CHAPTER 4

Institutional Design in the First Russian Republic

The outcome of the August 1991 putsch attempt dramatically and fundamentally changed the course of Soviet and Russian history. Even for Russia, a country both blessed and cursed with a history of pivotal turning points, these three days rank as some of the most important. For the first time since the Bolsheviks had seized power in 1917, Soviet authorities had moved to quell social opposition in Russia and failed. However fleeting in time and local in place, this successful defiance of Soviet authorities altered the balance of power between the ancien régime and its challengers in favor of the challengers.

The moment was euphoric. For many Russian citizens, perhaps no time is remembered with greater fondness than the initial days after the failed August 1991 coup.[1] On the third day of resistance, when victory was already at hand, a chant of "*za sebya,*" *for yourself,* erupted among the defenders of the White House because this moment was as much a triumph for the individual Russian citizen as it was a political victory for Yeltsin and his allies.[2] In his memoirs, Yegor Gaidar recalls being proud of his people for the first time and compares the August euphoria to Russia's last popular victory over tyranny in February 1917.[3] Even Gorbachev belatedly recognized that after the August events, there "occurred a cardinal break with the totalitarian system and a decisive move in favor of the democratic

[1] For a flavor of these times, see *V Avguste 91-go: Rossiya glazami ochevidtsev* (Moscow: Limbus-Press, 1993); and Victoria Bonnell, Ann Cooper, and Gregory Freidin, *Russia at the Barricades: Eyewitness Accounts of the August 1991 Coup* (New York: M. E. Sharpe, 1994).

[2] The author is grateful to Irene Stevenson for sharing this memory from the third day of the coup attempt.

[3] Yegor Gaidar, *Dni porazhenii i pobed* (Moscow: Vagrius, 1995), 76.

forces."[4] Western reactions were even more euphoric, with headlines declaring "Serfdom's End: A Thousand Years of Autocracy Are Reversed."[5]

Immediately after the failed coup, Russia's revolutionaries took advantage of their windfall political power to arrest coup plotters, ban the CPSU, occupy Communist Party headquarters, and tear down the statue of Felix Dzerzhinsky, founder of the modern-day KGB. But what was to be done next? As in all revolutions, destruction of the ancien régime proved easier than construction of a new order. Although August 1991 may have signaled the end of communist rule and, only a few months later, the end of the Soviet state, it remained unclear what kind of political regime, economic system, or society could or should fill the void. Even the borders of the state were uncertain. Especially for those in power, the euphoria surrounding the closing of the Soviet past was quickly overshadowed by the uncertainty haunting the beginning of Russia's future.

This chapter describes the preferences and strategies of Russia's new leaders for reconfiguring the economic, political, and state institutions in the wake of the opportunity for institutional redesign created by the failed August coup. The next chapter, chapter 5, traces the consequences of these strategies for institutional design or the lack thereof. The first part of this chapter, chapter 4, reconstitutes the context that shaped decision making, focusing in particular on the wide agenda of change still facing institutional designers and the uncertain distribution of power between those for and against radical change. The remainder of the chapter outlines Yeltsin's strategies for dealing with three major issues left unresolved from the previous period—defining the borders of the state(s), reforming the economy, and designing new political institutions for governing Russia.

THE CONTEXT OF INSTITUTIONAL DESIGN: LARGE AGENDAS, AMBIGUOUS MANDATES

Transition without Resolution

For many observers at the time, the failed coup attempt and the victory of the Russian democrats in August 1991 marked the "end of transition." This moment demarcated the "death of communism" or the end of Bolshevik rule.[6] For those involved in this "end of history" moment, however,

[4] Gorbachev, as quoted in *Sovetskaya Rossiya*, October 22, 1991, 1.

[5] This title is from *Time*, September 2, 1991, 3.

[6] For metaphors of finality in describing this moment, see the special edition of the *National Interest* called "The Strange Death of Soviet Communism," 31 (Spring 1993); Martin Malia, *The Soviet Tragedy: A History of Socialism in Russia, 1917–1991* (New York: Free Press, 1994); David Remnick, *Lenin's Tomb* (New York: Vintage Press, 1994). In keeping with the life–death metaphor, Remnick titled his next book about Russia *Resurrection* (New York: Vintage Books, 1998).

the past did not seem so closed and the future looked highly uncertain. Most striking was that in fall 1991, the agenda of change was still large and unwieldy because the transitional politics of the previous year had not resolved several fundamental issues. The problem of creating new political institutions for governing—the only question on the agenda during most transitions from authoritarian rule in the noncommunist world—was actually of least concern to Russian leaders. Although the rules of the game for governing Russia were still ill-defined, the victors in the August standoff believed they first had to address two other issues on the agenda—the organization of the economy and the demarcation of the borders of the state.

When the ancien régime collapsed in August 1991, Russia's revolutionary challengers were given the opportunity and burden of pursuing economic transformation simultaneously with political change. Even more pressing was the issue of delineating the borders of the state. In August 1991, Russia had no sovereign borders, no sovereign currency, no sovereign army, and weak, ill-defined state institutions. Even after the December 1991 agreement to create the Commonwealth of Independent States, Russia's political, territorial, and psychological locations were still uncertain. Throughout the newly independent states of the former Soviet Union that surrounded Russia, thirty million ethnic Russians became ex-patriots overnight; at the same time, ethnic minorities within the Russian Federation pushed for their own independence. As Dankwart Rustow emphasized, defining the boundaries of the state is a precondition for democratic transition.[7] Russian leaders had to know where their state was before they could begin to build new political institutions to govern it. As for the economy, the abject failure of the Soviet command system, especially in the last years of the Gorbachev era, meant that economic reform had to be addressed immediately.

This large agenda of change still loomed in fall 1991 because of the lack of progress during the Gorbachev era in forging new institutional arrangements. Gorbachev had initiated a series of political and economic reforms, but his innovations had not produced institutional consolidation in either the economy or polity because major actors had failed to agree on a set of new rules; instead, they had opted to fight over competing visions of these new rules. The Soviet-Russian mode of transition was neither imposed nor pacted. No hegemonic power spelled out new rules of the game for others to follow. On the contrary, no single leader had the power to fiat into place a new political order. Nor were rules negotiated to delineate the path from old to new. After a period of polarized political competition between two antithetical camps, one side—Yeltsin's side—abruptly assumed power from the other. Soviet and Russian leaders had attempted to negotiate a new set of rules for governing before August 1991. If the coup attempt had not oc-

[7] Dankwart Rustow, "Transitions to Democracy: Toward a Dynamic Model," *Comparative Politics* 2 (April 1970): 351.

curred, these bargains might have formed the basis for a new constitutional order within the Soviet Union. The sudden shock of the coup attempt, however, derailed these negotiations. Specifically, the winners of the August 1991 showdown no longer felt compelled to honor the terms of the Union treaty; instead, they moved to take advantage of the temporary weakness of the leaders of the ancien régime in hopes of seizing a better deal.

This mode of transition left many rules of the game of Russia's new polity ambiguous, uncodified, and subject to manipulation. Was the Soviet president the head of state or was the Russian president the true holder of executive power?[8] Should the Communist Party be considered one among many political parties or was the Party better understood as a criminal organization that had imprisoned the nations located within Soviet territory? Moreover, these ambiguities about the political rules lingered in the more general context of uncertainty about the economic rules of the game and the definition of the borders of the state.

A Lingering, Ambiguous Distribution of Power

After standing down the attempted putsch in August 1991, Yeltsin enjoyed immense popular support both within Russia and throughout the world. This power "from the streets," however, was ephemeral at best and a mirage at worst. Yeltsin's authority was not institutionalized in political organizations or state organs. Even the powers of his presidential office were ambiguously defined. Basic delineation of authority over such institutions as the Central Bank or the the Soviet armed forces was unclear.

The extent of Yeltsin's power was not the only gray area. Equally mysterious was the strength of those political forces that favored preservation of the Soviet political and economic orders. In August 1991, they appeared weak and disorganized. They soon recovered from this embarrassing moment, however, and organized within the Russian Congress of People's Deputies, within regional governments (especially in local soviets and in executive offices), and on the streets to demonstrate their power.

By fall 1991, indicators of the balance of power among these different political forces were ambiguous and contradictory. Yeltsin had won a landslide victory in the June 1991 presidential elections. However, just three months before the June presidential vote, 70 percent of the population had voted to preserve the Soviet Union. Similarly, Yeltsin's allies had demonstrated re-

[8] In establishing rules of transition, many countries undergoing democratization do not start with a tabula rasa. In countries that have vacillated between military and democratic rule, old institutions can be revived during democratization. As O'Donnell and Schmitter conclude in their multicase study, all case studies examined "had some of these rules and procedures [of democracy] in the past." Guillermo O'Donnell and Philippe Schmitter, *Transition from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies* (Baltimore: Johns Hopkins University Press, 1986), 8.

solve and resilience in defending the White House against Soviet tanks. Yet only the citizens of St. Petersburg, Ekaterinburg, and Nizhnii Novgorod replicated Moscow's mobilized defiance. Throughout the rest of Russia, there were only scattered demonstrations of support for Yeltsin and the democrats, and only a few enterprises answered Yeltsin's call for a nationwide strike.[9] Most regional government leaders remained quiet throughout the dramatic days of August, siding with neither the Soviet nor the Russian government. August 1991 represented a victory for the democrats, but the war over Russia's future had not ended. The distribution of power between those for and against change remained relatively balanced and relatively ill-defined.

As a consequence of this ambiguous yet relatively equal distribution of power between revolutionaries and restorationists, Russia's new leaders could not—or perceived that they could not—bulldoze old institutions and erect new ones. The use of force was considered, but Russia's revolutionaries wisely refrained from using violence to achieve their goals of political, economic, and state transformation. This strategic decision allowed many Soviet institutions as well as the organizations created and privileged by these institutions to linger in the post-Soviet era. Historical legacies influence all revolutions, but the shadow of the past was especially long (and dark) in this transition because the strategy of co-option rather than confrontation allowed institutions and individuals from the ancien régime to persist.

Yeltsin and Russia's revolutionaries, therefore, did not enjoy a tabula rasa in designing new institutions in 1991.[10] The Soviet regime imploded in 1991, but constituent elements of the old system remained in place. Although Russia's abrupt, revolutionary mode of transition removed guideposts for navigating the transition, the nonviolent nature of the transition also allowed many individuals, institutions, and social forces endowed with certain rights and powers in the Soviet system to continue to play important political and economic roles in the post-Soviet era. Unlike pacted transitions in nonrevolutionary situations, this transition was one in which the roles of these old actors and institutions were not clearly defined before August 1991.[11] Unlike violent revolutions, this revolution was one in which these forces were neither suppressed nor destroyed.

[9] John Dunlop, *The Rise of Russia and the Fall of the Soviet Empire* (Princeton: Princeton University Press, 1993), 236–237.

[10] This image of an institutional tabula rasa appears frequently in the literature on post-communist transitions. See, for instance, Jon Elster, Claus Offe, and Ulrich Preuss, *Institutional Design in Post-Communist Societies: Rebuilding the Ship at Sea* (Cambridge: Cambridge University Press, 1998), 25–27.

[11] In many transitions, leaders and rules from the ancien régime linger, but the most successful negotiated transitions attempt to define their place and function so that these people and practices do not undermine the new democratic polity. The role assigned to General Pinochet as head of the armed forces in Chile after a transition to democracy is a good example of the delineation of rights and limits on old actors in the new polity.

The Centrality of Choice

The mode of transition, the lingering unfinished agenda of change, and the ambiguous balance of power between those for and against revolution placed restraints on Russia's new leaders in their quest to remake a Russian state, polity, and economic system. However, it is wrong to suggest that individuals had no say or influence over the kinds of political institutions that emerged and ultimately failed in the wake of the putsch attempt in August 1991. On the contrary, all macro-changes brought about by Russia's revolution had micro-foundations. Working under conditions of uncertainty, political actors and the political organizations they headed nonetheless made consequential decisions about the design of new political institutions. In the fluid moment of fall 1991, the potential impact of individual initiative was especially great, and no one had more capacity to influence Russia's future course than Boris Yeltsin.

At the time, Yeltsin seemed invincible. His dramatic stand against the putsch endowed his Russian government with more power and legitimacy than that enjoyed by any other individual, group, or institution in the Soviet Union. The next most legitimate political actor in Russia was the Congress of People's Deputies, and in fall 1991, the Congress was loyal to the president. Because most deputies supported the defense of the White House, it was not unreasonable to assume that this political institution would continue to support Yeltsin. As a demonstration of its support, in November 1991 the Russian Congress of People's Deputies granted Yeltsin permission to rule by decree.

Amazingly, potential challengers of Yeltsin and the Congress demonstrated little resolve. The Communist Party of the Soviet Union had all but disintegrated before August 1991 and therefore was not in a position to mount a counteroffensive against Yeltsin and the democrats. The possibility of collective action by the Communist Party of the Soviet Union (CPSU) ended with the creation of the Commonwealth of Independent States, as Communist Party leaders in the republics seized the opportunity to translate their jobs as first secretaries into new positions as heads of state—positions that came complete with international recognition and greater domestic legitimacy. The Soviet military and KGB, organs that could have launched an assault against the Russian president, were still in a state of paralysis and disarray after the coup. Social movements opposed to Yeltsin's sweeping actions were dwarfed in size, organization, and popularity at the time by social movements such as Democratic Russia that supported the Russian president. The Soviet Congress of People's Deputies essentially dissolved itself without a fight, eliminating from the

political arena the one political group that had an electoral mandate at the all-Union level.[12]

Perhaps the most dramatic, surprising, and important event was Gorbachev's acquiescence to the new apparent balance of power. Immediately after the coup attempt, when Gorbachev returned to Moscow from being interned at his summer home, Yeltsin and his allies asserted their newly won political power over the Soviet president. Gorbachev acquiesced without a fight.[13] Although he declared that he was still "a socialist by ideology" and was committed to preserving the territorial integrity of the Soviet Union, Gorbachev also realized that he had little power to pursue these objectives.[14] His graceful departure from the political stage was heroic, as it allowed the Soviet Union to crumble peacefully.

At the critical juncture after the August coup, therefore, Yeltsin had considerable leeway to construct a new political and economic order. Not constrained by transitional arrangements nor obliged to maintain Soviet political institutions, Yeltsin and his team were presented with a window of opportunity for radical political transformation.[15] Yeltsin himself was fully aware of his new opportunities and responsibilities: "Today [September 3, 1991] the resistance to radical transformations has weakened. We must take advantage of this chance. To waste time and cling to the decrepit precepts and ideals that some have advanced here today is shortsighted from a political standpoint, immoral from an ethical standpoint, and foolish from a human standpoint."[16] A month later, in his address to the fifth Russian Congress, Yeltsin stated even more clearly his appreciation for the historic role that individuals can play in the making of revolutions:

> I speak to you at one of the most critical moments in Russian history. Today the future of Russia is being determined.... The period of action through

[12] Anatoly Lukyanov considered this dissolution to be a major strategic mistake and blamed Gorbachev for allowing it to happen so easily. See Lukyanov, *Perevorot: Mnimyi i nastoyashchi: Otvety na voprosy, prishedshie v "matrosskuyu tishinu"* (Voronezh: Voronezhskaya Oblastnaya Organizatsiya Soyuza Zhurnalistov Rossii, 1993).

[13] In the revisionist history that followed the collapse of the USSR, Gorbachev is cast as a reluctant observer to the historical changes that took place after the coup. In the first weeks after the coup, however, Gorbachev was extremely cooperative in helping to dismantle Soviet institutions. (The author is grateful to Alan Cooperman, Associated Press correspondent in Moscow at the time, for bringing the author's attention to this point.) Without Gorbachev's cooperation, the outcome might have been very different.

[14] Gorbachev, quoted in Bruce Nelan, "Desperate Moves," *Time*, September 2, 1991, 27.

[15] Such moments of institutional breakdown create the most propitious conditions for new ideas to have an impact on future institutional trajectories. See the idea of punctuated equilibrium from Stephen Jay Gould, adapted to the social sciences in Stephen Krasner, "Approaches to the State: Alternative Conceptions and Historical Dynamics," *Comparative Politics* 16 (1984): 240–244.

[16] Yeltsin, speech to Extraordinary Congress of the USSR Congress of People's Deputies, in *Izvestiya*, September 4, 1991, 4–7; reprinted in *Current Digest of the Soviet Press* 43 (October 16, 1991): 3.

small steps is over. The field for reform has been cleared [literally, "demined"]. We have a unique opportunity in the next several months to stabilize the economic situation and begin the process of improvement.[17]

Like many other revolutionary leaders during such transitions, he could have used this window of opportunity to establish a harsh authoritarian state: disband all political institutions not subordinate to the president's office, suspend individual political liberties, and deploy coercive police units to enforce executive policies.[18] His opponents expected him to do so.[19] Even several of his former supporters in Democratic Russia warned at the time that Yeltsin planned to create a dictatorship.[20] Nikolai Travkin, a colleague of Yeltsin's in both the Soviet and Russian congresses, feared that the former Politburo member did not understand the concept of a loyal opposition and would soon move to re-create a one-party state.[21] Several of Yeltsin's advisors urged him to consider this authoritarian strategy, at least as an interim solution to collapsing state power throughout the country. Moscow mayor Gavriil Popov even published a treatise on how to exit the crisis, advocating a strong executive authority that some equated with authoritarianism.[22]

On the other hand, Yeltsin could have taken steps to consolidate a democratic polity. He could have disbanded old Soviet government institutions, adopted a new constitution codifying the division of power between executive, legislative, and judiciary as well as federal and regional bodies, and called new elections to stimulate the development of a multiparty system. Many leaders in the democratic movement expected him to take this course of action.

Yeltsin, however, pursued neither strategy. Rather, he devoted little attention to engineering new political institutions to govern Russia. Only weeks after staring down the coup attempt, Yeltsin retreated for three weeks to a summer home in Sochi, apparently overwhelmed with his newly inherited responsibilities. By October 1991, Democratic Russia co-chair Lev Ponomarev criticized Yeltsin's inaction, arguing that the Russian president had squandered the window of opportunity for radical reform opened by the August 1991 coup attempt.[23] In this same month, the Coordinating Council of Democratic Russia adopted a resolution which demanded

[17] Yeltsin's address to the fifth Congress, October 28, 1991; reprinted in *Yeltsin-Khasbulatov: Edinstvo, kompromis, bor'ba* (Moscow: Terra-terra, 1994), 96.

[18] On this phenomenon, see Theda Skocpol, "Social Revolutions and Mass Military Mobilization," *World Politics* 40 (1988): 147–168.

[19] Sergei Baburin, RSFSR People's Deputy, interview with author, December 1991.

[20] Viktor Aksiuchits and Mikhail Astafiev, RSFSR People's Deputies, and Democratic Russia leaders at the time, interviews with author, October 11, 1991.

[21] Nikolai Travkin, at the time USSR and RSFSR People's Deputy and chairman of the Democratic Party of Russia, interview with author, October 8, 1991.

[22] Gavriil Popov, *Chto delat' dal'she* (pamphlet) (Moscow: December 1991).

[23] Lev Ponomarev, RSFSR People's Deputy and Democratic Russia co-chair, interview with author, October 8, 1991.

Yeltsin to return immediately and launch radical economic and political reform. When Yeltsin did return to Moscow, his first priority was not the creation or consolidation of a new democratic political system (or a new authoritarian regime). Rather, Yeltsin decided that Russian independence and economic reform were of greater priority. Most of his initial energy for designing new institutions was focused on these two agendas. As Yegor Gaidar—at the time first deputy prime minister in charge of economic reform—explained, "you cannot do everything at the same time."[24] Yeltsin and his new government believed they could sequence reforms. First, they wanted to fill the vacuum of state power by codifying the new borders of the Commonwealth of Independent States, then begin economic reform, and finally reconstruct a democratic polity. Their decisions about institutional design reflected this ranking of priorities.

DISSOLVING THE SOVIET STATE, INVENTING THE RUSSIAN STATE

In the weeks after the August 1991 coup attempt, the Soviet state was quickly crumbling, whereas a functioning and independent Russian state did not yet exist. Years later, nationalists and communists accused Yeltsin and his immediate advisors of dissolving the Soviet Union with a stroke of the pen at a secret meeting with Ukrainian and Belorussian officials in December 1991. It was August 1991, however, and not December 1991 that marked the turning point in the Union's future. Years before the December 1991 signing of the Belovezhskaya Accord—the agreement between Russia, Ukraine, and Belarus that de jure created the Commonwealth of Independent States and de facto dissolved the Soviet Union—the Union had begun to pull apart.[25] Yet even as late as spring 1991, collapse was not inevitable. On the contrary, throughout the spring of 1991, leaders of several republics had engaged in serious negotiations with the Soviet government over the reformulation of federal powers within the Union. The coup attempt in August 1991, however, interrupted these negotiations and radically changed the context of these discussions. After the coup attempt, the balance of power within the Union shifted from a situation in which the Soviet central government played a key role in the negotiations over a new Union treaty to a new context in which leaders of the republics dictated to

[24] Yegor Gaidar, interview with author, October 8, 1997.

[25] Steven Solnick, *Stealing the State: Control and Collapse in Soviet Institutions* (Cambridge: Harvard University Press, 1998); and Philip Roeder, *Red Sunset: The Failure of Soviet Politics* (Princeton: Princeton University Press, 1993).

the central government the terms of the division of power between them.[26] This radical shift in the balance of power created a window of opportunity to recast institutions.

Seizing the moment, Baltic leaders moved first to secure formal recognition of their independence. As USSR People's Deputy J. J. Peters proclaimed on September 1, 1991, the opening day of the Extraordinary USSR Congress of People's Deputies, "Esteemed Mikhail Sergeyevich! We, the USSR People's Deputies elected from Latvia in 1989, propose that you issue without delay a presidential decree recognizing the state independence of the Latvian Republic—a full-fledged subject of international law since 1940. A positive resolution of this question would be a firm guarantee of good relations between the Republic of Latvia and the Union that is being created."[27] In making this plea, Baltic leaders clearly understood that Yeltsin and Russia's democrats were their allies in obtaining independence. As Peters declared, "On behalf of the independent state of the Latvian Republic, I, as spokesman for my country's government, bow my head to Russia, the people of Russia and President B. N. Yeltsin, who saved peace, democracy and the future of our children."[28] Five days later, the newly created USSR State Council, an interim governing body chaired by Mikhail Gorbachev, recognized the independence of Latvia, Lithuania, and Estonia. Before the coup, Gorbachev had used his last ounce of political capital to preserve the union. After the coup, with his political capital extinguished, Gorbachev had little power to influence events and instead only ratified actions taken by others.

Other republics followed the Baltic lead. The week after the coup attempt, the Ukrainian Supreme Soviet voted overwhelmingly (321 in favor, 6 against) to declare Ukraine an independent state. To obtain a popular mandate for their decision, the Ukrainian Supreme Soviet scheduled a nationwide referendum on independence for December 1, 1991. Speaking at the Extraordinary USSR Congress of People's Deputies in September, Leonid Kravchuk, chairman of the Ukrainian Supreme Soviet, stated bluntly that "the main thing is for the Congress to proceed from the premise that real power today resides in the republics and that the peoples are engaging in self-determination. We think that the Congress's supreme goal should be to help the peoples of the republics in this endeavor."[29]

In addition to the Baltic and Ukrainian republics, the Georgian government reaffirmed its independence immediately after the coup. Armenia quickly followed by voting in September for full independence. After

[26] Boris Yeltsin, *Zapiski prezidenta* (Moscow: Ogonek, 1994), 148.
[27] Quoted in *Izvestiya*, September 7, 1991; reprinted in *Current Digest of the Soviet Press* 43 (October 9, 1991): 6.
[28] Ibid.
[29] Ibid., 7.

initial hesitation, Azerbaijan leader Ayas Mutalibov convened a special session of the Supreme Soviet to declare independence. In Belarus, euphoria for independence and communist dissolution was not as pronounced. Nikolai Dementei, chairman of the Belorussian Supreme Soviet, had supported the Emergency Committee and therefore resigned after the failed coup. Only after a close vote did the Belorussian Supreme Soviet move to ban the republic's Communist Party and affirm a resolution on independence. The centrifugal forces pulling the Union apart were weakest in Central Asia. Well after the August 1991 coup attempt, all Central Asian leaders believed that the Union might somehow be preserved.[30] None of these leaders wanted to resurrect a unitary state because they all enjoyed the perks of decentralization. However, even a return to the terms of the negotiated Union treaty was no longer tenable. Speaking at the USSR Congress of People's Deputies immediately after the coup attempt, Kazakhstan president Nursultan Nazarbayev moved to scrap the negotiated pre-coup accord and advocated instead a new confederation between republics. This confederation would no longer need a Soviet government or a Soviet parliament.[31] To guide the transition to this new confederation, Nazarbayev proposed an interim Soviet government—a State Council—made up of the Soviet president and the top officials of the republics, "to make agreed-upon decisions on questions of domestic and foreign policy that affect the common interests of the republics" and "to coordinate the management of the national economy and implement economic reforms in an agreed-upon fashion, to temporarily create, on parity principles, an inter-republic economic committee with representatives from all the republics."[32] All other issues were to be decided by the republics themselves.

Nazarbayev's recommendation for the preservation of a modified union enjoyed support from a wide range of political actors within Russia. Mikhail Gorbachev pushed for signing the Union treaty in its original form, while warning of the grave consequences of dissolution. Gorbachev persistently cited the results of the March 1991 referendum as evidence that the people supported his position. A handful of leaders from Russia's democratic movement also supported Union preservation. For instance, Moscow mayor Gavriil Popov and St. Petersburg mayor Anatoly Sobchak supported the preservation of a Union government, and especially a Union parliament, arguing that some governmental body must fill the administrative

[30] Martha Brill Olcott, *Central Asia's New States: Independence, Foreign Policy, and Regional Security* (Washington, D.C.: U.S. Institute of Peace, 1996), chap. 1.

[31] See S. Chugaev and V. Shchepotkin, "The Parliament Has Returned to a Different Country," *Izvestiya*, August 26, 1991, 1; reprinted in *Current Digest of the Soviet Press* 43 (October 2, 1991): 3.

[32] Nazarbayev's speech to the Extraordinary Congress of the USSR People's Deputies, in *Izvestiya*, September 2, 1991; reprinted in *Current Digest of the Soviet Press* 43 (October 2, 1991): 5.

vacuum created by the collapse of the CPSU At the opening of the Extraordinary USSR Congress of People's Deputies on September 2, Sobchak also argued that only through the creation of a single economic space could economic decline be reversed. Within Democratic Russia, Nikolai Travkin (chairman of the Democratic Party of Russia), Viktor Aksiuchits (chairman of the Russian Christian Democratic Movement), and Mikhail Astafiev (chairman of the Constitutional Democratic Party–Party of People's Freedom) all advocated maintaining some kind of union. When Democratic Russia as a whole advocated dissolution, these three leaders and their parties quit the coalition and founded a new pro-Union group called People's Accord.[33] Likewise, several nationalist and communist deputies from the Soviet and Russian Congresses argued that Yeltsin was obligated by the March 1991 referendum to preserve the Union.

It was in this chaotic context of actual state collapse and debate about state collapse that Yeltsin and his associates made their initial decisions about institutional changes within the Soviet and Russian states. Above all else, Yeltsin wanted to prevent a restoration of Union authority. Although his commitment to the preservation of any kind of central government remained vague throughout this period, he moved with certainty to make sure that any newly constituted central government body would be subordinate to the authority of the sovereign republics. In particular, he wanted to guarantee that Gorbachev would never again be his superior.

Banning the CPSU

Yeltsin moved quickly and decisively against the Communist Party of the Soviet Union, the only administrative organization potentially capable of making and implementing policy at the all-Union level. On August 25, 1991, the Russian president signed a decree banning the CPSU within Russia and confiscating most of its property. Yeltsin also suspended the publication of several communist newspapers, including *Pravda, Sovetskaya Rossiya, Moskovskaya Pravda, Rabochaya Tribuna,* and *Glasnost.* To gain control of other media outlets, Yeltsin purged the leadership at the news agency TASS and Novosti Information Agency. Other republic leaders, many of whom were also CPSU leaders, quickly followed Yeltsin's lead in banning the CPSU and seizing Party assets in their territories.

In justifying these actions, Yeltsin insisted that the Party was responsible for the coup attempt.[34] Seeking to redeem its integrity after its poor show-

[33] See the communiqué issued at the Third Democratic Party of Russia Congress, "Obrashchenie III S'ezda DPR k Narodnym Deputatam RSFSR," mimeo, undated but released at the Third Congress on December 3, 1991.

[34] Yeltsin address, published in *Obshchaya Gazeta,* August 20, 1991; reprinted in *Yeltsin-Khasbulatov,* 91.

ing during the coup, the Soviet Congress of People's Deputies passed a resolution on August 29, 1991, that was very similar to Yeltsin's decree suspending the CPSU throughout the Soviet Union.[35] At this moment, no major political group had an interest in the return of the CPSU, which made acquiescence to Yeltsin's decree simple.[36]

Seizing Control of Soviet State Institutions

As an alternative to CPSU and Soviet state authority, Yeltsin sought to establish the Russian state as the sovereign power over all activities occurring on Russian territory. Even during the putsch, he issued a decree that subordinated all Soviet ministries to Russian state authority. This act forced employees of the Soviet state to choose between two authorities—the Soviet government or the Russian government.

Yeltsin and his allies moved quickly to recast most of the ministries and organizations of the Soviet state as Russian entities. On August 22, 1991, Yeltsin signed a decree transferring control of all Soviet enterprises on Russian territory to the Russian government. He issued a similar decree subordinating Soviet ministries to Russian government control. The strategy for dealing with most of these state organs was co-option, not coercion or dissolution. Aside from those deliberately implicated in the coup attempt, few people were removed from leadership positions in these ministries and agencies, a policy that disappointed many in Russia's opposition movement.[37] Rather than dissolve Soviet institutions and create new Russian institutions in their place, Yeltsin instead sought to change their allegiances.

The ease with which most of these transfers of allegiance occurred was remarkable. In contrast to the leaders of most revolutionary takeovers, Yeltsin did not command guerrilla armies or revolutionary brigades that could enforce his decrees. The speed with which senior Soviet bureaucrats (and by implication senior CPSU officials) accepted new directives suggests that ideological differences between new leaders and old apparachiks were not pronounced. As Gaidar recalls in his memoirs, one of his first acts as

[35] S. Chugaev and V. Shchepotkin, "Parliament Wants to Save Face—And Its Pay," *Izvestiya*, August 30, 1991, 1; reprinted in *Current Digest of the Soviet Press* 43 (October 2, 1991): 6.

[36] As discussed in chapter 3, Gorbachev already had debilitated the CPSU as a governing organization well before 1991. Republican leaders throughout the Union were glad to see the Party disbanded because this act strengthened their local authority over republican state institutions. Within Russia, the Russian Communist Party also had no interest in sustaining the CPSU because its dissolution created an opportunity for the Russian Communist Party to assume control of the communist movement and hopefully communist properties within the Russian Federation. On the Party's long-term hemorrhaging of political power, see Graeme Gill, *The Collapse of the Single-Party System* (Cambridge: Cambridge University Press, 1994).

[37] "Zayevlenie soveta predstavitelei dvizheniya 'Demokraticheskaya Rossiya,'" (September 15, 1991), in *Dvizhenie "Demokraticheskaya Rossiya": Informatsionnyi Byulleten'* 14 (August–September 1991): 1.

deputy prime minister was to take charge of Gosplan, one of the key and most detested institutions of the Soviet regime, which oversaw management of the entire Soviet economy. Only days after taking office, Gaidar phoned Gosplan and instructed the collegium to gather for a meeting with him. As Gaidar remembers, "Of course, it was arrogant [to call and demand the meeting]. If it had happened before August 21, if the deputy prime minister of the RSFSR had phoned to request an immediate gathering of the large collegium of Gosplan, they might not even let us past the doorstep."[38] The meeting occurred, though, and afterward Gosplan began working for the new Russian minister of economy, Andrei Nechayev, on plans for cutting arms production. Gaidar and his assistants then moved to exercise control of the Soviet Ministry of Finance. Although this seizure proved more complicated and involved the personal involvement of both Yeltsin and Gorbachev (still Soviet president at the time), Gaidar succeeded in submitting this ministry to Russian control as well. A similar process occurred at virtually every Soviet ministry involved in economic policymaking.

In fall 1991, all major political players held a similar perception of the balance of power in Russia. Yeltsin and his allies were powerful, and conservatives who supported the coup were weak. Gorbachev also appeared impotent in that he had allowed the coup to happen. The Soviet Congress of People's Deputies had an electoral mandate. Had they opted to exercise their authority, they might have succeeded in constraining Yeltsin's cooptive strategies. The Congress was most certainly discredited by not resisting the coup. Equally important, delegations to the Soviet Congress from the non-Russian republics believed that the new center of political gravity had shifted to the republic level. These deputies, therefore, had no incentive to invest political capital in the revival of an institution with a highly uncertain future. Consequently, bureaucrats in Soviet ministries had no real option but to accept the Russian government as their new boss.

Yeltsin and his government adopted a more cautious strategy for co-opting the so-called power ministries. With the CPSU in disarray, the Soviet armed forces, the KGB, and the Ministry of Internal Affairs were the only organizations that had the capacity (and quite possibly the legitimacy) to construct an alternate all-Union administrative authority. To begin to neutralize these institutions, Yeltsin appointed loyal allies to head them.[39] After a round of interim appointments made by Gorbachev but rejected by Yeltsin, the two men jointly appointed Vadim Bakatin as chairman of the State Security Com-

[38] Gaidar, *Dni pobed i porazhenii,* 113.

[39] Gorbachev initially made new appointments to these ministries without consulting Yeltsin. Yeltsin, however, was outraged by several of the new appointments. He demanded that Gorbachev reverse several of them and that all future ministerial appointments be approved by himself. Gorbachev acquiesced, a decision that marked the beginning of the end of his authority as an independent ruler. See Yeltsin, *Zapiski prezidenta,* 144.

mittee (KGB), Yevgeny Shaposhnikov as the new Soviet minister of defense, and Viktor Barannikov as the new minister of internal affairs. Aleksandr Bessmertnykh, the Soviet minister of foreign affairs who had served during the putsch and fulfilled the orders of the Emergency Committee, lost his job and was replaced by Boris Pantin. In contrast to his strategy for handling other ministries, Yeltsin's strategy toward the power ministries was to allow them to remain under Soviet jurisdiction during this transitional period. After dissolution of the Soviet Union, Yeltsin eventually incorporated these ministries into the Russian government without attempting any serious internal reform or instituting civilian control over these bodies.

Above all else, Yeltsin, as well as leaders of other republics feared a divided army. Many military leaders spoke openly about the dangers of creating several armies.[40] It was the Ukrainians, however, not the Russians, who forced the pace of change concerning the Soviet military. On September 4, 1991, the Ukraine Supreme Soviet appointed a Ukrainian defense minister, which effectively represented the first move to dissolve the Soviet armed forces. Competing claims of authority between Russian and Ukrainian governments over the Crimean naval fleet sparked the first inter-republic crisis of the post–August 1991 period. For Russian leaders, the scare raised by the Crimean crisis provided further justification for moving slowly toward reorganization of the Soviet military. Yeltsin did not appoint a Russian minister of defense until several months after dissolution of the Soviet Union, and he postponed reorganization of the military indefinitely.

Disbanding the Soviet Congress and Eliminating the Soviet Presidency

There were two Soviet state institutions that Yeltsin wanted to destroy rather than seize—the Soviet Congress of People's Deputies and the Soviet presidency. He and his government first sought to discredit the Soviet parliament by blaming Soviet legislators for tacit acquiescence to the coup. As Yeltsin stated the week after the coup attempt, "During the days of the putsch, there was no supreme legislative power in the country, there was no parliament. The junta had a free hand. Through its inaction, the Supreme Soviet provided the junta with most-favored status."[41] The Soviet Congress attempted to redeem itself by denouncing the coup and ratifying without amendment

[40] As army general Vladimir Lobov, chief of the general staff of the USSR Armed Forces, stated in an interview, "Unity is the only way! ... The more separate armed forces there are, the more real the danger of confrontation between republics." Lobov, interview in *Pravda*, September 9, 1991, 1–2; reprinted in *Current Digest of the Soviet Press* 43 (October 9, 1991): 17.

[41] Yeltsin, speech to the Extraordinary Congress of the USSR Congress of People's Deputies. In an interview with the author, Soviet Congress chairman Anatoly Lukyanov argued that one of his critical mistakes was not convening the Congress because he believed at the time that the majority of deputies would have approved of the Emergency Committee's actions. Anatoly Lukyanov, interview with author, November 1993.

several of Yeltsin's institutional changes, even though at the time Yeltsin was formally a subordinate to this body. By appeasing Yeltsin, many Soviet deputies aimed to demonstrate that the Soviet Congress should continue to exist to help stabilize the country. The Russian government, however, feared that the Congress would reassert its authority if it were allowed to remain. At the same time, Yeltsin was careful not to unilaterally dismantle the Soviet Congress; instead, he nudged it to dissolve itself, offering monetary incentives to those who cooperated. On this issue, Gorbachev supported Yeltsin because the Soviet president felt betrayed by the Congress's timidity during the August coup.[42] On September 5, 1991, the Soviet Congress of People's Deputies approved a new law that provided for governing the Soviet Union during a transitional period in which the Congress would de facto surrender its governing authority to an executive body called the USSR State Council. The Supreme Soviet of the Soviet Congress continued to meet throughout the fall, but it never regained a political role.

After the coup attempt, Gorbachev believed he should retain his role as Soviet president, no matter how radically reconfigured the office might become. To win favor with his former foes in the Russian democratic movement, Gorbachev admitted to misjudging the people he had selected to run the country. At a session of the Russian Congress of People's Deputies, Gorbachev endured extraordinary humiliation and ridicule levied at him by Yeltsin in the hope that through cooperation with Yeltsin and the Russian Congress, he might still be able to save his job and preserve some semblance of the Union. Leaders of some republics, such as Turkmenistan president Saparmurad Niyazov, rallied to Gorbachev's side, arguing that "too many stones have been thrown at Mikhail Sergeyevich."[43]

Yeltsin disagreed. In fact, while enjoying the benefits of Gorbachev's cooperation during this volatile period, the Russian president remained militant about securing Gorbachev's removal from power. Even if the by-product would be dissolution of the USSR, Yeltsin wanted to use the opportunity of the failed August putsch to eliminate his nemesis from politics forever. Whereas others saw Gorbachev as a victim of the coup, Yeltsin openly and directly blamed Gorbachev for creating the preconditions for August 1991:

> The August coup was not an accident; it was the logical result of the policy being pursued in the country. A crisis of power has existed in the Soviet Union for a long time now, and it is becoming deeper and deeper. Month after month, the Union leadership has been operating in the dark, to all intents and purposes, and has not had a clear-cut political course, proclaiming correct slogans, but in practice doing all it could to slow their implementation. The implementation of reforms was entrusted to bodies that are essentially

[42] "Net nichego vyshe interesov cheloveka," *Sovetskaya Rossiya*, September 6, 1991, 1.
[43] Quoted in "V poiskakh soglasiya," *Sovetskaya Rossiya*, September 4, 1991, 1.

totalitarian. It seems that everything possible was done to protect Party and state structures from destruction.[44]

Yeltsin even intimated that Gorbachev knew about the plans of the coup plotters: "In assessing the reasons for the putsch, I cannot fail to mention the role of the country's President. His inconsistencies in conducting reforms, his indecisiveness and, sometimes, capitulation to the aggressive onslaught of the Partocracy, whose rights had been infringed—all this created favorable soil for the totalitarian system to take revenge. I do not think that Mikhail Sergeyevich was unaware of the true worth of Yanayev, Kruchkov, Pugo, Yazov, and the others."[45] Consequently, Yeltsin never entertained the possibility of retaining Gorbachev as Soviet president. Instead, Yeltsin secured Gorbachev's cooperation as a way to smooth the process of Soviet dissolution.

Dissolving the USSR

In the period between August 1991 and the signing of the Belovezhskaya Accord on December 8, 1991, which formally dismantled the USSR, a series of interim proposals, temporary governments, and inter-republic treaties guided the process of dissolution. With Yeltsin's approval, Gorbachev created an emergency committee headed by Ivan Silayev, Arkady Volsky, Yuri Luzhkov, and Grigory Yavlinsky to manage the Union economy. In October, leaders from eight republics signed with great fanfare the Treaty on Economic Union, a document spelling out a strategy for maintaining a single economic space within the former Soviet Union. This act sparked new hope among Union advocates and made Yeltsin's true intentions regarding the Union seem ambiguous.

Leaders representing very different agendas floated proposals for various new political institutions—an interim parliament, an interim council, and even a Constitutional Assembly. Gorbachev was most active in recruiting support for a new executive council at the Union level. He asked several democratic leaders to join, including Moscow mayor and Democratic Russia leader Gavriil Popov and St. Petersburg mayor Anatoly Sobchak, as well as former Soviet governmental colleagues Grigory Revenko, Eduard Shevardnadze, and Aleksandr Yakovlev. Having turned against these liberals a year earlier, Gorbachev now reached out to them as a way to preserve his own position.[46] No one, however, accepted his invitation because no one at that moment wanted formal affiliation with Gorbachev. Their refusal to join delivered a crippling blow to the campaign to preserve some all-Union governmental structure.

[44] Yeltsin, speech to the Extraordinary Congress of the USSR Congress of People's Deputies.
[45] Ibid.
[46] Grigory Revenko, former CPSU Politburo member, interview with author, March 1999.

On November 4, 1991, leaders of the republics agreed formally to abolish all Soviet ministries except defense, foreign affairs, railways, electric, and nuclear power. Three weeks later on November 25, 1991, these same republic heads met for the last time at Novo-Ogarevo, the place where the Union treaty had been negotiated earlier in the year. Although participants assembled at this meeting to draft a new treaty that would have transferred most rights to the republics' governments, not one of the republics' leaders agreed to sign the compromise document. After the meeting, Gorbachev stated that he still hoped a new Union treaty would be signed on December 20, 1991, but momentum for agreement clearly had waned.

After the failed November meeting at Novo-Ogarevo, Yeltsin decided that something else must be done to resolve the issue of the Union once and for all.[47] He instructed his senior government aides Gennady Burbulis and Sergei Shakhrai to draft a document that would dissolve the USSR. Taking care to make the act as "legal" as possible, Yeltsin's lieutenants decided that the same three republics that had agreed to form the Soviet Union in 1922 (Russia, Ukraine, and Belarus) must be signatories to the document dissolving the Union. Burbulis and Shakhrai made plans to meet with Ukrainian and Belarussian leaders at a resort near Brest, Belarus, on December 8, 1991. The meeting was timed to come immediately after the Ukrainian referendum on independence, scheduled for December 1, 1991. As expected, Ukrainians voted overwhelmingly for independence, an outcome that Yeltsin later cited as a determining factor in his decision to support the dissolution of the USSR.[48]

The meeting in Belarus was a somber and secret affair. Yegor Gaidar, who had just been appointed deputy prime minister weeks before, recalls in his memoirs that he did not even know the purpose of the meeting before departing for Minsk.[49] Only Shakhrai and Burbulis were fully involved in the preparations for the meeting. Reports from those who attended suggest that the leaders of all three republics were extremely nervous about their actions.

In recognizing that "talks on the drafting of a new Union Treaty have reached an impasse and that the objective process of the secession of republics from the USSR and the formation of independent states has become a real fact," the document signed at Belovezh stated that "the USSR as a subject of international law and geopolitical reality, is ceasing to exist."[50] The three leaders created a new organization, the Commonwealth

[47] Yeltsin, *Zapiski prezidenta*, 150.

[48] Yeltsin, speech before the RSFSR Supreme Soviet, December 12, 1991, in *Yeltsin-Khasbulatov*, 103.

[49] Gaidar, *Dni porazhenii i pobed*, 148.

[50] "Agreement of the Creation of the Commonwealth of Independent States," December 8, 1991; reprinted in Alexander Dallin and Gail Lapidus, eds., *The Soviet System: From Crisis to Collapse*, rev. ed. (Boulder, Colo.: Westview Press, 1995), 638.

of Independent States. In contrast to all previous negotiations over a new Union treaty, however, this new agreement made no provisions for a supranational political authority.

In Russia, fanfare and celebration did not accompany this declaration of independence.[51] Even the majority of leaders within Democratic Russia were shocked by the act, and worried that Yeltsin's unpopular move would undermine support for the democratic movement as a whole. Yeltsin and his aides justified the agreement as a de jure codification of a de facto process of disintegration that had already occurred. As Yeltsin argued later, "I am sure that the country would have broken into parts anyway, but it would have been accompanied with bloodshed and violence."[52] Although Yeltsin and his allies still feared a military response to their act, the agreement was designed to prevent another military putsch.[53] By splitting up the Union, it created new political actors in each of the former republics that would help resist any future attempt to re-create the Soviet Union. Yeltsin also believed that dissolution of the USSR was a necessary step to prevent the total collapse of the Russian Federation.[54] Finally, liberals also argued that only when the borders of the Russian state were clearly defined could economic reform be implemented.[55]

Surprisingly, those people and organizations capable of resisting this act seemed to have agreed with Yeltsin and his set of rationales. Gorbachev acquiesced. He derided the act as unconstitutional but refrained from calling upon the military, the KGB, or social organizations to resist the accord. Nor did any general decide to act against the accord, even though several military officers, including Yeltsin's own vice president, Aleksandr Rutskoi, disapproved of the act. In the Russian Supreme Soviet, several deputies such as Ilya Konstantinov, Vladimir Isakov, and Nikolai Pavlov tried to block ratification of the accord, denouncing Yeltsin's act as a coup d'état.

[51] The author was in Moscow during this time and attended several of the parliamentary discussions as well as informal discussions among political leaders on the future of Russian sovereignty. The Russian case was a stark contrast to the national liberation movements in Africa and Asia. There were no celebrations of independence. There were no attempts to create new symbols or myths around the event of independence. On the contrary, only those against dissolution organized demonstrations at the time. The Soviet flag came down on December 25, several days before it had been planned, to avoid making a scene. Gorbachev gave a brief and embittered departure speech. Yeltsin never actually met with the departing "colonial governor" in a ceremonial transfer of power. Even the black box containing the nuclear codes was passed from Gorbachev to Yeltsin through an intermediary.

[52] Interview with Yeltsin, *Komsomolskaya Pravda*, August 19, 1995, 1–2; quoted here from *What the Papers Say*, August 21, 1995, 11.

[53] Yeltsin, *Zapiski prezidenta*, 153.

[54] Gennady Burbulis, at the time chief advisor to Yeltsin, interview with author, June 30, 1995; and Anatoly Shabad, RSFSR People's Deputy and Democratic Russia leader, interview with author, July 4, 1995.

[55] Vladimir Mau, *Ekonomika i vlast': Politicheskaya istoriya ekonomicheskoi reformy v Rossii, 1985–1994* (Moscow: Delo Ltd., 1995), 44–45.

However, the majority of Russian deputies, including many such as chairman Ruslan Khasbulatov, who later claimed they resisted Soviet dissolution, supported the agreement. When the Supreme Soviet ratified the accord, only six people voted against it. In public, few rallied to resist the end of the Union. Nationalist leaders such as Vladimir Zhirinovsky as well as "statists" within Democratic Russia such as Nikolai Travkin and Viktor Aksiuchits and even Popov organized street demonstrations to denounce the accord, but only a few hundred people attended.

This radical institutional change was sustained by the balance of power, which had been clarified, however briefly, by the August 1991 coup attempt. Most importantly, Yeltsin's plan for dissolution created fourteen strong supporters of his actions: the leader of each newly independent state had a real incentive to back the plan once it was determined that leaders of the other republics also planned to do so. These former CPSU first secretaries or Supreme Soviet chairmen from the republics became heads of state overnight. And once recognized by the international community, states rarely give up their sovereignty.[56] Within the Russian Republic, no all-Union organization could have been sure of victory had it moved to preserve the USSR. After all, the leaders of the KGB, Soviet Army, the Ministry of Interior, and the military industrial complex had just attempted to preserve the Union through force and failed.

As a result of this new balance of power recognized by all, Yeltsin had invented a new Russian state by the end of the year. He occupied the Kremlin, possessed the codes that controlled Soviet nuclear weapons, and enjoyed the tacit support of the Soviet military. Not only had he guided the collapse of the largest empire in the world but he had dismantled a country that just six years before had been considered a world superpower. And he achieved all of these feats without killing a single person.

DESIGN DECISIONS ABOUT ECONOMIC INSTITUTIONS

If demarcating the borders of the new Russian state was Yeltsin's first priority after the August 1991 coup attempt, reforming the Russian economy was his second priority. Since the collapse of the 500-Day Plan in the fall of 1990, no one had really assumed direct responsibility for economic policy in the Soviet Union. For some, this period of inattention stretched back even farther, to 1988 when Gorbachev began pursuing fundamental changes in the Soviet political system instead of focusing on economic re-

[56] See Robert Jackson, "International Community beyond the Cold War," in *Beyond Westphalia?* ed. Gene Lyons and Michael Mastanduno (Baltimore: Johns Hopkins University Press, 1995), 55.

form. Absorbed with political issues such as elections, ethnic conflicts, and ultimately the fate of the Union, Soviet leaders paid little attention to following through on the set of economic reforms begun earlier. Heightened political confrontation and uncertainty, in turn, fostered a poor context for undertaking economic reform because no major political force had the authority or wanted the responsibility for initiating painful economic changes. Price liberalization represented a typical policy delayed as the result of politics. Although most Soviet and Russian government leaders recognized the importance of raising prices as early as the summer of 1990, no public official, including Boris Yeltsin, openly advocated it.

By August 1991, the economic costs of this inaction had mounted enormously. Soviet gold and hard currency reserves were depleted, the budget deficit had ballooned to 20 percent of gross domestic product (GDP), money was abundant but goods were scarce, production was plummeting, and trade had all but collapsed. Experts predicted that the winter of 1991 would bring starvation throughout the Soviet Union, prompting Western governments to ship in emergency food supplies. In moving to establish Russian sovereignty over Soviet institutions, Yeltsin and his government also assumed responsibility for a bankrupt economy.

Given these conditions, a consensus quickly developed about the necessity of radical economic reform. In fall 1991, no one within the Russian government cautioned against going "too fast."[57] Such dissent only emerged later. Russian parliamentary leaders also advocated rapid and comprehensive economic reform measures. Even Ruslan Khasbulatov, the new chairman of the Russian Congress, advocated radical economic reform. In an interview in December 1990, he stated triumphantly that he had pushed for the resignation of the Soviet government and Prime Minister Ryzhkov because they had failed to move rapidly enough on economic reform.[58] Speaking immediately after the August coup attempt, Khasbulatov reconfirmed his belief in market reforms, warning that it was too early for euphoria because radical economic reforms had yet to be implemented. Although he never demonstrated a firm understanding of stabilization and the difficult steps needed to achieve stabilization, he called for the creation of an economic system that would resemble those in "civilized countries," a system in which Russian and international firms would work side by side. According to Khasbulatov, Russia also needed "a strong sector of small business people."[59] He also argued that "the freer the economy is from the influence of the state, the lesser the bureaucracy is in

[57] Gaidar, interview.
[58] Interview with Khasbulatov, *Sovetskaya Rossiya*, December 4, 1990, in *Yeltsin-Khasbulatov*, 58.
[59] Interview with Khasbulatov, *Narodnyi Deputat* 15 (1991): 7–8; reprinted in *Yeltsin-Khasbulatov*, 90.

society."[60] Only one month before price liberalization, Khasbulatov reaffirmed his support of emergency measures for economic reform.[61]

The urgency of responding to the economy was recognized by all. How should the government react to the economic crisis and who should implement reform engendered more discussion. Yeltsin understood that the failed August coup created a window of opportunity for radical reform. On holiday in Sochi in September 1991, he realized that "it would be a strategic mistake now if Russia did not find its architect of economic reform."[62] Yeltsin also knew that he himself was not qualified to draft a comprehensive blueprint for radical reform.

Throughout fall 1991, several candidates and economic teams were discussed, ranging from conservatives such as Yuri Skokov and Oleg Lobov to centrists such as Yevgeny Saburov to more liberal (and younger) economists such as Yavlinsky and Gaidar. Both Khasbulatov and Rutskoi also had aspirations to serve as Yeltsin's first postcommunist prime minister.[63] Of all the candidates, Yavlinsky was the most famous and most respected. Yeltsin and Burbulis, however, ultimately rejected Yavlinsky and his strategy for several reasons. Yavlinsky advocated the policy of maintaining a single economic space and a single currency throughout the former Soviet Union. Yeltsin, although initially supportive of this idea, believed that it was impractical after the dissolution of the USSR. More generally, Yavlinsky was firmly identified with the 500-Day Plan, a project that had seemed radical in fall 1990 but dated in fall 1991. Also, in spring 1991, Yavlinsky's cooperation with Gorbachev under the rubric of the Grand Bargain with the West did not help his reputation with those in the Russian government.[64] Finally, Yavlinsky, it was believed, had no team.

Instead of Yavlinsky, Yeltsin ultimately selected Gaidar and his team of young economists to head the first post-Soviet government and to initiate radical economic reform. Gaidar was an unexpected choice. Before this appointment, Gaidar had never held political office. Nor did Yeltsin know Gaidar personally. The Russian president had met Gaidar through Burbulis, who subsequently served as the intermediary between Yeltsin and his

[60] Ibid.

[61] Khasbulatov, *Pora peremen,* December 1991; excerpts reprinted in *Yeltsin-Khasbulatov,* 60.

[62] Yeltsin, *Zapiski prezidenta,* 163.

[63] According to Lev Ponomarev, he and several other leaders of Democratic Russia met with Rutskoi in October 1991 to discuss Rutskoi's candidacy. Lev Ponomarev, interview with author, July 19, 1995. Khasbulatov's desire to become prime minister was publicly known. In an interview with the author in June 1995, he intimated that he believed he was the most qualified economist for the job. See also Vyacheslav Kostikov, *Roman s prezidentom: Zapiski press-sekretarya* (Moscow: Vagrius, 1997), 158.

[64] The Grand Bargain was an initiative by Yavlinsky and Harvard professor Graham Allison to obtain Western financial assistance for the Soviet Union. See Yavlinsky and Allison, *Window of Opportunity* (New York: Pantheon Press, 1991).

young reform government. As Burbulis recalls, "It was clear to me that Yeltsin would not have become any kind of president-reformer, and would never have initiated economic reform if I did not bring to our team Gaidar, but it was also clear to me that the Gaidar team would have achieved nothing if I did not act as an intermediary between Gaidar's ministers and the president."[65] Democratic Russia leaders also lobbied Yeltsin to select Gaidar and urged against Yavlinsky.[66]

Yeltsin admired Gaidar's confidence, candor, unwavering style, and ability to speak plainly.[67] Gaidar's plan to move swiftly also coincided with Yeltsin's approach to economic reform. Although uneducated in the ways of economic policymaking, Yeltsin firmly believed that a radical and swift change was necessary, and Gaidar promised just such change. Yeltsin also recognized that Gaidar had a coherent and unified team that could execute a reform agenda more effectively than could one individual.

Although never published as a written document or elaborated in a single speech, Gaidar's program for economic reform called for immediate liberalization of prices and trade while at the same time achieving macroeconomic stabilization through control of the money supply and government spending.[68] Once stabilization had been accomplished, massive privatization was to follow. Gaidar's plan was consistent with his neoliberal approach to markets and market development; the less the state intervened in the market the better. Equally important (and often misunderstood in the West), the plan conformed to the parameters of the possible for Russian reformers. The Russian state—an entity that had not existed just weeks earlier—simply did not have the capacity to implement economic reform through administrative means. Policies that needed a strong state to implement, such as gradual price liberalization or state-run competitive auctions of enterprises, were simply untenable at the time. As Vladimir Mau, then an advisor to Gaidar, has written, "The weak state was an objective reality, which had to be taken into account when selecting an economic-political strategy."[69]

Gaidar and his government, in the early stages of conceptualization, planned to maintain a minimum level of social support for those hit hardest by the shock of price liberalization. Speaking at the fifth Russian Congress in November 1991, Yeltsin promised that "the liberalization of prices will be accompanied by acts of social defense of the population."[70] At the

[65] Burbulis, interview.

[66] Viktor Dmitriev, RFSFR People's Deputy and Democratic Russia co-chair, interview with author, January 1992. This point also is made in Peter Pringle, "Gaidar and Co.: The Best and the Brightest," *Moscow Magazine*, June–July 1992.

[67] Yeltsin, *Zapiski prezidenta*, 164.

[68] Yeltsin outlined the general principles of the economic reform plan on October 28, 1991, before the fifth session of the Russian Congress of People's Deputies.

[69] Mau, *Ekonomika i vlast'*, 42.

[70] "Vystuplenie B. N. Yeltsina," *Sovetskaya Rossiya*, October 29, 1991, 1.

same time, stabilization—including first and foremost, control of inflation—was considered the overwhelming priority. Gaidar, for instance, resisted the idea of wage indexation and agreed to implement such a state policy only if Western financing for the program was secured.[71] Likewise, Deputy Prime Minister and Labor Minister Aleksandr Shokhin rejected inflationary policies such as savings compensations. As he stated bluntly in November 1991, "I consider indexation [of Sberbank accounts] from the budget to be nonsense. Sberbank is a commercial structure."[72]

In these early days of articulating an economic reform plan, few understood the economic logic behind Gaidar's program. Because Russians had not lived in a market system for seventy years, it was unrealistic to assume that the complex relationships between supply and demand, budget deficits and inflation, or trade and currency devaluation would be grasped immediately. In addition, most people—both in government and in society more generally—expected quick results. Yeltsin himself promised an economic turnaround by the end of the year. As he explained to the nation in a televised statement at the end of 1991, on the eve of price liberalization, "I have said more than once and want to say it again: it will be tough for us [during the economic reform], but this period will not be long. We are talking about 6–8 months."[73]

In proceeding with this poorly understood economic program, Yeltsin and his new government devoted little attention to devising a political strategy to sustain it. At the time, there was a common perception within the government that Yeltsin already had a popular mandate to initiate radical economic reform. As noted *Izvestiya* columnist Mikhail Berger wrote at the time, "The unpopular measures without which the economy cannot be improved, even given the highly active assistance of the West, are entirely feasible, since they will be carried out by popular authorities."[74] Similarly, Gaidar advisor Vladimir Mau recalled in his memoir of this period that the political reforms seemed to be completed by fall 1991, whereas economic reform had not even begun: "At the end of 1991, there was an impression that the fundamental political battle had concluded, power was located in the hands of one person and the leader's attention should be focused on carrying out economic reform. It seemed that economics had ceased to be

[71] Anders Åslund, *How Russia Became a Market Economy* (Washington, D.C.: Brookings Institution Press, 1995), 68.

[72] Interview with Shokhin, *Rossiskaya Gazeta*, November 1, 1991; reprinted in Aleksandr Shokhin, *Moi golos budet vse-taki uslyshan: Stenogramma epokhi peremen* (Moscow: Nash Dom–L'Age d'Homme, 1995), 11.

[73] Yeltsin, television address, December 30, 1991; published in *Yeltsin-Khasbulatov*, 111.

[74] Mikhail Berger, "The Union Economy: Nonemergency Committee in Emergency Conditions," *Izvestiya*, August 26, 1991, 2; reprinted in *Current Digest of the Soviet Press* 43 (October 9, 1991): 12.

the prisoner of politics."[75] Yeltsin suggested a similar idea in October 1991 when he stated, "We fought for political freedom, now we must provide for economic [freedom]."[76]

Moreover, for Russian economic reformers, politics was a nasty business that only got in the way of sound economic policymaking. Yeltsin himself recounted the initial antipolitical attitude of Gaidar and his associates: "Gaidar's ministers and Gaidar himself basically took this position with us: your business is political leadership; ours is economics. Don't interfere with us as we do our work, and we won't butt in on your exalted councils, your cunning behind-the-scenes intrigue, which we don't understand anyway."[77] At a more theoretical or philosophical level, Gaidar and his associates were believers in sequencing economic and political reforms; economics first, politics second. Given the long and difficult process of reconstructing state–society relations, Yeltsin's first government decided that initial attention should be devoted to economic reform, a public policy sphere that the government believed would generate more concrete and faster results. As Burbulis explained, "We decided in the first instance to focus our efforts on the strengthening of the economy, that area of state building which effected the personal interests of the majority of citizens."[78] This sequencing strategy also followed from a more general Marxist notion about the relationship between capitalism and democracy. Most policymakers in the Russian government at the time believed Russia had to create a new society according to capitalist principles first to sustain a democratic system. As Yevgeny Yasin wrote at the time:

> In order to gain stability, a democratic society needs a solid economic and social base, a developed market economy and a class of proprietors who have something to lose—a middle class that encompasses a significant part of the population. We do not have such a base. For this reason, our society will continue to suffer from extremism for a long time; people are having a tough time, and they are inclined to respond to the calls of those who promise quick and easy success; that is, they are susceptible to demagoguery. In this sense, the major dangers for our young democracy still lie ahead.[79]

[75] Mau, *Ekonomika i vlast'*, 43.

[76] Yeltsin's address to the fifth Congress, October 28, 1991; reprinted in *Yeltsin-Khasbulatov*, 96.

[77] Boris Yeltsin, *The Struggle for Russia* (New York: Times Books, 1995), 156–157.

[78] Burbulis, interview.

[79] Yevgeny Yasin, "A Normal Economy Is the Main Condition for Democracy," *Izvestiya*, August 27, 1991; reprinted in *Current Digest of the Soviet Press* 43 (October 9, 1991): 15.

Even organizations such as Democratic Russia, which had heretofore been devoted to promoting political reform, now accepted the primacy of economic reform.[80]

A final consideration that confirmed the primacy of economic reform over political reform for Russia's first government was time. Gaidar and his associates believed that they had a finite reserve of time before trust in Yeltsin and themselves would wane. Gaidar in particular did not want to dissipate this reserve on simultaneous political and economic reform for fear that neither would succeed.[81] Driven by this perceived constraint of a very short time horizon, Gaidar and his government wanted to transform the economy as fast as possible to make their reforms irreversible before leaving office.[82] Anything that detracted from this overriding objective of "locking in" market reform was considered superfluous.

DESIGN DECISIONS ABOUT NEW POLITICAL INSTITUTIONS

The primacy of economic reform and the belief in sequencing meant that in fall 1991, Russian leaders devoted little attention to designing new political institutions. On the contrary, most believed that the Soviet Union and Russia had experienced too much political reform over the last two years to the detriment of economic reform. As Vladimir Mau, an advisor to Gaidar at the time, recalled, "At this moment [the end of 1991]—whether consciously or subconsciously—there is a principal decision made—the reforms of the political system are halted. If in 1988–1989 political reform was a first priority for Gorbachev and his close associates, now Yeltsin decides to freeze the situation, to preserve the status-quo regarding the organization of state power."[83] Even those who later criticized the pace and scope of Yeltsin's economic reform efforts agreed on the sequencing strategy. As Khasbulatov expressed in an interview with the author, "I told him [Yeltsin] several times, let's set aside constitutional questions, and work together on the economy, and then do a compromise Constitution acceptable to all."[84]

[80] Mikhail Shneider, Democratic Russia leader, interview with author, October 12, 1997. As Shneider pointed out, there were very few economists in the leadership of Democratic Russia. Themes such as anticommunism, multiparty development, and human rights were more salient to Democratic Russia up until the August putsch attempt.

[81] Gaidar, interview.

[82] Anatoly Chubais emphasized this point in recounting their initial strategies for economic reform during an address at the Carnegie Endowment for International Peace, May 17, 1999.

[83] Mau, *Ekonomika i vlast'*, 43.

[84] Ruslan Khasbulatov, former chairman of the Russian Congress of People's Deputies, interview with author, June 7, 1995.

Fortifying Executive Power

To the extent that Yeltsin was proactive in redesigning political institutions, he and his aides focused primarily on strengthening executive authority so that they could insulate economic policymaking and enhance economic policy implementation. Yeltsin and his associates believed that economic policymakers had to be protected from populist politics.[85] Implementation also required a powerful and independent executive branch of government. In outlining his proposals for economic transformation, Yevgeny Yasin an advisor and then minister in the Yeltsin government, argued that "we need strong executive power at all levels, with extremely clear-cut delineation of the limits of authority. It should be clear that without strong and effective executive power, reforms on the scale that we are looking at are impossible."[86]

This kind of executive branch did not exist in Russia in the fall of 1991. Yeltsin enjoyed tremendous popularity as a consequence of his defeat of the coup plotters in August 1991, but the formal powers of his presidential administration were vague and limited. The constitutional amendment that created the office of the presidency was approved in haste just weeks before presidential elections in June 1991. After this election, Yeltsin had served as Russian president for only two months before the coup attempt. No one really understood what the powers of the presidency were or should be.

Yeltsin began constructing new executive authority by obtaining legislative approval for power to rule by decree for one year beginning in November 1991. Empowered by this extraordinary mandate, Yeltsin assumed complete and independent responsibility for forming a new government. Without approval of the Congress, he appointed himself prime minister and then appointed three deputy prime ministers—Burbulis, Gaidar, and Shokhin—under whom all other branches of government were subordinated.

Calculating that he might not be able to protect his government from parliament indefinitely (and he was right), Yeltsin also established several new positions and bodies within the presidential administration that effectively served as a parallel government. For instance, Yeltsin picked a handful of advisors, later named state councilors, who reported directly to the president. Not belonging to the government, these advisors could not be removed by the Congress of People's Deputies. More informally, Yeltsin also surrounded himself with a handful of long-time personal aides commonly referred to as the Sverdlovsk mafia.[87] This inner circle of Yeltsin's

[85] More generally, this argument about the importance of autonomy is made in Stephan Haggard and Robert Kaufman, *The Political Economy of Democratic Transitions* (Princeton: Princeton University Press, 1995).

[86] Yasin, "A Normal Economy Is the Main Condition for Democracy."

[87] Pilar Bonet, *Nevozmozhnaya Rossiya: Boris Yeltsin, provintsial v kremle* (Ekaterinburg, Ural: April 1994).

old associates quickly assumed primary responsibility for drafting presidential decrees and acted as a buffer between him and everyone else, including the government, the Congress, and societal organizations.[88]

In July 1992, Yeltsin created the Security Council and granted this new government organ the authority to review, oversee, and coordinate the administration of all government actions.[89] Yeltsin appointed Yuri Skokov, a conservative former enterprise director closely tied to the military industrial complex, as the head of the Security Council. Although the rules for nomination to this body were never codified in law, Yeltsin appointed top officials from the presidential administration, the government, and the parliament to the council, earning the body the dubious label of Yeltsin's politburo.

Parallel to his moves to strengthen presidential power at the national level, Yeltsin decided to enhance executive authority at the regional level through two institutional innovations. First, he created the new position of *glava administratsii*, or "head of administration," at the oblast level. These "governors" effectively replaced the chairmen of the Executive Committee of the oblast soviet (*izpolkom*) as the new local executive, reporting directly to the national executive rather than to the oblast soviet. These governors then appointed new mayors and regional heads of administration in their oblasts, effectively creating a hierarchical system of executive authority from the president down to the local mayor.

Elections for these heads of administration were scheduled for December 8, 1991. Yeltsin, however, decided to postpone them and instead unilaterally appointed these executives. He removed several local leaders who supported the coup leaders, but in many regions, he appointed former CPSU first and second secretaries to these new executive offices. Even in places where Yeltsin appointed new democratic leaders as heads of administration, such as in Nizhnii Novgorod where Boris Nemtsov was named governor, the vast majority of the members of the old CPSU Executive Committee (*izpolkom*) assumed state positions.[90]

To strengthen executive authority at the subnational level, Yeltsin invented a second institution—the presidential representative—to parallel these heads of administration. Although Yeltsin usually appointed experienced administrators (i.e., CPSU first and second secretaries) as heads of administration, he and his staff selected people more ideologically and per-

[88] Julia Wishnevsky, "Russian Gripped by 'Court Fever,'" *REF/RL Research Report* 1 (March 6, 1992): 5; and Vasily Lipitsky, "Revoliutsiya—Eto tisyachi novykh vakansii," *Nezavisimaya Gazeta*, March 27, 1992, 2.

[89] Aleksei Kirpichnikov, "Yuri Skokov: Novyi samyi glavnyi," *Kommersant'* 28 (July 6–13, 1992): 2.

[90] Author's interviews with officials in the governor's office and People's Deputies in the Nizhnii Novgorod Oblast Soviet, Nizhnii Novgorod, August 20–21, 1992.

sonally close to the president as his representatives. Yeltsin hoped that these presidential representatives would shadow local heads of administrations until the elections scheduled for December 1991. By then, these presidential representatives were to have developed the necessary skills and contacts to govern locally. They then would run for the heads of administration positions in the December elections and replace the old nomenklatura leaders. However, when Yeltsin decided that elections in December were too risky because they might fuel greater decentralization and even the breakdown of the federation, these presidential representatives were assigned new responsibilities, including most importantly the oversight and implementation of presidential decrees at the local level. Informally, they also reviewed all major appointments in the local government administration. Local officials referred to these people as Yeltsin's commissars.

In creating these new executive institutions, Yeltsin did not directly challenge the authority of the oblast soviets. On the contrary, these new executives were intended to balance legislative power. What the proper balance should be, however, remained ambiguous because neither the federal constitution nor regional charters delineated the authority of heads of administration, the presidential representatives, and the soviets. The balance of power between these governmental bodies was further complicated by the fact that only one of the three—the soviets—had an electoral mandate. In addition, no document delineated the division of powers and responsibilities between the center and regions.

Elections

One cannot overestimate the level of institutional chaos that plagued Russia during its first months of existence as an independent, post-Soviet state. The rules of the game governing state borders, the economy, and the polity were undergoing radical and fundamental change all at once. Given the scope and complexity of these simultaneous changes, Yeltsin's record of accomplishment in the area of institutional design during the final months of 1991 was remarkable. In a four-month span, he destroyed the Communist Party of the Soviet Union, dismantled the Soviet Union, started market reforms, and began building a new executive branch of government. At the same time, Yeltsin and his associates made several consequential non-decisions about the definition of the political rules of the game, decisions that greatly influenced the trajectory of Russian political development thereafter. The decision not to convoke new elections ranks as one of his most consequential choices.

As already intimated, Yeltsin's first major step toward delaying political reform was his decision to postpone the December 1991 elections for heads of administration at the oblast and republic levels. In October, most polit-

ical parties were preparing to participate in these elections.[91] Democratic Russia was even pushing for new elections for all soviets as a way to reconstitute them in the new, post-Soviet period.[92] Consequently, Yeltsin's announcement of postponement later in the month surprised many, including several of his supporters in the democratic movement.

Nor would Yeltsin entertain plans for new elections to the Russian parliament, even though several of his political allies urged him to do so. As Yeltsin recalled in his memoirs, "The idea of dissolving the Congress and scheduling new elections was in the air (as well as a Constitution for the country), although we did not take advantage of it."[93] Learning from the electoral sequence in many East European transitions, many believed that the perfect time for a "founding election" was right after communist collapse. Democratic Russia leaders were particularly adamant about holding early elections because they believed that fall elections would produce several positive political results. Democratic Russia polling indicated that their organization, with Yeltsin's endorsement, would win a majority within the Congress of People's Deputies if elections were held before beginning economic reform. At the time, Democratic Russia was the only legal party or social movement with a national profile. Having just organized Yeltsin's electoral victory in June 1991 and then spearheaded the popular resistance to the coup in August, Democratic Russia leaders were certain of electoral victory.[94] Elections also would stimulate the development of political parties, which in turn would help to organize the parliament internally and establish Yeltsin's own representatives in the legislative branch of government. Democratic Russia leaders were so confident of early elections that they began making campaign plans in October 1991.

Yeltsin and his closest advisors, however, ultimately rejected the idea of early elections for several reasons. First, the leaders of independent Russia believed that their newly created state did not have the capacity to carry out a national election.[95] In its first weeks of existence, the Russian state did not have such elementary resources as funding for printing of ballots or the administrative capacity to organize and appoint electoral commissions. Second, too many changes were occurring all at once. Consumed with overseeing the dissolution of the Soviet empire and launching economic reform, Yeltsin and his government were incapable of also carrying

[91] Vasily Lipitsky, People's Deputy and chairman of the Executive Council of the People's Party for a Free Russia, interview with author, October 10, 1991; and Ponomarev, interview, October 8, 1991.

[92] Yevgeny Savost'yanov, "Rezolyutsiya plenuma SP dvizheniya 'Demokraticheskaya Rossiya' o vyborakh mestnykh Sovetov i glav mestnoi administratsii," mimeo, fall 1991.

[93] Yeltsin, *Struggle for Russia*, 126.

[94] Author's interviews with Democratic Russia leaders Yury Afanasiev, Ilya Zaslavsky, Mikhail Shneider, and Lev Ponomarev, October 1991.

[95] Burbulis, interview.

out elections. As Yeltsin argued at the time, "I believe that the best variant of formation [of the state's vertical structures] is the popular election of heads of executive powers. However, the situation today is as such that this procedure is too luxurious. To carry out both electoral campaigns and deep economic reforms at the same time is not possible. To do this means to destroy everything.... The appointment of head of administrations is needed as a temporary measure."[96] Third, Yeltsin and his associates did not believe that new elections would produce a more reformist parliament or bring Yeltsin loyalists to power at the regional level. Two months before these elections, Arkady Murashev reported that the consensus within Yeltsin's State Council was that the communists would win a majority of oblast elections should the government go ahead with regional elections as planned.[97] Emboldened by electoral mandates, these regional heads of administration might be much more difficult to work with than if they were appointed and therefore beholden to the president for their positions. As for parliamentary elections, Yeltsin recounted that "I had a sneaking suspicion, though, that society might not have been ready to nominate any decent candidates to a new legislature."[98] Gaidar and his advisors also did not believe that new elections would produce a more liberal parliament.[99] Fourth and finally, Yeltsin and his government feared that new elections might fuel Russian federal dissolution, just as elections at the republic level in 1990 had helped to catalyze Soviet federal dissolution.[100]

Preserving the System of Soviets

New parliamentary elections, by implication, meant dissolving the sitting Russian Congress of People's Deputies. At the time, many radical democrats argued that this institutional reform was central to the success of both economic and political reform.[101] Yeltsin seemed to concur in retrospect, stating that "I believe the most important opportunity missed after the coup was the radical restructuring of the parliamentary system."[102] At the time, however, Yeltsin refrained from acting against the Russian Congress. His lack of initiative can be explained by the context of the moment.

First and most important, Yeltsin considered the Russian Congress of People's Deputies to be an ally at the time. In August 1991, Yeltsin had stood with Russian deputies to defend the White House, the home of the

[96] Yeltsin, speech before the fifth Russian Congress, *Sovetskaya Rossiya*, October 29, 1991, 3.
[97] Arkady Murashev, USSR and RSFSR People's Deputy and Democratic Russia co-chair, interview with author, October 10, 1991. Murashev attended these State Council meetings.
[98] Yeltsin, *Struggle for Russia*, 126.
[99] Gaidar, interview; and Mau, *Ekonomika i vlast'*, 44.
[100] Burbulis, interview; and Gaidar, interview.
[101] Popov, *Chto dyelat' dal'she*.
[102] Yeltsin, *Struggle for Russia*, 126.

Russian Congress. Immediately after the coup attempt, the new chairman of the Russian Congress, Ruslan Khasbulatov, repeatedly identified himself as "Yeltsin's closest ally."[103] In October 1991, Khasbulatov stated categorically that "there exist no conflicts between the Supreme Soviet and the President."[104] Likewise, Yeltsin allies within the Supreme Soviet believed that the executive and legislative branches could work together as partners during this transitional period. As Burbulis recounts, "throughout September, October, November, December—the majority of the principal acts taken in connection with the creation of conditions for reform activity were ratified by the Congress and the Supreme Soviet. Even a majority ratified the Belovezhskaya Accord. In fact, the president received the authority to head the government and to begin economic reform from the Congress."[105] The Congress would not have voted in November 1991 to grant Yeltsin extraordinary decree powers if they had not supported his course of reform. After the coup, the president and parliament seemed like such close allies (a bond forged by their mutual resistance to the Soviet coup plotters) that dissolution of the Russian Congress was considered detrimental to Yeltsin's own legitimacy and reform agenda.

Second, the anarchy that ensued immediately after the coup made Yeltsin and his government wary of destroying too many political institutions concurrently. Russia emerged from the August 1991 events with few political institutions—good, bad, or otherwise. Although imperfect, the Congress and other soviets at the regional and municipal level at least resembled legislative organs. Moreover, these institutions had greater legitimacy than most other institutions because deputies had been elected, not appointed. The earlier efforts devoted to legitimizing this set of institutions impeded the creation of new ones.[106]

Third, because Yeltsin personally had helped make the Russian Congress a legitimate political organ, destroying it might have hurt his credibility. Yeltsin and most of Russia's other democratic leaders made a strategic decision in 1989 and again in 1990 to participate in elections to these soviets. Although this strategic decision was disputed at the time within the democratic camp, the decision served to legitimate the soviets as organs of Russia's nascent democracy. The subsequent participation of Yeltsin and most of his allies in these soviets bolstered their institutional standing. Yeltsin, in fact, made his political comeback as a People's Deputy. Only two months before the coup, Yeltsin was still chairman of the Russian Congress.

[103] See the interview with Khasbulatov in *Sovetskaya Rossiya*, December 4, 1990; reprinted in *Yeltsin-Khasbulatov*, 58.

[104] Khasbulatov, *Rossiiskaya Gazeta*, October 8, 1991; reprinted in *Yeltsin-Khasbulatov*, 93.

[105] Burbulis, interview.

[106] This is path dependency as discussed in Douglass North, *Institutions, Institutional Change, and Economic Performance* (Cambridge: Cambridge University Press, 1990).

Fourth, the critical symbolic role played by the Russian Congress of People's Deputies in resisting the coup added yet another barrier to abolishing this legislative body. The defense of the White House was the defining image of resistance to the coup. During the three dramatic days in August, emergency laws passed by the Congress helped to undermine support for the coup organizers. Consequently, disbanding the Congress and closing down the White House would undermine the whole coup resistance experience as a nation-defining moment.

Constitutional Questions

Had Yeltsin anticipated future conflicts with the Congress, he likely would have moved more quickly to adopt a new Russian constitution. Consumed with other agenda items such as dissolving the Soviet Union and starting economic reform, Yeltsin and his allies did not push to adopt a new constitution, even though a first draft produced by the Supreme Soviet Constitutional Commission (chaired by Yeltsin) had circulated well before the August coup attempt.

Drafting and discussing a new constitution had been under way within Russia since the first draft had been completed in September 1990. In October 1990, the Constitutional Commission voted to adopt the basic principles of the first draft and to forward the document in its entirety to the Congress.[107] In November, the first draft was published and widely discussed.[108] The Russian Congress, however, did not vote on the new constitution before Soviet collapse. After the August 1991 coup attempt, major debate again emerged about whether a new constitution should be passed. Oleg Rumyantsev, the secretary of the Constitutional Commission, was most passionate about the need to pass a new constitution immediately. In a speech before the Supreme Soviet on October 10, 1991, he outlined twelve reasons why immediate approval was absolutely necessary.[109] Rumyantsev argued that adoption of a new constitution would give more legitimacy to Yeltsin's decrees, retain the balance of power between the president and the parliament, and impede separatism within the federation. Rumyantsev also argued that a new constitution was needed to provide the legal context for the transition to a market economy.

At the fifth Congress in November 1991, Rumyantsev managed to place ratification of a new constitution on the agenda, but Yeltsin did not support his efforts.[110] At the time, both Yeltsin and his deputies were preoccupied

[107] Oleg Rumyantsev, RSFSR People's Deputy and Secretary of Constitutional Commission, interview with author, May 29, 1995.

[108] The full text of this first draft appears in Konstitutsionnaya Kommissiya RSFSR, *Konstitutsionyi Vestnik* 4 (1990): 55–120.

[109] The text of this speech is reprinted in *Konstitutsionyi Vestnik* 8 (1991): 3–7.

[110] Rumyantsev, interview.

with the potential for collapse of the Russian Federation. Many feared that adoption of a new constitution might speed the process of federal disintegration, because Rumyantsev's draft assigned considerable powers to regional governments, especially to republics. Yeltsin's primary motivation for blocking constitutional adoption, however, was that he did not see its ratification as a high priority. On the contrary, in his view, debate about a constitution at this critical period would drain political capital from more important issues such as Soviet dissolution and economic reform—issues that demanded immediate attention. Moreover, several of Yeltsin's colleagues argued that adoption of a new constitution might constrain Yeltsin's ability to pursue other agenda items such as economic reform.[111] In their estimation, ambiguity about the political rules governing institutions might actually facilitate unilateral executive action in constructing new economic institutions. More generally, no constitutional culture had emerged in Russia's nascent polity, so the centrality of formal rules was missed by many. Several deputies advocated the even more ambitious proposition of electing a Constitutional Assembly, which in turn would draft a new constitution, but this idea also did not take hold.[112]

In the end, there was no consensus about how a new constitution should be ratified.[113] If the Congress were allowed to vote on a new constitution (which was the procedure outlined in the old constitution), then the Congress could easily vote to change the constitution at a later date. Yeltsin's team did not want to participate in such a ratifying procedure because it would reaffirm the ultimate authority of the Congress. At the same time, the Congress was not about to abrogate this power to a referendum process. Stalemate ensued. As presidential advisor Mikhail Krasnov reflected, "it is impossible to create new institutions using the institutions of the old; conflict [in these situations] is inevitable."[114]

A Presidential Party

Another political nondecision was the choice not to organize a presidential party. Yeltsin made this decision against the wishes of his closest polit-

[111] Viktor Sheinis, RSFSR People's Deputy and deputy chairman of the Constitutional Commission, interview with author, October 10, 1997. He himself did not advocate this position but was reporting his impressions of Yeltsin's advisors to the author.

[112] Marina Salye, RSFSR People's Deputy and one of the authors of this proposal, interview with author, October 14, 1991.

[113] Sergei Filatov, at the time first deputy chairman in the Congress, interview with author, March 25, 1998. In December 1992, he became Yeltsin's chief of staff.

[114] Mikhail Krasnov, presidential advisor, interview with author, March 27, 1998. The problem that Krasnov identified is not unique to Russia. See Bruce Ackerman, *We the People: Transformations* (Cambridge: Harvard University Press, 1996); and Jon Elster, "Ways of Constitution-Making," in *Democracy's Victory and Crisis*, ed. Axel Hadenius (Cambridge: Cambridge University Press, 1997), 123–142.

ical advisor, Gennady Burbulis. Burbulis saw the creation of a party as a way to translate Yeltsin's personal popularity into a more effective organizational instrument for governing Russia. In the wake of the euphoria of the failed August putsch, people supported Yeltsin without reservation, but Burbulis cautioned that they would not do so indefinitely. This enthusiasm, Burbulis argued, should therefore be supplemented with an ideological, program-based party that could communicate to the people the basic aims of the new regime. In addition, Burbulis saw a vanguard role for this new political party. As he explained, "until there were stable state instruments run by well-trained [and new] personnel, a party could play this traditional organizational function."[115] Burbulis argued that only a party loyal to Yeltsin could be trusted to carry out the difficult reform policies of their new regime because the old apparatchiks of the Soviet regime would only sabotage the reform efforts. Burbulis was supported in these arguments by several leaders within Democratic Russia who were prepared to transform their political movement into a presidential party.[116] They believed that a new presidential party would help Yeltsin pass a reform agenda through the Congress and also facilitate implementation of the program at the regional level.

Yeltsin, however, disagreed. Burbulis paraphrased Yeltsin's counterarguments in the following terms; "Yeltsin's arguments [against creating a party] were the following; people have an allergy to party activities after the decades of dictatorship of the proletariat. He said that he could not support this [the creation of a party], because he had been elected on a nonparty basis and therefore should act as president of the entire population."[117] Yeltsin, according to Burbulis, also worried that a party would limit his freedom of action on policy issues. At the time, Gaidar also expressed reservations about creating a presidential party, arguing that there simply was not enough time and energy to transform Democratic Russia from a protest opposition movement into a governing party. For the technocrats in charge of economic reform, populist groups such as Democratic Russia only complicated their task. In their view, demobilization of all political groups might facilitate reform.[118] Within Democratic Russia, several leaders also argued against the creation of a new party at this stage, claiming that Russia was not ready for multiparty politics. Others feared that formation of a presidential party might result eventually in re-creation of a one-party state.[119]

[115] Burbulis, interview.

[116] "Zayavlenie soveta predstavitelei dvizheniya 'Demokraticheskaya Rossiya" (September 15, 1991), *Dvizhenie 'Demokraticheskaya Rossiya': Informatsionnyi Byulleten'* 14 (August–September 1991): 1.

[117] Burbulis, interview.

[118] This impression is based on conversations with several of Gaidar's aides in the summer and fall of 1992.

[119] Travkin, interview.

In lieu of constructing a nationwide, ideologically based political power, Burbulis and his aides consciously sought to reinvent a new cult of personality. As Burbulis reflected,

> We very honestly and openly employed a classic, centuries-old Russian tradition—the leadership (*vozhdistcko-liderskii*) type of power.... I very consciously cultivated this leadership type of power, realizing that only this way could there be a unifying feeling among the people in the context of the collapse of the communist system and the creation of new political and state forms. A person with the authority to unite the majority of the population, who acted as a leader, who personified all the troubles and hopes of all—this was the president that we cultivated in practice.[120]

Therefore, because Yeltsin was assigned this role—the leader of all Russians—he could not identify with a single party.

A Communist Party Purge?

Among Yeltsin's nondecisions, none was more controversial than his predilection for allowing many officials from the Soviet regime, including those who were also former senior officials in the CPSU, to remain in positions of political power. Yeltsin was not opposed in principal to bringing new people into the government. After all, Burbulis, his closest advisor in 1991, had no previous political or administrative experience in the Soviet system. Likewise, Gaidar and his team of ministers were brand new to government life.

But who was qualified to be appointed to the hundreds of state positions necessary to govern? At this moment of transition, Democratic Russia leaders such as Afanasiev and Ponomarev expected to assume key positions in a new government of "national unity."[121] Few of Democratic Russia's leaders (including probably Ponomarev and Afanasiev), however, were qualified to assume executive positions. Of the movement's six co-chairs, three eventually occupied key positions in both the federal and Moscow governments during this transitional period. Gavriil Popov was elected mayor of Moscow in June 1991, Arkady Murashev served as head of Moscow's Ministry of Internal Affairs soon after the coup, and Viktor Dmitriev assumed responsibility within the presidential administration for relations with international financial institutions. All three, however, had very short tenure in these positions and quickly resigned or were removed. Some second-tier leaders of Democratic Russia did rise to become first-

[120] Burbulis, interview.

[121] For instance, in a meeting attended by the author in October 1991, Yury Afanasiev rejected offers of Western assistance for financing an independent printing press for Russia's democratic movement, stating that he and his allies would soon be in charge of all of Russia's printing presses.

rate state bureaucrats and executive leaders, including Vasily Shakhnovsky (chief of staff for Moscow mayor Yuri Luzhkov, 1991–1997), Yevgeny Sovastyanov (Moscow KGB chief, 1991–1994, and then deputy chief of staff of the presidential administration, 1996–1998), and Kirill Ignatiev (deputy director of ORT, Russia's largest television network, 1993–1998). On the whole, however, Yeltsin considered Democratic Russia activists to be excellent protest organizers but poor governors.[122]

Several Democratic Russia leaders agreed. Even a radical democrat such as Murashev saw the importance of retaining CPSU officials in the government to maintain stability, because in his view, Democratic Russia was not ready to assume such administrative responsibilities.[123] Reflecting on this period, Gaidar also lamented the short supply of capable, reform-minded persons able to assume major government responsibilities.[124] In several respects, the transition in Russia had occurred too fast because the opposition was not prepared to assume power. Over time, elite replacement occurred, but most of Russia's radical democrats were left out of the rotation.[125]

Lack of talent was not the only motivation for Yeltsin's conservative approach to replacing Soviet officials. Yeltsin also wanted to keep his revolution peaceful. Reflecting on the angry crowds that he saw gathered outside the CPSU Central Committee's headquarters in the fall of 1991, Yeltsin recalled that "I began to have visions of the ghost of October—pogroms, disorder, looting, constant rallying, and anarchy with which that Great Revolution of 1917 began. It would have been possible to turn August 1991 into October 1917 with one sweep of the hand, with one signature. But I didn't do that, and I don't regret it."[126] Although some activists within Democratic Russia advocated that CPSU leaders be tried for their crimes in a manner similar to the Nuremberg trials, Yeltsin feared the debilitating effects of lustration. Given that the CPSU had penetrated all aspects of Soviet social and economic life, few talented people would be left if all CPSU members were purged. Also, Yeltsin's emerging Russian state was extremely weak: it controlled no armed forces; it was responsible for a collapsing economy; and it faced the threat of secessionist movements in several republics. A real attempt to challenge the CPSU nomenklatura might trigger a reaction that could topple the Yeltsin regime. Democratic Russia also

[122] Yeltsin, *Struggle for Russia*, 154–155.

[123] See Aleksei Elymanov, "Detskaya bolezn' levezny," and refutation by Lev Ponomarev, "Oshibochnyi diagnoz," both in *Demokraticheskaya Rossiya* 28 (October 4–11, 1991): 7.

[124] Gaidar, interview. See also "Apparatnyi perevorot?" *Demokraticheskaya Rossiya* 28 (October 4–11, 1991): 2.

[125] David Lane and Cameron Ross, *The Transitions from Communism to Capitalism: Ruling Elites from Gorbachev to Yeltsin* (New York: St. Martin's Press, 1999).

[126] Yeltsin, *Struggle for Russia*, 127.

pushed for a full reorganization of the army, the Ministry of Internal Affairs, and the KGB—reforms that Yeltsin also rejected.[127]

Moreover, Yeltsin himself was from the ancien régime. Although he understood the necessity of appointing new, younger people to jumpstart economic reform, he personally was more comfortable dealing with those who had backgrounds and experiences similar to his. For this reason, as mentioned earlier, he invited several of his Sverdlovsk comrades into his new presidential administration. Yuri Petrov, Yeltsin's chief of staff, had served as second first secretary of the Sverdlovsk Communist Party when Yeltsin was first secretary. Victor Ilyushin, chief of secretariat, had been first secretary of the Sverdlovsk Oblast Komsomol. Oleg Lobov, another close Yeltsin aide, had been chairman of the Executive Committee of the Sverdlovsk Oblast Soviet.[128] At the regional level, Yeltsin's decision to appoint heads of administration ensured that many of his former colleagues—fellow oblast first secretaries—would maintain their political careers. By keeping these people from the old system in positions of power, Yeltsin sought to downplay the revolutionary nature of his regime:

> I saw continuity between the society of the Khrushchev and Brezhnev period and the new Russia. To break with everything, to destroy everything in the Bolshevik manner was not part of my plans. While bringing in the government completely new bold people, I still considered it possible to use in government work-experienced executives, organizers, and leaders like Yuri Skokov, the director of a major defense plant, a man of intelligence and strength.[129]

One consequence of this policy was that Yeltsin scuttled plans to investigate the criminality of the August coup. The Communist Party was put on trial before the Constitutional Court, but the outcome of this trial did not lead to purges or arrests. As discussed in the next chapter, Yeltsin eventually decided that cadre continuity was needed even in economic policymaking. Within a year after forming his first post-Soviet Russian government, Yeltsin had removed most new faces from senior government posts.

[127] "Zayavlenie soveta predstavitelei dvizheniya 'Demokraticheskaya Rossiya,'" 1. Yeltsin did divide the KGB into several organizations, but no major reform was undertaken.

[128] Yeltsin appointed some new faces in the presidential administration, but usually as advisors or councilors, such as Sergei Shakhrai and Sergei Stankevich. Yeltsin selected one new democrat to a senior administrative position when he appointed Yury Boldyrev as chief inspector. Boldyrev, however, did not last long after he began a campaign to expose corruption within the administration. Yuri Boldyrev, interview with author, August 1992.

[129] Yeltsin, *Struggle for Russia*, 127.

CONCLUSION

By defeating the coup attempt in August 1991, Yeltsin and his allies opened a giant window of opportunity for radical reform of political, economic, and state institutions in Russia. In the first months after the coup, Yeltsin faced virtually no open opposition. Not constrained by any transition settlement or pact with representatives from the ancien régime, Yeltsin seemingly had the freedom to design institutions as he wished.

Too much freedom, however, can be debilitating for those advocating institutional reform. The responsibility to address change simultaneously on all fronts posed a tremendous challenge to Russia's new leaders. Because they had not planned on coming to power in 1991, they arrived unarmed—without blueprints for reform. As to their first priority—Soviet dissolution—they at least had inherited a Union with internal territorial boundaries (the fifteen republics) that mapped an obvious way to proceed with the break up.[130] Path dependency, however, was not so generous regarding economic and political institutions. In seeking to create an institutional environment congenial to a democratic polity, Russia's leaders had few relevant institutions to resurrect from the Soviet system. In transitions to democracy that had occurred in Latin America, Southern Europe, and even East Central Europe old democratic institutions suspended under authoritarian rule were simply reactivated, a process that is much more efficient than creating new institutions. Russian leaders, however, had no such institutions to resurrect. Yeltsin recounts that in facing this challenge,

> We had to figure out everything from the start. What was a vice president? How should a Russian constitutional court look? There was nothing but blank space because no such institutions had previously existed in Russia. How was everything supposed to be? We constantly required analysis (what would international practice suggest?) but at the same time we couldn't help understanding that what was abroad was one thing (and actually different everywhere) but what we had in our country was something else. We had to proceed not from how people did things somewhere else, but from our own experience. But we didn't have any. As a result, there emerged beautiful structures and pretty names with nothing behind them.[131]

The combination of simultaneous change yet lack of plans for political reform privileged a sequencing strategy. Yeltsin and his new government sought first to address issues of Soviet dissolution. Next, they tackled market reform. The task of creating a new Russian democracy was assigned ter-

[130] Valerie Bunce, *Subversive Institutions: The Design and Destruction of Socialism and the State* (Cambridge: Cambridge University Press, 1999).

[131] Yeltsin, *Struggle for Russia*, 129.

tiary importance. Ironically, Western and Russian journalists, political leaders around the world, and academic observers heralded the defeat of the August 1991 coup as a historical victory for Russian democracy. Yet in 1991, making Russian democracy work was the least concern of the heroes of this victory. Their agenda was filled with other priorities.

Just as the agenda of change remained large after the August coup attempt, the balance of power among forces for and against change remained ambiguously defined. Immediately after the failed coup attempt, Yeltsin enjoyed overwhelming authority and legitimacy compared with his opponents. This windfall of power, however, quickly dissipated as Yeltsin pursued his reform agenda. As the next chapter discusses in detail, failure to institute new rules of the game for the political system created and perpetuated ambiguities in the distribution of power. These ambiguities played a major role in repolarizing politics in Russia, and this repolarization eventually toppled the First Russian Republic.

CHAPTER 5

The Failure of the First Russian Republic

In fall 1991, Yeltsin and his new government initiated a recasting of Russian political, economic, and state institutions. Not all reforms were given the same priority; securing the peaceful dissolution of the Soviet Union was the first item on the agenda, launching economic reform the second, and reshaping Russian political institutions was a distant third. Yet efforts to sequence these three arenas of institutional change did not succeed because dramatic changes in the state, the economy, and the political system unfolded simultaneously. The breadth and speed of change approximated other major revolutionary transformations in the modern era. Like other great social revolutions, Russia's revolution threatened old interest groups and privileged new ones. It is almost axiomatic that threats to old interest groups produce resistance, opposition, and counterrevolutionary coalitions. Often, reaction against revolutionary change leads to armed conflict and civil war. It would have been unprecedented and counterintuitive, therefore, if Russia's revolutionaries had not provoked resistance to their program of radical change.

Although Yeltsin and his government had significant popular support, especially after the failed coup attempt of August 1991, their reform agenda represented their own preferences and not the desires of all elites or the will of the masses. In fall 1991, there was little agreement among Russia's elite or within society as a whole about the course of change. A wide spectrum of Russia's political forces was critical of Gorbachev's reforms or the lack thereof, but no consensus existed among Russia's political elite about what kind of state, economy, and polity should be constructed. When given the opportunity (as in the April 1993 referendum), Russian voters also did not express a common vision for Russia's future.

Mobilizing the masses to destroy the old order turned out to be much easier than sustaining unified support for the construction of a new political and economic order.

Because of the peaceful nature of the Soviet collapse, those who opposed Yeltsin's design for change were in a position to organize resistance. Supporters of the ancien régime were not arrested or executed but instead continued to occupy key positions in political and economic organizations. As this opposition mobilized and consolidated, the distribution of power between those for and against revolutionary change became increasingly ambiguous. The combination of a contested and wide agenda of change and an ambiguous distribution of power between those for and against Yeltsin's plans for change created a highly uncertain context for strategic decision making. The mix of strategic moves made by Russian political actors precipitated conflict rather than compromise over Russia's new political rules of the game, thus ending in fall 1993 what many called the First Russian Republic.

This chapter traces the combustible interaction of these variables. The first section plots the divergent positions adopted by major political actors in reaction to the collapse of the Soviet Union and Yeltsin's program for change, including the introduction of market reform and the organization of the Russian polity. The second section chronicles the evolution of the balance of power among major political forces in Russia: the renewed disarray within the democratic camp, communist reorganization, the consolidation of the communist–nationalist alliance or red-brown coalition, and the appearance of a centrist alternative—Civic Union. The third section explains how divergent preferences for the agenda of change and an ambiguous distribution of power interacted to generate regime collapse in fall 1993. In a strategic situation similar to that of August 1991, Russia's political actors reacted to the large agenda and the ambiguous balance of power by pursuing confrontational, zero-sum strategies. The result was similar to that of 1991—one side emerged victorious over the other.

THE CONTESTED AGENDA OF CHANGE

Economic Reform

The initial strategy for economic reform of Russia's first postcommunist government was detailed in the previous chapter. Under the leadership of Yegor Gaidar, this government aimed to achieve rapid transformation to a market economy by following the so-called big bang strategy—a plan that called for immediate price and trade liberalization, accompanied by decreased state spending and tight control over the monetary supply. Once

liberalization and stabilization had been achieved, mass privatization was supposed to follow quickly thereafter.

In January 1992, when Gaidar launched this plan beginning with partial price liberalization, few interest groups openly supported his program, although several benefited from it.[1] Almost immediately after price and trade liberalization, importers made windfall profits, and giant trading companies sprouted to meet the pent-up demand for consumer goods that had accumulated over decades of autarky. New commercial banks took advantage of inflation to turn huge profits from financing government transfers to state enterprises.[2] None of these beneficiaries of liberalization, however, had organized as political actors. Consequently, in the early period of reform, Gaidar and his team had to rely on political organizations formed during the late Soviet era rather than on economic interest groups formed in the post-Soviet era as their source of support.

In these early stages of market reform, only Democratic Russia openly endorsed Gaidar's economic plan. The organization's political decision to back the government's reforms, however, came at a high cost to Democratic Russia's internal cohesion and external popularity. Before the collapse of the Soviet Union, Democratic Russia had avoided taking specific positions on economic matters as a strategy for achieving the widest possible anti-Soviet coalition. After August 1991, however, Democratic Russia was compelled to specify its policy objectives for economic reform.

The leaders of Democratic Russia understood that their movement was divided on the issue of economic reform. Most of the movement's leaders were liberal, but rank and file supporters were primarily social democratic, that is, they were worried more about unemployment than trade liberalization.[3] Given this divide, radical liberal leaders within Democratic Russia perceived the populist orientation of their movement as a potential constraint on economic reform; therefore, they advocated the demobilization of Democratic Russia altogether and the creation of a small, vanguard, ideologically driven political party.[4] In contrast, left-of-center leaders within Democratic Russia argued that the movement must be preserved to serve as a popular check on elitist reform schemes. Rejecting both of these positions, the self-proclaimed pragmatists within Democratic Russia eventually won the debate about the movement's position on

[1] Yegor Gaidar, interview with author, October 8, 1997.

[2] Aleksei Ulyukaev, *Rossiya na puti reform* (Moscow: Evraziya, 1996); Joel Hellman, "Breaking the Bank," Ph.D. dissertation, Columbia University, 1993; and Juliet Johnson, *A Fistful of Rubles: The Rise and Fall of the Russian Banking System* (Ithaca: Cornell University Press, 2000).

[3] Vladimir Bokser, member of Coordinating Council, Democratic Russia, interview with author, October 8, 1991.

[4] This was confirmed in meetings with Democratic Russia leaders Gari Kasparov (October 10, 1991) and Arkady Murashev (October 11, 1991) and RSFSR People's Deputy Marina Salye (October 14, 1991, in St. Petersburg).

economic reform and instead adopted an avowedly pro-government orientation.[5] Within the Russian Congress of People's Deputies, Democratic Russia emerged as the government's main representative, organizing support for Gaidar and his legislative agenda. The Supreme Soviet's Committee on Economic Reform, chaired by Democratic Russia activist Pyotr Fillipov, worked as the government's principal legislative drafting agent within the parliament, penning many important laws including the privatization law of June 1992.[6]

Material interests did not motivate Democratic Russia's support for Yeltsin's economic reform. Although in the long run everyone stood to gain from a market economy, the real winners in the short term—importers, bankers, select enterprise directors, and business people—were not members of Democratic Russia. The movement's activists were primarily academics and white-collar bureaucrats—the specialist estate—whose economic well-being was most threatened, at least in the near term, by Gaidar's reforms.[7] However, Democratic Russia's support for radical reform reflected the organization's continued engagement in revolutionary politics rather than material interests. For Democratic Russia leaders, the threat of communist restoration was still real, the development of a market economy was the best strategy to destroy this threat, and Boris Yeltsin and his government were the best placed to implement market reforms. For most within Democratic Russia, backing radical economic reform was a passionate, not a rational, choice.

Unlike advocates of market reform who had contributed to transitions in East Central Europe, advocates of liberal market reforms in Russia were in the minority at the time reform was initiated. Again in contrast to the reformers in East Central Europe, these liberals were not allied with Russia's nationalists. Soon after price liberalization began in January 1992, an antiliberal majority of communists and nationalists coalesced in the parliament; at the same time, antimarket political organizations sprouted and grew within society. Vice President Aleksandr Rutskoi was the first to reject the Gaidar plan well before it was even initiated, warning that he would resign if these reforms were carried out. Calling Yeltsin's new government "young boys in pink shorts, red shirts, and yellow boots," Rutskoi advocated a more state-controlled transition to the market, including protectionist policies for Russian enterprises and a one-year state of emergency as a way

[5] Vladimir Bokser, member of Coordinating Council, Democratic Russia, interview with author, June 23, 1992.

[6] Mikhail Dmitriev, RSFSR People's Deputy, at the time in the Russian Congress and a member of this committee, interview with author, August 1995.

[7] The term "specialist estate" comes from Marc Garcelon, "The Estate of Change: The Specialist Rebellion and the Democratic Movement in Moscow: 1989–1991," *Theory and Society* 26 (1997): 39–85.

to avoid total economic breakdown.[8] Rutskoi also called for price controls, state subsidies for enterprises, collective ownership of enterprises, and continued state ownership of land. Eventually, Congress chairman Ruslan Khasbulatov agreed. While an early supporter of market reform, Khasbulatov called on Yeltsin to remove his so-called ineffective government, only days after the beginning of price liberalization.[9]

Rutskoi and Khasbulatov did not necessarily advocate reconstruction of the command economy. Rather, their views on the economy were confused. However, their criticisms of the Yeltsin strategy quickly garnered support from those interest groups and political organizations that were privileged in the Soviet system ancien régime and did not want change. Parliamentary factions such as the Industrial Union and the Agrarian Union supported Khasbulatov's attacks, as did more radical, communist opponents of market reforms such as Working Russia, the Union of Communists, and the Communist Party of the Russian Federation (CPRF). If Khasbulatov never advocated restoration of the Soviet command economy, many within these organizations did.[10] At this early stage in Russia's economic transformation, the leadership and especially the rank and file members of these communist organizations still aimed to reverse the revolutionary policies of Gaidar, not simply to amend them.[11] CPRF leaders pushed for complete price controls on all major consumer goods and promoted the concept of a planned market economy based on a system of self-managed enterprises. This economic system required a "return" to worker ownership, continued state ownership in strategic sectors of the economy, restoration of state control of foreign trade, and indexation of all wages and salaries.[12] Unlike communist and socialist parties in postcommunist Eastern Europe, the CPRF wanted to roll back, not reform, Russia's nascent market economy. Viktor Anpilov's more radical Working Russia went even further, rejecting all forms of capitalism and calling instead for an end to market prices and "wild" privatization, and a return to state control of the economy.[13]

In between Democratic Russia's full endorsement and the communists full rejection of radical economic reform there emerged a third way—the coalition called Civic Union led by Arkady Volsky. A former CPSU Central Committee member with close and long-standing ties to enterprise direc-

[8] Rutskoi, as quoted in Alexander Rahr, "Challenges to Yeltsin's Government," *RFE/RL Research Report*, February 28, 1991, 3.

[9] Khasbulatov as quoted in *Izvestiya*, January 13, 1992; reprinted in *Yeltsin-Khasbulatov: Edinstvo, kompromis, bor'ba* (Moscow: Terra-terra, 1994), 113.

[10] See, for instance, "Rezolutsii II chrezvychainogo s'ezda CPRF," *Sovetskaya Rossiya*, February 25, 1993, 2.

[11] Boris Slavin, "Nu i kak vam kapitalizm?" *Pravda*, May 5, 1992; reprinted in Boris Slavin, *Posle sotsializma* (Moscow: Flinta, 1997), 101–102.

[12] TASS, February 13, 1992, in *FBIS-SOV-92-031*, February 14, 1992, 45.

[13] *Sovremennaya politicheskaya istoriya Rossii (1985–1997 gody)*, vol. 1 (Moscow: Dukhovnoe Nasledie, 1997), 392.

tors, Volsky represented the interests of those members of the Soviet nomenklatura who wanted to preserve their previous economic privileges in new market conditions.[14] In contrast to militant communist groups, Civic Union declared its support for the market, private property, and the general objectives of reform outlined by Yeltsin's first postcommunist government. At the same time, Civic Union strongly rejected the strategy of shock therapy originally promoted by Gaidar.[15] For instance, Civic Union leaders claimed that the Gaidar government was being duped by the International Monetary Fund (IMF), the World Bank, and other Western institutions into destroying Russia's industrial base. In the opinion of Civic Union leaders, the Russian government was allowing imports to be dumped into the Russian market so cheaply that local manufacturing plants could not compete. To correct this situation, Civic Union proposed a calibrated wage and price indexing, subsidies and credits to strategic industries, and called for greater restrictions on both imports and foreign investment. In their view, only a coordinated strategy between state and industry—Eastern, not Western, capitalism—could save Russia from becoming an exporter of raw materials on the periphery of the world economy.[16] As for privatization, Civic Union supported the general goal of transferring property to individual hands but pushed to give property rights to managers and directors of enterprises rather than to outside owners. The group's privatization formula promised little unemployment and few bankruptcies.

In sum, after the collapse of the Soviet Union, Russian continued to debate vigorously the merits of capitalism and market reform. After seventy years of communism, no one in Russia had any experience with inflation, markets, or ownership. Basic concepts such as the relationship between government deficit and inflation were not understood. Because Russian market reformers did a poor job of explaining what they were doing, anti-market forces were able to fill the information void with horror stories about what would happen to Russia under capitalism. Although most countries in Eastern Europe had debated what kind of capitalism to pursue in the aftermath of communism's collapse, Russia continued to debate whether to embrace markets and private property at all. Market reform was still a contested agenda issue.

[14] For elaboration, see Michael McFaul, "Russian Centrism and Revolutionary Transitions," *Post-Soviet Affairs* 9 (1993): 196–222.

[15] Arkady Volsky, press conference, founding congress of Grazhdanskii Soyuz, June 26, 1992. The author was in attendance.

[16] See Grazhdanskii Soyuz, "Programma antikrizisnogo uregulirovaniya," mimeo (Moscow, 1992), 13–23.

Design Debates over New Political Institutions

A second debate that divided Russian political forces concerned the type and organization of the Russian political system at the national level. These divisions had formed before Russia became an independent state at the end of 1991, but they grew in intensity during the first months of the First Russian Republic. These debates took place at two different levels, thereby confusing the points at which the different political forces diverged. At one level, the question was whether Russia should be a democracy or a dictatorship. In this debate, democrats, nationalists, and communists could be found on both sides of the issue. At another level, the debate was about whether Russia should have a presidential or parliamentary system. In this debate, the split more closely paralleled the democrat–communist divide of old.

Discussions about dictatorship versus democracy created strange allegiances. Within the reformist camp, important intellectual publicists such as Adranik Migranyan and Igor Klyamkin had called for the creation of an interim authoritarian regime early in the Soviet–Russian transition. In their view, only an authoritarian regime could transform the Soviet command economy into a market system. After the Soviet Union collapsed, Migranyan and others argued that their theory had been confirmed—that Gorbachev was mistaken in experimenting with democracy while he pursued economic reform. For Russia to avoid a similar fate, these advocates of authoritarianism pushed Yeltsin to create a new strong state that would be insulated from societal pressures until market reforms had been implemented. Within Democratic Russia, this idea gained increasing support after Soviet collapse. In December 1991, Moscow mayor Gavriil Popov published a political treatise, *Shto dal'she*, or "What [Is to Be Done] Further," in which he advocated dissolution of the city soviet so that his executive office would have greater political autonomy to implement market reforms. Democratic Russia leaders such as Ilya Zaslavsky proposed a similar construction at the national level.[17] This institutional reform also gained support from Russia's nationalist leaders, such as Viktor Aksiuchits, who argued that Russia needed an "enlightened dictator" for an interim period to avoid state collapse.[18] More generally, nationalists advocated creation of a strong Russian state not because it would implement radical market reforms but because it would preserve the Russian federation and maintain Russia's hegemonic position within the political space of the former Soviet Union.

Democratic Russia split over this issue because many democratic leaders as well as several members of the new government did not support au-

[17] Ilya Zaslavsky, USSR People's Deputy, chairman of the Oktyabr' District Council in Moscow and Democratic Russia leader, interview with author, October 10, 1991.

[18] Viktor Aksiuchits, RFSFR People's Deputy and leader of the Russian Unity faction, interview with author, June 7, 1995.

thoritarian rule. On the contrary, several Democratic Russia leaders criticized Yeltsin's increasingly authoritarian actions and his growing reliance on the antidemocratic nomenklatura of the former Communist Party of the Soviet Union. As Aleksandr Terekhov, then deputy chairman of the Democratic Party of Russia, warned in October 1991, Russia's democratic forces had to act as a check on Yeltsin's propensity for "neo-Bolshevism."[19] Adopting a different line of reasoning, Deputy Prime Minister Aleksandr Shokhin argued that moves toward authoritarian rule would discredit the central government and fuel, not quell, separatist movements in Russia's autonomous republics.[20]

The debate over presidential versus parliamentary power was related but distinguished from the democracy debate. Well before the Soviet collapse, Yeltsin and his allies in Democratic Russia supported the idea of creating a presidential office as a way to increase Yeltsin's autonomy from the Russian Congress of People's Deputies.[21] On this issue, there was little initial dissension within the democratic movement. In winter 1991, the idea of a presidential office was added to the draft constitution produced by the Constitutional Commission of the Russian Supreme Soviet. In March 1991, Russian voters approved the new office, the Russian Congress subsequently changed the constitution to create the office, and then in June 1991, Yeltsin won the first direct election for the office of president of Russia.

After the collapse of the Soviet Union, Democratic Russia supported Yeltsin's pleas for greater executive powers, arguing that only a strong president could execute radical economic reform.[22] These advocates of a strong presidential system endorsed a new draft constitution produced by Sergei Alekseyev and Anatoly Sobchak during the spring of 1992, although neither were members of the Supreme Soviet's Constitutional Commission.[23]

The first draft of the constitution authored by the Constitutional Commission—often referred to as the Rumyantsev draft in reference to the commission's secretary Oleg Rumyantsev—recommended creation of a weak semipresidential system. This document included language about the importance of the separation of powers between the executive, legislative, and

[19] Aleksandr Terekhov, deputy chairman of the Democratic Party of Russia, interview with author, October 11, 1991.

[20] Aleksandr Shokhin, press conference, October 27, 1992, in Aleksandr Shokhin, *Moi golos budet vse-taki uslyshan: Stenogramma epokhi peremen* (Moscow: Nash Dom—L'Age d'Homme, 1995), 36.

[21] In other postcommunist transitions, those seeking to preserve the old order usually pushed for presidentialism. See Barbara Geddes, "Initiation of New Democratic Institutions," in *Institutional Design in New Democracies: Eastern Europe and Latin America*, ed. Arend Lijpart and Carlos Waisman (Boulder, Colo.: Westview Press, 1996), 23.

[22] Sergei Alekseyev, *Demokraticheskie reformy i konstitutsiya* (Moscow: Pozitsiya, 1992), esp. 23–24.

[23] Sergei Alekseyev and Anatoly Sobchak, "Konstitutsiya i sud'ba Rossii," *Izvestiya*, March 28, 1992, 2; and March 30, 1992, 2.

judicial branches of government.[24] The parliament, however, was to have the upper hand. In this draft, the president had no authority to dissolve the parliament.[25] Yet Congress had the power to remove the president, the vice president, constitutional court judges, and any other senior government official. A second variant circulated by Rumyantsev's commission as a "parliamentary" version gave the parliament even more powers, including, first and foremost, the right to form the government.[26] After dissolution of the Soviet Union, Rumyantsev became even more passionate about increasing the powers of the parliament. As he argued in a speech before the Supreme Soviet in October 1991, "Today's Supreme Soviet yet again does not have powers or levers to effectively control the executive power, to be a partner with the President."[27] Khasbulatov also began to express doubts about Yeltsin's new presidential office, warning that "presidentialism is a completely new, unordinary institution in the thousand-year history of the Russian State. There is no tradition, no experience."[28] Early in 1992, Khasbulatov claimed parliamentary sovereignty over the government, asserting that "one of the most important functions of the parliament is to control the actions of the government" and therefore that all ministerial posts within the government should be approved by the Supreme Soviet.[29]

In fall 1991, the Russian Congress had voted to give the Russian president extraordinary powers. By the end of 1992, the majority within the Russian Congress of People's Deputies opposed the presidential system altogether. Instead, the Russian Congress itself was to be the highest state organ.[30] Yeltsin and his allies held opposite views, but this issue only became contested and polarized because it had not been resolved earlier. In fall 1991, Yelstin had the support both within Congress and the electorate to suggest a constitutional solution to this debate. As debates over economic reforms fueled greater polarization and undermined Yeltsin's popularity, resolution of these constitutional issues became more difficult.

Contesting the Borders of the Russian State

Debate about boundaries of the Russian state continued well after the Soviet collapse. In a single meeting in December 1991, Yeltsin and his

[24] "Konstitutsiya Rossiiskoi Federatsii (Proekt)," Variant A, *Konstitutsionyi Vestnik* 4 (1990): 57.

[25] Ibid., 82.

[26] Article 5.4.5.B, "Konstitutsiya Rossiiskoi Federatsii (Proekt)," Variant B, *Konstitutsionyi Vestnik* 4 (1990): 92.

[27] Oleg Rumyantsev, October 10, 1991, in *Konstitutsionyi Vestnik* 8 (October 1991): 4.

[28] Khasbulatov, speech at the fifth Congress of the RSFSR People's Deputies, October 30, 1991; reprinted in *Yeltsin-Khasbulatov*, 98. See also "Iz istorii rossiiskogo konstitutsionalizma," *Konstitutsionyi Vestnik* 9 (1991): 32–37.

[29] Ruslan Khasbulatov, "Reformiroravanie reform," mimeo (Moscow, 1992), 16.

[30] Ruslan Khasbulatov, interview with author, June 7, 1995.

counterparts from Ukraine and Belarus had negotiated the dissolution of the USSR. For several political organizations as well as most of Russian society, this one event did not and could not signal the end of the Soviet Union. After recovering from the shock of the tumultuous events of fall 1991, opponents of Soviet dissolution regrouped to ignite a vigorous political debate about the delineation of the borders of the state.

Democratic Russia most actively supported the government's decision to dissolve the Soviet Union. Although the positions of Democratic Russia on market reform and even democratic reform were sometimes equivocal, the movement had always declared Soviet dissolution and Russian independence to be principal objectives. Likewise, more moderate democratic groups such as the Republican Party and its affiliated Congress of Democratic Forces endorsed dissolution. Republican Party leader Vladimir Lysenko invoked Russian national self-interest in supporting Soviet dissolution, arguing that Russia was never the metropole of the Soviet empire but a colony of the Soviet totalitarian regime.[31]

Democratic Russia and a handful of smaller parties stood alone in their support of Soviet dissolution. To varying degrees, almost every other major political force in Russia as well as the majority of Russian citizens regretted the collapse of the USSR. The intensity of opposition, however, fluctuated over time and varied among political groups. Initially, opponents of dissolution seemed resigned to accept Soviet disintegration as a fait accompli. For instance, weeks after the Belovezhskaya Accord, Khasbulatov lamented the dissolution of the USSR but nonetheless recognized the necessity of the act and supported the creation of the Commonwealth of Independent States.[32] Even Vice President Aleksandr Rutskoi, a nationalist and eventual leader of the opposition, refrained from calling for the reunification of the Soviet Union and instead promoted the idea of a Commonwealth of Independent States.[33] After the initial shock, however, opposition to dissolution grew. The several communist organizations that emerged as independent movements after the banning of the CPSU all supported reconstitution of the USSR. The CPRF declared the dissolution of the USSR illegal because it violated results of the referendum of March 17, 1991. They were joined in criticizing Soviet dissolution by a long list of na-

[31] Vladimir Lysenko, "Tezisy doklada na kongresse demokraticheskikh sil respublik i natsional'no-territorial'nykh obrazovanii v sostave RSFSR," December 14–15, 1991, in Vladimir Lysenko, *Ot Tatarstana do Chechni: Stanovlenie novogo rossiiskogo federalizma* (Moscow: Institut Sovremennoi Politiki, 1995), 19.

[32] Khasbulatov address, in *Rossiskaya Gazeta*, January 2, 1992; reprinted in *Yeltsin-Khasbulatov*, 111.

[33] Rutskoi, "Vystuplenie na kongresse grazhdanskikh i patrioticheskikh sil," *Komsomolskaya Pravda*, February 17, 1992; reprinted in *Neizvestnyi Rutskoi: Politicheskii protest* (Moscow: Obozrevatel', 1994), 282.

tionalist groups, including Zhirinovsky's Liberal Democratic Party, *Soyuz,* and the newly organized Congress of Patriotic Forces. Unlike their views on market reforms, their opposition to Soviet dissolution and support for a strong Russian state united Russia's nationalist and communist forces.

On the question of Soviet dissolution or restoration, there was no room for a third or centrist position. Centrist groups such as Civic Union criticized the dissolution. At the same time, in contrast to the topic of economic reform, dissolution of the USSR was not a primary agenda item for Civic Union.

Emotions about the Union—for and against—ran deep, but of little consequence. In retrospect, it appears that Yeltsin and his aides most effectively used their temporary power advantage after the failed coup attempt to deal with sovereignty issues. In negotiating the Belovezhskaya Accord with Ukraine and Belarus, Russian leaders almost overnight created a new powerful coalition of republic heads who were in favor of Soviet dissolution. As first party secretaries in the republics became heads of state with the signing of this single document, they all had a new interest in preserving the new institutional order. This coalition effectively served as a bulwark against any future Russian initiatives to re-create the USSR. Since December 1991, the domestic debate in Russia about the Soviet Union has never precipitated military campaigns to re-create the Soviet Union. Only voluntary initiatives from other former republics have kindled new interest in reunification, and even these, such as the campaign initiated by Belarus, have not produced rapid responses from Russia. The one contested agenda item that was resolved at the end of the Gorbachev era was the sovereignty issue.

A new powerful coalition in favor of change did not emerge to support market and political reforms. Most importantly, the rules of the political game for resolving these enormous constitutional and economic issues were not specified. Yeltsin's institutional reforms did not codify new rules about making rules. In fall 1991, Yeltsin had the power to impose such rules had he chosen to do so. By spring 1993, however, he no longer enjoyed an obvious power advantage, making negotiations about new political rules not only necessary but also increasingly difficult. As Yeltsin and his new government proceeded to implement their own agenda in this institutional vacuum, confrontation and polarization over this contested agenda of change grew. Polarization became especially acute and consequential, with democrats supporting market reform and presidential power and communists opposing them. Supporters of these differing ideologies also occupied opposing institutions within the Russian state, with the presidential administration pitted against the Congress of People's Deputies, a situation that served to polarize politics even further during spring and summer 1993.

THE CHANGING AND AMBIGUOUS DISTRIBUTION OF POWER

Growing polarization over the contested agenda of change was accompanied by changes in the balance of power between Russia's political forces. Over the course of 1992 and 1993, several alignments and realignments between major political actors fueled ambiguity about who represented whom, which policies enjoyed majority support and which policies did not, and how the masses and the military would respond if politicians pursued extraconstitutional means to achieve political ends. Throughout the tumultuous two-year period between August 1991 and October 1993, the only hard information about popular preferences was provided by the April 1993 referendum, and the outcome of this vote was ambiguous.

The Demise of Democratic Russia

When Soviet communism collapsed in fall 1991, so too did the raison d'être for Democratic Russia, which had united disparate political and social organizations behind one central idea—opposition to the Soviet communist system. When that system no longer existed, Democratic Russia experienced a major identity crisis. As Democratic Russia leader Yuli Nisnevich recalled, "we had an antiplatform, but not a progressive program."[34] Several leaders within Democratic Russia even advocated the quiet and gradual dissolution of the organization. As Nikolai Travkin stated in October 1991, "Democratic Russia has fulfilled its mission."[35] Travkin as well as Oleg Rumyantsev from the Social Democratic Party and Vladimir Lysenko from the Republican Party believed that new elections after the fall of communism would offer their ideologically based parties the opportunity to assume center stage. In their view, the moment for revolutionary politics was over.

When elections did not occur in fall 1991 and parties did not assume center stage, however, leaders of Democratic Russia decided that they could not disband because no one else had the organizational capital to continue the anticommunist struggle, a struggle they believed was not yet over. During this transition to capitalism and democracy, these leaders asserted that Yeltsin and his new government needed a popular political movement to assist in promoting their reformist agenda, even if Yeltsin himself did not appreciate this necessity. Democratic Russia eventually assumed this role, adopting the mission of defending Yegor Gaidar's shock therapy, Russian independence, and the powers of President Yeltsin as its

[34] Yuli Nisnevich, member of Coordinating Council, Democratic Russia, interview with author, April 10, 1995.

[35] Nikolai Travkin, USSR and RSFSR Deputy and chairman of the Democratic Party of Russia, interview with author, October 8, 1991.

new postcommunist agenda. This new role for Democratic Russia was formalized on July 4–5, 1992, when, in conjunction with several other organizations and several leading personalities, it convened the Forum of Democratic Forces. Participants at this meeting included, in addition to members of Democratic Russia and its affiliates, several members of the government, including Gaidar.[36] Instead of opposing the state, Democratic Russia, now renamed Democratic Choice (Demokraticheskii Vybor), was defending the state.[37] At this meeting, Gaidar delivered a ringing endorsement of the formation of this reincarnated democratic movement, warning that disunity among Russia's democratic forces would lead to the demise of his economic reform program.[38]

Democratic Russia attempted to promote this new agenda through traditional Democratic Russia tactics. For instance, during the Sixth Congress of People's Deputies in April 1992, when Gaidar's government was under siege, Democratic Russia leaders in the Congress mobilized a wide coalition in support of Gaidar that united deputies within the Congress with social organizations and movements outside of parliament.[39] Mass mobilization in support of shock therapy, however, proved to be much more difficult than mass mobilization in the name of anticommunism. Similar to other countries that had made the transition from communism to capitalism, Russia lacked a popular social base for economic liberalization.[40] The beneficiaries of liberalization and privatization would be primarily those members of the Soviet nomenklatura who had already seized de facto control of property well before the collapse of the Soviet Union.[41] Politically, these social groups were the enemies of Democratic Russia. In contrast, the backbone of Democratic Russia tended to be those who stood to lose the most from market reform in the short run—educators, doctors, academics, engineers, and government bureaucrats. In response to these new political conditions, Democratic Russia experimented with new strategies and tasks. In December 1991, Democratic Russia formed the Social Committees for Russian Reform to help promote and implement Gaidar's economic reforms. This network established local organizations throughout Russia to advise people and enterprises about market reforms, especially privatiza-

[36] *DR-Press*, No. 350, July 5, 1992, 1.

[37] Democratic Russia retained a separate identity from this new coalition and later, during the 1993 parliamentary campaign, had serious disagreements with Democratic Choice, which are discussed in chapter 8.

[38] Speech by Yegor Gaidar, July 4, 1992. The author attended this meeting.

[39] Igor Kharichev and Viktor Sheinis, "Obrashchenie sobraniya grazhdan Rossiiskoi Federatsii k narodnym deputatam Rossiiskoi Federatsii," mimeo, March 26, 1992.

[40] Yegor Gaidar, "Novyi kurs," *Izvestiya*, February 10, 1994; reprinted in Yegor Gaidar, *Postroit' rossiyu* (Moscow: Evraziya, 1994), 15.

[41] For elaboration, see Michael McFaul, "State Power, Institutional Change, and the Politics of Privatization in Russia," *World Politics* 47 (1995): 210–243.

tion. In close cooperation with the Russian government, Democratic Russia also helped to organize the Association for Privatized and Privatizing Enterprises, a coalition of enterprise directors who supported market reforms.

The group's new agenda and strategy, however, alienated many within its ranks. Democratic Russia's unequivocal support for Russian independence precipitated the first major split within the movement. In November 1991 at the movement's second congress, the Narodnoe Soglasie bloc—that is, the Democratic Party of Russia (Nikolai Travkin), the Russian Christian Democratic Movement (Viktor Aksiuchits), and the Constitutional Democratic Party–Party of People's Freedom (Mikhail Astafiev)—quit the coalition. Another divisive issue was the question of support for Boris Yeltsin. Charging that Yeltsin intended to implement authoritarian rule and that several leaders within Democratic Russia planned to assist him, Yuri Afanasiev, Leonid Batkin, and Marina Salye tried to assume control of the organization in hopes of reestablishing Democratic Russia as an opposition movement to the new regime. When their efforts failed, they quit Democratic Russia and warned of impending dictatorship.[42] A final and probably the most fundamental split was motivated by conflicting attitudes about market reforms. According to Democratic Russia leader and People's Deputy Anatoly Shabad, "from the very beginning of Democratic Russia, two different wings were cultivated—the liberal and the social democratic."[43] After the August 1991 putsch, these wings began to pull apart. Soon after Gaidar's price reforms, the Republican Party of Russia and the Social Democratic Party of Russia started to distance their organizations from the increasingly liberal positions of the Democratic Russia movement.[44]

Democratic Russia's political power dissipated not only because of these ideological divides but for organizational and institutional reasons as well. In the postcommunist period, the best and the brightest from the movement had new options. Dozens of Democratic Russia leaders joined the presidential administration, a migration that weakened the movement's leadership both internally and within the Congress.[45] Yeltsin required that

[42] See the interview with Yuri Afanasiev in *Det Fri Aktuelt*, in *FBIS-SOV-92-026*, February 7, 1992, 47; and *RFE/RL Daily Report* 71 (April 10, 1992): 1.

[43] Anatoly Shabad, RSFSR People's Deputy and Democratic Russia leader, interview with author, July 4, 1995.

[44] Vyacheslav Shostakovsky and Vladimir Lysenko, co-chairmen of the Republican Party of Russia, interviews with author, July 1992. See also the criticism by Oleg Rumyantsev (leader of the Social Democratic Party of Russia) of the hegemonic politics of Democratic Russia, in Julia Wishnevsky, "Russia: Liberal Media Criticize Democrats in Power," *RFE/RL Research Report* 1 (January 10, 1992): 6–11.

[45] Thomas Remington, "Ménage à Trois: The End of Soviet Parliamentarianism," in *Democratization in Russia: The Development of Legislative Institutions*, ed. Jeffrey Hahn (New York: M. E. Sharpe, 1996), 126.

these leaders join the executive and the government not as representatives from Democratic Russia but as individuals, a policy that further weakened ties between the Democratic Russia movement and the state. In a political system in which the role of political parties was still poorly defined, loyalty to government bureaucracies or individuals in the government became much more important than party affiliation.[46] Several other Democratic Russia leaders went into the emerging private sector, cashing in on their close political contacts to make money. Finally, many of those who were fast becoming members of the new ruling elite believed that Democratic Russia was too populist and unprofessional to continue to play a productive political role in the postcommunist era. Popov, one of the original co-chairs of Democratic Russia, joined forces with progressive leaders from the Soviet regime to found a more "establishment-oriented" political organization, the Movement for Democratic Reforms. Splits in the democratic movement also occurred within the Russian Congress.[47] During the period between March 1990 and August 1991, when national politics in Russia were neatly organized into two camps—democrats versus communists—and Boris Yeltsin anchored the democratic camp within the Russian Congress, unity among Russia's reformist deputies could be sustained. Yeltsin's exit from parliamentary politics after his election as president removed the unquestioned leader of the parliament's democratic forces.[48] No one stepped in to fill the void. By the end of the first year of Russian independence, the democratic forces in the Russian Congress controlled less than 150 seats. As Myagkov and Kiewiet concluded in their study of roll call votes in the Congress of People's Deputies, the pivotal voter was "squarely in the antireformist camp."[49]

Communist Reorganization

In the wake of the failed August coup attempt, it seemed as if communism as an ideology, a movement, and a state system was destined for the dustbin of history. Immediately after the August coup attempt, Yeltsin

[46] This is true in many new states in transition. See Samuel Huntington, *Political Order in Changing Societies* (New Haven: Yale University Press, 1968), 411.

[47] See, for instance, the incredible number of affiliation changes between the Sixth and Seventh Congress, reported in "VII S'ezd: Obshchoe i osobennoe," *Rossiiskii Monitor* 2 (Moscow: Indem, 1993), 76.

[48] Cycling majorities ensued within the Congress, which the reformists rarely took a leading role in forming. See Josephine Andrews, *When Majorities Fail: The Russian Legislature, 1990–1993*, (Cambridge: Cambridge University Press, forthcoming); and Remington, "Ménage à Trois."

[49] Mikhail Myagkov and Roderick Kiewiet, "Czar Rule in the Russian Congress of People's Deputies?" *Legislative Studies Quarterly* 21 (1996): 34.

banned the CPSU and the Russian Communist Party and seized many of their assets. For several weeks thereafter, it remained unclear whether his new government would even allow communist parties to register as legal organizations. Some communist leaders talked about returning to pre-revolutionary underground tactics. Yeltsin was able to implement this ban because anticommunist sentiment throughout the country was at an all-time high. Within the party, there were also ideological and moral crises. According to Valentin Kuptsov, one of the chief instigators of the revamping of the Russian Communist Party after the failed August coup, many party activists believed that the Moscow leadership had failed the party faithful—that they had allowed the Soviet Union to disintegrate and the anticommunists to seize power.[50] After the coup, careerists within the Party as well as those who were required to be members to maintain their jobs had quickly denounced their Party membership, which had significantly decreased the pool of potential members in a newly organized communist movement.

Once communist party leaders recovered from the shock of August 1991, new communist parties, movements, and fronts proliferated at a surprising rate. At this early "post-Soviet" stage, all of these groups aspired to become the single successor organization to the CPSU within Russia. Under the umbrella organizations Working Moscow (Trudovaya Moskva) and later Working Russia (Trudovaya Rossiya), these neocommunist groups jointly organized several antigovernment demonstrations, first to recognize the anniversary of the October Revolution, then to protest the dissolution of the Soviet Union, and finally to protest Yeltsin's economic reforms. At these meetings, neocommunist orators grew more emboldened as they decried the "illegal" acts of the Russian government "dictatorship."[51] Their slogans and discourse became increasingly nationalistic and patriotic in an effort to attract nationalist opposition groups to their cause.

Economic shock therapy provided the most salient issue around which to reorganize and remobilize communist loyalists. Driven by their belief that Gaidar's reforms were criminal, radical communist organizers such as Viktor Anpilov became more militant in their demands and more daring in their tactics. The communist protest held on February 23, 1992—formerly the Day of the Soviet Army—ended in a bloody clash between Moscow militia and communist demonstrators.[52] On March 17, 1992, the

[50] Valentin Kuptsov, CPRF leader, interview with author, July 28, 1995. See also Anatoly Lukyanov, *Perevorot: Mnimyi i nastoyashchi: Otvety na voprosy, prishedshie v matrosskuyu tishinu* (Voronezh: Voronezhskaya Oblastnaya Organizatsiya Soyuza Zhurnalistov Rossii, 1993); Vladimir Isakov, *Raschlenenka* (Moscow: Zakon i Pravo, 1998); and Viktor Peshkov, ed., *Kommunisty: Pravo na vlast'* (Moscow: Tsentr Issledovannii Politicheskoi Kul'tury Rossii, 1998).

[51] Viktor Anpilov and Vladimir Yakushev, "Nizlozhit' uzurpatorov!" *Molniya* 28 (1991): 1; and interview with General Albert Makashov, "Makashov: Narod obmanuli," *Molniya* 29 (1991): 3.

[52] "Krovavoe voskressenie," *Den'* 9 (March 1992): 1–2.

anniversary of the referendum on the fate of the Soviet Union, Working Russia orchestrated another large demonstration near the Kremlin. In June of the same year, communist demonstrators carried out a ten-day picket of the television station Ostankino, which ended in violence when special forces from the Russian Ministry of Interior were called out.[53] The events at Ostankino, especially the brutal breakup of the demonstration, served to mobilize communist and nationalist sympathizers.[54]

The single most important mobilizing event for communist renewal, however, took place in the courtroom and not on the streets. Soon after the August 1991 coup, communist activists petitioned the Constitutional Court to review the legality of Yeltsin's ban on the CPSU. Yeltsin's government countered by petitioning the court to review the CPSU's entire history and determine the legality of its actions, a process that some equated with the Nuremburg trials.[55] Lauded as the trial of the century, the final decision in November 1992 produced mixed results. The court upheld the new Russian government's claim that the CPSU was not simply a social organization but the controlling body of the Soviet state, a state that had committed crimes against its own citizens and other countries. However, the court assigned guilt to the Party as a whole and to its senior leadership structures but not to individual members. Communist activists celebrated the decision as a major victory.[56] The court's decision ignited a comprehensive campaign to revive a united Russian communist party.[57] The process culminated in the Congress of the Communist Party of the Russian Federation held on February 14–15, 1993, in Moscow. A total of 651 delegates representing more than a half million members of the newly registered communist party attended, making the Communist Party of the Russian Federation the largest political party in Russia. Almost all of the principals from the August putsch were in attendance, and two of them—Anatoly Lukyanov, former speaker of the USSR Supreme Soviet and Oleg Shenin, secretary of the Central Committee of the CPSU—were elected CPRF Central Committee members. The losers from August 1991 had not lost forever.

Gennady Zyuganov was elected chairman of the Presidium. As a co-chairman of the nationalist coalition, the National Salvation Front, Zyuganov's election solidified the growing alliance between the national-

[53] Yevgeny Krasnikov, "Trudorossy naznachili voinu na 22 iyun'ya," *Nezavisimaya Gazeta*, June 20, 1992, 2. On the positive nationalist-communist interpretation of the events, see "Ostankino. 22 Iyun'ya, 4.30 Utra" *Ovozrenie* 2 (1992): 8–9; and "Vinovnnye dolzhni ponesti zasluzhennoe nakazanie zayavleniya," *Pozitsiya* 8 (August 1992): 1.

[54] Viktor Anpilov, "Ostankino: Shag k pobede," *Molniya* 38 (1992): 1.

[55] Aleksandr Frolov, "Nuremberg provalilsya," *Sovetskaya Rossiya*, December 3, 1992, 2.

[56] Valentin Kuptsov, chief organizer of the CPSU defense before the court, interview with author, July 28, 1995.

[57] Anatoly Minayev, "Soyuz kommunistov karelii: Pervyi shag," *Pravda*, January 10, 1993, 2; "Partiinyie konferentsii v Rossii," *Glasnost'* 6 (February 1993): 5.

ists and communists. Strikingly, the socialists and social democrats did not acquire an influential position within the revamped CPRF.[58] Although social democrats undertook much of the organizational work for the Congress, they were voted out of leadership positions. Unlike other postcommunist communist organizations in Eastern Europe, the CPRF did not begin to evolve into a social democratic party but became increasingly nationalistic in orientation.[59]

Fusing Nationalism and Communism

Nationalism, a dormant ideology during the 1989–1991 heyday of liberal politics, attracted new disciples from both the communist and democratic camps after the collapse of the Soviet Union. Some of the most influential nationalist leaders actually emerged from the democratic movement. Former Democratic Russia leaders Viktor Aksiuchits and Mikhail Astafiev quit their short-lived alliance with Nikolai Travkin and his Democratic Party of Russia to join forces with more militant nationalist figures in the parliament and create a new legislative faction, Russian Unity. Formed on the eve of the Sixth Congress in the spring of 1992, this conservative coalition claimed by the end of the year to control 40 percent of all deputies in the Congress and more than 50 percent of deputies in the Supreme Soviet.[60] Outside of parliament, these deputies organized the Russian National Congress, *or* Rossiiskoe Natsional'noe Sobranie, in February 1992, fusing together some of Russia's most extreme groups.

The Russian National Congress established some of the organizational groundwork for a more serious and successful nationalist-communist coalition, the National Salvation Front. This coalition, organized in October 1992, included most of the country's prominent nationalist leaders as well as several communist leaders and their organizations, including most importantly, CPRF chairman Gennady Zyuganov. Zyuganov's own nationalist dispositions, in combination with his participation in National Salvation Front activities, served to fuse more nationalistic rhetoric and slogans into official CPRF programs.[61] Some nationalist leaders, including Viktor

[58] Boris Slavin, member of the Socialist Workers' Party and *Pravda* columnist, interview with author, May 1995. See also "Vozmyomsya za ruki, druz'ya," *Levaya Gazeta* 4 (November 1992): 2; and "Otkuda berutsya noviye vozhdi," *Glasnost* 3 (January 21–27, 1993): 2.

[59] It must be remembered that for many of these CPRF delegates, Gorbachev represented the social-democratic wing of the CPSU. These new party members completely rejected and despised Gorbachev's reforms, whereas anyone previously associated with social democratic ideas in the CPSU had either left party politics altogether or had joined another party. See Peshkov, *Kommunisty*, 149–150.

[60] Ilya Konstantinov, RSFSR People's Deputy from 1990 to 1993 and co-chairman of the National Salvation Front, interview with author, May 27, 1995.

[61] "Programmnoe zayavlenie," *Pravda*, March 3, 1993, 2.

Aksiuchits, objected to an alliance with communists, but other Front leaders welcomed the organizational resources that the communist alliance brought to the table.[62] The Front also created direct links between the opposition within the Congress of People's Deputies and the growing anti-Yeltsin, communist-organized mass actions on the street. Yeltsin tried to ban the Front, arguing that the group aimed to "fuel national dissent and pose a real threat to the integrity of the Russian Federation and the independence of neighboring sovereign states, in contravention of the fundamentals of the Russian constitutional system."[63] Despite the decree, Front founders called Yeltsin's bluff and continued their activities, in effect exposing the weakness of the Russian president. As Yeltsin's political allies grew weaker, his opponents grew stronger.

The Rise and Demise of Centrism

As mentioned earlier, a centrist political coalition—Civic Union—which coalesced after the collapse of the Soviet Union, tried to carve out an alternative to the radical democrats and the communist-nationalist alliance. In the summer and fall of 1992, Civic Union appeared to grow in popularity, both within the state and society. Although Civic Union was created a year after elections to the Russian Congress of People's Deputies, by fall 1992 Civic Union claimed to control more than 40 percent of the votes in this body.[64] Factions closely associated with Civic Union—the Industrial and the Agrarian Unions—often controlled swing votes on major issues before the Congress. Public opinion polls suggested that Civic Union was the most popular political organization in the country, even if dwarfed in size by the CPRF. As politics became increasingly polarized, however, Civic Union's strength became increasingly ambiguous. The absence of a well-defined center allowed for renewed polarization and ultimately political confrontation between more radical forces.

[62] Konstantinov, interview; and Aksiuchits, interview.

[63] Edict no. 1308 of the Russian president, "On Measures to Protect the Russian Constitutional System," *Rossiiskaya Gazeta*, October 30, 1992, 2, in *FBIS-SOV-92-211*, October 30, 1992, 13.

[64] Volsky, as quoted in "Pridet i spaset?" *Argumenty i Fakty*, no. 34 (1992); "Red Square," Ostankino television program, November 21, 1992, in *FBIS-SOV-92-226*, November 23, 1992, 27. In an interview with the author (December 1997), Civic Union presidium member Valery Khomyakov claimed in retrospect that this number had been a myth deliberately propagated by Civic Union leaders to bolster the party's image as a power broker with the government. At the time, however, the propaganda strategy had seemed to work because many believed that Civic Union was a pivotal political force.

PACTING, POLARIZATION, AND THE FAILURE OF THE FIRST RUSSIAN REPUBLIC

The combination of a still large agenda of change and an ambiguous and changing balance of power between the friends and foes of change eventually produced stalemate, polarization, and armed conflict that ended the First Russian Republic. This kind of power balance could have compelled both sides to negotiate as a strategy for resolving the outstanding issues on the agenda of change. In other transitions, even complex ones, stalemates emerging from equal distributions of power have produced compromises and pacts. In this case, however, the relatively equal but still ambiguous distribution of power between opposing sides helped to precipitate confrontation. It would be wrong to argue that the failure of the First Russian Republic was inevitable. On the contrary, and similar to the strategic process that unfolded during the late Gorbachev period, elites crept close to negotiating a new set of rules for organizing economic and politics. Russia's transition from communist rule could have followed a different path, and it almost did.

Economic Pacting and Coalition Governments

In January 1992, Gaidar's reform program got off to a good start. The combination of Yeltsin's popularity, the disorganization and humiliation of Russia's opposition forces, and society's readiness for change muted the initial negative reaction to price liberalization. Prices skyrocketed in January, but people did not panic. Surprisingly, resistance to Gaidar's liberalization program did not originate in the streets or on factory floors but in the Supreme Soviet and Congress of People's Deputies.[65] By the eve of the Sixth Congress in April 1992, a solid majority within the parliament already had decided that Gaidar's strategy was not working and had to be reversed. A combination of the deputies' anxiety about soaring prices and their generally poor understanding of market principles helped forge such a coalition.

Yeltsin reacted to this anti-Gaidar coalition. As Yeltsin recalls, "Because of my initial respect for parliament as an institution, I took very hard the sharp criticism of the government that dogged the first three months of our reforms."[66] In a classic Marxist approach to the situation, Yeltsin began to question whether a "social base" existed for Gaidar's reforms.[67] It did

[65] One of the biggest surprises throughout the entire postcommunist world has been the lack of popular protest within Russia against market reforms. The real resistance to liberal market reform has come from those economic actors who would benefit from partial reform. See Joel Hellman, "Winners Take All: The Politics of Partial Reform in Postcommunist Transitions," *World Politics* 50 (1998): 203–234.

[66] Boris Yeltsin, *The Struggle for Russia* (New York: Times Books, 1995), 165.

[67] Ibid., 158; and Gaidar, *Dni porazhenii i pobed*, 173.

not. During this period, Yeltsin received daily reports from representatives of all parts of the state and society about local economic disasters. Heads of administration, former Soviet ministers, and Yeltsin's own group of Kremlin advisors all had direct access to the president and used it to lobby against Gaidar's reform program. In October 1991, Yeltsin had promised that radical economic reform "will produce real results in the fall of 1992."[68] When such a quick turnaround did not occur, Yeltsin began to question his own strategic decisions about economic reform. As Yeltsin remembers, "At some point I began to waiver.... I could not withstand massive pressure from parliamentary factions, parties, political movements, economic schools, agricultural managers, and entrepreneurs. For different reasons, they demanded that Gaidar be replaced and kept demanding and demanding."[69] Over time, Yeltsin carefully distanced himself from the government's implementation of economic reforms. Instead of the Yeltsin reforms, the economic reform program became known as the Gaidar reforms, making it easy for Yeltsin to blame others for the hardships of the market transition.

Gaidar's political problems were exacerbated by the new government's inexperience. Members of Gaidar's government did not work well with the public. They despised their enemies in the Congress and worked to keep them out of the policy process rather than to co-opt them into supporting their program. This strategy quickly alienated the Congress's leadership.[70] Khasbulatov was especially outraged by the actions of the Gaidar team because he believed that he should have been made prime minister. Eventually, Yeltsin also blamed the Gaidar government for lacking political judgment. Of course, as prime minister and president, Yeltsin should have been leading the political campaign for market reform, both in the Congress and before society as a whole.[71] Such statements, even in retrospect, underscore how isolated the Gaidar team was from Yeltsin. Gaidar's team also did little to explain its policies to the Russian population. Significantly, the Gaidar team never published a plan as a way of communicating with the larger public. With so little public understanding of general market principles, the absence of explanation from the government created opportunities for populists to fill the information vacuum.

By April 1992, Gaidar's government already faced the threat of removal at the Sixth Congress of People's Deputies. Because no new post-Soviet

[68] Yeltsin's address to the fifth Congress, October 28, 1991; reprinted in *Yeltsin-Khasbulatov*, 96.

[69] Yeltsin, *Struggle for Russia*, 176.

[70] Khasbulatov, interview.

[71] Both Yeltsin's allies and enemies criticized the president for not working more intimately with the Congress and individual People's Deputies. In retrospect, Gennady Burbulis also believed that his government's poor strategy for dealing with the opposition in the Congress was one of his greatest strategic mistakes. Gennady Burbulis, interview with author, June 30, 1995.

constitution had been adopted, the formal rules for determining who appointed the government and who removed the government remained ambiguous. This ambiguity eventually became a major source of conflict between Congress and the president. Yeltsin adopted a conciliatory strategy before the Congress at this April 1992 meeting. In negotiations with Khasbulatov and the Presidium of the Supreme Soviet before the Sixth Congress, Yeltsin proposed to remove four ministers from Gaidar's original team, incorporate more "industrialists" into his government, and provide additional subsidies for state enterprises. Gaidar vehemently opposed these compromises; his response was to submit the resignation of his entire government without first informing Yeltsin of his plans. This bold and unexpected speech was Gaidar's first genuinely political act and a firm rebuke to Yeltsin's conciliatory strategy. As Yeltsin himself remarked, "This was like a punch in the face."[72]

Khasbulatov's initial reaction to the government's resignation was ridicule, calling the Gaidar government incompetent and asserting that the Congress would not be blackmailed. Two days later, however, Khasbulatov backed down and the Congress passed a resolution by an overwhelming majority that supported the government. At this stage, the Congress was not ready for a showdown.

Gaidar and his team interpreted the outcome of the Sixth Congress as a major victory and a reaffirmation that compromise was not a viable strategy in dealing with Khasbulatov and his followers. Yeltsin, it seems, reached a different conclusion. Although Gaidar and his government wanted to use this window of opportunity to have Gaidar's candidacy as prime minister confirmed, the Russian president did not use this tactical victory over the Congress to push forward with radical economic reform. Instead, at the close of the Congress, Yeltsin gave a conciliatory speech that promised greater cooperation with the legislators in formulating economic reform.[73] He then appointed the deputy chairman of the Russian Congress Vladimir Shumeiko as a second first deputy prime minister to balance out Gaidar, and shifted the balance of power within the government even further by appointing Georgy Khizha and Viktor Chernomyrdin as deputy prime ministers. Khizha, the former director of the giant military enterprise Svetlana in St. Petersburg, represented the military industrial complex in the government, and Chernomyrdin, the former director of Gazprom, represented the oil and gas lobby. For Gaidar, Khizha's appointment in particular was a blow to his reform course because Khizha "absolutely was not able to understand fundamental principles of [state] management in mar-

[72] Yeltsin, *Struggle for Russia*, 166.

[73] "Vystuplenie Prezidenta Rossiiskoi Federatsii B. N. Yeltsina po itogam shestova s'ezda narodnykh deputatov Rossiiskoi Federatsii," April 12, 1992, in *Shestoi s'ezd narodnykh deputatov Rossiskoi Federatsii: Dokumenty, doklady, soobshcheniya* (Moscow: Respublika, 1992), 266–274.

ket conditions.... From May 1992, Khizha became the chief fighter for increasing the budget deficit."[74]

In June 1992, Yeltsin countered these "industrial" appointments by naming Gaidar acting prime minister.[75] Nonetheless, Gaidar and his associates lost control over economic policymaking. Instead of the policies of shock therapy, the government was pursuing what the Gaidar team believed was a "mixed" plan.[76] This mixed plan and coalition government resulted in a freeze on the liberalization of oil and gas prices, renewed state spending for enterprise subsidies, and concessions to enterprise directors regarding the government's privatization program. The expansion of state subsidies quickly undermined stabilization and increased monthly inflationary rates back to double digits.[77] Yeltsin's appointment of Viktor Gerashchenko to head the Central Bank in July 1992, with Gaidar's blessing, further exacerbated inflationary pressures because Gerashchenko quickly approved the printing of new money and the transfer of government credits to private enterprises. By the end of the year, inflation had skyrocketed and Central Bank credits amounted to 31 percent of GDP.[78] When Gaidar attempted to reign in Gerashchenko the Central Bank, hid behind the veil of institutional ambiguity and claimed that he answered to the Congress and not the government.

Gaidar ended his tenure as Russia's economic architect at the end of 1992. In the run-up to the Seventh Congress of People's Deputies in December 1992, Yeltsin grew closer to Civic Union leaders, urging his government to work with Civic Union on a compromise plan of economic reform.[79] The government's new economic program incorporated many Civic Union recommendations on price controls, state orders, financial support for state enterprises, and long-term low-interest loans for military enterprises seeking to convert to civilian production. Yeltsin made these concessions to Civic Union because he believed that he needed Civic Union support to maintain social harmony and political power.[80] In the weeks

[74] Gaidar, *Dni porazhenii i pobed,* 206.

[75] The new appointment, announced on June 14, 1992, coincided with Yeltsin's visit to the United States, during which serious negotiations over IMF loans occurred.

[76] See the description of the government strategy offered by Shokhin at a press conference on October 12, 1992; in Shokhin, *Moi golos budet vse-taki uslyshan,* 30–42.

[77] World Bank, "Subsidies and Directed Credits to Enterprises in Russia: A Strategy for Reform," Report no. 11782-RU (Washington, D.C.: World Bank, April 8, 1993).

[78] Bridget Granville, *The Success of Russian Economic Reforms* (London: Royal Institute of International Affairs, 1995), 67; and Ulyukaev, *Rossiya na puti reform,* 34.

[79] Interfax, November 3, 1992, in *FBIS-SOV-92-214,* November 4, 1992, 2.

[80] See the president's remarks in *Nezavisimaya Gazeta,* November 5, 1992, 1; and Shumeiko's remarks in *Pravda,* October 29, 1992, in *FBIS-SOV-92-213,* November 3, 1992, 36. This interpretation of Yeltsin's actions was affirmed during the author's interviews during fall 1992 with Democratic Russia leaders Vladimir Bokser, Lev Ponomarev, and Mikhail Shneider; Civic Union leaders Ilya Roitman, Valery Khomyakov, and Petr Fedosov; and Igor Kharichev, deputy

leading up to the Seventh Congress, Yeltsin also made several personnel changes in the government to appease the Congress, including ousting his long-time associates Gennady Burbulis and Mikhail Poltoranin. Yeltsin's final and most dramatic concession, however, came during the Seventh Congress when he sacrificed his reformist prime minister Gaidar for Civic Union's candidate, Viktor Chernomyrdin.

Yeltsin's dramatic compromises at the Seventh Congress of People's Deputies in December 1992 underscored his intention of seeking compromise with his opponents over the direction of economic reform. The government that resulted from the Seventh Congress appeared to reflect more accurately the interests of important economic groups. By making these concessions and in effect foregoing policy coherence, Yeltsin believed he was constructing a political coalition supported by Russia's most important political forces and a majority of Russia's citizens; that is, he was creating in essence a pact on economic policymaking.[81] As Yeltsin explained,

> I have entered into an alliance with them [Civic Union].... A few days ago I had a meeting with a group of them—Volsky, Vladislavlev. So, I am conducting this dialogue, and I agree with you [a reporter] that I must certainly conduct this dialogue with the center. The ultra, extremist wings on the right and on the left are dangerous, but the center is normal. It occupies a position, which is somewhat different from what one would like it to be but, nonetheless, one can reach agreement with them, and this is very important.[82]

Cooperation with Civic Union and the appointment of Chernomyrdin as prime minister, however, did not end the struggle between the president and the Supreme Soviet over control over economic policy. Although initially supportive of the new centrist and industrialist who had been placed in charge of the government, Khasbulatov soon began expressing reservations about Chernomyrdin. Evaluating in retrospect the government–parliament relations during 1993, Khasbulatov asserted that Chernomyrdin had proved as unwilling to work with the Supreme Soviet on economic policy as Gaidar had been.[83] For the chairman of the Supreme Soviet, the issue was not necessarily the policies pursued by the new government but the exclusive way in which these policies were adopted. Conflict between the

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to the presidential chief of staff responsible for political parties and movements. That Democratic Russia leaders recognized but lamented this situation and Civic Union leaders cheered it suggests it was probably true.

[81] Sergei Filatov, chief of staff, presidential administration, interview with author, March 1998.

[82] Press conference with Yeltsin, Ostankino Television, April 14, 1993, quoted here from *FBIS-SOV-93-071*, April 15, 1993, 17.

[83] Khasbulatov, interview.

Congress and president ensued. The Supreme Soviet and Congress gradually wrested several aspects of economic policymaking away from the president and his government. The Supreme Soviet acquired control over the Central Bank, the Fund for Privatization, the pension fund, and the Anti-Monopoly Committee. As for the budget, the Supreme Soviet expanded government expenditures radically in 1993, approving in August a new budget with a deficit of nearly 25 percent of GDP.[84] Regarding privatization, the Supreme Soviet tried to increase the rights of enterprise directors beyond the already director-friendly privatization law of 1992 by crafting Option 4, a set of amendments to the privatization law, which sought to give directors almost complete ownership of their enterprises.[85] This budget proposal and planned amendment to the privatization program reflected the growing dominance of industrial and agrarian lobbies within the Supreme Soviet.[86] Congress deputies sensed that the balance of power had shifted in their favor, and they were eager to reap the rewards.

The Supreme Soviet's budget proposal of 1993 was unacceptable to Yeltsin and his government, because a 25 percent budget deficit would have thrust Russia into hyperinflation. At the time, Finance Minister Boris Fyodorov called the parliament's budget "catastrophic" and said that it had no economic purpose but to "destabilize the executive branch."[87] Yeltsin's government also flatly rejected the Supreme Soviet's privatization proposal for even greater directors' ownership, arguing that such an amendment would impede the creation of effective property rights at the enterprise level. Battle over the budget or privatization, however, did not come to blows because another presidential-parliamentary conflict—the conflict over the very lines of authority between the two governmental branches—eventually superseded this economic debate.

Negotiating a Legislative-Presidential Pact

In the immediate aftermath of the August 1991 coup, Russia's parliament eagerly cooperated with the hero of that drama, Boris Yeltsin. At the Fifth Congress in November 1991, the parliament granted Yeltsin the power to rule by decree. The following month, only six deputies voted against the Belovezhskaya Accord, which dissolved the Soviet Union. In these early months of Russian independence, the parliament and presi-

[84] Anders Åslund, *How Russia Became a Market Economy* (Washington, D.C.: Brookings Institution Press, 1995), 56.

[85] Yusif Diskin, "Mne simpatichen chetvertyi variant," *Nezavisimaya Gazeta*, July 25, 1993, 3; and Igor Karpenko, "Chek ili schyot," *Izvestiya*, July 17, 1993, 4.

[86] Mau, *Ekonomika i vlast'*, 58; and Myagkov and Kiewiet, "Czar Rule in the Russian Congress of People's Deputies?"

[87] Boris Fyodorov, as quoted in *Segodnya*, August 31, 1993. Quoted here from *Current Digest of the Post-Soviet Press* 45 (September 22, 1993): 8.

dent appeared to hold similar positions on major issues. Consequently, the ambiguous division of authority between the two branches initially had no serious negative consequences. Within months of the economic reforms of January 1992, however, this accord evaporated. By April 1992, parliamentary opposition to Gaidar's reforms had become a solid majority. When these deputies tried to influence formation of the government and its policies at this Sixth Congress, the ambiguous rules of the game for regulating the division of power between the president and the parliament became more apparent. Disagreement about economic reform quickly transformed into a constitutional debate about the structure and organization of the Russian political system.

Russia's parliamentary leaders launched their first serious attack on Yeltsin's executive power at the Seventh Congress, held in December 1992. The Congress curtailed the president's power to rule by decree, helped to oust acting prime minister Gaidar and replace him with the more conservative Chernomyrdin, and passed several constitutional amendments that further limited the president's power. Most interpreted these changes as major victories for the Russian Congress and progress toward greater parliamentary authority in governing the country.

Although capitulating to the personnel changes, Yeltsin did not accept the constitutional changes approved by the Congress, which he believed would impede economic reforms and exacerbate political instability.[88] However, the existing constitution stated that the Congress had the power to amend the constitution without the consent of the president, regional governments, or the people, and during the first week of the Seventh Congress, the pace of the amendment process was furious. Yeltsin rejected this amended constitution as illegitimate and threatened to hold a referendum, then scheduled for January 1993, to decide, "Whom do you trust to take the country out of economic and political crisis [and] restore the Russian Federation: the present composition of the Congress and the Supreme Soviet or the President?" According to Yeltsin's formulation, the winner of this electoral duel would remain in power with a mandate to control the course of reforms and the loser would be forced to face new elections in April 1993. The Constitutional Court, an institution created just months earlier in October 1991, declared Yeltsin's referendum question unconstitutional. What then emerged from the discussions between Yeltsin and the Congress was an agreement to hold a referendum in early April on the basic principles of a new constitution, including most importantly, a clarification of the division of power between the Congress and the president.

The method of compromise at the Seventh Congress underscored the high degree of ambiguity over the rules for amending the rules. Although

[88] See Yeltsin, "Obrashcheniya prezidenta na VII S'ezde narodnykh deputatov," December 10, 1992, in *Yeltsin-Khasbulatov*, 235–238.

the existing Russian constitution formally assigned the Congress the power to amend the constitution, real politics at the Seventh Congress worked differently. The illegitimacy of a constitution adopted a decade earlier under communist rule, coupled with the dual electoral mandates of the parliament and the president, prompted all sides to seek creative solutions to their conflicts that went beyond the formal rules outlined in the constitution. Although some hard-line deputies walked out to protest the compromise negotiated between Yeltsin, Khasbulatov, and Constitutional Court Chief Justice Valery Zorkin, the majority accepted this extemporaneous reworking of the constitution.

Although a temporary compromise was reached, the standoff at the Seventh Congress fueled renewed political polarization. According to People's Deputy and Democratic Russia leader Anatoly Shabad, the Seventh Congress marked an important moment: "when Gaidar fell, and in his place came Chernomyrdin, it became clear again that there was us and them."[89] Up to and during the Seventh Congress, the centrist Civic Union had wielded real influence over the formation of the government and its policies on economic reform. As the central conflict in Moscow turned to constitutional issues, however, Civic Union lost its role as the pivotal actor in Russian politics.

A final consequence of the constitutional conflict at the Seventh Congress was heightened ambiguity within the parliament, and more generally, within society, about the balance of power. At a heated moment in the congressional deliberations, Yeltsin marched out of the Congress hall and urged his supporters to do the same. Fewer than two hundred deputies followed him, a humiliating demonstration of the president's decreasing political support. Yeltsin's opponents believed that they wielded a solid majority within the Congress and that that majority reflected society's opposition to Yeltsin and his policies.[90]

The compromise negotiated during the Seventh Congress between Yeltsin, Khasbulatov, and Zorkin soon unraveled, because opposing sides could not agree on a general set of questions for the referendum. Yeltsin's advisors and their supporters in parliament pushed for a question about who should adopt the new constitution—the Congress of People's Deputies or a special Constituent Assembly. Leaders from Democratic Russia believed that the Congress would never adopt a progressive, democratic constitution; therefore, they proposed that a special assembly be convened and charged with writing a new constitution.[91] Yeltsin also supported

[89] Shabad, interview.

[90] Vladimir Isakov, at the time RSFSR People's Deputy and one of the leaders of the Yeltsin opposition within the Congress, interview with author, March 16, 1999.

[91] On the necessity of this method of constitutional adoption, see the commentary by Alekseı Salmin, member of the Presidential Council, in *Moskovskie Novosti,* February 2, 1993, 2a.

the idea of a constitutional assembly as the best method for adopting a new constitution.

Khasbulatov and the nationalist-communist coalition within the parliament did not want the ballot to contain questions about the constitution or a constitutional assembly. Only weeks after the end of the Seventh Congress, Khasbulatov began to question the feasibility of a constitutional referendum, arguing in January, "Can the problem of the division of power (that is, the concrete form of the system of checks and balances) be decided by a referendum? I am sure that it cannot."[92] Instead, Khasbulatov and the anti-Yeltsin coalition within the Supreme Soviet pushed for questions that asked people to evaluate the president and his market reforms.

Yeltsin and his allies countered by arguing that the Congress was trying to restore the old political rules of the Soviet period. He stated in March 1993 that "It's very much clear today, the root of all problems doesn't lie in the conflict between executive and other powers, or in the conflict between the President and the Congress. It's much deeper—the deep contradictions between the people and the former Bolshevik anti-popular rule, which is still intact. They're trying to restore the powers they lost."[93] Yeltsin threatened to hold the referendum without Congress's approval, citing as his rationale that "an attempt to restore the Communist regime of the Soviets is now emerging."[94] The spirit of compromise that had evolved over economic issues in 1992 quickly eroded over division-of-power issues in 1993. Although originally an institutional conflict, the divide was increasingly recast by Yeltsin in the familiar terms of communist versus democrat.

In this charged and polarized political context, negotiations over the referendum questions had little chance to succeed. After a series of accusations and counteraccusations, Yeltsin eventually called for a state of emergency. He proposed that a new interim state organ be created, which would rule the country until a new constitution had been ratified. Significantly, Vice President Rutskoi and Security Council head Yuri Skokov refused to sign the emergency decree.[95] A furious Congress reconvened, denounced Yeltsin's "coup attempt," and began impeachment proceedings. The Constitutional Court also ruled Yeltsin's decree unconstitutional. Yeltsin's opponents failed, although just barely, to garner the necessary two-thirds votes to remove the president. But the stalemate and near meltdown of the Russian state scared both sides into negotiations once again—a situation very similar to that of spring 1991 when Gorbachev and Yeltsin had agreed

[92] Khasbulatov, "S'ezd narodnykh deputatov i referendum," *Rossiskaya Gazeta*, January 10, 1992, in *Yeltsin-Khasbulatov*, 267.

[93] *New York Times*, March 20, 1993, A10.

[94] United Press International, March 16, 1993.

[95] Vyacheslav Kostikov, *Roman s prezidentom: Zapiski press-sekretaria* (Moscow: Vagrius, 1997), 169.

to return to negotiation out of fear of the consequences of continued confrontation. Weakened by the lack of support for his state-of-emergency decree, Yeltsin acquiesced to a new set of referendum questions drafted by the Congress:

1. Do you trust Russian President Yeltsin?
2. Do you approve of the socioeconomic policy conducted by the Russian president and by the Russian government since 1992?
3. Should the new presidential election be conducted earlier than scheduled?
4. Should the new parliamentary election be conducted earlier than scheduled?

As specified in the agreement between Yeltsin and the Congress, the outcome of the first two questions had no obvious consequences, whereas the third and fourth questions needed a majority of all eligible voters (not just a majority of those voting) to be considered binding.

The March 1993 crisis and the ensuing referendum campaign served to polarize Russia's political forces even further. Yeltsin's threats to dissolve the Russian Congress helped to solidify and embolden the anti-Yeltsin coalition. As issues of institutional power became more salient, this opposition coalition was able to muster an increasingly larger number of supporters within the Congress because every deputy ultimately had an interest in affirming and extending parliamentary power. Outside of Congress, the size of communist-led demonstrations grew along with the frequency of violent clashes between the demonstrators and the police at these meetings.

On the other side of the ledger, most of Russia's democratic leaders, political parties, and social groups united for the first time since August 1991 to campaign for the president's positions on each of the four referendum questions. Democratic leaders who had previously opposed the idea of the referendum and criticized Yeltsin and his government now rallied to Yeltsin's side.[96] In another first since August 1991, Democratic Russia organizers orchestrated major public demonstrations in Moscow and other major cities in the run-up to the April referendum. They also organized Russia's first major national television campaign, spearheaded by the Western-inspired jingle that instructed people how to vote on the four questions—"da, da, nyet, da."

In the heat of polarization, Russia's centrist forces faded. During the extraordinary meeting of the Congress of People's Deputies in March 1993, when the militant faction Russian Unity moved to impeach president

[96] See Viktor Sheinis, "S'ezd: Soglasie ili konfrontatsiya?" *Moskovskie Novosti*, March 14, 1993, 7a.

Yeltsin, Civic Union leaders failed to act as a moderating force. Although claiming to speak on behalf of 40 percent of the Congress, Civic Union could not hold its own ranks together and played only a marginal role during the crisis deliberations. Because deputies were not elected on a Civic Union ticket in 1990 and therefore were not beholden to Civic Union for their electoral office, Civic Union had no institutional mechanism to enforce party discipline on these parliamentarians. Commenting on the activities of the Congress during the series of spring crises, People's Deputy Vasily Lipitsky, chairman of the Executive Committee of Civic Union, lamented that "Discipline within factions is practically non-existent."[97] Rumyantsev, an ally of the Civic Union cause, went even further when he noted that the Congress revealed the "collapse of centrism" because "voting patterns showed that Civic Union, a coalition of industrial managers, middle-of-the-road politicians and former communists touted as a powerful moderate force, was largely a myth."[98] Civic Union did not articulate a unified position on the four referendum questions; binary votes do not offer third, centrist choices.

Boris Yeltsin won this referendum vote. On the first question, 58.7 percent of the voters affirmed their trust in Yeltsin, compared with 39.3 percent who did not. Even more amazing, 53.0 percent expressed their approval of Yeltsin's socioeconomic policies, whereas 44.5 percent disapproved. As for the third and fourth questions, a plurality of those who voted (49.5 percent) supported early presidential elections, whereas a solid majority (67.2 percent) called for new parliamentary elections. Although neither reached the necessary fifty percent of all voters to make them binding. These outcomes were astonishing. Given the sharp downward turn in real incomes, skyrocketing inflation, and extreme uncertainty about Russia's economic future, most politicians and analysts had predicted that Russian voters, like voters in other countries experiencing postcommunist transitions, would use this ballot to protest the pain of economic transformation.[99] The majority of voters, however, were not voting their pocketbooks.[100] If they had made simple retrospective calculations about their individual welfare, the majority would have voted against Yeltsin and his policies. Instead, the majority voted prospectively, believing that market reforms would produce a better life in the future than would a return to

[97] Lipitsky, "The IX Congress of People's Deputies and Recent Events," pamphlet (Washington, D.C.: Civic Union, 1993), 10.

[98] United Press International, March 31, 1993.

[99] For a general model on this cycle, see Adam Przeworski, *Democracy and the Market: Political and Economics Reforms in Eastern Europe and Latin America* (Cambridge: Cambridge University Press, 1991).

[100] Morris Fiorina, *Retrospective Voting in American National Elections* (New Haven: Yale University Press, 1981).

Soviet communism.[101] Moreover, because this election was a referendum, voters had only two choices; they could not express more nuanced preferences. In these binary, polarized votes, the majority still sided with Boris Yeltsin and reform, however painful and ambiguous the reality of reform had become.

Yeltsin's margin of victory was slight, however, demonstrating how divided Russian society had also become. For anti-Yeltsin opposition leaders, the close vote indicated that reform should not continue in the way that had been practiced by the Yeltsin government. As People's Deputy Sergei Baburin commented at the time, "the results of the April 25 referendum have clearly demonstrated that the nation is split and that it is in a state of painfully choosing the path of further evolution. How realistic is a programme of 'democratic recovery' which is not supported by the majority of the country's population?"[102] Although surprised by the results, opposition leaders still believed that they were gaining rather than losing ground because this vote showed that Yeltsin's percentage of support had eroded since his 1991 electoral victory. Consequently, the referendum was not decisive in resolving the political confrontation that was paralyzing the Russian state at the time. Instead of solving a constitutional impasse, the April referendum indicated that society was divided almost equally between those who supported change and those who did not.

(RE)WRITING A NEW CONSTITUTION

On the eve of the April 1993 poll, Yeltsin's chief of staff Sergei Filatov had promised that Yeltsin would take immediate steps to adopt a new constitution if he won the referendum. Thus, after the vote, most of Russia's reformist leaders expected Yeltsin to take decisive action to resolve Russia's constitutional crisis.[103] Several years after the initiation of political reform, Russia still had not completed the constitution-making process, one of the major milestones of a democratic transition. In contrast to fall 1991, when many of Russia's democrats had not seen the necessity of drafting a new constitution, in spring 1993 a new consensus emerged about the importance of writing down and ratifying a new set of political rules. Speak-

[101] See the figures for support of reform for 1993 in Vserossiiskii Tsentr Izucheniya Obshchestvennogo Mneniya (VTsIOM), *Informatsionnyi byulleten' monitoringa* (Moscow: September–October 1993), 4.

[102] Sergei Baburin, "The Russian Realities and the Vietnam Syndrome," *New Times* 26 (June 1993): 24.

[103] Leonid Smirnyagin, at the time a member of the Presidential Council, interview with author, March 18, 1999; Sheinis, interview; and Mikhail Shneider, at the time member of the Coordinating Council, Democratic Russia, interview with author, October 12, 1997. See also Kostikov, *Roman s prezidentom*, 180.

ing in April 1993, Yeltsin articulated this new urgency, stating, "I consider it to be *the* central issue, because the republics where reforms are being implemented—other countries for example—and which have succeeded in promptly adopting a new, reformed constitution are now going faster down the road of reforms. They did not have any political crises."[104]

At this stage in the transition, many of Russia's democratic leaders believed that dissolution of the Congress of People's Deputies and of the system of soviets more generally was a precondition for adopting a new constitution. At the victory party organized by Democratic Russia the night after the referendum, Yeltsin allies toasted their imminent and final political victory.[105] There was a sense that Yeltsin would soon dissolve the Congress and call new elections.

Yeltsin, however, did not use his new electoral mandate to end Russia's polarized political standoff. Instead, he used the euphoric moment after the April referendum to convene a new, alternate body to draft a new constitution. Named the Constitutional Conference, this organization consisted of 762 representatives from all walks of Russian political life, including leaders of political parties and social organizations, regional governments, business, and culture. None of these representatives was elected, a fact that undermined the authority of the conference. Initially, however, everyone from Khasbulatov to Zhirinovsky was invited to participate as a way to co-opt support for this alternate method of drafting a constitution.[106] Yeltsin and his aides hoped that the Constitutional Conference could ratify a political pact that might guide Russia into a new political era.[107] Sergei Shakhrai and Aleksandr Yakovlev, two of the main organizers of the conference, considered the process to be a "roundtable of political consensus"[108] similar to the successful round tables in Hungary and Poland. It was as if Russia was starting its transition to democracy all over again.

The presidential administration also hoped to use the work of the conference to supersede the much-amended existing constitution as well as the Rumyantsev constitutional draft that had evolved within the Russian Congress of People's Deputies.[109] Both documents guaranteed the primacy

[104] Press conference with Yeltsin, Ostankino Television, April 14, 1993, quoted here from *FBIS-SOV-93-071*, April 15, 1993, 14.

[105] The author attended this gathering.

[106] Igor Kharichev, deputy to the presidential chief of staff responsible for political parties and movements, interview with author, June 1993. Kharichev was one of the organizers of a section at the conference on political parties and social organizations.

[107] Anatoly Sobchak, "Dostup k vechnozelneyuchshemu delu," *Moskovskie Novosti*, March 21, 1993, 7a.

[108] Sergei Shakhrai, as quoted in Robert Ahdieh, *Russia's Constitutional Revolution: Legal Consciousness and the Transition to Democracy* (University Park: Pennsylvania State University Press, 1997), 58.

[109] Smirnyagin, interview. Smirnyagin was one of the organizers of the Constitutional Conference.

of the Congress over the president as well as the Congress's control of the government. As for federal questions, the Rumyantsev constitution incorporated with only slight amendment the asymmetric system of subnational governments embodied in the old Soviet-era constitution, a federal structure that Yeltsin did not support. Russian liberals also disliked the amended Rumyantsev draft because it included as constitutional rights such socialist economic guarantees as the right to work and free education and medical treatment.[110]

Despite these compromises, however, Rumyantsev had not succeeded in gaining the Congress's approval. At the Seventh Congress in December 1992, it was decided to postpone adoption of a new constitution for one year and to schedule a discussion about ratification for the Tenth Congress, which was scheduled to open November 17, 1993. Rumyantsev considered the move to postpone adoption a fatal mistake.[111] Yeltsin and his constitutional aides considered postponement a major opportunity, for it gave them a year to draft and promote an alternative. The first draft of the so-called president's constitution was circulated in the spring of 1993. Written principally by St. Petersburg mayor Anatoly Sobchak, constitutional lawyer Sergei Alekseyev, and presidential aide Sergei Shakhrai, this new document not surprisingly provided for establishment of a presidential system in Russia with clear lines of authority between the president and the parliament.[112] In Yeltsin's view, the March 1991 referendum had affirmed the people's desire for a presidential system that could not be undone by congressional drafters of a constitution.[113] As a concession to regional leaders, however, much of the language of asymmetric federalism was incorporated into this draft. When the Constitutional Conference opened in June 1993, this pro-presidential constitution served as the basis for discussion, although the Rumyantsev draft was also included in deliberations.

Public opinion polls suggested that the Constitutional Conference was a popular idea because it offered a unique and conciliatory way of drafting a new constitution.[114] In the initial stages, all major political actors participated in the proceedings. Khasbulatov, Rutskoi, and other leaders of the Yeltsin opposition, however, quickly became disenchanted with this president-controlled forum and quit the conference. Without the opposition at the table, the conference lost its political gravity and legitimacy. Dele-

[110] See articles 2.5.2, 2.5.5, and 2.5.6 in "Konstitutsiya Rossiiskoi Federatsii (Proekt)," *Konstitutsionyi Vestnik* 4 (1990): 63–64.

[111] Rumyantsev, interview.

[112] For the basic ideas that informed this draft, see Rossiiskoe Dvizhenie Demokraticheskikh Reform, *Konstitutstiya Rossiiskoi Federatsii (Proekt)* (Moscow: Novosti, 1992); Alekseev, *Demokraticheskie reformy i konstitutsiya;* and Alekseev and Sobchak, "Konstitutsiya i sud'ba Rossii."

[113] Press conference with Yeltsin, Ostankino Television, April 14, 1993, in *FBIS-SOV-93-071*, April 15, 1993, 15.

[114] Ahdieh, *Russia's Constitutional Revolution*, 56.

gates stopped attending, because few believed that the conference had the authority to write a new constitution. Regional leaders, especially from the republics, also delayed drafting procedures at the conference. Inspired by Tatarstan's delegation, republic leaders held out for special rights for republics.

Khasbulatov saw these regional soviet leaders as natural allies in his struggle against presidential power and began to organize them as a national political force.[115] In September, he convened a major congress of local soviet deputies to demonstrate national resistance to Yeltsin's threat to dissolve the Congress. In July 1993, the Supreme Soviet finally countered the president's drafting process by passing a law that provided for the adoption of a constitution; the law specified that a new constitution must first be approved by the Congress and then by the electorate in a national referendum. Once again, the rules for making rules were ambiguous and contradictory since both sides calculated that the procedures for amendment in the old constitution might not be legitimate in this new political context. Parliamentary leaders hoped to resolve this dispute by finally passing a new constitution—the Rumyantsev draft—at the Tenth Congress, now rescheduled for October 1993. According to both supporters and opponents of Yeltsin, the constitutional draft planned for ratification at this Congress would have liquidated presidential power altogether. As Rumyantsev reflected, the Congress "should have been the end of Yeltsin's rule, I can say that openly, because the approval of a new Constitution would have meant that the President would come under control, not under totalitarian [control], but under constitutional control [of the Congress]."[116]

PRESIDENTIAL DECREE 1400 AND THE END OF THE FIRST RUSSIAN REPUBLIC

In the same way that the planned signing of the Union treaty established a firm deadline for action for coup leaders in 1991, the specter of the Tenth Congress created a firm deadline for action for Yeltsin and his allies. In a last desperate attempt to bolster the legitimacy of his constitutional draft, Yeltsin convened the Federation Council on September 18, 1993—a body he had created only the month before, which included representatives from all of Russia's regions (except Chechnya). At this critical September meeting, however, the Federation Council refused to endorse Yeltsin's constitution. Consequently, Yeltsin decided to act unilaterally and

[115] See especially Khasbulatov's speech to an April 9th conference of local soviet deputies, published in *Rossiskaya Gazeta*, April 13, 1993, 3–4.
[116] Rumyantsev, interview.

extraconstitutionally. On September 21, 1993, he issued Presidential Decree 1400. This decree dissolved the Congress of People's Deputies and called for popular ratification of a new constitution and elections to a new bicameral parliament in December 1993. As a conciliatory gesture, Yeltsin also stated that he would hold an early presidential election in March 1994. Later, Yeltsin would summarize his decision in the following terms:

> All the many "peaceful" options we'd exhausted by that time. We'd changed the head of government (Chernomyrdin was elected by the Congress) and formed a reconciliation commission to bring the parliament and government back together. The opposition had made an aborted attempt to impeach me, only proving the futility of their confrontational stance. Then there was the April referendum, where the people gave a clear sign of their support for me. finally, there was the constitutional conference, involving many deputies, where it had been moved to pass a new Constitution at the next Congress. Not to be outdone, Khasbulatov gave the command to sabotage the constitutional process.[117]

Congressional leaders rejected Presidential Decree 1400 as unconstitutional, an opinion that a majority of the Constitutional Court shared. When Yeltsin nonetheless refused to rescind this decree, the Supreme Soviet responded by declaring Yeltsin no longer fit to govern.[118] The full Congress met on the evening of September 23, 1993, and approved Rutskoi as Russia's new president.[119] Rutskoi, in turn, named a new government. Once again, Russia had two chief executives each claiming to be the sole sovereign authority. To mobilize popular opposition to Yeltsin and his government, opposition leaders in the Congress refused to leave their parliamentary offices in the White House and, in a replay of August 1991, encouraged supporters to defend the White House in the name of democracy and the existing constitution.

Yeltsin originally had planned for a special military unit to surround and take control of the White House on a Sunday to deny the opposition a meeting place. From his own experience in August 1991, he understood the importance for an opposition of having buildings to defend. Khasbulatov, however, heard of the plan beforehand and thwarted it by taking up residence in the White House for the duration of the crisis. For several days in late September, large crowds of parliamentary sympathizers kept guard around the White House. During this period, armed paramilitary units from na-

[117] Yeltsin, *Struggle for Russia*, 247.

[118] "Postanovlenie verkhovnogo soveta rossiiskoi federatsiya, ob ispolnenii polnomochii prezidenta Rossiskoi Federatsii vitse-prezidentom Rossiiskoi Federatsii Rutskim A.V.," *Sovetskaya Rossiya*, September 23, 1993, 1.

[119] Vladimir Isakov, *Gosperevorot: Parlamentskiye dnevniki 1992–1993* (Moscow: Paleiya, 1995), 426.

tionalist and fascist groups, including, most prominently, members of the overtly fascist Russian National Union, assumed defensive positions within the Congress. Weapons stored in the White House also were distributed to civilians, pitting armed people on both sides of the barricades.

In the early stages of the crisis, a majority of deputies as well as most nationalist and communist political organizations sided with Rutskoi and Khasbulatov.[120] Opposition newspapers also claimed that the majority of regional leaders sided with the White House defenders. For instance, *Sovetskaya Rossiya* reported on September 25, 1993, that 53 regional soviets had refused to recognize Yeltsin's decree dissolving the Congress.[121] Such reports fueled optimism among White House defenders that the "correlation of forces" was moving in their favor. According to Leonty Byzov, head of the Supreme Soviet's analytical center and a White House defender at the time, the mood within the White House during the first few days of the standoff was euphoric because those inside the White House believed in victory.[122] General Rutskoi also calculated that his military rank and popularity among officers would help sway Russian armed forces to recognize him as president.[123] That generals Viktor Barannikov, Albert Makashov, and Vladislav Achalov immediately joined his government fueled this optimism. If military forces had defected in August 1991, they could defect again.

The White House occupants also believed that most Russian citizens supported their constitutional defense. Throughout 1993, opinion polls had suggested that Rutskoi was just as popular as Yeltsin. In April 1993, a VTsIOM poll reported that Yeltsin was the most trusted political figure in the country, with 22 percent support, followed closely by Rutskoi with 19 percent. In September, this same poll suggested that Rutskoi had surpassed Yeltsin as the most trusted figure in the country, with 19 percent of respondents reporting that they trusted Rutskoi compared with 13 percent for Yeltsin.[124] Now that Yeltsin had acted aggressively in violation of the constitution, those barricaded within the White House could easily believe that the majority would swing to support them. In this stalemate, the balance of political forces looked relatively equal to those defending the White House. Such a balance fueled risk-taking, not compromise. Had Khasbulatov and Rutskoi been sure of their defeat from the beginning, they would have pursued alternate means of ending the crisis.

[120] "Iz Zayavleniya Agrarnoi Partii," *Sovetskaya Rossiya*, September 25, 1993, 2; "Zayavlenie TsK KPRF," *Sovetskaya Rossiya*, September 23, 1993, 2.

[121] "Dom Sovetov. Khronika sobytii," *Sovetskaya Rossiya*, September 25, 1993, 2.

[122] Leonty Byzov, chief of the Supreme Soviet Analytical Center and a defender of the White House in September–October 1993, interview with author, March 1999.

[123] Isakov, *Gosperevorot*, 436.

[124] VTsIOM, "Rossiya i vybory. Situatsiya do i posle sobitii 3–4 oktyabrya: Analiticheskii otchet" (Moscow, 1993), 11.

On the other side of the barricade, Yeltsin and his allies believed that they could outlast those in the White House, but they were not confident of victory. In an attempt to hasten the process, Yeltsin cut off all electricity and telephone lines to the parliamentary building. Well before September, the president's chief of personal security, Aleksandr Korzhakov, and the head of the Federal Security Service (the FSB in Russian, formerly the KGB), Mikhail Barsukov, had organized military units that would remain loyal to the Yeltsin regime in the event of attack.[125] Yet no one knew for sure what these soldiers would do if asked to attack the White House; the last special forces units ordered to storm this same building in 1991 had refused. Presidential advisors feared that a few military defections might quickly undermine the will of those forces loyal to Yeltsin.[126]

As armed conflict seemed increasingly imminent, the more moderate supporters of the White House "government" began to back away. Most importantly, Gennady Zyuganov and the CPRF leadership decided on October 1, 1993, that they were not going to participate in any further street demonstrations or marches, because these popular acts had become increasingly inflammatory and confrontational.[127] In Zyuganov's estimation, "President" Rutskoi had become too extreme in his language, tactics, and selection of allies invited to defend the White House.[128] Even though he labeled Yeltsin's action a coup, Zyuganov reasoned that Russia under Rutskoi's leadership would be no better off than Russia under Yeltsin.[129] As the standoff became increasingly polarized, the CPRF's leadership demonstrated that they were much closer to the political middle than were those in charge of the White House defense. Above all else, the conservative CPRF leadership wanted to avoid armed conflict.[130] Ilya Konstantinov, a leader of the National Salvation Front and one of the chief organizers of the street protests at the time, called Zyuganov's withdrawal a major blow to the opposition's staying power and suggested that the retreat of the CPRF compelled the opposition to take more drastic measures.[131]

They did so on October 3, 1993. On that evening, Rutskoi gave the order to attack the mayor's office adjacent to the White House. The lack of gov-

[125] According to Korzhakov's memoirs, Barsukov drew up the first plan to storm the Congress back in March 1993 on the eve of the impeachment vote. See Aleksandr Korzhakov, *Boris Yeltsin: Ot rassveta do zakata* (Moscow: Interbuk, 1997), 158–159.

[126] Smirnyagin, interview. The same point is made in Korzhakov, *Boris Yeltsin*, 165.

[127] Viktor Peshkov, member of the Presidium of the Communist Party of Russian Federation, interview with author, March 19, 1999.

[128] Gennady Zyuganov, leader of the Communist Party of Russian Federation, interview with author, September 23, 1999.

[129] Ibid.

[130] In explaining his thinking at the time to the author, Zyuganov recalled that he had grown up in a village in which all the men had been killed in World War II. As a result of this childhood experience, he reflected that he was much more averse to violence than Rutskoi.

[131] Konstantinov, interview.

ernment resistance to the attack sparked optimism within the White House, and the building was secured by forces loyal to the White House government in less than two hours. Rutskoi then decided to seize the moment. He appeared on a White House balcony and urged his followers to take control of the state, with the first target being the national television station Ostankino. A column marched to the television station and attacked the building with automatic weapons. A fierce and protracted gun battle ensued, forcing Russia's main national television network off the air for several hours.

After an initial period of hesitation and confusion, Yeltsin and his allies responded. By attacking the mayor's office and the television station, Yeltsin believed his enemies "had crossed the line that the Russian people should never cross. They had started a war, the most terrible kind of war—a civil war."[132] In response, Yeltsin gave the order for armed forces to seize control of the White House. Yet Russian military units did not respond enthusiastically to the president's order. Units that Defense Minister Grachev claimed were moving toward the White House in fact had stopped just beyond the ring road on the edge of the city.[133] As Yeltsin recalled, "the army, numbering two and a half million people, could not produce even a thousand soldiers, not even one regiment could be found to come to Moscow and defend the city. To put it mildly, the picture was dismal."[134] Eventually, however, Grachev (with the assistance of presidential bodyguard Aleksandr Korzhakov) put together the personnel and equipment needed to take control of the parliament building.[135] By the afternoon of the next day—October 4, 1993—the civil war between the parliament and the president was over. In contrast to the last military standoff in downtown Moscow in August 1991, hundreds of people, not three, died in the fighting.

CONCLUSION

In fall 1993, the First Russian Republic failed. Instead of establishing new rules for resolving political conflict through peaceful, democratic means, Yeltsin's political reforms produced the same results as Gorbachev's political reforms: polarization, confrontation, and eventually armed conflict, with two armed political groups each claiming sovereignty over the same territory. In an ironic twist, the standoff in 1993 took place in exactly the same spot as it had in 1991, only this time Yeltsin occupied the

[132] Yeltsin, *Struggle for Russia*, 271.
[133] Korzhakov, *Boris Yeltsin*, 168.
[134] Yeltsin, *Struggle for Russia*, 276.
[135] Korzhakov details the chaos of the moment within the Yeltsin team and the final plan and decision to take the White House, in Korzhakov, *Boris Yeltsin*, 168–193.

Kremlin and his enemies defended the White House. The failure of political reform in 1991 represented a formal and dramatic disruption with more transformative consequences than the 1993 conflict brought. Yet on the specific issue of democratic institution building, the October 1993 confrontation may have represented a more consequential break with past reform efforts. One could argue that the results of August 1991 represented a victory for democratic reform that continued beyond this single event, whereas the results of October 1993 marked the end of democratic reform that had begun under Gorbachev. Why did democratic reform fail?

The Contested Agenda of Change

In retrospect, we can see that the agenda of change facing Russian leaders during the First Russian Republic was narrower than that facing Soviet leaders during the Gorbachev era. Most importantly, in fall 1991 Russian government leaders, in cooperation with their counterparts in other former republics, had resolved the fundamental issue of state borders. To be sure, territorial questions still lingered; some political leaders promoted the re-creation of the Soviet Union, while declarations of independence by several republics threatened the territorial integrity of the Russian Federation. Border questions, however, did not undermine the First Russian Republic. Political actors still debated the merits of dissolution, and these debates may have fueled passions in debates over other issues. Nonetheless, no political actor seriously pursued a strategy to re-create the Soviet Union. In other words, this contested issue was removed from the agenda at the dramatic end of the Gorbachev era.

Two large transformational issues remained on the agenda throughout this period, however: what kind of economy and what kind of political system should Russia have. In contrast to those transformations from communism that were occurring in East Central Europe, where a consensus quickly emerged about the necessity of introducing market reforms, Russian political leaders disagreed about this basic issue.[136] At this stage in the transition, Russian communist leaders still aimed to maintain aspects of the command economy and prevent market reform. Consequently, the divide between capitalists and communists continued to plague Russia after the Soviet collapse. The inability of the president and parliament to find a common course of economic reform in turn fueled conflict over the organization of the polity. The constitutional crisis ultimately precipitated armed conflict between opposing camps. Paradoxically, the one issue about which

[136] For a comparison of the relative degrees of consensus on market reforms in Eastern Europe and the former Soviet Union, See Anders Åslund, Peter Boone, and Simon Johnson, "How to Stabilize: Lessons for Post-Communist Countries," *Brookings Papers on Economic Activity* 1 (1996): 217–309.

most seemed to agree in fall 1991—the need for a democratic polity—was the unfinished task that later was the most contested. Political reform was also the one issue to which Russian reformers had devoted the least amount of attention upon assuming power in August 1991. For Yeltsin and his government, the first priority was to manage a peaceful dissolution of the Soviet Union; their second priority was to initiate market reforms. They believed erroneously that political questions, and specifically questions about constitutional design, were tertiary. They had grossly miscalculated.

In retrospect, some Russian reform leaders have admitted that they neglected political reform. Vladimir Mau, a close advisor to Gaidar at the time, has argued that the strategic decision to try to postpone political reform was not a practical one: "as demonstrated in the development of events later, this decision was a mistake."[137] Anatoly Chubais, then head of the State Committee on Property, admitted that some of their approaches to market reform were Bolshevik in nature.[138] Yeltsin's own reflections are especially revealing:

> Maybe I was in fact mistaken in choosing an attack on the economic front as the chief direction, leaving the government reorganization to perpetual compromises and political games. I did not disperse the Congress and left the soviets intact. Out of inertia, I continued to perceive the Supreme Soviet as a legislative body that was developing the legal basis of reform. I did not notice that the very *Congress* was being co-opted. The deputies suddenly realized their omnipotence and an endless bargaining process ensued.[139]

Inattention to political reform in 1991 was in part a consequence of the large agenda of change. If economic transformation had not been on the agenda in 1991, then the leaders of newly independent Russia could have focused solely on the design of new political institutions.

Moreover, the intensity of disagreement about economic transformation grew partially out of uncertainty about the political rules of the game. When parliament and the president clashed over the appointment of a new prime minister, the drafting of a privatization program, or the approval of a new budget, they had no rules by which to structure their competition and resolve their disputes. If the rules of political competition had been institutionalized earlier in this revolutionary transformation, substantive conflicts over the economy might have been resolved in less confrontational ways. Instead, every disagreement became a constitutional crisis. Threatened with institutional dissolution by their enemy, each side perceived every disagreement as an all or nothing proposition.[140]

[137] Mau, *Ekonomika i vlast'*, 43.

[138] Anatoly Chubais, public address at the Carnegie Endowment for International Peace, May 17, 1999.

[139] Yeltsin, *Struggle for Russia*, 127.

[140] This point is made in George Breslauer, "The Roots of Polarization," *Post-Soviet Affairs* 9 (1993): 228.

Debates about economic reform that occurred without any rules in turn exacerbated debates about the rules themselves. As ad hoc and non-enforceable compromises repeatedly fell apart, opposing parties assumed the worst about their enemies and increasingly adopted antithetical positions. Former allies, such as Yeltsin and Khasbulatov or the president and vice president, now demonized each other as extremists. Although Khasbulatov and Yeltsin or Rutskoi and Gaidar had ideological disagreements about the market or the Union, they came to blows over the structure of the political system. Of course, we cannot know if radical opponents of market reform would have acquiesced to the dismantling of communism in a more clearly defined polity. As discussed in chapter 1, some fundamental issues cannot be resolved by democratic processes.[141] Yet greater clarity of the political rules at the beginning of the First Russian Republic most certainly would have limited the range of extraconstitutional options on both sides. Moreover, when push came to shove in the fall of 1993, it was Yeltsin's former allies and not Russian Communist Party leaders who fought to the end. If preferences for different economic policies initially prompted conflict between the president and parliament, opposing views on the design of Russia's political institutions eventually precipitated armed conflict.

In this polarized context, the unfinished business of institutional design from the first transition haunted consolidation in the second phase. Above all else, the creation of a presidency with ill-defined powers in the summer of 1991 exacerbated conflict and polarization in Russia after the collapse of the Soviet Union. Even the physical act of moving the president's residence to the Kremlin increased polarization because the move gave the Supreme Soviet and the Congress its own building, resources, and territorial base. If the office of the presidency had not existed, militarized polarization between Russia's political groups might have been avoided.

Polarization, in turn, privileged certain kinds of political organizations and certain kinds of politics. Centrist groups such as Civic Union faded from Russia's political arena as polarization increased. During summer and fall 1992, Civic Union leaders effectively courted political favor from the president as the centrist alternative to more conservative forces in the parliament. When compromise was still possible between the Congress and the president, Civic Union allies worked effectively within the parliament to draft economic reform legislation agreeable to both branches of government. By the end of 1992, Civic Union was one of the most pivotal political forces in Russia. Once battles between the president and the parliament shifted to political issues and polarized into a constitutional crisis, however, Civic Union proved ineffective in diffusing the conflict. Civic

[141] Russell Hardin, *Liberalism, Constitutionalism, and Democracy* (Oxford: Oxford University Press, 1999).

Union leaders were skilled back room negotiators and lobbyists but inept street politicians. The shift in attention from economic to constitutional issues also weakened this group's influence. As Russian politicians polarized into two opposing camps allied with two opposing institutions—the Congress and the president—advocates of compromise had no institutional framework, formal or otherwise, in which to pursue their objectives.[142] Likewise, their means for pursuing such ends—negotiation, lobbying, compromise—also become obsolete.

In contrast to negotiated democratic transitions in which radicals and hard-liners are marginalized, this transition mobilized social movements on the far sides of Russia's political spectrum and enabled them to grow in power and stature. Radicals such as nationalist Ilya Konstantinov and communist Viktor Anpilov were insignificant figures in the early months of the First Russian Republic. By October 1993, however, they both had emerged as leaders of major political organizations and were playing critical roles in leading the resistance to Yeltsin. Within the democratic camp, radicals from Democratic Russia also assumed a greater role in national politics because those in power once again needed their mobilization skills when politics returned to the streets. When political and economic debates were decided by back-room negotiations, groups such as Civic Union were major players. When political debates were decided at the barricades, groups such as Working Russia and Democratic Russia proved to be more critical.

Perceptions of the Distribution of Power

Neglect of political reform also had the unintended consequence of fueling ambiguity surrounding the distribution of power among political forces in Russia. The lack of elections allowed political entrepreneurs to make unverifiable claims of popular support. In the context of rapid economic change, which for the majority of Russian citizens was change for the worse, anti-Yeltsin politicians had special license to inflate their power and support. Within the parliament itself, votes demonstrated unequivocally that opposition to Yeltsin was growing. Opinion polls and elite rankings of powerful politicians showed that Yeltsin's popularity was fading rapidly, whereas Aleksandr Rutskoi's numbers were increasing at the same time that a growing majority of Russian citizens were losing faith in reforms.[143] In addition, both sides asserted that the electoral mandates of the

[142] For elaboration on this argument about the center's disappearance in 1993, see Yuri Korgunyuk and Sergei Zaslavsky, *Rossiiskaya mnogopartiinost'* (Moscow: INDEM, 1996), 43–44; and Aleksandr Sungurov, "Stanovlenie i razvitie politcheskikh partii sovremennoi Rossii (1990–1993)," Ph.D. dissertation, Severo-zapadnaya Akademiya Gosudarstvennoi Systema, St. Petersburg, 1996, 91–93.

[143] "Strukturniye reitingi politikov," *Rossiiskoi Monitor* 2 (1993): 43; VTsIOM, *Ekonomicheskiye i sotsial'niye peremeny: Monitoring obshchestvennogo mneniya* 5 (September 1993): 40.

president and the parliament were invalid because both had been elected before the creation of the new Russian state. The April 1993 referendum provided both sides with information about their popular support. In spite of Yeltsin's surprisingly strong showing, the actual results were evenly split. The electorate was divided fairly equally between those who supported Yeltsin's revolution and those who did not. On the issue of economic reform, half of the electorate supported the creation of markets and private property and half did not.[144] Likewise, opinion polls showed equal support for politicians who advocated greater presidential powers versus those who advocated greater parliamentary powers; however, the largest number of people (39 percent) advocated equal power between the two branches of government.[145]

Moreover, it must be remembered that the Russian state was embryonic. Lines of authority within the state, and especially within the armed forces, were still poorly defined, making calculations about power distributions difficult. Even if the majority of Russian citizens supported Yeltsin, many within the opposition believed that the armed forces would come to their aid in the event of open and violent confrontation. The anti-Yeltsin alliance also believed that their supporters were more passionate about their beliefs and would take radical action, whereas those who supported Yeltsin were considered a silent and passive group, disillusioned with the course of economic reform that they had helped to launch two years earlier.

As politics gravitated to more raw arenas, calculations of relative strength grew increasingly difficult. Throughout the winter and spring of 1993, the nationalist-communist opposition managed to mobilize thousands of supporters to demonstrate in the streets of Moscow and other cities. These demonstrations culminated on May 1, 1993, when the National Salvation Front organized tens of thousands of supporters for the traditional Soviet holiday. The meeting in Moscow ended in violent clashes between the Moscow police and demonstrators. Opposition leaders evaluated the May Day parade as a major success because it demonstrated that their foot soldiers were capable of violence against the state. Given this swell of opposition support, it came as no surprise during 1993 that tens of thousands of people would maintain a twenty-four-hour vigil for several days in defense of the parliament building. During this same period, there were no visible demonstrations of popular support for the president. Also, White House defenders believed they could count on major defections within the mili-

[144] Tsentr Sotsioekspress, Institut Sotsiologii, Rossiiskaya Akademiya Nauk, *Zerkalo mnenii*, pamphlet (Moscow, 1993).

[145] Stephen White, Richard Rose, and Ian McAllister, *How Russia Votes* (Chatham, N.J.: Chatham House Publishers, 1997), 104; and Timothy Colton, "Public Opinion and the Referendum," in *Growing Pains: Russian Democracy and the Election of 1993*, ed. Timothy Colton and Jerry Hough (Washington, D.C.: Brookings Institution Press, 1998), 294

tary because their new "president," Aleksandr Rutskoi, was an army general. The support for both sides among regional leaders remained ambiguous, as demonstrated most dramatically by the unwillingness of the newly constituted Federation Council to support Yeltsin's constitutional reforms.

This relatively equal but ambiguous balance of power between the two sides increased the likelihood of confrontation. If both sides had been certain that an overwhelming majority of Russian citizens and soldiers supported one of them, then the lesser side would have been more likely to acquiesce to the stronger side's demands. However, each side believed that it might be able to emerge from the crisis as victor, and therefore neither shied away from confrontation.[146] In Russia's political stalemate of fall 1993, both sides decided to seek victory through extraordinary means. In this zero-sum battle, Yeltsin's side won.

The Consequences of a Second Confrontational Mode of Transition

Yeltsin's decision to deploy force undermined all previous commitments to a negotiated transition to a new political order, a result similar to that of August 1991. Different from 1991, however, was the degree of uncertainty about both the contested agenda of change and the balance of power between opposing political forces; the uncertainty did not seem as acute as it had been at the end of the first failed Soviet–Russian transition. Yeltsin's brutal and successful use of force had given him the power to design new institutions independent of other political actors. At least in the early stages, Yeltsin had had the power capability to impose his new political rules. Yeltsin's second military victory against his political opponents in as many years gave him a yet greater opportunity to craft new political institutions. What he crafted and how these new institutions fared are the subjects of the next section.

[146] Geoffrey Blaney, *The Causes of War* (New York: Free Press, 1973).