The Internet and Democratization: The Development of Russian Internet Policy

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T he survival of Russia's hybrid postcommunist regime, first under President Boris Yeltsin and then under President Vladimir Putin, poses difficult challenges for students of democratization. One of these challenges is exploring how regimes such as the Russian one resist both consolidation of democracy and a return to full-blown authoritarianism. The development of the Russian Internet policy is of special interest, as it brings forth two interesting puzzles related to this process: (1) Can governments of countries in political transition such as Putin's Russia allow for more freedom to increase their political control? and (2) Can we identify a learning process that a government such as Putin's undertakes on its transition path? The evidence presented here shows that the answer to both questions is "yes."

This article challenges the assumption that proliferation of Internet technology in transition countries such as Russia will lead to an increase in freedom of speech and further democratization.[1] It does so by identifying a method by which a government in transition cannot restrict or control the Internet directly but instead can use it actively to stifle political freedom. In this respect, the case of the Russian Federation is a first. It shows the problems created by governments learning how to appropriate the benefits of the information technology (IT) revolution to increase their control over the public information space.
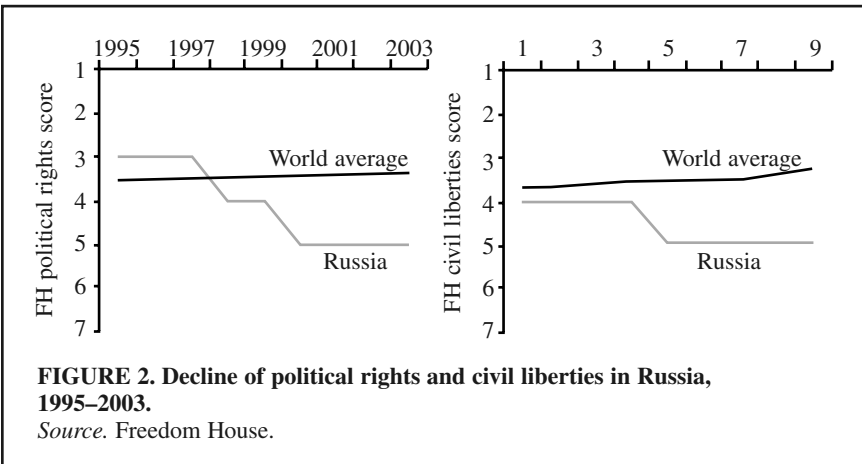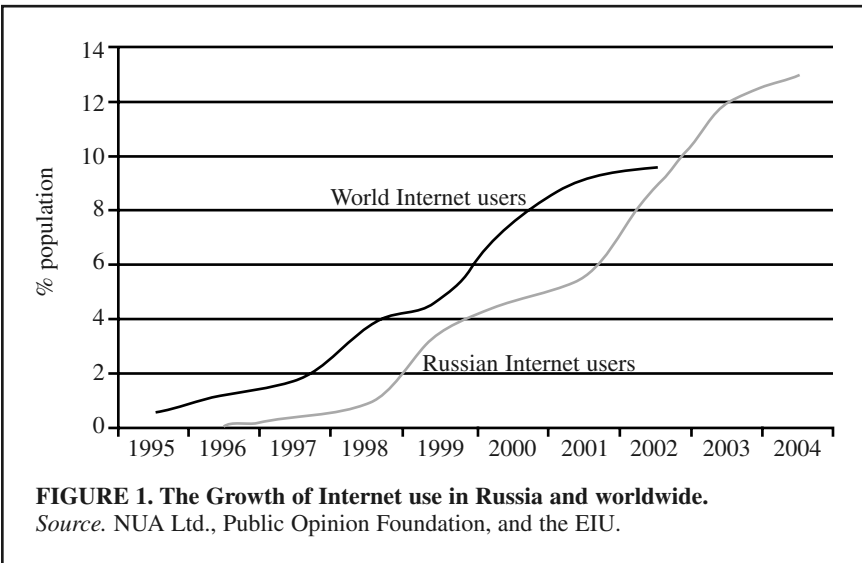
In virtue of its unique architecture and its speed of proliferation, the Internet should hold a potential to liberalize the information space and subsequently lead to democratization, especially in states where governments tightly control traditional media such as the newspapers, radio, and television.[2] Although in developed democracies the Internet is seen as a means to develop a more informed, pluralistic, and participatory electorate, the contribution of the Internet in authoritarian and democratizing states is more basic. The focus in this article is on the potential of the Internet to liberalize the information space, weaken the political

control of an authoritarian government, and increase both individual freedom in the short run and the hope of democracy in the long run.

Although estimates indicate that Russia has experienced a marked growth of Internet use (figure 1), this coincided with a drop in both political rights and civil liberties, as measured by Freedom House (FH) in the 1995–2003 period. Figure 2 shows that Russia performed below the world average in FH scores, and the marked decrease of freedoms in Russia contradicts the initial expectations of liberalization and democratization following the dissolution of the Soviet propaganda apparatus and the turbulent relationship of President Yeltsin with the emerging free media.

While freedoms in Russia markedly decline, the Russian government is aggressively targeting Internet development. The number of Russians online has

FIGURE 1. The Growth of Internet use in Russia and worldwide.
Source. NUA Ltd., Public Opinion Foundation, and the EIU.

FIGURE 2. Decline of political rights and civil liberties in Russia, 1995–2003.
Source. Freedom House.

just surpassed the 10 percent mark and, as early as 2002, the government announced a plan to invest $2.6 billion in the IT industry. To comply with demands of the World Trade Organization, the Russian Duma passed the Law On Electronic Signatures, which was the first law exclusively targeting Internet use. At the beginning of 2004, the new Law on Communications put into power new attempts to restructure the telecommunications market.

However, the aggressive measures to promote further Internet development are only the most recent stage of Russian Internet policy.

The initial stage of Internet proliferation in Russia was handled by an unprepared government that dealt with the new medium in the ways similar to those that its Soviet predecessor dealt with national media and technology regulation. The government's first-round response also included attempts at direct censorship of the Internet, but the general assumption about the inherent democratic nature of the Internet architecture proved true: Internet use in Russia escaped tight regulation, as the government was initially unprepared for the challenge. With President Putin coming to power, the picture changed rapidly and dramatically. The next four sections analyze the evolution of Russian Internet policy. The first presents the challenge of the Internet's proliferation in Russia and is followed by an account of the government's reactionary response, the rise of online media, and the emergence of a proactive Kremlin policy. The final three sections examine the impact of Internet development on an understanding of censorship, propaganda, government learning, and the future of democracy in Russia.

The Challenge: Proliferation of Internet Use in Russia

A 2004 survey of Russian adults found that 14 percent of them are Internet users, a number that is significantly higher than in most developing countries but well behind by European or American standards. Russia lags behind countries such as Sweden (79 percent Internet use), the United Kingdom (59 percent), and Brazil (16 percent). Although the 14 percent figure for Russia represents the number of respondents who said they used the Internet in the last 6 months, only 4 percent used the Internet in the last 24 hours.[3] According to another survey, Russia crossed the 10 percent mark two years ago. However, the same 2002 survey found that 84 percent of Russians never used computers, and that only 6 percent of Russian households owned a computer.[4]

One of the main reasons for Russia's lag behind developed countries is that the country's telecommunication infrastructure remains underdeveloped, with poor quality analog telephone lines and long waiting times for new phone numbers. Despite a doubling of cellular service subscribers in 2003 (from 18 to 36 billion), and the number of cellular phones outnumbering fixed line phones, the cellular penetration remains well under one-third of the population.[5] Internet provider services remain unrealistically expensive in comparison to mean household income, even for the basic subscription.[6] Yet, with two hundred telephone lines per one thousand people in 1999 and 3.5 Internet hosts per one thousand people, Russia was far ahead of other large developing countries such as India and China in both access to telephone lines (ground and cellular) and in the number of Internet hosts

(figure 3).[7] Table 1 compares the proliferation of Russia's media technology with China, Poland, and the United States. By most indicators, Russia is ahead of China, which is expected given Russia's overall level of development.
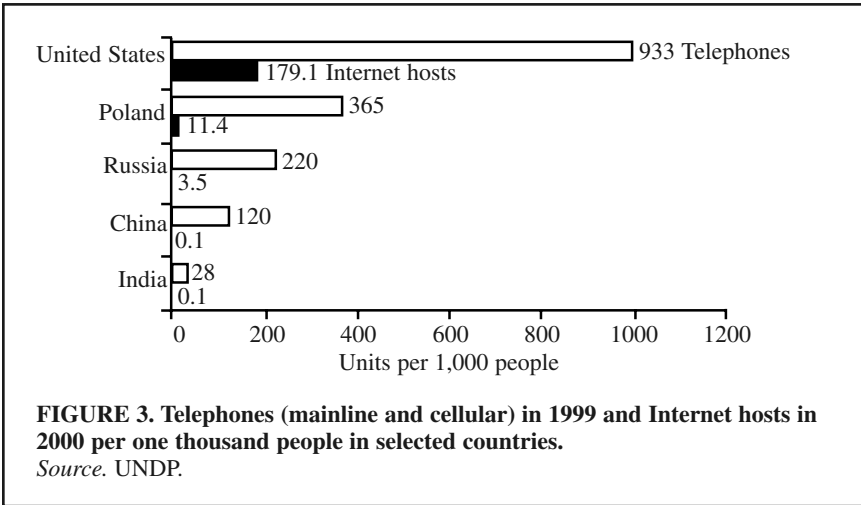

FIGURE 3. Telephones (mainline and cellular) in 1999 and Internet hosts in 2000 per one thousand people in selected countries.
Source. UNDP.

TABLE 1. Media Technology Proliferation

	Russia	China	Poland	United States
Traditional media				
Daily newspapers[a]	105		108	213
Radios[b]	418	329	523	2,118
Television sets[b]	421	293	400	854
IT and online media				
Personal computers[c]	42.9	15.9	68.9	585.2
Personal computers in education[c]	424,284	1,539,843	219,416	13,426,248
Thousands of Internet users[c]	3,100	22,500	2,800	95,354
Service provider charge $[d,e]	15	7		5
Telephone usage charge $[d,e]	0.14	0.14	18.39	3.50
Secure servers[d]	285	184	326	78,126
Information and communications technology expenditures				
Percent GDP[c]	3.7	5.4	5.9	8.1
Per capita[c]	63	46	248	2,926

Notes. (a) per 1,000 people in 1998; (b) per 1,000 people in 2000; (c) in 2000; (d) in 2001; (e) monthly off-peak access charges.
Sources. International Bank for Reconstruction and Development and the International Telecommunications Union.

Russia inherited a wealth of scientific resources from the communist era, including some of the world's best scientists, who outnumbered American scientists by one-third in 1991. However, this human capital advantage has slowly declined over the years, with Russian research spending declining from more than 2 percent of the gross domestic product (GDP) to less than one-third of 1 percent. The number of scientists has been halved, and they rank tenth out of eleven employment categories. When it comes to IT and media development, Russia lags behind not only developed countries but also behind transition economies, such as Poland, with significantly higher levels of relative investment in IT technology and growth of Internet use.

The relatively high number of Internet hosts compared to other developing countries is also characterized by a high government stake in the Internet service provider (ISP) market. In March 2000, the largest ISP in Russia was Relcom, followed by Demos and Russia On-line. Relcom was entirely government-owned and enjoyed a near-monopoly in the market,

"In all, about three hundred ISPs compete for more than $220 million in total revenue from Internet access."

with its Moscow hub subscribing ten thousand users and approximately one hundred fifty other regional hubs with an average of five hundred to one thousand subscribers.[8] By 2003, the ISP market was run by five operators, who controlled 84 percent of services. In all, about three hundred ISPs compete for more than $220 million in total revenue from Internet access.[9]

An ethnographic snapshot of the Russian Internet makes the empirical picture of Internet proliferation more accurate. A tour of Moscow's Internet cafés gives one picture of the current Russian Internet use, at least in public spaces. In the affluent neighborhood of Vorobyovi Gori, a local computer hardware store in the basement of an apartment building was recently refurbished into an "Internet and game café." The customers are mainly boys aged seven to twelve, playing online video games, at a cost of one dollar per hour. Not far away from the neighborhood café is the grandiose campus of the Moscow State University. In its Humanitarian Complex II—which houses the faculties of history, economics, politics, law, philosophy, religious studies, and public policy—one can also find an Internet café. The main users are students; they surf for news and term papers, and one dollar will buy them thirty minutes. Finally, there are the super-Internet cafés, such as TimeOnline, located on the lowest level of the shopping mall Okhotny Ryad, which is "one of the world's miracles," according to the recorded announcement that welcomes everyone from tourists to the Moscow elite into the underground complex on Manyezhna Ploschad adjacent to the Kremlin. The NightOnline deal offers about eight hours, starting at midnight, for just under $3.20. The café is packed with teens and young adults, and they use the café's

approximately three hundred flat-screen computers to chat, surf the Web for music, or, occasionally, prepare term papers or search for jobs.[10]

In 2001, the average user was relatively young, twenty to twenty-nine years of age, with two-thirds of Runet users under age thirty-four. Sixty percent of the users were male and 50 percent had some higher education. In interviews, this "average user" said he was a "hard worker and enjoys work." Most interestingly, users by-and-large tended to identify themselves as liberal but in support of President Putin. They also watched TV often and tended to live in cities.[11] A survey this year of Russian adults shows that the demographics of Internet use have changed little. Internet use is higher among males, the young, those better educated, and among richer Russians (table 2). The most popular places for Internet use in 2004 were the office (6.6 million people), home (6.1 million), friend's place (3.1 million), school/university (2.2 million), and Internet cafés (1.9 million).[12] When it comes to the geography of Internet use, it is not surprising that urban Russians enjoy higher access. However, future Internet users are disproportionately coming from Russia's remote regions. As figure 4 illustrates, most new Internet users are coming from outside Moscow.

The most visited and the best-known Web sites among Russian users are the portals yandex.ru, rambler.ru, and mail.ru. In addition to these three, Russian adults participating in a 2003 survey, when given a list of twenty-nine sites, were most likely to recognize sites such as referat.ru (a collection of school essays), gazeta.ru (an online news site), anekdot.ru (a joke site), and job.ru (an employment site).[13] These observations present a challenge to the general assumption that the Internet will automatically lead to an increase in personal freedoms—be
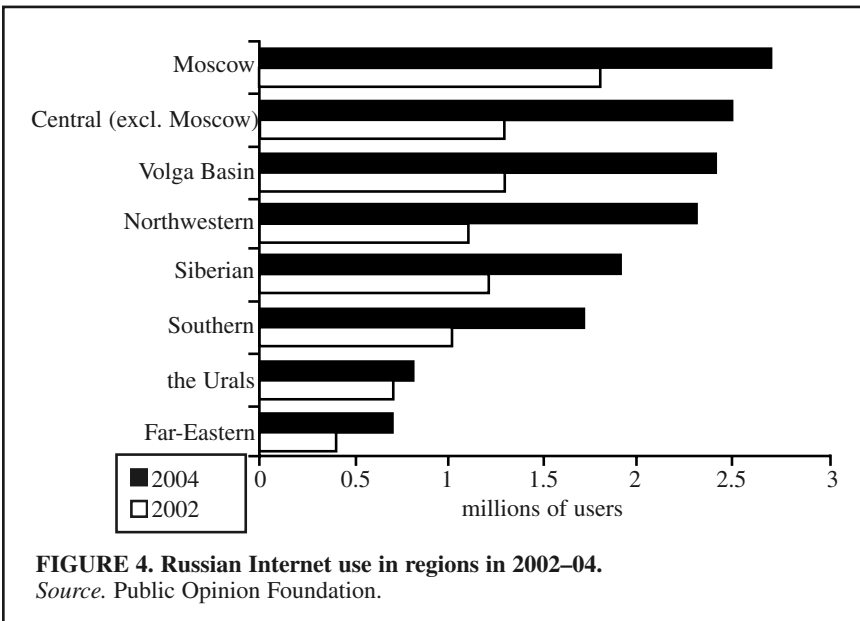

FIGURE 4. Russian Internet use in regions in 2002–04.
Source. Public Opinion Foundation.

TABLE 2. Russian Internet Use within Gender, Age, Income, and Education Groups in 2004

Group	% users
Gender	
Female	11
Male	17
Age	
18–24	34
25–34	23
34–54	14
54–54	8
> 55	1
Monthly income	
≥ $100	28
$51–99	8
≤ $50	4
Education	
Higher	37
Special secondary	14
Secondary	11
Primary	1

Source. Public Opinion Foundation.

it by increasing access to information, improving the quality of information, or enabling freedom of expression. It simply may be false to assume that intelligent, educated, and young persons in a country such as Russia will flock to the Internet to find the truth about their government and then use the Internet to spread the truth and mobilize opposition.

Analyzing the problem of the digital divide in Central and Eastern Europe, a 2000 Global Internet Liberty Campaign report recommended putting pressure on governments to extend the principle of universal service obligation to the Internet and encouraged consumers to exercise their role through the market and political action to increase demand for more affordable access.[14] In the case of Russia, the move toward increasing access to the Internet under the current conditions may have mixed, if not opposite, effects on freedom and democratization. If our recommendation is to encourage the government's interference in the Internet sector (even through subsidies of access for the poor), we must first examine the government's past motivation and practice of Internet regulation.[15] In sum, Russia shows a significant increase in Internet use combined with unclear, direct effects of this phenomenon on improvements in freedom and democracy. The Russian government's initial response to the proliferation of the Internet is the subject of the next section.

The Government's Reactionary Response

The first phase of Russian Internet policymaking was characterized by legislation closely resembling Soviet practices of state bureaucratic oversight, at a cost both to the free growth of the industry and the practical efficacy of executive policymaking. Much as is the case in Western developed states, the Internet in Russia is governed by laws concerning commerce regulation and laws concerning media regulation. From the beginning of the 1990s, the Russian government showed concern for two other areas regarding Internet use: security of new technology (grounded in the cold war–motivated rivalry in the industrial–military complex) and national identity (protection of any communication medium from overwhelming foreign influence). In the 1990s, these four legal concerns have resulted in a complicated set of regulations that applied only partially to the Internet, then a relatively new phenomenon.

TABLE 3. Important Legal and Policy Documents Dealing with Internet Policy in Russia

Year	Document	Contribution
1992	Database law	some legal protection for software designers some privacy protection sets up registration mechanism
1994	Roskominform Statute	sets up a 12-person "informatization" policy body Roskominform to set national priorities Roskominform to draft legislation Roskominform to cooperate with international bodies
1995	Information law	granted citizens access to "state information resources" economic and nongovernment actors identified
1996	Communications law	emphasizes the constitutional right to privacy interference needs court sanction
1996	Information Exchange law	empowers government for specific areas of the Internet: information architecture, flow, and access
2000	Information Security Doctrine	defines Internet policy as national security concern gives the executive branch more power limits individual rights in cases of security concerns
2001	E-Russia Plan	an investment plan to boost Internet development
2002	Law on Electronic Signatures	WTO compliance trust in e-transactions, investment promotion
2003	Communications law	regulates telecom ownership protects Rostelecom long-distance monopoly, permits IP-telephony radio frequencies, new telecom licensing results in ministry restructuring

The main body of these older laws includes: the Law on Databases, the Roskominform Statute, the Law on Communications, the Law on Information, and the Law on Information Exchange.[16] The contribution of these laws, as well as some of the most important subsequent documents, is listed in table 3.

In July 2003, Russian President Vladimir Putin signed the new law on communication regulating ownership relations, the distribution of radio-frequency bands, and licensing in the communications field. This made bureaucratic procedures more transparent. Although the law confirms the monopoly of Rostelecom for long-distance voice connections, to be reassessed in 2005, it has not banned IP-telephony, and alternative operators can continue to create their own long-distance networks.

The five early laws—the Roskominform Statute and the laws on Databases, Communications, Information, and Information Exchange—were grounded not so

much in a reactionary mood, as they were attempts by the government to deal with the new challenge of the IT revolution by using the old mechanisms of bureaucratic oversight and control. As a result, the laws set up a precedent of the government's justification for active control of the Internet by the process of registration, the creation of government bodies to monitor and guide development of the industry, and the delineation and qualification of rights (even constitutional) when applied to the Internet. In addition to these laws, the 1992 Law on Mass Media held more potential than any other law to enable government to gain control over Internet content. Problems regarding this law became only more acute following the rise of online media during Putin's coming to power. These laws enabled the Russian government to go beyond simple regulation by demonstrating development of government interest in "informatization" policymaking. In particular, Roskominform was legally defined as a hybrid executive–legislative body that was close enough to the office of the president to have access to resources and cabinet powerbrokers, while being able to implement far-reaching policy. These laws demonstrate that the government was moving—albeit slowly and perhaps in the wrong direction—towards developing mechanisms of Internet policy. Critics today point to these early legal developments as practically irrelevant to the real-world situation of Internet policy development. However, such criticism fails to analyze and capture the ideas and institutions that historically underpin current Russian Internet policy.

In addition to these legislative moves, the government engaged in a few bluntly political attempts to increase control over the Internet. In particular, System for

TABLE 4. A Ranking of Russian Online Media

Rank	2002 ranking Media		2004 ranking Media
1	Gazeta.ru		News.yandeks.ru
2	Lenta.ru		Gazeta.ru
3	Dni.ru (daily)		Lenta.ru
4	Ntv.ru		Izvestia
5	Izvestia		Strana.ru
6	Rol.ru News		Nezavisimaya Gazeta
7	Strana.ru		RIA News
8	Komsomolska Pravda		Rol.ru News
9	3D News		Grani.ru (daily)
10	Grani.ru (daily)		Ntv.ru
12	Nezavisimaya Gazeta	14	Komsomolska Pravda
18	Vest.ru	21	Smi.ru
28	Polit.ru	23	Polit.ru
38	RTR	35	NTV-plus

Source. dir.spylog.ru monthly rankings by unique hits (23 Apr. 2002, 20 Aug. 2004).

Operational-Investigative Activities (SORM) has been cited often as the worst kind of government interference in the IT age.[17] The Federal Security Service (FSB) forced Internet service providers to install hardware that allowed FSB to monitor Internet usage and e-mail messages of the providers' customers.[18] Putting the issue in stark perspective, Anatoly Levenchuk said: "Introducing SORM is equivalent to having to surrender copies of the keys to your flat or car or garage to the nearest police station so that the police can visit your home or break into your car or garage whenever they like, supposedly to catch potential criminals."[19]

Upon its introduction in 1999, SORM2—the revised and updated version of SORM—required all ISPs to route their incoming and outgoing data through FSB computers. Those providers who did not cooperate were forced offline by FSB, which simultaneously controlled the government's ISP licensing procedure. For example, Bayard-Slavia of Volgograd was disconnected and its capital assets frozen after the ISP threatened to sue the FSB for demanding its clients' passwords without a warrant. The FSB cited "licensing errors" as grounds for its hostile action. Another effect of the SORM2 was that small Internet subproviders started going out of business. The FSB demanded that the ISPs pay for the spying hardware, a cost that was too high for many small subproviders (who represented 90 percent of Russia's 360 ISPs in 1999). The change gave a greater market share to a few larger ISPs. Since 1999 and the vocal public criticism of FSB actions, SORM2 has been revised and subsequently required the FSB to obtain a warrant prior to looking at a user's electronic traffic. Still, experts remain doubtful that the FSB put great priority on following this rule. Instead, it is the overwhelming rise in Internet data traffic that is likely to frustrate monitoring efforts.[20] How likely this is to happen in the long run depends on the development of the government's monitoring technology; in particular, American and European governments are already making advances on this front, given their mission to uncover terrorist threats.

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Emergence of Online News Media

The main challenge to the government through the Internet medium came with the rise of online media and political Web sites. Table 4 lists the most visited news Web sites in Russia in 2002 and 2004.[21] One of the most important developments occurred during the 1999 State Duma elections, when Gleb Pavlovsky's Foundation for Effective Policy (FEP) Web site, http://www.election99.com, published the results of exit polls.[22] Back in 1999, The Central Election Committee, under pressure from the Fatherland–All Russia bloc, attacked Pavlovsky and the FEP, alleging that the publication of exit polls violated the Law on Elections.[23] The ensuing public dispute

brought forward the difficulty of classifying online media as mass media under Russian law. If classified as mass media, political and news Web sites would have to come under tighter Kremlin control.[24]

Pavlovsky's brush with the Internet during the Duma elections was only a sign of things to come. As Boris Yeltsin's time in office neared its end, Pavlovsky tightened his Kremlin ties through his FEP. Once the presidential election came, Pavlovsky led an elaborate and aggressive smear campaign against former Prime Minister Yevgeny Primakov and Moscow Mayor Yuri Luzhkov. Pavlovsky used a number of Internet news sites (strana.ru, vesti.ru, smi.ru, russ.ru, lenta.ru [30 percent stake]), and coordinated political ridicule sites directly smearing Primakov and Luzhkov (primakov.ru, mayor.ru, ovg.ru, and lujkov.ru). Subtlety and complexity were the characteristics of Pavlovsky's strategy that made his online assault as effective as it was. Most of the new online news providers exercised degrees of independence far greater than what was possible in television or print. Strana.ru was most explicitly in support of Putin and was funded by mainly anonymous private sources. In 2001, the Web site reported incriminating statements made by Russians abroad who criticized the government, a chilling reminder of the Soviet-style government propaganda. On the other hand, some online news Web sites, such as vesti.ru, exercised more moderate judgment of what news to report and, at the time, was linked to the independent TV station NTV. Reportedly, Pavlovsky called on the Kremlin to create a special center to take charge of "information security," and the BBC reported about rumors that a "rapid reaction unit" had been set up to track journalists reporting off-message.[25]

Pavlovsky tapped into a truly rich source of potential for improving the Kremlin's control over public opinion. One study of the Internet in Russia found that online-only newspaper sites had more visitors than any other source of political and current information on the Internet in Russia. Online versions of offline news providers followed, and the least popular sources of information were Web sites of political parties and individuals' campaign Web sites.[26] The same study of Ukraine's election crisis in December 2000 and January 2001 led the authors to conclude that "in a political crisis freedom of expression and up to date information become the most important qualities of online information." With this need for up-to-date information during political crises, the Kremlin gains an incentive to interfere with the Internet at times such as elections and devise approaches to using the new technology most effectively for its purpose of controlling public opinion.

The Government's Proactive Response

Since President Putin's election, both the Duma and the Kremlin have become active in drafting and discussing Internet-related legislation, most importantly legislation on e-commerce and Internet mass media. In 2002, the Duma passed laws intended to increase protection of intellectual property and give electronic signatures legal weight. In 2003, the new Law on Communications was adopted to restructure telecom ownership relations and the licensing regime. One of the main controversies surrounding the new laws was whether online newspapers

were required to register officially as mass media. By 2002, the most immediate and direct Internet regulatory mechanism in place was the Ministry of Justice's requirement that ISPs pay for the hardware for security services to monitor their clients' e-mails.[27]

By 2002, the Russian government saw Internet regulation as a tool for enabling growth of e-commerce and for preparing Russia for entry in the World Trade Organization. Yury Travkin, a consultant to the Duma's commission on information policy, said that the Russian Internet regulation should serve to ban commercial spam e-mail, protect intellectual property, prevent copyright infringement, secure online payments, and legitimize digital signatures.[28] The stated reasons for implementing the new legislation were encouraging economic growth and strengthening the country's IT sector. As early as 2000, Interfax was reporting that e-commerce transactions in Russia totaled between US$500 million and US$600 million.[29]

But one needs to question proposals, such as those reported by the *Segodnya* newspaper, that in 2001 the Duma's economic policy committee had recommended that only officially registered self-employed businesspeople be able to shop in Internet stores. Timofei Kotonev of the Lovells law firm warned that the 2002 signature law may have required companies wanting to use digital signatures for contracts to register with the Federal Communications and Information Agency.[30] At the end of 2001, the Duma was also considering an amendment to the law on trademarks, which would allow companies to strip Internet owners of their Internet domain names if these domains resembled the companies' trademarks. Anyone applying for a .ru domain name would have to go through the Rospatent, the Russian trademark and patent agency. Nikolai Bogdanov, deputy general director of Rospatent, told the *Moscow Times*: "Usually, the rights of trademark owners to have an individually named product are broken, not the rights of domain holders. No opposite process exists yet." But Anton Nosik, vice president of the Rumbler Internet company, said, "Such amendments are useful for uneconomic purposes, such as the confiscation of property."[31]

While these discussions were taking place in the Duma, the executive branch pushed for a new and more comprehensive Internet initiative called the Electronic Russia Plan (E-Russia).[32] At the July 5, 2001 meeting, the cabinet appointed the Ministry of Communications as a coordinator of the plan, although the official E-Russia documents still listed the Ministry of Economic Development and Trade as responsible for developing and commissioning the program. The Ministry of Economic Development and Trade was also the one behind the drafting of the document. Tseren Tserenov, the primary coordinator of E-Russia within this ministry, said that ". . . the new economy doesn't just mean getting the Internet to people, but a change in lifestyle and the way government works."[33] This statement of E-Russia goals is indicative of the aggressive and far-reaching ambitions of the Russian government to appropriate some of the benefits of the Internet for its purposes (in this case, to stimulate economic growth).

The cost of the program was astronomic by Russian standards, especially for a domestic program dedicated to the IT infrastructure: $2.6 billion. It was partially

because of its astronomic size and its complicated intragovernmental funding arrangements that the budget for E-Russia was slashed by the end of 2002. The plan for the funding was that 51 percent of the budget should come from the federal budget, 30 percent from regional budgets, and 19 percent from non-budgetary funds (such as corporate sponsorship). Nearly half of the E-Russia project budget was to come from the federal budget and a third from regional administrators. The bureaucratic machine was not up to the task of mobilizing the kind of management effort needed to gather the allocated money and spend it as it was intended. The strategic vision of the Kremlin suffered, and the limits of government learning and proactive policy came to the fore. In fall 2001, the budget submitted to the State Duma contained a starting amount of $11.9 million, but the amount allocated in 2002 was ten times less than originally proposed.[34]

The reception of the E-Russia plan among ordinary citizens fell far short of enthusiastic, indicating that despite the decline in freedoms, Russia is far from being a closed society where citizens welcome any opening that can lead to increased freedom of speech—in this case, the government's promotion of IT use. A poll conducted in 2003 showed that more than 70 percent of Russians have heard nothing about the E-Russia plan, and only 17 percent surveyed thought they would definitely benefit from it. When asked what kind of IT development would be most important to them, the respondents prioritized computer access in educational institutions and hospitals (44 percent) and computer literacy (27 percent), while only 18 percent said household computer ownership is most important to them.[35]

The second document that emerged as a defining guideline of a more aggressive approach to Russian Internet policymaking was the Information Security Doctrine,[36] signed into law on September 9, 2000, by President Putin. The doctrine grounded media policy in general, and Internet policy in particular, in the core "national security" concerns of the state. This shift was significant for three reasons: (1) endowing the government with the right not only to interfere with but also to engineer Internet development; (2) defining the limits to rights of individuals and private groups to use the Internet; and (3) pushing the government into an aggressive policy to expand its control over the Internet in Russia.

The endowment of the government with rights to control the information space is spelled explicitly by the Doctrine:

> The interests of the state in the information area consist in creating conditions for the harmonious development of the Russian information infrastructure, for the excise of constitutional human and civil rights and freedoms in the field of obtaining information and using it for the purposes of ensuring the stability of the constitutional order, sovereignty and territorial integrity of Russia, political, economic and social stability, the unconditional ensuring of legality, law and order, and the development of equal and mutually beneficial international cooperation.[37]

As the means to fulfilling not only this state priority but also the rights of individuals and of the society at large, the Doctrine lays out a strategy of state leadership in the development of information architecture, promotion of access, and formation of strong state information agents that ensure that the government's activities are presented accurately. This is the third contribution of the Doctrine;

the Russian government had defined the state as the dominant actor in not only developing but also guarding the proper information infrastructure.

Of course, the role of the state here is explained by the national interest, which includes individual rights and liberties (the second contribution of the Doctrine) as much as it involves stability of the Constitutional and other political order. Arguably, the main addition to individual rights, at least from the government's perspective, is that the Doctrine identifies spiritual revival and language rights as important individual rights. Contrary to a Western, democratic understanding of these rights, the Russian government sees them as tied to constituting and defending Russian national identity (both from foreign and domestic threats) rather than promoting plurality or minority rights.

Finally, one of the most important contributions of the Information Security Doctrine is that these politically charged strategies of Internet development are tied in with the kind of e-commerce and copyright advancements that will help Russia integrate into the international community when it comes both to IT issues and to general trade issues, such as World Trade Organization membership. Two important examples of recent laws that strengthen this move are the law establishing the validity of e-commerce, which was approved in January 2002,[38] and the working version of a law that extends Russian document laws to the Internet and further protects authors' online rights.[39]

Beyond Censorship and Propaganda

To understand the nature of Putin's government influence over the Internet, we must delve deeper into the logic of control that goes beyond simple censorship and propaganda. In practice, even independent Internet content providers may have incentives to exaggerate the truth to most effectively combat government information or simply to maximize their profits, which come from diverse sources. Democratic governments also have incentives to enter the information market by influencing content, as long as their record is not perfect and the costs of this government intervention are not prohibitive. Finally, given the option to influence content through government-supported or government-dependent media, the government loses an incentive to introduce censorship or direct propaganda. At the same time, censorship and propaganda remain the last resorts if the government's efforts to influence the content by more subtle means fail.

Theoretically, the development of Russian Internet policy shows that governments have a third alternative for action in the public information space, in addition to direct censorship/propaganda or permission of freedom of information. The Internet offers this possibility by opening a new medium of communication that escapes the traditional structures of government control, as is the case in broadcast media, radio, and newsprint. Once a government decides it is unable to control the Internet medium completely (either temporarily or permanently), the incentive for its engagement in it rises and it starts to prop up Internet content providers to compete against independent ones. Once this competition starts, the structure of the information space is radically transformed, both in relation to that of totalitarian states and that of democratic states. What emerges is a third way,

as a transitional government enters competition for maintenance and propagation of its image and power among its population.

Furthermore, five specific features of the Internet open up possibilities for future policy development: interactivity, multiplicity, architecture, cost, and timing. Under interactivity, we know that there is no such thing as an Internet content provider that is entirely different from an Internet user. Each user can provide content through communication by e-mail, bulletin boards, Web site design, many forms of realtime "talk," and other means. Multiplicity is the Internet's ability to offer multiple channels that, at least in theory, should surpass the number of television channels, newspapers, and radio stations by far. Without scarcity of frequencies and with low startup costs, the Internet provides for potentially greater plurality of information than any other medium. The architecture of the Internet also plays an important role, as what we call the Internet actually uses virtually all possible physical networks of communication (telephone lines, optical and other cables, radio and satellite connections, and other means) to connect individual nodes into a "network of networks." If governments ever wish to fully control the Internet, they need to develop much more sophisticated and diversified means of controlling these network nodes.

The cost associated with providing and consuming information over the Internet differs from costs associated with traditional media. Instead of paper and broadcast frequencies, Internet access cost is determined by cost of users' hardware, speed and frequency of access, or other factors. The general belief is that the costs for information should go down with greater availability on the Internet, but we are already starting to realize that with increased quantity of information, the task of evaluation and selection becomes costly for a consumer. Finally, the timing factor is crucial for the Internet. The online media have not yet fully taken advantage of the realtime possibilities of the Internet, one-to-one communication that is now almost always in realtime (Instant Messenger, ICQ, and chat rooms) or has little delay (e-mail and bulletin boards). Each of these five factors will become increasingly important as Internet proliferation continues in Russia.

Government Learning and Freedom to Control

The historical narrative showed a trend from failed attempts at Soviet-style bureaucratic oversight to the Yeltsin government's crude monitoring practices to Putin's more subtle ways of influencing online content. By the beginning of 2002, President Putin had started to appreciate the significance of the Internet as a public medium, and has since moved to integrate government regulatory efforts in the Internet sector into his overall ambition to control all of the Russian media. The evolving Russian Internet policy sheds some important light on the Russian president's strategy of political and economic reform.

By the time Putin was re-elected in 2004, the new Law on Communications had come into force. On the surface, the new law meant to increase the transparency of the licensing regime and the competitiveness of the telecom market, working to support the growth of IT investment and industry development. However, the limits of the new reforms are apparent in protecting the existing monop-

olies and maintaining a licensing system that continues to threaten the development of free media—from radio to online media to person-to-person online communication.

At the start of his new term, Putin also initiated a wholesale restructuring in the Kremlin's regulation of telecoms and "informatization." He established a new Federal Communications Oversight Service to deal with the licensing of telecoms, and General Valerii Bugaenko, the former state communications inspectorate deputy director, was appointed as its head to bring more order to what Putin's Kremlin sees as a form of lawlessness associated with the rapid proliferation of information and communication technology. At the same time, Deputy Communications Minister Dmitrii Milovantsev was named director of the Federal Communications Agency, and Mikhail Seslavinsky was named as head of the Federal Press and Mass Communications Agency. The new appointments and the emergence of new organizations have restructured the old Ministry of Communications. The changes only point to Putin's increased interest in maintaining a grip on the path of Russia's Internet development.

In all, most Western observers of Russia agree that Putin's policies have moved Russia away from the democracy that only just started to take shape, however quite problematically, under former President Boris Yeltsin. Eugene Huskey identified Putin's attempts to revive "a disciplined and centralized state machinery" instead of "relying on the institutions associated with integrative politics in democratic countries, such as political parties or social movements."[40] Dunlop called Putin's reforms nothing less than authoritarian tendencies, fearing that any progress that Putin might make on his highly publicized campaign to reform and enforce a solid legal system would pale in comparison to the damage he could cause by failing to maintain the political pluralism achieved in the Yeltsin years.[41] James Hughes compared Putin's center-periphery relations reform with the Tsarist policy of using military governors to rule the provinces.[42] The most important part of reforming what Huskey called centralized state machinery was Putin's recentralization of executive power by dividing the country into seven administrative regions run by Putin's loyal representatives appointed to reign in on the numerous regions' governors and presidents.[43] Brown argued that the recentralization policies have brought the regional practice of "guided" or "manipulated democracy" to the federal level.[44] Jonathan Riggs and Peter Schraeder have argued that even the institution usually associated with democracy, namely, the party system, has been slowly coerced under Putin to enhance the power of the Kremlin.[45] In addition, accompanying Putin's rise to power has also been a restructuring of the state security apparatus.[46]

The pessimism about the future of Russian democracy was alive and well even with the start of Putin's first term.[47] There is a growing scholarly consensus that the Russian transition experience has been one of sometimes violent competition for power among political and economic elites, both in the absence of durable state institutions and with appeal to pragmatically selected Western political and economic values. President Vladimir Putin has fared well in this world of power competition. In contrast to Yeltsin, whose strategy was to decentralize power and

give both oligarchs and regional politicians as much power as they could handle, Putin's strategy has been to undo Yeltsin's reforms in this area. Ultimately, it is this strategy, more than any other specific action of Putin's, that brands him an authoritarian leader, of a sort. In this context, his use of the Internet policy for increasing the state's control over the information space could have long-lasting effects, both on individual freedom and on the future of democratic culture and institutions in Russia.

Upon Putin's reelection, observers of Russia have stopped expecting a Western-style democracy to take hold in Russia. Russian elections are described as "quasi-democratic" and students of democracy are reminded that there has not been a single electoral turnover in Russian leadership since the fall of the Soviet Union. Putin has incorporated "old force" and "new money" to restore top-down authority. Responding to Putin's political ideology, only 44 percent of the Russian public associate democracy with freedom of speech, while approximately one-third of Russians associates democracy with strict laws or political order and stability. Fredo Arias-King suggests that the death of Yuri Shchekochikhin—a noted investigative journalist, democrat, and politician—can be interpreted as an allegory of the decline of democracy under Putin's Russia.[48] The Russian political game today is governed by a new authoritarian logic of power and succession.[49]

Putin's victory over the offline information space is today compounded by his de facto victory over virtual space. The best his liberal challengers could do in the 2004 election was publish a few satirical sites or compare Putin's record with their election platforms. In contrast, Putin's reelection Web sites were flooded with Internet users' praises for the president.[50] Far from using the Internet as an outlet for opinions squeezed out of the government-controlled television networks, the virtual balance of power remained undisturbed in Putin's favor.

Upon being reelected with 72 percent of the vote in a virtually uncontested election, Putin made a pledge to continue with the decisive role that the Russian state has come to play in shaping the country's information space:

> I promise you that all the democratic achievements of our people will certainly be safeguarded and guaranteed. At the same time, we will not be resting on what we have achieved. We will bolster the multi-party system. We will bolster civil society, and do everything to ensure media freedom. . . .[51]

The established path of the Russian Internet policy development promises to continue with Putin's plans for safeguarding of "democratic achievements" and the promotion of the "freedom for the mass media." These plans contribute to a continuation of the established strategy of keeping Russia suspended between a slide back into authoritarianism and full consolidation of its democracy—all while increasing the power of the government and limiting the rights and liberties of citizens.

Conclusion

Despite its disproportionately small degree of penetration, the Internet in Russia has expanded fast and has captured the attention of politicians, policymakers, and regulatory agencies. The first round of the Russian government's response consisted

of legislation that drew heavily on the Soviet bureaucratic experience and fore-shadowed the emerging concern for security and national identity. The second stage was marked by the rise of online news providers and the emergence of political campaign Web sites. Upon Russia's poorly contested election the presidency, Russian Internet policy became more aggressive, as the government started to promote the use of the Internet while expanding its control over Internet content through effective commercial competition against independent content providers.

The Russian government's new control over the virtual public information space ultimately stems not from censorship but from manipulating news and public opinion in more subtle ways. As discussed, at election times, Putin-focused Web sites outperformed the competing voices with little resistance from Internet users or independent news providers. In general, Kremlin-sponsored political and news sites continue to drown out other, more independent and critical sources of information. Whether explicitly political, news-oriented, or providing government information and services, Kremlin-sponsored Web sites will continue to pose a serious challenge to any new independent entrants to the Russian virtual space, competing for the shortening attention span of more and more users.

Traditionally, authoritarian governments (China, Singapore, and the Middle East) have responded to the IT revolution by censoring sources of free and unbi-ased information, while democratic governments (the United States, the European Union) focused on public concerns such as hate speech and protection of minors. The development of Russian Internet policy shows that transition regimes have a third option: to promote Internet access and ISP proliferation, and then use the Internet for direct and indirect propaganda. Realizing the full consequences of the Russian government's influence on the Internet—even if in the long run the government's ability to overpower independent ISPs diminishes—is impor-tant if we are to understand the role of both the Internet and free information space in democratization.

The introduction of new technologies such as the Internet may open up possi-bilities of control that were otherwise unavailable to a post-totalitarian authori-tarian regime—one that is forced to allow some freedoms in the public and pri-vate space, while leaders maintain power and political control through undemocratic means that exclude blunt propaganda, censorship, and terror. In these cases, what may seem like more freedom could mean less freedom in the short run and a danger of yet-to-be-conceived opportunities for control in the long run. Furthermore, transition governments can learn to acquire new mechanisms of control, leaving us with the continuing task of identifying emerging threats to freedom and democracy in what most once thought was the rather simple process of "democratization."

NOTES

1. Research at the Carnegie Endowment for International Peace confirms the conclusions presented in this paper. See Shanthi Kalathil and Taylor C. Boas, *Open Networks, Closed Regimes: The Impact of the Internet on Authoritarian Rule* (Washington, DC: Carnegie Endowment for International Peace, 2003). They, nevertheless, do not address the Russian case at all, and largely focus on the contrast between freedom of information and censorship.

2. In developed Western democracies, the Internet's potential for democratization has been studied under the general rubric of e-democracy—a means by which access to new information communication technologies (not only the World Wide Web but also e-mail, message boards, chat forums, and other media) can contribute to improved communication between the government and the citizen and to forms of direct participation of citizens in governmental policymaking.

3. Public Opinion Foundation, *The Internet in Russia*, 7th ed., 2004.

4. All-Russia Institute of Public Opinion Research (VTsIOM). The figures for Russia and Moscow differed drastically in 2002: 69 percent of Muscovites did not use computers, while 23 percent of Muscovite households owned a computer.

5. Andry Gidaspov, "Trends in Russian Telecom Market," *BISNIS Bulletin*, April 2004.

6. Evaluating Russia's potential to deal with the emerging digital divide at home, a 2000 Global Internet Liberty Campaign report concluded that "despite the country's best efforts, the telecommunications infrastructure in Russia is simply unsuitable for modern computer communication needs and is not expected to reach Western standards for many years to come." See *Bridging the Digital Divide: Internet Access in Central and Eastern Europe* (Washington, DC: Global Internet Liberty Campaign, 2000), 47.

7. Statistics quoted here are among the first reliable numbers widely available on the spread of the Internet in Russia and are meant as an illustration of the rapid growth that was occurring in this period. Considering the fast pace of IT development, it is expected that telephone and Internet coverage both will continue to grow. The innovation of logging on using mobile technology and wireless networks also complicates the dependence of the Internet on fixed telephony.

8. Nancy Brown and Jeff Wright, "Information Technology in the Russian Federation," http://www.american.edu/initeb/nb2224a/russia.html (accessed 1997).

9. Gidaspov, "Trends in Russian Telecom Market."

10. The account refers to the period between October 2001 and February 2002.

11. The data is reported by Stephen Mulvey in a BBC review of Internet news consumption in Russia. See Mulvey, "Russian Internet Politics," *BBCNews,* March 5, 2001, http://news.bbc.co.uk/. A more formal survey of Internet users has been conducted by the Public Opinion Foundation, whose results (see table 2 and figure 4) support the conclusion that Internet penetration is the highest among the urban, the well-educated, and the young.

12. Public Opinion Foundation, 2004.

13. Public Opinion Foundation, June 30, 2003.

14. On a positive side, the report indicated the rise of mobile telecoms and increasing competition between ISPs as a positive development, potentially leading to these changes. See *Bridging the Digital Divide*, 3–4.

15. The ultimate challenge will be to delineate the government's role in financing development of the infrastructure necessary for development of the Internet on one hand, and the government's tendency to use its privileged position to control Internet content and monitor personal communications on the other hand.

16. These laws are surveyed in Frank Ellis, *From Glasnost to the Internet: Russia's New Infosphere* (London: Macmillan, 1999).

17. Of course, post–September 11, strict online security measures and the decline of the government's respect for privacy and civil liberties in cyberspace can be observed across the European Union and in the United States.

18. Marcus Warren, "Connected: Russian Spies Target Web," *Daily Telegraph*, August 6, 1998.

19. Ibid.

20. Ben Hammersley, "Niet to Net Freedom," *The Times*, June 23, 1999.

21. The access statistics should be viewed in the context of the facts that these include overseas users, that the statistics may not be adjusted for dynamic IP numbers, and that regional services still may use low-bandwidth server cache systems.

22. It is also worth noting that four years after Pavlovsky seized on polling as a method ultimately to increase the Kremlin's control over public opinion, the Kremlin seized control over the All-Russia Institute of Public Opinion Research (VTsIOM).

23. "On the Fundamental Guarantees of Election Rights and the Right of Citizens of the Russian Federation to Participate in Referendums."

24. Moscow Media Law Policy Center, "Is the Internet Independent of the Law on Elections?" Commentary by the Moscow Media Law and Policy Center, February 2000.

25. Mulvey, "Russian Internet Politics."

26. Holli A. Smetko and Natalya Krasnoboka, "The Political Role of the Internet in Societies in Transition," *Party Politics,* 2002.

27. This requirement is a modified version of the SORM project discussed above. See Mulvey, "Russian Internet Politics."

28. Shanetskaya, "Duma to Mull Over 15 Internet Bills."

29. Ibid.

30. Ibid.

31. Alexander Boreiko, "Law Change May Put RuNet Names in Peril," *Moscow Times*, December 19, 2001.

32. Detailed information about the plan, in Russian, is available from the program's Web site at http://www.e-rus.ru/.

33. Elizabeth Wolfe, "Ministries Vie for E-Russia Control," *Moscow Times*, September 3, 2001.

34. Aleksandr Boreiko and Pavel Nefedov, "Cabinet Approves E-Russia Plan," *Moscow Times,* July 10, 2001; Yelena Seregina, "Reiman Wrestles With Communication Goals," *Moscow Times*, May 15, 2001.

35. All-Russia Institute of Public Opinion Research (VTsIOM), under the auspices of the Russian government.

36. "Doktrina Informacionnoy bezopasnosti Rossiyskoi Federacii."

37. Ibid.

38. "Ob elektronskoy cifrovoy podpisi," adopted on January 10, 2002.

39. See the working version of the law, "O sdelkah, soverhaemih pri pomoschi elektronih sredstv," available at http://www.duma.ru/.

40. See, for example, Eugene Huskey, "Overcoming the Yeltsin Legacy: Vladimir Putin and Russian Political Reform," in *Contemporary Russian Politics: A Reader,* ed. Archie Brown (Oxford: Oxford University Press, 2001), 83.

41. John B. Dunlop, "Sifting through the Rubble of the Yeltsin Years," in Brown, *Contemporary Russian Politics.*

42. James Hughes, "From Federalisation to Recentralisation," in *Developments in Russian Politics 5,* ed. Stephen White, Alex Pravda, and Zvi Gitelman (Washington, DC: Carnegie Endowment for International Peace), 140.

43. Huskey, "Overcoming the Yeltsin Legacy." See President Putin's May 13, 2000, Presidential Decree establishing the seven regions.

44. Archie Brown, "From Democratization to Guided Democracy," *Journal of Democracy* 12, no. 4 (2001): 35–41. Part of the symposium "Ten Years After the Soviet Breakup," *Journal of Democracy* 12, no. 4 (2001): esp. Zbigniew Brzezinski, "The Primacy of History and Culture," 21–26; and Brown, "From Democratization." See also Michael McFaul, *Russia's Unfinished Revolution: Political Change from Gorbachev to Putin* (Ithaca, NY: Cornell University Press, 2001); and William E. Odom, "Realism about Russia," *National Interest* (Fall 2001): 65–66.

45. Jonathan W. Riggs and Peter J. Schraeder, "Russia's Political Party System as an Impediment to Democratization," *Demokratizatsiya* 12, no. 2 (2004): 265–94.

46. J. Michael Waller, "Russia: Death and Resurrection of the KGB," *Demokratizatsiya* 12, no. 3 (2004): 333–56.

47. Ibid. Brown, "From Democratization to Guided Democracy."

48. Fredo Arias-King, "Yuri Shchekochikhin: A Tribute," *Demokratizatsiya* 12, no. 1

(2004): 1–4.

49. "Russian Democracy in Eclipse," symposium in the *Journal of Democracy* 12, no. 3 (2004); esp. Michael McFaul and Nikolai Petrov, "What the Elections Tell Us"; Stephen Sestanovich, "Force, Money, and Pluralism," 32–42; Yuri A. Levada, "What the Polls Tell Us," 44–51; and Lilia Shevtsova, "The Limits of Bureaucratic Authoritarianism," 68–77.

50. Francesca Mereu, "Virtually No Virtual Campaign," *Moscow Times*, March 12, 2004.

51. Vladimir Putin's interview with RTR television upon reelection, BBC Monitoring, March 14, 2004.