

*Yeltsin's Russia: Myths and Reality, by Lilia Shevtsova*

## Book Summary

This book is a current and comprehensive account of the achievements—and failures—of Boris Yeltsin's Russia, from the collapse of the Soviet Union in 1991 to the economic and political crises of 1998–1999. The author is a senior associate at the Carnegie Endowment for International Peace. Key excerpts follow.

**Postcommunist Russia is a country of paradoxes.** On one hand, it is a model of endless movement. On the other, there is evidence all around of inertia and continuity. Within the diversity of its social, political, and economic life, there are areas of dynamism and success, areas of crisis and collapse, and, increasingly, areas of stagnation.

A telling example of Russia's paradoxical nature is Boris Yeltsin himself. Many in the West see Yeltsin as a democrat and reformer. It is true that he helped bring down the communist system and that, at crucial moments, he has taken the side of reform and tried hard to continue a liberal course. But more often, Yeltsin has behaved like a demagogue thinking mainly about his own survival. His worst mistake has been his failure to establish strong political institutions and stable rules of the game.

With one foot in the grave, Yeltsin came from far behind and won the 1996 presidential elections. In between—and sometimes even during—his hospitalizations and dacha vacations, Yeltsin has fired governments and created new ones, proving that it is still too early to write him off. Russia dreads its leader, but it dreads the alternatives to Yeltsin even more.

## **Post-Soviet Russia: The Early Years**

Boris Yeltsin came to prominence under the communist system and was a part of the old Soviet ruling class. Under Gorbachev, Yeltsin had become the very personification of antiestablishment forces. Gorbachev himself had pushed Yeltsin out of the circle of power, thus turning his former competitor into an opposition leader. Yeltsin's combination of Communist Party background and opposition stance enabled him to achieve what no dissident, even one as influential as Andrei Sakharov, had managed. The fusion of the energies of the democratic movement with the ambitions of the Russian republic elite and the charisma of Yeltsin had a devastating effect on the old Soviet center.

The tasks faced by the new Russian state after the Soviet Union collapsed were immeasurably more complex than those in any other post-communist country. The government needed to carry out market reform, continue democratization, overcome a national identity crisis, contend with leftover imperial and messianic attitudes, and define a new role in the post-Soviet space. The most difficult and traumatic problem was that of state building.

The mix of people around Yeltsin in his first government, while disordered and spontaneous, nevertheless had an internal logic to it. It grew out of Yeltsin's efforts to rely on trusted old friends regardless of their political orientation and to surround himself with several competing groups. That gave him room to maneuver when he had to make decisions and also when it was necessary to secure his own position. Pluralism at the top impeded the potential consolidation of the bureaucracy as a counterweight to Yeltsin and gave the president a variety of potential scapegoats in case things went badly. Even more important, having representatives of various political persuasions around him enabled the president to appeal to a wide array of political forces in the country. It made Yeltsin's political direction unpredictable and often chaotic, however, and internal squabbles at the top were inevitable. Moreover, the fact that Yeltsin rejected the idea of forming his own political party made him more dependent on his entourage and made his politics more byzantine.

The prevailing political mentality of the early period of Russia's new statehood was derived to a large degree from the Soviet past. Yeltsin brought with him to the highest office in the new Russia the mores prevalent in the old *nomenklatura* circles, which had been a formative part of his own political upbringing. There was a crucial difference, however: Yeltsin destroyed the practice of formal unanimity that had existed within the communist establishment and replaced it with the principle of strict personal loyalty to the boss, Yeltsin himself.

### **Yeltsin versus Parliament**

The first years of post-Soviet Russia were dominated by fierce competition between the executive and legislative branches. By the end of summer 1993, the confrontation between Yeltsin and the Supreme Soviet had reached a new level of intensity. On September 21, 1993, Yeltsin issued a presidential decree that dissolved the parliament and de facto introduced presidential rule. Two hours after this announcement, Vice President Aleksandr Rutskoi was sworn in by parliament as president of the Russian Federation. Several days later, an emergency Tenth Congress of People's Deputies was hastily called at the White House. The parliament had decided to fight back.

On September 25, by decree of the president, the White House was blockaded by militia and interior ministry troops, who allowed people to leave but not to enter. Attempts at negotiation did not yield any positive results. While the presidential team evidently counted on a complete and quick victory and no longer wished to make any concessions, Vice President Rutskoi and Speaker of the Parliament Ruslan Khasbulatov apparently believed that the country and the army would support them. They believed they were five minutes away from toppling Yeltsin, and so decided to fight all the way to the victorious end that they believed could not be far off. This was an enormous mistake.

On October 2 Yeltsin ordered army troops to Moscow to augment the forces already there. The first clash between the parliament's allies and forces of the Interior Ministry occurred that day in Moscow's Smolensk Square. On October 3, in response to the inflammatory summons of Rutskoi and Khasbulatov, thousands of parliament supporters

stormed the Moscow mayor's office, just opposite the White House. The first blood was spilled. That evening, prompted by their leaders, the opposition forces tried to take over the Ostankino television station. The attempt was stopped by government troops after midnight on October 4, with many casualties among the civilians.

Early on October 4 Yeltsin declared a state of emergency in Moscow; later in the day, army tanks began firing on the White House. By nightfall the White House had been captured by forces loyal to Yeltsin. Speaker Khasbulatov, "president" Rutskoi, and other leaders of the parliamentary sit-in found themselves in prison.

Yeltsin had scored a crushing victory over his opponents and quickly set a date for new parliamentary elections and a national referendum on a new constitution. Yeltsin had no constitutional power to organize a referendum, but that did not bother him. At this time, he appeared able to shape the political structure of the country any way he wanted.

After some revisions, the presidential draft of the new constitution was finally published on November 10, 1993. Fresh from their recent victory, Yeltsin's associates had returned to the superpresidential model and had even strengthened it. According to this draft, the president was the head of state and the guarantor of the constitution; he appointed the prime minister and all other ministers; and the procedure for removing the president was practically impossible to carry out. When the new constitution was approved by the voters a month later, most observers saw it as yet another important victory for Yeltsin over parliament.

### **The 1996 Presidential Elections**

Nonetheless, by the start of the 1996 presidential campaign, Boris Yeltsin was in poor physical health, had alienated many of his allies, and had lost the support of broad segments of the population. In January 1996 polls showed Yeltsin trailing communist Gennady Zyuganov, democratic opposition leader Grigory Yavlinsky, nationalist Vladimir Zhirinovskiy, and General Aleksandr Lebed. Even Yeltsin's closest associates doubted that his candidacy could survive the first round of voting.

In light of Yeltsin's weak start, his eventual victory in June 1996 was truly remarkable. The incumbent president's slight margin over Zyuganov in the first round had hardly prepared anyone for his resounding victory in the second, when Yeltsin got almost 54 percent of the vote. Several factors accounted for this success. Russians were voting against Zyuganov more than they were voting for Yeltsin. They voted for the present and against the past, not because they were satisfied with the present, but because they were afraid that change would be for the worse.

Yeltsin's victory was also the result of an expensive campaign costing between \$700 million and \$1 billion. All the government's organizational and financial resources were engaged to ensure his victory, and all of the democratic press and television channels worked on Yeltsin's behalf. The Yeltsin team was even able to use the newest technology and to call upon the services of American campaign experts.

The 1996 elections, the first in an independent Russian state, were significant for the institutionalization of Russia's political life: within the chaos, a tradition of normal governance was gradually developing. But these elections were not compelling evidence that Russia had moved far along the path of democracy. They enabled part of the dominant ruling class to keep its power, but did not guarantee that the ruling class would support elections in the future if they were seen as contravening its interests.

### **Financial Meltdown**

The effects of the Asian financial crisis hit hard in Russia early in 1998, and by the end of August the ruble was in free-fall, leaving Russia's entire economy in limbo. The market plunge was accelerated by the Central Bank's decision on August 27 to stop selling foreign currency indefinitely on a key exchange. Millions of Russians rushed to swap rubles for hard currency, waiting in line for hours at banks and foreign-exchange booths in the hope that someone would arrive with dollars. The Soviet tradition of black-market currency trading reappeared. The financial meltdown claimed a new, politically significant victim: Russia's middle and quasi-middle class. Workers who had gone unpaid for months were now joined by a middle class whose savings were eradicated by the banking crisis. The ranks of the losers expanded, and this became a serious threat to the regime.

The Russian press was unanimous in its assessment that Yeltsin's days in the Kremlin were numbered. Indeed, there was little remorse to be found in this consensus—for the first time analysts and observers openly expressed their desire to see Yeltsin go. Everyone, even the president's former allies and advisers, now looked upon him as a lame duck. Journalists ridiculed him. Ordinary Russians told jokes about him. Yeltsin himself continued to keep silent. Everything depended on whether he was ready to leave voluntarily, because impeachment would be practically impossible.

On August 28 Yeltsin appeared on television and stubbornly pledged to remain in office until the expiration of his term in 2000. "I will not go anywhere. I will not resign. I will work as long as the constitution allows," he said. This short prerecorded interview was the first time Yeltsin had addressed the nation since the onset of the economic crisis. He looked tired and ill. Only once—when he dispelled rumors of his resignation—did Yeltsin look the interviewer straight in the eye; at that moment he was his old self, defiant and dangerous.

In the months since the 1998 financial crisis, Yeltsin has continued the pattern he established early in his administration of disappearing from public view for long periods, then returning during times of crisis to replace prime ministers and other senior officials with new appointees he asserts will solve the country's myriad problems. As a result, Russia remains involved in a long-running drama as its aging and failing patriarch constantly delays his political exit in the absence of a strong and predictable successor.

### **Russia After Yeltsin**

Some observers predict that Russia is likely to face upheavals in the future for a variety of reasons. It is not clear how Russia will adapt to Chechen independence. The timing and direction of new economic reforms is uncertain. The old system of social welfare has collapsed, and a new one has yet to be created. Some democratic mechanisms have been discredited. Although deals have been made within the ruling circles, political struggle may become more violent, particularly as there still is no mechanism for a secure transition to the post-Yeltsin period. The limits of the population's patience are another major concern. The political and economic crisis of 1998 demonstrated that many of the alleged successes of the postcommunist transformation were illusory.

At the same time, several factors facilitate the survival of the system. The existence of multiple interest groups within the government plays a stabilizing role both in the center and in the regions. The sheer diversity of these groups gives rise to constant tensions, but it also facilitates the leadership's ability to maneuver and balance among the groups. The same is true of the number of components of the federation: if, instead of eighty-nine, there were only fifteen or twenty powerful players, the center would have a far more difficult time dealing with them. The multiplicity of conflicts at all levels—both in Moscow and in the provinces—prevents the emergence of a bipolar confrontation either within society or between the population and the regime.

A number of Russia's characteristics are incompatible with traditional liberalism and democracy. These characteristics include a legacy of more than seventy years of communism, preceded by absolutism; the absence of a developed middle class and of a tradition of individualism, both of which are necessary for the emergence of a politically responsible electorate; the greediness of the political establishment; and the society's weariness with constant experiments and its disillusionment with Yeltsin's attempts at liberal reform. To this list should be added the existence of ethnic-national and regional conflicts, continuing social and economic stagnation, and Russia's superpower complexes. People are looking for a leader who can create and maintain order until the process of state building is completed. All of these factors impede Russia's progress along a democratic path.

The first several years of the post-Yeltsin era will be a crucial test of the political maturity of the Russian political elite. Sooner or later, key interest groups must reach a compromise on constitutional changes necessary to restructure the regime. Many forces would prefer to strengthen the role of the government and to eliminate all behind-the-scenes power over the decision-making process, to increase the role of the parliament, making it more responsible, and to strengthen the role of the judiciary. Such an evolution toward a presidential-parliamentary system is feasible but would require agreement among the major players.

If the current Russian elite fails to change the rules of the game that have become a source of political instability and national decline, then this will become the task of the next political generation. Will that generation produce aggressive politicians with inferiority complexes and an overwhelming urge to satisfy their own appetites—or will it produce statesmen with a sense of mission, national pride, and the desire to build a new

and civilized Russia? Much depends on the next generation's ability to learn from the mistakes of its predecessors in the Yeltsin era.