



THE RUSSIAN FAR EAST

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 By Andrei Kalachinsky, Vladivostok

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Analysis

Putin Is Turning Vladivostok into Russia's Pacific Capital

By Andrei Kalachinsky, Vladivostok

Abstract

This report provides a snapshot of political and economic life in Vladivostok today. A local journalist describes the current situation, including preparations for the upcoming international summit, the on-going construction projects, economic difficulties, the political position of Governor Sergei Darkin and the policies of Vladivostok Mayor Igor Pushkarev. Overall, the federal government is pouring billions of dollars into the region, but so far having little impact in terms of creating new jobs or stemming the flood of qualified workers leaving to find opportunities elsewhere. The recent appearance of a band of young men seeking to kill local policemen, winning them some public sympathy, shows the depths of protest feelings in Russia's eastern outpost.

A Time of Change

The idea that Prime Minister Vladimir Putin is turning Vladivostok into Russia's Pacific capital may sound like propaganda to some, but anyone who has been to Vladivostok recently can confirm that the city has become a giant construction site.

Bulldozers are flattening hills and ripping out trees in forests just beyond city limits to make way for new highways. Dump trucks are pouring a dam into the sea in order to build a 4 km bridge across the bay which will ultimately shorten drive times to the airport. At the airport itself, workers are building new terminals for passengers and a new runway to handle the most modern planes.

In the very center of Vladivostok above the main street, the framework for a new bridge which will cross the Golden Horn Bay is taking shape. It will be 1,388 meters long. The bridge creeping toward Russky Island is even more ambitious, with a length of 3,100 meters. The central part will soar above the strait at a height of 1,104 meters. It will be longest cable-stayed bridge in the world!

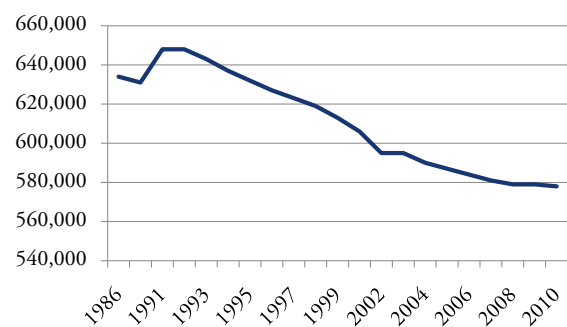
These projects mark the first time that Russian firms have built bridges over the sea. In the past, they only built over rivers. The builders are working with Finnish and French companies, which are providing high quality parts.

Where are these roads and bridges struggling to go?

Selling Japanese Cars

During the past 20 years, Vladivostok has been dying. Once the city was the capital of Russia's Pacific Ocean fleet. However, in recent years only a few large ships and submarines remain of the once proud group. Thanks to reductions in the navy, officer uniforms and sailors' caps have disappeared from the streets. All the large de-

The Population of Vladivostok 1986–2010



Sources: see p. 9

fense factories in the city have lost their customers and closed. The best scholars from the impoverished Far Eastern Center of the Russian Academy of Sciences are leaving for foreign universities. The largest sea-faring and fishing companies have collapsed. Primorsky Krai, home to 2,200,000 people in the Soviet era, has started to lose its population.

With most of the elite already gone, the once intellectually vibrant Vladivostok has turned into an ordinary provincial city where uncouth and boorish traders dealing in used Japanese cars now set the tone. It is easy to understand why these people behave the way that they do. The car-import business started under the control of criminal groups and it was necessary to speak with them in a language that they understood. But, over the course of ten years, the business which began with bandits who simply stole cars from the people who brought them over from Japan turned into a civilized and contemporary trade. A buyer can now purchase his car on-line through Japanese car auctions. Once you pick a car, it arrives within two weeks, already having passed through customs and the state inspection service. Importing used cars from Japan became the main occupation of the city.

This business allowed the city's citizens to survive the most difficult years of the post-Soviet era. Tens of thousands of people in Primor'e were involved with Japanese cars, buying, delivering, registering, repairing, and shipping them to other parts of the country. Everything was fine until fall 2008, when the federal government, in its efforts to address the global economic crisis, decided to raise the customs duties on importing used cars in order to protect the domestic auto industry.

During 2008, customs in the Far East processed approximately half a million imported cars. The largest Russian automobile factory, VAZ, makes about 600,000 cars a year. In 2008, Russia produced 591,000 foreign make cars. Thus, used Japanese cars constituted about one-third of the automobile market in Russia.

Raising the customs duties cut the import of autos to one-twentieth its previous size and dealt a destructive blow to the economy of the Far East. The car import business employed shipping companies, ports, and the railroad. Every third worker in Primorsky Krai had some relation to the automobile business. Therefore it is not surprising that the residents of the region and the local authorities spoke out against the higher tariffs and the people went into the streets to defend their livelihoods. But the Kremlin silenced the local authorities. And ultimately the OMON special police demonstratively dispersed peaceful demonstrations of citizens.

Moscow could not understand why its Far Eastern citizens were protesting because at that moment the region had begun to receive federal funds through the program entitled "Economic and Social Development of the Far East and the Trans-Baikal for 1996–2005 through 2010." As usual, the money disappeared and ended up in some individuals' accounts rather than serving the purpose for which it was intended.

Moscow Sends Money

After the protest meetings, where Far East citizens for the first time raised anti-Putin slogans, the federal authorities decided to send more money to the region. The federal program for developing the Far East was extended until 2013. Rumors insist that Putin was personally deeply offended by the protests of the Far Eastern citizens and their demands for his resignation. Therefore it became a matter of honor for him to show that the government really cared about the citizens on its periphery.

The federal authorities quickly rewrote the federal program for the Economic and Social Development of the Far East. It included an important new section on developing the city of Vladivostok as a center of international cooperation in the Asian Pacific region. It effec-

tively declared Vladivostok the capital of the Pacific region in naming it the host of the Asian Pacific Economic Cooperation (APEC) Summit in 2012.

The federal government has set aside 426 billion rubles for this purpose. To put this into context, Vladivostok's revenue in 2009 was 7.5 billion rubles; Primorsky Krai as a whole brought in 50 billion rubles. Thus, Vladivostok suddenly had funds worth 60 times the usual city budget floating around. The city had never seen so much money.

However, at least two times in its history Vladivostok had become the object of such intense attention from the federal government. The first time was just after the Russian-Japanese war of 1904–5, when the leaders began to build fortresses and military bases. Years later, in the beginning of the 1960s, Nikita Khrushchev promised to turn Vladivostok into a "socialist San Francisco" and began to build massive numbers of new apartments and factories in the city. Additionally, when Putin was president, the presidential administration decided to build a "presidential residence in Primor'e." Under Medvedev, the presidential advisers chose a spot of land near Vladivostok where this building will eventually stand.

The enormous amount of money poured into Vladivostok has not yet stopped the outflow of population from the city and region. Paradoxically, this money has not helped to create an impressive number of jobs for the locals. Additionally, local business did not have a chance to participate in carrying out the federal orders. Only construction companies with close ties to Governor Sergei Darkin were able to benefit. According to the current system in Russia, most of the contractors for big construction projects are distributed either without auctions or in competitions in which all potential competitors have dropped out before the winner is announced. This was the case in the choice of construction companies for the bridge to Russky Island. The Japanese, Korean, and Chinese firms who might have submitted a bid considered the deadlines and conditions of work unrealistic. As a result a Russian company which never before had built a bridge like this won the right to complete the work. The other firms would have brought their own specialists, but now low-paid immigrant workers are carrying out the project. It seems that once again the "golden rain" is not falling on the residents of the region. However, at least the new infrastructure will remain after the construction is completed.

What are they building in Vladivostok? First a giant station to process raw sewage. Earlier the authorities thought that it was fine to dump this sewage into the sea, where marine life would process it organical-

ly. But practice showed that the waste water is so full of poisonous chemical substances—from household detergents to oil and industrial waste—that the denizens of the sea died before they managed to take care of these discharges. Second, in a city that does not have sufficient supplies of fresh water, they are building additional pipes to an enormous source of underground water 60 km from the city. Third, they are extending existing roads and building new ones so that trips to the airport, which is located 40 km from the city, will not take more than half an hour. Finally, they are also building bridges, an opera and ballet theater, and a new federal university.

Russian Island

Let's look at some of these projects in greater detail. Like the legendary island off the coast of St. Petersburg, Russian Island is the Far East's Kronshtadt. The southernmost part of Russia, this piece of Vladivostok is divided from the peninsula by a small strait. The island was always a military base that was closed even to the citizens of the city. Even now there is a compound for training submarine troops in a bay with the hooliganistic name of Kholuai. At precisely this spot, the leaders attending the 2012 APEC summit will meet.

On the island there is now nothing more than the forts, barracks, and wretched homes of the local residents. There is no water, sewer system, roads, or electricity. To prepare for the summit it is necessary to build some sort of accommodation for the visiting heads of state and a palace for their meeting. The federal budget will spend billions of additional rubles on the construction and "infrastructure improvements" for the summit. This will all be done for three days of meetings, negotiations, and collective photographs? And then what?

"Why not build a 'gaming zone' with entertainment here?" some businessmen have suggested. "No" answered a government bureaucrat who hopes to improve the overall image of the country. "We will build the best university in the world on this land!" And thus the decision to build the Far Eastern Federal University was adopted.

And they began to build the bridge to the island over the roiling sea waters. At the end of October 2009 Prime Minister Putin came to the construction site to see with his own eyes that the roads were poured out and the pylons were standing.

Far Eastern Federal University

The bridge should be complete by the summer of 2012. By this time on the island the Far Eastern Federal University should be built.

What are federal universities? In the USSR, there were approximately 20 classical universities, that is large-scale teaching and research centers. In the Far East, there was only the Far Eastern State University and several branches of Moscow-based institutes.

Overall, the USSR had 680 institutions of higher learning. Now there are more than 3,000. Education has become a profitable business; since almost everyone needs its product, there is large and stable demand.

After the collapse of the USSR, the number of students grew. Of the 7.5 million current Russian students, only 25% receive state support. The rest pay for their education, usually with their parents' help.

The shortage of highly qualified teachers and the insufficient financing meant that the quality of the education dropped dramatically as the number of universities grew. Now the government is seeking to cut the number of institutes of higher learning in the country, perhaps by as much as 20%. Since many former institutes have now received the status of universities, the government has decided to identify several of the best universities and focus resources on them. These universities will be designated as "federal" universities. Most likely there will be one in each region as well as in Moscow and St. Petersburg. Such universities have already been created in several regions, often on the basis of combining several existing institutes.

It was assumed that the merging of institutes of higher learning would also take place in Vladivostok. However, in May the Ministry of Education published an order in which the federal university would be built on the basis of Far Eastern State University. In essence, so far the only thing that has changed is the name. There is no greater pay for the professors or staff, which has greatly upset them. Attitudes about the "federal university" are extremely skeptical and so far no one is happy about the idea of eventually having to drive to the island to teach students.

Worst of all is that over the course of the year, the authorities have not been able to find a person who could head this university. Candidates for this post must be approved by Governor Darkin, Presidential Representative to the Far Eastern Federal District Viktor Ishaev and the minister. Current rector of Far Eastern State University Vladimir Kurilov did not win approval of the three men even though he had been promised this post.

Three years ago the Kremlin asked Kurilov to head the United Russia party organization in Primorsky Krai before the krai and local elections. The Kremlin decision-makers felt that the party's authority in the region was low because among the party members were many

businessmen and members of organized crime groups. United Russia's rating in Primorsky Krai was one of the lowest in the country. For example, in Vladivostok now former Mayor Vladimir Nikolaev headed the party organization. He was considered the head of a crime group. During his third year in office, he was convicted of misusing budget funds and fired from his job. Under Kurilov, United Russia performed well in the elections.

The Kremlin then had the idea of replacing Governor Darkin with Kurilov. In order to make this move it was necessary to first discredit Darkin so the federal authorities filed criminal charges against almost all of Darkin's deputy governors and they left their posts. In May 2008, the authorities conducted a search in Darkin's office and residence. Despite these problems, however, the governor managed to evade the procurator and ultimately President Medvedev appointed him to a new term. Of course, given this history, Darkin would never confirm Kurilov as the rector of the federal university since Kurilov had been set to replace him. The ministry refused to approve all the candidates that the governor suggested.

The situation became hopeless. One proposal was that one of the academic institute directors would become the rector, but they all refused. Education and Science Minister Andrei Fursenko even had to raise this question with Putin at a meeting in June 2010. The minister wanted someone from the Academy of Sciences to take the job, but all the qualified members were unwilling to leave their current positions. Putin noted the need to strengthen the university's intellectual leadership and the concept of its development. The prime minister's words suggest that the concept of the university proposed by Kurilov no longer satisfied the government.

The main contractor for building the new campus is the company Krokus. In Moscow, the president of this company is famous for building the most luxurious and elite homes, shops, and estates. The federal program for the economic and social development of the Far East and Trans-Baikal through 2013 has set aside 41.67 billion rubles (\$1.3 billion) for the construction of the university. The campus will cover 200,000 square meters, with 500,000 square meters of classroom and office space. The buildings will hold 12,000 students and approximately 6,000 instructors and employees. There will be three parking lots with space for 700 cars. After the summit, the hotels will be transformed into apartments for the professors and dormitories for the students. According to Kurilov, "All of our desires have been taken into account. ... In Russia there is no other university with a similar campus."

Already the main building has been built and workers are installing windows. In the fall, they will build out the interior spaces.

Oil Port Does Not Match Job Losses

The university and bridges are far from the only construction taking place in the region. On December 29, 2009, Putin participated in the opening ceremony for the port at the end of the East Siberia-Pacific Ocean oil pipeline and watched the first tanker fill with oil. The pipes are now in place from the East Siberian greenfields to Skovorodino (Amur Oblast), and then the oil is carried by rail to the port. The Kozmino Special Oil Sea Port near Nakhodka was built in 18 months and cost 60 billion rubles (\$1.9 billion). In April 2010, the port finished its first phase of construction and reached a capacity of 15 million tons a year. When the second stage is complete, it will have a capacity of 30 million tons a year.

Trains filled with oil arrive at the port every two hours. Regardless of the weather, every 2–3 days a tanker fills up at the port and departs with its cargo for countries in the Pacific region.

This project has created about 200 new jobs at the port. Putin claimed that the port would ultimately create up to 3,000 jobs. However, at the same time, three major Nakhodka enterprises—the trade port, the fishing port, and the Sea Fishing Base (BAMR)—announced major layoffs. BAMR cut 437 jobs, and 212 workers have already been let go at the time of writing. The trade port will cut 206 jobs and the fishing port 236 jobs. The elimination of these positions was a huge loss for the city.

Economic Problems

The gross regional product of the Far Eastern Federal District is the lowest of all seven districts in Russia, according to the Ministry of Economic Development. At the same time, the tempo of growth is also stably lower than the Russian average.

While in the 1990s, machines, equipment and transport made up 34% of the region's exports, today they are not more than 3%. Already 159 ship-building and repairing enterprises have closed, removing a third of the local industry. Ship building was once the leading industry in a region where the coastline stretches 25,000 km. Production lines that used to churn out diesel engines have come to a complete standstill; in their heyday they produced 780 engines a year. Agro-industrial factories have stopped producing combines, whereas in the past they made 3,200 a year.

The high local prices for electricity and heat add greatly to the cost of regional products. Electricity costs for 1,000 rubles of output in the Far East are 48.48 rubles per kilowatt/hour, where the average Russian price is 43.42 rubles. Electricity costs twice as much in the Far East as in other parts of Russia and sometimes even more. These prices are rising more quickly than elsewhere in Russia as well. The prices for municipal services are three times higher than the Russian average.

A significant contributor to these costs is the declining population, with deaths outnumbering births. The population is also shrinking due to migration to other regions. Between 1996 and 2006, the region lost approximately 720,000 people, or about 10% of the population. Many of the people leaving are skilled workers. While the coefficient of migration growth in Russia was 10.8 in 2006, in the Far East it was -46.9. The worst hit regions are Kamchatka, Magadan, and Sakhalin. Even in the relatively well-off regions of Primorsky and Khabarovsk krajs, there is unlikely to be any improvement in the foreseeable future.

Making Cars in Vladivostok

After raising the import duties for importing used foreign cars and largely destroying this business in the Far East, the government made a strange gesture. Prime Minister Putin personally ordered the leadership of the Sollers automobile company to “move production to Vladivostok”! The government apparently thinks that the entrepreneurs who lost their business importing used cars will now become workers at the assembly plant.

The Sollers group was established in 2002, bringing together a variety of Russian car companies, including the Ulyanovsk Automobile Factory (UAZ) and several car makers based in Tatarstan. In 2009, it sold 61,866 automobiles, 34% less than in the previous year.

Within six months, Sollers disassembled some of its equipment in the central part of Russia and, just as during the war years, moved the factories to the east. In Vladivostok, this equipment was reassembled in the former Dalzavod plant in the center of the city. Dalzavod had always been the repair base for the Pacific Ocean fleet. In recent years, it had no orders and had gone bankrupt.

The first cars assembled by Sollers in Vladivostok in December 2009 were UAZ off-road vehicles. Putin flew to the city and personally opened the new automobile factory. He apparently relished the event because it allowed him to send the first car that came off the conveyor to Italian Prime Minister Silvio Berlusconi. According to local legend, Putin had told Berlusconi

that in six months he was going to build a new auto assembly plant in Vladivostok. Berlusconi laughed and said that it was not possible. Then Putin bet him. As the loser, Berlusconi ordered the Italian defense ministry to buy a UAZ assembled in Vladivostok.

In the middle of April, Sollers-Far East produced the new model of the Korean off-road vehicle, the SSangYong Action Sports. By the end of the year, the plant should be able to produce 1,200 units of this model. The company managers think that car will be the most affordable of the various off-road vehicles produced in Vladivostok. Prices for the SsangYong Action Sports start at 620,000 rubles (about \$20,000). Overall, for 2010 Sollers-Far East plans to produce 13,200 cars.

Of the more than 2,200 cars assembled this year, Sollers sent more than 1,800 to the European part of Russia. Overall investment in automobile production and localization of the component base in the Far East has cost about 5 billion rubles (\$160 million). Approximately 700 people work at the Sollers factory.

Moscow Rewards Darkin for Loyalty

President Medvedev recently appointed Primorsky Krai Governor Sergei Darkin to his third term in office as he has demonstrated that he can be loyal and obliging to the Kremlin. Darkin even survived the humiliation connected with the fact that his candidate for the Federation Council, the upper chamber of the federal parliament, was not approved in Moscow. As a result, a Moscow police general and former New Jersey Devils' hockey player Slava Fetisov, who has no interests in the Far East, now represents the krai in the senate.

Under Darkin, the krai began to receive enormous financial support from the federal budget. According to experts who observe the administration's practices, the costs for all construction projects, including bridges and roads, are artificially increased. The authorities choose the most expensive and pompous ways of implementing the projects rather than the cheapest ones. The krai is currently building three bridges and the governor has announced that when these are complete, the builders will start building a 15 km bridge that will connect Vladivostok with the new presidential residence in the region. The idea is that it will be safer for the president to travel to his house on a bridge than in a helicopter or boat.

Such construction projects provide plenty of opportunities for corruption. In the Far East, the local residents are convinced that the construction workers only receive a small fraction of the pay that they are supposed to receive. According to a popular anecdote, an engi-

neer from the Far East who happened to be in Moscow went to the head office of the contractor that employed him to pick up his salary and discovered that in fact his salary was three times larger than what he actually received when he was at home.

City Politics

The current mayor of Vladivostok is Igor Pushkarev, one of the co-owners of the Spassky Cement Factory and one of the richest men in the area. According to his management style, he outsources the city's public services to various private contractors. The contractors are responsible for everything and the mayor does not take the blame if the contractors work poorly. As a result, Vladivostok performs almost none of its municipal services and the consequences are often disastrous for citizens. For example, the private firms who won the contract for providing bus services only work on the most profitable routes and work only during rush hour, when there are plenty of paying passengers. The mayor could not force them to work at other times and the city had to once again buy up a fleet of buses to restore the public transportation system.

In contrast to the governor, the mayor cannot stand criticism and complains that "only enemies criticize." The local press has pointed out Pushkarev's position in this regard and he has started to buy up the local publications to protect himself. He bought the main city newspaper *Vladivostok* about a year ago. After the purchase, the editor and most of the staff left the paper. The paper became subordinate to the mayor and began to glorify the activities of its owner. I had for many years written a column for this paper and understood that I had to give up this work with the arrival of the new owner. But as the secretary of the local society for friendship with China, I led a round table discussion in the paper's offices in which representatives of the three Chinese regions closest to Primorsky Krai participated. One of the Chinese bureaucrats attentively paged through the paper and said "I counted five photographs of the mayor here. In China the party does not recommend printing the pictures of the leadership so often."

Governor Darkin is not happy with the way that Vladivostok is developing under Pushkarev and has several times publically announced that the mayor is not able to handle his job. The governor personally visited the mayor's office to hold a meeting. The governor's aides say that Pushkarev is a "bad mayor and that it is necessary to replace him." Of course, such poor relations between governors and the mayors of capital cit-

ies are typical. Gubernatorial blackmail makes it possible to bend mayors and ensure that they are maximally loyal. For example, in order for the governor to exert greater control over the mayor, Vladivostok is not allowed to distribute its own land.

In order to protect their positions, the city authorities have demonstrated their loyalty by awarding Darkin the status of "honorable resident of Vladivostok." This status gives the governor the right to ride city transportation for free. Many citizens criticized the city council for this move, complaining that it made more sense to give the award to Ilya Lagutenko, the founder of the popular music group Mumy Troll, which began playing in Vladivostok and is now known nationwide.

Given the large amounts of money flowing into the city and the poor relations between the various politicians, the political situation in Vladivostok remains unstable. Small but diligent groups of local young people and businessmen subject the krai administration to pickets and demonstrations on a regular basis. To prove how inept the administration is a group of young people who had participated in the demonstrations against increasing the duties on importing used cars even demonstratively used their own money to repair a part of the main street in Vladivostok.

Charges of Corruption

One of the most controversial issues which could undermine the stability of the authorities in Primorsky Krai is the accusations against several administration employees for corruption. The most recent case began this winter when several ordinary citizens appealed to city and krai lawmakers as well as law enforcement agencies. Their letter listed instances in which administration officials had made fake contracts for carrying out youth activities. The events never took place, but the money was distributed to the people who had supposedly organized them. Subsequent official reports claimed that all the events had taken place. The losses amounted to 11 million rubles.

None of the lawmakers demanded an audit or parliamentary hearings to investigate the facts of the case. The prosecutor at first claimed that there had been "administrative violations" and slapped minor fines on the guilty. Of all the newspapers in the city, only one resolved to carry out its own investigation.

After the publication of the investigative journalists' report, the general prosecutor took over the case and began his own investigation. If criminal charges are filed against the krai bureaucrats, it would set an important precedent. For the first time an administration official

whose job was to “launder” budget money could go to court. If this person is found guilty, it would serve as a signal that a real battle against corruption has begun.

Another case involves illegal logging in Far Eastern forests. A scandal is brewing in the region after the broadcast of the documentary “Dark Forest” on one of the national networks. The main hero of the film is Petr Diyuk, the head of the krai’s forestry management division. In the film he speaks openly about how people are stealing Russia’s forests, apparently not realizing that the entire conversation was being filmed. In one particularly telling episode, the official explained why it was impossible for ordinary individuals without connections to win auctions for the right to harvest trees. “The auctions are open to specific individuals. I can remove anyone from them, the legislation allows that. There remains one nut-growing zone which cannot be leased because environmental activists would raise a fuss. But in a year, it will no longer be there. I am a grown man, not a boy. I do not waste my nerves on a 50,000 ruble (\$1,500) salary. It is not interesting to me. Everyone is involved in this kind of thing. That is how we were raised.”

Governor Darkin has already removed Diyuk from office temporarily while he conducts an investigation. Now the law enforcement agencies and forestry monitoring agencies are evaluating the situation to see if the law has been broken.

Opposition Politics

The political opposition continues to play a role in the city. On May 31 on Vladivostok’s central square about one hundred participants—from students to pensioners—joined the protests in support of Strategy-31. Article 31 of the constitution guarantees Russians the right to freedom of assembly and groups in a variety of cities have been organizing meetings on the 31st day of months with that many days to support this right.

The May demonstration included the head of the Communist faction in the krai’s legislative assembly, Vladimir Bepalov. The participants conducted themselves peacefully and the most scathing slogan was “Down with the police state!”

The police watched the demonstration from the side. Around the square were minivans and riot police wearing camouflage. There were several details of police around the statues and plain clothes officers nearby. However, there was no repeat of the events of March 31, when the organizers were arrested and taken away. However, the police continue to take strong action against any efforts to organize columns of cars through the city in an effort to protest state policies.

Such violators are usually rounded up and some are subject to administrative arrest.

Vigilante Attacks on the Police

At the end of May and the beginning of June there were several attacks on police officers in Primorsky Krai. Two police officers were killed and seven were wounded. The police then announced that a gang of vigilantes was operating in the region and a large-scale special operation was launched to catch the “bandits.” For more than a week, almost 1,500 Ministry of Internal Affairs agents, including the OMON special police, combed through the forests, set up road blocks, and searched villages while hunting for the gang.

The authorities announced that they were seeking five young men from the local Kirov village. Several of them were considered “Russian nationalists” and had earlier been detained by the police for allegedly attacking foreign citizens. According to the early reports, the group consisted of 18–20 year olds and was led by the 32-year-old Roman Muromtsev, a veteran of the fighting in Chechnya.

The relatives of the suspects announced that the police had several times detained and beaten these young men and that they had gone into hiding because they feared that the police would kill them. Since cases where the police beat people to death during jailhouse interrogations are well known to all in Russia, the public assumed that the young people were “rebellious against the police.”

As soon as the events in the Far East became known throughout the country via internet sites, a “Declaration of Muromtsev” appeared in the internet. It was addressed to Col. Kvachkov (who has been accused of organizing an unsuccessful attack on Anatoly Chubais) as well as “those who have honor and conscience.” However, on June 11, the Russian Procurator’s Investigative Committee site published the names of the six suspects and it became clear that Muromtsev was not one of them.

At that time, the remaining four members of the gang were surrounded in an Ussuriisk house. The police encircling the building tried to talk the men out. One of them surrendered almost immediately. The police claim that two killed themselves. However, their relatives do not believe this and claim that they were killed by snipers.

In a special video appeal to the population, the head of the krai’s police department Andrei Nikolaev announced that the group had attacked the police in order to take their weapons. But even after this statement, the population continued to claim that police abus-

es drove the young people to their crime, just as in the film “Rambo: First Blood.”

Apparently there was a meeting in the Kremlin to discuss the relations between the police and the population. Some observers speculate that President Medvedev cannot carry out a radical reform of the Ministry of Internal Affairs and fire Minister Rashid Nurgaliev because the police is the only armed structure that would support Medvedev if there were a confrontation with Putin when the question arises over who will be president after 2012. In any case, there has been no comprehensive police reform despite increasing concerns about police actions.

Public opinion polls show that in Primorsky Krai there is some sympathy for this gang. As many as 70% of young people think the police drove them to crime. At the funerals of the dead gang members, there were demonstrations of residents who sharply criticized the local authorities and police. Among the speeches, speakers told the dead fighters “you died for justice.” Some people are collecting money from the public to pay for attorneys to help the incarcerated members of the gang.

The leaders of the krai have remained silent about the situation.

Currently at stake is Nikolaev’s job. He was recently appointed the krai’s police chief and previously had served in St. Petersburg. He has been accused of giving

a secret order to kill all the members of the gang so that their case would not go to court. Apparently, it was the procurator who insisted that the suspects be convinced to surrender rather than having the authorities kill them as they were being captured.

Since the young people who joined the gang were members of nationalist organizations like Edward Limonov’s National-Bolsheviks, the Federal Security Service (FSB) is beginning to strengthen its actions against such groups. Representatives of Limonov’s organization claim that one of the accused had been thrown out of their party several years ago for being a “provocateur.”

Since there was an outburst of critical statements against the authorities, the police and FSB began keeping lists of the people who had made extremist announcements, promising to bring them to court for “extremism.” However, so many people have made such statements that a decision was taken not to file charges against them.

Overall this story demonstrates that some parts of the public can support an extremist movement which declares war on the current regime in the country. Many people feel deceived and seek justice to redress problems in the way that the country’s wealth has been divided up and in the way that some operate under the protection of the law.

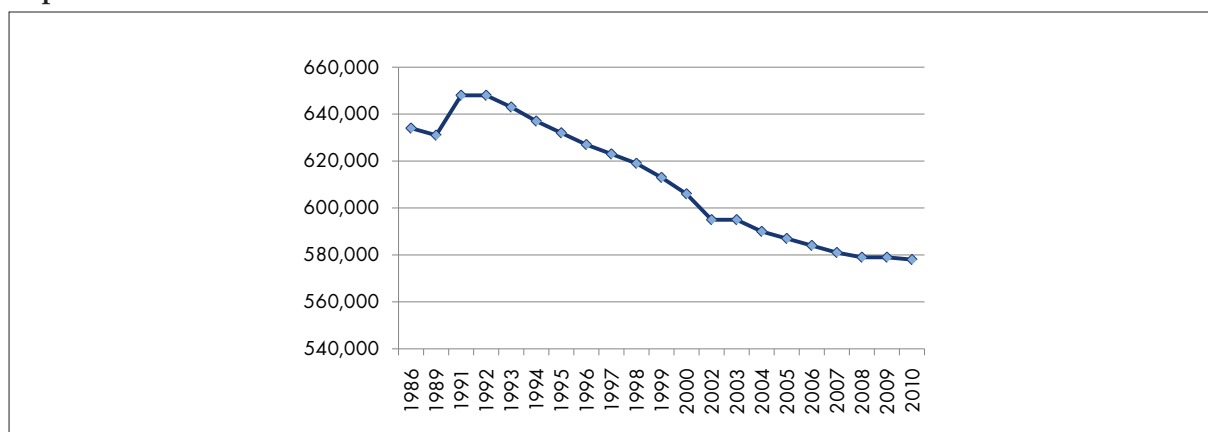
About the Author

Andrei Kalachinsky is deputy to the first prorector for public relations at Vladivostok State University of the Economy and Service, the secretary of the Primorsky Society for Friendship with China, and a political commentator for Primor’ye’s Public Television, where he conducts live interviews with officials and politicians.

Statistics

Population Statistics of the Russian Far East

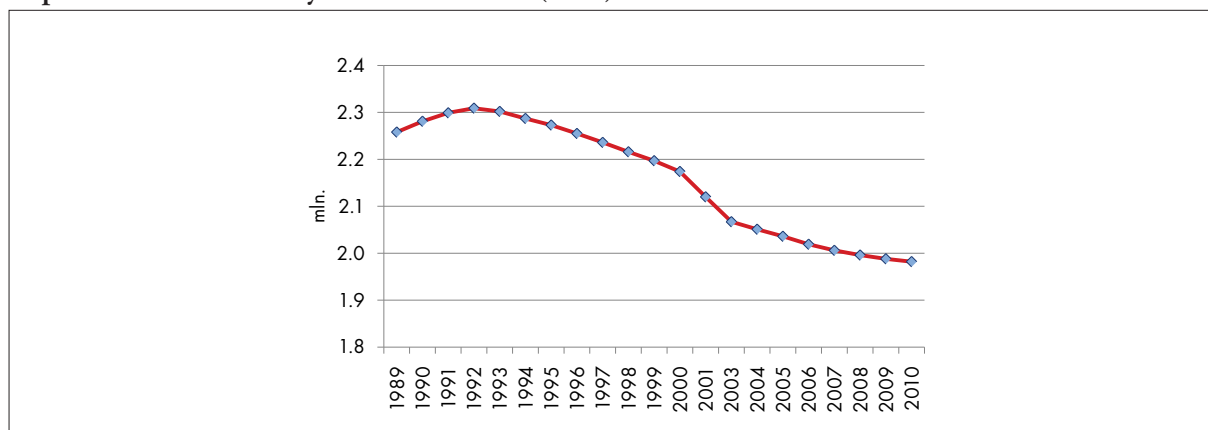
Population of Vladivostok 1986–2010



1986	1989	1991	1992	1993	1994	1995	1996	1997	1998	1999
634,000	631,000	648,000	648,000	643,000	637,000	632,000	627,000	623,000	619,000	613,000

2000	2002	2003	2004	2005	2006	2007	2008	2009	2010
606,000	595,000	595,000	590,000	587,000	584,000	581,000	579,000	579,000	578,000

Population of Primorsky krai 1989–2010 (mln.)

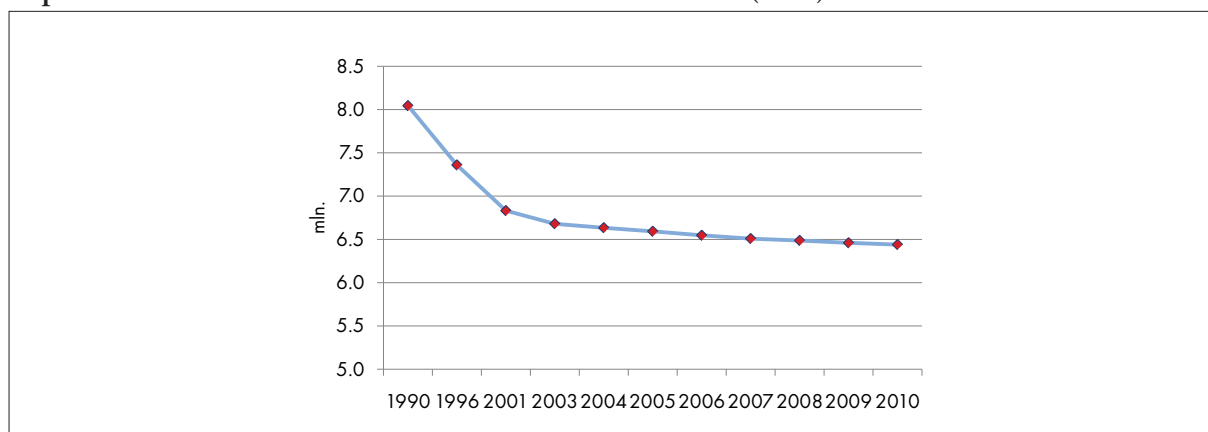


1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
2.258	2.281	2.299	2.309	2.302	2.287	2.273	2.255	2.236	2.216	2.197

2000	2001	2003	2004	2005	2006	2007	2008	2009	2010
2.174	2.120	2.067	2.051	2.036	2.019	2.006	1.996	1.988	1.982

Sources: Rossiisky statistichesky ezhegodnik (Russian Statistics Yearbook, published by the Russian Federal State Statistics Service) for 1994, 2000 and 2009, website of the Russian Federal State Statistics Service, www.gks.ru

Population of the Far Eastern Federal District 1990–2010 (mln.)

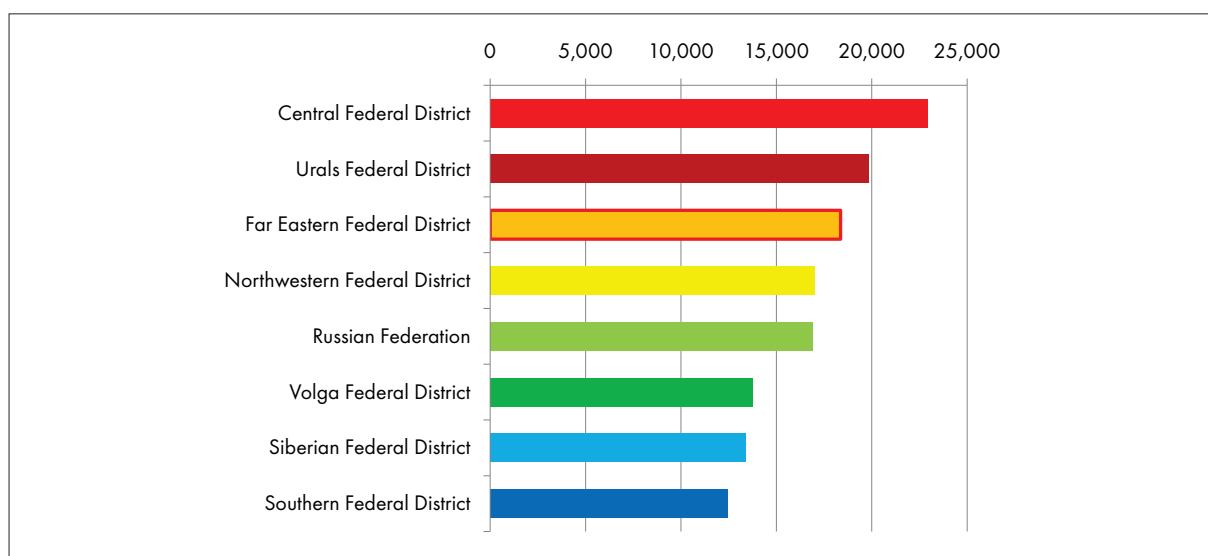


1990	1996	2001	2003	2004	2005	2006	2007	2008	2009	2010
8.045	7.360	6.832	6.680	6.634	6.593	6.547	6.509	6.487	6.460	6.440

Sources: Rossiisky statistichesky ezhegodnik (Russian Statistics Yearbook, published by the Russian Federal State Statistics Service) for 2009, website of the Russian Federal State Statistics Service, www.gks.ru

Average Per Capita Income of Selected Russian Regions

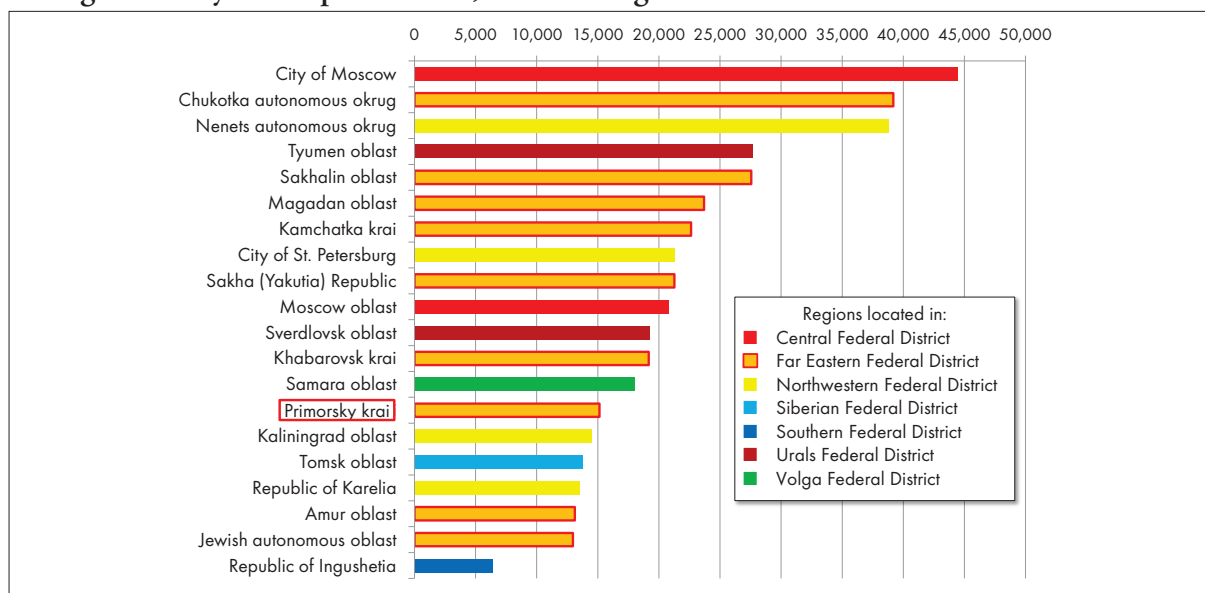
Average Monthly Per Capita Income, Russian Federal Districts 2009



See table overleaf for exact figures.

Sources: website of the Russian Federal State Statistics Service, www.gks.ru

Average Monthly Per Capita Income, Selected Regions of the Russian Federation 2009



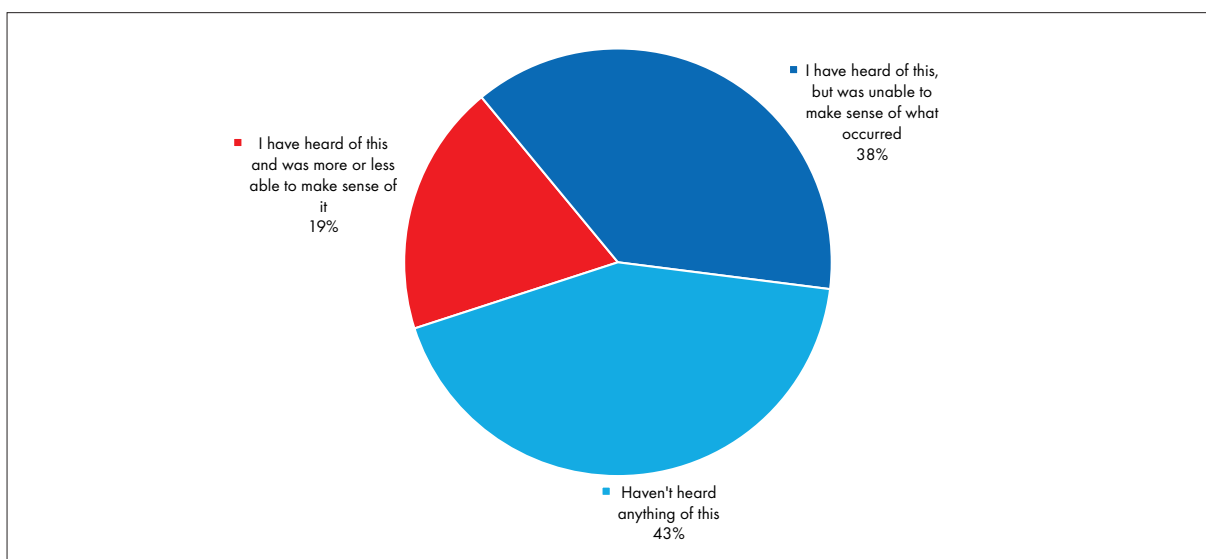
Russian Federation	16,886.5
<i>Central Federal District</i>	22,906.7
Moscow oblast	20,822.9
City of Moscow	44,487.8
<i>Northwestern Federal District</i>	17,025.3
Republic of Karelia	13,505.7
Nenets autonomous okrug	38,864.0
Kaliningrad oblast	14,504.2
City of St. Petersburg	21,332.2
<i>Southern Federal District</i>	12,437.7
Republic of Ingushetia	6,410.0
<i>Volga Federal District</i>	13,747.5
Samara oblast	18,046.1
<i>Urals Federal District</i>	19,848.7
Sverdlovsk oblast	19,243.3
Tyumen oblast	27,680.0
<i>Siberian Federal District</i>	13,388.4
Tomsk oblast	13,769.6
<i>Far Eastern Federal District</i>	18,367.3
Sakha (Yakutia) Republic	21,274.2
Kamchatka krai	22,637.6
Primorsky krai	15,137.6
Khabarovsk krai	19,167.3
Amur oblast	13,118.3
Magadan oblast	23,693.1
Sakhalin oblast	27,552.5
Jewish autonomous oblast	12,967.7
Chukotka autonomous okrug	39,177.9

 Sources: website of the Russian Federal State Statistics Service, www.gks.ru

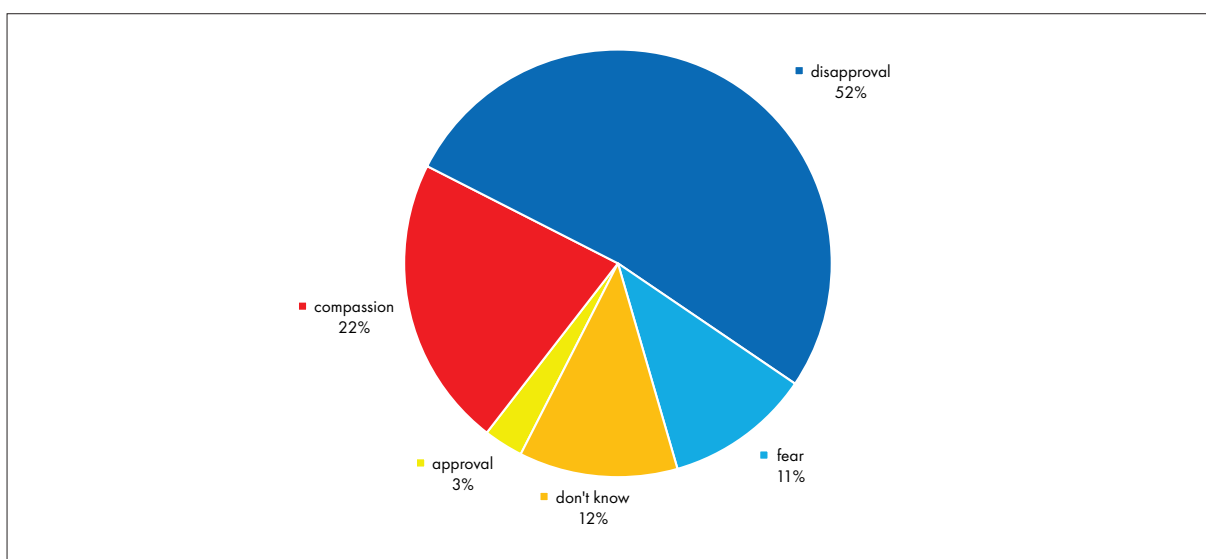
Opinion Poll

Russian Opinions on Vigilante Killings of Members of the Militia in Primorye

Have you heard of the liquidation in Primorsky krai of an armed group of young men who attacked militia precincts and killed members of the militia? If yes, to what extent have you understood what occurred there?

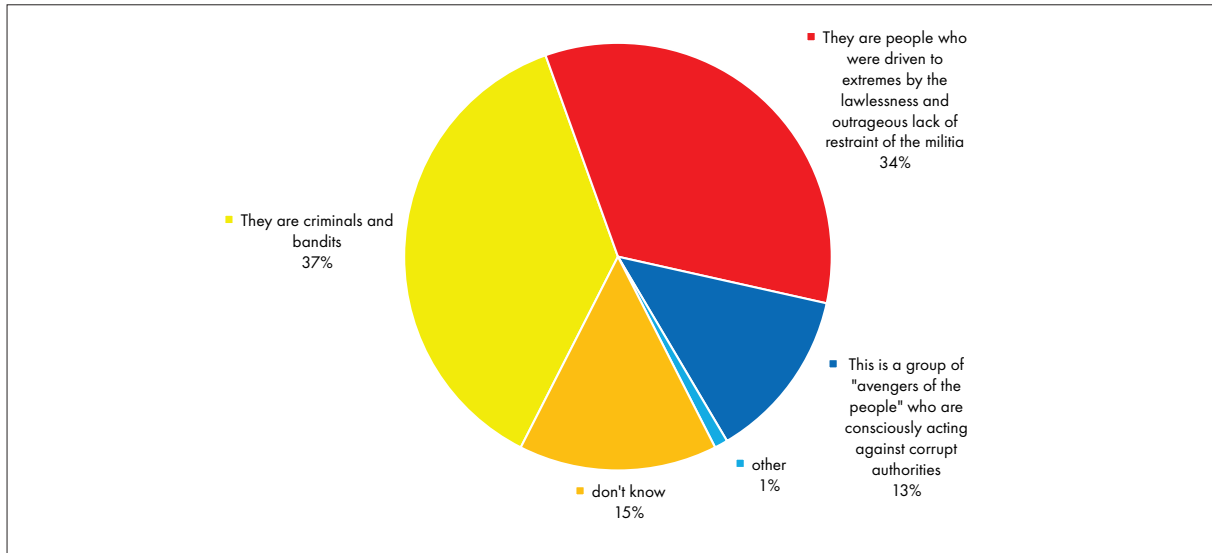


What feelings do the young men's actions provoke in you?
(Percentage of respondents who answered that they had heard of what had happened)

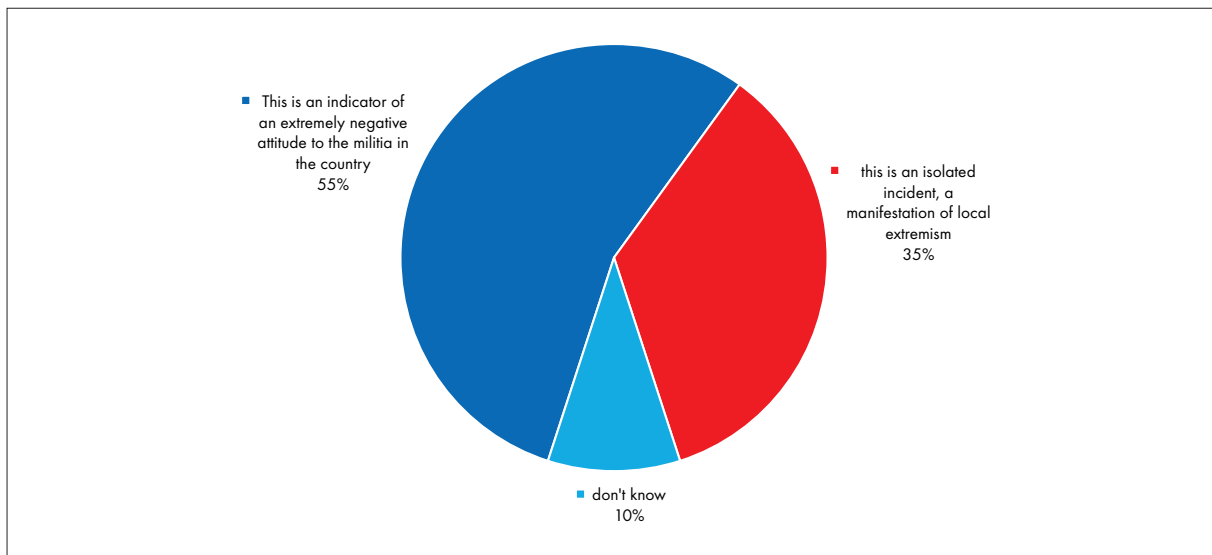


Source: representative opinion poll carried out by the Levada Center in 130 population centers and 45 regions of Russia, 18–22 June 2010, <http://www.levada.ru/press/2010062900.html>

**Which statements about the group of young men do you agree with?
(Percentage of respondents who answered that they had heard of what had happened)**

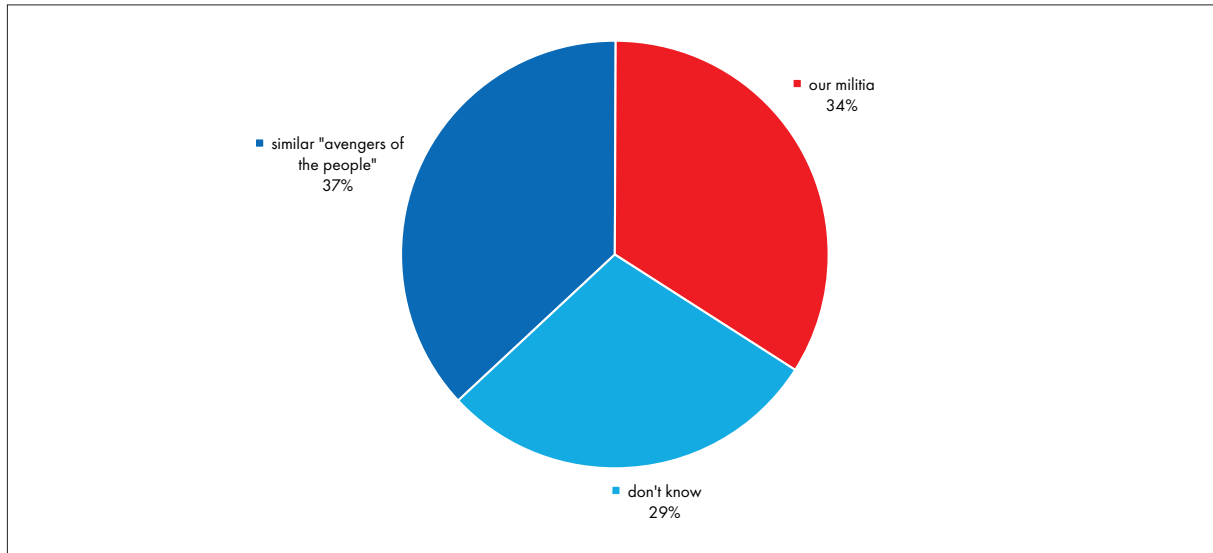


**Do you think that this is an isolated incident, a manifestation of local extremism or an indicator of an extremely negative attitude to the militia in the country?
(Percentage of respondents who answered that they had heard of what had happened)**



Source: representative opinion poll carried out by the Levada Center in 130 population centers and 45 regions of Russia, 18–22 June 2010, <http://www.levada.ru/press/2010062900.html>

In your opinion, who should the man on the street fear more: our militia or similar "avengers of the people"?



Source: representative opinion poll carried out by the Levada Center in 130 population centers and 45 regions of Russia, 18–22 June 2010, <http://www.levada.ru/press/2010062900.html>

About the Russian Analytical Digest

Editors: Stephen Aris, Matthias Neumann, Robert Ortung, Jeronim Perović, Heiko Pleines, Hans-Henning Schröder

The Russian Analytical Digest is a bi-weekly internet publication jointly produced by the Research Centre for East European Studies [Forschungsstelle Osteuropa] at the University of Bremen (www.forschungsstelle.uni-bremen.de), the Center for Security Studies (CSS) at the Swiss Federal Institute of Technology Zurich (ETH Zurich), the Resource Security Institute and the Institute of History at the University of Basel (<http://histsem.unibas.ch/seminar/>). It is supported by the German Association for East European Studies (DGO). The Digest draws on contributions to the German-language Russland-Analysen (www.laender-analysen.de/russland), the CSS analytical network on Russia and Eurasia (www.res.ethz.ch), and the Russian Regional Report. The Russian Analytical Digest covers political, economic, and social developments in Russia and its regions, and looks at Russia's role in international relations.

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Founded in 1982, the Research Centre for East European Studies (Forschungsstelle Osteuropa) at the University of Bremen is dedicated to socialist and post-socialist cultural and societal developments in the countries of Central and Eastern Europe.

In the area of post-socialist societies, extensive research projects have been conducted in recent years with emphasis on political decision-making processes, economic culture and the integration of post-socialist countries into EU governance. One of the core missions of the institute is the dissemination of academic knowledge to the interested public. This includes regular email services with nearly 20,000 subscribers in politics, economics and the media.

With a collection of publications on Eastern Europe unique in Germany, the Research Centre is also a contact point for researchers as well as the interested public. The Research Centre has approximately 300 periodicals from Russia alone, which are available in the institute's library. News reports as well as academic literature is systematically processed and analyzed in data bases.

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The Center for Security Studies (CSS) at ETH Zurich is a Swiss academic center of competence that specializes in research, teaching, and information services in the fields of international and Swiss security studies. The CSS also acts as a consultant to various political bodies and the general public. The CSS is engaged in research projects with a number of Swiss and international partners. The Center's research focus is on new risks, European and transatlantic security, strategy and doctrine, area studies, state failure and state building, and Swiss foreign and security policy.

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The Institute of History at the University of Basel

The Institute of History at the University of Basel was founded in 1887. It now consists of ten professors and employs some 80 researchers, teaching assistants and administrative staff. Research and teaching relate to the period from late antiquity to contemporary history. The Institute offers its 800 students a Bachelor's and Master's Degree in general history and various specialized subjects, including a comprehensive Master's Program in Eastern European History (<http://histsem.unibas.ch/bereiche/osteuro-paeische-geschichte/>).

Resource Security Institute

The Resource Security Institute (RSI) is a non-profit organization devoted to improving understanding about global energy security, particularly as it relates to Eurasia. We do this through collaborating on the publication of electronic newsletters, articles, books and public presentations.

Any opinions expressed in Russian Analytical Digest are exclusively those of the authors.

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