



Property, Democracy, Trust: Evgeny Yasin on the Russian Revolution and Its Prospects

By Leon Aron

*There is not the slightest doubt
that things in the Colony are not going as desired,
though in some way or other we are going forward;
perhaps, as many people think, the time has come
to call in a Political Reformer.*

*However, the handicap and the hardship
are that these Reformers make
a big story out of everything.
(It would be a blessing if one never
needed them.) For everything,
for the least thing, they inquire and investigate,
and immediately they think of radical reforms,
with the request that they be executed without delay.*

*. . . And as they proceed with their investigation,
they find and re-find excesses that they seek to stop,
things however that are hard for one to suppress*

—Cavafy, “In a Famous Greek Colony, 200 B.C.”¹

Like General MacArthur’s old soldiers, great reformers never die: they just fade away. Yet as they do so, they rarely stop thinking, with passion and insight, about the past and the future of what they started. Listening to them is not easy. Like true artists, they are never happy with the results. But, distilled by wisdom and experience, the lessons they care to impart are well worth heeding.

At least such is the case of Dr. Evgeny Yasin, Russia’s leading liberal economist, one of the earliest and most influential theorists of the Russian

economic revolution and mentor to those who led it, advisor to Soviet and Russian governments from Gorbachev to Putin, and minister of economy from 1994 until 1997.

In a tribute to Yasin on his seventieth birthday in 2004, the architect of Russian market reforms Egor Gaidar said: “You have created market economy in Russia. Today, I know, you are worried about Russian democracy. Can’t you leave something for younger generations [to be concerned about]?”² Instead, a year later, Professor Yasin wrote a book. Titled *Will Democracy Take in Russia?* the volume’s 379 pages of small, densely packed print review the results of the democratic

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revolution of 1989–99; analyze what readers of *Russian Outlook* essays know as the “Putin restoration;”³ and assess Russia’s political, economic, and social prospects in light of the country’s distant and recent history.

The Revolution, “Early Capitalism,” and “Young Democracy”

Yasin traces the origins of the “democratic revolution” of the late 1980s and early 1990s to the decision by Mikhail Gorbachev to embrace “democratization over the empire” and to Boris Yeltsin’s choice of a market economy over central planning.⁴ The revolution removed the three key obstacles to Russia’s progress: a closed, state-owned economy; a “totalitarian communist” political system; and a multinational empire, the maintenance of which required enormous expenditures and perpetuated dictatorship at home.

Like every revolution, Russia’s was attended with hardship and dislocation. Yet contrary to the view energetically and persistently propagandized by the Kremlin, the primary cause of the privation in the 1990s was neither the revolution nor, even less so, the “oligarchs who looted the country.” It was the deep crisis and, eventually, the collapse of the Soviet economy, done in by structural imbalances and controlled prices, which led to the production of goods and machinery that no one wanted; the autarky, which rendered most of its products uncompetitive in the world market; the waste-making “virtual” factories employing millions; the unprecedented militarization of the economy; and the incompetence and corruption of *nomenklatura*, who administered the economy in the Communist Party’s name.⁵

It is from the depth of this crisis that Russian market reforms were launched—burdened and nearly crushed with the legacy of an impoverished and exhausted state socialism, amid state monopolies, and in the absence of private investment capital. In addition, the much admired “velvet revolution,” which spared virtually the entire Soviet elite, preserved the former economic *nomenklatura*. The result was collusion of corrupt bureaucrats still in control of much of the country’s wealth with first-generation entrepreneurs, who were never certain of their property rights and navigated daily the maze of contradictory laws and restrictions still “on the books” from the Soviet days.

As Yasin sees it, with the only modern and internationally competitive sectors of Russian economy—

defense-related high-tech industries—closed to privatization, the domestic capital naturally flowed toward commodities that promised fast and big returns on relatively small investments: oil, gas, metals, and chemicals. Rent-seeking was the “natural, rational behavior of business barely freed [from the state’s control over] economic activity.”⁶ When the quick and easy rents became exhausted by the end of the 1990s, large property owners began investing profits into upgrading or expanding their businesses, thus laying the foundation for today’s economic upsurge.

“I think that in the 1980s the abyss before which the country found itself was too wide to get over in one jump. We had to go down to the bottom of the abyss. And this is what Gorbachev has done.”

Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* [Will Democracy Take in Russia?] (Moscow: Liberal Mission Foundation, 2005). All translations from Russian are by the author of this essay.

The Kremlin today is loath to acknowledge what was done in the 1990s. The significance of that decade to Yasin is both undeniable and immense. Market institutions have been forged from the Soviet vacuum. Private property has been introduced. Most prices have been freed and are now set by the market. A relatively open economic system has replaced the Soviet autarky.⁷ Inflation has been tamed. Of course, the cheap ruble and steadily rising oil prices have helped, but they alone would have never resulted in the formidable economic expansion that occurred in Russia between 1999 and 2004.⁸

Yasin believes the main political achievement of the 1990s was the establishment of democracy, something virtually absent in Russia’s thousand-year history. It was “not terribly pretty,” often polarizing, and made “the restoration of order more difficult.” Yet the new political arrangement was “functioning.”⁹ Freedom for political opposition, including those who openly denied the government’s legitimacy and advocated its overthrow, was not only unprecedented for Russia (except for the eight months between February and November 1917), but also impressive by the standards of modern democracies. Between 1995 and 1999, the communist-led “populardemocratic” plurality in the Duma fought the government

tooth-and-nail, overrode presidential vetoes, and initiated President Boris Yeltsin's impeachment. Virtually all structural liberal reforms were blocked, including the measures Prime Minister Sergei Kirienko's government attempted to pass in spring 1998 to forestall the looming financial crisis.¹⁰ Although Yeltsin, his government, and its policies were subject to vituperation rare in modern politics—and certainly unheard of in Russia—the freedom of the mass media was not jeopardized.¹¹

There were also the beginnings of local democratic self-rule.¹² No matter how closely elected regional governors were allied with the leftist opposition—including the support of Yeltsin's opponent at the bitterly contested 1996 presidential elections—the Kremlin rarely meddled in regional politics.

Stabilization and Growth: 2000–2003

Every revolution is both the product and the cause of state weakness. Only in such chaos do new institutions have the chance to emerge from the debris of the old order. Yet the price of the dizzying change is high. In the Russian case, the transformation included not only political institutions, but also the entire economic system and the domestic multinational empire. Millions of Russians—especially younger college graduates and urban dwellers—have hugely improved their lot and become an organic part, as well as the social and political mainstay, of the new system. In the minds of the millions of others, liberty and democracy became associated with impoverishment and lawlessness. Not for the first time in world history, and certainly not for the last, many Russians were ready freely “to vote for those [who would] delimit their rights and liberties” in exchange for the promise to deliver stability, order, and economic betterment.¹³

Elected to the presidency in 2000, Vladimir Putin earned his genuine popularity by gaining trust from both segments. He promised to continue reforms and also to strengthen the state, enforce laws, reduce poverty, diminish the often-brazen political influence of the “oligarchs,” and bring to justice authoritarian and corrupt governors.¹⁴

For the first three years of his presidency, Putin kept his promises. The country adopted a flat income tax of 13 percent, one of the lowest in the world, and various taxes on employers were sharply lowered. A new labor code made it easier to hire and fire workers. The number of required inspections of private enterprises by various state and local bodies was sharply reduced. Following the passage of the new civil code in the Duma, urban and

agricultural land could legally be sold and bought. The new criminal-procedural code made a trial by jury of peers a norm in the cases of murder and rape; established vital safeguards for the accused; required court sanctions and reviews for arrest, search, and detention; and eliminated prosecutorial dominance over the defense and the judges.¹⁵

The Duma also passed a package of laws introduced by the government on the privatization of the main components of the state electricity monopoly—United Energy Systems—and the liberalization of wholesale and, eventually, retail trade in electrical power. Younger workers were encouraged to set aside a portion of their salary for private pension accumulation. Coming very close to dismantling and privatizing were the state-owned natural gas monopoly, Gazprom, and of the largest state-owned oil company, Rosneft. Market reforms in utilities and housing appeared to be at hand as well.¹⁶

“We then had to walk over the foul-smelling bottom of the gorge, to lay down the foundation of new democracy and start market economy. This has been accomplished by Yeltsin, who was brave enough to choose and rely on the young reformers: Gaidar and Chubais.”

Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?*

To be sure, advocates of freedom of speech among the intelligentsia were alarmed by the effective nationalization of the NTV television network. Its owner, Vladimir Gusinsky, deployed his media empire in support of the center-left “Motherland–All Regions” (OVR) party of Evgeny Primakov and Yuri Luzhkov in the 1999 Duma elections campaign, in which OVR competed with the pro-Putin, center-right “Unity” bloc for control of the national legislature. By far the finest news and entertainment television channel in Russia, NTV was reclaimed by Gazprom, which suddenly declared due the loans it advanced to Gusinsky four years earlier. Gusinsky was briefly detained, but was later allowed to go into exile after he agreed to give up NTV.

Many domestic critics accepted the Kremlin's assurance that the Gusinsky-NTV affair was a singular event

rather than a trend—retribution for an “oligarch” who leveraged his wealth and media influence directly to mold a key national political contest. The country’s tycoons, too, appeared to be reconciled to the bargain Putin, in effect, announced at the outset: you stay out of the government and the government will stay out of business.

Some of the top firms started to adopt Western business practices at fast clip. Following the example of Russia’s largest private company, YUKOS, they began to disclose their ownership structures and to hire top international accounting firms to audit their books and prepare annual reports. Corporate governance, transparency, and minority shareholders’ rights all improved dramatically. Some of Russia’s leading businesses were successful selling their stock on Western stock exchanges. Corporate charity was becoming fashionable and widespread. On the whole, according to Yasin, business-government relations between 2000 and 2003 had a “positive dynamic.”¹⁷

“I supported Yeltsin then [in the 1993 confrontation with the Supreme Soviet] and continue to be thoroughly convinced that he acted properly. He has taken on himself enormous responsibility, for many years earning curses and revilement by his enemies. But in the eyes of many, including mine, he was up to the tasks of that era. In essence, [Boris Yeltsin] concluded the era of the democratic anti-communist revolution in Russia. The period of stabilization began.”

Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?*

The government wisely resisted populist calls for expensive and corruption-prone “national projects” and husbanded the proceeds from the quickly growing oil revenues to pay off the country’s debts and to add to its “stabilization fund” for a rainy day. The economy grew 8 to 10 percent a year. Inflation, while still exceeding 10 percent annually, was under control. Wages and

incomes of millions of Russians grew sharply and steadily. It would be hard to find another period in Russia’s history when as much prosperity and so fast an economic growth were combined with as much liberty.

Power and Property: “The Revanche of Bureaucracy”

As often happens in young democracies, the pendulum swung too far. People welcomed the repair of the post-revolutionary state, efforts at law enforcement and compliance with a national constitution in many regions run as personal fiefdoms by the governors. But these changes began to evolve into a partial return to the national tradition, gloriously interrupted by Gorbachev and Yeltsin, of mistrusting the people’s choices and fearing uncertainty, which is the price of liberty.¹⁸

In Yasin’s chronology, the new era of “state capitalism” began with the arrest of the founder, CEO, and principal owner of YUKOS, Mikhail Khodorkovsky, in October 2003.¹⁹ In September of the next year, following the terrorist attack in Beslan, President Putin made public a package of draft laws he intended to push through the Duma. He proposed the abolition of the elections of governors and the elimination of “single-mandate” (or simple majority) voting districts in favor of all the Duma’s deputies elected by party lists only. Simultaneously, the threshold for parties to enter the Duma was to be raised from 5 to 7 percent of the national vote. Together with the creeping expansion of the state’s control over television; the drying off of private funding for opposition parties, whose formerly major contributors were now afraid of sharing Khodorkovsky’s fate; and the gradual transfer of major independent newspapers to Kremlin-“friendly” ownership, the post-Beslan reforms amounted to a concerted drive by the executive branch for dominance over other branches of the government and to what Yasin called the “destruction” of local self-government.²⁰

In broader historical terms, Putin’s post-2003 policies also reflect the age-old contest between power and property in Russia. For much of the country’s history, political power was virtually synonymous with control over property, either by the tsars or the bureaucracy that ruled in their name. The Soviet system was the epitome of this trend, with the state owning everything and controlling everyone’s livelihood.

To Yasin, the essence of privatization of the 1990s, which wrestled from the bureaucracy the effective

ownership of much of the country's economy, was "separation of [state] power and property."²¹ Private property became a mighty factor in national politics and a powerful political challenge to the state. As always when new political forces burst on the stage, abuses were many. Few "oligarchs" resisted the temptation to advance their businesses and political interests by brazenly bribing Duma deputies and government officials and by pouring millions of rubles into media campaigns against one another or government officials unwilling to do their bidding.

Yet, contrary to what many of those in the West who report on Russia often imagine, the real choice in the 1990s was not between the scrupulously "clean" politics and mass media supported by an impartial state in pursuit of lofty national interests, on the one hand, and the "corrupt" and "egotistical" entrepreneurs interested only in their profits, on the other. Instead, the alternatives were the "oligarchs" (who fiercely competed with one another in a marketplace of goods and influence) and largely unreformed Soviet-style bureaucracy, just as corrupt and egotistical as the "oligarchs," but unlike them, united, and seeking to perpetuate its rule and suppress any challenges to its political power. The "YUKOS affair" and Khodorkovsky's arrest evinced the "revanche of a bureaucracy" unwilling to share power with anyone and steering from cooperation with big business to its subjugation.²²

"Modernization from Above" and "Managed Democracy"

To Yasin, the policies of the 1990s and those after 2003 represent two strategic visions of Russia's modernization. He calls the overarching strategy of the 1990s "modernization from below." Its engine was private initiative, with big business in the lead, and it placed no limitations on political rights and liberties. By contrast, the key features of what Yasin labels Putin's "modernization from above" are the Kremlin's dominance in national politics; the reemergence of the state as the most powerful actor on the economic stage, serving as both the initiator and implementer of economic policy; the slowing down or freezing of structural liberal reforms; rapid expansion of the state sector of the economy; and growing reliance on security services, police, and servile courts as the tools of policy implementation.²³

The political counterpart of the "modernization from above" has been "managed democracy," as the Kremlin's strategists call it. The Kremlin's unbridled power and mockery of justice in the Khodorkovsky

case²⁴ signaled a halt in the growing independence of courts, which was one of the most hopeful features of the 1990s. As undoubtedly was intended by the YUKOS persecutors, entrepreneurs everywhere felt even more insecure in their property rights and still more vulnerable to administrative extortion in the guise of past tax claims.

"As it does with respect to bureaucracy, democracy places limitations on the most extreme negative features of business: law-breaking, tax-evasion, and corruption. But, in the end, these limitations are in business's own interests. There comes a time when private property and successful business become guarantors of civil liberty, enabling the society to control state and bureaucracy through democratic institutions."

Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?*

After the Kremlin had cowed large property owners into submission, it became clear to Yasin that neither real political competition nor truly free mass media could exist without private capital which could be freely disposed of: "Only big business can resist bureaucracy."²⁵ With neither private capital to sustain them nor television to report on their views and activities, opposition parties faced the choice between, in Yasin's words, "domestication" and "marginalization," that is, between toeing the Kremlin's line and thus gaining presence in the Duma, or finding themselves in the political wilderness²⁶—at least until a drop in oil prices, a government blunder, or a major terrorist act galvanizes the people to protest.

The Perils of "Modernization from Above": Economy and Politics of Mistrust and Isolation

Accompanied by oil-led economic growth and a steady increase in individual incomes, the "managed democracy" and semi-managed economy thus far have caused no

widespread dissatisfaction. Millions of Russians supported Putin when, cleverly putting the crisis that followed the unraveling of the Soviet economy at democracy's door, he declared that "order, stability and the implementation of the economic policy must not become the price [paid for] democratic procedures."²⁷

Instead, it is the price of "managed democracy" and "modernization from above" that is likely to prove very high and, in the end, prohibitive. Seeking to survive, businesses will try to propitiate bureaucracy, but that hardly would make them more effective and competitive.²⁸ While the state sector, as usual, "demonstrated low effectiveness," as Yasin puts it, private capital investment declined, as did business activity in general. The rate of gross domestic product (GDP) growth has slowed down considerably, especially in industry, and has not kept up even with the growth in oil prices. The export of capital increased threefold in 2004 compared with the previous year.²⁹ Entirely manmade, this worsening of the business climate amid an export commodity boom should, Yasin suggests, become "a textbook case of how a state's pressure can damage national economy."³⁰

"How many times the death of capitalism and democracy has been foretold, and how many times, indeed, it seemed that the next crisis would end in a catastrophe. Yet precisely because of the indeterminacy, the freedom in which the interplay of political and economic forces occurred, democracy has always overcome the crises and has always been victorious in conflicts."

Evgeny Yasin, *Prizhivoyt'sya li demokratiya v Rossii?*

In politics, the marginalization and muting of opposition and independent media have drastically diminished society's control over government. No longer responsible to voters and answering only to the Kremlin, regional leaders seek to please Moscow at any cost—and to shift to the "center" responsibility for anything that goes wrong in their domains.³¹ One predictable consequence has been the level of graft, compared to which the much decried corruption of the

1990s looks like children's play and before which Putin himself repeatedly declared himself powerless.³²

Seemingly invulnerable, such "rigidly hierarchical" systems³³ tend to become brittle and suddenly fall apart.³⁴ The pressures on mass media and independent non-governmental advocacy groups protect the Kremlin from the unpleasant truths, but also lead, in Yasin's view, to Moscow's "isolation"³⁵ from the rest of the country and vastly increase the chances of costly errors at the top. In the absence of law-abiding political opposition and local self-government as intermediaries, dissatisfaction may quickly escalate into "increasingly deep conflicts."³⁶

"Democratic Modernization": Trust and Private Initiative

Yasin's prescription for Russia's success is "democratic modernization" because "only democracy" is capable of securing long-term political stability and prosperity.³⁷ Attempts to achieve these results by what he calls "authoritarian-bureaucratic methods" sooner or later lead to destabilization. Based on "freedom and trust, which would mobilize private initiative," only "democratic modernization" holds any hope of Russia's reaching, within thirty to forty years, the "lower rung of the upper league"—countries with per capita GDP of \$35,000–40,000.³⁸

"Democratic modernization" is impossible without democratization, which is the restoration of genuine political competition, and freedom for the opposition and mass media. In economic policy, it is crucial to begin with what is known in diplomacy as "confidence-building measures" between the state and the private sector. Yasin proposes to start by forever precluding the YUKOS-like court persecution of big business by shortening the statute of limitations for actions taken during the 1990s privatization and implementing tax amnesty.³⁹ This stage of "democratic modernization" is designed to produce the "growth of trust" and confidence between government and opposition, and between state and business—the trust Yasin sees as an absolutely necessary condition of a stable Russian democracy, liberal capitalism, and a modern, competitive economy.⁴⁰

Structural liberal reforms that have been abandoned since 2002 ought to be relaunched. As usual with such reforms, many are likely to be "inconvenient," as they may cause political frictions or temporarily slow down economic growth. Yet they are inevitable. If postponed again, they would require even greater sacrifice later—

or be forced on the government by political or economic crises.⁴¹

For instance, undertaken simultaneously with the liberalization of markets for gas and electricity (both are currently run by government monopolies and sold at controlled prices) and the raising of the salaries of the millions of government employees (which in Russia include most teachers and doctors), housing and utilities reforms would create competition and market incentives necessary to alleviate the still-enormous shortage of affordable and decent homes.⁴² The health-care crisis—another disaster inherited from the Soviet Union—can be resolved only by competition between private insurance companies, with state and private employers buying the bulk of policies for their workers.⁴³ The reform of the armed forces must, in the long run, create a professional military that will be more effective and far better trained and armed than today's.⁴⁴

No Russia without Democracy!

So, will democracy take in Russia? Yasin, a professional economist, answers that question only in terms of probabilities and conditions.

The long national tradition is clearly authoritarian. But Russia is no longer the backward peasant society it was for most of its history. With 74 percent of Russians living in cities and towns, and with the democratic revolution destroying what Yasin calls “the foundations of the hierarchical social structures,” the only remnant of authoritarianism today resides in what is known as the “vertical of power” created by the Kremlin.

Poverty and inequality are the other major impediments, but the economic growth between 1999–2002 reduced poverty by half, to about a quarter of the population. Another halving, to 12–15 percent, is now a realistic prospect, and, in Yasin's view, it renders Russia's social structure potentially compatible with a stable democracy.⁴⁵

Of course, the pressures of the age-long Russian political culture are strong, and the habits of fear, servility, and civic passivity die very hard. Together, they may yet keep Russia “in the same old rut of low competitiveness and backwardness” it occupied for centuries.⁴⁶

Yet there is no reason why the tripartite formula of success—democratization, free economic system, and humanism—which Yasin holds responsible for propelling other post-authoritarian nations toward impressive

achievements, cannot work in Russia. Sooner or later, people will appear who, as in the 1990s, will attempt to put this formula in practice—and finish remaking Russia into a viable, free, and modern country.⁴⁷

“Democracy is only beginning in Russia,” Yasin concludes. “But if there be democracy, there will be Russia as well.”⁴⁸

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Notes

1. Constantine P. Cavafy, *The Complete Poems of Cavafy*, “In a Famous Greek Colony, 200 B.C.,” trans. Rae Dalven (London: Harcourt, Inc., 1989), 146.

2. Egor Gaidar in Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* [Will Democracy Take in Russia?] (Moscow: Liberal Mission Foundation, 2005), 14.

3. Leon Aron, “The Putin Restoration,” *Russian Outlook* (Spring 2004), available at www.aei.org/publication20360/.

4. Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* 301–2.

5. *Ibid.*, 178.

6. *Ibid.*, 178–79, 182. For a similar analysis, written seven years earlier, see Leon Aron, “The Strange Case of Russian Capitalism,” *Russian Outlook* (Winter 1998), available at www.aei.org/publication8770/.

7. Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* 187.

8. *Ibid.*, 297.

9. *Ibid.*, 48, 111.

10. *Ibid.*, 143–44.

11. *Ibid.*, 157.

12. *Ibid.*, 118.

13. *Ibid.*, 219.

14. *Ibid.*, 108.

15. *Ibid.*, 107–8, 203. For more on the land privatization and the legal reform, see Leon Aron, “Land Privatization: The End of the Beginning,” *Russian Outlook* (Summer 2001), available at www.aei.org/publication12966/, and Leon Aron, “Russia Reinvents the Rule of Law,” *Russian Outlook* (Spring 2002), available at www.aei.org/publication13781/.

16. Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* 107–8. For more on the electricity reform and partial pensions privatization, see Leon Aron, “Privatizing Russia's Electricity,” *Russian Outlook* (Summer 2003), available at www.aei.org/publication17983/, and Leon Aron, “Privatizing Pensions,” *Russian Outlook* (Summer 2004), available at www.aei.org/publication20908/. For the original design agenda developed by Putin's minister of trade and economy, German Gref, see

Leon Aron, "A Second Go at a Second 'Economic Revolution'?" *Russian Outlook* (Summer 2000), available at www.aei.org/publication11844/.

17. Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* 184, 188. For more on the corporate reform and charity in the early 2000s, see Leon Aron, "The YUKOS Affair," *Russian Outlook* (Fall 2003), available at www.aei.org/publication19368/.

18. Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* 143.

19. *Ibid.*, 189.

20. *Ibid.*, 122, 157–59.

21. *Ibid.*, 197.

22. *Ibid.*, 176–77, 180–81, 196–97.

23. *Ibid.*, 299, 310–14.

24. *Ibid.*, 191.

25. *Ibid.*, 193.

26. *Ibid.*, 313.

27. *Ibid.*, 375.

28. *Ibid.*, 291.

29. *Ibid.*, 299, 315, 338.

30. *Ibid.*, 301.

31. *Ibid.*, 315.

32. *Ibid.*, 184, 311.

33. *Ibid.*, 311.

34. Leon Aron, "Putin's Risks," *Russian Outlook* (Winter 2005), available at www.aei.org/publication21807/.

35. Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* 315.

36. *Ibid.*, 291.

37. *Ibid.*, 297.

38. *Ibid.*, 321.

39. *Ibid.*, 317.

40. *Ibid.*, 320.

41. *Ibid.*, 324.

42. *Ibid.*, 322.

43. *Ibid.*, 323.

44. *Ibid.* For more on the armed forces reform, see Leon Aron, "The Battle over the Debt," *Russian Outlook* (Spring 2001), available at www.aei.org/publication12684/.

45. Evgeny Yasin, *Prizhivoytsya li demokratiya v Rossii?* 175–76.

46. *Ibid.*, 335.

47. *Ibid.*, 339–40.

48. *Ibid.*

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