

# “The only way to be successful is to be a liberal and democratic country”



Putin has built an authoritarian style of government, where Russian businessmen – who want to attract foreign investors – understand that the safest way to do so is to get permission from the Kremlin. **Boris Nemtsov**, Chairman of the board of directors of Concern Neftyanoy and an advisor to the president of Ukraine, argues that building a dictatorship works against Russia’s interests and against prospects for economic growth

## What are the biggest problems preventing investment into the Russian economy?

Falling investment, the export of capital and the slowing down of economic growth in Russia are the consequences of mutual mistrust and the absence of dialogue between business and the authorities.

The most important question in Russia is a problem of confidence between the government, the president and the business community. There is a desire by the Russian business community to invest in our domestic economy and to attract foreign investment, but mistrust is a very serious problem.

Many Russian businessmen are like domestic immigrants. They stay in Russia but they think how to protect their money outside the country. This is also dangerous.

## What comparisons do you draw between the economic situation in Russia and Ukraine?

Russia has a better tax system, better tax legislation and better economic conditions because of the oil price. However, despite that, our economic statistics are worse than in Ukraine. Ukraine grows at 15% and Russia at not more than six per cent.

High oil and commodity prices mean that Russia has a chance to make huge and unbelievable progress in the economy. It is a pity for me to say that Russia will lose that chance because of domestic policy. If nothing happens in Russia, Ukraine has a chance to improve its economy and quality of life faster.

## Does Russia need an Orange-style revolution?

Well, an Orange Revolution is a modern thing. What was the reason for the revolution in Ukraine? Firstly, Ukrainians hated Kuchma, and secondly, there was a lot of fraud during the election campaign. Today, in Russia, Russians like Putin, but there *is* a lot of fraud in campaigns. However, for a revolution you need both, ie problems between the president and the nation and problems with falsifications of elections. That is why Russia is not ready for an Orange-style revolution.

## How great is anti-Western feeling in Russia today, especially in respect to involvement in the economy? Do such feelings represent the views of the Kremlin?

Anti-western feelings do exist, of course – and quite often this is seen in the official propaganda, which is then used by different groups for their own purposes. This represents a big danger to Putin.

There are big problems in the economy. Many Russian businessmen – who want to attract foreign investors – understand that the safest way to do so is to get permission from the Kremlin. For example, take the case of Power Machines, which is a really sad story.

This situation works against Russian interests and against economic growth. The government wants to double GDP, but the only way to do this is to attract foreign investment – which they don’t want to do.

Recently, they have changed the law on natural resources – for fields of oil, gas, diamonds etc – which will work against the improvement in the investment climate.

At the same time, we now have the grow-

ing popularity of nationalistic forces in Russia, as shown by the results of the regional elections. This is caused by a mistaken Kremlin policy about the western world and the involvement of foreigners.

## Political analyst Vyacheslav Nikonov argues that Putin is more liberal than 90% of Russians. If correct, this does not suggest that the chance of democratic change in Russia is great.

Such kinds of sentences do not explain why it has been necessary to build an authoritarian style of government. I disagree with the theory which says, ‘the people want dictatorship, therefore I must be a dictator’. Building a dictatorship is against Russian interests.

When Gorbachev was president of the Soviet Union, he was more liberal than a 100% of the population, yet proved to be a figure of historical importance. Yeltsin was the same – at the start of the ‘90s Russians were not so liberal. If you want to be like an ‘average Russian’, you will never make it into the history books of Russia.

The only way to be successful as a country is to be a liberal and democratic country. This is the only way for Russia, if we are to overcome the problems we have which are a consequence of our history.

Therefore, Putin must forget about polls and public opinion if he wants to do this. If he explains that freedom is very important, I don’t think that the Russian people will hate him. If he listens more attentively to criticism, if he acts against corruption, if he doesn’t suppress the media then we will also solve our bloody Chechen problems more quickly.

### How strong is any 'liberal comeback' in Russia?

Unfortunately, unification of the democratic movement is a very complicated and serious problem. I am involved in these processes, but because of various problems – such as egos of some leaders, some ideological problems - it is difficult to come to a final decision about joining together as a united democratic opposition. That is why I will be involved in the future.

### Will the 2008 presidential election be a real contest?

It depends on the results of talks inside the

democratic parties. If we have a united team, then we will have a real chance in the parliamentary elections in 2007. Demand for a democratic party will increase day by day. If we fail, I don't think that we will have a chance to have a candidate represented in the race for 2008.

### What has been the reaction of the administration to a possible challenge from liberal forces?

I don't think that they are afraid of us, because we are now weak. But if we can organise ourselves into a serious political force, in this case, we will be a threat and they will fight against us.

### It has been suggested that the recent assassination attempt on Chubais' life was possibly a reaction to the formation of a liberal opposition.

This is a difficult question. I don't know. I think that there could be a political motivation for the attempted murder - that is true. But I don't think that this is from the government. 90% of Russians hate Chubais – that is why millions of Russians could take part in such a terrible event! But to say that this was the authorities, I don't think so. **rir**

## "Russia has a right not to become anyone's colony"



**America has an agenda behind investing millions of dollars in Ukraine, says Boris Yakimenko, First deputy head of the Iduschie Vmeste (Walking Together) – one of the pro-Kremlin youth groups in Russia today. He cautions that while welcoming investment, Russia must not allow a new world order to be created**

### Several reports in the British media have given the impression that the new youth movement Nashi is the Kremlin's response to counter the spread of Orange-style revolution and western influences in Russia. Can you set the record straight?

I have read the stories in the British press and I was amazed at the labels the organisation was given. Someone out there is forming public opinion with a special purpose in mind. Nashi is an anti-fascist youth organisation. It was created in response to the heightened internal threat of fascists and neo-Nazis especially as we are celebrating the 60th anniversary of the end of WWII. This is the main purpose behind Nashi. The impression that we are against the West is being created artificially by the media controlled by Berezovsky, by newspapers such as Kommersant, Nezavisimaya and Novaya Gazeta and also Moskovskie Novosti. Other media don't pay any attention. The insinuations have absolutely no grounds.

Putin has said we must not allow a new world order to be created; that

it cannot be imposed from above. He meant the United States. He also talked about the policy of double-standards by the West. For example, how come Chechen elections were declared illegitimate while, at the same time, the Iraqi elections were legitimate? If the policy of double-standards is imposed on Russia, we will struggle against it using legitimate and lawful, internationally-recognised means.

### Does Russia need foreign investment?

Investment is needed, no doubt about it. Even at the beginning of the 20th century Russian capital used foreign investment and today, obviously, it is needed in areas where the west has more experience.

### Is Russia likely to become a 'feeding trough' for the global economy and the west?

You can't allow Russia to become a western colony, a territory from where material goods are taken away, where the minimal standard of life is maintained so the west can have someone to service their high-tech production.

To return to the double-standards mentioned by Putin. We have some convincing examples before our eyes: Serbia, Georgia and Ukraine where - there is no doubt about it - the Americans are introducing external control. One might think that they are investing millions of dollars to support Ukrainian democracy. But we understand very well that a capitalist society or any businessman would never invest in anything without having their own reason for doing it. There is an agenda behind this 'charity'. These are rather strange charity projects. What we have is countries essentially becoming colonies. In the end they will be used as a raw materials appendage with the outward appearances of a democracy. This is why we are saying that Russia must not go down this road and, of course, it has a right not to become anyone's colony under any circumstances. I think it's rather natural: no state wants to be anybody's colony. You can't condemn that. **rir**

*Interview by Svetlana Graudt*