

# ARCHIVE OF THE OFFICIAL SITE OF THE 2008-2012 PRIME MINISTER OF THE RUSSIAN FEDERATION VLADIMIR PUTIN

## **Democracy and the quality of government**

Sustainable social development is impossible without a competent state, while genuine democracy is a fundamental condition for developing a state designed to serve public interests.

Real democracy cannot be created overnight and cannot be a carbon copy of some external example. Society must be completely ready for using democratic mechanisms. The majority of people must see themselves as citizens of their country, ready to devote their attention, time and efforts on a regular basis to taking part in the process of governance. In other words, democracy is effective only when people are ready to invest something in it.

In the early 1990s, our society was inspired by the dissolution of the Soviet one-party rule and administrative command system, which went on right in front of people's eyes. It seemed that the transition to government by the people would be quick, especially since we had models of civilised and mature democracies in the form of the United States and Western Europe readily to hand. But the introduction of democratic mechanisms to Russia meant that nearly all of the necessary economic reforms were brought to a halt, and these mechanisms were later taken over by the local and central oligarchic elites, who shamelessly exploited the state and divided up the nation's wealth for their own benefit.

I know from my own experience that many honest and clever officials were working for the public benefit during that period. It is thanks to them that the state did not perish, that routine problems were resolved, for better or for worse, and some badly needed reforms were implemented, albeit inconsistently and slowly. But on the whole, the existing system proved to be stronger.

As a result, the democracy campaign of the 1990s did not create a modern state but provoked an under-the-carpet power struggle among clans and a feudal system with officials eking a living from their posts. Instead of a new quality of life we were lumbered with huge social expenses, instead of a free and fair society, we got arbitrariness by self-appointed "elites," who flagrantly disregarded the interests of common people. As a result, Russia's transition to democracy and a market economy was "poisoned" by people's steadfast distrust in these notions and an unwillingness to participate in the life of society.

Russian philosopher and lawyer Pavel Novgorodtsev warned early last century: "Many people think that the proclamation of liberty and universal suffrage will magically direct society onto a new path. But in reality, the outcome of such action is usually not democracy, but oligarchy or anarchy, depending on the turn events take."

We encountered both anarchy and oligarchy in the 1990s. It was a period of deep crisis of responsible government thinking. It would be naive to blame it all on the mercenary actions of oligarchs and corrupt officials. By the early 1990s our society consisted of people who had been freed from communist dogma but had not yet learned to be the masters of their destinies, who still waited for benefits from the

state, often yielded to the temptation of illusions and had not yet learned to stand up against manipulation. This is why the wicked “fortune favours the brave” principle was initially so effective in both the economy and in politics.

Society has trodden the difficult path to maturity, which has allowed us to help the country get out of the mire, revive the state and restore the sovereignty of the people, which is the foundation of real democracy.

I would like to stress that we have accomplished this task in a democratic, constitutional manner. Our policy in the 2000s consistently embodied the will of the people. This has been confirmed by elections and, between elections, by opinion polls.

In terms of which rights people consider to be their priorities, the right to employment (and with it the right to earn an income), the right to free healthcare and education for children are a long way ahead at the top of the list. Restoring and guaranteeing people these rights have been the key objective of the Russian state, which Dmitry Medvedev and I have worked to achieve during our terms as president of Russia.

Our society has changed radically since the early 2000s. Many people have become more prosperous, are better educated and are therefore more critical. New demands on the government and the advance of the middle class above the narrow objective of guaranteeing their own prosperity are the results of our efforts. This is what we wanted to achieve.

Political competition lies at the heart of democracy – it is its driving force. When such competition reflects the real interests of social groups, it strengthens the government’s power many times over – the power of economic development, the power to mobilise resources for social projects and to protect and ensure justice for the people.

Today, the quality of governance in Russia lags behind the readiness of civil society to participate in it. Our civil society has become much more mature, active and responsible. We need to modernise the mechanisms of our democracy so that they correspond to this increase in social activity.

### **The development of democracy**

A large package of proposals on the development of our political and party system has been submitted to the State Duma today. The idea is to simplify the registration of parties, to cancel the required collection of signatures for participating in the elections to the State Duma and regional legislatures, and to reduce the number of signatures required for registering as a presidential candidate.

The registration procedure, the rules for how parties operate and the election procedures are clearly important elements. Like the investment climate, the political climate requires continuous improvement. At the same time, we should pay especial attention to the ability of the political mechanism to take into account the interests of different social groups.

I am confident that we have no need for buffoonery or a competition in making impossible promises. We do not need a situation where democracy is nothing but a front, where government by the people is reduced to a political entertainment show and a cast of candidates, in which substance is replaced by shocking statements and recriminations, while the real policy is made behind the scenes and deals and decisions are not discussed with the electorate at all. We must avoid

this dead end, this temptation to “simplify politics” and to create a fictitious democracy to please the masses. Politics inevitably involves a degree of political strategising. But image makers and “billboard masters” must not be allowed to become the puppet masters of the politicians. I am convinced that the people will never again accept this.

We have to adjust the mechanisms of the political system so that they capture and reflect the interests of large social groups and ensure public coordination of these interests. The system should not only ensure the legitimacy of power, but also ensure that people have confidence that they have a fair government, including in those cases when they are in a minority.

We need to create a mechanism which people will use to nominate responsible people to government at all levels, professionals who care for the development of the country and the state, and are capable of achieving their goals. We need a clear, simple and transparent mechanism of drafting, adopting and implementing decisions, both at the strategic and tactical level.

We must create a political system under which we will be able to and are obliged to tell people the truth. People who propose solutions and programmes must be responsible for their implementation. Those who elect decision makers must understand who and what they are voting for. This will ensure trust, constructive dialogue and mutual respect between society and the government.

### **New mechanisms of public involvement**

We must be responsive to public needs, which are growing ever more sophisticated and acquiring new qualities in the “information age.”

A huge, ever-increasing number of Russians are already accustomed to receiving information instantly by the press of a button. Freely available and, more importantly, uncensored information on the situation in the country naturally motivates people to participate in policy-making and governance on a regular basis, and not just occasionally, around election time.

Therefore, modern democracy, which means power of the people, cannot be limited to simply going to the polls and nothing else. I believe that democracy includes both the fundamental right of the people to choose a government and also the possibility to continuously influence it and its process of decision-making. Hence, democracy needs mechanisms of regular and direct action and efficient channels for dialogue, public control, communication and feedback.

What is feedback, in practical terms? An increasing amount of information about politics should evolve into political involvement and civil self-government and control. Above all, this entails broad discussion of bills, decisions, and programmes adopted at every level of government, as well as assessment of existing laws and their effective application.

Individuals as well as professional unions and public associations should be able to “test out” all government documents. Already today, constructive criticism from professional communities of business leaders, teachers, medics or scientists helps us avoid poor decisions and find better solutions.

For example, last year during the *Regulatory Impact Assessment* effort we organised jointly with the business community, nearly half of the proposed regulatory acts were rejected for worsening the conditions for Russia's economic development. It is a good thing that this “filter” is working. Now we have to make sure it fully covers all the relevant business areas.

Legislative language must also be improved. It does not need to be euphonious like in ancient times, when some laws were even written in verse to be easily memorised, but laws should at least be formulated in such a way as to be understandable by the people. It is important to create user-friendly interactive interfaces for the websites of public authorities, so that their plans and programmes can be fully available and open for discussion, and their implementation monitored. I would like to ask professional communities of linguists and web designers to help the government with this. Their contribution will be highly appreciated by history.

We must also understand that one of the key trends in the modern world is the increased sophistication of society, with the needs of various professional and social groups becoming more and more specific. The government has to rise to this challenge to fit in with this complex social reality. An important solution here is to develop self-regulatory organisations, whose competence and capacity must grow. On the other hand, self-regulatory organisations themselves need to make more active use of the authority they have, in particular, the right to draft and submit for approval technical regulations and national standards in relevant sectors and activities.

We must avoid the bureaucratisation of self-regulatory organisations and prevent them from building “self-regulatory” barriers (mostly in areas where there are no major risks or where safety is already guaranteed by other government policies). This calls for absolute transparency of self-regulatory organisations and regular public reporting to the public and business leaders. I expect self-regulation to become one of the cornerstones of a strong civil society in Russia.

We already post proposed laws online, where everyone can submit proposals or make amendments. Every proposal is considered, and the best and most valuable ones are included in the bill’s final version. This kind of collective search for best solutions, or “crowdsourcing,” as the experts call it, must be accepted as regular practice at all levels.

However, this only helps people to exercise their passive right to respond to various ideas and projects proposed by the authorities, who remain the only source of legislative initiative. But they must also have an active right – an opportunity to shape the legislative agenda by proposing their own bills and specifying priorities.

In this respect, I propose introducing a rule for having a mandatory review in parliament of all public initiatives which collect at least 100,000 online signatures. A similar practice exists in Britain, for example. The anonymous Internet cannot serve this purpose of course, although in other cases it can help to gauge the public mood. A procedure should be developed for the official registration of those who want to participate in this system.

An Internet democracy should be integrated into the broader development framework for a referendum democracy. It should be more widely used at the municipal and regional levels. Municipal legislatures and their heads should be directly elected; moreover, the work of other key officials should also be publicly evaluated. For example, local residents should be given the opportunity to evaluate the performance of the district police chief after his first year of work and say if they want to see this person continue doing his job in their district. In the same way, questions could be raised about the head of the local housing and utilities service, or the justice of the peace, if he or she was not directly elected.

People must be given the opportunity to vote and to bring up important problems at local referendums or in online polls, to help identify critical issues and ways to

address them.

An important task is to reform the public councils in the executive branch. Frankly, their current operation is rather formal and ostentatious. We have to change how these councils are formed; their membership could be approved by the Public Chamber of Russia rather than by specific departments, and for regional bodies, by the regional public chambers. Public councils should stop simply being a convenience for department heads. They should be made up of truly independent experts and representatives of the public organisations concerned. We should establish a set of standard regulations and programmes that cannot be adopted without prior discussion at the public council. Public councils may be authorised to participate, on a par with the corresponding authorities, in the work of competition and certification commissions, as well as commissions on settling conflicts of interest.

A few words on the future of the electronic government project. Russians today have access to full information on political debates in parliament, on the state of the world markets, and on the marriages and divorces of Hollywood celebrities. What they cannot do online though, is review their utilities bills and medical files, or find out the name of their district police officer.

The official state procurement website has already become a powerful anti-corruption tool. Many state services are now available online, which is a good thing. But people also need information that is relevant to them – information about their homes, their local area, parks, schools, and municipalities. Special attention should be given to the websites of the municipalities and regions, as they are the cornerstones of electronic government.

I suggest that this year, the Public Chamber and the Presidential Council on Civil Society and Human Rights should develop, publicly discuss, and introduce draft lists of the type of consumer information that educational and medical institutions should be required to make available on their websites.

Electronic government needs to be better aimed at the needs and requests of the people. Information on the work of the state and municipal authorities should be disclosed as fully as possible. Information technologies should serve to make the government mechanism understandable and accessible to the public.

### **Local government, a school of democracy**

Alexander Solzhenitsyn wrote about the role of local government: “It is only in this format that people will be able to infallibly choose representatives whom they know well by their business abilities and moral virtues. False reputations will not last long here, nor will deceptive eloquence or party recommendations be of any help... No decent life is possible, and the ‘civil liberty’ concept itself makes no sense unless there is a well-organised local government.”

This quote encapsulates a very precise idea: the democracy of a large state is made up of “small-space democracies.” Local government is a school of civic responsibility. At the same time, it is a “vocational school” that gives shape to a beginner politician’s key competences: his being able to negotiate with different social and professional groups, to bring his or her ideas across to people, to defend voters’ rights and interests, and more. I think that politicians and government administrators should look to the system of local government for their professional schooling.

With regard to specific areas to improve the effectiveness of local government, firstly, it should remain as the “local” authority, which means that municipalities

should not be haphazardly expanded. Secondly, local authorities should become fully financially self-reliant and independent. They should have sufficient resources to perform their duties and address people's everyday problems. We should do away with the dependence on the "handouts from above," that suppress independence and responsibility and encourage a culture of dependency. In effect, they make the very existence of the municipal level of government devoid of all meaning.

In this connection, I suggest that we hand over to the municipalities all taxes paid by small businesses that operate under special tax regimes. In so doing, we should, of course, balance the powers between the constituent entities of the Federation and the municipalities. If the municipalities have more resources, the extent of their obligations to residents could be increased.

Large and medium-sized cities are in particular need of greater economic independence. It is here that the country's economic potential and most active citizens are concentrated. The cities are sources of economic growth and centres of civic initiatives. As the federal centre is handing many of its powers and financial resources to the regional authorities, it is important to ensure that cities do not end up defenseless against the regional leaders.

It is equally important to ensure a spirit of cooperation between governors and mayors, as well as between regional and city legislatures. We know that they are often at loggerheads with one another; direct elections of governors may only aggravate these conflicts, particularly in a situation where one political party wins in a constituent entity of the Federation and a rival party wins in a city within the same entity.

We should put an end to regional authorities imposing indicators on local governments and tying financial allocations to them. Heads of municipalities must be accountable to their constituents.

The fate of small towns, where a lot of our people live, is a separate issue and a painful one. Small towns often lack regular sources of income and have to subsist on transfers from regional budgets. At the same time, a small town is often the best place for municipal democracy. Local people know each other well, while all services operate in plain view of the public rather than anonymously. I think that the incomes of these municipalities must be long-term and stable in nature (which means that the amount of regional transfers should be stable and known in advance). We ought to put an end to the situation where a mayor's job is reduced to nothing more than being able to cadge money from the higher echelons, while the evaluation of his performance depends on his superiors rather than his constituents. It is only this that can give us hope for the emergence in the provinces of a new generation of politicians and efficient social managers.

### **Federalism in Russia**

One of the biggest challenges of the early 2000s was overcoming both the overt and latent creeping of separatism, the merging of regional authorities with criminal and nationalistic groups. This problem has been largely solved.

Now that we are at a new stage of our development, we are bringing back direct elections of governors. The president will retain his control and response powers, including the right to dismiss governors from office, which will secure a proper balance between decentralisation and centralisation.

Central authorities should be able to delegate and redistribute powers, as well as the sources of funding local and regional budgets. However, they have to do so

without losing control over the country. You cannot spread the powers of the state around too thinly. Mechanical reshuffling of resources or powers between different levels of government is unacceptable. We should not focus on the issue of centralisation or decentralisation to such a degree that we forget about everything else.

Governmental powers should be distributed across various governmental levels in accordance with the clear criterion that any given function should be performed at the level where it is most beneficial for the citizens of Russia, their business activities and the development of the country as a whole.

It is also clear that the potential for greater consolidation of the Russian constituent entities is far from exhausted. However, any action in this sphere must be reasonable and balanced, and based on the opinion of the people.

We should also keep in mind that the level of socio-economic development varies across Russian regions and across social groups, and they do not invite comparison in simple terms of "better or worse." People's lifestyles are determined by different traditions, customs and behavioral patterns. Therefore, factors that act to promote integration, such as the Russian language, Russian culture, the Russian Orthodox Church and other traditional Russian faiths, are of unconditional value for us. Many centuries of shared history-making within one Russian state are also important. This experience clearly shows that our nation needs a strong, competent and respectable federal centre acting as the key political stabilising force and balancing interregional, interethnic and interreligious relationships. Our historical mission is to fully realise the potential of Russian federalism and create incentives for active development of all Russia's regions.

### **A competitive state**

Competition among states for ideas, people and capital is the reality of the global world. In fact, they are competing for the future of their nations within this developing global world.

We need a new kind of national awareness, with a focus on establishing the best, most competitive environment for everyday life, creative activities and enterprise. This vision should underlie all the functions of the state machine. We should always operate out of the belief that Russian people, and even more so Russian capital, know how things are organised in other countries and are entitled to choose the best.

It is important to focus on the following key priorities.

First, ties between the authorities and property ownership should be severed. The government's authority and its ability to interfere in the economy should be clearly delineated, as I wrote in my article on the economy.

Second, the best sustainable practices used by government institutions of the leading countries should be adopted on a large scale in Russia. Such adoptions should be based on their proven effectiveness, which will make using government services a comfortable and convenient experience for all Russian people, and cut time and money spent to access them. Once established, such a base can be used to bring service standards in line with international standards.

Third, we will promote competition among government administrators, such as governors, mayors and other officials, at all levels and wherever appropriate. To this end, we will establish monitoring, detection and widespread adoption of the best public administration methods. We will do so with respect to our own

decisions at the federal level and, so that voters are kept informed, at the regional and municipal levels as well.

Fourth, we should move over to the new generation of government service standards that are focused on the needs of service recipients, such as a company receiving customs clearance for its goods or a vehicle owner having an accident report written up.

Everyone should be able to find out from the information posted on the government websites what kind of services they can obtain from a particular department and the level of responsibilities of a particular government official.

Fifth, a law has just been passed that sets out the procedure for assessing the actual amount of work performed by government officials and their liability for failure to comply with the standards governing provision of services to private and corporate customers. Any deviation from these standards will trigger sanctions. I suggest that we should go even further and introduce disqualification for gross or repeated violation of such standards. A poorly performing government official should not just be fired; he should be denied the right to be employed as a government or municipal servant for several years.

Sixth, we need a body of public servants who are properly qualified and sufficiently experienced to bring high-quality solutions to administrative problems. We will need to introduce a remuneration system for public servants which has the flexibility to take into account the situation on the labour market, including that of certain professional groups. Without it, we can hardly expect to be able to improve the quality of our public servants or bring responsible and effective managers on board.

Seven, the institution of ombudsmen – human rights commissioners – will be further developed. We will follow the path of specialisation and professionalisation of this institution. I believe that commissioners for businessmen's rights should be available in every Russian region.

### **We must defeat corruption**

Historically, administrative procedures and bureaucracy have never been a cause for national pride in Russia. A conversation between Nicholas I and Alexander Benkendorf is known to have taken place, in which the tsar threatened to “root out bribery mercilessly” but got the reply: “Who will you be left with, Your Majesty?”

Talk about corruption in Russia is commonplace. Historically, the temptation has been to defeat corruption through the use of reprisals – and the fight undoubtedly involves the use of repressive measures. Nevertheless, the problem lies much deeper. It is a problem of transparency and accountability of the state's institutions (as I said before) and of how to motivate officials – people in the service of the state. This, in our view, involves great difficulties.

According to sociological surveys, teenagers who in the runaway 1990s dreamed of becoming oligarchs, are now opting in their droves for a career as a civil servant. Many see this as a route to quick and easy money. Given this overwhelming motivation, any thoughts of “cleaning up” are futile: if state service is viewed as a source of lining ones own pockets rather than a noble and honourable duty, then new thieves will simply take the place of those who get caught.

To defeat system-wide corruption, it is necessary to decouple not only authority from property, but also the executive branch from control over it. Both the authorities and the opposition must share the political responsibility for fighting



corruption.

The right thing to do would be to get a new procedure for nominating candidates to the post of chairman and auditors of the Audit Chamber on the statute book and put together a list of the appointed members of the Public Chamber. Candidates should be nominated not by the president, as is the case now, but by the State Duma Council, and it should be done on the basis of consensus on the candidacy between all the parliamentary parties.

I think that members of parliament should think about giving substance to the procedure for a parliamentary inquiry set out in the law.

The fight against corruption should become a truly national affair, not the subject of political speculation, the field for populism, campaign-mongering or the introduction of crude solutions such as calls for mass reprisals. Those who shout the loudest about the predominance of corruption and demand repression fail to understand one thing: where there is corruption, reprisals can themselves be subject to corruption. So bad you will wish it had never happened.

We offer real, system-wide solutions, which will help us to carry out the necessary cleaning up of state institutions much more effectively and to introduce new principles in personnel policy – in the selection of civil servants, their rotation and their remuneration. Ultimately, we must ensure that the reputational, financial, material and other risks make corruption unprofitable.

I propose that we single out jobs at high risk of corruption – both in the executive branch and in the management of state corporations: officials occupying such jobs are entitled to draw a high salary but must agree to absolute transparency, including their spending and any large family purchases. Consideration should also be given to such things as their actual place of residence, sources of payments for recreational spending, etc. Here it would be worthwhile taking a look at the anti-corruption practices currently in force in Europe – they are good at tracking such things.

Today, we can answer “Benkendorf’s question”: We know with whom we will be left. Such people are available and there are many of them – both in the government and beyond.

Today there are many professionals working in governmental and municipal bodies who have been living on the salary for their whole life. They feel insulted when reporters put them on a par with corrupt officials. How many honest, competent people are we putting off from working for the state by doing this?

I think society and the media should restore the balance of justice with regard to honest civil servants. Public attention should focus on the evidence of corruption charges. This will help bring such cases to a successful conclusion.

Putting words into actions in the struggle against “big-time” corruption will also help to overcome the type of corruption people encounter every day – in the police, the courts, the management of housing and public utilities, in healthcare and education.

We will act in a consistent, carefully thought-out and decisive way. By removing the basic causes of corruption and punishing individual corrupt officials. By creating incentives for people prepared to serve Russia faithfully and loyally. There have traditionally been many such people in our country. They will be in demand.

**We dealt with the oligarchy and we will deal with corruption.**

### **The development of the judicial system**

The main issue today is the clearly accusatory and punitive slant in our judiciary.

We must resolve this issue and are therefore proposing some concrete steps.

Firstly, we will make justice available to all people. Among other things, we will introduce the practice of administrative proceedings not only for businesses but also for special consideration of disputes between ordinary people and officials. The spirit and meaning of administrative proceedings is based on the fact that an ordinary citizen is more vulnerable than an official in a conflict. The burden of proof lies with the administrative body and not with the person. So the practice of administrative proceedings is initially aimed at protecting a citizen's rights.

Secondly, public associations will have the right to file actions in court in defence of their members' interests. This will enable ordinary people to defend their rights: for example, to challenge a governor not single-handedly but on behalf of a large public organisation. We will expand the scope of mass action claims to be filed by ordinary people.

Thirdly, the system of commercial courts currently has a single, open and accessible database of all court rulings. We should create such a database in the system of courts of general jurisdiction, too. Thought must be given to the possible online broadcasting of court proceedings and publication of court transcripts. They will instantly show who is working and what they are doing, which rulings have been adopted in similar cases with different participants, and where a judge's summing-up is dictated by poorly understood and unclear logic. Case law will also act as a factor in the steady improvement of the judiciary.

Fourthly, we have to reinstate court reporting, which will make it possible to discuss society's legal issues in a wider and deeper context and raise the level of legal awareness among ordinary people.

\* \* \*

In conclusion, I would like to emphasise that we are proposing concrete solutions. Their practical implementation will make the rule by the people – or democracy – true and real, and place the efforts of the government at the service of the interests of society. Taken together, these measures will ensure the sustainable and successful development of Russia and its modern society.