Between Appeasement and Coercion: Russia's Center-Periphery Relations from Yeltsin to Putin

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Russia's multiethnic character has always been a fundamental yet often underestimated part of Russian politics. Both tsarist Russia and the Soviet Union crumbled when economic crisis and bureaucratic collapse coincided with a rebellion of minority peoples. Until 1990, only a handful of Western scholars paid attention to the problem, but it has been quite broadly discussed since. The Russian Federation, as a nation-state under reconstruction, inherited some dilemmas from its predecessors. Today, government and power structures in Russia still must cope with a great variety of ethnic groups in a vast country.

The task of holding together a multicultural state was the first challenge to Russian president Vladimir Putin, and it is still high on his agenda. Under his leadership as Russia's prime minister in 1999, Moscow restarted the protracted war against the breakaway republic of Chechnya. Putin and the Russian elite justified the intervention with a straightforward argument: If we do not prevent Chechnya from seceding, a precedent will be set, and the whole Russian Federation will eventually collapse. The notion of a dangerously weak Russian state has been the talk of Moscow ever since the Russian Federation emerged out of the ashes of the Soviet Union. The common wisdom about the past and present of the Russian state is as follows: In the Yeltsin years, Russia was close to falling apart. In relation to the center, the autonomous republics became too powerful because Yeltsin's regional policy was in disarray. Now, President Putin is gradually returning order to Moscow's relations with its regions and republics.

I would like to address those assumptions and argue that (a) Russia went through stormy waters in 1992 and 1993 but then the tide of secessionism receded; (b) Yeltsin developed a practical, though economically inefficient and costly, mode to prevent regions and republics from leaving the federation; and (c) Putin has indeed fundamentally altered Yeltsin's regional policy. His drive toward centralization is designed to enhance economic efficiency, though it may damage the

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vulnerable center-periphery relations. This policy cannot resolve the structural identity problem in the Russian Federation.

The rebellious republic of Chechnya is at the core of the general misunderstanding of Russia's federal relations. At the height of the first Chechen campaign, Bill Clinton praised Yeltsin as the savior of the Russian Federation and compared his efforts to those of Abraham Lincoln during the American Civil War. However, as champions of federalism, Yeltsin and Lincoln had less in common than Clinton thought. The first and the second Chechen wars were never fought for the sake of a durable federation. The crusades on the northern Caucasus lacked a clearly defined military cause. They were triggered more by Moscow's political struggles, partisan economic interests, and settling of old scores than by any earnest effort to stabilize Russia.1 Remarkably enough, the Russian government launched the first campaign a year after a consensus on a new constitution was reached, and when the power-sharing treaties with the republics had just been signed. Furthermore, both Chechen offensives, in 1995 and 1999, were launched in election years. That is key to understanding the Chechen imbroglio in Russian politics.

In contrast, it was not war but peaceful compromise by which Yeltsin managed to hold the rest of the federation together. By examining one case, that of the Republic of Sakha, or as native Russian speakers refer to it, Yakutia, I will illustrate the subtle bargaining process that prevailed in the Russian Federation throughout the 1990s. Eventually, I will try to assess President Putin's first steps toward reforming the federal structure of Russia.

The Republic of Sakha, located in the northern part of the Russian Far East, is a territory the size of India but with a population just half the size of Slovenia's: one million. The capital, Yakutsk, a former cossack fortress, can be reached by plane from Moscow all year round, by ship on the Lena River if there is no ice, and by car if the roads are frozen. There was no railway built to Yakutsk. In the summer, heavy rains and unpaved roads promise a rough ride of several days from Magadan or Irkutsk, which even veteran travelers in Siberia prefer to avoid. In Yakutsk, bookstores sell a road atlas of Sakha, of sixty-five pages, displaying all routes of the republic in impressive red, yellow, and green lines.2 At a closer glance, one realizes that only 150 kilometers of red-marked roads are actually paved, and only in the greater area of the capital. The rest of the vast country has so-called avtozimniki instead of roads, that is, trails that may be used as soon as temperatures drop well below 30 degrees Fahrenheit. Sakha is home to the polius kholoda, the coldest spot on earth, where temperatures of -94 degrees Fahrenheit have been established. In this area, children get a day off from school when temperatures drop below -67 Fahrenheit. Their parents live mostly in gold mining settlements, modest towns with pretentious names such as Pobeda (victory) and Entuziastov (enthusiasm). Today, there is not much enthusiasm left, but mining goes on despite low gold prices.

Sakha's pride and source of wealth are its natural resources. The republic is endowed with diamond pits, gold mines, oil and gas fields, coal mines, and an abundance of precious metals. It generates 25 percent of the world's production of diamonds. Despite its riches, the country is dependent on Russia's electricity.
grid. To develop the mining industry, hundreds of thousands of settlers from central Russia and Ukraine poured into the country in the 1960s and 1970s. They turned the demographic table upside down. In 1989 half of the population was Russian and just one-third Sakha. Both the wealth of the republic and its complex demographic structure explain the manner in which the republic embarked on its quest for sovereignty in the early 1990s.

When the Soviet Union fell apart, Russian leaders were faced with the task of shaping a Russian state in a territory where other peoples aspired to the same goal. Not only the Chechens but the Tatars, the Komi, and the Yakuts desired to establish their own states out of the ruins of the Soviet Union. Thus, local historians wrote histories of their peoples and published books on the victims of the Gulag and of Soviet oppression. Monuments to the victims were erected, and new laws established the local languages as equal to Russian. In Sakha, proponents of a nationalist movement discussed several blueprints of a declaration of sovereignty, and in September 1990 Sakha declared itself a sovereign state as part of the Russian Federation. The document asserted that Sakha's natural resources were the property of the republic and that its people enjoyed the right of self-determination. Yeltsin was the first Russian leader to recognize that. During a visit to Yakutsk in December 1990 he acknowledged publicly, "Whatever share the Yakut people are willing to give Russia voluntarily, they may give. What they would like to keep hold of they shall retain." That was equivalent to his legendary statement in Bashkortostan, where he encouraged the people, "Take as much sovereignty as you can swallow."

Yakut president Mikhail Nikolayev, who made his career in the Yakut Communist Party, played a significant role in this process. He worked toward a close relationship with Yeltsin, and Yeltsin responded adequately. Nikolayev supported Yeltsin during the coup d'état against Gorbachev in 1991 and in the struggle against the Supreme Soviet in 1993. At the same time, good relations with Yeltsin gave him a free hand to establish his control over the diamond pits and gold mines of the country. When it was useful to stir up emotions against Moscow he would refer to the central government's rule as "colonial." Nikolayev withheld taxes in 1993, as did Tatarstan, Bashkortostan, and, it goes without saying, Chechnya. Furthermore, he ceased to supply central authorities with gold and diamonds to improve his bargaining position. When the Sakha nationalist movement demanded to go further in demolishing ties with the federal center, he would try to restrain them and to refocus their attention on simple control of national resources.

In contrast to Tatarstan, the political movements in Sakha, called Sakha Omuk and Sakha Keskile, never evolved into fervent national parties. Nevertheless, there was interethic conflict; demonstrations and clashes between Russian and Sakha university students had already occurred in 1986, and even earlier in the late 1970s. The trouble for the Sakha nationalists was that the republic's diamond pits were located in an area predominantly inhabited by ethnic Russians. Their deputies threatened to form an autonomous Russian region around Mirnyi if the Sakha nationalists went too far. Nikolayev cautiously maneuvered between both sides. His balanced approach paid off, as he managed to contain the nationalist
movements and eventually drive them into insignificance. That is precisely what happened in most of the other ethnic republics where the old communist elite prevailed. In the eyes of many, the regional leaders had transformed themselves into the heralds of sovereignty. It was Nikolayev who determined Sakha’s relations with Moscow, not the national movements. His objective was not independence, but he certainly aimed at controlling the sources of income within the republic. In 1991–94, Nikolayev succeeded in expanding his control over key industries, natural resources, and political institutions. Although in the early 1990s Russians were a relative majority in Sakha, 60 percent of the members of parliament were Yakut. As far as statehood is concerned, sovereignty is limited to symbols: a flag, a constitution, a national anthem.

Sakha, like almost all of the ethnic republics, signed the Russian constitution, which limits their sovereign rights, and agreed on a power-sharing treaty with Moscow that recognizes the special status of the individual republics in the federation and endorses their privilege to control part of their natural resources. By signing those treaties, Boris Yeltsin shaped a very special brand of federalism, which has been called asymmetrical because of its complicated structure of eighty-nine entities with different statuses. The enhanced standing of the ethnic republics in relation to the Russian regions grew out of the power struggle in Moscow in the early 1990s, when Yeltsin courted the republics for support against his political rivals in Moscow. However, the real threat of secession evaporated after Yeltsin celebrated victory over his foes in the Russian White House in 1993 and established a solid central government. When the new constitution was in place, Yeltsin felt strong enough to adopt a policy of consensus without yielding to separatism. For a long time the agreements with the republics seemed to suit both the Russian authorities and the local elites. Through the Federation Council in Moscow, republican leaders were consulted and committed to the decision-making process of the center. By using subsidies and tax breaks to selectively accommodate those regions most inclined to protest or secede, the central government managed to defuse crises in potentially rebellious regions before they could spread. The American economist Daniel Treisman called this strategy “fiscal appeasement,” referring to the special way in which Great Britain preserved its empire after it had reached the pinnacle of expansion. In Russia, there was no grand design behind it. But even as an impromptu policy, appeasement paid off in support for Yeltsin. In the 1996 presidential elections, Yeltsin found his strongholds specifically in the ethnic republics. Non-Christian regions with a high percentage of non-Russians voted for the incumbent, putting Yeltsin in first place, whereas the predominantly ethnic Russian regions mostly voted for Zyuganov.

In that context, it was crucial that Boris Yeltsin and his political advisers in the Kremlin administration never found the national idea they were searching for in the second term of Yeltsin’s presidency. During the protracted struggle against his communist adversaries in the early 1990s, Yeltsin had successfully maintained that Russia did not need any ideology. He changed his way of thinking when he moved toward a less reform-minded, more centrist line in the mid-nineties to raise support for his ever-contested presidency. However, a nationwide competition for
such an idea in 1996 did not produce any viable concept for the whole federation, and probably for the better. Yeltsin managed to contain the tide of outright secessionism particularly because he failed to promote a genuine state ideology or national idea against which nationalist movements might rally.

By contrast, Vladimir Putin has embarked on the inverse strategy. From the day he became president, he has called for a new national idea, advocating belief in the greatness of Russia, in the unity of Russian society, and in a strong Russian state. The claim was designed to rally support for his reform policy, a centerpiece of which is centralization to enhance efficiency. Many Russians are receptive to that. After the traumatic crisis the country went through in 1998 and the numerous humiliations the Russian people experienced in the Yeltsin era, they support the call for a national venture to rebuild Russia and to take on its enemies, who are, in the dominating view, the notorious oligarchs and overambitious presidents of certain ethnic republics. To be sure, a new national policy toward the regions is not Vladimir Putin’s genuine brainchild; it had been discussed repeatedly in the second term of Yeltsin’s presidency. It was Prime Minister Yevgeny Primakov who warned in 1998 that the self-centeredness of Russia’s regions threatened the cohesion of the country and caused economic failure.

Vladimir Putin agreed in principle and launched a comprehensive reform to restructure the federation. It is a work in progress, and it will stay as such for a while. Putin so far has reduced the role of the Federation Council in Russia, in part by gradually eliminating the leaders of the regions from it. As a gesture of reconciliation, Putin has founded a state council that gives the governors an opportunity to convene in a pompous Moscow setting without being able to influence federal politics. To strengthen the dominance of the central government over the regions, Putin has taken up an idea that Yeltsin advocated briefly in 1990, which is to divide Russia into districts instead of republics and oblasti. Yeltsin abandoned that plan as the ethnically non-Russian regions threatened to secede, but Putin has gone ahead with it. He has appointed to the districts seven presidential representatives who are supposed to oversee the regions, particularly the ethnic republics. The representatives try to progressively take control of local media and other state-run institutions. They build up parallel state structures in the regions, with an advanced system of monitoring regional affairs and interfering in them. The republics have to bring their legislation into accordance with the federal constitution that was written in 1993, later than most of the republics’ basic laws. Federal administrative courts will serve as part of the mechanism that allows Putin to fire elected local leaders if they act against the constitution. Prob-
ably most important, on Putin’s behalf, the Duma has redrawn financial flows from the regions to the center by passing a new tax code. The crucial question is whether Putin’s representatives will eventually wrest control of the regions’ financial resources from the local leaders.

In Sakha in August 2000, reactions to those developments were rather unperturbed. Officially, President Mikhail Nikolayev vowed support for Putin’s reforms and used the sincerest form of flattery: imitation. He presented a plan to divide Sakha into seven administrative districts according to the federal example. Alexander Ishkov, Nikolayev’s minister for relations with the federal center, emphasized that he saw no reason to be concerned. First, Putin’s representative to Sakha would have his headquarters in Chabarovsk, which is 1,500 miles away from Yakutsk. Wittily, Ishkov quoted Saltykov-Shchedrin’s classic observation that the Russian laws are rigid, but conditioned by their nonbinding character. Second, he emphasized that the Russian population is steadily diminishing. Many mining settlements in the north and east of Yakutia are undergoing restructuring: Gold mining is being reduced to four months in the short summer; then the whole town closes down. Russians and Ukrainians who were born there are moving away from the settlements to Russia. Ten years ago, Russians represented a clear majority in Sakha, whereas today there are only 30,000 to 40,000 more Russians than Yakuts, and that number is quickly going to change in favor of the latter. Third, an adviser to the Yakut president said that if worse comes to worse, Sakha will have a variety of levers at its disposal to hamper the implementation of reform and disrupt the agreements on transferring diamonds and gold to the federation. A scholar at the Institute of State Building, at the University of Yakutsk, went even further by hinting at other options: The national movement is dormant, but not dead.

Such allusions are not secessionist threats but rather demonstrations of the self-confidence of a ten-year-old republic. It will be a daunting task to effectively strip republics like Sakha or Tatarstan of the privileges they have enjoyed for almost ten years. It is not popular uprisings or all-out resistance that is looming. It is rather the refined art of hindrance and obstruction on a local level that could ultimately impede reform. Putin has initiated his overhaul of federal relations in the name of efficiency and economic reform. It was precisely the powerful presidents of the ethnic republics whom Kremlin officials viewed as obstacles to the reorganization of federal relations. In January 2001, however, the State Duma passed a bill that allows sixty-nine local leaders out of eighty-nine to seek a third and a fourth term. The Kremlin supported the move, which runs counter to the constitutional provision that confines Russian leaders’ time in office to two terms. Thus the federal center has endowed the presidents of the ethnic republics with an opportunity to further strengthen their rule in their fiefdoms. It remains to be seen whether Putin’s strategy of coercion and control is ultimately more efficient than Yeltsin’s tactics of accommodating the republics.

Undeniably, potential sources of support are limited. Contrary to his declared quest, Putin will have no uniting national idea at hand to encourage both the Russian regions and the ethnic republics to support his efforts. The Russian president
has a fundamental problem in addressing the whole nation, which is not exclusively Russian. Here is where the country's structural identity crisis comes out in the open. A purely Russian, great-power projection plays well with the ethnic Russians but works poorly in the republics. The war in Chechnya repulsed not only Muslim Tatars, but also Shaman Yakuts and Buddhist Buryats. Both Yakuts and Buryats also resent Putin's adamant statements that Russia is a great European power. "We are by no means Europeans and we do not want to be" is a widespread reaction in the Far Eastern republics to President Putin's overtures to Europe. It is not clear yet whether Putin is trying to create purely supranational entities in a Russian national state. If he does he will definitely meet enduring resistance in the regions. The processes of nation building in the Far East may be slow and quiet, but they cannot be reversed or simply forgotten, even less so in the Volga republics or the North Caucasus. Today in the Far East, beyond Lake Baikal, live no more than seven million ethnic Russians. With the steady decline of the Russian population in the area and the demographic pressures of neighboring China, the potential for new secessionist threats cannot be excluded in the long term.

To be sure, Putin lacks other viable options. A truly multinational profile of a political nation seems inconceivable for the country, as long as the majority of Russians and their elite reject the idea. They represent more than 80 percent of the population, almost all of whom live in the western parts of the country. Most of them view the Russian-speaking populations in neighboring countries as brothers and sisters. A purely political, nonethnic understanding of a nation would make any Russian concern for Russians in other CIS states baseless. Some ethnic conception of a national idea in the Russian Federation must persist if Moscow desires to grant the Russians in neighboring countries citizenship in the future. However, in an ethnically defined environment, the Yakut, Tatar, and other peoples will passionately insist on their respective national identities.

Vladimir Putin is bound for a rocky and winding journey if he persists down the road of the federal reforms he has planned. He is determined and displays a great deal of energy in his attempts to work out centralization. Others have addressed the matter before him, Alexander III and Stalin among them. But history tells us that their successors were always forced to relax their centralizing efforts. Today's tug of war between the center and the regions bears risks not only for local leaders on the defensive, but also for President Putin. In granting influential local leaders the right to seek a third or fourth term he reveals the first signals of compromise. If his centralization effort fails, more concessions to the republics will be inevitable.

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