

# NON-GOVERNMENTAL ORGANISATIONS IN RUSSIA

## ON THE SITUATION ONE YEAR AFTER PUTIN'S RE-ELECTION

*Lars Peter Schmidt / Johann C. Fuhrmann*

A year has passed since Vladimir Putin's return to the presidency, but the promised opening up of the political system has not materialised. Instead, the Russian state is making vigorous attempts to extend its influence over society and restrict the scope for democracy in order to suppress criticism at home and political influence from abroad. In doing so, the Kremlin is not only harming Russian civil society and the political opposition but also increasingly isolating itself from its political partners in the west.

When Vladimir Putin and Angela Merkel opened the Hanover Trade Fair in April, there were visible signs of tension between the two leaders. The German Chancellor added her own clear statement to the critical words of the German Foreign Minister: both described the Russian authorities' raids on non-governmental organisations (NGOs) in Russia as "unacceptable". The Konrad-Adenauer-Stiftung and the Friedrich-Ebert-Stiftung were among those on the receiving end of the inspections. These were by no means isolated cases. According to Russian media representatives, at least 256 NGOs in 55 of Russia's 83 regions have been investigated. They include partner organisations of the German foundations such as the Moscow Helsinki Group – a human rights organisation – and Memorial, an organisation that works to publicise the truth about violent crimes of the Stalin era and campaigns for the rights of political minorities.

The Kremlin clearly has difficulty handling the changed political mood in Russia, which found its expression in the protests of the new Russian middle class during last



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year's parliamentary and presidential elections. Since then non-governmental organisations have also come under increasing pressure from the Kremlin. For example, the Russian organisation Golos (vote) published reports on

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election fraud; it received large-scale financial support for its work from the USA and this has been interpreted by the Russian government as influence from abroad. As a result the United States Agency for International Development (USAID) was expelled from Russia in September 2012. The Russian Foreign Ministry justified this action by claiming the organisation was meddling in politics and that this had swayed the elections. USAID had been active in Russia since 1991, investing around 2.1 billion euros in civil society projects; much of its work involved promoting the political opposition. In the Kremlin and on state television the West, in particular the USA is regarded as the initiator of the protests of the past year and held responsible for them.

### **SMALL REFORMS, LARGE BACKWARD STEPS**

After the first protests of the urban middle class in Moscow and Saint Petersburg towards the end of 2011, Putin and Medvedev promised the people greater involvement in political decision-making processes. In place of a programme, Putin published seven essays in advance of the presidential elections; one of the topics he addressed was the political agenda of the protest movement. With regard to domestic policy he promised reforms to strengthen the social influence of civil society.

According to Putin, Russian society is no longer as it has been just ten years ago. Under the leadership of himself and Medvedev, he says, a middle class has arisen that is becoming increasingly vociferous in its call for political participation. Putin states in his essay on democracy and state policy published in February last year that this wish must and will be met and appropriate mechanisms must be developed. One of the consequences was the decision to reintroduce regional elections; in 2012 these were held in some of the constituent entities of the Russian Federation for the first time in eight years. The process of founding new political parties was also significantly simplified: the

minimum number of new members required before a party can be approved has been reduced from 40,000 to 500. Yet Putin's assumption of office was followed by a series of laws aimed at tightening the state's control over civil society affairs. For example, the criminal offence of libel in relation to political comments in the media has been reintroduced and is punishable with a fine of 500,000 roubles (around 12,500 euros). The law on freedom of assembly and the right to demonstrate has also been tightened. In September 2012 the Russian state дума passed a law widening the definition of treason and espionage and increasing the penalties for these crimes. Anyone convicted now faces a prison sentence of between 12 and 20 years. The fact that the central concepts in this legislation, such as "treason" and "espionage", are defined very loosely or not at all creates additional uncertainty.

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### **TIGHTER CRACKDOWN ON NON-GOVERNMENTAL ORGANISATIONS**

In June 2012 a law was passed stipulating that non-governmental organisations which receive money from abroad must be registered as "foreign agents" – a term that in Russian is equivalent to espionage. For this reason the choice of words was criticised by many people, among them Alexander Konovalov, the Russian Minister of Justice. The law, which came into force in November, requires NGOs to publish their accounts and their sources of funding. But under a law in place since 2006, Russian NGOs that receive money from abroad were already obliged to provide regular financial reports on their income and expenditure. Foreign NGOs, such as the political foundations, also had to submit quarterly financial reports to the Ministry of Justice and undergo an external audit. Critics therefore assume that the purpose of the new legislation is not to increase transparency but instead to discredit NGOs that receive funds from abroad and to portray them as representatives of western interests that oppose Russian views. In the period that followed, no genuine organisation was prepared to be classed as an "agent" under the law. After Putin called on the Russian state authorities to enforce the law, numerous NGOs – including the Friedrich-Ebert-Stiftung in Moscow and the Konrad-Adenauer-Stiftung in Saint

Petersburg – were investigated. To justify their actions, the Russian authorities referred to the Foreign Agents Registration Act, a United States law passed in 1938 that is said to have served as a model for the Russian regulations. The American law dates back to before the Second World War and it is not directed at all non-governmental organisations in the USA but specifically against agent activities. The law was never used in the USA to sanction mass investigations of the sort that the Russian authorities have been carrying out since March.

Political foundations and NGOs have been an established part of German-Russian relations for decades; in consequence the raids have attracted strong international criticism. At the same time the Russian government party itself maintains an affiliated foundation that is active both in Russia and abroad. The Centre for Social-Conservative Policy states that, in addition to its headquarters in Moscow, it has more than 20 regional offices and conference centres in Russia. The foundation's European office is based in Berlin. An overseas office in Singapore is responsible for projects in Asia.

There was a swift response in Germany to the inspections at the Friedrich-Ebert-Stiftung and the seizure of computers from the Konrad-Adenauer-Stiftung in Saint Petersburg. After intervention by the German Foreign Minister and invitation the Russian ambassador to a meeting at the Foreign Office, the Konrad-Adenauer-Stiftung's

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computers were returned a few days later and proceedings were dropped. But even the clear international criticism did not halt the crackdown on Russian NGOs. At the end of April a Moscow court ruled that the election watchdog Golos must register as a foreign agent – despite the fact that Golos had received no further funding from foreign sources since the law was passed. In 2012, though, the Norwegian Helsinki Committee had awarded the organisation the Andrei Sakharov Prize, worth 50,000 euros. The fact that Golos had returned the prize appeared to have no bearing on the court's verdict.

The action taken against NGOs has triggered a great deal of insecurity in Russian civil society. Organisations can no longer accept financial support from abroad unless they register as foreign agents. Because civil society organisations are chronically underfunded, many NGOs will simply be unable to refuse foreign payments. The Kremlin has held out the prospect of funding for NGOs, but it is feared that the money will go only to organisations that toe the Kremlin line. An additional source of frustration is the lack of transparency with which the law on agents – which is in fact directed against politically active, Russian NGOs that receive money from abroad – is implemented by the state authorities. For example, the German political foundations are not Russian organisations at all. They are registered with the Russian Ministry of Justice as branches of foreign NGOs and are therefore not legal entities within the meaning of the law on agents. Another organisation investigated under the law was Caritas in Saint Petersburg, a charity which runs social projects for homeless people, street children and others. The classification of Caritas as a “politically active” NGO is absurd. The former Minister of Finance Alexei Kudrin has already expressed the fear that work will become much harder for the majority of NGOs, because they will be more under state control than ever.

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Constant changes in the rules and regulations also make the secondment of foreign workers to NGOs, political foundations and scientific organisations increasingly difficult. New regulations that are in the process of being drawn up will require foreign NGO staff to apply under a quota for foreign workers in Russia. Once permission has been granted under this quota, the necessary work permit can be applied for. The process involves extensive medical checks and permits must be renewed annually. Prospective workers must also apply to the Russian Federation’s migration service for a residence permit, which is likewise valid for only one year. Critics fear that the new process could make it significantly easier for foreign NGO staff to be refused entry to the country. If an application is rejected, the Russian state could cite the quota for foreign workers as the reason for turning down the request, instead of stating that political motives were involved. At the end of last year staff of the German foundations encountered

problems when they attempted to extend their work and residence permits, because the division of responsibilities was unclear. After intervention, however, it proved possible to extend the relevant permits for a year under a special regulation. Overall the situation for foreign NGOs with seconded staff has become significantly more difficult.

### **THE NAVALNY TRIAL AND JUDICIAL REFORM**

It is not only NGOs that are coming under increasing pressure. The Kremlin is also taking firmer action against opposition politicians. Alexei Navalny, who is regarded as one of the leading figures behind the protest demonstrations, has gone on trial in the city of Kirov in connection with a corruption scandal. The prosecution claims that in 2009 Navalny exploited his position as advisor to the governor of Kirov and misappropriated around 16 million roubles (about 400,000 euros) through shady timber deals. The majority of Russians suspect that there are political motives behind the trial. During a television appearance at the end

of April that lasted more than four hours, Putin stressed he was certain an objective verdict would be reached in the Navalny trial. Anyone who fights corruption must himself be clean, said Putin. At almost the same time

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the trial was opened, the Russian state duma passed a law barring candidates with a criminal record from standing for the presidency. If Navalny is convicted – and even if he receives a suspended sentence – he will therefore be disqualified from standing against Putin in future elections. Navalny uncovered a number of corruption scandals in which Russian politicians were involved and published the details on the Internet. In the elections for an opposition council, in which 170,000 Russians voted in October 2012, Navalny won the most votes. Navalny was a member of the liberal Yabloko party but was expelled from it for making racist statements. His juggling of liberal and radical right-wing political positions makes it difficult for his views to be converted into a coherent programme capable of winning over a majority of voters. Not least, therefore, the trial reveals the growing impatience of those in power in the Kremlin who are currently clamping down firmly on criticism from within the country.

Current developments in the legal system are being viewed with growing concern by judges of the Russian Constitutional Court. Legal certainty for companies and private individuals had been growing steadily over the past few years. But in recent months a growing number of verdicts are alleged to have been politically motivated. Both in Russia and abroad the Navalny trial has revived doubts about the independence of the courts. Plans for judicial reform are also attracting mounting criticism. It has been proposed that the country's three highest courts should be merged and moved to Saint Petersburg. The Supreme Court, the Supreme Court of Arbitration and the Constitutional Court deal with very different issues; from a legal point of view it is therefore questionable whether it is even practical to merge them. Critics fear that the special position of the Constitutional Court could be marginalised. The court's task is to examine whether laws and legislative measures are compatible with the constitution. To prevent corruption in connection with court cases, it has also been suggested that a "federal service to protect the courts" should be set up to protect judges from external influence and threats.

### **GROWING TENSION BETWEEN MOSCOW AND WASHINGTON**

In its dealings with other countries Russia is particularly concerned to demonstrate its strength and power of action. It is in this light that last October's cancellation of the Nunn-Lugar programme with the USA must be seen. Since 1991 outdated biological, chemical and nuclear weapons have been disposed of through this programme, which is financed by the USA. The U.S. State Department has said that it was informed by the Russians that foreign assistance with the disposal of weapons was no longer required.

The tension between Russia and the USA has mounted in recent months as Washington and Moscow have taken to provoking each other with new laws. Growing criticism of human rights abuses issued from the USA culminated in President Obama's signing of the Magnitsky Act in December 2012. Magnitsky was a lawyer working for an American law firm in Russia; he was arrested for alleged tax offences after he had uncovered and publicised a corruption scandal

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in which state bodies were involved. Magnitsky died in November 2009 after being held for almost a year without trial. It was clear that he had been mistreated by Russian officials before his death. The Russian authorities closed their investigation without reaching any conclusion. In response the Magnitsky Act was passed, barring 18 individuals suspected of involvement in the case from entering the USA. Of these suspects, 15 were Russians.

The Kremlin reacted swiftly: Russia cancelled the adoption agreement with the USA. The decision is unofficially named after Dima Yakovlev, a Russian toddler who died in the USA after being left unattended in a car during a heatwave. The boy's adoptive father was acquitted by a U.S. court. The ban on the adoption of Russian children by American citizens was, however, perceived by many Russians as an inappropriate response to the Magnitsky Act. According to official figures there are more than 100,000 Russian orphans living in children's homes – often in poor conditions. Putin is using anti-American feelings at home to score political points. Both sides are at present far away from anything approaching constructive dialogue.

### **UNITED RUSSIA?**

Within the governing party, voices can now be heard criticising the developments of recent months. The influence of Parliament – and of the ministries – appears to be declining. Politically, Medvedev has virtually ceased to play a leading role. Meetings with Putin now appear to take place very rarely. Most recently, Putin strongly criticised Medvedev and his government team in his speech to parliament on 17 April 2013. In particular, the government's economic and educational policy came under fire from the parliamentarians. The growth figures for the current year have been repeatedly revised downwards – the original figure of five per cent now stands at 2.4 per cent. The Russian economy continues to be heavily dependent on commodity exports. This increases the risk of economic recession if energy prices fall on the world market. Attempts to diversify the economy have so far yielded little success. Considerable attention was aroused in this connection by a corruption scandal involving the Skolkovo

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innovation centre set up under President Medvedev; the centre is intended to become a Russian version of America's Silicon Valley. It emerged in February that two officials had allegedly misappropriated 23.8 million roubles (about 600,000 euros) earmarked for construction of the centre.

An inter-generational conflict in Russian politics is becoming increasingly apparent: the old elites with their Soviet-era background are fuelling anti-western and anti-American resentment. The younger generation of Russian politicians is more open to the West – and in particular to Germany and Europe – than the current holders of power. They are coming to realise that Russia needs cooperation with Europe if the country and its 142 million inhabitants are to continue to be a major player in international politics. Following the suppression of the wave of protest in Russian cities, however, the power of the old elites now seems more firmly entrenched than it was just a year ago.

## OUTLOOK

Given the political developments in Russia there is little hope of any rapid improvement in relations between Russia and its foreign partners. Following the suppression of the Russian protest movement, it seems likely that political change will only be able to take place from within the system. Even within the governing party there are reform-oriented forces with whom cooperative and constructive dialogue should be pursued. There are also potential points of contact in connection with the German-Russian dialogue on the rule of law, in which the Konrad-Adenauer-Stiftung plays a part. The growing internal criticism of recent developments in the Russian legal system makes it increasingly important to exchange opinions and ideas in this area. It is not yet clear what long-term effect the stigma of the Kremlin's crackdown on NGOs will have on cooperation between the German foundations and their Russian partners.

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The Kremlin's present attitude is not only damaging Russia's own civil society and the country's democratic development; it is also a source of increasing annoyance to its partners. Partly because of suppression by the Kremlin, however, the political opposition is not at present in

a position to generate political profit from the repressive measures. The opposition still lacks a unifying leadership figure who can bring together the different strands within the movement and meld them into a political programme capable of commanding a majority in an election. Many young people are abandoning politics as they become increasingly disillusioned. Members of the educated elite, in particular, concentrate on accumulating wealth or seek employment elsewhere in Western countries.