

The New Political Map of the Post-Soviet Space

Boris Berezovsky

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Speaker Introduction

Dr Roy Allison

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Welcome. We have a very packed house for what I anticipate will be a lively and fascinating meeting this evening. Our speaker, Boris Berezovsky, has had a career spanning academia, politics and business. Tonight, he will draw on that in discussing the new political map of the post-Soviet space. Mr Berezovsky is a mathematician by training during the Soviet period; he entered private enterprise in the late 1980s and developed business interests in a number of fields including banking, oil, broadcasting and airlines – a very wide field of activity.

In the 1990s, Mr Berezovsky moved to official positions, becoming Senior Adviser to President Yeltsin at one stage. He also held the position of Deputy Secretary of the Russian Security Council at a time when the Council was very involved in considering how to deal with the challenge of Chechnya. Mr Berezovsky now lives in London, after the UK Government granted political asylum, and he is known as quite a vocal critic of developments in Russia, particularly under President Putin in various areas. Mr Berezovsky.

Keynote Address

Boris Berezovsky

I. Russia's Role in the World

Good evening. Thank you for the introduction and thank you for allowing me to join you here. The audience here confirms that the advice President Bush took was not correct in saying said that

Russia no longer plays an important role in the modern world. I know of at least one piece of advice he took where Russia is concerned, involving Mr Thomas Graham. I am sure you are correct that Russia is important, in spite of Russia's transformation from the Soviet Union. The Russian empire has transformed incredibly over the last 20 years.

II. The Collapse of the Soviet Union

1. Communists' Opinions

The subject of our discussion today is the new political map of the post-Soviet space. I want to start by presenting my position on why the Soviet Union collapsed and exactly how it has collapsed as it has. Communists in Russia say that the Soviet Union collapsed because of Yeltsin and Gorbachev. It is a natural question as to where they saw genius that the Soviet Union collapsed exactly in the frame of the borders of the national republics.

2. Ideological Defeat

My understanding is that the Soviet Union collapsed not because of strong external pressure; it collapsed internally because it lost its competition with the more effective political and economic system. Even today, we understand very well that Russia is still very strong; it has enormous material and intellectual resource and an enormous geographic position. Today, when the world is transforming in general, it is not only that Russia collapsed, but world transformation also is tremendous. We understand increasingly that Mr Brzezinski, who is my favourite politician, was absolutely correct in saying that whoever controls Eurasia controls the world. Russia remains at the centre of Eurasia and remains one of the most powerful political and economic powers in the world. There is no doubt about that.

3. Absence of Unity

The Soviet Union collapsed not simply because its political and economic systems were not as effective as the market economy and democracy, but also because for centuries the most advanced parts of Russian society, the elite, did not create a united political nation as America did, for example. For as long as the Russian empire and the Soviet Union divides people according to religion, and officially in the documents, according to nationality. The insufficiently effective political and economic system is less significant than the problem of an absence of a united political nation. Those two reasons led to the collapse of the Soviet Union.

III. The Yeltsin Era

1. Democratic Mechanisms

The question is what Russia has and what the world has following the collapse. I want to divide the collapse into two stages: the first is the Yeltsin era and the second is the Putin era. No evolution is able to pass without mistakes, and Yeltsin made a lot of mistakes. Nevertheless, Yeltsin established the basic mechanism of democracy. I want to convey my understanding of the difference between democracy and an autocratic or authoritarian system. My understanding is that the authoritarian system is a centralised system, whereas democracy is a self-organised system where many functions are delegated to various low levels.

Before Yeltsin, Russia historically was an authoritarian country, and the Soviet Union was perhaps the last Western-mantle region to move to democracy. Yeltsin was absolutely Homo Sovieticus, with all the attributes of Homo Sovieticus passing all stages, step by step, from the low level of

Communist Party members, right to the top. I do not know how, but he kept in his mind the priority of freedom.

2. Pre-Democracy Restrictions

If you look at the Russian constitution, which was accepted in 1993, you will see that all the basic mechanisms of democracy which exist in England are written into the Russian constitution. The most important factor during the Yeltsin era was that millions of people made the first step to democracy. They recognised that being independent is better than being dependent. It is very complicated. I was very successful in the Soviet Union, yet I always felt there was a roof over the Communist Party. In general, I have never been a dissident of the Soviet Union; I had a regular Soviet career, but I felt there was this roof. It helps a great deal, but on the other hand, at every critical moment, I had to ask for permission. In order to go abroad, to buy an apartment or even to get divorced, I had to ask the Communist Party: 'Is it possible, or not?' That is the reality.

3. Independent Structures

It is certain that Yeltsin created the basic mechanism of democracy in Russia: independent branches of power at parliamentary, judicial and executive level, not only on a horizontal but also on a vertical level; and he created central, regional and domestic power. He also created a truly independent mass media, which was independent from state. Yes, the media was dependent on its owners, as is the case all over the world, unfortunately, but there were many owners, and not just one owner controlling everything. Certainly, Yeltsin created the basic conditions for a market economy in Russia.

4. Repentance for Chechnya

At that time, the West was very helpful to Russia – not that Russia always needed this, but the Clinton administration certainly gave a lot of attention and understanding to Russia's mistakes. In my opinion, the basic mistake that Yeltsin and his team made was not even the Chechen war. That was certainly a mistake, and perhaps you remember that when he left his position he asked for forgiveness only for Chechnya, but for nothing more. It was a basic mistake that we did not accept our criminal future in the way that Germany accepted that fascism was criminal. Every German was responsible for what happened, without exception.

Yeltsin thought a great deal about this and he started the process against communism, but unfortunately we did not reach the point of repentance. We did not repent, which is why I believe that people did not mentally recognise what happened before, neither for themselves nor their parents; nor did they understand what freedom means. In the Soviet era, we had perhaps 1,000 independent people, the so-called dissidents. By contrast, in the Yeltsin era, millions of people became independent, with the loss of many lives and much shedding of blood.

IV. The Putin Era

1. Dismantling of Constitution

Putin then arrived as a continuation of the Yeltsin regime – there was the so-called successor project. Putin came to continue the Yeltsin reform and to improve the mistakes made during the complicated period prior to his arrival. From the moment that Putin became President in 2000, he began to destroy the fundamental articles of the Russian constitution. Already in 2000, Putin presented to the Russian Parliament four laws which allowed him to fire elected governors, albeit through prosecutors if they were criminal, but nevertheless governors lost their independence after

that. The governors began to depend on just one man. There is the story of the independent TV channel, NTV, and then there was ORT, which was half independent, with 49% belonging to me and 51% belonging to the state. You understand that independence referred to the state while I was cast as the oligarch. There was also the story of the other TV channel, TV6.

2. Elimination of Independence

The first step was to eliminate political independence, the second was to eliminate mass media independence and the third step of the logic was to eliminate business independence. The case of Khodorkovsky was absolutely logical; it started not in 2003 when Putin opened the process against Khodorkovsky, but instead in 2000. Every political system has a logic and the logic depends on the genes injected into the political system. It was clear that Putin started to change the genetic code of the political system.

3. Democratic Reform Process

I want to touch on what Russia was for the West during the Yeltsin era and what Russia has now become for the West. I also want to touch on what Russia was for the Commonwealth of Independent States (CIS) countries in the Yeltsin era, and what Russia has become for the CIS countries today. We can recognise immediately that during the Yeltsin era, Russia was a leader of democratic reform in the post-Soviet space. All post-Soviet countries simply followed Russian reform – the Ukraine, Georgia, Armenia, Uzbekistan, Kazakhstan and so forth, in different ways, no doubt. Today, Russia is almost at the end of democratic reform, and it is certain that the Ukraine and Georgia today are leading the post-Soviet space on democratic reform.

4. Relations with the West

The same is true of relations with the West. At that time, step by step, Russia increased its position as a friend and partner of the West. Today, the situation is completely different; it is quite simple to watch. Even today, Putin held a three-and-a-half hour press conference with many questions. One question was: ‘What is your understanding of the situation in Palestine, with Hamas and so on?’ Putin said: ‘Russia never claimed Hamas as a terrorist organisation’. I have his speech and that was a direct answer. That is the reason that our position is different from the West.

For sure, we agree that Hamas does not want to accept Israel as an independent state, but nevertheless we should continue to help Palestine. He said: ‘You know that some very aggressive powers when they become real state powers, they change their minds’. Okay, but the example of Hitler is absolutely different, in my opinion, and I have a lot of examples.

Certainly, today Russia is not a strategic partner of the West, in terms of strategy. They are too opposed. In the Ukraine, with this gas situation, they demonstrated very openly the real plan of Putin’s Russia. For sure, the Ukraine is closer and it was simpler to demonstrate power, but I read an article in *The Telegraph*, I believe it was: ‘Today the Ukraine, tomorrow England’. But to return to the beginning, I want to say that in spite of Russia becoming increasingly weak, that situation will change quickly and significantly. Russia is playing an increasingly important role in the world. We can try to analyse the position of China and how complicated the Middle East has become because of many mistakes made by US and European politicians. The Russian factor is becoming increasingly important, which is why it is so important for Russia to be a democratic country.

V. Next Steps

1. Lack of Democratic Options

The last point is: what should we do? I recently gave an interview to the French press, which shocked some people in Russia. I said that I do not see any democratic way in which we can change the existing regime in Russia, because I have no doubt that when we have parliamentary elections in 2007, or when we have presidential elections in 2008, they will not be elections – they will be nominations. Already today, in effect Russia has a one-party Parliament because the party has a constitutional majority; with more than 300 votes they may change the constitution without the involvement of any other parties.

2. The End of Dictatorship

I do not want to discuss Putin as a person; I discuss only the process and history. I know of only one example of a dictator leaving his position himself – Pinochet left almost by himself, with the result being that he is almost in jail. But Pinochet is 83 or 84. For sure, Putin has no chance, after what happened in Russia, after he collapsed the Russian constitution and he really destroyed the Chechen nation.

VI. Chechen Situation

Yeltsin started what I am sorry to call a stupid and terrible war. I spent a great deal of time in Chechnya in my position as the Deputy Secretary of the Security Council of Russia. I spent one and a half years in Chechnya and it is certain that Chechens hate Yeltsin. But they were sure that Yeltsin was fighting for the unity of Russia, and not against Chechens, and that is why Chechens ran away into Russia during the first war. During the second war, the picture is completely different; they are sure that Putin is fighting against Chechens themselves. This is why Chechens are running not into Russia, but instead are running abroad. I think that Putin understands that very well. As with any dictator, Putin has no chance of leaving power. I do not know what will happen. There are many opportunities for a united Belarussia, to create a new state, but Lukashenka is complicated and he does not want to be the second.

Alternatively, Putin said something in his press conference, following a question on Abkhazia and South Ossetia. He said: ‘Why are they not able to become independent if some people discuss that Kosovo could be independent? Why could they not become independent?’ Independent in his language is to become part of Russia, perhaps as a united state. Again, it is allowed to change its constitution, to not have the third element but instead to have the first element in your country.

VII. Options for Progress

There are many other opportunities. If you have a constitutional majority in Parliament, you can control absolutely the constitutional majority. You may transform a presidential republic to a parliamentary republic and so on and so forth. However, I do not see any chance for Putin to leave the position in the way that Yeltsin had that chance. That is my understanding, briefly, of why the Soviet Union collapsed, what happened after that, and what we have today.

To conclude, there is no way to have real democratic elections, which means that only a forced solution could change the regime in Russia. When I said that in an interview, they immediately said: ‘Berezovsky is preparing a coup in Russia’. My position is very simple: there are two stages of changing power by force. The first stage is to demonstrate and to obtain a decision by the international institutes that Putin and his regime have broken the Russian constitution. After that,

all steps to recreate the constitution become legal. A great deal has already been done, at least in the West, to show that war in Chechnya, cancellation of elections of governors, and so on, do not accord with the Russian constitution which was accepted by Russia in 1993. Thank you very much.

Questions and Answers

Participant

Russia is not the only oppressed nation within this territory. The republic of Moldova is also oppressed, with troops on the Moldovan territory, in Pridnestrovie. When do you think, if ever, Russia will remove its troops from Pridnestrovie and comply with its international obligations, especially those agreed in 2003?

Boris Berezovsky

You know that there is not just one dangerous issue following the Soviet Union's collapse. The Soviet Union was such a complicated state, which created an enormous historical period. With the story of Crimea, Sergei Yushchenko presented only in general to the Ukraine. But what is important is that we keep it like it is, because if we start to rebuild the Soviet Union states it will be nothing to compare with what Yugoslavia had. I am absolutely sure of that.

In 1998, I was the Executive Secretary of the CIS countries and I travelled extensively to Pridnestrovie and Moldova and so on. I am absolutely sure that Pridnestrovie is part of Moldova, yet I am also sure that Putin will never be able to accept that. They do not accept that Abkhazia is part of Georgia, or that South Ossetia is part of Georgia. There are many sensitive points. This is why, from the very beginning, when I became the Executive Secretary of the CIS, I recognised very clearly that in spite of the Soviet Union's collapse, Russia is still the most powerful country in the old space. Without democratic Russia, it is impossible to solve these kinds of complicated problems, which were created over centuries. I am sure that the Ukraine will never be quiet; it will become a member of the EU and will have enormous problems if Russia is ever an authoritarian country.

Participant

Thank you for your speech. It was very nice to hear about Russia. Do you think you will be able to return to Russia following the 2008 elections? When do you think you will be able to return to Russia, if ever?

Boris Berezovsky

Genetically, I am an optimist and I am sure that I will return to Russia. This is one of the reasons I did not request British citizenship. I was granted political asylum in Britain but I am still a Russian citizen. I do not have any chance of returning to Russia during Putin's time, just as Khodorkovsky does not have any chance of being released during Putin's time. But on the other hand, as I have spoken about, I am sure that Putin's regime will collapse soon. We may discuss the reasons for that opinion, but nevertheless one of the most important reasons today is the Caucasus area. Russia

is losing identity and the Caucasus area. I believe this is one of the most sensitive issues for Putin today, but not the only issue.

Participant

I had a once-in-a-lifetime opportunity to speak with one of your favourite people, Mr Brzezinski, in the Congress library in Russia in 2004. I asked him a simple question about the future of Russia. He said: 'Guys, you have a great opportunity to develop successfully. Straight afterwards, you lose everything which is over your own mountains.' Do you yourself believe in the disintegration of Russia or is there a chance that it could remain in the same situation, with this terror? You were speaking about the genetic coding of a system. You said yourself that Russia was authoritarian through the majority of its history. Is it that simple to change a nation, and especially people's mentality? Lots of people say that decentralisation can be bad for a country in transition, which has a lot of internal problems.

Boris Berezovsky

The basic question today is: will Russia disintegrate or not? Unfortunately, I have a simple answer, although we know that every simple answer is wrong. Nonetheless, I have a simple answer. If Russia becomes authoritarian, it will collapse like the Soviet Union collapsed, of that there is no doubt. I now understand well why it has happened this way, because there were many internal tensions. The mistakes which the leaders of the Soviet Union have made, perhaps with the exception of camps, Putin has already made.

Recreating vertical power is absolutely critical for Russia, which cannot be managed effectively through one centre. What do I mean by 'managed effectively'? I mean managed effectively in the modern world, because several centuries ago we had a monarchic world with the power of the whole country being centralised. There was competition between centralised countries and centralised countries.

In answer to your second question, you are absolutely correct in that the next step is about mentality. What does mentality mean? It means the people were prepared to accept limits which they were not prepared to accept before, and the state mechanism was limited after that. I apologise for moving on to philosophy, but as I understand it, the past 2,000 years we have come a long way in applying more and more limits on ourselves. There are just 10 commandments, but it is simply too complicated to accept these obligations. The more one accepts obligation, the less one delegates to the state level. As long as you are flexible, you are more effective. This is the point. I believe that Russia demonstrated that it is completely prepared for freedom.

I am sorry my answer was so long but I think and hope it is very important for you that Russian people passed through the first step of changing their mentality. Millions of Russian people would like to be independent and would like not to have people commanding them any more. But until now, Russia has not been prepared to fight for that. Even if you have democracy, as in England, you should fight for your freedom every day. I have watched the demonstrations here, involving 1.5 million people. I always give this example but it made an impression on me when 400,000 people came to the streets to fight against a law which would prohibit them from hunting with dogs against foxes. 400,000 people came and they demonstrated that not only are they free, but also that they are prepared to fight for their understanding of freedom. In Russia, a maximum of 2,000 people came to fight against the war in Chechnya where we lost 1 million Russian and Chechen people. Certainly, it is a big problem, but we have taken the first step. People want to be independent. If you watch a discussion on Russian TV, which is controlled by the state, or if you read the Russian newspapers, you will recognise that Russian people discuss that a great deal.

Participant

I want to continue on the question of what to do. Clearly, you are an important player in Russia today, not least in the media as one of the very few who can appeal to other publications. What do you personally plan to do in the run up to the 2007-08 elections, in broad terms obviously? How would you like to see the Russian state positioned after the 2008 election? What do you perceive to be the ideal Russian state post-2008?

Boris Berezovsky

I would like to start with the second part of your question. Four years ago, I wrote the articles, or perhaps even a little bit more – the manifesto of Russian liberalism, in which I tried to express my understanding of what could be ideal for Russia. The ideal for Russia is democracy, certainly. I clarified five different subjects: liberalisation of people, society, the political system, state construction, and foreign relations or the position in the world. Unfortunately, this has been toned back, but I am confident it is only for a short time.

I have no doubt that time in the 21st Century moves at least five times as quickly as in the 20th Century. What might have taken four or five years in the 20th Century would happen just like that today, in just one year. That is due to the entirely new information environment we live in today, as well as the corporate environment. I think the most important thing is to return to the Russian constitution because the constitution is absolutely correct. Then there is the question of how to do that. I do not see any chance of doing this through elections.

Participant

You seem like a patriot and I think you try to come across as having the interests of the Russian people in mind, first and foremost. I hope that is the case. At the same time, you focus very much on democracy, and removing Putin from power. What else have you done to address the more pressing needs of the Russia population, such as poverty – with 25% of the population living below the poverty line – or other social issues such as health?

Boris Berezovsky

I agree absolutely agree that it is very important to have a social programme. I want to tell you that the Soviet Union had a fantastic social programme and the health capacity and education in the Soviet Union was very good. This is very important but it is not the basic problem, as far as my understanding goes. The basic problem is that we have to implement once again the basic mechanism of a self-organised system, which is democracy. This system is more effective than the other one. You may remember the joke that democracy is bad, but unfortunately nothing is better. When I was in Russia and the Soviet Union, I understood why there was nothing better. Now, I understand why democracy is bad, but nevertheless I am not able to propose something. Then the social conditions and living conditions, in practical terms, become better and better, as we know. Did I answer your question, or not?

Participant

I was wondering what you personally have done to these ends?

Boris Berezovsky

In 1992, I created the first charity in Russia, to support Russian culture. Perhaps you remember that the son of the famous poet, Gumilyov, said that in every period of collapse, culture is the first

aspect to be damaged. On the other hand, the most complicated element of civilisation is culture; it is the most complicated to create and the most simple to destroy. In 1992, I created a foundation to support Russian culture, and this year I contributed around 25-30 million to that. Today, this foundation is the leader in choosing the five people who each year contribute the most to Russian culture. In addition to that, I also created the Foundation for Civil Liberties, in New York, to support different civil institutions in the post-Soviet space. And I spent a lot of money in the Ukraine.

Participant

I am from Georgia. You said that Georgia, together with the Ukraine, is leading on democratic reform. After the Rose Revolution, Georgia has become quite controlled by the government; people who are controlled by the government have bought most of the shares of the two main TV companies. I spoke to one of the most famous journalists in Georgia, who said that journalism no longer exists in Georgia. What is your comment on this? What are the steps forward to democracy?

Boris Berezovsky

I have two points to make. First, I said before that every power, even democratic power, tries to increase control. The only power which is able to limit that is society. The way to protect that power is to take to the street, to fight against your government. This is the only way, even in England. However, on the other hand, I have a very good friend in Georgia, whose name is Badri Patarkatsishvili. You know him well, I am sure. He has absolute independence from state, and as I understand, Imedi, the TV company, has a rating which is first or second. I know that Imedi is very much opposed to the government.

But I also want to say that I believe it is very important not to have a national TV channel which is entirely independent from state – not even one. This is because an independent channel is able to compete with state channels; it is your choice what you watch. I know it is not ideal but at least it depends on the quality of society, not only on the quality of government.

Participant

Can you say something about your own role in creating Putin? You have been a great democrat here tonight, but might Putin not represent a reaction to the anarchy of the 1990s, and people like you?

Boris Berezovsky

As far as I have started to present my position, it is not today, nor after Putin took power, but instead after I received a large holding of shares in ORT in 1995. If you are really interested, the similarity between what I said in 1995 and what I said to you just now is very clear to see. I have changed neither my strategy nor my understanding of democracy. I have not become a democrat now, after I left Russia. I was really sure that Putin would continue what Yeltsin started to do.

I met Putin for the first time in 1991 and I knew him very well. We were not close friends but we knew each other well and would travel a lot together, and so on. You know that Putin was not the person whom Yeltsin watched and bred as his successor. There was Chernomyrdin, then Kiriyenko, Primakov, Stepashin and then, at last, Putin. I am 100% sure, even now, that Putin is simply a betrayer; he did not deliver what he promised to deliver to Yeltsin – it is not that he did not deliver to me; he did not deliver to Yeltsin. I hope that is others, not just for me, but also for

you at the same time; it is not others who make, step by step, by fact, what was done in terms of the constitution, in terms of a real principle mechanism of democracy.

As far as my personal role is concerned, I understand that it was a choice between Primakov and Lushkov, at that time, and Yeltsin and Putin. You know that Primakov pretended to be the president. Even today, if I had the same alternative, my choice would be the same because I believe that Primakov would have followed the same path as Putin is doing, but would have been much cleverer. For this reason, Primakov would have been more dangerous. On the other hand, I believe the cycle we are following now is natural.

The Ukraine is a good example of that. The freedom we obtained at the beginning of the 1990s, we obtained for nothing. Yeltsin and Gorbachev gave us freedom; in general nobody fought for it. I heard that three people were killed, which is very bad, for sure, but nevertheless, not many people fought for it. This means that people were not prepared for what happened. What happened in the Ukraine was a real revolution of mentality, which Russia unfortunately gave the pass for, still now. The Ukrainian people passed through that because even today in Russia, people discuss that they may press the Ukraine on the parliamentary elections, which happened in March, and they may change the situation again. There is no chance of that because they are different now. They recognise that they are truly independent and they are prepared to fight for that. On the other hand, I believe I was part of this system of Yeltsin's, and certainly I am responsible for what happened. Perhaps that is the reason why I am still not quiet.

Participant

How would you evaluate the role of RosUkrEnergo as an intermediary in the gas deal which was recently struck in the Ukraine and Russia? How substantial do you feel are the private interests of the top Russian political leadership in the company? Why is it possible for the Ukraine to strike a deal with such an intermediary in such a way that satisfies the private interests of the top political leaders in Russia?

Boris Berezovsky

I think what is the most important element in this conflict between Russia and the Ukraine, in relation to the gas, is that it might be the first time Russia has recognised that Russia depends on the Ukraine, no less than the Ukraine depends on Russia. You might have a nuclear bomb but if you do not have missiles, they will explode under your chair. You have gas but if you do not have a transportation system, what can you heat? Now, it is absolutely clear. The Empire and then the Soviet Union were created as a united state and it is absolutely immoral to say that the Ukraine should pay this. If the Ukraine had been independent, it would never have created such a developed metallurgy industry, or such a developed chemical industry – because they do not have the energy resources for that. But if it has happened in this way, it is a moral point that an empire is responsible for its child. We know about Britain's approach after the collapse of the British Empire, how it really tried to maintain the integration, even though the countries were overseas.

Regarding RosUkrEnergo, I just know that Mogilevich is the key person there. I know that the top management from Gazprom and a top member of the Kuchma government are involved in this company. I do not know how much they share.

Participant

I have heard much which is very encouraging, particularly your comment that we need to defend what we have in this country, which is one of the most highly centralised of the Western democracies. The level of centralisation in this country is a great problem and, in my opinion, a

great threat. I want to ask you if you recognise, as I believe, that the problem is not entirely one of changing mentality, as you have said. This is particularly so, bearing in mind that mentality has led to people power and the overthrow of existing establishments many years ago in the Philippines. Even now, with the change in the Ukraine, there was discord even among the leaders of that so-called insurrection.

What appears to me to be missing is not another ideology, or a psychological change, but instead a structure which is missing. Indeed, the world has changed in the last 10 years, largely due to urbanisation, which has separated people from their locality. The possibility of exercising local power initially is a first step to exercising power at higher levels. Do you agree that that is a primary goal now, that we should be structuring localisation to enable people to get a grip on power? I have left an envelope with my proposition on the table.

Boris Berezovsky

My position is perhaps a little different. I believe that the basic quality of society is mentality. Certainly, at the precise moment when society in general accumulated radio[?], the basis for changes in mentality, the leaders and organisations, become very important. Again, as I believe the Ukraine demonstrated – because there is no doubt that the Ukraine is very close mentally to Russian people – Russia is absolutely prepared to make the principle step forward on democracy.

Participant

You know Chechnya very well, so I would be very interested to hear your analysis of that. I believe you had dealings with Shamil Basayev when he had an official position. How reasonable is to characterise Chechnya as part of the war on terror, which is something we hear quite often? What is your view on the performance and behaviour of the Russian army in Chechnya, and the extent to which that makes matters worse? Do you have some hope that the Russian military might be transformed into something which would be a more useful instrument in Russian security policy?

Boris Berezovsky

I do not want to draw parallels between Chechnya and Iraq. Certainly, Iraq was an absolutely totalitarian state, but it was not a terror state prior to American aggression, in my understanding. The same is true of Chechnya. I travelled in Chechnya in my younger days, and I spent a lot of time in Caucasus area. Chechens are very flexible people who are integrated in social life. What happened in Chechnya was initiated by Russia's federal powers, certainly. Chechens were never extreme Muslims; they love money very much and they are very, very capable of working. Chechen teams were very flexible about travelling out of the Soviet Union to build houses and so on; Chechens built many houses.

If there is terror in Chechnya today – and certainly there is terror in Chechnya – the source of this terror is the war which Russia started. The level of terror, particularly international terror, is very low and very concentrated. For sure, Basayev is a terrorist; what he did in Beslan was terrible, certainly, and represented terror. But for the mass, even for the separatists, Basayev is not their hero whom they want to follow. There is a Mr Zakayev in this country, and he was granted political asylum; it is very interesting that the judge's decision classified what happened in Chechnya as a war. This means that the response of Chechens was a response to aggression. I think this is very important to understand. What is happening in Chechnya today has increased the terror base in Chechnya, as events in Iraq have increased the terror base there.

Participant

You have talked a great deal about independence and democracy. Do you not feel it is much better for people to be in the USSR, being basically dependent but, at the same time, financially secure and patriotic, rather than being in the post-Yeltsin situation and being financially insecure, having forgotten about patriotism? What are your thoughts?

Boris Berezovsky

What is your understanding of patriotism?

Participant

Patriotism is to know your value and your cultural value; not being afraid to be in a country and not being afraid to say that you are Russian when you are somewhere outside Russia.

Boris Berezovsky

I want to tell you that when you use patriotism you connect it to a nationality and you said Russian. This is a big problem; it is a problem I could discuss in another forum, when it is more relevant to the audience to better understand what patriotism means. It is the case that the majority of the population in the Soviet Union were happier than the majority of the population today or in the Yeltsin era.

But the point is that Russia is not a separate planet; if it were a separate planet maybe it would be okay. But Russia is part of the Earth and there are competitors around, and these competitors tried to be more effective than Russia, and they won, unfortunately. They won because they created the most effective system, in which a greater majority of people are happier. In England, for example, a bigger majority of people are happy than is the case in Russia, proportionate to the size of the population. This is the reason that a market economy, with real elections and democracy, is more effective than a centralised political system and a planned economy. That is it; that is the reality, unfortunately.

Participant

What does freedom of the press mean to you?

Boris Berezovsky

I have thought about that and I have tried to define it in terms which are clear for me. In democracy, we have different branches of power; we have a market economy and so forth. But where do you place an independent, free mass media? Independent and free are the same, yes? An independent mass media is a necessary condition of democracy, and all the rest are sufficient conditions of democracy.

Without the mass media, you are living in a black room and if you put even a smart person in a black room for a couple of years, I do not think he will not be so smart afterwards. Mass media is the blood of democracy; it is our chance to communicate with each other and to know what you want to know. Without this necessary condition, democracy is impossible. That is my understanding. Very often, people say that journalists are the first power; I think journalists are indeed the first power and they have demonstrated this many times, as with impeachment in the US or with elections in Russia, for example, and so forth.

Participant

Do you think Russia will ever have democracy as long as it has oil?

Boris Berezovsky

I believe it can. I will give you an example. Many people think that revolution could happen only if the economic situation was collapsing. It may have been the case, 50 years ago, that the economy was the basic factor of revolution or for thinking about changes. However, let us use the example of the Ukraine. The Ukraine is the fastest-growing economy in Europe, with 12.6% growth. During the years from 2002 to 2004, the Ukraine achieved over 10% growth. That is a real, typical revolution, from the bottom, not from the top. I do not believe that the oil price is a necessary prerequisite for Russian change.

Participant

You just said that during the Yeltsin era, the constitution was democratic and Yeltsin was a democrat. You then said that Putin was his successor, or he appointed him. Is that democratic? What does it have to do with democracy? It sounds more like a monarchic system, under which a queen appoints her staff. In my opinion, Putin has no obligation whatsoever to Yeltsin to continue his policy or whatever. That is just my opinion.

Boris Berezovsky

You say it is an opinion, but at the same time it is a question. I once spoke to Nazarbayev after his first election. He was elected with 80% support and 20% opposition. I spoke to him and I said: 'It does not look like democracy'. He said: 'You know, if it was the Soviet era, I would have got 99.99% support, but I got only 80%. This means that we already have 20% democracy in Kazakhstan.' I want to tell you, and I am sure of this, that it is impossible that in one year, 10 years or maybe even 100 years, a country could obtain the quality of democracy that we have here in Great Britain.

But what is important is that Yeltsin won against Zyuganov in 1996, not using tanks or the army, but simply using TV. It was not like here, in that nobody calculated that time how much money Zyuganov, the leader of the communists, spent on mass media and how much Yeltsin spent. For sure, Yeltsin spent much, much more. The same was true with Putin. I have to say that Putin had a great opposition, as I mentioned before, in Primakov and Lushkov. If you look at the details of Russian history, in August 1999 no one had any doubts that Primakov would be the president of Russia – no one. All the polls showed Primakov as the clear leader. Putin came from a zero rating; no one knew him yet he grew very quickly, again without tanks, without erasing the opposition, without killing opponents and so on. That is the quality of democracy in Russia, which is very different from this country. But it represents a big step forward compared with what we had before.

Participant

But Putin would have been in anyway if he had such support. He did not need to be –

Boris Berezovsky

No, that is absolutely incorrect. As I told you, almost 70% of governors, who at that time were independent, initially supported Primakov, before changing their minds – but not under pressure of being put in jail or under threat of being killed.

Participant

What are your views on Russia's influence over Belarus? Are you doing anything to support the decision there ahead of the elections in March?

Boris Berezovsky

Russia has enormous influence in Belarussia. As with all new post-Soviet countries, Russia has enormous influence. At the same time, I believe Russia does not use this power to increase its value of freedom in Belarussia. Moreover, Putin understands very well Lukashenka and he will be pleased to do the same in Russia, which is bigger and more complicated.

Even today, in his press conference, Putin faced a question: 'You meet Lukashenka all the time; how may you do that when he is a dictator?' Putin said: 'Okay, but Belarussia is very special to Russia. Belarussia will never be the same for France as for Russia.' A French journalist had posed the question. I believe that Belarussian people are thinking the same thing. Again, if Russia was moving to democracy, no doubt Belarussia would refuse the dictatorship of Lukashenka, but the situation is different. As far as I am concerned, personally, I do not do anything much for elections.

Participant

I come from Turkmenistan and I wonder how you see democratic developments unfolding in Asian countries over the next five to 10 years? What should be Russia's position towards influencing these countries?

Boris Berezovsky

I see a difference between the condition, the style of life and the way of life for Turkmenistan and Uzbekistan, and the way of life in the Ukraine, and so forth. Again, the decisive big power defining the direction of political and economic life in this region is Russia. But for the last time, the big influential power in this region, increasingly, is China, which is becoming a real player. You know what happened in Uzbekistan when Uzbekistan asked the US to withdraw its base. It was not a game involving Russia; it was a game involving China – and very successfully. The same happened in Kazakhstan, which signed the biggest oil contract with China and sold a large resource to China.

My understanding of the future, even five years ahead, is that the West and China are historical partners, and Russia is a bridge to create this historical unification. On the contrary, there is a big problem with the Middle Eastern and Arab world, which is another story, for which there are no solutions today, as far as I understand.

Participant

You have said that you do not expect the current Russian regime to last long, which certainly is very encouraging. However, the people in the Kremlin have other ideas about that. Could you comment on the current ideology that is developing in Russia with the work of Surkov, or maybe with the youth organisation, the Nashi, and the fascist card they are now playing?

Boris Berezovsky

After the Ukraine example, the Kremlin recognised that the street is a big power; they did not expect that. They recognised that it is very complicated to pitch an army against the people on the

street. But to put single people against single people is possible. I think the story of Nasha is about the preparation of a kind of nazi group ready to fight if the street became crowded with people opposing the Kremlin.

Participant

But do you think Putin's is really an ideologically strong power?

Boris Berezovsky

No, the biggest problem with Putin, as compared with Stalin or the communists, for example, is that Putin does not have any ideology. That is the biggest problem. For sure, it is very attractive to build some kind of national ideology; on the other hand, it is very dangerous because Russia is still a multi-ethnic country.

Participant

Do you not think that the change in mentality of the kind you are talking about will take place only when we stop saying that the price we paid for freedom was nothing as compared with the price paid in other countries? It is not about relative value. I am Russian myself and I would imagine that most of those who come from Western countries were appalled by the comments on the lives lost, which apparently did not matter at all.

Boris Berezovsky

The tear of a child is more important than anything else, but this is a theory and we are discussing practice. When I said that three lives are nothing, it does not mean that I do not understand what the life of even a single person means. I was simply discussing it in terms of reality. People are not prepared to fight for freedom; this is a fact. People recognised at last that it is better to be independent, and they have passed through the first barrier. But they are not prepared to fight for that. That is a fact. I gave an example that we lost 1 million people in Chechnya and only several thousand people with balloons went to demonstrate. That is not the way. The problem is not when we say that three lives mean nothing, do you understand that? Each life is unique but it is really nothing because people are not prepared to fight for their freedom. That is the problem.

Participant

As a successful politician and businessperson, would you give students of politics and business any advice for the future?

Boris Berezovsky

There are very different criteria for success in business, science and politics. To be successful in politics – and I do not mean being a political consultant or political technologist, but rather being a politician – the most important point is will. It is not even about intellect. We know of many examples in history when not particularly clever people took power – not earned it. Putin took power, as with Hitler and Stalin. It was not so much about intellect. We know people with far greater intellect than they possess, but they took power, as Lenin did, for example. It means that the most important criteria in political life is will. According to my understanding and personal definition, will is conviction converted to action. In other words, it is impossible to act strongly in front of 1 million if you do not believe in what you are doing. I am sure that Hitler and Stalin believed in what they were doing, 100%.

To be a good scientist, you already know better than me what you should do and which kind of intellectual resource you should switch on. To be a businessperson is a little bit like a combination of being a scientist and a politician; you need to have strong will and you should calculate. My understanding is that to make money, you need not be educated, but to spend money correctly you should be educated.

Participant

Thank you for your talk. I very much hope that you are right that the Ukraine has overcome a certain mental barrier, but how do you explain the significant lead of the Party of the Regions, Yanukovych's party, in the pre-election polls? How do you see the next five years of relationships developing between Russia and the Ukraine, especially taking into consideration the current crisis over the Black Sea fleet?

Boris Berezovsky

In answer to the first question, I believe that Yushchenko and his team have made big mistakes. It is impossible to win a revolution and not to finalise the result of victory. The result of the victory was very obvious; Yushchenko promised a great deal, but the people remember. Again, every revolution creates over-inflated expectations. That is natural. Every revolution promises more than it is able to deliver. That is natural. However, after you have won, you should reduce the difference between expectation and reality. You may do this in two ways: either by delivering something that you promised, or by reducing expectation and minimising the delta.

Unfortunately, Yushchenko had many chances to deliver on some of his obligations. There was the case of Gungatze[?], the case of poisoning himself and the falsification of elections, which is the most criminal act. It is very simple; even the highest court took a decision that there was falsification. As to who falsified the result, it is absolutely clear that Yanukovych and the others falsified.

You were asking about the characteristics politicians need to have. Yushchenko does not have enough will; only with Tymoshenko does he have enough will. This is the reality and it is the reason that Yanukovych has a great deal of power, which would be nothing to destroy if Yushchenko really delivered on his obligations. There would be nothing to destroy. I am not sure that he is prepared, but after the gas story he has learned a great deal. Maybe he will deliver the understanding that Yanukovych could take the strong position in Parliament. Again, though, I believe the basic problem is solved; the population is very different, and in a positive, not a negative, way. It was one and a half years ago.

Regarding Russia and the Ukraine, historically they were brothers and there is no chance of their splitting forever. If the Ukraine became part of Europe, it would be so positive for Russia because it would accelerate the process of Europe accepting Russia as a part of Europe, and would accelerate Russia's progress to becoming a member of Europe. I even wrote an article during the revolution, saying that the future of Russia is solved in the Ukraine now. Ukraine now represents the current direction for Russia.

Dr Roy Allison

Thank you very much but we must end the discussion there. Mr Berezovsky has answered questions for almost an hour now. It has been a vigorous and frank discussion and I am grateful for the way that Mr Berezovsky has responded to questions, both those searching questions on post-Soviet development and also questions on his own role in those perspectives on the future trajectory of this part of the world. We will watch this space and it is certain that we are in a time

of transformation in one form or another. In the spirit of debate here at the LSE, I thank Mr Berezovsky for sharing his views.

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