

An Initial Assessment of U.S. Aid to Russia, 1992–1995

And a Strategy for More Effective Assistance

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Following the unraveling of European communism, there was bipartisan consensus that the United States should provide aid to help post-Communist governments establish democracy and free market institutions. Initially, the United States provided aid for the countries of Eastern Europe, and after the dissolution of the Soviet Union in late 1991, the U. S. Congress enacted a large program of assistance for Russia and the other post-Soviet republics in October 1992. Through the end of September 1995, cumulative expenditures for aid and credits have been \$12.7 billion; Russia received \$3 billion of the expenditures and \$4.2 billion in credits. This analysis provides a first assessment of how well the U.S. aid program has accomplished its core objectives: encouragement of democracy; assistance with demilitarization and defense conversion; and facilitation of the establishment of free market institutions.

The United States established the Support East European Democracy Program (SEED) in 1990. There was bipartisan consensus between the Republican-led administration and the Democratic majority of the Congress that the United States should provide significant assistance. In December 1991, after the dissolution of the Soviet Union, Russian President Boris Yeltsin declared that his objectives were to establish democratic institutions and freedom, transform the economy from central planning to a market-oriented system, and to establish peaceful, normal relations with all states, including the United States and Western Europe. He also indicated that he hoped for significant American and Western assistance to help bring about these changes.

In April 1992, President Bush sent Congress a proposal for aid to Russia and other former Soviet states. It was enacted into law as the Freedom Support Act in October 1992.²

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By the time of this legislation, the early reform efforts of President Yeltsin and Prime Minister Yegor Gaidar had already run into strong resistance by anti-reform forces. In November 1992, the Russian legislature, which had been chosen in 1990 in a Soviet-style election and therefore was mostly Communist, first rescinded the powers it had granted to Yeltsin to rule by decree for a year and then attempted a constitutional amendment that would have made his presidency a figurehead.

The voters of the United States chose a new president in the November 1992 election, and it was left for President Clinton and his administration to decide how the opportunities represented by the Freedom Support Act would in fact be realized. This analysis will describe the purposes and scope of assistance to Russia as defined by the U.S. government, and assess whether the key objectives of the assistance program have been realized. It will also discuss mistakes in the U.S. government's approach to assisting Russia and propose a strategy for more effective assistance in the future.

Purposes and Scope of U.S. Aid to Russia

Soon after taking office in 1993, President Clinton declared that a major purpose of his administration would be to assist Russia and the other republics of the former Soviet Union to make peaceful and successful transitions to democracy and a market-oriented economy. In March 1993, President Clinton met with Russian Foreign Minister Andrei V. Kozyrev to discuss U.S.-Russian relations. Following this meeting, which also prepared the way for the first summit between the presidents of the United States and Russia, President Clinton said, "It is very much in our interest to keep Russia a democracy, to keep moving toward market reforms and to keep moving toward reducing the nuclear threat. It will save the American people billions of dollars in money we don't have to spend maintaining a nuclear arsenal, if we can continue to denuclearize the world."²

On the eve of his first summit meeting with President Yeltsin, President Clinton made a major public speech directly linking the security of the United States with the success of democracy and reform in Russia. He indicated that the failure of democratic reform could bring about a return to dictatorship in Russia, and he expressed a sense of urgency about the need to help assure that would not happen: "The world cannot afford the strife of the former Yugoslavia replicated in a nation spanning eleven time zones and armed with a vast arsenal of nuclear weapons."³ President Clinton continued: "We must be concerned over every retreat from democracy, but not every growing pain within democracy. . . . As long as there are reformers in the Russian Federation and the other states leading the journey toward democracy's horizon, our strategy must be to support them. And our place must be at their side. . . . Now as you seek to build a great tomorrow for Russia upon a foundation of democracy and commerce, I speak for Americans everywhere when I say: We are with you, for we share this bond."⁴

President Clinton continued the commitment President Bush and his administration had made to assist the transitions in Eastern Europe and the former Soviet Union, reflecting the strong bipartisan consensus that encouraging democracy in all of post-Communist Europe, especially Russia, was a preemi-

ment strategic priority for the United States⁵ Three years later, in January 1996, Secretary of State Warren Christopher reiterated this commitment: “Support for democracy and human rights reflects our ideals and reinforces our interests. Our dedication to universal values is a vital source of America’s authority and credibility. . . . Our interests are most secure in a world where accountable government strengthens stability and where the rule of law protects both political rights and free market economies.”⁶

From the dissolution of the Soviet Union at the end of 1991 until 30 September 1995, the United States obligated about \$15 billion for Russia and the other New Independent States—\$8.7 billion in direct assistance and an additional \$6.3 billion in credits—to assist the process of transition to democracy and a market-oriented economy.⁷

As presented to the Congress in November 1995, the broad goals of U.S. assistance were stated by Ambassador James Collins, senior coordinator for the New Independent States (NIS) at the Department of State, as follows: “The collapse of the Soviet Union has presented an historical challenge and opportunity for U.S. foreign policy: to assist the transformation of the former Soviet Union into a region of sovereign, democratic states respectful of the human rights of their citizens, the security and independence of their neighbors and committed to participation in the European family of nations as fully integrated participants in a future undivided Europe.”⁸

Ambassador Collins emphasized that U.S. assistance is intended to help the post-Soviet republics develop their own democratic institutions and market economies over the long term. However, he stated that making the move toward democracy irreversible in the short term by supporting key reforms and reformers is the highest priority: “Our interests are clear, we stand with the reformers, wherever we find them.”⁹

Testifying before Congress in November 1995, Richard Morningstar, special adviser to the president and secretary of state on assistance to the NIS, stated that U.S. assistance has three fundamental objectives:

1. enhancing U.S. national security through cooperative threat reduction and dismantlement of weapons of mass destruction; helping to prevent the proliferation of weapons, material and weapons expertise; and encouraging significant demilitarization in the former Soviet Union;
2. helping establish open and competitive market economies, providing trade and investment opportunities for America while fostering the economic growth that is so vital to continued democratic transformation; and
3. promoting democratic governments and civil societies, including the development of free and independent media and creation of non-governmental citizens’ organizations of all types, while fostering the development of the rule of law.¹⁰

Morningstar added that aid is provided through the Freedom Support Act and other U.S. government programs as well as by private voluntary organizations in four areas: technical and economic assistance, dismantlement and demilitarization assistance, food assistance, and humanitarian assistance. He noted the breadth of federal government participation by pointing out that “currently, thirty-two federal agencies are running over one-hundred thirty programs in the NIS.”¹¹

The immense scope of U.S. aid to Russia and the other former Soviet Republics is visible in tables published quarterly by Morningstar's office that show cumulative direct obligations for the NIS and for Russia as of September 1995. While \$15 billion in direct aid and credits had been obligated, cumulative direct expenditures for aid were \$6.4 billion, of which Russia received \$2.9 billion; cumulative U.S. financed credits were \$6.3 billion, of which Russia received \$4.2 billion.

Among U.S. government donor organizations, the leading agency was clearly the Agency for International Development (USAID), which accounted for 37 percent of total U.S. obligations. Next in order were the Department of Agriculture, which provided 31 percent of total obligations, and the Department of Defense with 13 percent.¹² Assistance from USAID was administered in thirteen program areas including energy efficiency, health care improvement, and housing sector reform, democratic reform, private sector initiatives, exchanges, and training. Total obligations through 30 September 1995 were \$2.7 billion.

Programs of the agriculture department focused on the donation of food but included a range of other activities, such as scientific cooperation, the "vulnerable groups assistance program," and a very small "emerging democracies program." Total obligations through 30 September 1995 were \$2.8 billion.

The Department of Defense portion of the assistance program was the result of a bipartisan initiative in late 1991 by Senators Sam Nunn and Richard Lugar. They contended that the United States had a national interest in helping the four nuclear-armed former Soviet republics—Russia, Ukraine, Kazakstan, and Belarus—assure control of and dismantle some of the nuclear, biological, and chemical weapons of mass destruction stored on their territories.

This part of the assistance effort subsequently came to be called the Cooperative Threat Reduction Program (CTR) and was described by Harold P. Smith, assistant to the secretary of defense for atomic energy, in November 1995 as follows: "The Cooperative Threat Reduction Program gives equipment, technical advice and training to Belarus, Kazakstan, Russia and Ukraine to help dismantle and destroy weapons of mass destruction, ensure safe and secure transportation and storage of nuclear warheads and materials in connection with warhead dismantlement, prevent proliferation, and transform their mass destruction-related industrial and military institutions into peaceful and productive assets."¹³

Total obligations for the Department of Defense's aid to Russia were \$866 million. Examples of program categories include fissile materials storage containers, chemical weapons destruction, industrial partnership/defense conversion, strategic offensive arms elimination, joint contact teams, the Defense Demilitarization Enterprise Fund, and humanitarian assistance.

The National Aeronautics and Space Administration (NASA) was the fourth-largest contributor with \$235 million obligated through the end of 1994.¹⁴ The NASA programs included aeronautics research, joint U.S.-Russian human space flight activities, and the Functional Energy Bloc Program.

Assessment of the Key Aid Programs

In November 1995, under the chairmanship of Rep. Benjamin Gilman, the House International Relations Committee met to hear testimony from the senior officials of the Clinton administration concerning the program of U.S. aid to Russia and the New Independent States of the former Soviet Union. The fundamental objectives emphasized were democratization, economic reform, and demilitarization/defense conversion.

Morningstar stated with respect to the core U.S. objectives that “extraordinary systemic changes are taking place. That is why the current NIS assistance budget which recently emerged from conference committee is cause for concern. With its lower overall funding level and large earmarks, it will be very difficult to support reform efforts in Russia at any significant level.”¹⁵

Congress had mandated in 1992 that a senior coordinator be appointed, and the first individual chosen was Ambassador Thomas Simons. He had served as a state department official in Russia and in a number of Eastern European countries, and as ambassador in Poland during the initial years of post-Communist transition. He was succeeded by Ambassador James F. Collins, who had served in Moscow, including as deputy to Ambassador Thomas Pickering, during the initial years of post-Communist transition. USAID Administrator Brian Atwood had a strong commitment to the encouragement of democracy abroad and extensive relevant experience as president of the National Democratic Institute until his appointment by President Clinton. Thomas Dine, the USAID official directly responsible for Russia and the NIS, took office in February 1994 after many years of successful experience as head of a foreign affairs organization experienced in informing Congress and building political coalitions.

Assessment of Three Core Objectives

This assessment of the results achieved by U.S. aid will focus in turn on the three core objectives enunciated from the start of the program, and will summarize the results of each objective as presented by the U.S. government, followed by an independent judgment about what was or was not achieved in relation to the opportunities.

There are many sources for this assessment. The U.S. government has provided annual reports on the assistance programs in 1993 and 1994.¹⁶ Testimony before Congress by the senior officials managing U.S. aid programs also provides insights and information. At the request of Congress, the General Accounting Office (GAO), an auditing and investigative agency used by Congress to assist it in overseeing the activities of the executive branch, has also done a number of important reviews and analyses of the assistance effort. Scholars and analysts have also provided useful interpretive commentary on the U.S. aid programs, including Ariel Cohen, Charles Flickner, Nancy Lubin, Mark Medish, Michael Pinto-Duschinsky, Peter J. Stavrakis, Ambassador David H. Swartz, J. Michael Waller, and Janine Wedel.

Promoting Democratic Governance. In his November 1995 congressional testimony on encouraging democracy, Dine discussed funding for open and independent media: “small television studios in provincial Russian cities have been linked into a growing network of producers and broadcasters, sharing programs, spreading know-how, and bringing uncensored news to their viewers. These outlets were important links in the growing chain of free media that are giving Russians the information they need to make democracy work.”¹⁷

He then went on to discuss U.S. assistance for a fair election process, including nonpartisan monitoring, which he suggested produced the result that “throughout much of the NIS region, elections—for parliaments, for presidents, for local governments—have been deemed ‘free and fair’ by neutral domestic and international observers.”¹⁸

A third component of democratization assistance was support for “non-governmental organizations, civil society and local governments.” Dine indicated that “USAID is promoting the development and spread of NGOs—including environmental groups, human rights organizations, and free trade unions—in the NIS countries by helping to establish clear legal frameworks for their operation, as well as through technical training. Small grant programs, such as that of the Eurasia Foundation, are providing critical support for the emerging NGO sectors throughout the region.”¹⁹

The fourth aspect of democratization assistance Dine mentioned was work on behalf of the rule of law. Specifically,

tapping the pro bono resources of the American Bar Association’s Central and East European Law Initiative (CEELI), USAID has provided substantial technical assistance in the reintroduction of jury trials in Russia, including multi-media training for judges, prosecutors, defense lawyers, and jurors. As a tangible example, USAID-sponsored experts helped legal reformers produce a standardized “benchbook” on jury trials for judges. The results have been dramatic: over 300 jury trials have been held in nine regions of the Russian Federation.²⁰

All of the efforts mentioned are important and significant, and without question U.S. assistance for electoral process reform and for the development of independent media have been examples of investments that have produced visible institutional changes. In December 1995, Harold J. Johnson, Jr. of the GAO indicated that his organization had concluded that:

projects intended to promote democratic reforms in Russia, including efforts to support and promote pro-democracy political activists and political parties, pro-reform trade unions, court systems, legal academies, and the media, indicated that U.S. funded democracy programs have contributed to the democracy movement in Russia . . . however . . . in only three of the six areas reviewed—independent media, electoral assistance, and trade union development—did projects contribute to significant changes in Russia’s political, legal or social system. Projects in the areas of political party development and rule-of-law . . . have had considerably less impact.²¹

It is also true, however, that the fundamental institutions in the building of political democracy are democratic political parties, independent labor unions, and civic associations representing major social interests and concerns. The basic

shortcoming of the U.S. assistance program to Russia has been the failure to do far more to nurture and encourage pro-democratic political parties and independent pro-democratic labor unions and business associations.

This fundamental strategic and conceptual failure of the U.S. aid program is perhaps best illustrated by the fact that on the eve of the immensely important 1995 elections for the national legislature in Russia, the 30 September 1995 report of the U.S. coordinator for assistance and the November 1995 testimony of the three leading officials, including the coordinator of the U.S. assistance program, made virtually no mention of efforts to assist political parties or labor unions. The few pro-democratic parties able to obtain the 100,000 signatures necessary to qualify for the December 1995 legislative elections won only 14 percent of the vote, and only one of those parties, Yabloko, crossed the 5 percent voting threshold necessary to obtain party list seats in the Duma, the main house of the bicameral parliament. Led by Grigory Yavlinsky, Yabloko stood in the spring of 1996 as one of the few alternatives to Communists or ultranationalists winning the Russian presidency in the June 1996 presidential election.

During the years of reform communism under Gorbachev, there were two important indications of the depth of democratic aspirations among the Russian people. There was an "astonishing upsurge in civic activism after 1987 (more than 60,000 independent associations involving nearly 15 million people emerged)."²² These included a number of significant organizations with democratic reformist purposes. Secondly, the first extensive opinion surveys in more than seventy-five years revealed that Russian citizens scored high "on many key indicators of political awareness" and on support for democracy.²³

The missed opportunity for the U.S. assistance program was the failure to work steadily and energetically in 1993 to identify a range of pro-democratic political organizations and help them to develop into viable national political parties with a genuine grassroots organization and membership. It was already crystal clear by the time the Freedom Support Act became law in the fall of 1992 that both the Russian Communist movement and the ultranationalists led by Zhirinovskiy were actively opposing political and economic reform and were systematically building and expanding their national organizations.

The April 1993 referendum on reform gave both of these anti-democratic movements an opportunity to organize and mobilize. While Yeltsin obtained a bare majority in support of his policies, both the Communists and Zhirinovskiy viewed themselves as making progress. Missing from that contest were national pro-democratic parties.

After Yeltsin dissolved the Communist-era Parliament in September 1993 and scheduled elections for a new legislature for December 1993, a number of pro-democratic parties began organizing themselves to compete. That was an opportunity for expanding party building assistance, but too little was done. The disappointing election results and the fact that the Communists and ultranationalist parties won a combined 43 percent of the vote, should have been the alarm bell leading to a substantial increase in all aspects of U.S. democratization assistance. That did not occur.

It was known in December 1993 that the next parliamentary elections would be in December 1995, and that the presidential election would be in the summer of 1996. The negative consequences of weakly organized, emerging pro-democratic parties had been made absolutely clear. Yet there was little if any evidence that the U.S. assistance program responded to the 1993 setback and to the future opportunities with a significant degree of energy, creativity, or increased resources.

The apparent, much-too-low priority attached to all aspects of democratization assistance, but especially the most important ones of party building and independent trade union development, is illustrated by the modest budgets made available. For the three most recent years (FY 1994-96) the total USAID allocations for party building activities have been \$12 million, or \$4 million per year.²⁴ This has been an infinitesimal proportion of the USAID and U.S. assistance budget for those three years, even though this is at the core of the entire effort at democratization. Further, the existence of the National Democratic Institute (NDI) and the International Republican Institute (IRI) since 1984 and their experience in Central and Eastern Europe and the former Soviet Union provided a ready and valuable institutional means for offering far greater and more effective party building assistance.

The U.S. administration also failed to adopt a sensible approach to democratic party building. While providing some level of assistance to all democratic parties, it would have been more effective also to have selected a few that showed the greatest promise and capability for special assistance in order to encourage and nurture their development. Instead, USAID imposed on itself the practice of providing technical assistance to all pro-democratic political movements and avoiding what one AID official described as the practice of “picking winners”²⁵

The intent of this self-limitation is to avoid the appearance of “intervention” in the internal politics of Russia and other transitioning countries. In fact, however, anti-democratic movements will define any assistance from the United States or any other democratic country for any or all pro-democratic parties or organizations as “interference.” What is important in U.S. assistance is that it is provided openly, thereby with the implicit consent of the government, and that the recipients of such assistance voluntarily choose to accept it and to answer whatever political criticisms their opponents may level at them for doing so.

The fact is that in most transitions from dictatorship, the anti-democratic forces of the old regime possess enormous resources that can be used in political competition—allies in the government, economic organization, and the communications media, citizens organized in their former controlled associations, and substantial amounts of money. In contrast, emerging pro-democratic organizations, especially in post-Communist countries, have few if any such resources. They can be helped enormously by timely, focused technical assistance from democratic countries that share their aspirations for political democracy, but in no way seek to determine their programmatic agenda.

In Russia, more than 90 percent of the unionized workforce still belongs to Communist-controlled and -led unions, and the same pattern holds for virtually all the post-Soviet republics.²⁶ Labor unions are always important in a pluralistic political process because their support for different political parties can and often

does have a major impact on the results of elections. In the NIS, the Communist-controlled labor unions not only always backed the Communist Party and its regime, but also served the regime by mobilizing citizens and controlling an important variety of benefits such as health, pension, and vacation opportunities.

In the entire post-World War II era, when the United States has become involved in assisting pro-democratic movements abroad, major attention has been given to helping in the establishment of independent, pro-democratic labor unions. The U.S. trade union federation, the AFL-CIO, has a long and successful record in providing assistance for free trade union development in many parts of the world.²⁷ Assistance, in part provided by the AFL-CIO, helped sustain the Solidarity movement in Poland following the 1981 repression, until it could compete in elections in 1989 and serve as the genesis for a number of pro-democratic parties.

From 1992 to 1995, USAID funding for democratic trade union development has been \$6 million, or \$2 million per year.²⁸ The Free Trade Union Institute, a component of the National Endowment for Democracy, proposed by President Reagan and approved by Congress in 1984, has extensive experience and access to skilled personnel. Alternative unions had emerged as part of the later stage of Gorbachev's political opening, and they might have become a substantial source of support for democracy and political reform. In contrast, the Communist-controlled unions "found in their old partners, the enterprise directors, an ally in their mutual attempt to block the imposition of the market economy."²⁹

Not only should far more resources have been spent and efforts made to support and encourage pro-democratic trade unions, there could have been creative approaches seeking to empower such organizations. Examples might include empowering some of these emerging pro-democratic unions by having them directly involved in the allocation of U.S.-provided humanitarian and food aid (which made up almost half of all U.S. assistance); by having them work with pro-democratic business associations to cooperatively manage and own a significant proportion of the firms privatized with Western assistance; and by administering some of the assistance intended for the social safety net throughout pro-democratic unions so that they could offer their members benefits comparable to those in the Communist unions.

The far too limited resources allocated to this purpose have deprived the pro-democratic and reform unions of potentially valuable institutional and grassroots sources of support and have meant that the Communist-led labor organizations continued during the critical years of 1992-95 to be active allies of the anti-reform agenda of the Communist Party and most of the Communist enterprise managers—a double loss for democratization.

"Too little and too late" summarizes this vital aspect of the aid program. The budget provided for democratic party and labor union development for three years (FY 1994-96) totaled \$18 million in comparison with the total USAID funding in Russia during those three years of \$1.68 billion. It is difficult to understand how the United States has been able to spend and obligate \$2.7 billion in direct assistance to Russia and yet made the decision to make such a modest effort in the two fundamental areas of democratic party and trade union building.

Demilitarization and Defense Conversion. Starting in late 1991 at the initiative of Senators Nunn and Lugar, Congress provided funds to enable the U.S. government to help Russia and other former Soviet republics destroy and dismantle nuclear, biological, and chemical weapons of mass destruction, to “transport, store and safeguard such weapons in connection with their destruction; . . . prevent the proliferation of such weapons,” and assist in converting military production facilities to civilian purposes.³⁰ A 1995 GAO report indicated that Congress had authorized \$1.25 billion for these activities of the Cooperative Threat Reduction (CTR) program through FY 1995 and that the Department of Defense planned to request an additional \$735 million for the next two years.³¹

In November 1995, Harold P. Smith, Jr., assistant to the secretary of defense for atomic energy, summarized the accomplishments of the program in congressional testimony: the program helped facilitate the return to Russia of over 2,000 strategic warheads from Belarus, Kazakstan, and Ukraine, and more than 8,000 scientists and engineers who had worked on Soviet nuclear weapons were being supported by the program “in peaceful, civilian research projects.”³² He then listed additional achievements that the CTR program has facilitated, including:

Ukraine’s decision to denuclearize and its accession to the Nuclear Non-Proliferation Treaty as a non-nuclear-weapons state; early deactivation of all SS-24 ICBMs and one-half of the SS-19 ICBMs in Ukraine; the expediting of Russia’s compliance with the Strategic Arms Reduction Treaty (START) by helping to eliminate 212 submarine launched ballistic missile launchers, 378 ICBM silos, 25 heavy bombers, and 1,331 missiles, and the removal of over 1,000 strategic warheads from deployed systems; safe and secure withdrawal to Russia of 72 of 81 SS-25 mobile ICBMs and launchers from Belarus; and about 20 industrial partnership projects underway currently to convert NIS weapons of mass destruction facilities to civilian production.³³

These are important accomplishments. Unfortunately, both the Bush and Clinton administrations missed significant opportunities during 1992 and 1993. In spite of the immense national security and political reform potential of this part of the U.S. aid program, it seemed to have been given relatively low priority.

In June 1992, Presidents Bush and Yeltsin held a summit meeting in Washington, D.C. that included, among other outcomes, a joint statement in which the United States pledged to meet the Russian request for extensive assistance in both demilitarization and defense conversion. President Yeltsin and his key advisors sought this American help not only as a step toward more peaceful relations with the West, but also because they understood that a good part of the military-industrial complex could support democracy and reform, or turn strongly against it, depending on how they perceived reform changes impacting their futures.

The Russian military-industrial complex accounted for 15 to 25 percent of Soviet GDP. More than 60 percent of all scientists, engineers, and skilled workers were employed in military-related activities. These in turn were heavily concentrated in ten regions of Russia, where they played the preponderant role in the local political economy, and these ten regions accounted for about 45 percent of all eligible voters. The CTR part of the U.S. aid program could have provided employment and financial resources in the destruction and dismantlement of

weapons, as well as opened the way to the conversion of major military related facilities to genuine and economically viable consumer production.

Had that begun in 1992 and accelerated in 1993, it might well have prevented what in fact occurred and became visible in the December 1993 and 1995 elections: A significant proportion of the regional officials, managers, scientists, engineers, and skilled workers in the military-industrial complex zones concluded that reform in Russia meant impoverishment for them, with virtually no future opportunities visible. Therefore, many if not most shifted decisively against reform and supported the Communist elements in the local, regional, and national bureaucracies and enterprises who were opposing Yeltsin.³⁴

Illustrative of the missed opportunities of 1992 and 1993 is the fact that relatively few CTR projects were initiated and very few were implemented. As of June 1994—two-and-a-half years after Congress provided funds for this effort—the GAO found that only 23 percent (\$223 million) of the available funding had been obligated, and expenditures were considerably lower.³⁵ William Perry had worked on these issues as a Stanford University professor, and after he became secretary of defense in February 1994 much more attention and leadership was given to this program.³⁶

GAO mentions that the first Department of Defense plan for implementing this program was written in the spring of 1994 and that the FY 1995 National Defense Authorization Act required the Department of Defense to provide a report accounting for the CTR assistance funds by 5 January 1995.³⁷ Congress has taken a more continuing, in-depth interest in this program and for that reason has requested a number of assessments from the GAO. As of December 1995, the GAO found that the Department of Defense had spent \$362 million and had obligated \$880 million of the \$1.25 billion in available funding.³⁸

At the same time, the GAO concluded in 1995 that “CTR assistance provided as of June 1995 had been limited and the program still had to overcome numerous challenges and problems to realize its long-term objectives.”³⁹ Further, the GAO stated that “the limited number of projects reviewed by DoD raised some doubt about the validity of DoD’s overall determination that the assistance was being used as intended.”⁴⁰

At a November 1995 congressional hearing on the program, Congressman Dana Rohrabacher (R-CA) raised questions about published reports that some of the CTR funds were being used to finance continuing and expanded work on nuclear weapons systems, rather than on dismantling or destroying them. The questions raised by the GAO and the difficulties that seem to have attended efforts by the United States to do more in this domain in 1993-1995 suggest that the opportunities now and in the future may be fewer. It may well be that the window of opportunity for cooperative threat reduction and genuine defense conversion has been closing as the perceived political strengths and prospects of the Communists increase inside Russia.

Helping Build Open and Free Market Economies. The effort to encourage the establishment of free-market-oriented institutions and practices in Russia has in its various aspects been a major focus of the assistance program and probably

accounts for the greatest investment of resources—more than \$1 billion total to date. In November 1995 testimony, Dine described the accomplishments of this assistance as follows:

A true microeconomic revolution is underway in much of the NIS region. The first step was to break the back of the Soviet-era central planning, thereby “de-politicizing” the post-Soviet economies. Through mass privatization programs, economic decision-making is being restored to the grassroots: enterprises, shareholders, and entrepreneurs.

Starting from a base of nearly total state employment, ownership, and control in 1992, the pace of economic change is significant. Anders Åslund, a Swedish economist who served as an advisor to the Russian government, observed, “Russia has possibly undertaken the most impressive privatization of any of the Communist countries. . . . Private companies account for no less than 87 percent of industrial production.”⁴¹ While agreeing that inflation has been a serious problem, Åslund indicated that it is declining and that “the labor market is amazingly flexible . . . real open unemployment stays [at] 8 percent, significantly lower than in Western Europe. The worst unemployment is in northern Russia, where little privatization has occurred and state managers refuse to lay off workers or restructure state enterprises.”⁴²

It is also true, however, that the macroeconomic policy of the Russian government opened the way to the very serious inflation that wiped out the savings of most people, led to sharp declines in economic output, reduced living standards for many, and created a widespread sense of social and economic insecurity. Yet this also occurred in Ukraine and other post-Soviet republics where little or no structural economic reform was attempted, and there is evidence that privatization has contributed to improved productivity and better living conditions for many who are directly involved.

Although crime had been increasing in Russia during the later Gorbachev years and before the structural economic changes and mass privatization, the connection between organized criminal groups and privatization is firmly fixed in the minds of many Russian citizens. Shelley cites a 33 percent increase in organized crime and a 27 percent increase in murder since 1992, based on Russian government sources, and concludes that “the privatization process has resulted in a variety of criminal acts against citizens, including: extortion, fraud involving stocks and new investments, and murder for property such as homes and apartments.”⁴³

A more pessimistic analysis of the Russian economy notes that in 1995 foreign investment in Russia was only \$1.2 billion, while the Russian Ministry of the Interior estimated that capital flight from Russia in 1994 went from \$50 to \$80 billion and continued in 1995 at the rate of \$1.5 billion monthly.⁴⁴ In concluding their analysis, these close observers of Russia state: “It is possible that the Russian economy will remain for an extended period of time at a level of economic development that is about half of that when systemic change was implemented.”⁴⁵

The U.S. assistance program does not bear the responsibility for the current state of the Russian economy. And it is very likely that the privatization efforts undertaken with U.S. aid have made important positive contributions in the eco-

conomic realm. However, just as the late 1995 report of the coordinator for U.S. assistance made virtually no mention of democratic political party and trade union building efforts, so too it barely mentions the massive problem of organized crime associated in the public mind with the new economic institutions. One GAO report suggested that there should be greater “integration” between the very small anti-crime assistance and economic restructuring efforts.⁴⁶

Major U.S. Objectives and the Allocation of Aid Resources

In addition to assessing how U.S. aid activities have contributed to accomplishing the three major policy objectives, it is also important to consider how much of the total assistance effort has in fact been focused on those basic purposes.

Using GAO data for FY 1990 through 31 December 1994 and making a judgment about which program areas are actually related to the three key objectives, one is led to the conclusion that only 6 percent have been used to promote democratic governance, only 3.4 percent of expenditures have been used for the demilitarization and defense conversion, and only 11 percent of expenditures have been used to facilitate privatization and the building of free market institutions, for a total of 20 percent (or \$688 million) of expenditures focused on the fundamental U.S. objectives.

The results are somewhat better when obligations are considered, with 7 percent obligated for democratization, 11 percent for demilitarization, and 16 percent obligated to help build open and free market economies, for a total of 33 percent (\$1.867 billion) for the three core objectives. It is true that expenditures for democratic institution building and all programs involving support for individuals and groups are intrinsically less expensive than programs intended to have a large-scale impact on housing, health, environmental and energy facilities, organizations, and systems.

Nevertheless, it is evident that the U.S. assistance program has allocated too few resources for democratization, demilitarization, and defense conversion, and, comparatively speaking, too many resources for programs to develop infrastructure in Russia and for food assistance. These may well have met the purposes of elements of the Russian national, regional, and local governing structures but made very little contribution to the fundamental systemic changes that the United States intended to promote. USAID’s Dine emphasized on a number of occasions in his testimony to Congress that USAID would seek to reduce and eliminate “projects such as water purification, which are ‘good things’ in principle but do not represent systemic change. . . .”⁴⁷ This is an important and worthy intention that should be implemented, and part of the funds saved should be added to a much more extensive effort to help Russians build democratic political parties, labor unions, and related institutions.

Perspectives on U.S. Aid to Russia

It is true that the United States and the major democracies provided diplomatic support for the reform leadership of President Yeltsin once the Soviet Union unraveled in December 1991. It is also an important achievement of U.S. and

Western foreign policy that there has been a consistent policy seeking to encourage successful democratic and market-oriented transition when this seemed a possibility. However, there is a question as to whether the actual content of the policy defined as “engagement and integration” has been adequate to the needs and opportunities of the post-Soviet transition.

There are two ways of assessing government programs and efforts: by the magnitude of expended resources, or by the results achieved. By the first criterion, the United States and other major democracies have made an extraordinary effort to help Eastern Europe and then later Russia and many of the post-Soviet republics. Compared with the conventional functioning of national and international government organizations, large new programs were undertaken with far greater than customary speed. The leaders and staffs of these government and international organizations undoubtedly felt a sense of purpose and accomplishment in having moved so decisively—as one example, Russia and all the post-Soviet republics were made members of the World Bank and International Monetary Fund (IMF) by the end of 1992. The legislatures of the major democracies that allocated substantial funds in a relatively short time undoubtedly viewed themselves as having acted with wisdom and dispatch.

However, judging by the results attained in comparison with the enormous opportunities, these assistance efforts may one day be considered one of the greatest and most costly failures in contemporary history. Are the democracies destined repeat a pattern of losing the peace? After World War I, the peace was needlessly lost as the democracies passively watched while in once-democratic and peaceful Weimar Germany a combination of economic difficulties, political mobilization by the extreme Left and the extreme Right, the weakness of pro-democratic parties, and the 1932 national elections led to an aggressive dictator backed by a dangerous military machine. After World War II the United States as the preeminent leader among the victorious democracies, although possessing a nuclear monopoly, a dynamic economy, and an untouched homeland, did too little for four years while the leader of a Soviet Union devastated by the war used indirect aggression to help indigenous Communist forces bring five hundred million people under the control of eleven new pro-Soviet regimes. Since 1989-91, the United States and other major democracies acted, but without sufficient strategic insight, sense of purpose, timeliness, and effectiveness, to help fragile, weak, emerging pro-democratic groups and institutions consolidate and fundamentally change the political culture of Russia and the other post-Soviet republics.

Five Mistakes

What have been the mistakes? *First* and most important has been the failure among the most senior leaders of the United States and other major democracies to think carefully and completely about the kinds of assistance needed to help the peoples of the post-Communist countries establish democratic *political* institutions. This is all the more surprising since there was absolute clarity on the need to do this following the defeat of Nazi Germany, Fascist Italy, and Imperial Japan. Further, there had been much post-World War II experience in providing assis-

tance to encourage successful transitions such as in Spain, Portugal, the Philippines, Taiwan, South Korea, a large number of Latin American countries, and in other right-wing dictatorships. Those transitions from years of authoritarian rule were successful in part because of important help from the United States and other major democracies. It was in fact the administration of President Reagan that renewed the encouragement of democracy abroad as a significant purpose of U.S. foreign policy, and established the National Endowment for Democracy and its affiliated political party, labor, and business organizations as means whereby the United States could provide timely assistance to emerging pro-democratic institutions abroad.⁴⁸

As vice president, George Bush had witnessed the success of President Reagan's pro-democratic policy, and as president from January 1989 to January 1993, his rhetoric and actions conveyed a clear U.S. commitment to assist in the establishment of democratic institutions and market-oriented economies in the post-Communist countries. Indeed, American leadership, from the fall of the Berlin Wall in November 1989 to the dissolution of the Soviet Union in December 1991, made essential and strategically brilliant contributions in bringing about the reunification of Germany within NATO. This assured the end of the Warsaw Pact, encouraged the pro-democratic leaders in Eastern Europe and within the former Soviet Union, and clearly provoked Soviet hard-line Communists to attempt to reverse Gorbachev's reforms and stage the failed 1991 coup attempt. Gorbachev never intended that Germany be reunified within NATO and was led to assent to that development by brilliantly conceived and implemented U.S.-German cooperation, for which President Bush has received little recognition.⁴⁹

The response of the United States and the major democracies to the events and opportunities of 1990 was an existential process—it did not derive from a comprehensive effort to establish a strategy for the democratization of Central and Eastern Europe. Given the success with German reunification and the free and fair elections held that year in East Germany, Hungary, and Czechoslovakia, it can be said to have been an effective approach. But the response of 1990 set a pattern whereby the highest leadership of the United States and the other major democracies focused on the international diplomatic aspects of the post-Communist transitions (e.g., German reunification, strategic arms limitation, and nuclear weapons transfers within the former Soviet Union). While the leadership of the U.S. government strongly endorsed democratization in principle, the issue was left to what soon became a routine process of bureaucratic coordination managed by the Department of State. Moreover, economic assistance to the post-Communist countries was in effect defined as a technical issue mostly to be delegated to the international financial institutions, such as the World Bank and the IMF, and to the European Community.

The *second major mistake* was the failure to understand that identifying and providing *timely* assistance to genuinely pro-democratic leaders and groups is a major requirement for the success of post-Communist transitions. When the dictatorships unraveled, the United States and other major democracies could have and should have undertaken an analytic effort to identify those leaders and groups

that seemed to be genuinely committed to democracy. Having done this, and understanding that timely assistance to these groups was essential, the democracies should have found ways to provide the encouragement and levels of support needed to go beyond having an initial political effect to the building and consolidation of pro-democratic movements and institutions.

Instead, while some of this was done, it was much too little in terms of the objective opportunity and requirements. Therefore, emerging pro-democratic groups often found themselves at a significant disadvantage, as renamed Communist parties and Communist-controlled organizations such as the labor unions linked to the old regime made political use of their long-established networks, former government connections, and comparatively huge amounts of money and property. In 1992, leaders of democratic movements in Poland and Hungary—three years after the unraveling of the Communist regimes—wondered why they received so little help, or even encouragement, from the West, while the Communists in their countries continued to draw on their internal resources and received open and clandestine help from hard-line Communists in the former Soviet Union.⁵⁰

A private sector initiative, the Kriebler Institute, established by Dr. Robert Kriebler and Paul Weyrich, demonstrated the enormous amount of help that can be provided with comparatively small resources. Starting in 1988, the Kriebler Institute provided seminars and training experiences in theory and practice of political democracy and the market economy for interested leaders. This was done first in Eastern Europe and then in the Soviet Union and successor states; through 1995, these seminars reached more than twelve thousand leaders from twenty-one post-Communist countries, including Yeltsin and his key advisers in 1990-1991.⁵¹ The Kriebler Institute established a network of pro-democratic and pro-free-market activists. The U.S. government could have learned much from this example.

Rather than the government's ad hoc approach (an initiative here and there to support pro-democratic groups) the approach that should have been taken in Central and Eastern Europe and later in Russia, Ukraine, and the other post-Soviet republics might have involved a high-level group in Washington and the other major democratic capitals, and a U.S.-led Western team within each country focused on the encouragement and building of pro-democratic political, labor, and other civic institutions. These groups could have compared progress on a country-by-country basis at least monthly and the president of the United States and the leaders of other major democracies might have met personally with their senior staff on these issues at least once every two to three months so they could assess progress and identify needs for further actions.

The return of Communists to national office as a result of winning pluralities in reasonably free elections against the democratic parties in Lithuania (1992), Poland (1993), and Hungary (1994)—three countries where the overwhelming majority of the people had most emphatically repudiated communism—might not have happened if this type of political assistance had been emphasized and given in time. This process of Communist return to governance through political competition and elections in Central and Eastern Europe and Lithuania has established a negative example for the future in Russia and other post-Soviet republics.

It is important to note that in contrast with the billions of dollars expended on economic and other forms of technical assistance, aiding the process of democratic institution building is relatively inexpensive. A well-timed and focused \$40 to \$60 million annually for democratization could have made an enormous positive difference. However, democratic institution building does require the participation of highly skilled and committed individuals from the major democracies who combine an understanding of the political history and challenges facing the country where they are to work with the capacity to make realistic judgments about and among leaders and organizations, along with a willingness to provide some continuity by serving for two or three years.

The *third major mistake* was a misguided and often implicit economic determinism about the transition process. While the leaders of the major democracies continually emphasized the twin goals of democratic and economic transformation, virtually all high-level attention and resources were devoted to large-scale macroeconomic stabilization assistance and privatization projects. Many in the West seem to believe that increased economic pluralism and prosperity in Russia, Ukraine, and the rest of the former Soviet Union would necessarily lead to political liberalization and ultimately to genuine democracy.

This could occur, but the lesson of contemporary history is such that a political transition is by no means inevitable. Many rightist dictatorships in Europe (Spain, Portugal), Latin America (Brazil, Mexico, Argentina), and Asia (Taiwan, South Korea, Philippines) experienced decades of economic growth and increased prosperity without establishing democracy. Only the combination of the courageous quest for freedom by domestic pro-democratic groups and Western encouragement for their efforts, along with changes in the views of the authoritarian ruling groups, brought movement toward democracy.

In fact, two countries with Communist regimes and long experience with economic pluralism, the former Yugoslavia (since 1970) and China (since 1978), demonstrate it is possible, in the absence of the development of pro-democratic civil institutions, for Communist dictatorships to rule by maintaining their hold on the government along with the military and secret police organizations—this despite visible, dramatic, and widespread economic progress. These two examples have also demonstrated that massive amounts of Western assistance and investment can be provided to Communist regions and can result in marked economic improvement and some degree of marketization while the dictatorial regime remains in power. There is nothing automatic or inevitable about economic assistance or improvement leading to political liberalization and democracy.

A further important argument against this unspoken economic determinism is that a long-term combination of economic improvement and continued Communist rule (e.g., China) would actually contravene the fundamental interests of the major democracies. It is not in the interest of the United States and the other major democracies to tax the earnings of their citizens, transfer these to the renamed and refurbished Communist nomenklaturas—especially in nuclear armed states—and help them improve economic productivity and efficiency while they remain under authoritarian political direction and are, therefore, potential sources of danger in the future.

A *fourth and related failure* has been the decision of the United States and the major democracies to “leave everything to the IMF and other international financial agencies” when it comes to economic assistance.⁵² Although the United States, Germany, and other major democracies have bilateral economic aid programs of their own for Russia and other post-Soviet republics, the bulk of international economic assistance has been either directly managed by the IMF, the World Bank, and the European Bank of Reconstruction and Development or has been significantly shaped by the leadership of those organizations, who, in effect, have been given the key responsibility for assisting the economic transformation of the post-Communist countries.

This handing off of major responsibility for designing as well as managing the assistance programs to the international financial organizations has been all the more misguided in light of the widespread assumption that a successful economic transition would necessarily mean a successful democratic transition. In doing so, the United States and the major democracies followed the path of convenience rather than wisdom.

After all, virtually all the technical economists in these international organizations have spent their professional lives dealing with conventional macroeconomic and investment issues in (mostly small) developing countries, virtually all of which were in the Western international economic system, with mixed economies. Few of these economists had experience of any type with any Communist countries. And, by definition, none had any experience with the system-wide transformation of a Communist economy. Their unfamiliarity with the economic side of communism was compounded by their ignorance of the political history, organization, and adaptive stratagems of Communist regimes and movements. As the dismal results make evident, neither the economists nor their respective organizations were prepared for the responsibilities that were suddenly given to them.

Åslund commented, “The IMF and its efforts in Russia reflect the wishes of the leading Western countries to look concerned but to actually provide a minimum of financing.” Even in matters where only advice and not financing was involved, such as on the preservation of the ruble zone, Åslund was equally critical: “The record could hardly be worse and the effects have been horrendous, demonstrating a serious flaw in the functioning of the IMF.”⁵³

Rather than having mostly delegated this task to these organizations, the United States and the major democracies should have assembled teams of individuals who understood both the politics and the economics of the Communist countries. Those individuals should have been asked to devise practical strategies and means to encourage the building of pro-democratic political institutions and to use economic assistance and resources as a complementary means. Such a political-economic advisory group could have suggested ways to link economic assistance to the empowerment of pro-democratic leaders and groups within situations of political struggle and resistance by Communist and ultra-nationalist opposition groups.

A *fifth failure* was the inability of the United States and the other major democracies to organize themselves effectively to formulate plans for, and to adminis-

ter, political and economic assistance to the post-Communist states. Although the G-7 meetings always took up the issue of economic assistance, especially to Russia, and despite numerous other international meetings, there has been little real strategic planning or administrative coordination among the major democracies on a month-to-month basis. Further, the United States, as perhaps the most important in defining policy and one of the most important in providing resources, did not organize itself to deal with this historic opportunity effectively.

The U.S. government allocated most of its assistance funds through existing agencies using the normal competitive procurement process which, while certainly desirable and appropriate for routine government services and products, became a time-consuming obstacle to the capacity of the United States to provide timely assistance. The procurement process for assistance to help pro-democratic institutions or privatization usually was unduly lengthy—USAID testified in 1995 that the average was twenty-seven months. There also was a tendency on the part of the U.S. executive branch to work with the same organizations that it had chosen for economic development projects in Third World countries, since they had mastered the bureaucratic procedures involved in obtaining and administering government contracts. Unfortunately, virtually none of these organizations had any experience in or knowledge of the former Communist countries.

One investigative report on the U.S. assistance program to Russia reached the following conclusion: “AID’s cumbersome application procedures favor contractors with contacts inside the agency—who frequently are former AID employees. . . . Once contracts are awarded, bureaucratic hurdles slow their implementation; meanwhile what administration officials have hailed as an historic opportunity to help shape the course of reform in the former Soviet Union is slipping away.”⁵⁴

A Strategy for Effective Assistance

A number of premises should underlie the Russian aid program of the U.S. government:

- Final responsibility for the establishment, maintenance, and consolidation of democratic and free-market-oriented institutions rests with the citizens of Russia and the other countries in transition—their actions and decisions will shape their destiny.
- Political and economic transitions from dictatorship usually require ten to twenty years before consolidated institutions are in place.
- There will be a continuing struggle between those seeking political and economic freedom and those of the extreme Left and extreme Right who favor authoritarianism.
- It is possible through systematic observation and analysis to identify genuinely pro-democratic/free market groups and leaders, and such analysis is an important precondition for effective programs of assistance.
- External encouragement and assistance can increase significantly the prospects for the success of those seeking to establish political democracy and free market institutions in Russia and other transitional countries.

The essential qualities of a political democracy are that all citizens have freedom of speech, assembly, and association, and equality before the law; and that governments are chosen through reasonably fair, open, and competitive elections held at regular intervals. The essence of an effective strategy of democratization is systematically to help reform-minded citizens of a country in transition establish, build, and strengthen the fundamental institutions of democratic self-governance. For each of those fundamental institutions—parties, labor unions, independent media, civic associations—it requires the following:

- **To provide the needed leadership and oversight** in the U.S. government, the president should establish and chair a democratization review group, to include the secretaries of state, defense, and

- treasury, the director of central intelligence, and no more than two staff officers working for each cabinet-level participant. Meeting at least monthly (preferably biweekly), the group should give the president an assessment of the current development of pro-democratic

“ . . . the United States . . . did not organize itself to deal with this historic opportunity effectively.”

- institutions and of the trends in political influence among the competing pro-democratic and anti-democratic elements in Russia, Ukraine, and other key post-Communist countries. This assessment should include a summary of the actions being taken and resources being committed by the United States, other leading allies, and relevant multilateral institutions, along with proposals for changes in strategy, approach, and resources. This assessment should be coordinated by the national security advisor or a special assistant to the president, who would also convene and chair a preparatory meeting at the subcabinet level.

- **Survey and analyze the range of groups** seeking to establish democratic parties, labor unions, and related organizations.

- **Make a judgment about which are genuinely pro-democratic** and which leaders and groups seem to have the potential to play a constructive and significant national role.

- **Provide those selected with technical and other forms of assistance** including—if this is requested—skilled personnel who can develop in-depth relationships and make additional resources available if needed. This is a nurturing and encouraging process that takes special people with excellent language skills, political sensitivities, and a realistic understanding of the challenges being faced.

- **Help empower the major emerging pro-democratic political, labor, and associational institutions** by funneling humanitarian and economic assistance through them rather than through government and other organizations, which are often dominated by the anti-reform elements of the old regime.

- **Link economic and many other forms of assistance** to Russia and other post-Soviet republics to pro-democratic organizations having the freedom to function, organize, and grow.

- **The United States should take the lead in designing a new economic assistance strategy** that accomplishes two purposes simultaneously: provides

political support to pro-democratic leaders and institutions, and contributes to economic improvement through expansion of the genuinely private and market-oriented sector, including a capital market, without causing massive reductions in the standard of living.

- **Increase funding for Radio Free Europe and Radio Liberty.** Both are still essential in an era of still-fragile and often diminishing media freedom in the post-Soviet republics.

- **Use short-term visits and exchange programs** to give encouragement and visibility to leaders of the pro-democratic movements.

A corollary to this affirmative approach to democratic institution building is a sense of realism about the leaders and institutions opposing or likely to oppose democratization and a strategy that might persuade some of them to reduce or end their opposition to democratic reform. In Russia, the obvious anti-reform institutions would be the Communist parties, ultranationalist authoritarian parties, the members of the former Communist elite in most government organizations at the federal, regional, and local levels who continue to view themselves as Communists (the *nomenklatura*) and who want to preserve their power and privileges, many but not all in the military-industrial complex, and many but not all in the military and the successor organizations to the KGB.

This is obviously a formidable array of anti-reform institutional resources. Some are clearly beyond any likely effect from the United States or other international participants in the short term: the various Communist and ultranationalist parties and other political movements strongly opposed to democracy. Nevertheless, there are a number of practical actions that might have a positive effect on some leaders and members of the major institutions opposing democratic reform, such as the following:

- **Make more effective and active use of the Cooperative Threat Reduction funds** for demilitarization and also to initiate additional economically viable conversions of military production facilities that would link U.S. aid funding with larger amounts of start-up funding from the World Bank, the European Bank for Reconstruction and Development, and similar sources.

- **Expand significantly the program of military contacts** to build confidence in the peaceful intentions of the United States, and to open opportunities for post-military careers, such as through partnership programs of the type established with twenty U.S. states through the National Guard State Partnership Program.

- **Focus assistance on helping both the military and civilian leadership understand the key concepts of democratic-civil military relations** and on helping the legislature to institutionalize a genuine process of oversight over both the military and the security institutions.

- **Link the movement toward democracy and trade opportunities: “Free trade with free countries”** should be the policy of the United States. This means that only countries that are democratic or making a genuine transition to political democracy and free markets—where both labor and business have the political freedom to articulate and defend their interests—would receive Most Favored

Nation trade status. This would provide positive incentives for Russia to permit greater political and economic freedom. Also, this would protect the working citizens of the United States from the intrinsically unfair and destructive economic effects of free trade with countries such as Communist China, where the labor force is sharply underpaid as a result of political coercion.

Democratization aid is the best foreign aid investment the citizens of the United States can make: a democratic Russia will be a peaceful Russia. This aid may provide the only means we have of helping to prevent some form of Communist restoration in Russia and a number of other post-Communist countries.

NOTES

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