



RUSSIA REFORM MONITOR

The American Foreign Policy Council's Review of
Russian Government Actions and U.S. Policy

Russia Reform Monitor: No. 1486

August 5, 2007

Related Categories: Democracy and Governance; International Economics and Trade; Military Innovation; Russia

August 4:

In a poll conducted by the independent Levada Center, 64 percent of respondents said rising prices are Russia's biggest problem, while 52 percent cited poverty. According to NEWSru.com, the other problems named by respondents (who were allowed to pick more than one) included health care inaccessibility (named by 32 percent), sharp social stratification (32 percent), rising unemployment (30 percent), corruption (28 percent), crime (28 percent), deteriorating industry and agriculture (28 percent), a moral crisis (28 percent), drug abuse (25 percent), environmental pollution (22 percent), police brutality (9 percent), government weakness (9 percent), the inability to find justice in court (8 percent), a growth in AIDS (8 percent) and worsening inter-ethnic relations (7 percent).

[Editor's Note: Given the effect of Russia's increasingly authoritarian political climate on pollsters and respondents alike, the results of public opinion surveys in Russia should be viewed with some caution.]

August 5:

The commander of Russia's navy, Admiral Vladimir Masorin, has said that a recent successful test of the Bulava-M has paved the way for the start of production of the submarine-based intercontinental ballistic missile. "After the results of this, a decision was made to start [the] creation of the military base for the system, in other words, the serial production of parts for this new missile system," the *Financial Times* reports Masorin as saying while in the Ukrainian port of Sevastopol, home of Russia's Black Sea fleet. Some analysts, however, say the decision is premature, given that four out of the past six test launches since 2005 have reportedly failed. "They are jumping the gun," Moscow-based military expert Pavel Felgenhauer told the FT.

August 6:

Reuters reports that Russian television stations have given wide coverage to the deployment of the S-400 air defense system, a modernized version of a Soviet-designed surface-to-air missile unit. A Russian Orthodox priest was shown on television blessing the new weapons at a deployment ceremony in the city of Elektrostal in greater Moscow. The S-400s will initially defend Moscow and central Russia. "The real effectiveness of this complex is its ability to destroy ballistic targets, ballistic missiles, aerodynamic targets," Vadim Volkovitsky, deputy air force commander in charge of anti-aircraft defense, told NTV television. "So not only the functions of air defense but also anti-missile defense."

Russian President Vladimir Putin has called for more clear and transparent rules for foreigners investing in the country's petroleum industry, the Associated Press reports. "We are consistently directing our efforts at establishing transparent terms for foreign investors," Putin told his Cabinet in comments broadcast on Russian television. "I should point out that Russia has one of the most liberal regimes of foreign investment in the oil and gas sector. We're not just talking about openness - but maximum understanding, transparent order that excludes ambiguity."

[Editor's Note: As the AP notes, Russian officials have stated repeatedly that foreign companies would be barred from having majority interests in oil or gas deposits over a certain size deemed by the government to be "strategic." In recent months, Royal Dutch Shell Group's was forced to sell a controlling stake in the Sakhalin-2 project while BP PLC was forced to sell its stake in the Kovykta gas field.]

The BBC reports that a giant cross commemorating the victims of Stalin's terror 70 years after the worst of the purges has reached Moscow following a journey from northern Russia. The 41-foot-high cross was taken by boat from the Solovetsky Islands, site of a Soviet prison camp, and will be erected at the Butovo range, a Stalin-era execution ground outside the capital. An estimated 20,000 people, 1,000 of them Christians, were executed at the Butovo range between 1937 and 1938.

