RUSSIA’S NEW SECURITY SERVICES: AN ASSESSMENT


October 31, 1994

Author: Amy Knight

Federal Research Division
Library of Congress
Washington, DC 20540-5220
Tel: (202) 707-9905
Fax: (202) 707-9920
This study examines the evolution of the Russian security services since the KGB was disbanded in 1991 and assesses the extent of the influence of these new services on domestic and foreign policy. The conclusions are based on a detailed study of the Russia media, as well as on interviews and Western analyses.
Dear Reader:

This product was prepared by the staff of the Federal Research Division of the Library of Congress under an interagency agreement with the sponsoring United States Government agency.

The Federal Research Division is the Library of Congress's primary fee-for-service research unit. At the request of Executive and Judicial branch agencies of the United States Government and on a cost-recovery basis, the Division prepares studies and reports, chronologies, bibliographies, foreign-language abstracts, and other tailored products in hard-copy and electronic media. The subjects researched include the broad spectrum of social sciences, physical sciences, and the humanities.

For additional information on obtaining the research and analytical services of the Federal Research Division, please call 202/707-9905, fax 202/707-9920, via Internet frd@mail.loc.gov, or write to Marketing Coordinator, Federal Research Division, Library of Congress, Washington, DC 20540-5220.

Louis R. Mortimer
Chief
Federal Research Division
Library of Congress
Washington, DC 20540-5220
PREFACE

The purpose of this study is to examine the evolution of the Russian security services since the KGB was disbanded in 1991 and to assess the extent of their influence on domestic and foreign policy. The study describes and analyzes the changes that have occurred in the security services under Yeltsin. It discusses the different agencies that have been created to replace the KGB, as well as the laws that have been passed to govern these agencies. Particular attention is devoted to how Yeltsin has used the security services as a means to fight his political opponents and to further Russian policies towards the so-called near abroad. The conclusions are based on a detailed study of the Russian media, as well as on interviews and Western analyses.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>PREFACE</td>
<td></td>
<td>ii</td>
</tr>
<tr>
<td>I.</td>
<td>INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>II.</td>
<td>BACKGROUND: THE SECURITY SERVICES AFTER 1991</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Parliament and Laws</td>
<td>6</td>
</tr>
<tr>
<td>III.</td>
<td>DOMESTIC POLITICS AND THE MB</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>The March 1993 Crisis</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Crime and Politics</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>The October Crisis</td>
<td>16</td>
</tr>
<tr>
<td>IV.</td>
<td>THE FEDERAL COUNTERINTELLIGENCE SERVICE</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>The New Agency’s Role</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>The Anti-crime Campaign</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>Corruption within Law Enforcement Agencies</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Nuclear Terrorism and Ethnic Conflicts</td>
<td>32</td>
</tr>
<tr>
<td>V.</td>
<td>GUARDS AND COMMUNICATIONS AGENCIES</td>
<td>36</td>
</tr>
<tr>
<td>VI.</td>
<td>THE FOREIGN INTELLIGENCE SERVICE</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>A New Image</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>Changing Environment for Intelligence</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td>Making Foreign Policy</td>
<td>44</td>
</tr>
<tr>
<td></td>
<td>The SVR in the Near Abroad</td>
<td>48</td>
</tr>
<tr>
<td>VII.</td>
<td>THE BORDER GUARDS</td>
<td>52</td>
</tr>
<tr>
<td>VIII.</td>
<td>CONTROLS OVER THE SECURITY SERVICES</td>
<td>59</td>
</tr>
<tr>
<td>IX.</td>
<td>CONCLUSION</td>
<td>60</td>
</tr>
<tr>
<td>X.</td>
<td>NOTES</td>
<td>64</td>
</tr>
</tbody>
</table>
I. INTRODUCTION

This study examines the evolution of the Russian security services since the KGB was dissolved in 1991 and assesses their role in decision-making and policy implementation. Are we witnessing a resurgence of the influence of the former KGB that might be incompatible with the development of democracy in Russia and the reduction of tensions with the West? Or has Russian President Yeltsin successfully reformed the security apparatus and reined it in, so that it is no longer the key player that it was in Soviet days?

The study describes the new structure of the security apparatus as it has developed under Yeltsin. It considers how security policy is carried out, now that the functions of the former KGB are divided among several agencies, and what the interactions are among these agencies. Yeltsin has initiated several reorganizations of the post-KGB security apparatus since early 1992. It is important to examine what led to these changes, including Yeltsin's own political motives, and their impact on the effectiveness and morale of the security services.

Of particular interest is the personnel in the post-KGB security agencies. Were there massive dismissals and cutbacks after 1991, or did many of the leading staffers retain their jobs? For those who remained, how have they adjusted to the dramatic political and economic changes that have occurred over the past three years? Do they try to impede reform, or have they
accepted Yeltsin's stated policy of democratization and rapprochement with the West?

As this study demonstrates, the evolution of the post-Soviet security apparatus has taken place in a highly volatile political environment, with Yeltsin besieged by political opposition, economic crises, and mounting ethnic conflict and crime. Increasingly Yeltsin and his advisors have had to rely on the security agencies for support in dealing with these challenges, both in devising strategies and implementing them. What is of crucial interest for U.S. policy is whether Yeltsin's growing dependence on the former KGB threatens his overall program of political and economic reform, as well the long-term political stability of Russia. Is Yeltsin yielding to the temptation to use strong-armed, anti-democratic methods in order to preserve his regime? Is he being influenced by conservative elements from the former KGB in elaborating a strategy towards the newly independent states and Eastern Europe that could result in a more aggressive approach?

In addressing these questions, the study focuses on the five agencies that have emerged from the disbanded KGB: The Foreign Intelligence Service, the Federal Counterintelligence Service, the Federal Agency for Government Communications and Information, the Main Guard Administration, and the Federal Border Guard. It looks at their domestic roles—counterintelligence and fighting corruption, ethnic separatism and political opposition—and at their roles in the so-called near abroad and (for the Foreign
Intelligence Service) in the West. Among the issues addressed are the role of the security services in the new economic structures—joint ventures, banks, and other enterprises—that have developed at home and abroad and the possible involvement of former and current security officials with the powerful Russian mafia.

The study is based on a comprehensive and systematic analysis of the Russian press and other media, reviews of Western writings, and an examination of the laws and decrees relating to the security services. The author has also used interviews conducted in Moscow in May 1994.

II. BACKGROUND: THE SECURITY SERVICES AFTER 1991

The dissolution of the USSR KGB on December 3, 1991—to be followed shortly thereafter by the disbandment of the USSR—was greeted with widespread enthusiasm in Russia and elsewhere. More than any other Soviet organization, the KGB had been associated in the minds of the Russian public with repression, and its disintegration was seen as a sign that democracy would prevail in the newly created Russian Federation. But Russian president Boris Yeltsin had no intention of doing away with the security apparatus altogether. Rather he dispersed the functions of the former KGB into several different agencies, most of which performed tasks similar to those of the different KGB directorates.

With the creation of fifteen new states from the republics
of the former Soviet Union, the territorial branches of the
former KGB were transferred to the control of the new governments
of these states. However, the Russian Federation, which housed
KGB central operations in Moscow, inherited the bulk of the KGB’s
resources and manpower. By January 1992, five separate security
 agencies had emerged in Russia to take the place of the former
KGB.¹ Largest was the Ministry of Security (Ministerstvo
bezopastnosti—MB), which numbered some 137,000 employees and was
designated a counterintelligence agency. It inherited the tasks
of the former second chief directorate (counterintelligence
against foreigners), the fifth chief directorate (domestic
political security), the third chief directorate (military
counterintelligence), the fourth directorate (transportation
security), the sixth directorate (economic crime and official
corruption), and the seventh directorate (surveillance, wire-
tapping, etc.).

The KGB’s eighth chief directorate, which oversaw government
communications and cipher systems and another technical
directorate, the sixteenth, became the Federal Agency for
Government Communication and Information (Federal’noe agentstvo
pravitel’stvenoi sviazi i informatsii—FAPSI). The KGB’s ninth
directorate, charged with guarding government leaders and key
buildings and installations, became the Main Guard Administration
(Glavnoe upravlenie okhrany—GUO), which included an autonomous
subdivision, the Presidential Security Service. The latter was
directly responsible for protecting the president. The fourth

4
agency emerging from the dismantled KGB was the Border Guard Service, numbering some 180,000 troops. By early June 1992, Yeltsin had decided against keeping the border guards a separate agency and placed it under the jurisdiction of the Ministry of Security. Finally, the KGB's first chief directorate (foreign intelligence) was transformed into the Foreign Intelligence Service (Sluzhba vneshnei razvedki--SVR), headquartered outside Moscow at Iasenevo.

Yeltsin never made a clear statement of his plans for the security services beyond the occasional rhetoric about how different they would be from the KGB, but within a few months certain trends could be discerned. Generally speaking, Yeltsin had four main aims for the security services. First, he wanted to use the services, particularly the Ministry of Security, FAPSI, and the Main Guard administration, to support him in his battles with the political opposition at the top. Second, he wanted the security apparatus to struggle against broader domestic threats--ethnic separatism, terrorism, labor unrest, drug trafficking, and organized crime. Third, he intended the security apparatus, in particular the border troops and the Foreign Intelligence Service, to enhance the power and influence of the Russian Federation over the CIS (Commonwealth of Independent States). And finally, the security services had the more traditional purpose of counterintelligence against foreign spying, intelligence-gathering, and "active measures" abroad.

Because the top priority for Yeltsin was defeating his
political enemies and consolidating his power, the more
straightforward security functions were relegated to a secondary
role, and secret surveillance, wire-tapping, and other covert
methods were employed against those whom Yeltsin viewed as a
political threat.

**Parliament and Laws**

The Russian parliament, the Supreme Soviet, also sought
control over the security services. The views of its deputies,
however, were so diverse that it would be impossible to speak of
a parliamentary agenda regarding the security services. The
democrats, led by human rights activists like Lev Ponomarev and
Father Gleb Yakunin, were concerned above all with circumscribing
the powers of the security services so that they would not be
used arbitrarily against individual citizens. They wanted to
place legal limitations on the security police and ensure
protection of individual rights in the legal structure. They
also wanted to create a system of public oversight of the
security services.

At the other end of the spectrum were the parliamentary
deputies from the more conservative groups, who were not
interested in furthering democratic reforms of the security
services. Rather, they wanted to assert their own influence over
these bodies in order to compete successfully against Yeltsin for
political power. Parliamentary speaker Ruslan Khasbulatov and
Russian vice-president Aleksandr Rutskoi were the most prominent
representatives of this group.
However different they were, both parliamentary groups were united in one aim—that of imposing parliamentary control over the bodies of the former KGB. On 21 February 1992, the Supreme Soviet passed a resolution stating that it had the right to oversee the planning and implementation of domestic security and foreign intelligence operations, as well as to control budgetary and personnel matters. The resolution also "recommended" that the president of Russia refrain from any further reorganizations of the security and intelligence services until the Supreme Soviet had discussed the findings of its Committee on Defense and Security on this question.\(^4\) Not surprisingly the resolution did not go over well with Yeltsin. Four days later, on 25 February, he issued a decree asserting his right as president to control the security services and to appoint their leading personnel.\(^5\) Throughout 1992 and 1993, the issue of parliamentary versus presidential control over the security services was to arouse considerable dispute. But for the most part Yeltsin prevailed.

In the meantime, Yeltsin had set about implementing his agenda for the former KGB with a flurry of decrees and laws. The laws served three purposes. First, they created the impression that the Yeltsin administration was doing something concrete to regularize and control the activities of the security services and thus align them with his avowed goals of democratic reform. Second, they legalized substantial powers for the services in terms of their operative work. And third, they relegated the main control over the security services to the Russian president.
It is important to remember that, despite the dissolution of the Russian parliament in October 1993, these laws still remain in effect today.

Yeltsin was able to pass these laws because the oversight body for the security services, the Supreme Soviet Committee for Defense and Security, included several security officials who were more than willing to go along with Yeltsin's plans. The leader of the committee, Sergei Stepashin, held his parliamentary post simultaneously with his position as chief of the St. Petersburg MB branch until he was pressured to give up the latter job in October 1992 (because of conflict of interest). As committee chairman, he continued to be a forceful advocate of broad powers for the security organs.

The first security law, passed in late April 1992, was the Law on Operational-Investigative Activity, which set forth the legal basis for criminal investigations, including those by the state security organs. Establishing an effective investigative service was clearly a top priority for Yeltsin. The law authorized five agencies to conduct criminal investigations: The Ministry of Internal Affairs (MVD), or regular police; the Ministry of Security; the Border Guards; the Foreign Intelligence Service; and "operational subunits" of the Main Guard Administration.

Although the law put certain limitations on investigators, its main thrust was to grant them broad leeway. Rather amazingly, for example, the law granted investigators the right
to conduct secret surveillance, install bugging devices, open mail, and tap telephones; these powers were to be limited, however, to cases of "serious crimes." In "urgent cases which could lead to an act of terrorism or sabotage," the only requirement was that the procurator be notified and his sanction obtained within twenty-four hours.

The investigation law was followed by a Law on Security, signed by Yeltsin in May 1992. The most remarkable thing about this law, which set forth the broad concepts underlying the security policies of the Russian Federation, was the powerful role that it gave to the Russian president. The parliament's authority was described vaguely as "determining priorities in protecting the vital interests of objects of security" and "establishing a procedure for organization and activity of security organs." By contrast, the law charged the president with the overall leadership of the organs of state security, with "monitoring and coordinating their activity," making "operational decisions," and so on.

In July 1992, Yeltsin signed—and the Supreme Soviet ratified—laws governing the two main security agencies, the Ministry of Security and the Foreign Intelligence Service. Both laws gave President Yeltsin sweeping authority over security and intelligence operations, but it was the Law on State Security Organs, which governed the Ministry of Security, that aroused the most concern on the part of democrats. What was disconcerting to them was the similarity of the new law to that passed on the
KGB just 14 months earlier. Indeed, the law conferred basically
the same mission and powers on the MB that the earlier law had
granted to the KGB, in some cases almost verbatim.⁹

In and of themselves, these laws did not appear particularly
draconian. Indeed, the extensive detail and the numerous
references to human rights and freedoms gave the overall
impression of an effort to create a law-based state. But those
who read the fine print had the opposite impression, claiming
that the new laws opened up the way for human rights'
violations.¹⁰ Why, they asked, was Yeltsin, a self-proclaimed
democrat, putting so much effort into decrees relating to
security? Why was he not instead fulfilling the promises made by
Gorbachev and introducing new legal codes to replace the old
ones, which dated back to the early sixties? After all, at that
time legal concepts were based on the idea of "class struggle"
and the "dictatorship of the proletariat." The answer to this
question became increasingly clear as Yeltsin began to face
strong opposition from the parliament, as well as an erosion of
his support from the public as a whole.

III. DOMESTIC POLITICS AND THE MB

The March 1993 Crisis

Yeltsin's first Minister of Security, the former MVD chief
Viktor Barannikov, was a newcomer to the KGB, which may have been
why Yeltsin appointed him. Although he brought a few of his MVD
subordinates to serve under him in the MB, Barannikov did not
attempt a widespread purge of former KGB officials. In June 1992, he initiated an in-house campaign against corruption, which resulted in the dismissal of his first deputy, a career KGB official named Anatolii Oleynikov. But Oleynikov’s replacement was another KGB old-timer, Nikolai Golushko, at one time chief of the Ukrainian KGB and a notorious persecutor of dissidents.

Initially Yeltsin was on good terms with Barannikov. The two were described as "boon companions" (sobutyl’niki), who frequently visited the sauna together. But their friendship came under increasing strain as Barannikov and his ministry were drawn into Yeltsin’s political struggles, and Barannikov’s loyalty to Yeltsin was put to the test.

The first test came in the spring of 1993, when the uneasy truce between Yeltsin and the parliament was broken. After the Eighth Congress of People’s Deputies voted in mid-March to deprive Yeltsin of his extraordinary presidential powers, Yeltsin went on television on 20 March to declare the imposition of "special rule," giving him veto powers over the congress until new elections were held. He also announced a referendum on 25 April, when citizens would vote on a new constitution and on confidence in the president. Although Yeltsin stated that the army would not be used for "political purposes," he made it clear that the "power ministries" had been instructed to enforce his decree. During the next few days, however, it became less and less certain that Yeltsin’s instructions would be carried out. Minister of Defense Pavel Grachev insisted that the army would
“mind its own business” and alluded to dissention with the ranks over Yeltsin’s decree.¹²

The MB was even more equivocal. Barannikov, in a speech to the 21 March session of the Supreme Soviet, said that his ministry would not get involved in the political confrontation and urged that a compromise be found.¹³ On 24 March, four days after Yeltsin’s television address, the press reported that the power ministries were observing strict neutrality, which meant that, should Yeltsin provoke a confrontation with parliament, they might well not back him.¹⁴

Given such a lukewarm reaction from the defense and security ministries, Yeltsin backed down considerably from his confrontational stance, although he stuck to his decision to hold a referendum in April. Why did Barannikov fail him? Though Barannikov was close to Yeltsin and not opposed to his political program, he reportedly did not feel confident enough of his control over the MB to enlist its support on behalf of Yeltsin.¹⁵ Also, he may have doubted Yeltsin’s staying power and did not want to link himself irrevocably to the president. The August 1991 coup, which ended with the arrest of several KGB leaders, offered a stark reminder of the vulnerability of the security services when drawn into power struggles. If Yeltsin was defeated in a violent showdown with his parliamentary enemies, those who backed him would face reprisals.

Crime and Politics

A deeper split between Yeltsin and Barannikov occurred as a
result of the campaign against corruption, which Yeltsin initiated with the help of the MB. Corruption was not a new problem. Bribe-taking and behind-the-scenes deals had been accepted practice for officialdom in Soviet days. By the late Brezhnev period, the mafia pervaded the Soviet republics. Mafia bosses were often high state or party officials who used their positions to squander state funds, steal state property, and bribe local police. After the Soviet Union collapsed, the mafia took advantage of more open borders and increased contacts with the West to expand its activities dramatically.16

Government officials continued to play key roles in mafia operations. With no laws or regulations to prevent them from abusing their positions, they were able to use the process of privatization of state property for their own gains. The overlap between government-controlled economic enterprises and private entrepreneurial ventures created vast opportunities for illegal economic activity at the highest levels.

Beginning in 1992, Yeltsin unleashed the MB against organized crime and official corruption, not without some success. In its so-called "Operation Trawl," the MB, for example, uncovered attempts to illegally export from Russia timber, metals, and ammunition that had a reported value of 6.6 billion rubles. According to Barannikov, his agency had, by December 1992, opened up 217 criminal cases in connection with this operation.17

In September 1992, Yeltsin ordered several thousand state
security employees to be posted to government institutions as watchdogs against corruption.\textsuperscript{18} According to General Aleksandr Gurov, deputy chief of the MB's Directorate for Combatting Corruption, by December 1992 the MB had a card file of over 3,000 persons suspected of economic crimes.\textsuperscript{19}

Although Yeltsin realized that it was necessary to fight corruption because of the serious threat it posed to Russia's economic and political stability, he also wanted to use the corruption issue as a weapon against his political opponents. Not surprisingly, however, Yeltsin's own entourage was soon hit with charges of illegalities.\textsuperscript{20} In April 1993, Yeltsin's erstwhile ally Rutskoi accused several officials close to Yeltsin, including First Deputy Prime Minister Vladimir Shumeiko and Deputy Prime Minister Mikhail Poltoranin, of criminal activities. Rutskoi also claimed that Yeltsin and his aide Gennadii Burbulis had given monopoly rights to a firm in their native city of Ekaterinburg for the production and sale for export of a strategically important raw material given the name "red mercury."\textsuperscript{21} In retaliation, Yeltsin stripped Rutskoi of key responsibilities, and on 28 April dismissed him from the leadership of the Interdepartmental Commission on Crime and Corruption, putting himself in charge.

Yeltsin's actions did not put an end to the corruption allegations, however. Rutskoi insisted that he had documentation to back up his claims, some of which was already in the hands of the procurator. In late June 1993, the deputy procurator-general,
Nikolai Makarov, delivered a lengthy report to the Russian parliament in which he said that Rutskoi's charges against Poltoranin and Shumeiko had been confirmed by a special investigation and recommended that Shumeiko and Poltoranin be removed from their jobs, a step that the parliament approved. Makarov also implicated several leading military commanders in the Western Group of Forces (Germany) in the misappropriation of state property, even claiming that two Mercedes automobiles had been purchased in Germany, under a fictitious name, for Russian Defense Minister Pavel Grachev.22

Where did the procurator's office obtain the documentation for all these allegations? According to Makarov, they were "demanded and obtained from the Ministry of Security and the MVD of Russia in a volume of over 3,000 sheets." He also said that the MB had participated in the investigation that formed the foundation of his report.23

In late July 1993, Yeltsin fired Barannikov. The pretext was an incident that took place on the border between Tadzhikistan and Afghanistan on 13 July. An armed group of about 400 Afghan soldiers and Tadzhik oppositionists attacked a border post guarded by Russian border troops, who were caught completely by surprise and hence sustained heavy losses. Twenty-four Russian border guards were killed and 18 wounded during a battle lasting 11 hours.24

Responding to the tragedy, Yeltsin not only dismissed Barannikov, but also Border Guards Chief Vladimir Shliakhitin. He
placed overall responsibility for coordinating forces along the border in the hands of Defense Minister Grachev and appointed Grachev's protege, First Deputy Chief of the General Staff Andrei Nikolaev, as Shliakhtin's replacement. All this was a clear signal that Yeltsin was unhappy with the MB leadership, which heretofore had had sole authority for border protection.

Yeltsin stated publicly that he had dismissed Barannikov "for violating ethical norms," as well as for mishandling the border crisis. It soon emerged that both Barannikov and his wife had been involved in rather substantial financial illegalities, which they were subsequently indicted for. But these transactions may merely have been convenient excuses for Yeltsin's actions. Barannikov's main sin was his failure to back up Yeltsin during the March crisis and his subsequent accommodation of Yeltsin's enemies in their campaign to pin corruption charges on Poltoranin, Shumeiko, and others.

The October Crisis

By August 1993, the battle lines between Yeltsin and his main parliamentary opponents, Khasbulatov and Rutskoi, had been firmly drawn and a confrontation was looming. In preparation for a violent show-down, Yeltsin began courting the Ministry of Defense. He granted pay raises to the regular military and in September paid a visit to several key troop divisions outside Moscow. He steadfastly kept his anti-corruption commission from investigating charges of bribery and corruption among military commanders, including Grachev.
Yeltsin also cultivated the MVD. In mid-August MVD Chief Viktor Yerin was reportedly availing himself of the presidential dacha at Sochi, although as an ordinary minister he had no official right to do so. In mid-September Yeltsin, accompanied by Yerin, visited the MVD’s renowned Dzerzhinskii Division, elite, special purpose troops trained to combat internal unrest, which were stationed close to Moscow. The visit was seen by the media as an effort by Yeltsin to shore up support. Later, on 1 October, Yeltsin issued a presidential edict awarding Yerin the rank of army-general, presumably a payment in advance for pledged loyalty.

The Ministry of Security, which also had troops at its disposal, posed more of a problem for Yeltsin. The ouster of Barannikov caused disarray and uncertainty in the ranks of the MB, which had already been subjected to a significant number of personnel changes since the KGB had been dissolved. As acting security minister, Yeltsin appointed Barannikov’s first deputy Golushko, presumably to provide some sort of continuity within the MB leadership. But, as he reveals in his memoirs, Yeltsin was unsure of Golushko’s loyalty: “I had my doubts about him. I did not know him very well....I did not know how he would react. At the same time, perhaps it was a good thing I was getting the opportunity to test him in an extremely grave situation. Soon it would be clear to me if we had a new security minister or whether I would have to look for another candidate.” Although Yeltsin named a reliable supporter, his parliamentary advocate Sergei
Stepashin, to be Golushko's second-in-command, decisions concerning the MB's role during the crisis would be in the hands of Golushko.

In the event that the MB would prove unreliable, Yeltsin transferred the elite Vympel troop unit to the Main Guard Administration (GUO), which was firmly under his control. Because the GUO not only had the troops of the former Ninth Directorate of the KGB, but had also acquired the Alpha troops from the KGB several months earlier, it was well equipped to come to the president’s defense.

Having made these preparations and sounded out his "power ministers," Yeltsin issued the sensational announcement on 21 September that he had dissolved the parliament. The immediate response from parliamentary leaders was to declare Yeltsin's order null and void and to "elect" Rutskoi as president of the Russian Federation.

Although Yeltsin's ministers declared their support for his decision to dismiss the legislature and rule by presidential decree, they showed little enthusiasm. Golushko was especially guarded. On 22 September he appeared on television to announce that the members of the MB leadership had agreed to "implement" Yeltsin's decree, but he hastened to point out that the decree did not give the MB emergency powers, "especially not the authority to carry out forceful action." He went on to warn against letting the confrontation get out of hand because "if one or another politician allows this to happen, it could have
serious consequences.\textsuperscript{30}

Golushko was saying that his ministry would go along with Yeltsin's decree dissolving the parliament as long it did not entail enforcement by security troops. But, as Yeltsin realized, force (or the real threat of force) was the only means by which he could get his opponents to capitulate. So Golushko's qualified endorsement was of little use. The problem, it turned out, was that there was considerable disagreement within the MB over Yeltsin's decree, which meant that its troops could not be counted upon, no matter what Golushko wanted them to do. On 23 September, a Moscow paper reported that at least 20 high-ranking MB officers had stated that they would not act against the parliament should they be called upon.\textsuperscript{31}

The MVD's militia was already out on the streets, responsible for ensuring public order, so they would be the first to be involved in any violence. But Yerin was doing his best to downplay the possible use of force, apparently because of dissension within his staff.\textsuperscript{32} He did, however, come to Yeltsin's aid by calling internal troops, including the Dzerzhinskii Division and OMON units (troops of special designation), into Moscow to reinforce the regular militia, which numbered around 100,000 in Moscow alone.\textsuperscript{33}

The showdown escalated to violence on Sunday, 3 October, when thousands of pro-parliament demonstrators, urged on by Rutskoi and Barannikov, marched on the Moscow Mayor's office and on the Ostankino Television station. The attack on Ostankino,
defended only by MVD troops, left more than 60 dead and hundreds wounded.\textsuperscript{34}

Yeltsin responded by declaring a state of emergency, which motivated Grachev to issue orders for certain of his army units (the Taman and Katemirov divisions, along with the 119th paratrooper and 27th motorized infantry) to come into Moscow, but they did not arrive until the next day. \textsuperscript{35} Observing that the military had arrived too late, Yeltsin suggested subsequently that Grachev may have had doubts about whether his senior military officers would obey him.\textsuperscript{36} But Grachev blamed MVD chief Yerin, saying that Yerin had convinced everyone at a government session that he could cope using just his own forces and that army troops would not be needed.\textsuperscript{37}

As for MB special troops, they maintained a low profile, despite the fact that they were responsible by law to suppress "mass disorders" and to assist the MVD in enforcing a state of emergency.\textsuperscript{38} When later asked about the MB's passivity in responding to the violence, Moscow Security Chief Evgenii Savostianov referred to the "operational personnel's intrinsic reluctance 'to get into politics.'"\textsuperscript{39}

It has been suggested that Yeltsin encouraged the attack on Ostankino so that he would then have an excuse to storm the White House.\textsuperscript{40} Although it is not clear that this was a deliberate plan on Yeltsin's part, it is true that the attack on Ostankino provided the necessary impetus for the use of force. Given the reluctance of the police and army leaders, it is hard to imagine
that they would have ordered their men to storm the White House without any provocation. Had it not been for Rutskoi’s ill-fated order to attack Ostankino, the troops might never have moved against the White House.

In the end it was a combination of army troops (Taman and Katemirov divisions, and the 119th Naro-Fominsk paratrooper division) and MVD troops (the Dzerzhinskii Division and other special purpose units) that mounted the initial attack. A few hours later, a combined detachment of 180 or so men from the elite Alpha and Vympel units penetrated the White House and negotiated the surrender of Khasbulatov, Rutskoi, Barannikov, and others. (As Yeltsin later revealed, he had trouble persuading the Alpha and Vympel units to back him, even though they were subordinate to him rather than the MB.) MB special troops were in evidence during these events, but their role was minimal.41

The October crisis marked the first time in Soviet history that troops, either army or police, had been called out in full force and actually used in a political conflict. Put to the test on Yeltsin’s behalf, the performance of the power ministries was disappointing, to say the least. The main responsibility for suppressing civil violence in October lay with the MVD and MB. Although MVD chief Yerin had been willing, his troops proved ineffective and inefficient. The MB, whose forces were much better trained, was an even greater failure. Golushko later tried to defend his employees, claiming that many had been wounded and that they had behaved courageously.42 But Yeltsin
was unconvinced and started making plans to revamp the security service and reorganize its forces so that he could ensure their support and loyalty to him.\textsuperscript{43}

IV. THE FEDERAL COUNTERINTELLIGENCE SERVICE

On 21 December 1993, the 76th anniversary of the founding of the Soviet security police, Lenin's infamous Cheka, Yeltsin issued a decree announcing that he had disbanded the Ministry of Security. According to the decree, the security system that had existed from the Cheka days up to the present had proved "unreformable" and "the attempts at reorganization that have been made in recent years were basically superficial and cosmetic."\textsuperscript{44} Yeltsin's solution to the problem, as announced in his decree, was to repeat the pattern of his predecessors and create yet another security service under a new name. This time it would be called the Federal Counterintelligence Service (\textit{Federal'naia Sluzhba Kontrarazvedki}--FSK).

Golushko refused to comment publicly on the changes until 29 December, when he gave an interview to \textit{Izvestiia}, making it clear that he was unhappy about Yeltsin's decree.\textsuperscript{45} He observed: "You are probably familiar with the saying 'if you want to reduce efficiency, launch a reorganization.' This is what is happening in this case." He also said that "at the very least, I personally would not have made such sharp changes in the wake of the October events. I am not condemning the president, I obey him and we are doing everything to implement the edict. But in this case I am
talking about the purely human feelings of honest staffers."

The creation of the FSK marked yet another chapter in
Yeltsin's struggle to hold onto the reins of power while at the
same time maintaining his commitment to promoting democracy. The
October crisis was a close call for him, in large part because he
had overestimated the willingness of his power ministries to back
him up with force. At the crucial moment, when the confrontation
with his opponents had brought violence, Yeltsin found himself a
supplicant to those in charge of the troops. In order to avoid
such a situation in the future, he had to ensure, insofar as was
possible, that he could depend on the men and the institutions
that were charged with maintaining internal security and
preventing political disturbances. This entailed reorganizing
the security services yet again and placing them more firmly
under the president's control.

The New Agency's Role

The statute on the FSK, signed by Yeltsin on 5 January, was
not published until the end of March. The statute, which was
written collectively by Golushko, Stepashin, and Yeltsin advisors
Iurii Baturin and Oleg Lobov, emphasized strongly that the
President alone controlled the FSK. Whereas the 1992 law had at
least stipulated a monitoring role for the parliament and the
judiciary (which proved ineffective), Article 9 of the new law
states emphatically that "monitoring the activity of the Russian
FSK and counterintelligence organs is carried out by the Russian
Federation president."
FSK officials had stated initially that the FSK staff would be downsized from 135,000 to 75,000 because some of its functions were being transferred to other agencies. The FSK, for example, had relinquished its investigative powers to the MVD and the Procuracy, retaining only powers of inquiry (doznanie). But the statute was ambiguous on this issue and within a few months the FSK had regained criminal investigation functions. By early July FSK officials were referring to a staff of 100,000.\footnote{24}

With regard to the border guards, again a separate agency, the FSK was charged with "implementing counterintelligence measures for the operational protection of the Russian Federation state border," as well as conducting counterintelligence within the border troop units. This implied, at the very least, a close working relationship between the counterintelligence service and the border guards.

It came as no surprise when Yeltsin abruptly dismissed Golushko at the end of February 1994, replacing him with Golushko's more trustworthy first deputy Stepashin. According to the FSK public relations office, Golushko resigned because of "family circumstances." But outside observers said that he had been forced out. Some claimed it was because he had done nothing to prevent the February 1994 release from Lefortovo Prison of the leaders of the October rebellion--Khasbulatov, Rutskoi, et. al. Another theory was that his dismissal was somehow connected with the arrest of C.I.A. officer Aldrich Ames a few days before on charges of spying for Russia. The most likely explanation, given

\footnote{24}
that rumors of Golushko’s impending dismissal had been circulating for several months, was that Yeltsin had never forgiven him for his lack of support during the October crisis.48

Stepashin talked about the FSK’s new role in a lengthy interview on 25 May, the day before Yeltsin was to visit Lubianka for a conference.49 Noting that a new economic counterintelligence directorate had been set up within the FSK, he cited examples of their successes in instituting criminal proceedings against officials involved in economic malfeasance and noted that laws (including a new law on the FSK) were being developed that would improve the government’s ability to fight corruption. Those who thought that underground markets and "shadow capital" would stimulate the national economy were wrong, he said. And he defended the FSK against critics who accused them of persecuting private entrepreneurs.

Stepashin argued that the FSK could not be as effective in protecting society from crime if it had to deal with procedural laws protecting the individual: "We...talk about expanding the rights of individuals without understanding that today, in the environment of the disintegration of the USSR and the growing criminal element that is encroaching on political power, we must to some extent give up the standard concept of human rights. I am not calling for a return to the 1930s, but the survival of our society is at stake."50 Citing the need to protect the covert nature of the counterintelligence service, he downplayed the importance of parliamentary oversight of its operations.
Yeltsin's speech to the FSK the next day reaffirmed the new line taken by FSK officials. "Whatever changes may occur in Russia and the world," he said, "we are still a long way from the day when the counterintelligence services will have nothing to do." He stressed that, because the paramount task for Russia was to surmount the economic crisis, he wanted the FSK to devote special attention to economic counterintelligence. Organized crime, in his words, was not limited to ordinary criminals, but had links with statesmen and politicians. It was up to the FSK to expose them, using "original, decisive and at times even bold measures." Yeltsin assured FSK employees that if they achieved results in the struggle against crime the public would be so grateful that its innate fear and distrust of the security services would go away. In other words, the fight against crime would give them a new legitimacy.

The Anti-crime Campaign

A few days later, a presidential decree on "Urgent Measures to Implement the Program to Step Up the Fight Against Crime" was published. The decree announced major steps to raise the efficiency of the law enforcement organs, including material incentives for the staff and better equipment and resources. It called for a substantial increase in the strength of the MVD internal troops (an additional 52,000) and for greater coordination in the operations of the FSK, MVD, and other law enforcement bodies. The decree also ordered the preparation of laws broadening the rights of the police to conduct searches and
to carry weapons.

Crime had become the number one domestic issue--aside from the state of the Russian economy--by early 1994. In January the Analytical Center for Social and Economic Policies, which is part of Yeltsin's administration, prepared a report on the crime situation for the president. The report, summarized in Izvestiia, presented a grave picture. Seventy to eighty percent of private enterprises and commercial banks, it said, were forced to pay tributes to organized crime. Unlike the mafia in other countries, which controlled only such criminal activities as drugs and gambling, the Russian mafia controlled all types of economic activity. The report described the collusion between criminal gangs and local law enforcement officials, a situation that made it especially difficult to crack down on crime. Overtaxation, unclear, confusing regulations and the absence of an effective court system contributed to the problem, which has become acute since mid-1993. Criminal groups had moved forcefully into commercial ventures, using racketeering, kidnapping and murder to intimidate competition.

On 15 June 1994, the press published Yeltsin's decree on "Urgent Measures to Protect the Population Against Gangsterism and other Manifestations of Organized Crime." According to the decree, those suspected of grave crimes can be detained for up to 30 days without being formally charged. During that time suspects can be interrogated and their financial affairs examined, along with the affairs of their relatives or persons who have lived
with them for more than five years. Secrecy regulations of banks and commercial enterprises do not protect suspects in these cases. FSK and MVD employees have the authority, without a warrant, to enter any premises, to examine private documents and to inspect automobiles, along with their drivers and passengers.

The decree evoked a storm of protest from democrats and human rights activists, as well from more conservative elements, such as members of the State Duma. As the critics saw it, the decree revoked all the hard-won guarantees of individual rights that were ingrained in the Constitution for the purpose of protecting people from arbitrary police power. Journalist Iurii Feofanov, among others, complained that Yeltsin did not understand that procedural guarantees are the essence of the law. Once they are eroded, human rights are no longer protected. Stalin's mass repressions, Feofanov pointed out, began with the simplification of judicial procedure in certain cases. Before long, court trials were eliminated altogether.⁵⁷

Sergei Kovalev, chairman of Yeltsin's Human Rights Commission, sent a letter to Yeltsin requesting him to suspend the decree. Kovalev warned that it would result in unjustified arrests, interference in people's private and commercial activities and a growth in corruption among officials. To assume that some citizens can be protected by violating the rights of others, he said, is to ignore the lessons of the past.⁵⁸

Yeltsin refused to back down, although the barrage of criticism forced him to respond. On 22 June he sent a letter to
Kovalev requesting him to understand the circumstances that forced him to sign the decree and saying that he shared Kovalev's concerns about violations of human rights. He asked Kovalev to monitor the implementation of the decree to prevent such violations.\textsuperscript{59}

Not surprisingly, law enforcement officials defended the decree in the media, but not with great success. Stepashin, for example, asserted: "I am in favor of the violation of human rights if the person involved is a bandit and criminal."\textsuperscript{60} Apparently forgetting the principle of "presumption of innocence," he did not explain how the police would distinguish between innocent and guilty suspects when they applied "urgent measures" that violated constitutional rights. His statement aroused widespread indignation, leading the party Russia's Choice to call upon Yeltsin to dismiss him.\textsuperscript{61}

However opposed the Russian public was towards his decree, Yeltsin got a significant public relations boost from the endorsement of FBI Director Louis Freeh, who arrived in Moscow for an official visit on 2 July. Freeh's visit, the first of an FBI director to Moscow in the history of the bureau, received considerable media attention. The day before his arrival, Nezavisimaia gazeta published a lengthy article on the FBI, describing in detail the organization and operations of what it called "one of the most powerful special services in the world."\textsuperscript{62} (Interestingly, the article reported that the FBI had approximately 22,000 employees--less than a quarter of the FSK
Freeh met with MVD Chief Yerin, signing an agreement on cooperation between the FBI and the MVD, and also spoke with Stepashin, at the Lubianka, and Baturin. When asked what he thought about Yeltsin's anti-crime decree, Freeh was reported as saying that in his opinion it was justified because it maintained a reasonable balance of police powers and individual rights.  

**Corruption within Law Enforcement Agencies**

Opponents of the anti-crime measures remained unpersuaded. Moskovskie novosti claimed in late July that murders and criminal terror were continuing unabated and that an ineffective police force made it easy for hired killers to do their work. Even worse, collusion between police and criminals was not uncommon. According to this report, businessmen were afraid to give evidence against criminals because they could not be assured of confidentiality and thus could be victims of reprisals.

In late July, a group of directors of large Russian firms sent an open letter to President Yeltsin complaining that his June decree had lulled the public into complacency and prevented the authorities from realistically assessing the lack of law and order in the country. When "hitmen" come into business offices and demand money, the law enforcement organs often take their side, rather than that of the legitimate businessmen. Worse still, the police use information from banks (which are usually controlled by criminals) to discredit their companies and break up business partnerships. "We ask you," they concluded, "who is protecting whom? Whose interests do the law enforcement agencies
Clearly, corruption in the law enforcement agencies seriously threatens efforts to fight organized crime. Back in May 1994, for example, the deputy chief of the MVD's Main Administration of Criminal Investigation was detained on suspicion of taking bribes from criminal elements. FSK officials revealed that several other leading MVD officers had been arrested on charges of blackmail and other crimes. But the FSK too has corruption problems. A significant number of counterintelligence officials have been pensioned off since 1991, and their dire financial straits have reportedly led some to the more prosperous criminal world. With their knowledge of police methods, their access, through connections with their former colleagues, to valuable political and economic information and their ability to identify counterintelligence agents who had infiltrated criminal groups, these men are sought after by criminals.

It is difficult to estimate how widespread the involvement of counterintelligence officers in organized crime actually is. But several cases of their complicity in illegalities have been reported. In one such case in Ekaterinburg (home to the "Red Mercury" producers), security operatives were accused of putting pressure on the local police to expedite exit visas on behalf of their clients, from whom they then elicited a charge. Another case came to light in early June 1993, when a high-ranking officer of the Russian MB was arrested for taking part in illegal
sales of munitions and other military property in the Moscow District. To make matters worse, certain unnamed, but influential government officials then put pressure on the Moscow branch of the MB to drop the investigation, which it refused to do. Then came the arrest in June 1993 of Deputy Minister of Security N. Lisovoi, who was charged along with several military officials in connection with the so-called "Arkhangelsk case." He had allegedly embezzled state property, taken bribes, and abused his official position. Now Barannikov himself is under criminal investigation for, among other things, funneling large sums of state money abroad.

Potentially more serious than any of these cases is that of the murder of a prominent journalist, Dmitrii Kholodov, on 17 October 1994. Kholodov, an investigative reporter who wrote critical articles about the security services and was investigating corruption among top military officials in the Western Group of Forces, was killed by a bomb hidden in a suitcase that he was told contained documents on the military corruption case. Outraged journalists and newspaper editors have blamed the assassination on the FSK, suggesting that the increasing numbers of such murders represent a covert means of intimidating the press.

Nuclear Terrorism and Ethnic Conflicts

Evidence linking the FSK and its predecessors directly to the international mafia has been mainly anecdotal. And the media, especially in the West, tends to sensationalize and exaggerate
such reports. On the other hand, it is unlikely that the mafia would be able to thrive if there were not some collusion with counterintelligence officers. Take, for example, cases of smuggling of nuclear materials across Russia's borders. The possibility of illegal sales of such material to terrorists or to developing countries seeking nuclear-weapons capability has aroused growing concern in the West. Following two seizures—one of highly-enriched uranium and the other plutonium—in the summer of 1994, by police officials in Germany, it was suggested that former Russian counterintelligence officers were procuring the materials for illegal sale abroad.

It is the job of the counterintelligence service, as spelled out clearly in its statute, to prevent nuclear theft, with help from the MVD, whose internal troops guard nuclear installations. Although no longer formally in charge of the border guards, the FSK still has the authority to conduct criminal investigations dealing with border violations, including the smuggling of nuclear material. More important, its directorate for counterintelligence support to strategic facilities and its military counterintelligence directorate are responsible for protecting both nuclear weapons and nuclear power facilities and preventing the theft of weapons, nuclear materials, and technological secrets dealing with nuclear weaponry.

When Western government officials began pressing the issue of nuclear smuggling with the Russians as a result of the spate of exposures in Germany, Russian security officials vehemently
denied that any nuclear materials had been stolen from their country. This response is not surprising. Even if these officials were aware of thefts of Russian weapons-grade nuclear material, they would not make any public acknowledgement of it. First of all, it would be an admission of the failure of their own protection systems. Secondly, most Russians see the West’s concern over nuclear security in Russia as an attempt to exert foreign control over Russia’s primary asset—its nuclear capability. When the FBI or the German counterintelligence service expresses a desire to assist Russia in protecting its nuclear substances, Russians see the offer as a demand that Russia give up its nuclear independence.

Nonetheless, FSK chief Stepashin made a trip to Bonn in late September 1994, to discuss cooperation with the Germans in preventing illicit trade of nuclear materials. And Yeltsin acknowledged the problem by creating, in mid-September, an interdepartmental commission on protecting nuclear materials.

Although they are hesitant to admit lapses in their system of nuclear safeguards, Russian security officials have strong domestic reasons for keeping their nuclear facilities closely guarded. Tension over unresolved ethnic issues has been mounting steadily since 1991, with non-Russian minorities becoming increasingly belligerent in their demands for autonomy from Moscow. Approximately one-fifth of Russia’s population are non-Russians, comprising over 100 nationalities and divided into 32 ethnic federal territorial units. These units have at times
refused to obey laws promulgated by Moscow. In some cases, ethnic nationalists have seized federal buildings and military equipment belonging to the central government.\(^7\)

One of the most volatile and troublesome areas within the Russian Federation has been the Northern Caucasus, where a Chechen nationalist government headed by Major General Dzhakhhar Dudaev has claimed independence from Moscow. The violence in Chechnia now approaches that of a civil war.

Monitoring ethnic issues for the Yeltsin administration, suppressing separatist unrest, and preventing violent conflict or terrorism is the job of the FSK. Stepashin visited the North Caucasus in May and again in early July 1994 in order to assess the situation at first hand. One of his deputies, Evgenii Savost’ianov, made a trip to Chechnia right after a hostage crisis in July at Mineralnye Vody (north of Chechnia). Stepashin has said that stabilization of the situation in Chechnia is a top priority because it threatens the security of the North Caucasus as a whole. But he adamantly reiterated Yeltsin’s stance that no negotiations are feasible until Chechnia agrees to join the Russian Federation.\(^7\)

It is likely that the FSK is carrying out operations in Chechnia (and other areas of ethnic conflict) that go beyond monitoring and diplomacy. The Chechen government has accused the FSK of sending agents to de-stabilize the situation and bring down Dudaev. Recently, documents have been published in the press that appear to substantiate these claims.\(^8\)
V. GUARDS AND COMMUNICATIONS AGENCIES

Yeltsin has direct control over the Main Guard Administration, the successor to the KGB's Ninth Directorate, an elite, all-powerful agency that took orders only from the top party leadership. The new agency, which employs at least 8,000 men, is headed by Mikhail Barsukov, who is also Commandant of the Kremlin.\(^{81}\) It acquired the "Alpha" anti-terrorist force, numbering several hundred men, in 1992 and the Vympel troop unit in the summer of 1993.\(^{82}\) Vympel, originally a secret subunit of the KGB's First Chief Directorate, was created in 1979 to carry out sabotage, intelligence-gathering abroad, and military operations. The first such operation was the seizure of Amin's place in Kabul. Whereas Alpha was oriented toward combat operations against terrorists, Vympel focused on performing special tasks abroad. Ninety percent of its employees had a higher education, and many had command of a foreign language.\(^{83}\)

After the October crisis, during which Vympel and Alpha were reluctant to back him up, Yeltsin retaliated by transferring Vympel to the MVD. This action led to the resignation of 110 out of 180 officers.\(^{84}\) The remaining Vympel employees were reorganized to form a special force for combatting nuclear terrorism, under the direct control of the Minister of Internal Affairs.\(^{85}\) As for Alpha, it is apparently still under the Main Guard Administration.

During the December 1993 reorganizations, the Presidential Protection Service, headed by Yeltsin insider Aleksandr
Korzhakov, was reportedly split off from the Main Guard Administration and made a separate Directorate For the Protection of the President. National security aide Iurii Baturin observed at that time that the Presidential Protection Service had recently expanded its activity beyond that of guarding the president by establishing its own analytical staff. Given the close relationship between Yeltsin and Korzhakov, it might be expected that Yeltsin would build up Korzhakov's power by enhancing the status of the guards. As he made clear in his memoirs, Yeltsin considers Korzhakov, who had served for several years as his personal bodyguard, one of his closest and most reliable friends. Korzhakov spends much of his time at Yeltsin's side. According to Yeltsin: "His job forces him to be near me twenty-four hours a day." Naturally Yeltsin feels more secure relying on Korzhakov's troops than those of a more independent agency.

The Federal Agency for Government Communications and Information (FAPSI), the spin-off from the KGB's Eighth (communications) Directorate, is headed by former Eighth Directorate Chief Aleksandr Starovoitov. Although administratively subordinate to the Guards Directorate, it is answerable directly to the president, an arrangement that some democrats are unhappy about. When the law on FAPSI was published, it met with loud protest from the liberal press. Nezavisimaja gazeta dubbed it the "law of the big brother," pointing out that it not only gave the executive control over
communications and information, but also permitted unwarranted interference in the communications networks of private banks and firms.\textsuperscript{89} The law authorized FAPSI to issue licenses for the export and import of information technology, as well as for the telecommunications of all private financial institutions. Equipped with a body of special communications troops, FAPSI also monitors enciphered communications of both government agencies and those of non-state enterprises. In other words, it can penetrate all private information systems.

FAPSI gained a monopoly on government information systems when Yeltsin signed a decree on the formation of a "single informational-legal space" for the CIS, which gave FAPSI responsibility for coordinating data banks and telecommunications links between Russian and CIS security and law enforcement agencies.\textsuperscript{90} In February 1994, Yeltsin signed an edict abolishing the Administration for Information Resources, which was under the president's staff, and handing over its functions to FAPSI.\textsuperscript{91}

Charged with collecting intelligence and protecting government communications, FAPSI also uses its vast array of technology for commercial purposes. FAPSI leases government communication lines to commercial banks and other enterprises for confidential transactions, such as fund transfers and credit charges.\textsuperscript{92} These transactions provide FAPSI with a lucrative source of income for the much-needed upgrading of its communications technology. The agency also leases radio frequency bands and even sells certain types of equipment to
foreign firms.93

The Main Guard Administration is another agency earning money on the side. In February 1992, Barsukov signed a lucrative, three-year agreement with a private company, which was granted exclusive photo and film rights within the Kremlin in exchange for a substantial sum of money.94

VI. THE FOREIGN INTELLIGENCE SERVICE

A New Image

After the Foreign Intelligence Service (SVR) was created in late 1991, Iurii Kobaladze, chief of its public relations office, launched a campaign to create a new image for his organization. He wanted to assure audiences both at home and abroad that the purpose of the SVR was different from that of its predecessor, the KGB’s First Chief Directorate. Russian intelligence services, he said, were now more interested in cooperating with the West than spying on it. Kobaladze claimed that the SVR had reduced its staff abroad by 50 percent and closed 30 overseas stations during 1992.95

In his campaign to persuade the outside world that the SVR was a benign organization, Kobaladze has been assisted by a coterie of public relations experts, most of whom, like Kobaladze, were trained as journalists and served abroad for the KGB, disseminating disinformation to the West. SVR Chief Evgenii Primakov has also helped to promote the FIS’s new image. Having worked, directly or indirectly, for the KGB’s foreign
intelligence administration since the 1950s, Primakov is adept at presenting himself as a progressive, sophisticated administrator who has long since discarded communism. The fact that he is an "academician" with a higher degree bolsters this impression.

Primakov, who was born in 1929, graduated from Moscow's Institute of Oriental Studies in 1953 and then did postgraduate work at Moscow State University. In 1956, having mastered both Arabic and English, he began working as a correspondent in the Middle East for the State Committee for Television and Radio. During the sixties, Primakov served as Middle East correspondent for Pravda. Primakov headed the Institute of Oriental Studies from 1979 to 1985, when he became director of the Institute for World Economy and International Relations, a subsidiary of the International Department of the Communist Party Central Committee. At the same time he was first deputy chairman of the Soviet Peace Committee, a KGB Front Organization, whose goal was to disseminate propaganda and disinformation abroad. By 1989 Primakov had become one of Gorbachev's top foreign policy advisors, specializing on the Middle East. He served as Gorbachev's emissary to Saddam Hussein, visiting Baghdad on several occasions during the Gulf War.

Primakov's first deputy, Viacheslav Trubnikov, is no less skillful than his boss at projecting the image of a moderate, reform-minded bureaucrat, despite—or perhaps because of—his many years in the KGB. Trubnikov's KGB career began in the sixties, after graduation from the Moscow State Institute of
International Relations. Fluent in both English and Hindi, he spent 15 years in South Asia, working part of the time under cover as a journalist. In his new job at the FIS, Trubnikov was quick to disclaim traditional KGB tenets. Making numerous media appearances, he spoke of the importance of developing contacts with Western secret services and of shifting the emphasis from political to economic intelligence-gathering.

**Changing Environment for Intelligence**

Are these foreign intelligence officials sincere when they say that their agency is reformed? Or is their new image simply a cover for old ways? The dissolution of the USSR and the end of the cold war had a substantial impact on the foreign intelligence apparatus and led to a rethinking of priorities. It could not have been otherwise. The collapse of the iron curtain, and Moscow's vast network of agents in Eastern Europe along with it, meant that the SVR was operating in a different context than it did when the KGB still existed. The days of psychological warfare against the West were over. And, given the dire financial straits of the new Russian government, the SVR had to cut its budget.98

By all accounts these developments created a morale problem among foreign intelligence operatives. Whatever sense of mission they had had before was gone. The loss of an ideological basis for intelligence operations and the problem of determining Russia's security interests now that the enemy was no longer clearly defined fostered an atmosphere of disquiet. Russia's
continuing economic decline and the constraints on the SVR budget doubtless contributed to the discontent.

Defections rose sharply. The problem of defectors was not new to the Russian foreign intelligence apparatus. Between 1975 and 1990, according to former FCD chief Leonid Shebarshin, 15 KGB agents were exposed as traitors, with six arrested in Russia and the other nine defecting abroad. But in 1991, the betrayal rate began to rise. According to FIS First Deputy Chairman Trubnikov, 10 intelligence staffers "went over to the West" between March 1991 and September 1992. At the beginning of 1994, Counterintelligence Chief Stepashin reported that 20 people had been arrested on espionage charges in 1993, while several dozen more espionage cases were under investigation. As one press commentator put it, "The Russian special services' catch of Western spies in 1993 was worthy of being registered in the Guinness Book of World Records." A year before the August coup, in September 1990, an anonymous KGB colonel gave an interview in which he was highly critical of the KGB's foreign intelligence administration, describing it as a degenerate and corrupt bureaucracy, filled with indifferent staffers who thought only of their own well-being and who constantly covered-up the shortcomings and mistakes of those below them. After mentioning some of those who had been caught betraying their country, the colonel said: "The point is that we have only been able to find these agents out thanks to other traitors, defectors from the West."
One such traitor, it appears, was CIA officer Aldrich Ames. Many in the West were shocked when they learned that the Russians had paid Ames more than $2 million for his services over the years. How could Russia’s foreign intelligence service (KGB and FIS) afford to be so lavish? What about the budget cuts and belt-tightening since 1991? The lesson, it seems, is that the Russians are willing to pay a lot when the returns are great, and this was certainly so with Ames.

Unfortunate as the loss of Ames was for the FIS, at least its officials could be proud of their past achievement. Clearly Aldrich Ames had been an invaluable asset. One FIS staffer observed: "The intelligence service recruited practically the head of the agency. What do you call that, a setback?!...Of course, the fact that he has been arrested is not a good thing. Our intelligence service certainly can’t rejoice about it. But it is completely wrong to state unequivocally that it is a setback."\(^{105}\)

Indeed, the SVR is not doing badly. New challenges have arisen to replace old ones. The SVR now must watch over a host of new states along the Russian border. High-tech industrial and economic intelligence, especially computer software with military applications, have assumed greater importance. And with scores of Western tourists and businessmen pouring into Russia and the other CIS states, greater opportunities present themselves for recruiting agents and gathering intelligence.

The SVR leadership affirmed in December 1993 that there
would be no further cutbacks in its staff and that it had "preserved its fighting trim." The SVR awarded 10 of its highest awards to intelligence officers for their achievements in 1993 and announced that it was building a new, supramodern training and technical base outside Moscow. In June 1994, Trubnikov stated proudly that, despite all the reshuffling and financial difficulties, the Russian intelligence service remained among the top four services in the world, sharing that honor with the CIA, the Israeli Mossad and the British secret service.

Making Foreign Policy

The foreign intelligence service probably operates with more autonomy than the First Chief Directorate of the KGB did. This directorate took its orders from the Politburo and from the International Department of the Central Committee. The SVR, by contrast, takes its orders from Yeltsin. The Law on Foreign Intelligence, passed in August 1992, gives the president of the Russian Federation direct control over the SVR. He appoints its top leadership, supervises its activities, determines its strategy and makes all the major decisions (section 12). Though the parliament theoretically participates in strategic decisions, there is little evidence that it played a role either before or after the December 1993 elections. Section 24 pays lip service to parliamentary supervision of the activities of foreign intelligence agencies, but all it says is that the heads of these agencies must report on their activities and expenditures to standing commissions. It does not make clear what sort of
control, if any, the parliament has.

Yeltsin gave the SVR a strong mandate to pursue Russia’s broad foreign policy objectives in late April 1994, when he visited SVR headquarters at Iasenevo (outside Moscow) for the first time since December 1991 and delivered a 30-minute speech to some 800 staffers. The speech, by all accounts, met with enthusiastic approval from members of the audience. Their enthusiasm was not surprising, given Yeltsin’s promise to them: "We will be strengthening the service and enhancing the prestige of those who work for it. This is not only the president’s principled view, it is my policy." Yeltsin told his listeners that, at a time when the military budget is being cut, foreign intelligence had become the most important guarantee of Russia’s security. This means, he went on, that the role of foreign intelligence should and will increase. "We expect," Yeltsin said, "that foreign intelligence will produce the intelligence information needed for the adoption of fundamental state decisions on the issues of Russia’s foreign and domestic policy, the implementation of our economic policy, and the securing of scientific and technical progress."

Although he welcomed Russia’s improved relations with the West, Yeltsin warned against attempts by the West to dominate Russia and to impose actions that ran counter to Russia’s interests. That, he said, was unacceptable. He criticized the U.S. for its response to the Ames affair: "U.S. intelligence is stepping up its efforts to acquire agents in Russia. But the U.S.
special services believe that the SVR and its military counterparts have no right to act in the same way. I assure you that Russia does not intend to put up with this kind of discrimination any more." And Yeltsin also made it clear that, despite Western concerns about Russia’s imperialist ambitions, his government would assert its interests in the CIS and work for a stronger integration of these states with Russia.

Among the key tasks Yeltsin set for the SVR was to acquire "preemptive information" on the plans and intentions of the West towards the other CIS members and to "systematically monitor" the situation along Russia’s borders. Also, he said, the government needed accurate and thorough assessments of how other states viewed Russia in order to thwart any attempts at influencing Russia’s domestic politics.

Yeltsin’s speech was actually an affirmation of the status quo: the SVR has been taking a leading role in foreign policy-making and implementation since early 1992. Primakov himself has conducted "shuttle diplomacy" on Yeltsin’s behalf, making frequent trips to both Europe and the Middle East, as well to other CIS states. Under Primakov’s auspices, the FIS has published three major foreign policy assessments. In January 1993, Primakov wrote a report for the Russian government in which he said that the spread of nuclear weapons had undermined the hopes for a stable world order. He pointed out that several former Soviet states have nuclear weapons and at are the same time torn by ethnic strife and political instability. This, he
noted, created a highly volatile and dangerous situation.¹¹² That the report was leaked to the U.S. government suggests that Primakov wanted to gain the backing of Washington for possible strong-arm tactics against the states of the near abroad.

In November 1993, Primakov came out with a lengthy statement on NATO and its proposed expansion.¹¹³ After laying out the positions of current NATO countries and those of the proposed members, the report elaborated Russia’s perspective. Russia was concerned that NATO would not be able to transform itself quickly from a military and political alliance oriented towards repulsing a threat from Russia to an instrument for ensuring peace and stability, a necessary prerequisite for NATO to include Eastern European countries. In addition, NATO’s expansion would place a large military force with offensive potential in immediate proximity to Russia’s borders, which would cause Russia to rethink all its defense concepts and restructure its armed forces.

Another problem was that the Russian public still viewed NATO as a hostile force and was thus not prepared to look upon its expansion with equanimity. Expansion, the report said, would strengthen the reactionary, anti-Western forces in Russia and create a "siege mentality." The report ended by stressing that the entry of the countries of Central and Eastern Europe into NATO—in particular the time frame and the terms of membership—must take into account the interests of Russia.

A third major FIS report was released by Primakov on the eve
of Yeltsin's trip to Washington, D.C. in late September 1994. The report warned the West not to oppose the economic and political reintegration of the CIS states. This trend, the report said, was inevitable and did not represent a resurgence of Russian imperialism, as some Western observers claimed. If the West attempted to interfere with the process of reintegration, it would cause a cooling of relations with Russia.

The public issuance of independent policy statements, as in the case of these reports, marks a sharp departure from tradition. The KGB, during its entire history, never publicized its views as an independent entity. In the case of the NATO report, moreover, the SVR diverged from the Russian Foreign Ministry, which at the time voiced a more favorable opinion of NATO's proposed expansion. (More recently, Russian Foreign Minister Andrei Kozyrev has voiced concerns about NATO expansion.) Even more surprising was that the SVR presumed to speak for the Russian military, warning that NATO's expansion would put pressure on its resources and give rise to political discontent in the armed forces. Although the Russian military was just as explicit as the SVR in its opposition to the inclusion of Eastern European states in NATO it was still unusual for the SVR to make references to the atmosphere within the military.

The SVR in the Near Abroad

The SVR clearly has moved beyond the function of information gathering and analysis and is influencing policy-making. Such influence may account for the fact that, by early
1993, Russian policy towards the former Soviet states had become noticeably more aggressive than had it been in the earlier days of the Russian Federation. Officials from the Russian Ministry of Foreign Affairs, and Yeltsin himself, shifted to what has been called a Russian "Monroe Doctrine" in their statements about Russia's relationship towards the near abroad. Russia has presented itself as being first among equals in the CIS and has voiced a stronger determination to protect the rights of ethnic Russians in the CIS and Baltic states. The Russian military has asserted Russian sovereignty primarily by arming the forces it favors in ethnic and political conflicts in the various CIS states (the pro-communist leaders in Tadzhikistan, the Abkhazians in Georgia, President Geidar and Aliev in Azerbadizhan, Russian separatists in the Trans-Dniester region of Moldova) and by retaining many of the Russian troops that were stationed in the republics of the former Soviet Union.

The SVR has provided a crucial underpinning for Russian policy towards the near abroad. Perhaps most useful, it gives the Russian government information and analyses of the political situation in these countries. In the case of the Central Asian states and Belorussia, whose political leaders for the most part follow the dictates of Moscow, this has been a straightforward task. In the spring of 1992, the SVR signed agreements with these states on cooperation in exchanging intelligence, joint operations, and training. A council, comprising leaders of each state's intelligence agencies, meets every three months.
Ukraine and Armenia were not parties to this agreement. However, Armenia in 1992 reached similar cooperative arrangements with the SVR, and in March 1993 the Ukrainian Security Service (SBU) and the SVR signed an agreement pledging cooperation. SVR officials have asserted time and again that their agency does not spy on other CIS members, which is probably true, with some exceptions. As long as it has close cooperation with the security services of these states and can obtain all the information it needs from them, there is little reason for the FIS to devote its own resources to spying. The SVR can also fill in the gaps through back channels. The security and intelligence services of all the CIS members are staffed with former KGB operatives, who slavishly followed Moscow's orders in the Soviet period. Although most Russian KGB officials left their posts in the former republics and returned to Moscow after the collapse of the Soviet Union, native KGB staffers often stayed on to work in the new security structures. Whatever information the SVR does not obtain from its formal contacts with other CIS agencies, it probably gets through this "old-boy network."

According to Primakov's press secretary, Tatania Samolis, the FIS leaves no stone unturned in gathering information on the other CIS states. Staffers analyze open sources and even collect information via third world countries. Samolis has said, "For example, we receive part of the information about Tadzhikistan from Afghanistan. Russia's leadership does not remain without any analysis of the processes taking place in CIS countries."

50
For their part, the CIS members other than Russia do not have effective intelligence-gathering organizations of their own because the Russian Federation inherited the staff and resources of the USSR KGB's First Chief Directorate. Foreign intelligence was centered in Moscow, and the only trained intelligence officers in the republics were those who worked for the small territorial branches of the FCD. Russia also inherited all of the KGB's electronic intelligence-gathering and communications security capability. As a result, the other CIS states are largely dependent on Moscow for foreign intelligence. Ukraine has attempted to establish a viable intelligence agency within the SBU, but with limited resources and few trained officers, doing so is difficult. Most of its security personnel are experienced in counter-intelligence and domestic security, rather than foreign intelligence. In addition, the sudden influx of foreigners into Ukraine and other CIS countries and the problems of ethnic conflicts, crime, and terrorism have greatly increased the responsibilities of their counterintelligence personnel and strained the resources of their security services.\footnote{121}

It might be assumed, therefore, that intelligence-gathering in countries bordering the CIS—China, Afghanistan, Iran, Turkey—is conducted mainly by the SVR, with the cooperation of the security services of other CIS members. In addition, the Russian border troops, which are stationed along the borders with these countries, also have intelligence units\footnote{122}. Of course, with the continued political and economic turmoil in the CIS states and
the fluidity of the borders with Russia, the functions of counterintelligence and intelligence often overlap. This calls for close coordination of the operations of the SVR with the counterintelligence services of Russia and the CIS states.

As for Latvia, Lithuania, and Estonia, which are not part of the CIS, the SVR has made it clear that it spies on these countries in the same manner that it spies on the West, using secret agents and recruiting "illegals" from the local population. The SVR is helped by the fact that many former KGB employees and informers are still living in the Baltic states and some occupy important government positions. When the new security services were set up in the Baltic states after the latter achieved independence, KGB officers were fired and new people were brought in. Such was the sentiment against the KGB and Russia that the new governments passed laws restricting the employment and activities of former KGB personnel. The Estonians even considered prosecuting those of Estonian nationality who had worked for the KGB. But these measures do not solve the problem of people who worked secretly for the KGB and are still passing information to Russian intelligence out of fear that they will be exposed.

VII. THE BORDER GUARDS

Not surprisingly, the status of its borders is a key concern for the Russian Federation. Russia shares borders with 16 different countries and has over 58,000 kilometers of border to
protect. In the initial months after the dissolution of the Soviet Union, the Russian government took the public stance that its interests extended only as far as its new borders, which corresponded to the old administrative divisions between the republics. But it soon became clear that this stance was not viable. First of all, Russia did not have the resources to establish a border regime—with border posts, fortifications, etc.—along the vast areas of these new boundaries (covering more than 14,000 kilometers). Take Kazakhstan, for example, which shares the longest border with Russia of any of the CIS members. As the current chief of the Russian Border Service, General Andrei Nikolaev, expressed it:

What image of the state border have we become accustomed to? Barbed wire, soldiers, dogs... If we try to reestablish this kind of border, first of all, people will tear it down and, second, we will lose not only our shirts but our underwear as well. For example, the length of Russia’s border with Kazakhstan is 7,559 km. One kilometer costs one billion rubles. Merely to build the border itself—without any infrastructure, housing and so forth—we would require 7.6 trillion, which is 150 percent more than all our current expenditure on maintaining the Border Guards.

Russia’s strategic interests along the outer borders of the CIS also, of course, would be jeopardized by leaving border security up to the individual CIS members. And the latter, in most cases, did not have the manpower or resources to secure their outer boundaries. A good example is the border between Tadzhikistan and Afghanistan, where continuous conflict has erupted over the past two years. The Tadzhiks alone cannot stop the flow of illegal drugs, armaments, and Afghan militants across...
their border. In the past, this border had been defended largely by Slavs (a deliberate policy on the part of the Soviets, who considered Tadzhik nationals to be unreliable border guards because of their ethnic ties with Afghanistan). After they achieved independence, the Tadzhiks were not able to establish a viable border service of their own so they had to turn to the Russians, who they asked to take over jurisdiction of the former USSR border troops along their borders with Afghanistan and China.\textsuperscript{127}

The Russians needed no persuading; loose borders with Afghanistan and China were a threat to them, too. In the words of former Russian border troop chief Vladimir Shliakhtin, "On Takzhikistan’s external borders we defend Russia’s interests."\textsuperscript{128} A similar situation existed with Turkmenistan, which is coterminous with both Afghanistan and Iran. In August 1992, Russian and Turkmenistan signed an agreement on the cooperation between the two states in guarding Turkmenistan’s southern borders. A joint Russian-Turkmen command is now in charge of the border Turkmenistan shared with Afghanistan and Iran.\textsuperscript{129}

By 1993 the Russian government had decided that its top priority was to guard the outside borders of the CIS rather than the borders it shared with CIS countries. Thus Russia began to advocate "transparent borders" with the coterminous CIS states: Belorussia, Ukraine, Georgia, Azerbaidzhan, and Kazakhstan. This meant that the borders would remain open for unrestricted passage of people, goods, and means of transport. The only places where
strict border regimes would be established would be in zones of acute ethnic conflict. The law of 1 April 1993 on the State Border of the Russian Federation reflected this policy. It abolished the border zones, so that only border strips five kilometers wide remained, and it also stipulated the possibility of establishing a reduced and simplified border regime within the CIS.¹³⁰

Russia then set about negotiating with other CIS states on a border protection regime for their external borders. In late 1993 and early 1994, three meetings of the Council of CIS Border Troops Commanders were convened to discuss border issues. The end result was a series of general documents on the protection of CIS external borders, signed in St. Petersburg in July 1994 by all 11 full CIS members.¹³¹ Meanwhile, Russia has continued negotiating on a bilateral basis with individual CIS members. In addition to its arrangements with Tadzhikistan and Turkmenistan, Russia has contingents from the Russian Border Service helping local troops along the outer borders of Kazakhstan, Uzbekistan, Kirgystan, Armenia, and Georgia. In most cases, the agreements have stipulated an eventual withdrawal of Russian troops, but scarce resources and lack of trained personnel in the newly independent states will prolong the Russian presence.

Although it is a full member of the CIS, Azerbaidzhan has resisted pressure to allow Russian border troops, which were withdrawn in late 1992, to help in border protection. In May 1994, Russian Border Troops Commander Nikolaev revealed that
Russia had given Azerbaidzhan an ultimatum. If Azerbaidzhan wanted to prevent Russia from closing the border between the two states, which it had already begun to do, it would have to protect its outer border (with Iran) more effectively, probably by having joint patrols with Russians.\textsuperscript{132}

Belarus, which has a border guard force of its own, has worked amicably with Russia on border issues. It has a transparent border with Russia, and at the same time takes responsibility for protecting its border with Latvia, Lithuania, and Poland (with Russian financial assistance).\textsuperscript{133} Ukraine, however, presents a host of border problems. First, the border between Russia and Ukraine has yet to be defined, let alone demarcated. Second, the two countries have disagreed on how much cross-border integration there should be and on the extent of security on their common border. The Russians let it be known early on that they preferred a transparent border with Ukraine, but the Ukrainians took the view that, as an independent state, Ukraine must have a controlled border. As early as November 1991, Ukraine had already created its own border troops and had adopted a special law to govern them.\textsuperscript{134} Extensive negotiations finally produced an agreement, signed on 3 August 1994, between Russia and Ukraine on joint border protection. The agreement loosened up custom and trade regulations to facilitate economic cooperation between the two countries. The two sides also agreed to cooperate in fighting cross-border crime.\textsuperscript{135}

The Russian border guards had been placed under the
jurisdiction of the Russian Ministry of Security when they were
formed officially in June 1992. Hence states allowing Russian
border guards to patrol their outer borders were subjected to the
watchful presence of the Russian security service. This
situation probably created difficulties in negotiations for the
Russian side and thus may have induced the Yeltsin administration
in late 1993 to make the border service a separate agency with no
direct subordination to the new Federal Counterintelligence
Service. The FSK still has operational responsibility for
counterintelligence along the borders, however, so it continues
to play a role in border security.

No precise figures on border guard strength have appeared
since the most recent reorganization. But Nikolaev has said that
the agency has 75 generals and that plans to expand the border
troops would put this number at 145. He added that the ratio of
one general to 1,800 troops was the norm. These figures suggest
that there are around 135,000 troops at present, with a possible
expansion to around 250,000 (more than its numerical strength in
Soviet days).¹³⁶

Why such a substantial troop force? First of all, although
Russia has managed to establish transparent borders with most CIS
states, it still must have some border guards along its new
boundaries, those shared with Ukraine and Azerbaidzhan, for
example, and also those shared with Latvia and Estonia. Second,
certain outward boundaries of the CIS, such as the Tadzhik border
with Afghanistan, experience so much armed conflict that they
require extra troop strength. In short, Russia’s borders and those of the CIS as a whole are in a state of flux and are highly unstable. The Yeltsin government must be able to act resolutely to prevent the spread of violent conflict and to protect its borders from the illegal flow of contraband and armaments.

One solution to the problem of resources has been to transfer funds and troops from the regular military to the border guards, an approach that has aroused the ire of Yeltsin’s generals. At a meeting of the Security Council on 13 July 1994, Minister of Defense Grachev angrily expressed his dissatisfaction with the government’s border policy, in particular the trend towards building up the border guards’ manpower and resources at the expense of the regular army. Noting that "a state cannot have two armies," he said that the shortfall in the draft intake for the armed forces was almost 50 percent.\(^{137}\) Grachev has been proposing that the border troops be subordinated to the Ministry of Defense, a proposal that Nikolaev has rejected outright.\(^{138}\)

Yeltsin finally put an end to the controversy over jurisdiction by declaring that "there are military forces and there are border troops. That’s how it was and that’s how it will stay."\(^{139}\) But the problem of defining the role of the border troops will remain. Because the Russian border troops are increasingly involved in armed combat in border areas, the traditional distinction between their functions and those of the regular military have been blurred. Thus we can expect that border security for Russia and the CIS will be a contentious
issue for Russian policymakers for a long time to come.

VIII. CONTROLS OVER THE SECURITY SERVICES

As emphasized above, the mechanisms for democratic control over Russia’s security services are weak at best. The new legislature, the Duma, has been even less effective at exerting parliamentary control over these bodies than the Supreme Soviet was. Yeltsin has--through his various laws and decrees--usurped all powers over the security services and runs them as if they were part of a personal fiefdom.

Day-to-day control over the security apparatus is exercised on behalf of Yeltsin through the Security Council. Leaders of the SVR, FSK, and Border Troops are members of the council and hence have the opportunity to present their views directly to Yeltsin. Council secretary Oleg Lobov and National Security Assistant Iurii Baturin bear primary responsibility for the security services. Lobov is a long-time associate of Yeltsin’s from the president’s hometown of Sverdlovsk. Baturin is a former member of the Gorbachev administration who had previously worked as a legal scholar at the Institute for State and Law. As Yeltsin’s aide on legal issues, he won the president’s confidence when he helped to draft the decree disbanding the Russian parliament in September 1993. Significantly, he accompanied Yeltsin on his recent trip to Washington. Baturin is widely viewed as a reformer who advocates democracy, but some of his public statements, particularly those involving the powers of the
security police versus individual rights, suggest that he is not in favor of restricting the role of the security agencies as long as they support Yeltsin.\textsuperscript{140}

Another advisor to Yeltsin on matters of state security is Vladimir Rubanov, former chief of the KGB analytic department and creator of the Institute for the Study of Security Problems of the Ministry of Security, which lives on under the FSK. Rubanov, who joined the KGB in 1971, left the security services in 1992. In August 1993 he became deputy secretary of the Security Council, and hence Lobov's assistant.\textsuperscript{141}

The apparent lack of clear-cut divisions of responsibilities among these officials may account for the signs of tension that have appeared within the Security Council recently. Baturin found himself in the middle of a dispute after he was appointed chief of a commission dealing with military and security appointments. When he refused to approve the appointment of a general, Matvey Burlakov, who had been involved in a corruption scandal surrounding the Western Group of Forces, Baturin aroused the ire of Pavel Grachev and several other military and security officials.\textsuperscript{142}

IX. CONCLUSION

By dispersing security functions among several agencies and exerting strong presidential control, Yeltsin has attempted to create a security apparatus that he can rely on to support him throughout his presidential term. (Significantly, he recently
increased salaries to most of the officers and troop units of his security agencies, after freezing salaries for the regular army.)\textsuperscript{143} As his friendship with the head of the presidential protection service, Aleksandr Korzhakov, demonstrates, Yeltsin takes a personalized approach to these agencies, using informal communications and contacts as a way to make his influence felt. It remains to be seen, however, whether his careful cultivation of the security services will serve him well in the event of a political crisis. Without the strong, institutionalized controls of the type the party exercised over the KGB, the security agencies may not prove as reliable as Yeltsin hopes they will be.

Although Yeltsin's relations with the security services have not always been smooth, it is a mistake to assume that Yeltsin occupies a stance that is different from that of his security chiefs. To view Primakov, for example, as a hard-liner who is exerting pressure on Yeltsin is to misunderstand their relationship. Yeltsin himself chose Primakov to run foreign intelligence, and there has been no indication that he is dissatisfied with his choice. Yeltsin has endorsed Primakov and the SVR, giving them a mandate to pursue an activist role in policy-making. He has expressed his complete agreement with SVR policy statements.

The same holds true for Yeltsin's relationship with the counterintelligence service--FSK. There is no evidence that Yeltsin does not share the views of the FSK leadership on a range of key domestic issues, especially that of strong anti-crime
legislation. Yeltsin and his advisors have stated on more than one occasion that Russia needs a powerful counterintelligence service and they have shown little inclination to impose restrictions on the service for the sake of individual rights.

At times Yeltsin may like to give the impression, as his predecessor Gorbachev did, that he is being pushed by the security services into hard-line policies against his will. This is not the case; it should be assumed that the actions and statements of the Russian Federation presidential administration are based on broad consensus. This is not to say that Yeltsin's administration is free of conflict and infighting or that Yeltsin has the unqualified support of his security chiefs. If Yeltsin gets embroiled in another political conflict like he did in October 1993, the security services might again hedge their bets. But when it comes to general domestic and foreign policy, Yeltsin sees eye-to-eye with the SVR, FSK, and other agencies on the need to assert Russian interests both at home and abroad.

No one can be sure how long Yeltsin will remain in office as Russian president. Although in some respects Russia appears more stable than it has for some time, the threats of ethnic disturbance, economic decline, and crime still are formidable and could bring down the Yeltsin government. Crime and corruption are a particularly destabilizing element in Russia today. Nonetheless, the main concern should not be whether or not Yeltsin survives, but rather what policies he will pursue as long as he is president.
A clear threat to democracy in Russia and to the peaceful evolution of its relations with the CIS states is Yeltsin's inclination to use aggressive, anti-democratic practices to stave off opposition, to promote law and order, and to ensure peace along Russia's borders. His June 1994 decree on crime is a good example. Yeltsin and his advisors apparently believe that draconian measures—which involve a powerful role for the security services, as well as for the military and the regular police—are justified if economic and political reform is the long-term goal. This is a dangerous attitude, given the strong tradition of authoritarianism in Russia and the lack of viable legal institutions. The security services, after all, cannot be expected to reform themselves. Such reform will occur only when a leader emerges who is strong enough and enjoys enough public legitimacy to exercise power without reliance on anti-democratic methods.
NOTES


2. The decree placing the border guards under the MB was signed by Yeltsin on 12 June 1992. See *Rossiiskaia gazeta*, 16 June 1992, p. 5.


6. Published in *Rossiiskaia gazeta*, 29 April 1992, p. 3.

7. Published in *Rossiiskaia gazeta*, 6 May 1992, p. 3.


10. See, for example, *Nezavisimaia gazeta*, 25 February 1992, p. 6. (On the law on operational-investigative procedures.)


15. *Ibid*.


20. Iurii Boldyrev, head of the Control Administration of the President's Office, announced in early March 1993, shortly before he was fired, that he had discovered illegalities in the privatization process in Moscow back in the summer of 1992, but had been told by Yeltsin to stop the investigation. Boldyrev claimed that members of Yeltsin's administration were using his office to collect incriminating information against Yeltsin's enemies but at the same time were suppressing investigations against his supporters. See Viktor Yasman, "Corruption in Russia: A Threat to Democracy?" RFE/RL Research Report, Vol. 2, no. 10, 5 March 1993, p. 16; and Julia Wishnevsky, "Corruption Allegations Undermine Russia's Leaders," RFE/RL Research Report, Vol. 2, No. 37, 17 September 1993, pp. 16-18.


22. Sovetskaia rossiia, 26 June 1993, p. 3. The scandal involving the Russian military continues to this day. Grachev eventually admitted that he received the two automobiles, but claimed that they were for official use. See Izvestiia, 25 October 1994, p. 5.

23. Sovetskaia rossiia, 26 June 1993, p.3.


25. Interview with former People's Deputy and member of the presidential administration, Galina Starovoitova, 15 March 1994.


27. As reported in Rossiiskaia gazeta, 17 September 1993, p. 2.


35. According to Moscow Security Chief Evgenii Savostianov: "There were no operational plans for enlisting the army. The question had to be resolved from scratch." Izvestiia, 2 November 1993, p. 5.


39. Interview with Savostianov in Izvestiia, 2 November 1993, p. 5.

40. In the words of Egor Iakovlev, editor of Obshchaia gazeta: "When the decision was made to surround the White House, Yeltsin and the government found themselves in a very awkward position: People increasingly disliked their attitude. If it had not been for the attack on the TV tower, if there had not been any bloodshed, it is difficult to see how they could have gotten out of that impasse." Interview in La Repubblica, 8 October 1993, p. 13, as cited in FBIS-SOV, 13 October 1993, p.46.

41. See an interview with Grachev in Moskovskii komsomolets, 8 October 1993, p. 1; Trud, 9 October 1993, p. 3; and Yeltsin's memoirs, Struggle for Russia, pp. 11-14.

42. Rossiiskaia gazeta, 15 October 1993, p. 2.

43. Nezavisimaia gazeta, 9 October 1993, p. 1; Argumenty i fakty, no. 41, October 1993, p. 3.

44. The decree was published in Krasnaia zvezda, 25 December 1993, p. 1.

46. See Rossiiskaia gazeta, 30 March 1994, p. 4.


50. Ibid., p. 5.

51. His speech was reprinted in Rossiiskaia gazeta, 28 May 1994, pp. 1, 4.

52. Rossiiskaia gazeta, 1 June 1994, p. 4.

53. The majority of the new recruits will come from the regular armed forces. According to one recent estimate, the MVD’s internal troops numbered 70,000 at the time the additional 52,000 were to be added. See Mark Galeotti, "Russia’s Internal Security Forces--Does More Mean Better?" Jane’s Intelligence Review, June 1994, pp. 271-72.


55. The crime problem has not been limited to Russia. Mafia activities have spread to other CIS countries and to the Baltic and Eastern European states. Porous borders and other problems relating to the transition to democracy and free-market economies have caused organized to become endemic throughout the former Soviet empire. See Christopher J. Ulrich, "The Growth of Crime in Russia and the Baltic Region," RFE-RL Report, Vol. 3, no. 23, 10 June 1994, pp. 24-32.


68. Yassmann, "Corruption in Russia," p. 17.


70. Argumenty i fakty, no. 26, June 1993, p. 2 and no. 27, July 1993, p. 3.


72. See, for example, an article by J. Michael Waller, "Russia’s Biggest ‘Mafia’ Is the KGB" in The Wall Street Journal, Europe, 22 June 1994. Waller paints a picture of a vast KGB criminal conspiracy to control commercial and trade ventures.


74. See the Statute on the FSK, Rossiiskaia gazeta, 30 March 1994, p. 4. The MB and its predecessor, the KGB, had similar responsibilities. The MVD’s Eighth Chief Directorate, headed by Colonel Tarasov, supports the FSK in guarding nuclear facilities.

75. Interview with Stepashin, ITAR-TASS, 4 July 1994, cited in FBIS-SOV, 5 July 1994, p. 6; INTERFAX, 5 July 1994, cited in FBIS-SOV, 6 July 1994, p. 27. It is interesting that just a few weeks earlier Stepashin said in an interview that "the problem of holes in the borders is directly tied with the plundering of the national wealth of Russia. It is common knowledge on what an immense scale raw materials, components, and products are illegally exported abroad...the 'transparency' of the borders makes it impossible to fight contraband effectively...." (Nezavisimaia gazeta, 26 May 1994, p. 1.)

76. From an interview with Vasilii Gatov, a journalist who has worked on this issue, by telephone from Moscow, August 31, 1994.


80. See Nezavisimaia gazeta, 10 August 1994, p. 1; and Ukrayinaki obriyi, no. 12 (43), September 1994, cited in FBIS-SOV, 24 October 1994, p. 34.


82. Alpha was first created by KGB Chief Iurii Andropov in 1974 to fight terrorism. See "Tainy spetsgruppy 'A',' Syn otechestva, no. 52, December 1992, pp. 4-5; and Rossiiskaia gazeta, 10 July 1992, p. 5.


87. Izvestiia, 11 January 1994, p. 3.

88. Yeltsin, Struggle for Russia, xix.


92. The Law on Federal Organs of Government Communications and Information was published in Rossiiskaia gazeta, 7 April 1993, p. 4.
93. Baryshnikov, "Sekretnaia kommertsii." 


95. One of the first times Kobaladze cited these figures was in a talk at the Kennan Institute, Washington D.C., 12 January 1993. Clearly Kobaladze had a message to deliver and he did not like being side-tracked. Asked at a conference in Moscow in May 1994 why the SVR had retained so many KGB officers in its central administration, Kobaladze snapped: "We couldn't fire everyone. What were supposed to do with these people? Send them to the moon?" Kobaladze said this at a conference on "The KGB: Yesterday, Today and Tomorrow," Central House of Writers, Moscow, 28 May 1994.

96. Primakov's boss at the Peace Committee was Gennadii Borovik, also a former Novosti journalist and a recognized official of the KGB. Borovik's brother-in-law was erstwhile KGB chief Vladimir Kriuchkov. On the activities of the Peace Committee, see secret CPSU documents published in Izvestiia, 29 July 1992, p. 7.

97. According to some reports, Primakov had earlier, when he served as correspondent in the Middle East, coordinated KGB contacts with Palestinian terrorist organizations. See World Press Review, March 1992, p. 7.

98. In November 1992, for example, both the Ministry of Security and the FIS requested increases in their budgetary allocations, but President Yeltsin reportedly refused their requests. Moscow, Ostankino Television, 16 November 1992, as cited in FBIS-SOV, 17 November 1992, p. 12.


100. Moscow, TASS, 26 October 1990, as cited in FBIS-SOV, 29 October 1990, p. 64.


102. ITAR-TASS, 10 January 1994, as cited in FBIS-SOV, 10 January 1994, p. 38.


104. Interview in Sobesednik, no. 36, September 1990, pp. 6-7.


106. Kuranty, 18 December 1993, p. 3.


109. The law was published in Rossiiskaia gazeta, 11 August 1992, p. 4.

110. His speech was reprinted in Rossiiskaia gazeta, 29 April 1994, p. 3. On the reaction at Iasenevo, see Kuranty, 13 May 1994, p. 4.

111. Rossiiskaia gazeta, 29 April 1994, p. 3.


114. The text was reprinted in Nezavisimaia gazeta, 22 September 1994, p. 1.

115. See, for example, the new military doctrine of the Russian Federation, Osnovnyye polozheniia voennoi doktriny rossiiskoi federatsii (izlozhenie), Moscow 1993.


117. Ibid.


120. INTERFAX, 6 April 1994, cited in FBIS-SOV, 8 April 1994, pp. 4-5.


122. The border troops, which were under the authority of the Ministry Security until late 1993, are a semi-independent agency. See Chapter 5.
123. INTERFAK, 6 April 1994, cited in FBIS-SOV, 8 April 1994, p. 3.

124. Paevaleht, 2 March 1993, pp. 6-7, as cited in FBIS-SOV, 22 May 1993, pp. 86-89.


127. Tadzhikistan announced in early June 1994 that it was creating its own border guards. See ITAR-TASS, 7 June 1994, as cited in FBIS-SOV, 7 June 1994, p. 60.

128. ITAR-TASS, Moscow, 4 March 1993, as cited in FBIS-SOV, 5 March 1993, p. 23.


130. Article 11 of the Law on the State Border of the Russian Federation states a treaty with a contiguous state could establish a simplified procedure for passage of citizens. According to Article 16: "On the basis of the nature of relations of the Russian Federation with a contiguous state at individual sections of the State frontier a frontier zone [a controlled border area] may not be established." The law was reproduced in Federatsiiia, no. 47, 27 April 1993, pp. 4-5.


133. See Yeltsin’s speech to the border guards, reproduced in Rossiiskaia gazeta, 31 May 1994, p. 1.


137. Izvestiia, 14 July 1994, p. 1. After the Security Council meeting, Nikolaev announced that the new policy would increase the number of border troops over the next few years, as opposed to a continued cut in the number of military troops. See Segodnia, 20 July 1994, p. 2.


