RUSSIAN ELECTION REPORT NO. 2

October, 1999

This is the second in a series of reports issued by the National Democratic Institute on the parliamentary elections in Russia scheduled for December 19, 1999. This report examines recent developments within the most prominent Russian parties contesting these elections.

OVERVIEW

The Russian Federation is on schedule December 19 to conduct its third set of parliamentary elections since its independence in 1991. In a country burdened by hundreds of years of dictatorship, this is a remarkable achievement. No other democratically elected legislative body has lasted this long in Russian history. Moreover, the laws governing these elections are basically the same as those that shaped the first post-communist legislative elections in 1993.

The constitution establishes a bicameral legislature called the Federal Assembly. The 450-seat State Duma is the lower chamber of the Federal Assembly, and it is this body that will be elected in December. Half of the Duma's 450 seats are elected on a majoritarian basis from single-member constituencies. The rest are chosen on a proportional basis from party lists. A party must garner at least 5 percent of the national vote in order for its members to gain any of the 225 seats allocated by party lists.

Although the process of party consolidation in Russia has been slower than in other post-communist transitions, the basic contours of a stable party system are beginning to emerge. This year's ballot will list roughly half as many parties as competed in 1995. Recent polls suggest that voters who previously supported small, unsuccessful parties do not want to waste their vote in the upcoming election. The likely consequence is that a smaller number of parties will receive a greater share of the total vote, an outcome that can advance Russia's party system.

THE REFORMERS

Some parties have been more successful at consolidating than others. Among the reformist parties, the one that has achieved the greatest success in building a grassroots organization, establishing a distinct national identity, and developing internal democratic procedures is Yabloko, headed by the reform economist and politician Grigory Yavlinsky. Yabloko is the only reformist party to have crossed the 5 percent threshold on the party list vote in both 1993 and 1995, and it is poised to do so again in 1999.

Yabloko has traditionally enjoyed the support of a loyal electorate comprised primarily of educated, urban professionals who have achieved modest success in Russia's economic transition. In an attempt to broaden the party's base, Yavlinsky recruited former Prime Minister Sergei Stepashin to join Yabloko's party list. As a "law and order" figure with previous service in internal security and intelligence, Stepashin may help change Yabloko's image as a clique of academics and intellectuals incapable of cooperating with other politicians, particularly those with ties to President Yeltsin.
Stepashin's long association with the Yeltsin administration and role in the last Chechen War may well alienate part of the party's loyal electoral base, and it is too early to predict if his inclusion will attract new voters.

In other party developments, a new bloc called the "Union of Right Forces" unites two parties led by some of the most active figures in the reform movement. Former Prime Minister Sergei Kiryenko leads New Force. Former Prime Minister Yegor Gaidar and former Deputy Prime Ministers Boris Nemtsov and Anatoly Chubais lead Right Cause. Both New Force and Right Cause are pro-Western and strongly inclined toward market reform. However, some of the bloc's leaders are unpopular due to the economic turmoil that erupted during their administrations. It is uncertain whether the new bloc will clear the 5 percent threshold of support necessary for party list representation in the Duma.

The other major reformist group is Our Home is Russia (NDR). Established as the "party of power" by then Prime Minister Viktor Chernomyrdin in 1995, the party's fortunes have declined since Chernomyrdin's dismissal in 1998. Polls suggest the party is not strong enough by itself to clear the 5 percent threshold for election according to party list voting. NDR has been unsuccessful thus far in finding a compatible party with which to form an electoral bloc.

THE COMMUNISTS AND THEIR ALLIES
The Communist Party of the Russian Federation (CPRF) remains the most popular of all political parties, but it may face a more difficult election this year due to several factors. In deciding to compete in the 1999 elections as a party and not a coalition, the CPRF leadership alienated several former allies, notably the radical communists, who will run their own list. Another former CPRF ally, the Agrarian Party of Russia, has also split in the run-up to the 1999 election, with part of the party joining forces with the CPRF and part siding with a rival bloc.

Another problem for the CPRF is the consolidation of Russia's party system. In 1995, half the votes cast for the party lists went to parties that did not cross the five-percent threshold. Consequently, parties like the CPRF that did cross the threshold enjoyed a tremendous multiplier effect. Though only winning 22 percent of the popular vote, the CPRF won 44 percent of the seats in the Duma allotted according to proportional representation.

Few believe that the multiplier effect will be as high in 1999. Thus, it is quite possible that in this election the CPRF may win a higher percentage of the party list vote, and yet gain fewer seats than in 1995. Finally, CPRF candidates running in single-mandate districts will face more serious competition in this election from independent candidates supported by governors.

THE ESTABLISHMENT GROUPS
The August formation of the Fatherland-All Russia bloc might be the most important development in Russian politics since the 1996 presidential elections. Bringing together two of Russia's most powerful politicians - former Prime Minister Yevgeny Primakov and Moscow Mayor Yuri Luzhkov - dozens of regional leaders and remnants of smaller parties such as the Agrarian Party of Russia and Women of Russia, the new coalition has the potential to dominate the post-Yeltsin era.

Fatherland-All Russia's actual political orientation is still open to speculation. Even though some of the coalition's leaders insist that
they are neither "centrist" nor "social democratic," the Russian press typically casts Fatherland-All Russia as left-of-center. Regarding actual policies or programs, coalition leaders have made vague and sometimes contradictory statements. Many Western observers fear that the coalition is a threat to markets and democracy, claiming for example that Mayor Luzhkov's state-dominated capitalism leads to corruption and discourages competition. Another worrisome sign is Primakov's proposal that Russia's regional governors be appointed by Moscow rather than directly elected by the people. Both Primakov and Luzhkov hold foreign policy views that antagonize Russia's neighbors and challenge Western interests. At the same time, most of the bloc's leaders have demonstrated pragmatism and avoided radical policies during their tenures in power.

Fatherland-All Russia offers a serious alternative to the communists and reformers. Centrist parties faired poorly in the 1993 and 1995 parliamentary elections, while the communist Gennady Zyuganov and the anti-communist Boris Yeltsin dominated the 1996 presidential election. However, though many Russian citizens still lament the collapse of the Soviet Union, there is no longer a serious political force in Russia that believes that it can rebuild the empire or, despite reservations about what sort of market economy is best for Russia, advocate a return to communism. This change in attitude has opened doors for parties not directly affiliated with either the communist or anti-Communist camps. Fatherland-All Russia hopes to take advantage of this opening.

It is too early to predict the prospects of the Fatherland-All Russia bloc in December, but its 15 percent support in opinion polls makes it the second-most popular bloc in Russia at this time. The bloc's strong connections to many mayors and to regional governors suggest that it may also perform well in single-mandate districts. At the same time, the alliance remains precarious since both Luzhkov and Primakov have expressed an interest in running for president in 2000.

The Fatherland-All Russia bloc has competition for the centrist vote. On September 20 a group of 39 governors issued a call for the formation of a new electoral bloc: Unity. In the course of the following week, President Yeltsin convinced his Emergencies Minister, Sergei Shoigu, to head the new bloc, and Prime Minister Vladimir Putin has also thrown in his support. At this point, Unity, like Fatherland-All Russia, lacks a clear platform or ideology and is widely viewed as an attempt by the Kremlin and its supporters in the regions to siphon away support from the Fatherland-All Russia bloc.

THE NATIONALISTS AND ULTRA-NATIONALISTS
The People's Republican Party, led by General Aleksandr Lebed, bases much of its appeal on Russian nationalism. As a candidate, Lebed has wide appeal, as he demonstrated in 1996 when he placed third in the first round of the presidential vote, and again in 1997 when he easily defeated the incumbent to be elected governor of the strategic Siberian region, Krasnoyarsk. To date, however, Lebed has not translated his personal appeal into a national party organization.

Vladimir Zhirinovsky's Liberal Democratic Party of Russia (LDPR) is currently the third-largest in the Duma. The party has created from scratch an extensive network of regional offices and local organizers with a presence in most cities throughout Russia. It remains unclear, however, whether this organization is capable of maintaining the support it had originally gained as an anti-West, ultra-nationalist voice in opposition to the Yeltsin administration. The LDPR has openly backed Yeltsin on a whole range of issues over the last several years.
An even greater obstacle to the LDPR's success is the party's recent disqualification by the Central Election Commission (CEC). Under the amended Election Act, candidates for parliamentary election must declare their income, property and criminal convictions. The CEC rejected the second and third candidates on the LDPR list, as well as 133 others, on the basis of questions about their declarations. Zhirinovsky's own candidacy has been put on hold pending further examination.

Zhirinovsky has appealed the CEC's actions. Under the election law, he is also permitted to draw up a new list of candidates and link his party with other parties to form a new election bloc. Though its prospects are dimmed, the LDPR has enjoyed financial support and access to national television networks close to Yeltsin. Moreover, Zhirinovsky is a talented campaigner who should not be counted out of any election.

OUTLOOK
The December 19 Russian elections can represent a positive step in advancing Russian democracy. The reduction in the number of parties and the disinclination of prospective voters to waste their votes on the marginal parties point to increased stability in Russian political life. The increased participation of business organizations, civic groups, governors and mayors also contributes to the further legitimation of the democratic process. Finally, the weakening of political forces that would rebuild the Soviet empire or roll back capitalism largely eliminates the sense of crisis that has accompanied the previous Duma elections.

However, the Russian political system is characterized by rivalry among political elites already vying for an even greater prize - the presidency, to be determined by election in June 2000. The formation of voting blocs such as Fatherland-All Russia and Unity has certainly been motivated in large part by the desires of their leaders to create a political base for their respective favorites for president.

The Duma elections are extremely important in that they will shape the character and pace of Russia's continued economic and political reform - including prospects for revision of the constitution. Moreover, the outcome will impact the political fortunes of the leaders of Russia's political parties and electoral blocs, and thus set the stage for the presidential election in 2000.

NDI's ACTIVITIES
NDI's programs in Russia are designed to support the development of a multiparty, pluralistic political system. Through its political party development program, NDI works to assist the organizational development of reform-oriented parties. NDI is working with a national coalition of civic groups that is promoting confidence and participation in the upcoming polls and working to protect the integrity of the process.

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