertical', Putin has thwarted the development of grass-roots democracy and overseen the creation of local 'electoral authoritarian' regimes. Putin's new system of local self-government marks a victory for the proponents of the 'statist concept' of local self-government over those who championed the 'societal concept', codified in Article 12 of the Russian Constitution. Overall, this book is an important resource for anyone seeking to understand politics in contemporary Russia.

**Cameron Ross** is a Reader in Politics in the College of Arts and Social Sciences, University of Dundee. He has published widely in the field of Russian politics, particularly in the areas of regional and local level politics. His most recent books are: *Regional Politics in Russia* (Manchester University Press, 2002), *Federalism and Democratisation in Russia* (MUP, 2003) and *Russian Politics under Putin* (MUP, 2004).

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# Abbreviations

<b>AO</b>	Autonomous Okrug/Oblast
<b>APR</b>	Agrarian Party of Russia
<b>CDSP</b>	The Current Digest of the Soviet Press
<b>CDPSP</b>	The Current Digest of the Post-Soviet Press
<b>CPRF</b>	Communist Party of the Russian Federation
<b>CPSU</b>	Communist Party of the Soviet Union
<b>GDP</b>	Gross Domestic Product
<b>GRP</b>	Gross Regional Product
<b>IEWS</b>	Institute of East West Studies
<b>LDPR</b>	Liberal Democratic Party of Russia
<b>NDR</b>	Our Home is Russia
<b>NPR</b>	People's Party of Russia
<b>NPSR</b>	National Patriotic Union of Russia
<b>PR</b>	Proportional Representation
<b>RF</b>	Russian Federation
<b>RFE/RL</b>	Radio Free Europe/Radio Liberty
<b>RPL</b>	Russian Party of Life
<b>RPP</b>	Russian Party of Pensioners
<b>RSFSR</b>	Russian Soviet Federative Socialist Republic
<b>SPS</b>	Union of Right Forces
<b>UR</b>	United Russia
<b>USSR</b>	Union of Soviet Socialist Republics

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Cameron Ross, 'From party and state domination to Putin's power vertical: the subjugation of mayors in communist and post-communist Russia', in John Garrard (ed.), *Heads of the Local State: Mayors, Provosts and Burgomasters Since 1800*, Aldershot: Ashgate, 2007.

# 1 Introduction

On 16 September 2003 a new law, ‘On the General Principles of Organizing Local-Self Government in the Russian Federation’ (hereafter, the 2003 Law)<sup>1</sup> was ratified by the Russian parliament (the State Duma), which led to a doubling of the number of municipalities (from 11,957 to 24,208) by December 2005.<sup>2</sup> The first major round of elections to these new municipalities took place over the period 2004–5, and by December 2005, 198,815 deputies and 13,655 heads of local administrations had been duly elected.<sup>3</sup> In addition, the creation of the new municipalities required the recruitment and training of hundreds of thousands of administrative personnel. It is somewhat surprising, given the vast numbers of citizens who are now engaged in grass-roots politics, that the study of local self-government in Russia has been somewhat neglected. While there have been a plethora of scholarly works devoted to regional politics, there have been far fewer books devoted to municipal politics, and even fewer that deal with both politics and finance.<sup>4</sup> In Russia the study of local government has been dominated by legalistic studies, which focus on the formal rights and powers of municipalities.<sup>5</sup> In this study I provide an account of local government reforms from Gorbachev to Putin, and I examine local level politics and finance.

## **The importance of local government**

As Porter and Young rightly stress:

The many challenges of post Soviet Russian state building and political transition are not limited to national institutions in Moscow. Two tasks critical to the overall political and social success of contemporary Russia include strengthening the reach of the state through effective local administration and empowering local governments with sufficient autonomy and capacity to address local concerns.<sup>6</sup>

Moreover, for many scholars the development of local level democracy is an essential if not a sufficient condition for the consolidation of democracy at the national level. As Pratchett argues, ‘from Tocqueville onwards, there has been a strong normative argument within political theory that local self-government



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is a fundamental component of broader democratic structures and practices'.<sup>7</sup> By serving as a 'school of democracy' and a 'training ground' for national level politicians, local government 'provides the foundation for strong national democratic institutions and practices'.<sup>8</sup> As Sisk notes:

Around the world there is a new appreciation that local governance is much more than city administration that collects taxes and delivers essential services such as basic education, clean water, sewers, transportation, or housing. Instead, local democracy is rightly seen as the very foundation of a higher quality and more enduring democracy. Local governance is the level of democracy in which the citizen has the most effective opportunity to participate actively and directly in decisions made for all of society. A vigorous and effective local democracy is the underlying basis for a healthy and strong national-level democracy.<sup>9</sup>

In a similar vein Hahn argues,

it is hard to imagine a successful transition to democracy taking place only at the national level. Indeed, it seems more reasonable to argue that the democratization of national political institutions without corresponding changes taking place locally would be a prescription for political instability.<sup>10</sup>

Finally, for Peter John, local democracy:

offers citizens the potential to exercise their freedom and to express their local identities in a manner that is different from and complementary to higher tiers of government. Locally elected governments offer the benefits of diversity; provide a supply of public goods that reflect the preferences of those who live in local jurisdictions; and can ensure that higher levels of government express a plurality of territorial and functional interests.<sup>11</sup>

### **Federalism and local self-government**

As I shall demonstrate in this study, the development of local government and the struggle to form viable local democracies have been inextricably tied to the development of federalism in Russia and the wider struggle for power between Russia's 89 federal subjects (regions, republics and autonomies) and the Kremlin.<sup>12</sup> The structures and powers (both formal and informal) of local governments in post-communist Russia vary significantly across the Federation. These variations spring primarily from the development of high levels of constitutional, socio-economic and political asymmetry, which developed, in Russia's federal subjects during the Yeltsin era (1991–9). During this period we witnessed the creation of a highly politicized 'contract form' of federalism, which granted some federal subjects (the ethnic republics) far greater powers than others (the territorially defined federal subjects), and, in particular, allowed the ethnic republics to shape their own political institutions, including their local governments.

The three major laws that have been adopted on local self-government in the post-communist era (in 1991,<sup>13</sup> 1995,<sup>14</sup> and 2003<sup>15</sup>) have been intimately linked to this wider power struggle between the centre and the periphery, and to the specific nature of Russia's highly politicized and negotiated form of federalism. At times local government has been used as a mere 'pawn' by the federal government in its attempt to gain greater power over the federal subjects. Many regional administrations, on the other hand, have also sought to subjugate or limit the powers of local self-governments, as part of their power-struggles with the centre.

## Defining democracy

In order to assess the prospects for the development of a viable form of democracy in Russia's localities we need to define what we mean by this highly contested concept. As Diamond notes, David Collier and Steven Levitsky have uncovered over '550 subtypes of democracy'.<sup>16</sup>

For Diamond and Morlino, at a minimum democracy requires:

- 1 universal, adult suffrage
- 2 recurring, free, competitive, and fair elections
- 3 more than one serious political party
- 4 alternative sources of information.

If elections are to be truly meaningful, free and fair, there must be some degree of civil and political freedom beyond the electoral arena so that citizens can articulate and organize around their political beliefs and interests.<sup>17</sup>

Robert Dahl lists the following eight 'institutional guarantees' that citizens must enjoy before a country can be classified as a democracy:

- 1 freedom to form and join organizations
- 2 freedom of expression
- 3 right to vote
- 4 eligibility for public office
- 5a right of political leaders to compete for support
- 5b right of political leaders to compete for votes
- 6 alternative sources of information
- 7 free and fair elections
- 8 institutions for making government policies depend on votes and other expressions of preference.<sup>18</sup>

Diamond also stresses the importance of contestation in free and fair elections but, in his definition of 'liberal democracy', he places much greater emphasis on the provision of civil and political liberties. His definition of 'liberal democracy' is both broader and stricter than Dahl's more 'minimalist' definition of 'electoral democracy'. While Dahl and other minimalists, such as Schumpeter and Huntington, 'acknowledge the need for minimal levels of civil freedom, in order

#### 4 Introduction

for competition and participation to be meaningful, they do not devote much attention to the basic freedoms involved, nor do they attempt to incorporate them into actual measures of democracy.’<sup>19</sup> For Diamond there are nine essential attributes of a ‘liberal democracy’:

- 1 Real power lies – in fact as well as in constitutional theory – with elected officials and their appointees, rather than with unaccountable internal actors (e.g. the military) or foreign powers.
- 2 Executive power is constrained constitutionally and held accountable by other government institutions (such as an independent judiciary, parliament, ombudsman and auditor general).
- 3 Not only are electoral outcomes uncertain, with a significant opposition vote and presumption of party alternation in government over time, but no group that adheres to constitutional principles is denied the right to form a party and contest elections (even if electoral thresholds and other rules prevent smaller parties from winning representation in parliament).
- 4 Cultural, ethnic, religious, and other minority groups, as well as traditionally disadvantaged or unempowered majorities, are not prohibited (legally or in practice) from expressing their interests in the political process, and from using their language and culture.
- 5 Beyond parties and intermittent elections, citizens have multiple ongoing channels and means for the expression and representation of their interests and values, including a diverse array of autonomous associations, movement and groups that they are free to form and join.
- 6 In addition to associational freedom and pluralism, there exist alternative sources of information, including independent media, to which citizens have (politically) unfettered access.
- 7 Individuals have substantial freedom of belief, opinion, discussion, speech, publication, assembly, demonstration and petition.
- 8 Citizens are politically equal under the law (even though they are invariably unequal in their political resources), and the above-mentioned individual group liberties are effectively protected by an independent, impartial judiciary, whose decisions are enforced and respected by other centres of power.
- 9 The rule of law protects citizens from unjustified detention, exile, terror, torture, and undue interference in their personal lives not only by the state but also by organized antistate forces.<sup>20</sup>

Likewise for Schedler, ‘elections are a necessary but not a sufficient condition for modern democracy’. Moreover, ‘while liberal democracies go beyond the electoral minimum, electoral democracies do not. They manage to get elections right but fail to institutionalize other vital dimensions of democratic constitutionalism, such as the rule of law, political accountability, bureaucratic integrity, and public deliberation.’<sup>21</sup>

Fareed Zakaria alerts us to another important distinction – that between *liberal* and *illiberal* democracies. Following Diamond, Zakaria argues that, ‘liberal

democracies' are polities 'marked not only by free and fair elections, but also by the rule of law, a separation of powers, and the protection of basic liberties of speech, assembly, religion and property'.<sup>22</sup> 'Illiberal democracies' by contrast are 'Democratically elected regimes, often ones that have been reelected or reaffirmed through referenda ... [which] ... routinely [ignore] constitutional limits on their power and [deprive] their citizens of basic rights and freedoms.'<sup>23</sup> For Zakaria, a key feature of any liberal democratic state is respect for the rule of law. Przeworski, in a similar manner stresses that 'the decisive step toward democracy is the devolution of power from a group of people to a set of rules'.<sup>24</sup>

## Local democracy

For Soos and Zentai, 'two additional dimensions' must be taken into account when it comes to defining local democracy. The first comes from the local nature of the subject of analysis. A distinctive feature of local governments is their *autonomy*, i.e. their freedom from the direct involvement of external forces. If local administrative units have no legal, political and financial autonomy, the term 'local (self-) government loses its meaning. The degree of autonomy is a crucial element in the assessment of local democracy.'<sup>25</sup>

For Sisk answers to the following questions are vital when it comes to assessing local government autonomy:

- 1 Authority: Does the municipal structure make policy and take major decisions, or does it mostly implement policy debated and created at a larger level, such as in a national or provincial (or in federal systems, state) parliament?
- 2 Financial capacity: What is the all-important pattern of revenue flow and fiscal authority? Who controls the budget?
- 3 Capacity for policy implementation: Does the structure and exercise of local authority create political space for civil society organizations and all major players on an issue to have an assured role in local decision-making processes?
- 4 Devolution to the appropriate level: To what extent is power within a municipal structure devolved to the forum at which it is best exercised, such as decentralization of decision-making to wards, community groups, or special panels?<sup>26</sup>

The second dimension according to Soos and Zentai is that 'a viable democracy requires a certain level of *effectiveness*'. As Stoker notes:

Openness and deliberation are to be valued but they lose their lustre in a system that lacks the capacity for effective action. Good local governance requires the capacity to act. Effective bureaucracy and professional expertise will continue to be central to good local governance.<sup>27</sup>

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Consequently, policy performance is a crucial dimension of local democracy assessment.

To summarize, local democracy for Soos and Zentai 'is conceptualized as a local government that is autonomous, effective, open, and representative, surrounded by a civil society in the framework of guaranteed political rights'.<sup>28</sup>

### **Decentralization and subsidiarity**

A major emphasis in the academic literature on local government are the benefits of decentralization. As Danielian notes:

a modern democratic state cannot provide efficient public administration of economic and social processes unless it guarantees the existence of local self-government. These processes are too complicated and diverse to be governed from a single centre of power. Decentralization of decision-making results in a more efficient Public Administration.<sup>29</sup>

The benefits of decentralization and subsidiarity are codified in the European Charter of Local Self-Government, which states that 'decision-making for public policies should, wherever possible be exercised by those authorities which are closest to the citizen'.<sup>30</sup> Moreover, according to a concept paper of the United Nations Human Settlement Programme:

Responsibility for service provision should be allocated on the basis of the principle of subsidiarity, that is, the closest appropriate level consistent with efficient and cost-effective delivery of services. This will maximize the potential for inclusion of the citizenry in the process of urban governance. Decentralization and local democracy should improve the responsiveness of policies and initiatives to the priorities of the citizens. Cities should be empowered with sufficient resources and autonomy to meet their responsibilities.<sup>31</sup>

In a seminal study, Rosenbaum lists the following benefits of decentralization:

- 1 it serves to fragment and disperse political power ... [such that] no single unit, branch or actor ... [is] allowed to exercise all aspects of power and decision making within a government,
- 2 serves to create additional civic space. By generating more centers of power, there are inevitably more venues in which civil society organizations – interest groups, business associations, labor unions, the media, etc. – can develop and find sustenance,
- 3 helps to create opportunities for the emergence of opposition political groups and, in particular, create resources for opposition political parties ...,
- 4 creates numerous training grounds for the development of democratic skills and practices,

- 5 provides more options for individual citizens seeking a positive response from government,
- 6 provides for diversity in response to popular demands,
- 7 provides the citizenry with a greater sense of political efficacy, and
- 8 provides much greater opportunities for meaningful and responsive economic development.<sup>32</sup>

Moreover, as Timofeev notes, it is important to make a distinction between the following three forms of decentralization: deconcentration, delegation and devolution.

Through *deconcentration*, the central government gives some autonomy to its local offices that are appointed by, and are accountable to, the higher hierarchy. Under *delegation*, locally elected government bodies assume new responsibilities subject to strict regulations by upper-level government. The process of *devolution* establishes complete autonomy of locally elected government bodies in their exclusive spheres of responsibility.<sup>33</sup>

Often the distribution of powers to local governments is a process of deconcentration rather than delegation or devolution. Thus, it is vitally important to ‘clearly distinguish, from the outset, between truly *decentralizing* decision-making powers (autonomy) to regional and local governments and using local governments for the *deconcentration* of functions from the federal and regional government levels’.<sup>34</sup> As I shall demonstrate, Putin has deconcentrated a number of policy areas to regional administrations now that he has gained control over the appointment of regional governors (see Chapter 2).

## From local government to local governance

More recently, scholars of local politics have sought to stress the distinction between *local government* and *local governance*. As Sisk notes:

There is a growing awareness that elected authorities and professional municipal administrators cannot tackle social problems and economic imperatives without an extensive, structured role for non-governmental actors in civil society. Civil society groups, businesses and unions, professional associations, churches, charitable groups, and community-based organizations – now work more closely than ever with governments ... New emphasis is being placed on the broader concept of governance – involving citizens and the many organizations of civil society in the pursuit of the public good, not just on the official processes of government.<sup>35</sup>

For John,

Governance is a flexible pattern of public decision-making based on loose networks of individuals ... Governance implies that these networks are more

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open, complex and potentially unstable than hitherto and that bargaining and the building of trust form more of the story of political life than the standard operating procedures of bureaucracies, the closed nature of party government and the hidden power of local elites. In particular, governance indicates there are stronger and new networks between government and non-government actors.<sup>36</sup>

This new stress on governance has arisen out of the steady erosion in the legitimacy of representative democracy, particularly at the local level, where turnout at elections has been falling precipitously all across the world, leading some political scientists to proclaim that there is 'a crisis of local democracy'. For Stoker, representative democracy 'has become a mechanism for granting legitimacy to decision-takers rather than a strong mechanism for governmental accountability to citizens'.<sup>37</sup> Furthermore, as Sisk notes:

Many believe that the balance has tilted too much in the direction of representative over direct democracy and adversarial versus more collaborative forms of decision making. The focus on elections and sharp differences between policy platforms among politicians has created a distance between citizens and public officials and created heightened divisions among social groups. The consequence is that the average citizen becomes apathetic and withdraws from political life.<sup>38</sup>

In the light of these more negative aspects, scholars and practitioners of local politics have warned that we must be careful not to romanticize the role of local government. Smaller communities are not necessarily more democratic than national governments; indeed, 'they can be stifling or disabling in reinforcing relationships of subordination and narrow parochialism'.<sup>39</sup> Moreover, as I shall demonstrate in this study, local autonomy does not necessarily mean more democracy. Corruption, and collusion between politicians and businessmen, is often more prevalent at the local level than at the nation level. As Dowley warns us:

The scholarly community bears a responsibility to find out when and how decentralization contributes to more effective, transparent, representative government, and when it leads to much worse outcomes, such as increased corruption, clientelism, growing regional inequalities or ethnic conflict.<sup>40</sup>

Furthermore, local officials and governments may more easily be 'captured' by business elites. Thus, for John:

To find out who governs it is not enough to identify the political leaders and the prominent public sector organizations because these people and bodies do not operate on their own .... Researchers need to look beyond the formally constituted organizations ... [to] members of the local elites who operate in long-term relationships with each other.<sup>41</sup>

Local business and political elites may coalesce to defend their joint interests in what Clarence Stone has termed an ‘urban regime’.<sup>42</sup> Moreover, just as the development of local democracy can enhance the development of democracy nationwide, authoritarianism at the local level can also feed and nourish authoritarian regimes at the national level.

### **The statist and societal concepts of local self-government in Russia**

Throughout Russian history two diametrically opposite concepts of local government have been fiercely debated – the statist and the societal. In ‘statist theory’:

local government takes on the administration of particular state functions. There is no independent activity by the organs of local self-government: there is merely a de-concentration of power wherein the central power retains ultimate control but assigns specific duties to these bodies. Thus, local self-government exists as administrative tentacles of the central state, and serves to implement state policies.<sup>42</sup>

In the ‘societal theory’ of local government, which stresses the self-governing nature, there is a separation of state and local government, a belief that ‘society’s interests ... should be distinguished from the interests of the state’.<sup>43</sup> As Campbell notes:

The opposition between the centralized ‘state theory’ and the decentralized ‘society theory’ has been central to each phase of reform of Russian subnational government since the early nineteenth century.<sup>44</sup>

The Russian Constitution, which was ratified in 1993, appeared to signal a victory for the societal concept, as local self-governments were defined in Article 12 as non-state bodies (see Chapter 2). However, in practice during the Yeltsin presidency (as discussed in Chapters 2 and 4) the regions adopted a dual system of ‘local government’ (guided by the statist concept) and ‘local self-government’ (employing the societal concept). Since President Putin came to power in 2000 there has been a concerted effort to bring local self-government back into the state and to make it part of the president’s ‘power vertical’ (see Chapter 5).

### **Outline of the study**

In chapter 2, I discuss the troubled development of federalism in Russia from Yeltsin to Putin, and the problems of delineating the powers of the federal centre, the regions and local governments. Authoritarian leaders (particularly in the 21 ethnic republics) have been able to use federalism as a pretext to install dictatorial regimes, and to claim sovereignty and control over their territories and natural resources. Yeltsin’s highly politicized and ‘contract’ form of federalism also sanctioned the regional subjugation of the powers of local governments, and gross violations of



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Article 12 of the 1993 Russian Constitution and the 1995 Law. Under Putin, we have witnessed a concerted effort to tame the regions and to recentralize power in the Kremlin. Under the pretext of preserving the unity of the state and defeating terrorism, the Putin regime has led an assault on the key principles of federalism and democracy.

Chapter 3 examines the communist party's domination of local government in the late Soviet period and Gorbachev's failed attempts to reform the system. In Chapter 4, I analyze the tortured and twisted path of local self-government reforms under Yeltsin, and the power of regional elites to thwart the implementation of the 1995 Law. In Chapter 5, I examine Putin's attempt to create a universal and uniform system of local self-government and to reassert the statist concept of local self-governance with the adoption of the 2003 Law.

Chapters 6 and 7 provide a detailed examination of the fiscal capacity and financial autonomy of local governments from Yeltsin to Putin. In Chapter 8, I turn to an analysis of local parties and elections, while Chapter 9 deals with local executives, and the struggle for power between mayors and governors. In Chapter 10, I assess the prospects for the development of a viable local democracy in Russia in the face of Putin's and the Kremlin's blatant manipulation of elections and attempts to create what I term an 'electoral vertical'.

Throughout the study, I relate the reforms of the structures and powers of local government, and the problems of creating a viable local democracy, to the complex struggle for power, which has been played out between the centre and the periphery under Yeltsin and Putin. The following three key questions are addressed in the study:

- 1 To what degree are local self-governments in Russia politically and economically autonomous?
- 2 What has been the impact of Russia's highly asymmetrical and negotiated form of federalism on the development of local self-government and local democracy?
- 3 What are the prospects for the creation of viable democracies at the municipal level?

## 2 Russian federalism and local politics

As Sisk notes:

The rich array of national, regional, cultural, and community settings establishes various contexts in which local government takes place. The role of local governance in a large country's federal system, for example, may be remarkably different from the role played by local authorities in small highly centralized countries .... Municipalities differ significantly – often within a single country or setting – on the degree of devolution and the types of governing responsibilities exercised at the local level.<sup>1</sup>

In December 1993, Russia ratified its first post-communist constitution which, in Article 1, proclaimed that it was 'a democratic federative rule of law state with a republican form of government'.<sup>2</sup> In this chapter, I provide an examination of the Russian federal system and the constitutional distribution of powers between, central, regional and local bodies of power.

### Federalism and federations

For Elazar, 'the simplest possible definition' of federalism is 'self rule plus shared rule'.<sup>3</sup> According to Watts, in federations:

1) neither the federal nor the constituent units of government are constitutionally subordinate to the other, i.e., each has sovereign powers derived from the constitution rather than another level of government; 2) each is empowered to deal directly with its citizens in the exercise of legislative, executive and taxing powers and 3) each is directly elected by its citizens.<sup>4</sup>

In addition, scholars of federalism have put forward the following structural pre-requisites that states must meet before they can be classified as federations:<sup>5</sup>

- 1 The existence of at least two tiers of government, both tiers of which have a formal constitutional distribution of legislative, executive and judicial powers and fiscal autonomy.

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- 2 Some form of voluntary covenant or contract among the components – normally a written constitution (not unilaterally amendable and requiring for amendment the consent of a significant proportion of the constituent units).
- 3 Mechanisms to channel the participation of the federated units in decision-making processes at the federal level. This usually involves the creation of a bicameral legislature in which one chamber represents the people at large and the other the component units of the federation.
- 4 Some kind of institutional arbiter, or umpire, usually a supreme court or a constitutional court to settle disputes between the different levels of government.
- 5 Mechanisms to facilitate intergovernmental collaboration in those areas where governmental powers are shared or inevitably overlap.<sup>6</sup>

Moreover, as Elazar stresses, ‘the structure of federalism is meaningful only in polities whose processes of government reflect the federal principle’.<sup>7</sup> Here, we need to add a cultural dimension to the five structural definitions provided above. As Watts notes, ‘a recognition of the supremacy of the constitution over all orders of government and a political culture emphasizing the fundamental importance of respect for constitutionality are therefore prerequisites for the effective operation of a federation.’<sup>8</sup>

### **Federalism in Russia**

Federations may be mono-national or multi-national. Following Kymlica’s definition a multi-national state refers to countries that ‘contain more than one national group which see themselves as distinct societies and demand various forms of autonomy or self-government to ensure their survival as distinct societies’.<sup>9</sup> Belgium, Canada, Spain, Russia, Malaysia, Cyprus and India are examples of multi-national federations that encompass or attempt to encompass more than one national group.<sup>10</sup>

With a population of 142 million citizens incorporating some 172 nationalities and an area covering 170 million square kilometres, Russia is one of the largest and most ethnically diverse multi-national federations in the world. The 1993 Constitution listed 89 federal subjects comprising 32 *ethnically* defined subjects (21 republics, 10 Autonomous Okrugs and 1 Autonomous Oblast) and 57 *territorially* based subjects (49 Oblasts, 6 Krai and the cities of Moscow and St Petersburg).

### ***Asymmetry***

The Russian Federation is also highly asymmetrical. The federal subjects vary widely in the size of their territories, ethnic composition and populations. Thus, for example, the territory of the republic of Sakha-Yakutiya is 388 times greater in size than that of the Republic of North Osetiya-Alaniya. The population of Moscow in 2002 (8.539 million) was 474 times greater than that of the sparsely populated Yevenk Autonomous Oblast (18,000).

There are also vast differences in the socio-economic status of the federal subjects. A majority of Russia's ethnic republics are highly dependent on financial support from the federal budget. Thus, for example, financial subsidies comprised 87.7 per cent of Ingushetiya's budget revenues in 2002, and 82.5 per cent in 2003. Federal transfers in 2003 comprised 80 per cent of budget revenues in the republics of Dagestan and Tyva, while they made up 70 to 80 per cent of the revenues of the republics of Kabardino-Balkariya, Karachaeva-Cherkessiya and North Osetiya-Alaniya. In the republic of Altai they comprised 60 per cent, and in Adygeya, Buryatiya, Kalmykiya and Marii El between 50 and 60 per cent.<sup>11</sup> Such high levels of inequality between regions are particularly worrying in multi-national federations, where the unequal distribution of resources can quickly take on an ethnic dimension, exacerbating tensions between ethnic groups. However, the economic dependence of the ethnic republics on the federal budget has also been an important factor in calming down secessionist demands.

There are also sharp variations in the revenues of municipal budgets. As Kurlyandskaya notes, 'In some regions the ratio between the per capita revenues of the richest and the poorest municipalities exceeds 1:100.'<sup>12</sup> I discuss regional and local level economic asymmetries in more detail in Chapter 7.

The Russian Federation is also constitutionally asymmetrical. While Article 5(4) of the Russian Constitution declares that all subjects of the Federation are equal, in fact the ethnic republics were granted far greater powers than the territorially defined subjects. Socio-economic and constitutional asymmetry in turn generates political asymmetry. Thus, for example, rich 'donor subjects' (regions that pay more taxes to the federal budget than they receive back) have been more successful in carving out higher levels of political autonomy than the impoverished 'recipient regions' that depend on federal transfers from the centre for their economic survival. There were eight donor regions in 1997, 13 in 1999, 19 in 2001 and 21 in 2006.<sup>13</sup>

### ***The Federation Treaty and the Russian Constitution***

During the period that has become known as 'the parade of sovereignties' (1991–3) there were real worries that the Russian Federation would follow the fate of the USSR and fall apart. The creation of a federal state based on the dual principles of ethnicity and territory was therefore seen by many members of the political elite as the only way to prevent the disintegration of the state. In March 1992 Yeltsin, fearful of the break-up of the Federation, signed a Federation Treaty, which conceded major powers to the ethnic republics.<sup>14</sup> In the Treaty, the republics were recognized as sovereign states and they were granted independent powers over taxation and ownership of their land and natural resources. In addition, the republics were to have their own constitutions, supreme courts and presidents. In contrast, the territorially based regions were given none of the above rights and their chief executives (governors) were to be directly appointed by the President. Tatarstan and Chechnya both refused to sign the Federal Treaty, and in November 1992 Tatarstan adopted its own rival Constitution, which declared that 'it was a

sovereign state, and a subject of international law, *associated* with the Russian Federation on the basis of a treaty and the mutual delegation of powers'. Chechnya, which declared its independence as early as November 1991, proclaimed that it was an independent sovereign state and a full and equal member of the world community of states.

The Federation Treaty had been signed at a time when Yeltsin was weak and appeared to be losing his struggle for power with the Russian parliament. Yeltsin's victory over parliament in October 1993 turned the tables and Yeltsin then sought to take back in December 1993 what he had been forced to give up in March 1992. The Constitution stripped the republics of their rights of sovereignty and secession. Thus, Article 4(1) states that 'the sovereignty of the Russian Federation extends to the whole of its territory' and Article 4(3) declares that 'the Russian Federation ensures the integrity and inviolability of its territory'. Further articles guarantee the supremacy of the Federal Constitution. Thus, Article 4(2) states that 'the constitution of the Russian Federation and federal laws are paramount throughout the territory of the federation' and Article 15(1) declares that 'the Constitution has supreme legal force, is direct acting and applies throughout the territory of the Federation. Laws and other legal enactments adopted in the Federation must not contradict the Constitution.'<sup>15</sup>

However, Yeltsin's victory was not as clear-cut as it would appear. First of all, many of the provisions of the Constitution are actually very vague or ambiguous, while others are contradictory. Of particular concern is the confusion that has been left over the current status of the Federal Treaty. Article 11 of the Constitution states that the distribution of powers between the federal government and federal subjects is to be determined by both the Constitution and the Federal Treaty. Second, there is the question of whether turnout at the referendum in December 1993 was actually over 50 per cent. It is now argued by many scholars that turnout was much lower than the official 54.8 per cent, and this has substantially weakened the legitimacy of the Constitution. Third, there is the question of how much support the Constitution received in the ethnic republics. An essential attribute of any democratic federation is the voluntary membership of its subjects. In 42 of the 89 republics and regions the Constitution failed to be ratified either because turnout was too low or the majority of citizens voted against it. Fourth, a number of republics had ratified their own constitutions before the December 1993 Federal Constitution, and they claimed that their constitutions took precedence over the Russian Constitution. Nationalist leaders in the republics could henceforth legitimately argue that the Russian Constitution was not valid in their territories. Authoritarian leaders were able to use federalism as a pretext to install dictatorial regimes, and to claim sovereignty and control over their territories and natural resources.

Yeltsin had won a pyrrhic victory. By 1996, the Federal Government reported that 19 of the 21 republican constitutions were in breach of the Federal Constitution. Those constitutions (Chuvashiya, Sakha-Yakutiya, Chechnya, Tatarstan and Tyva) ratified between the signing of the Federal Treaty in March 1992 and the ratification of the Russian Constitution on 12 December 1993 were the most confederal, including as they did declarations of sovereignty, rights of secession