

### **Why is it so Difficult to Reform Russian Officialdom?**

The protracted fight to reform Russian state service has now entered its fifth round, and it is unclear whether more rounds are likely to follow. The purpose of this chapter is to assess why this process has been so long, tortured, and—to this point—unimpressive in its results. This requires a reassessment of the course of reform from a more comprehensive angle than that adopted by earlier works on this subject, such as the World Bank’s “The Transformation of Russian State Service: A History of Reform Efforts from 1992 to 2000,” whose authors offered a detailed description of the events and clash of ideas associated with the reform of Russian officialdom.

Before revisiting the contemporary history of reform, it is important to identify the fundamental tension underlying the battle over postcommunist Russian officialdom. At the heart of the conflict over Russian state service has been a hidden struggle between two opposing approaches to change. The first champions a kind of “virtual reform” [*psevdo-reforma*] that would minimize the practical effects on bureaucratic behavior or even, if possible, take a step backward in order to institutionalize the privileged and protected status of officialdom as a bureaucratic corporation or caste. The second approach seeks to carry out a genuine modernization of Russian state administration, which would result in a bureaucracy of a new type, one that would correspond to the demands of the times and the challenges of modern democratic development. In other words, what has been taking place since 1991 is an irreconcilable struggle between two fundamentally incompatible models of state administration.

The first model rests on the age-old Russian idea of a “ruler’s service,” or, in Russian, *gosudareva sluzhba*. Characteristic of the Soviet as well as tsarist periods, this patrimonial model of officialdom is primarily oriented toward servicing the needs of the ruler [*khoziain gosudarstva*], whatever their formal title or, indeed, whether or not the leadership role is

embodied in a single individual or a group of persons, as occurred during certain periods of Soviet history when the Politburo was the collective leader of the country. The second model, which would be a novelty for Russia, is a civil or public service, in Russian, *grazhdanskaia ili publichnaia sluzhba*, whose first priority would be servicing the needs of citizens. Following from the premise that the contemporary history of Russia officialdom reflects a struggle between efforts to introduce a civil service or maintain a state service, we turn now to a brief review of the attempts since 1991 to reform Russian state administration.

### **The First-Round of Reform (1991-1995)**

Despite the dramatic announcements of early reformers that a new state administration would be created from scratch, the postcommunist state bureaucracy was very much the successor to Soviet officialdom in terms of both personnel and practices. These practices represented a style of bureaucratic management that formed part of what was known in the perestroika era as the “administrative-command system.” In July 1990, in an attempt to reform this system, then chair of the Supreme Soviet of the Russian Republic, Boris Yeltsin issued a decree outlawing the functioning of Communist Party organizations in state administration. With this initiative to “departyize officialdom,” Yeltsin was pursuing the laudable goal of eliminating the influence of the Communist Party in the state apparatus, and thereby transforming officialdom into a politically neutral administrative instrument. But in fact this measure all but eliminated the possibility for changing the composition of Communist Party bureaucracy, which was required to transform both the country’s government and its economy. As a result, those persons whose entire careers had been spent serving as the “transmission belts” for Communist Party policies were now in the position of carrying out the postcommunist reforms of state administration.

In a formal sense, the process of reform did start from scratch because the Yeltsin government tried to abandon all remaining vestiges of its predecessors’ authority. On 28 November 1991, President Yeltsin signed a decree that established, as part of the Russian

Government, a Main Department for the Training of State Officials. The functions of this agency were considerably broader, however, than the name suggests. The new department effectively monopolized all activities relating to the training of members of the state service, an assignment that was evident in the department's acronym, *Roskadry*, or Russian personnel. Such an agency could have been useful if it had actually undertaken a reform of state administration. *But the main issue—what kind of state service did Russia need—was never seriously addressed, let alone resolved, in this period.*

Instead, a completely different set of issues made its way to the top of the agenda. Besides the typical questions about who would “call the tune” within the state bureaucracy, the main concern became the struggle for control of a prominent and potentially lucrative part of the communist inheritance, the system of Higher Party Schools, at the head of which stood the Academy of Social Sciences of the Central Committee, which for decades had served as a “crucible of personnel” for the higher ranks of the party apparatus.<sup>1</sup> At local levels this struggle set two different types of educational institutions against each other—the aforementioned Higher Party Schools vs. the newly-emerging departments of public administration in the universities and institutes that formed part of the general system of higher education in Russia. Each side sought to be the main supplier of personnel for state administration, but in the event, the “heirs of the party” emerged victorious.

This outcome had serious negative consequences for personnel renewal in state administration, inasmuch as the faculty of the former institutes for “party study” had been carefully selected by Communist Party organs on the basis of their ideological loyalty and their ability and willingness to train personnel who would serve as the defenders and champions of the policies of a totalitarian government. At the beginning of the 1990s, then, these schools were filled with personnel who had a revanchist attitude toward postcommunist, and especially market, institutions. Even now, a decade and a half after the collapse of the USSR, the spirit prevailing in these schools is distinctly anti-reform and retains elements of nostalgia for the old

order, despite a cosmetic modernization and a name change—they are now known as academies of state service.

Despite their retrograde character, the academies of state service received the lion's share of budget allocations for the retraining of state personnel, and therefore they were the major points of instruction for state bureaucrats pursuing "qualification raising" courses of varying lengths. Moreover, the direct successor to the old Academy of Social Sciences, the Russian Academy of State Service (RAGS),<sup>ii</sup> fulfilled the role of primary advisor to the president on the reorganization of the state service. It is revealing that when RAGS itself looked overseas for advice, it was primarily to representatives of the French administrative tradition, which, despite its positive features, has stood aside from the New Public Management movement and has therefore been reluctant to embrace many progressive policies that have contributed to the debureaucratization of officialdom in other Western countries since the 1980s. Put another way, Russia was arming itself with weapons from an already outdated arsenal, as Yeltsin noted in a speech to RAGS in 1994.<sup>iii</sup>

As a result, the few legislative changes that targeted officialdom in this period contained little that was new, and in some cases they actually revived archaic policies from the Russian past. An example of this was the rigid system of service grades that was introduced as part of the 1995 law "On the Fundamentals of State Service of the Russian Federation."<sup>iv</sup> Almost three centuries after its initial introduction, Russia had revived a form of the Table of Ranks.<sup>v</sup> It is a bitter irony that this was one of the first acts of the new democratic Russian government, given that the elimination of the special corporatist status of Russian officialdom, which tsarist leaders had sought unsuccessfully to remove throughout the 19<sup>th</sup> century, was one of the few real achievements of the revolutions of 1917. Not only forward-thinking officials like Mikhail Speransky but almost all Russian monarchs in the 19<sup>th</sup> century recognized that the positive potential of the Table of Ranks had been all but exhausted, and that its negative features were becoming ever more prominent. In the West, service grades and ranking had always played a

less important role than in Russia. Even in Prussia and the Austro-Hungarian Empire, the attitude associated with what Yurii Lotman called “the mystical power of rank” [*mistika china*] was less developed than in the Russian consciousness. Over a century ago, Mikhail Saltykov-Shchedrin observed bitterly that among all the achievements of Europe, we borrowed only the division of persons into ranks, which by that time Europe had already abandoned.

While Russia was reintroducing an institution whose inadequacy had already been recognized in the 19<sup>th</sup> century, the real issues remain unaddressed. These included the introduction of new blood into state administration and the creation of effective procedures for the recruitment and rotation of qualified personnel. Until the onset in the late 1990s of a generational shift in the bureaucracy, caused by demographic trends, the continuity of administrative officials inherited from the Soviet era remained at 60-70 percent, and was even higher in some agencies.<sup>vi</sup> These were officials who had been recruited originally on the nomenklatura principle of “the priority of political over professional qualities.” Thus, fundamental policy reforms, most notably those on the economy, were being implemented by persons who had worked during their entire careers in an anti-market, administrative-command environment. This configuration of personnel was at the root of many of the problems of this period.

Although *Roskadry* was closed in 1994, policy in this realm changed little, as evidenced by the passage of the “Fundamentals of State Service” in 1995. If one were to provide a general assessment of this first round of reforms, it would be not only an absence of progress in the transformation of officialdom but a growing separation of state administration from the reforms taking place in the economic and social life of the country.

## **Second Round (1997-1998)**

The second round began on a much more promising note. In 1997, President Yeltsin issued a decree that created the Commission on State Construction, later renamed the Commission on Administrative Reform, which was comprised largely of academic experts in

law and public administration, including the present author.<sup>vii</sup> One of the commission's primary tasks was the development of a conceptual model [*kontseptsii*] for the genuine modernization of state administration, where personnel more than organizational issues would be in the forefront. This model would then serve as the inspiration for specific measures designed to introduce, for the first time in Russian history, something more than a modification of the "ruler's service." The goal was a civil service that would not only provide the efficiency necessary to a modern state but that would work first and foremost for the citizens, for the taxpayers, rather than for the bosses [*nachal'stvo*]. This model was based on a careful study of Russia's unique history and culture as well as the latest experience of civil service reforms that had been carried out in a number of leading Western countries, especially those in the Anglo-Saxon world, which had taken the most radical and decisive steps to reform officialdom.

This plan for reform was in most essentials in place by the fall of 1997. An indication that the proposed reform enjoyed political support at the highest levels came in the spring of 1998, when President Yeltsin included references to the model of civil service reform in his annual message to parliament. This speech called for, among other things, the introduction of competitive hiring in order to attract the most competent and honest personnel into the state bureaucracy; a clearer differentiation between political appointees and career bureaucrats; the monetization of benefits that had been previously provided in-kind; fewer, but better-paid, state officials; and the protection of officials from the caprice and incompetence of their superiors.<sup>viii</sup>

Although the Commission on Administrative Reform enjoyed the patronage of the president, not all forces within the presidential bureaucracy were pleased with the direction that the reform process was taking. There emerged within the Kremlin a group of officials who, while recognizing the need for some changes in state administration, sought to reduce these to a minimum by proposing palliatives that would not advance reform along the radical path favored by the Commission on Administrative Reform. Thus, parallel to the work carried out by the commission, several officials in the Administration of the President were asked to develop a

draft Code on State Service. The heads of both of these working groups knew of the existence of the other, but there was no contact between them. In spite of this information “vacuum,” the state officials crafted a model of reform that in several important respects was similar to that advanced by the academic experts, especially regarding the legal status of civil servants. This similarity apparently did not please the deputy leader of the Administration of the President, Evgenii Savost’ianov, and in September 1997 he organized a discussion of the question of civil service reform at a meeting of the Security Council. In advance of this discussion, Savost’ianov invited yet another actor into the debate. He asked the leadership of the Russian Academy of State Service (RAGS) as well as the head of an experts’ group within the Commission to prepare competing outlines of civil service reform. Thus, there emerged several different documents, the most conservative of which belonged to RAGS. The details of the discussions at the Security Council are not available, but they apparently had little impact, because the single draft emerging from the reviews at the higher levels of the administration contained the proposals of the Commission on Administrative Reform.

Although the draft was greeted coolly in the corridors of power, it did not prompt any fundamental objections. Yet neither the enthusiastic support for the document by Yel’tin’s legal affairs adviser, Mikhail Krasnov, nor the inclusion of a substantial portion of the draft in the president’s annual message to parliament produced any practical steps to advance reform. On the contrary, in December 1997, parliament adopted a Law on the Government, which not only was out of step with the Commission’s conceptual model but also revealed no intentions or plans to reform state service. Along with other political circumstances, the financial crisis of August 1998 led to the placement of bureaucratic reform on the back burner [*dolgi iashchik*].

At first glance, then, the second round appeared to represent a complete victory for the anti-reformist wing of the state bureaucracy. However, in our view the results were not wholly negative. First, it soon became apparent that the second round articulated a theoretical foundation of reform for which there appeared to be no satisfactory alternative. Second, the

reformist ideas advanced during this second round began to be absorbed into the consciousness of the country's political-administrative elite as well as its university students, who would emerge as the next generation of managers in the state bureaucracy. Subsequent events illustrated that the main principles of the Commission's model would very soon be in demand.

### **Third Round (1999-2000)**

The fall of 1999 witnessed a new, and fairly brief, flurry of activity surrounding the reform of state service, which was stimulated less by a serious reformist impulse than by political circumstances. Dominating the political agenda was the succession crisis surrounding Yeltsin's imminent departure from the presidency as well as the consequences of the financial crisis unleashed by the 1998 default. In keeping with the age-old Russian tradition of seeking a scapegoat during troubled times, blame for the policy failures was placed at the feet of the bureaucrats, a position that united the political elite, the press, and public opinion. For the majority of politicians positioning themselves for the parliamentary elections of December 1999 and the presidential election of June 2000, anti-bureaucratic attacks, whether feigned or heartfelt, were a prominent part of their electoral strategy. Virtually all serious contenders for office used every opportunity to condemn Russian officialdom.

The most successful players in this game were members of the pro-Putin party, Unity. A think-tank related to Unity, the Center for Strategic Research, headed by the economist German Gref, prepared a substantial working paper on the subject of state service reform.<sup>ix</sup> Half of the contributors to this study were "the people of '97," that is co-authors of the previous conceptual model of administrative reform. The overlapping authorship assured that the content of this study differed little from the earlier document emanating from the Commission on Administrative Reform. Besides minor differences in emphasis and a more detailed development of certain elements of reform, the two documents diverged most markedly in the harsher criticism directed against officialdom in the Gref draft. Reflecting the electoral atmosphere in which it emerged, the new study argued that state administration in



postcommunist Russia reproduced some of the worst features of Soviet officialdom, especially its corporatism, or caste-like character. A favorite target of criticism was the huge expansion of organizations and personnel that formed part of the network of federal ministries in the provinces. In some regions, federal employees outnumbered their regional counterparts by a stunning ratio of ten to one.<sup>x</sup>

In its overall format, however, the Gref document was far less a political manifesto than a program addressing technical issues and advocating specific legislative initiatives. It was, then, a more pragmatic version of the program of '97. However, the ideas contained in the Gref proposal never produced practical results. After the elections of 1999 and 2000, interest in the reform of state service collapsed, as other issues arrived center stage and the usual drag of bureaucracy on innovation took hold. As a result, the third round of reform shared the same fate as its predecessors.

#### **Fourth Round (2001-2002)**

The beginning of the fourth round of reform testified to the pressing need to do something about the problems accumulating in Russian state service.<sup>xi</sup> In the fall of 2001, there appeared a new reform commission, this one composed of high-ranking officials and led by the Prime Minister, Mikhail Kasianov. However, the real responsibility for developing reform proposals fell to several parallel working groups operating in the presidential bureaucracy, the Duma, and the Ministry of Economic Development, which was headed by German Gref. Unfortunately, in contrast with the Yeltsin era, these groups operated in the spirit of Soviet organizations, secretly and outside of public scrutiny. Instead of making steady progress, the groups worked in fits and starts and at times their activity seemed to grind to a halt.

In the spring of 2002, President Putin devoted a considerable portion of his State of the Union address to the need for a radical reform of Russian officialdom. Once again, however, the elevation of the issue to a prominent place on the political agenda did not seem to accelerate reform. Work continued only sporadically and behind a curtain of secrecy. It is indicative of the

times that even a draft Law on Freedom of Information—which was never adopted, or even introduced, by the Duma—also took shape under a closed regime, without the participation of the public or an airing in the higher reaches of the bureaucracy.

With regard to the politics of reform, it is important to recognize that the division between the proponents of “progressive” and “conservative” models of change did not neatly follow ministerial or departmental lines. The situation was far more complicated and fluid than that. Thus, it would not be appropriate to tie the friends and foes of reform firmly to particular state organizations. An example that illustrates this point is the law “On the System of State Service,” which was adopted in 2003, after undergoing numerous metamorphoses over a lengthy period. Before being presented to the president, who in turn submitted the bill to parliament, the draft had to be reviewed and approved by a multitude of officials, a process that led to a refining of the proposal. The bill that emerged from this process was a lengthy text of almost 120 pages, which included many innovations that were designed to inform follow-on legislation governing the specific branches of federal officialdom as well as the state service in the regions. This draft was then sent to the State-Legal Department of the presidency for final polishing and review.

Unexpectedly, and against all logic, a mid-level bureaucrat in the State-Legal Department—not the head or even the deputy head—subjected the draft to a harsh “sequestration,” reducing the document to one-sixth of its size and eliminating the majority of its innovations. The details of the internal negotiations over this intervention remain obscure, but it is known that the emasculated draft was forwarded to the deputy chief of staff of the president, Dmitrii Medvedev, who oversaw work on state service reform and was therefore responsible for the integrity of the documents. Nonetheless, he transferred the bill to the president in this pared-down form, and President Putin then submitted it to the Duma, where it was adopted without serious discussion, inasmuch as the contents imposed few demands on anyone.

It appears that this gutting of the document was not the result of a philosophical conflict, or even a struggle between different ministries, but a behind-the-scenes battle between offices, or

even individuals, in the Kremlin who were defending narrow bureaucratic interests. Their intervention annulled the work of large committees of academic experts as well as persons at the highest level of the administrative hierarchy, all of whom had examined the issues in depth. This incident raises suspicions about the real priorities of certain individuals and groups that had held themselves out as champions of radical reform. By way of concluding comments on the fourth round, we should note that, when compared to officials in the presidency, deputies in the Duma who participated in the reform process adhered in many cases to conservative, and even reactionary, positions on Russian officialdom.

### **Fifth Round (2002-)**

The fifth round began on November 19, 2002, when President Putin signed a document with the promising title, “Federal Program for the Reform of State Service, 2003-2005.” By the standards of reform proposals, this was a very weighty document. It contained a detailed statistical analysis of developments in Russian officialdom in the postcommunist era; harsh criticism of shortcomings in the state bureaucracy; the main priorities of the reform; a list of specific measures needed to implement the reform, with a detailed timetable tying action steps to particular executive agencies; budget outlays associated with each of these steps; and finally, a list of federal statutes, presidential decrees, Government directives, and other normative acts that were needed to implement the Program.

The analysis offered by the Federal Program was so critical of the status quo in officialdom as to be almost alarming. In a certain sense, it revived the “spirit of ‘97,” that is the model advanced during the second round of reform. At the same time, however, there were traces of compromise with the advocates of a “virtual reform,” including a desire to allow the machinery of state to protect itself from external scrutiny. Despite this internal inconsistency, the Program as a whole represented a significant advance along the path of transforming Russia’s traditional model of a “ruler’s service” into a civil service.

The boldness of the Federal Program itself was not matched by the practical steps that

followed it. Implementation encountered significant delays and a spirit of inertia within the bureaucracy. For example, it was only eight to ten months after the issuance of the Federal Program that the ministries responsible for various aspects of the reform announced an open tender—a requirement of the Program—for project documents (in Russia, much of the drafting of reform documents is contracted out to academic institutions and other organizations). Moreover, funding for the reform was not forthcoming until the end of 2003, more than a year after the announcement of the Federal Program. In our view, these delays were clear examples of the behind-the-scenes resistance of officialdom to the reform.

Even more revealing was the fate of the draft law “On Civilian State Service,” which, after the emasculating of the contents of the law “On the System of State Service,” was viewed by the advocates of reform as a critical document. From our perspective, the process of revising and reaching agreement on this bill introduced some provisions that exceeded permissible compromise and provided all manner of loopholes. In particular, the creation of an equivalency scale matching military and civilian ranks paved the way for a massive transfer of retired military personnel into high-ranking posts in civilian administration, with no provision for careful review of their qualifications. This initiative appeared to contradict the spirit of reform and potentially to undermine the level of management competence in the civilian state service. This and other elements of the draft were the subjects of serious criticism during parliamentary hearings held in the spring of 2003. In particular, some hearing participants noted that in its current form, the law would tend to serve bureaucratic rather than public interests. Unfortunately, however, these criticisms were not reflected in the final version of the law.<sup>xii</sup>

During its first reading, the draft law passed without discussion or significant amendments. This is not surprising given that the reading was held at the last session of the Duma before the December 2003 parliamentary elections, when the deputies were absorbed with their re-election campaigns. The fate of the bill was decided, therefore, by the membership of the new Duma, where one-party dominance by United Russia, the successor the Unity Party,

prevented any serious revisions to a text championed by the presidency. Of course, the very fact that the adoption of the law was delayed by the new Duma raises doubts about the seriousness of the administration's commitment to the reform of officialdom. One may conclude, therefore, that the country's political leadership had still not recognized the necessity of making a decisive choice between democratic and purely technocratic means of modernizing the country.

Developments after the adoption in 2004 of the Law on Civilian State Service raises the possibility that the fifth round represents the culmination of the reform process relating to Russian officialdom. By the summer of 2007, this round of reform, which had started out with such promise, seemed to be coming to a sluggish and lackluster end. It is true that, in a formal sense, work continued apace. President Putin had signed 12 of the 19 decrees anticipated by reform documents, decrees that were supposed to improve performance assessment [*attestatsiia*], create reserve lists of personnel targeted for advancement [*kadrovoi rezerv*], establish a commission to handle disciplinary and ethical complaints against officials, and introduce competitive hiring.<sup>xiii</sup>

Some agencies, most notably the Ministry of Economic Development and Trade, did begin to use competitive hiring practices in their recruitment of personnel. Preparation was also underway for the elevation in status and responsibilities of a department within the presidency that could assume overall responsibility for personnel matters in the state bureaucracy. After the failure of *Roskadry* in the early 1990s, offices of personnel management operated within each state organization, with no effective coordination from the center.<sup>xiv</sup>

However, it was difficult to find substantive changes in the style and nature of work in the bureaucracy. More noticeable was the growth in the size of the state bureaucracy, which now exceeded one and a half million persons, and an increase in the bureaucracy's sense of self-importance, which suggested the rise of a "new class" in officialdom. Even the positive actions noted above appeared to derive more from an obligatory response to the formal innovations in the law—reminiscent of what was called a "wiping clean of the slate" [*ochistit' bumagu*] in the

tsarist era—than a desire to advance reform. More to the point, there are now countercurrents at work, which were evident during parliamentary hearings in November 2006, where some deputies proposed revisions to the Law on Civilian State Service because of its alleged impracticality [*nevypolnimost'*]. In addition, the draft of the project for improving the state bureaucracy from 2008-2012 no longer bore the term “reform” in its title but rather the more flexible concept of “development” of the state service. Although the document was provisional, and subject to serious criticism at a conference in the Higher School of Economics, the very fact that “development” replaced “reform” was an indication that the struggle to reform the state bureaucracy was approaching its conclusion.

If we return to the boxing metaphor, the end of the fifth round found the fighters a pale imitation of their former selves, having lost their will and merely awaiting the bell or the cry of the manager. For his part, the “manager” did not wish to undermine the stability and loyalty of the state apparatus in a period when their “administrative resources,” whose use was formally prohibited, would be needed to assure victory in the next electoral cycle.

### **The Specific Reasons for Policy Failure**

Strictly speaking, the reasons for the failure of reform are different in each stage of the transition from communist rule. It is important to recall that in the period from 1991 to 1996, that is until the re-election of Boris Yeltsin to a second presidential term, the political situation in the country was highly unstable and was fraught with the possibility of a communist restoration or even more dangerous outcomes. The physical health of the Russian president also prevented the adoption of decisive measures on officialdom. And of course the leading priority at the end of the 1990s was the near catastrophic economic condition of the country. In this period, then, one looks first to political explanations for the lack of success of reform efforts. It was a time of radically divergent views about the changes taking place in the country, even if one excludes from consideration the invectives of orthodox Communists and marginal political forces, such as those in the national-socialist camp.

If we view the 1990s as an incomplete anticommunist revolution, which is the approach that dominates in democratic circles in Russia, then among the reasons for the absence of a serious transformation of officialdom in this period was the risk of unleashing yet another reform in a fragile political environment where the authority of the state was weak.<sup>xv</sup> The fear of many was that a reform of state service would ignite new conflicts and lead to an unneeded schism within state administration. These concerns had some validity, to be sure. On the other hand, it was precisely in these conditions, when there was an outpouring of anti-nomenklatura and anticommunist feeling among the citizenry, that the political leadership enjoyed a “popular mandate” to reform the bureaucracy. Indeed, it may have been easier to mobilize popular support for this reform than for any other.

The aversion to political risk was not the only factor complicating the reform of Russian officialdom. First, the dominant leaders at the helm of state in the early 1990s were economists or, at the least, those who exhibited a penchant for economic determinism. It is ironic that Russia, which had drunk to excess the elixir of economics under Soviet rule, returned to that same source in the postcommunist era. Russia’s new generation of liberal economists were, as a rule, honest and highly-qualified, if intellectually rigid, individuals who helped to save the country from economic catastrophe in the early 1990s. Although they occasionally ventured beyond the confines of economics to speak on issues such as freedom of expression or individual rights, they did so without passion or conviction. It was as if the freedom of the human spirit, as opposed to economic freedom, was not their sphere, and they could not bring themselves to believe that man did not live by bread alone. They set great store in the invisible hand of the market, which would put everything right and resolve all problems. In a word, they were not humanists in terms of their professional experience or their outlook on the world. As a result, they allowed very different political forces to dominate the national debate on spiritual or cultural values, such as patriotism.

In the phrase of Alexander Nikolaevich Yakovlev, these forces were largely “political

riff-raff.” Our home-grown “fascists” as well as the communists, who had just traded in the rhetoric of “people’s power” for the banner of Russian chauvinism and Orthodoxy, claimed the sole right to call themselves patriots, this in spite of the historical responsibility of the Communist Party for the annihilation of tens of millions of Russians. The first politician to fully grasp the weakness of a purely economic version of liberalism was Vladimir Zhirinovskiy during the parliamentary election campaign in late 1993. In contrast to the tedious proposals of the liberals on taxes, investments, interest rates, and other financial matters, which were poorly understood by the vast majority of the population, Zhirinovskiy tapped into the popular dream of a mystical provider of goods, such as the “golden fish” in the Russian fairy-tale. In addition, he promised to satisfy the popular craving for Great Power status. That is, he promised to restore, even if in a distorted form, the sense of self-respect of a people that had experienced humiliation and embarrassment as a result of the Soviet Union’s collapse. Ten years later, in 2003, the Motherland, or *Rodina*, Party successfully used the same tactics in its electoral campaign, which was testimony to the fact that a rational *homo oeconomicus* represents an incomplete model of humanity, including, and perhaps especially, Russian men and women. Russian liberals had failed to understand that politics is about a search for identity and self-respect as well as a search for prosperity.

The underestimation of the importance of the reform of officialdom was another reason for its failure. Here we find further blindspots of economic determinists—an undervaluing of the role of government and legal institutions as agents of change and a neglect of the state bureaucracy’s natural tendencies toward self-consciousness, self-protection, and self-development. For example, one of the country’s leading ministers, in an attempt to illustrate that his organization had quickly and fully reformed itself in response to the new conditions, stated that not only had “they resolved all questions by themselves,” but that this had been done by his signing a document containing already prepared resolutions. Viewing the bureaucracy as a matter of minor importance, Russia’s leaders did not include the transformation of officialdom



among “first-generation” reforms.

Attempts to change the state bureaucracy also suffered from a reluctance to reject clearly and unequivocally the Soviet and communist inheritance, although Boris Yeltsin and his team made some efforts in this direction, the most prominent of which was the proscription of the Communist Party after the putsch of August 1991. However, persons in the nomenklatura who retained their positions in officialdom used all available means to resist the “decommunization” of the country, including the state bureaucracy. The decision of the Constitutional Court, effectively annulling Yeltsin’s decree of 1991, facilitated this resistance, as did Yeltsin’s own lack of persistence on this issue. Given the failure to apply a form of lustration to the communist state apparatus that had been inherited by the new order, it is not surprising that, after recovering from the initial scare, the old nomenklatura at first cautiously, and then more aggressively, began to carry out a “quiet revanche,” blocking or undermining whenever possible the reformist policies adopted by the political leadership.<sup>xvi</sup>

The Supreme Soviet, and from 1993, its new parliamentary incarnation, the Duma, carried out a similar line. Among the many instances of communist revivalism in the 1990s, one of the most illustrative related to the Bolshevik revolutionary holiday of November 7, which was not eliminated, or recognized as a day of mourning and repentance, but retained as a “Day of Reconciliation and Concord.” As would soon become apparent, this absurd, and counter-productive, gesture served as a signal that there would be no serious campaign of “decommunization.” The decision gave traditional forces in the bureaucracy added confidence in the stability of the system and their own security, which in turn encouraged them to pursue anti-reformist and turf-protecting measures.

While recognizing that many of the birthmarks of the old order remained and that, exploiting the paternalistic consciousness of much of the population, the former nomenklatura enjoyed much success in holding on to its elite status and “transforming power into property,”<sup>xvii</sup> we would adhere to our contention that Russia experienced a revolution in the 1990s, albeit an

incomplete one. This was not only Russia's fate but that of other societies experiencing postrevolutionary exhaustion, disappointment that the impossibly high expectations for change were not realized, and the temptation to succumb to the rhetoric of chauvinists intent on defending the country's honor. Despite all this, the 1990s brought many progressive changes in a relatively brief period. Instead of grieving or feeling ashamed about this decade, like some pessimists and maximalists, Russian citizens have more reason to feel a sense of pride about the final decade of the 20<sup>th</sup> century. The challenge now is to prevent the undoing of these democratic achievements.

Although some of the factors outlined above continued to impede change after 1997, including the lack of political will and consistency on the part of Russia's leaders, new barriers to the reform of officialdom have emerged in the last decade. The first of these is the absence of openness, or *glasnost*, in the reform process. One of the most serious obstacles to the transformation of a "ruler's service" into a civil service is the closed or semi-secret manner of drafting reform proposals. Because this reform of Russian officialdom involves a fundamental change in relations between the state and society, its success requires the support and approval of the citizenry. That is not possible without their knowledge and understanding of the proposed changes. One has to prepare the social base for reform. The goals and plans of the reformers should be clearly, succinctly, and continually explained to society, which must then be able to offer feedback to those crafting the reform. If society feels that it is a partner in the reform of officialdom, it will provide fresh ideas and a necessary political counterweight to the anti-reformist forces in the bureaucracy, during both the making and implementation of the laws. Moreover, a civil society mobilized around the reform of officialdom will force the bureaucracy to be more accountable and transparent to the public. Among the many groups in society that have an incentive to support reform are small and mid-sized businessmen, whose firms have suffered at the hands of capricious and avaricious officials. The inability, or unwillingness, of Russia's leaders to mobilize society behind reform projects helps to explain not only the failure

of those initiatives but the growing alienation of the public from the political process.

Contrary to the claims of some leaders, there is no reason to fear the incomprehension or even negative reactions of a portion of the public. In fact, public discussion of the reform drafts will enrich them and will transform citizens into political allies. It is better to confront the inevitable, and possibly harsh, public criticism before the adoption of the laws, when there is still a chance to revise them, than to try to convince citizens of the reform's value after the fact. As the historian V.O. Kliuchevsky noted over a century ago, impeding the path of reform in Russia is "the deep-seated indifference and distrust with which the population greets a new appeal from the government...knowing from experience that nothing will come of this but new burdens and incomprehensible directives."<sup>xviii</sup>

Whether in Russia, the United States, or elsewhere, the experience of both successful and unsuccessful attempts to reform officialdom illustrates that it is vital to attract allies within the bureaucracy as well as in society. Officialdom is, after all, heterogeneous, and there are advocates of progressive change throughout the state bureaucracy. It would, of course, be naive to assume that even the most forward-looking officials have developed comprehensive programs for change that are comparable to those worked out by groups of experts, who have the time and knowledge to prepare refined initiatives. However, what is needed from the state bureaucracy is something different: officials who recognize the necessity of reform and agree with the general direction of change. As this author can attest from extensive contacts with Russian state officials, there are significant numbers of such persons in the Russian state. They work at every level of the apparatus and in the most varied, and at times, most unexpected agencies. In the majority of cases, these officials can become allies, and even champions, of reform. There is, it must be remembered, no deficit of discontent among state officials with their working conditions and the negative reputation of the bureaucrat in the public mind.

To achieve a breakthrough, the political leadership must have an open dialogue with the state and society and stop setting one against the other by labeling reform initiatives a "struggle

against bureaucracy” or an “anti-apparatus offensive.” Such approaches will only encourage the bureaucracy to employ a subtle, clandestine counter-offensive which will ultimately force the political leadership to accept compromises that emasculate the reform. After all, even Stalin, never mind his successors, was unable to fully subordinate the bureaucracy to his will. Only clear political will and administrative consistency can assure the success of the reformist movement, qualities that are now, unfortunately, in short supply.

## ENDNOTES

- <sup>i</sup> On this issue, see Eugene Huskey, “The Higher Party Schools to Civil Service Academies: The Marketization of Bureaucratic Training in Russia,” *Slavic Review*, no. 2 (2004), pp. 325-348.
- <sup>ii</sup> From 1991 to 1995, RAGS was known as RAU, or the Russian Academy of Management.
- <sup>iii</sup> On the French tradition, see Ezra Suleiman, *Dismantling Democratic States* (Princeton: Princeton University Press, 2003), pp. 168-169.
- <sup>iv</sup> Ob osnovakh gosudarstvennoi sluzhbe Rossiiskoi Federatsii, *Sobranie zakonodatel'stva*, no. 3 (1995). St. 174.
- <sup>v</sup> On the role of status and rank in the history of Russian officialdom, see Helju Aulik Bennett, “Chiny, Ordena, and Officialdom,” in Walter McKenzie Pintner and Don Karl Rowney (eds.), *Russian Officialdom: The Bureaucratization of Russian Society from the Seventeenth to the Twentieth Century* (Chapel Hill: University of North Carolina Press, 1980), pp. 162-189.
- <sup>vi</sup> Ol'ga Kryshantovskaia, “Finansovaia oligarkhiia Rossii,” *Izvestiia*, January 10,
- <sup>vii</sup> The composition of this group included M.A. Krasnov, A.V. Obolonskii, A.G. Barabashev, O.F. Nozdrachev, V.D. Rudashevskii, V.A. Kozbanenko, and M.Z. Skundin.
- <sup>viii</sup> Cite to Poslanie Federal'nogo Sobraniu, 1998.
- <sup>ix</sup> For a discussion of Gref's proposals, see Reforma gosudarstvennogo upravleniia v Rossii ([www.parreform.ru/bulletin/](http://www.parreform.ru/bulletin/)), a website maintained by the World Bank.
- <sup>x</sup> Chislennost' rabotnikov organov gosudarstvennoi vlasti i mestnogo samoupravleniia po sub'ektam Rossiiskoi Federatsii na konets 2000 goda (Goskomstat table in possession of the author).
- <sup>xi</sup> These issues are discussed in the following chapter of this volume.
- <sup>xii</sup> Deputies from the Union of Right Forces must bear some responsibility for the failings in this legislation. Their criticisms of the bill were only designed to score political points and not to make constructive suggestions for improvements in the text, which is the role of responsible lawmakers.
- <sup>xiii</sup> For a text of the decree on the disciplinary commissions, see Polozhenie o komissiiakh po sobliudeniiu trebovanii k sluzhebnomu povedeniiu gosudarstvennykh grazhdanskikh sluzhashchikh Rossiiskoi Federatsii i uregulirovaniu konflikta interesov, *Rossiiskaia gazeta*, March 7, 2007, p. 19.
- <sup>xiv</sup> A department of state service had existed in the Administration of the President since the 1990s, but its responsibilities and visibility were minimal.
- <sup>xv</sup> We cannot accept the reductionist view of the 1990s advanced by authors like Peter Reddaway and Dmitri Glinski, who view the decade's events as an anti-democratic coup designed to empower and enrich a small segment of Russian society. Reddaway and Glinski, *The Tragedy of Russia's Reform. Market Bolshevism against Democracy* (Washington, DC: United States Institute of Peace, 2001).
- <sup>xvi</sup> The opponents of reform within the bureaucracy were joined in their resistance to reform either directly or indirectly, by criminal and semi-criminal elements in Russia, who had no interest in seeing a more professional, transparent, and honest state bureaucracy.

<sup>xvii</sup> The phrase is that of Egor Gaidar.

<sup>xviii</sup> V. O. Kliuchevskii, *Kurs rosskoi istorii v 8 tomov*, vol. 8 (Moscow: 1958), p. 87.