



## RUSSIA REFORM MONITOR

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

# Russia Reform Monitor No. 2375

March 31, 2020 **Matt Maldonado, Ilan I. Berman**

**Related Categories:** Cybersecurity and Cyberwarfare; Democracy and Governance; Human Rights and Humanitarian Issues; International Economics and Trade; Global Health; Europe; Russia

### PUTIN TERM RESET APPROVED IN COURT

Russia's constitutional transformation churns on. The country's top constitutional court has now approved a proposal to reset President Putin's terms in office to zero in 2024 - the year the Russian leader was originally scheduled to leave office. The move would make Putin eligible to run for another set of back-to-back six-year terms, potentially keeping him in power until 2036. The proposal was put forward by Valentina Tereshkova, the first woman in space and a popular deputy of Putin's own "United Russia" Party. For his part, the Russian president said he would support the move, pending the approval of the measure by the country's top constitutional experts. Final ratification of the proposal hinges on the results of a national referendum, which is currently scheduled to take place on April 22nd. (*Deutsche Welle*, March 16, 2020)

### EU ACCUSES RUSSIA OF CORONAVIRUS DISINFO...

According to EU documents created by the bloc's European External Action Service, the Kremlin is engaging in a disinformation campaign focused on the global outbreak of coronavirus. The narrative is centered on the belief that the disease is a western bioweapon - a charge that has echoed accusations by Iranian officials that have proliferated online. The EU has documented nearly 80 pieces of evidence in several European languages believed to be of Russian origin. Slovakia, Lithuania, and Italy, the country with the highest global death count, have all been targeted. The influence operation is not limited to fake news, however. A forged letter supposedly issued by the Ukrainian Ministry of Health falsely asserted that Ukraine had five cases of the coronavirus at the end of February, inciting panic and riots in the country. In response, the EU has contacted and notified multiple large tech companies and social media platforms about the developments, recommending vigilance and caution. The Kremlin, for its part, has chalked up the accusations to an "anti-Russian obsession" on the part of the West. (Reuters, March 18, 2020)

### ...AS RUSSIA'S OWN CORONAVIRUS SITUATION COMES UNDER SCRUTINY

Russia appears to have the world's lowest ratio of positive to negative coronavirus tests, documenting only a 0.09% infection rate. While the country did take strong steps early - closing the Sino-Russian border, halting entry for all foreign nationals, and limiting public gatherings to 50 people - skepticism about these statistics persists, for several reasons. One is that Vektor, the only Russian company conducting coronavirus tests, has its lab facility located thousands of miles from Moscow, in the Siberian city of Novosibirsk. All tests need to be sent there for analysis and diagnosis, leading to delays and reporting irregularities. Another is that Vektor's current testing method has been criticized by experts as being too lenient, capable of giving false negatives when a person in fact has the virus.

Two other Russian labs have the capability to carry out tests, but are instead selling their kits abroad due to the country's notoriously thick red tape. Of the tests that have been administered, Russia's richest have been served at rates disproportionately higher than the masses, skewing the reality on the ground. Lastly, the country's true coronavirus numbers could be hidden in other statistical categories. Russia's official statistics agency reported a 37% increase in pneumonia cases in Moscow in the month of January versus years prior. In March, the Moscow Division of Health refuted the claim, reporting the rate to be 8% lower than last year, but offered no data to back up the assertion. (*The Moscow Times*, March 18, 2020; Reuters, March 19, 2020)

### A SCRAMBLE FOR DEFENSE AGAINST THE PANDEMIC

On the surface, Russia's 40,000 available ventilators suggest that the country's healthcare system is adequately prepared to weather the coronavirus pandemic. However, a closer look reveals a deep inequality in healthcare resource distribution - an imbalance that could dramatically impact the country's health. To wit, Russia's richest are paying upward of \$20,000 a unit to buy and store their own ventilators for use at home. Private individuals are competing with state-run hospitals for spots on long waiting lists for the commodity, as shipments from abroad have run dry. It is estimated that a quarter of the country's units are located in Moscow and Saint Petersburg, while regions as close as 125 miles from the capital report having as few as five units per 100,000 residents. The conditions are analogous to Italy, whose healthcare system was overwhelmed by the disease earlier this month. (*The Moscow Times*, March 21, 2020)

## THE KREMLIN VERSUS CRYPTOCURRENCY

Multiple high-ranking officials in the Russian banking and finance sector have called for changes to the status of Bitcoin and other cryptocurrencies in their country, with some going so far as urging a ban on exchanges. Alexei Guznov of the Russian Central Bank believes the commodity undercuts consumer protection and facilitates illicit acts such as money laundering. Among politicians' motivations for the move is a desire to assert the Ruble as the only legal currency of Russia. If enacted, the Kremlin would be following in the Chinese government's footsteps, which formally banned cryptocurrency exchanges back in 2017. Russian officials admit, however, that it would be impossible to ban outright the ownership of the commodity, given its versatility and worldwide access. (*Forbes*, March 21, 2020)