

EUROPEAN UNIVERSITY INSTITUTE, FLORENCE
DEPARTMENT OF POLITICAL AND SOCIAL SCIENCES

EUI Working Paper **SPS** No. 2004/20

**The Paradox of Democratization and
Federalization in the Russian Regions**

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Published in Italy in December 2004
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The Paradox of Democratization and Federalization in the Russian Regions

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Introduction

In the numerous works of scholarships on both democratization and federalism the relationship between these two phenomena is always highlighted. Both decentralization and federalization, as it is assumed, promote accountability and responsiveness and consolidate democracy. Theoretically, regional government is more likely to engage in effective politics on the local level, and to be concerned about the needs of the people. It is easier for people in the regions to control the local governmental actions and politics, and to assign responsibility for policy outcomes. Regional and local governments are expected to be more efficient in setting tax rates, policy priorities, and other economic and financial goods according to the specific needs of the particular constituent units (from here on referred to as “CUs”). Given that there are “clearly defined policy jurisdictions”, a federal system may promote a kind of interregional competition that makes the local government search for “the most efficient policy packages”. The power holders are controlled by the electorate and may be “rewarded” or “punished” during the election process.¹ However, the empirical data collected from a decentralized and transitional state, Russia, exhibit quite the opposite to many theoretical assumptions. The local autonomous and regional governments can sometimes promote an authoritarian regime and an intolerance towards ethnic minorities in the region.

This paper analyzes the Russian experience of federalization and regime transition as two interconnected process. Firstly, looking at federalization, the paper explores the issue of causation of federal arrangement and the “context” of the reforms taking into account such issues as ethnicity, geopolitics, and wealth. It argues that federal asymmetry was a necessity in accommodating the regions which are so diverse across ethnical, geopolitical, and economic lines. These three factors - ethnic, economic, geopolitics – caused the asymmetrical federal arrangement of the Russian Federation (from here on referred to as “RF”). in the transitional period (Hypothesis 1). The paper will analyze each of these factors to demonstrate the diversity of Russian regions and then will test the hypothesis.

The second part of the paper, analyzes the connection between federalization and democratization. The second hypothesis is that the asymmetrical federal arrangement in Russia actually caused the differences in regime transition in the regions (Hypothesis 2). I

¹ Ostrom, Schroeder and Wynne, 1993; Nechyba, 1997.

expect to find a negative correlation between the federal status of the CU, and the level of democratization. The analysis of the regime transformation in the regions includes the N-large study that analyses the press freedom in the regions, as one of the main indicators of a democratic regime. The methods of correlation, quadratic regression, and regression analysis help to test the validity of the second hypothesis. To identify the real causes of the disparities in regional regimes, we need, firstly, to analyse the causes of the asymmetrical arrangement. I expect to find three factors ethnicity, economic development, and geopolitics having caused (1) the establishment of highly asymmetrical federalism (H. 1.1, H. 1.2, and H. 1.3); and (2) this influenced the differences in the regimes across the regions. However, I also examine the possible links between federal status and regime change (H. 2).

I. “Federalization” process in Russia:

Establishment of asymmetrical federal arrangement

In 1991, the RSFSR’s administrative-territorial structure was modified and this change was later codified in the Federation Treaty of March of 1992 and the Constitution of 1993. The 16 autonomous republics, and 4 of the 5 autonomous *oblasts*, were given the status of “republics”. The other 68 CUs (including 49 *oblasts*, 7 *krais*, 2 federal cities, 1 autonomous *oblast*, and 10 autonomous *okrugs*) became known as regions.

In addition to the Federal Treaty, Yeltsin signed three other treaties in March of 1992: one with the autonomous republics and the autonomous *oblasts* that elevated them to the status of a republic (these are Adygeia, Gorno-Altai, Karachay-Cherkessia, and Khakassia); one treaty with autonomous *okrugs*; and another treaty with non-ethnic *oblasts*, *krais*, and the two cities of Moscow and St. Petersburg (which received the status of federal cities which made them equal to an *oblast*). The Federation Treaty described “republics” as “sovereign states” implying extended rights for this group of CUs in the areas of natural resources, external trade, and internal budgets. Tatarstan and Chechnya refused to sign the Federal Treaty, seeking more clearly defined status to independent states. All other CUs, apart from republics, secured enhanced rights

In February 1994, Yeltsin signed the bilateral treaty with Tatarstan. In the signing of this treaty, Yeltsin encouraged other CUs to follow suit. By 1996, similar treaties with Kabardino-Balkaria, Bashkortostan, North-Ossetia, Sakha, Buryatiya, Udmurtia were signed. In 1996, similar treatment was accorded to Sverdlovsk, Orenburg, Kaliningrad, Khabarovsk, and Komi. The Federation Treaty helped resolve some of the tensions between the federal centre and the regions. On the other hand, it left many questions unanswered: what constitutes “ownership” of

land and natural resources in the republics? What is the strategy for the distribution of profits from exports, between the centre and the provinces? What are the criteria for the distribution of federal subsidies, off-budget payments from centre to the regions and tax transfers from regions to the centre?

The Treaty described republics as “sovereign”, which suggested that the republics not only had a right to refuse to join the federation, but also could secede at their own initiative. While the Treaty did not mention the option of session *per se*, it did stipulate that the constitutions of the republics should at least be compatible with the federal constitution.

The 1993 Constitution took precedence over the Federal Treaty. In drafting Russia’s constitution, Yeltsin insisted on three principles: human rights were to be guaranteed throughout Russia (including the republics); unity of the RF must be maintained; the constitutions of the republics should not contradict the Russian constitution. The definition of the republics as “sovereign states” was dropped, while the federation structure still included different approaches to CUs. The Constitution established the notion of “hybrid federalism” based partly on the example of national areas (such as Belgium and India) and partly on areas lacking in any national significance (like in Brazil, Germany and the U.S.). This structure was accompanied by declarations (Art. 5) on the equality of all subjects of the Federation, when in reality they were entitled not only to a different status but also to different rights. One of the most striking differences was that the republics were granted all the attributes of a sovereign state (constitutions, presidents, legislature, etc.) while all other CUs were granted the right to have charters, governors, and more stringent tax payments.

The result of these new approaches to centre-peripheral disputes led to the establishment of an asymmetrical federal arrangement. As such “asymmetry” is inseparable from all modern theories of federalism. To start with, there is not a single federation in the world that is considered absolutely symmetrical in terms of the rights and the status of its CUs. The factors that usually influence asymmetrical federalism are strong disparity in size of the regions, population density, the presence or absence of ethnic minorities, and socio-economic inequality.

Therefore, my first hypothesis is that the asymmetrical federal arrangement was a necessary prerequisite in accommodating the regions that are so diverse across ethnical, geopolitical, and economic lines. These three factors - ethnic, economic, geopolitical – “caused” the asymmetrical federal arrangement of the RF in the transitional period. The paper will now analyse each of these factors in order to demonstrate the sheer diversity across the regions. Then, I will test the hypothesis using the logistic regression.

Contextual analysis

The contextual variables that may have influenced the establishment of the asymmetrical federal arrangement are geopolitics, the ethnical influence, and the economic situation. The geopolitical factor means the geographic position of the CU within the federation: size, population, and the existence or absence of external borders. The geopolitical factor should be analyzed along side the ethnic-demographic influences - it is especially important to account for the percentage of the ethnic groups within a CU). This is measured by (1) the data of the returns of the 1989 census (the data on the population in the CUs), (2) by the size of CU, (3) by existence or absence of external borders. Unlike the other two, the geopolitical factor causes the least confusion as it is probably the only factor that can be described as a constant throughout the period. The second, ethnical factor, is often considered as one of the most crucial for the establishment of an asymmetrical federal arrangement. One of the assumptions is that, if the ethnic group forms a majority (or at least the dominant element) in a geographically-defined area, then the higher the probability of demands for autonomy, on the part of the CU. The basic role of the federal institutions, in this situation, is to give the CU consisting of the predominant ethnic group, certain priorities and rights and a degree of autonomy. This therefore reduces the centre-peripheral tension.

The third assumption is that the issue of economic resources plays an important role in the demands of the CU for greater independence. This therefore influences the intensity of the conflict. Resources can be further subdivided into certain issues: the level of the economic development of the region at the beginning of the transition period (defined by the factories, plants and infrastructure inherited from the Soviet period), and the existence or absence of natural resources (oil, natural gas, diamonds, gold, etc.). The basic correlation is, the wealthier the CU, the greater it's demand for autonomy. The economic factor is measured by the rank as assessed by the expert group of the European Banc of Reconstruction and Development (EBRD).

To better demonstrate the diversity within the regions, we shall draw on some examples across the three contextual variables and analyse the differences in the status of the CUs.

1. Geopolitical Conditions

By geopolitical factor I mean the geographic location of constituent units, their size, and their population. Eleven ethnically-defined CUs border another state. These are the Karelian, Altaian, Tyvinian, and Buriatian republics, the republics of the northern Caucasus (with the exception of Adygeya), and the Jewish autonomous *oblast*. The republic of Sakha and five

autonomous *oblasts* (Nenets, Yamalo—Nenets, Taimyr, Chukchi, and Koryak) are situated along the shores of the Arctic Ocean and the Bering Sea. Although they are situated along the coastline, climatic conditions deny ship access for most of the year and reduce the significance of these locations.

The ethnically defined units that border foreign states are, generally, quite small (both in terms of area and population). Even though these ten units account for only 10% of the area under ethnic-territorial administration, their share of the population is about 30%.² The most populous of republics - Tatarstan and Bashkortostan –have no external borders and are cut off from other states by stretches of other regions possessing overwhelming Russian populations.

2. *Ethno-demographic factors*

The position of the titular nation in many CUs is quite weak, compared with the other national groups in these areas. The ethnic groups are highly dispersed across the territory of the RF because of the immigration policies of the tsarist period (especially under the rule of Catherine II) and the Soviet era (most notably during Stalin's period). It is surprising that only 2% of all the Jews in the RF live in a territorially defined CU called the "Jewish autonomous *oblast'*". The highest percentage of any ethnic group living within their own CU is that of the Tatars. But even here only 48.9% of the population of Tatarstan are Tatars, while the rest is composed of Russians, Ukrainians, Moldovans, and a mosaic of Caucasian ethnic groups.

According to the 1989 census,³ the titular nation made up less than half of the population in fourteen of the administrative units that are RF republics today. In Kabardino-Balkaria and Dagestan, a majority exists only if two or more titular groups are added together. It leaves only five republics in which a singular titular nation forms the majority of the population – Chuvashia, Tyva, North Ossetia and Chechnya, and Ingushetia.

In autonomous *oblasts* and autonomous *okrugs* (which have less degree of autonomy than the republics), the presence of members of the titular nation is even less. Thus, for example, in the autonomous *okrug* of Khanti-Mansi, the two titular groups together account for no more than 1.4% of the total population of this CU. In general, the proportion of the titular nations in these units is quite low.⁴

As a result of Russian and Soviet migration policies, ethnic Russians form a majority in 9 of today's 21 republics, as well as in 9 of the 11 units with less autonomy. This predominance of

² Their higher share of the population is caused by the fact that all the autonomous *okrugs*, with their sparse population, belong to their ethnic enclaves.

³ Census 1989 of the RF

⁴ The Komi-Permiak autonomous *okrug* and the two Buryat-inhabited *okrugs* where the share of the titular nation did not surpass 17% might be considered exceptions.

Russians is the main constraint on potential ethnic separatism. The ethnically defined units clearly possess heterogeneous populations.

Most of the nationalities that have been granted autonomy are quite small in size. Within the borders of the republics, the size of the titular nation ranges from 1.8 million Tatars to less than 63,000 Khakassians. On average, the titular nation accounts for approximately 450,000 inhabitants in the republics, and 25,000 in the other ethnically defined units.⁵

Another factor that prevents most of the CUs in demanding self-determination, is the lack of consistency between the borders of the territory actually inhabited by the minority, and their autonomous units. In many cases, the ethnically defined units include only a small part of the minority in question. Of the largest minority groups with their own territorial units, more than one third of the group live outside of the autonomous area (*e.g.*, of all Tatars who live in the RF, 68% live outside Tatarstan, among Chuvashs - 49%, Bashkirs – 36%, and Mordovians – 71%). The most striking example is that of the Jews: 98% of whom live outside their autonomous *oblast*. It would be illogical to claim the independence of a federal unit in which the titular ethnic group constitutes only a small percentage and where it is actually predominantly inhabited by other ethnic groups. Thus, the numerically weak position of the titular nations, combined with the large number of Russians living in the ethnically defined areas, make separatist movements based on ethnic exclusivity an unviable option.⁶

3. Economic factors

These factors can be viewed in terms of economic dependence, rather than interdependence. Many of the ethnically defined units have developed a dependence on the center during the Soviet period. The local economies functioned as integrated parts of the Soviet economy. Planning and investment were always carried out within the confines of a region for a particular industry; without developing a balanced, self-sufficient economy within the republic or *okrug*.

The areas where there are the greatest potential, for the development of a more or less independent, economy are the Volga-Ural area and northern Siberia - with their rich deposits of oil, gas and other natural resources. But these territories are surrounded by other regions of the RF.

⁵ Even these numbers can be considered, to certain degree to be an exaggeration because it accounts for the total share of a titular group in each unit, which sometimes include **two or more nationalities**. The smallest of the ethnic groups with its own administrative-territorial unit is the *Evenks* (it has 3,500 persons within the borders of this entity).

⁶This is the main reason why the conflicts analyzed in this study would be better defined as “central-peripheral” or “regional” conflicts rather than “ethnic” ones.

On the other hand, those republics situated along borders are dependent on subsidies from the federal budget. The republics of northern Caucasus are among the poorest and the least developed of CUs. The republics of southern Siberia are also highly dependent on transfers of federal funds.⁷ Most of the republics can be defined as “mono-economies”, in the sense that they rely on imports from other parts of the Federation. For example, 80% of the goods sold in the republics were imported from former union republics.

This may explain why, the initial demands for sovereignty, have subsequently been moderated. In most cases, where geopolitical preconditions for independent statehood exist, economic considerations pull in the opposite direction of the traditional reliance on federal funds - increasing ties with the centre. Separation would probably mean a deterioration of living standards and economic hardship. The economic factor is measured by the index employed by EBRD, which gives the economic rank of each CU for 2000 and for 2002. This index is from 1 (as the highest developed CU) to 88 (as the least developed CU). To test the hypothesis, the reverse rank is employed in this study. The most developed, and richest CU, has the highest index of “89” and the least rich is at “1”.

Dependent Variables: Federal Status

The 89 CUs of the RF have different status and, consequently, enjoy different rights and powers. It is quite challenging to establish a firm demarcation between them, and to divide them into categories. The Constitution is ambiguous in terms of the differing status of CUs. On one hand, it states that all CUs are to be equal, while on the other, it includes articles that favour some CUs (republics) over others. The CUs are divided into “ethnic regions” (republics, autonomous oblast, autonomous krais) and “territorial regions” (oblasts and krais). There are 32 CUs defined as “ethnic regions”. This group includes 21 republics, 10 autonomous okrugs and 1 autonomous oblast.

The 1993 Constitution provides for a confusing distribution of powers to CUs and an overlapping jurisdictions. The RF is divided into 21 ethnic republics, 55 *oblasts* and *krais*, 1 autonomous *oblast*, and 10 autonomous *okrugs*.⁸

Republics: Republics enjoy several advantages over all other CU in terms of their relationship with the federal centre. The 21 republics provide territorial homes to the most significant ethnic minorities. In most of the cases the “titular nation” does not make a majority of the population

⁷ The best example of it is the fact that 90% (!) of expenditures in the Tyvanian budget have been covered by federal subsidies

⁸ The RF is divided into 21 ethnic republics (Index “3”), 55 oblast (index “2 O”) and krais (index “2 K”), one autonomous oblast (“2 AO”), and 10 autonomous okrugs (“1 AOk”).

of the CU and is overwhelmed by Russians. Not all members of ethnic groups, with their own republics, live on their own territories. In fact the titular nation comprises of an absolute majority in only in 6 of the republics: Chuvashiya, Kabardino-Balkaria, North Ossetia, Checheno-Ingushetia (which was one CU and is now two CUs), Tuva, and Dagestan (there are a few ethnic groups which comprises of an absolute majority only if they are taken together: Avars, Dargins, Kumyks, Lezgins, and Laks). As the most privileged CUs of the Federation, republics have the power to elect their own presidents (only later on *krais* and *oblasts* were allowed to follow their example). According to the Constitution of the RF, the republics may have their own constitution, while *oblasts* and *krais* have only charters. Republican authorities signed agreements with federal governments giving them extensive control over natural resources, their own special tax advantages, and the possibility of conducting their own foreign policy.⁹

Federal cities: The capital city Moscow, and the former Tsarist capital St. Petersburg, are designated as federal cities.

Oblasts and Krai: 46 oblasts and 6 krajs are “territorially” divided CUs and there is no difference between them in terms of constitutional rights. The term “*krai*” was used to describe the territories that once stood on the furthest boundary of the country.

Autonomous oblast and autonomous okrugs: There was only one autonomous oblast on the territory of the RF – called the Jewish AO. It gained independence from the Khabarovsk *Krai* on 25 March of 1991. Therefore, it is defined as being equal to any of the other *oblasts* and the *krais*. The region was established by Stalin in the Far East as a homeland for the Soviet Union’s Jews, most of whom lived in the western part of country and few of whom chose to resettle in the new region. Today’s population of the Jewish AO is just 4%.

Not all autonomous *okrugs* are similar with regard to their status and rights. As a result, the resource rich autonomous *okrugs* (Khanti-Mansii and Yamalo-Nenets) have long sought independence from the region that they are a part of and this was taken into account in developing system of indexes.¹⁰

There are also ten autonomous *okrugs* and one autonomous *oblast*. The Federal Constitution is very ambiguous about the status of these CUs. Article 5 says that they are equal to the other 89

⁹ In the calculations the CUs with the status of “republic” has received index 3. *Index “2”* is assigned to federal cities (2 FC), oblasts (2 O), krajs (2 K). Both oblast and krajs are assigned the same index “2” (“2 O” for oblasts and “2 K” for krajs). *Index “2 AOk”* -One AOk, Chukotka, has won its independence from Magadan Oblast in June 1992. Therefore, it assigned index “2 AOk”. *Index “2 AOb”* - There was the only autonomous oblast on the territory of the RF – Jewish AO. It has got its independence from Khabarovsk *Krai* on 25 March 1991. Both oblast and krajs are assigned the same index “2” (“2 O” for oblasts and “2 K” for krajs).

¹⁰Therefore Khanti-Mansii and Yamalo-Nenets are assigned the index “2 AOk”.

units. However, Article 66 subordinates them to the *oblasts* or *krais*, on whose territory they are located.¹¹ The Russian Constitutional Court refused to clarify this ambiguity on 14 July of 1997. All okrugs are designated for specific ethnic groups. However, the titular nation constitutes a majority only in Komi-Permyak AOk and in Agin-Buryat AOk.

We will now look at the correlation between all the variables and then run regression analysis. Firstly, I assume that the geopolitical factor has influenced the status of the CU (H1.1). Secondly, it seems that, the higher the percentage of the ethnic group, the greater the autonomy of the CU (H.1.2). Finally, the richer the region, the greater its' autonomy (H.1.3). The results are presented in the Table 1.¹²

Table 1: Correlation of “contextual” variables and federal arrangement

	Economy (H1.1)	Population (H2.2)	Size (H.2.2)	External Border (H2.3)	Ethnicity (H.3)
Economy	-	-	-	-	-
Population	.504**	-	-	-	-
Size	.094	-.004	-	-	-
External Border	-.089	-.084	-.058	-	-
Ethnicity	-.483**	-.249**	-.043	-.018	-
Federal Status	-.063	.039	-.043	.124	.415**

** p < 0.01; * p < 0.05

The *Table 1* demonstrates a very low correlation between federal status and such factors as external border, population, size, and economic development. However, it demonstrates the strong positive correlation between the ethnic factor and the federal status (+ .415**) confirming the hypothesis stating that the asymmetrical federal arrangement was a necessity and was aimed at accommodating the ethnic minorities in the regions. So, what was often described as an “extreme” asymmetry, is completely justified as a necessary measure of the transition period, and it was probably the only useful tool in centre-peripheral dispute resolution. Therefore, we reject the hypothesis that the geopolitical and economic factors might have a significant impact on federal arrangement.

¹¹ “1” can be conditionally assigned to 10 autonomous okrugs and 1 autonomous oblast

¹² The data on ethnicity, size, population, and federal status of the CUs is collected from *The Republics and Regions of the Russian Federation: A Guide to Politics, policies and Leaders*. Edt. By Robert W. Orttung. EastWestInstitute, 2000. The data on the level of economic development of CUs can be found at <http://www.ebrd.org/about/strategy/country/russia/annex.pdf>

We have run regression analysis on the dependent variable, federal status, with predictors of ethnicity (measured by the size of the titular nation within a CU), geographic size (in squared kilometres), the dummy variable of an external border, the population and economic rank for 2000. The regression analysis results confirm the impact of ethnicity, on the formation of a federal asymmetry.

Table 2: Regression analysis with the federal status of the CUs as the dependent variable and economic rank, population, size, external border, and ethnicity as determinants

	Beta (t-test)	
Constant	-	(10.869)
Economy Rank (2000)	.157	(1.245)
Population	.094	(.820)
Size	-.026	(-.264)
External border	.151	(1.513)
Ethnicity	.490**	(4.384)

** significant at the 0.01 level

The regression analysis demonstrated the R Square is .206, F-test is 4.208 and the model is significant at .002. Among all independent variables only ethnicity has a significant Beta (.490) and t-test (4.384) and is significant at .000. This allows one reject the hypothesis that socio-economic and geopolitical parameters have any influence on the formation of the federal state (at least as long as we deal with the Russian Federation). Although, it is not the aim of the current study to analyse the interrelations of independent variables, correlation among the contextual factors seems to be noteworthy. We have found a strong correlation between the contextual variables themselves (such as the one between economic development and population (+ .504**)). The CUs with the highest population, tend to be more economically developed. And, there is strong negative correlation between the percentage of an ethnic group living within it's own region and economic development (- .483**). However, other contextual variables (such as the size of the CUs and the existence of external borders) seem to play no significant role in attaining either high federal status or the development of the regime in the regions.

How do contextual variables correlate with autonomy (federal status)?

There is a strong correlation between the percentage of an ethnic group and the federal status (+ .415**), confirming the hypothesis that the asymmetrical federal arrangement was a necessity because it was aimed at accommodating the ethnic minorities in the regions. So, that

which was often described as an “extreme” asymmetry is completely justifiable. Therefore, asymmetry can be viewed as a necessary step in the process of transition.

To summarise, the regression analysis exhibits the following impact of “contextual” variables:

$$\text{Federal Status} = 0.49 \text{ Ethnicity} + 0.15 \text{ External border} + 0.16 \text{ Economy}$$

Regression analysis confirms the main conclusion, with regard to the interconnection between the disparity of regions and asymmetrical federal arrangement as the only possible answer to accommodate so many different regions within one state. Thus, despite considerable homogeneity within the RF as a whole, ethnic groups have been taken into account as ethnicity was a dominant factor for the establishment of the asymmetrical federation. In realm of geopolitics it seems that neither size nor population play important roles.

II. “Democratization” process: regime transition in the Russian regions.

Press Freedom as a Necessary Prerequisite and Element of Democracy

Democracy presupposes many factors – division of powers, fair election, party competition, regular executive turnover, etc. However, it is important to remember that in this study, we do not deal with an established democratic country, but with a country in transition. Also the number of CUs, makes it impossible to analyze the major criteria across them all, and there are no statistics available to make it a cross-regional N-large study. Therefore, we look at a particular feature of democracy and a prerequisite for a consolidated democratic regime: press freedom. The politics of the regional executives often contradicts to the federal legislation. Therefore, the role of the media does not correspond to the niche as defined by federal law and tends to reflect the situation within the region allowing this determine many of the “domestic” peculiarities of the regional regimes.

A truly democratic regime in a federal state would imply the democracy on the local – regional - level which would be associated with the press freedom. The European Convention on Human Rights defines freedom of speech as “The right to free expression, the right to receive and disseminate information and ideas”. The press plays the role of a mediator between the society and the power holders. It can often be a catalyst for change within a society. The role of the press increases over the pre-election period, when it has a greater potential to shape public opinion and to determine the election result. If press freedom is suppressed , it leads to a situation where we are given unreliable information which might secure the victory of those, already in power. Thus, the press becomes a tool in settling scores, in political battles and

without real attention to care the needs of ordinary readers. It is for this reason that freedom of the press in the regions seems to be quite an objective criteria in measuring the regimes of the regions. Local authorities try to fit liberal federal legislation to their own needs and they often issue repressive local orders to restrict press freedom and infringe on the right to freedom of speech. This parameter was also incorporated into the system of indexes measuring freedom of the press in the regions. This is especially valuable information, because it includes a thorough analysis of local laws, which as was already noticed, can be quite different from federal law.¹³

The right to seek and receive information freely is dependent on unrestricted access to information; on the transparency of the executive, representative and judicial authorities; the response of officials to requests for the information; and the fairness of accreditation requirements. The survey on press freedom created an index of the level of unrestricted access to information, in each region of the RF, by analyzing local laws and the practices involved in facilitating access to information. The second index of production of information is measured by the analysis of the regional registration regulations (broadcast licenses), local tax and other codes (which affect the media's economic activities) and the government's role in regulating access to the means of production (both print and electronic). Finally, the third "component" of press freedom is dissemination of information. This is measured by the analysis of the specific conditions (as drawn up by local administrations) to maintain or dismantle their monopoly on media distribution. To elaborate the measurement system, the project has examined the following:

1. the regional laws regulating media activities,
2. an analysis of the regional accreditation rules for journalists
3. field research in the regional markets (experts collected data on the quantity of circulation and ownership structures of print media; capacity, ownership structures of publishing houses; number, signal capacity, coverage area and ownership structures of TV and radio broadcasting companies; and information on the terms and conditions for granting state support to mass media in each market). The survey also examined the environment established by local administrations for distributors of press (includes analysis of tax system and other privileges for distribution and the number of permits needed to open press outlets).

¹³ The data for the regions are accumulated by the Public Examination global project and conducted by the Russian Union of Journalists, the Glasnost Defense Foundation, the National Institute for Socio-psychological Studies, The Mass Media Law and Policy Center and ANO Internews. The project staff created index of the press freedom for each region that incorporated three index measuring freedom: freedom of access to information, freedom of production of information, and freedom of distribution of information. Data can be found at <http://www.freepress.ru/win/public/6htm>

4. Information request test. The request for the information has been sent to the head of the region (executive), the regional administration, to the regional legislative assembly, the prosecutor, etc. The purpose of this test is to determine to what extent the regional authorities comply with the RF Law on Mass Media in different regions. According to this Law, executives, legislature, and others, must provide the editorial board with any information they request.

The result of the project demonstrated that there was no region that would meet all criteria of press freedom. However, two regions have favourable conditions for access to information as required by the press (Yaroslavl and Murmansk Regions), and one region has a favourable climate for both the production and dissemination of information (Moscow). The data collected in this project, seems to be quite an objective indicator to use in further speculation on the regime change in the regions. The question to be posed in this context is how press freedom correlates to with the federal status of the constituent units of the federation, in three contextual categories? So, the second main hypothesis of the study, is that the asymmetrical federal arrangement actually caused the differences in regime transition in the regions (H 2). I expect to find a negative correlation between the federal status of the CU and the degree of press freedom. I also expect to see that republics have developed strong tendency towards an autocratic regime and therefore press freedom, as an hallmark of democracy, would be suppressed more. The results of the calculations are demonstrated in *Table 3*.

Table 3: Correlation of press freedom with the three contextual variables and federal status

	Economy	Population	Size	External Border	Ethnicity	Federal status
Press Freedom	.495**	.341**	-.123	-.158	-.513**	-.235*

** Correlation is significant at the 0.01 level

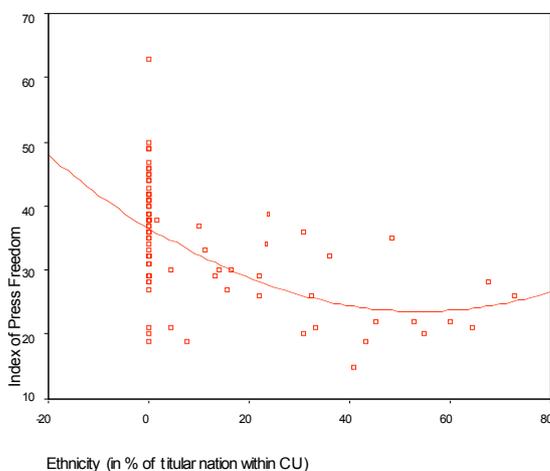
* Correlation is significant at the 0.05 level

The strongest positive correlation, is between the level of economic development and the degree of press freedom. The regions with a higher level of economic development tend to have more democratic mass media. This is compatible with our previous finding, demonstrating that richer regions are those with a lower-degree of autonomy (non-republics). A single increase in the rank of the economic development caused an increase in the index of press freedom by .495. The population size also has strong positive correlation with press

freedom (.341**). However, both ethnicity and federal status are negatively correlated with press freedom. The higher the percentage of an ethnic group, living within the territory of the region, the lower the level of press freedom (by $-.513^{**}$). To a less degree, the same can be found in the relationship between the federal status and press freedom. The most important finding is that which reflects the correlation between federalization and democratization, which is the main focus of this analysis. Having proved that federalization itself was an outcome of a number of contextual variables, it has influenced the specific regime change within the regions. The strongest negative correlation was found between the levels of ethnicity and press freedom ($-.513^{**}$).

The findings of the correlation were cross-tested by running quadratic regressions. Quadratic regression analysis has indicated no causation between the squared factors of economy, population, size, and external border.¹⁴ That made us continue with the quadratic regression analysis. The “impact” of ethnicity on press freedom (using quadratic regression) was significant at 0.001. However, the impact of squared ethnicity was significant only at 0.070.

Graph 1: The “impact” of ethnicity on press freedom (quadratic regression)

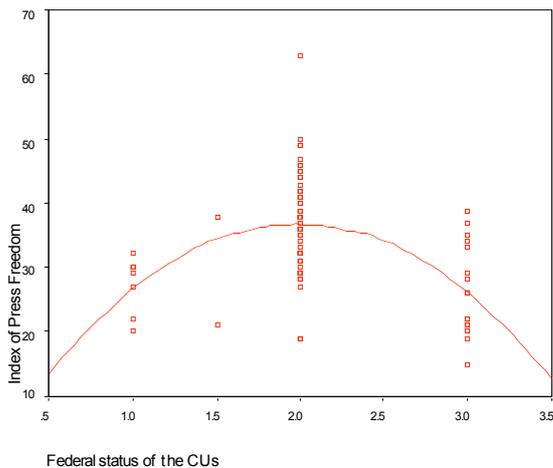


The *Graph 1* would lead us to conclude that the higher the percentage of an ethnic group living within its CUs, the lower the index of press freedom. However, further calculations demonstrated that the causation between the squared ethnicity and press freedom in the regions, is insignificant.

We also ran the quadratic regression of federal status as a predictor, with press freedom as dependent variable. The correlation between the federal status of the CUs, and the degree of press freedom can be demonstrated again by the quadratic regression.

¹⁴ The relationship between the squared factors and press freedom has been checked by running the quadratic regression. The results were not significant at all.

Graph 2: The “impact” of the federal status on press freedom (quadratic regression)



The quadratic regression analysis also demonstrated a very high significance, for both “predictors” of federal status and of quadratic federal status (both variables were significant at .000). Therefore, we can conclude that the federal status of regions does have an impact on the process of democratization in the regions.

Graph 2 demonstrates that the CUs with the highest autonomy (namely, republics, ranked “3”), and the regions with the lowest autonomy (all those that are incorporated in the other regions with rank “1” and “1.5”) turned out to be the least democratic. Both republics and regions incorporated in other CUs exhibit suppressed press freedom. That allows the suggestion that both giving a high degree of autonomy and the withdrawal of almost all autonomy (by subordinating regions to CUs), eventually led to a suppression of democratic tendencies in the regions. However, by subordinating CUs directly to the federal government (not to the local governments of other CUs) this encourages the development of democracy in the regions (the group of regions with “average” autonomy, ranked “2” seems to be the most democratic one).

It is apparent that the high status (republic) of a CU within the federation, is negatively correlated with the level of democracy measured by the press freedom in the region. The majority of the regions, with a relatively high index of press freedom, have the status of *oblasts*, *krais*, and federal cities.

Having found the correlation, we still would need to prove whether there is any causation among the analysed variables. We ran regression analysis to find more accurate confirmation of our initial hypothesis. We have run regression analysis with the dependent variables of press freedom, and independent variables (predictors) of federal status, quadratic federal status, ethnicity, size, and dummy variable of external border, population and economic rank for 2000.

Table 4: Regression analysis with press freedom in the CUs as dependent variable and economic rank, population, size, external border, ethnicity, federal status, quadratic federal status as determinants

	Beta	(t-test)
Constant	-	(.863)
Economy rank	.285	(2.703)**
Population	.037	(.365)
Size	-.137	(-1.626)
External border	-.198	(-2.281)
Ethnicity	-.129	(-.933)
Federal status	1.500	(2.045)*
Federal status square	-.702	(-2.210)*

** significant at the 0.01 level

* significant at the 0.05 level

The regression analysis demonstrated the R Square is .461 with Adjusted R-square .413, F-test is 9.544 and the model and significance of .000. The R square is twice as high in this regression than in the previous one, suggesting significant improvement in the model.

Regression analysis demonstrated that increases in the percentage of ethnic group living within the region, significantly decreases press freedom by -.336 and so does high federal status by -.108 (the status of republic granted to the privileged group of the regions). The impact of ethnicity is significant at the 0.01 level. This confirms our hypothesis on the negative influence of ethnicity and federal privileges, on the development of such an important parameter of democratization as press freedom. Among all independent variables ethnicity has the highest Beta (-.336) and t-test (-3.209) and is significant at .01.

The regression analysis confirms our previous hypothesis and subsequent findings, demonstrating that those CUs that were not privileged by a high degree of autonomy (reflected in the status of “republic”) tend to be more democratic. On the other hand, those CUs that are geographically located within other CUs and, therefore, have the lowest federal status are not democratic either. The most democratic group of the CUs are those CUs that neither the republics nor the parts of other regions.

To conclude on these calculations, among all the contextual (or independent) variables only ethnicity can be considered to be a causal variable in establishing a high degree of autonomy of

CUs. Being an “unchangeable” variable, the establishment of “extreme” asymmetry can also be considered as an unavoidable outcome of the federalization process, which was aimed at dispute resolution between the centre and regions. Thus, assigning privileges by distinguishing one group of regions over others, was a necessity. But, we speculate that it was also a temporal measure of the transition period and that the process of smoothing out the differences across the regions can also be expected in the course of further reforms.

III. Conclusion

Many scholars of federalism stress the interdependence and complementarity of federalism and democratisation – one is hardly possible without the other, as long as we deal with a multiethnic state. Thus, for example, Elazar stresses the importance of public participation in regional politics as a key factor that makes a state a federal state.¹⁵ King considers the federation and democracy as being synonymous, and he underlines the fact that in a federal state the relations between regions and the centre should be grounded in both constitutional law and democratic representation.¹⁶ For King, only liberal democracy can be truly federal.

These are the classical approaches to the problem of federalism, and they are based on the experience of such states as the USA, Canada, Switzerland, etc. But application of the classical theory of federalism to a state experiencing regime transition might be tricky and may cause unexpected results.

Impact of ethnicity issue The transition to democracy in Russia, raised the question of the establishment of “true” federal relations between regions and centre. It led to the granting the CUs some concessions and autonomy taking into account the ethnic minorities in the regions. It caused differentiation between the regions themselves, and established a priority of so-called “ethnic” regions over “non-ethnic” ones.

The regression analysis has proved that, among other factors, the ethnic factor had the most influence on the establishment of the asymmetrical federal arrangement and further caused the disparity in regime across the regions (tested by the second regression analysis). Both the ethnic factor and the hierarchy of status of the CUs, are negatively correlated by the extent of democratization (see Graphs 1 and 2). However, unlike the USSR, Czechoslovakia, and Yugoslavia, the RF is quite ethnically homogenous according to world standards. According to the last all-Union census of 1989, Russians compose of 81.5% of the total population of 147.4 million. Ethnically defined republics contained only 15.7% of the total population of the RF.

¹⁵ D. Elazar, *Exploring Federalism* (Tuscaloosa and London: University of Alabama Press, 1987), P. 107

¹⁶ P. King, *Federalism and Federation* (London: Croom Helm, 1982), P. 94. Cited in Burgess and Cagnon, *Comparative Federalism*, P. 5

The titular nationality is the majority in only 5 out of 21 republics (these are Chechnya, Chuvashiya, North Ossetia, Tuva, and Ingushetia). Russians make up an absolute majority in 9 republics (Adygeya, Buryatiya, Altai, Karelia, Khakassia, Komi, Mordova, Sakha, and Udmurtia) and a plurality in another three republics (Bashkortostan, Karachaevo-Cherkessia, and Mari-El). The ethnic factor made Russia less vulnerable to fragmentation.

Impact of federal policy The political priorities of central government over the crucial period of transitional reforms (during Yeltsin's period) were aimed at setting tax payments and obtaining the support of the regional elite.

During 1997-98 Yeltsin lost his control over the appointment of regional governors, and the ability to control the Federation Council. "And by 1997-98 many of Russia's governors and presidents had successfully carved out personal fiefdoms".¹⁷

Bilateral treaties might have been the only way to preserve the unity of the state, and to resolve the intensive conflicts between the regions and the federal government. Bilateral treaties were agreed, but the consensus achieved was almost exclusively between the leaders of executive branches and, therefore, significant concessions were given to personalities, rather than to the peoples of the regions. However, it is the system of bilateral treaties, that informally recognized the priority of executives over the legislative branch (because none of the treatise was forwarded to the legislation for adoption).

In the process of bargaining, a reputation-building strategy of the centre is to be aimed at establishing uniform and transparent rules. In Russia, on the contrary, the strategy of the federal centre, in forming a federation anew, lacked any transparency and was characterized by an "individual" approach to every region that was in dispute with the centre. Under Yeltsin, Russia became more of a treaty- rather than a constitutional-based federation. Almost all the treaties contradicted the federal Constitution and federal laws. The rights of the CUs (especially republics) were negotiated on an *ad hoc* basis. Putin's response was to establish "single legal space". He founded a commission to examine federal relations and the role of treaties implying that those treaties that contradicted the federal laws would be changed. Putin reduced the "share" of federalism, for the sake of coherence and unity among the regional laws, with purpose of establishing a single legal and economic space.

A main criterion of democratic society is the replacement of leaders through an electoral process. There was no "elite pact" and "elite circulation" in Russia, as it was the case in most of the Eastern European states in 1989. Yet, the members of the ex-Soviet elite, named "nomenklatura", took over the reign and the situation was the same and even with more elite

¹⁷ Cameron Ross, *Federalism and Democratisation in Russia* (Manchester University Press, 2002:174)

continuity on the regional level. As C. Ross states it, “former Communist leaders here were able to swap their “Communist spots” for nationalist ones”.¹⁸ Unlike presidential appointees, the elected governors could not be dismissed by the president. Governors influenced the appointment of the heads of federal agencies, located in their regions.

The consolidation of a nation-wide party system, may be one of the factors that could improve the situation in the regions. The absence of strong party affiliations in the regional parliaments has intensified the clientelistic politics of the elite letting them rule without opposition.

Putin’s reform of the party system forbidden the regional parties at all from 2003. But it is difficult to consolidate parties in a weak and fragmented federal system. And since Putin’s reforms also aimed at strengthening the federal system and to make it more coherent, there might be a better chance to improve the democratic climate in the regions This will be more likely to come from “above”, then “from below” since the regions have already failed to reach any kind of progress in promoting democracy on their own.

Another possible explanation for the phenomenon that “more federalization causes more autocracy” is that there is a huge diversity in the regions in the development of civil society, electoral practices, and the exercise of human rights. Regional governments have adopted legislation violating human rights and carried out policies which often discriminate against the rights of ethnic minorities. Putin’s reforms, aimed at securing legal and political order, might also improve the situation in this area as well.

The high asymmetry between the CUs was the most significant factor that caused authoritarianism in the regions: the higher the autonomy of the CU, the stronger the authoritarian tendencies it developed. Asymmetrical federalism have served as a tool for flexible, centre-regional negotiation. However, it has often resulted in overlapping jurisdictions and fragmented administrative and legal practices. Putin’s responses to this situation were an appeal to the principle of “the dictatorship of law”, the acknowledgment of the primacy of the federal constitution, and universal citizenship across the regions.

Article 1 of the RF Constitution states that the RF “is a democratic federative rule of law state with a republican form of government”. While the state can in fact be defined as federal, we have to note that the process of federalization was much more successful than the process of democratisation. In fact, the former may well work against the democratization process.

¹⁸ Cameron Ross, *Federalism and Democratisation in Russia* (Manchester University Press, 2002:173)

Therefore, as Remington states, “Increasingly, Russian politics is becoming defined by the problem of federalism, rather than by the struggle for democratic and market reform”.¹⁹

Despite some positive effects of the federalization process, the outcome in the regional regimes is far from being characterized as pro-democratic. It became the subject of criticism by a number of scholars.²⁰ Paradoxically, these processes are accompanied by formally democratic institutions: representative assemblies, contested elections, independent media, etc. Yet the regimes in the CUs seem to be determined more by the nature of the executives, rather than by the institutions themselves.

In what seems like a vicious circle, the federalization process, that went along, for a while, with the idea of democratization, eventually served in the establishment of autocracy within regions. It introduced the necessity of interference from the centre to change the situation. But, by acting in this way, the federal system inevitably acquired the features of a centralized state.

¹⁹ Thomas F. Remington, *Politics in Russia*, Addison-Wesley Longman, 1999:66

²⁰ For example Hahn, 1997.

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