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**dispatches \_ on russia**  
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**dispatches**  
**\_ on russia**

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putin,  
power,  
and a  
new kind  
of russia

I have watched the scene out the window of my flat in Moscow thousands of times in the last 11 years, and I still find it compelling. For me, there is no better way to sum up the nature of power in Russia.

Some 400,000 cars pass by every day on Kutuzovskiy Prospekt, one of the city's main highways, at its widest a full 12 lanes. The flow is relentless, the noise deafening, even at night. But then it suddenly stops, and the air fills with an eerie silence. In an operation of military precision, police clear the lanes and block all access routes. Within a few minutes the highway is emptied, down to the last car. It is deserted, frozen in time. Everyone waits.

Then, on the horizon, flashing blue lights and sirens fill the wide road. A motorcade appears. At speeds of up to 100 miles an hour, an armored dark-blue limousine whizzes by. Traffic wardens stand to attention and salute. The vehicle is flanked by police cars and minivans crammed with men pointing machine guns out the windows.

Inside the limousine, seated comfortably behind drawn curtains as he is driven to work in the Kremlin or to his home in Moscow's leafy suburbs, is either Prime Minister Vladimir Putin, Russia's strongman, or President Dmitry Medvedev, his handpicked successor.

A stretch of 30 miles is cleared in this fashion, but Russians have long become accustomed to the discomfort of their leaders' travel arrangements.

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Massive traffic jams ensue but people wait patiently. Publicly at least, nobody complains. Nor has a single lawmaker ever dared suggest curbing such privileges – or proposed that Kremlin leaders switch to helicopters.

The honor used to be reserved for Russia's president. But now that Putin has moved from the Kremlin to head the government, it has been extended to the prime minister lest he feel a loss of status. As a result, the ritual can take place four times a day.

Few moments better capture the contempt of the Russian state for its people. Power here is bullying, not democratic. It is there to be flaunted, not questioned. Russia's leaders may be elected but they are still treated like tsars, and they are really accountable only to themselves.

I first watched this display of power after I moved to Moscow in the spring of 1997 when it was Boris Yeltsin's show. It has not changed much. By contrast, the wide road could hardly be more different.

It begins along the Roublevka, once a quiet country lane through thick woods of fir trees that led to the small hamlets of summer dachas used by the Soviet intelligentsia. Now transformed into Russia's answer to Beverly Hills, the area is where most of the country's billionaires and government ministers live in the ostentatious luxury of their gated compounds boxed in by 16-foot-high fences

watched by closed-circuit cameras and patrolled day and night by private guards.

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In once open countryside now shines Barvikha Luxury Village, an elite shopping complex just down the road from Putin's dacha. Lamborghini and Ferrari have showrooms. Pre-credit crunch, the Bentley dealership was said to sell a car almost every day. Gucci, Prada, and Armani are there too, as is Dolce & Gabbana, with its VIP fitting room decorated in mink.

As they reach Kutuzovsky, Putin and Medvedev speed past the building where Leonid Brezhnev lived. But instead of going by drab Soviet shop fronts, they pass more evidence of Moscow's giddy transition from diehard communism to rampant capitalism.

There's the Harley Davidson dealership, the 24-hour luxury supermarket where four peaches will set you back \$30, the local sushi bar, the fancy Italian restaurant, where thickset bodyguards pace up and the down while inside their patrons feast on lobster fettuccine. Not to mention the lavish beauty salons and designer fashion shops where the wives and mistresses of the well-heeled spend their afternoons – they, too, with their minders in tow, of course.

Towering above Kutuzovsky's Stalinist buildings is the Moscow Siti – Russia's new financial district which for years seemed pure fantasy but is now being built. Several glitzy glass skyscrapers already

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have been finished and will soon be joined by Europe's tallest building, designed by British architect Sir Norman Foster.

The contrast with Soviet times is stunning. But there is no need to go back that far. Just wind the clock back to 1997 when I first moved to Kutuzovsky. Then, battered Volgas, Ladas, and Zhigulis drove by below the windows of my flat. Now every second car is of a foreign brand and every third an SUV, a Merc, or a BMW. Or take mobile phones. Very few Muscovites had one then. Now even my local beggar Sergei, a 65-year-old former prison convict, who pretends to be blind as he plays the accordion in an underpass a few blocks from me, has his own cell phone.

Moscow is one of the world's five most expensive cities and must surely be its capital of bling, brashness and ostentatious display of wealth. But, as the locals like to say, Moscow is not Russia.

Millions of Russians still struggle to survive. Travel only 100 miles from the capital, and you'll find people who live on monthly salaries and pensions that in Moscow will barely buy a fancy dinner for two. The wealth, however, is beginning to trickle down to a rising middle class as well as to other Russian cities.

True, financial meltdown wiped out Russia's stock market and hit hard most of the country's

billionaires, depleting their ranks. Until the summer, they were second only to America's. Repercussions will be felt for long and Russia's economy – which has known only growth during the last nine years – is certain to stall.

At best the boom may be on hold, at worst it could be over, but one thing is for sure: Russia has taken to capitalism with a vengeance.

With the credo of communism long defunct, the brash and swift accumulation of wealth is now the new ideology, the new value system, the new religion. No other country has ever given birth to so much private wealth in so little time. Despised and denounced for 70 years as the root of all evil, capitalism has been embraced in Russia with the fervent passion of the neophyte.

On the surface at least, Russia looks increasingly like the West. And in the last century, the West and Russia have never had as much contact as during the last 15 years or so.

From Manhattan to Chelsea and Knightsbridge, from Sardinia to the Caribbean, Russians are buying up some of the world's most expensive properties. Sending their children to private boarding school in England and university in America has long been a must.

Until the financial crisis hit, foreign investment increased every year, and Russians had started buying business in the West. Ordinary citizens

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039 learn English in record numbers, and more and more travel abroad on holiday at least once a year.

New York and London have sizable Russian communities. Never has there been so much interaction, nor has Western culture ever been so accessible.

After the dramatic fallout between Russia and Britain over the death by polonium-210 in London of former KGB agent Alexander Litvinenko, I had an off-the-record dinner with one of the most senior people in the FSB, as the KGB has been renamed.

The decorated general has spent more than 30 years in the Kantora – the organization – as insiders refer to Russia's feared secret police. But when we discussed Litvinenko and the damaging diplomatic crisis, what upset him most was that he had to cancel his yearly tour of Britain's best whiskey distilleries because he had been denied a visa – the Brits suspect the FSB played a hand in Litvinenko's death. "That," he said, "was over the top. A personal insult."

Putin, a cold war veteran who spent 16 years in the KGB, speaks English and German. Medvedev, at 42 Russia's youngest leader since Tsar Nicholas II, is a liberal-minded lawyer who has no links to Russia's security services. He practices yoga and is a Deep Purple fan. By nature he is far more open-minded towards the West than any of his predecessors.

The irony, however, is that far from understanding each other more, the gulf between the West and

Russia has never been so wide. After the war in Georgia, relations between Washington and Moscow are at the lowest since the collapse of the Berlin Wall. Talk of a new cold war is exaggerated but for all the contact between us and them the mistrust has only deepened.

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Most Russians were genuinely shocked at the ferocity of criticism the West vented during the Georgia crisis. Moscow, they say, did not start the war. It acted in self-defense only after the Georgian army attacked South Ossetia, killing Russian citizens. Nor did the Russians invade Georgia – their operation was a mere incursion to destroy military targets. America is to blame for meddling in Russia's backyard and arming the Georgians. Finally, most Russians ask angrily, what moral right does the U.S. or Britain have to criticize the Russians for briefly entering Georgia when both have been in Iraq for more than five years?

In the West, the view could hardly be more different. Russia, an aggressive power with expansionist ambitions, provoked Georgia because its pro-American government wants to join NATO. As in the 1968 Soviet invasion of Czechoslovakia, Moscow aimed to quash a country seeking to escape the Kremlin's nefarious influence.

Relations between Russia and the West have steadily worsened since the late 1990s. The crisis in Georgia only hardened differences. Nearly 20 years since

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the end of the Cold War, the misunderstandings are many.

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The West sees Putin, who stepped down as president but remains Russia's most powerful man as prime minister, as an autocrat bent on turning back the clock. Most Russians, however, view him as a savior and wanted him to stay on as president. We think of Russia under Putin as a threat to its neighbors. Russians feel besieged and speak of dark Western plots to weaken Russia. We criticize the Kremlin for stifling democracy but in Russia itself, debating the state of democracy is not a priority. Last but not least, few realize that Russia's list of grievances is long, starting with a widespread feeling that the West let them down after the collapse of communism.

Some simply shrug: Who cares and why bother?

Well, Russia may be a shadow of its former Soviet self but like it or not it is fast becoming an energy superpower. It holds the world's largest natural resources and already supplies Europe with a quarter of its gas. Its stranglehold on energy pipelines that head West is all but complete and by its own admission it is becoming assertive again.

For better or worse, after years on its knees, Russia is coming back. Some argue the West should engage it, others warn it should be contained. Either way, one first needs to know where it's coming from.

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So, what is the mood in Russia two decades after the collapse of communism? What is Putin's Russia really like? And what is it that we in the West don't really understand about today's Russia?

I put the question to Sergei Ivanov, the Russian deputy prime minister and former defense minister who was long tipped as Putin's successor. Ivanov, a veteran of 20 years in the KGB, is viewed in the West as a hawk. But he sees us, not them, as the true cold war warriors.

"In my view the problem is that the West does not believe that Russia is a European country, sharing European moral, historic, religious values, sharing market economy principles," he said in fluent English. "And when Russia seeks to explain why we disagree on a particular issue the reaction in the West is always: 'Oh, Russia is a special country, it is still not European, it is an Asian country, we should not trust it.'"

"Too much mistrust?" I asked him as we sat in the White House, the seat of the Russian government where Putin has his new office, and the same building Yeltsin shelled with tanks in 1993 when it housed a parliament that dared defy him.

"Yes, too much mistrust," he answered. "The wall should go - as my favorite Pink Floyd song says. For many in the West it's much more convenient not to understand and to give the impression that

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nothing changes. There are many cold war warriors. Old habits and old perceptions die hard."

Ivanov concluded: "Many Brits and Americans still think that there are bears on the streets here, that all Russians are drunk, that they are treacherous, and that we spend our time plotting how best to attack the West and seize its wealth. That's part of old-style Cold War propaganda."

I was here when in August 1999 a desperate and deeply unpopular Boris Yeltsin made Vladimir Putin prime minister and anointed him as his chosen successor. Most dismissed Putin. He was the fifth man to head the government in the space of only a few months and was practically unknown. That changed quickly. Nine years later, Putin is among the most influential leaders in Russia's history. He is certainly its most popular.

During his time I have seen many ugly trends and reported on countless reprehensible acts. It is a myth that there was democracy and freedom under Yeltsin, as some in the West claim. But it is true that under Putin, Russia is an authoritarian place.

Putin has crushed all opposition and turned both houses of parliament into rubberstamping tools of the Kremlin. He has canceled regional elections and brought all national television under his strict control. True, under Yeltsin, channels had become political tools of powerful oligarchs, but at least



there was more than one voice. Now, TV in Russia is a Kremlin propaganda tool so sycophantic in its reporting of Putin and Medvedev that it can be compared only to the evening news of Soviet times.

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So efficient is the system that there is no need for censorship anymore. Self-censorship rules. Everyone knows what is not allowed. Critical voices have been banned from television for nearly nine years already. Independent journalists have been sacked or bullied into fleeing abroad. Nearly 20 have been killed – not by the state but the Kremlin's indifference has created a culture of impunity. Such contract hits are never solved. True investigative reporters do not last long in today's Russia.

Shortly after Putin last year recorded a statement to the nation at Moscow's television center, its management had the desk and chair at which he sat removed to put them on display in the building's museum. Putin's two daughters are in their 20s, but Russians do not have the faintest idea of what they look like because the only available photographs date to when they were little girls.

When in early October 2008 the Russian stock market collapsed by 20 percent in a single day – its worst loss ever – Russian television did not report the news. Instead it led with an upbeat meeting on the state of the economy between one of Russia's richest men and Medvedev. Many welcomed the news blackout. The crash was not reported to avoid creating panic, they argued. Imagine trying to pull off something of the kind anywhere in the West.

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Putin and his coterie run Russia utterly unchallenged. No decision or legislation is questioned, no matter how important. At home Putin is never put on the spot. For the Kremlin, there is no accountability. No Western leader enjoys such power and means.

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In his time, Putin has either jailed his critics or forced them into exile. He launched a brutal second Chechen war, which killed tens of thousands of civilians and handed power in the region to a young thug who has been accused of personally torturing his opponents with a blowtorch. (Chechen president Ramzan Kadyrov rejects the claim.)

Already widespread under Yeltsin, corruption has become rampant during Putin's time. To say that it is endemic is to downplay its extent. It permeates all levels of society, from the Kremlin down. This is so because state employees could not possibly survive on their official salary and because Russia's bureaucracy is so complex and Byzantine that its people would find it hard to function without bribes.

Millions of Russians either live off bribes, pay bribes, or both. Much of the state's cumbersome machine functions as a result of people greasing each other's palms.

The concept of an honest traffic policeman is so alien in Russia that the country's equivalent of "Saturday Night Live" runs a weekly sketch in which a comedian plays the fictional part of the

only policeman in a provincial Russian town who stubbornly refuses to extort bribes from drivers. At night he goes back to an empty home and a wife and son dressed in tattered potato sacks. Both are starving. For dinner his wife serves him a bowl of cold water. As millions of Russians do every autumn, when they store away homemade pickled vegetables for the winter months, the policeman's wife too, carefully seals several big glass jars – but they are all empty.

For most things in Russia there is an official way – invariably tortuous and time-consuming – and an unofficial one – smooth and efficient but usually corrupt.

People pay backhanders to doctors to jump queues and get decent medical attention. Teachers accept bribes to admit students or, in cases, to raise grades. Motorists pay bribes to traffic police to avoid fines or even buy their driving license. Businesses pay customs officers to get goods through smoothly. Journalists take cash to run positive or negative articles.

Legislators accept envelopes stuffed with cash to pass laws and lobby. A bribe can sway a judge's verdict, a police report, or a security services investigation. And so on. Corruption is one of Russia's vital organs. It keeps the system running.

Twice I have been the guest at the house of a very close acquaintance, a member of the Russian government. I knew he was well off but it was only when the gates to his estate on the outskirts of Moscow

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opened that I realized he is a multimillionaire. And over an exotic dinner, which included swan meat, I understood the source of his wealth.

He is not corrupt – of that I am sure. Instead he has multiple businesses on the side. In Russia there is nothing wrong with that. There is no conflict of interest and everyone knows who is making money, and how, by capitalizing on his position of power. It is expected. Why else would a smart Russian want to work for the state in return for a miserable salary? It grants influence, and in Russia, power is a lucrative money earner.

As a result, whenever a powerful figure is accused of corruption, stripped of his job and, as in some cases, jailed, corruption is only the pretext. The real reason is that he has fallen from grace and come into conflict with people who are more powerful.

Both Putin and Medvedev have described corruption as one of Russia's greatest ills. Still, Putin has done all but nothing to tackle it. Medvedev has vowed to put an end to it but so far has had no success. Privately, both believe it to be so deeply rooted they doubt it can be really eradicated.

What cannot be taken care of with a bribe is usually dealt with through connections. Knowing people in the right place helps in most countries. In Russia, it is paramount. For those with the right connections here, almost everything is possible and often considerably easier than in the West – unless the conflict is with the Kremlin.

048 But ordinary Russians with neither money nor influential acquaintances have no rights. Not even the most basic. And if God forbid they should end up in the sights of the country's power structures, they are sucked into a terrifying Kafkaesque nightmare where they are impotent and at the mercy of their persecutors.

As most Russians like to complain, one irony of modern-day Russia is that the biggest mafia clan of all, the scariest banditi, are not members of organized crime groups but rather those men wearing epaulettes. Not all, of course. But the problem lies as much in the system as it does in the individuals. Abuse of power and impunity are commonplace. Add corruption and you have a dangerous mix: anyone with power far more influential than his counterpart in the West.

Recently, I had a private lunch with one of the most powerful figures in Russia, a man I like who has served the state for nearly four decades and is close to Putin. After a couple of glasses of Chacia, a powerful grappa from Georgia, I pointed out that I was driving. Without a pause, the man dialed a number on his mobile, reached the head of Russia's traffic police and ordered a police escort to allow me to drive back home drunk, without fear of being pulled over.

This was a simple reminder that for a man of his influence in Russia, there is no limit to power, no person who will not bend rules to please. It would be unwise to appear disrespectful and foolish to

049 pass on an opportunity to accommodate a man who one day could return the favor. In the West, such behavior would go down as a reprehensible display of power abuse. But here, it was simple courtesy.

Since connections are all, I nearly turned to the man for help when I recently experienced at first hand how Russian rule of law works. Following a minor traffic violation – briefly driving my motorbike down a pavement to skirt a traffic jam – I got into a trivial argument with a local Moscow prosecutor.

Instead of summoning a traffic cop to fine me, the man chose to show off his power. I was detained for six hours at an Interior Ministry police station, where, under the prosecutor's instructions, a senior officer typed up a false report accusing me of pushing and insulting a policeman and attempting to flee the scene.

You would not surprise a Russian with the notion that police officers systematically fabricate evidence, use brute force, torture and blackmail to extort false confessions and persecute innocent people on trumped-up charges. But this was enlightening because for the first time I watched the process unfold before my eyes.

What struck me most was the nonchalance with which the police captain twisted a minor traffic violation into a case that could see me end up in court. It was no sudden moment of creative inspiration but rather a talent fine-tuned to the point of being second nature.

050 And as I was to be reminded, in Russia members of the police, the judiciary, and the security services as well as anyone in a position of state authority are mostly above the law they are supposed to be enforcing. Many are diligent, committed officers. Far more, however, are there not to protect fellow citizens and uphold the law. They are the law. They need not fear society and its ordinary citizens – only their boss.

Nine years after Putin came to power, Russia remains a brutal place. Those with money and the right connections have opportunities they could only dream of in other countries, but the ordinary man on the street has little or no rights. It is a place of endless possibilities on the one hand and terrible suffering and injustice on the other. Life is still cheap and the state has not lost its arrogant and contemptuous disdain for the rights of its citizens.

Given Russia's immense problems, one could be forgiven for thinking that Vladimir Putin is in trouble. Instead, after the war in Georgia, a staggering 90 percent of Russians expressed approval. As some of his critics rightly point out, that is hardly surprising in view of the Soviet-style propaganda Russians see every night on state television. There is even a pop song titled "I Want a Man Like Putin" which, of course, made the charts.

But Putin is genuinely popular. Most Russians wanted him to change the constitution so he

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could stay on as president instead of becoming prime minister.

The main explanation is simple: things may still be difficult in Russia but nothing like they were before Putin came to power.

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Liberalizing Russia's economy after 70 years of communism was a traumatic business. Millions lost their savings and were plunged into dire poverty while a few insiders became fabulously rich oligarchs who flaunted their wealth. Crime became rampant. Russia, once the heart of an empire feared and respected around the world, was on its knees.

For scientists, engineers, and state workers who had given up a life of certainties to eke out a living as gypsy cab drivers, or for pensioners forced to survive by collecting empty bottles off the street for a few kopeks, a free press could hardly be much consolation.

That explains why Mikhail Gorbachev and Yeltsin were feted in the West but despised by most in Russia as the two leaders who stopped the clock and engineered the end of the Soviet Union.

My cleaning lady, for instance, was an officer in Soviet military intelligence who served in Afghanistan and Hungary. Her official monthly pension now is \$200 and her life has taken quite a turn for the worse. No wonder then that she sees Gorbachev and Yeltsin as criminals who sold away her country.

052 “Putin is the product of a reaction to the national humiliation, collapse, and degradation that we saw here in the 1990s,” explained Mikhail Leontiev, one of Russia’s first independent journalists, “Putin was needed.”

Leontiev has transformed himself into a rabid anti-American commentator who has his own political show on Russian state television. During the war in Georgia, a quarter of Russia’s TV audience watched him. He sings to the Kremlin’s tune but reflects as much as he shapes the views of Russia’s man in the street.

“The country woke up again. It stopped washing its dirty linen in public, telling everyone how sick, drunk, and incapable of a normal existence we were. It stopped urging someone, anyone, to come and occupy us. It is out of this state of mind that the country emerged. Putin gave us the state back. And he gave us back our sense of dignity.”

Western opinion may have been shocked when Putin described the end of the Soviet Union as “the greatest geopolitical catastrophe of the 20th century,” but he was in tune with most of his people.

Russians who vilify Yeltsin for what he dismantled praise Putin for what he is seen to have rebuilt. While we in the West are up in arms at his authoritarian style and the ruthlessness with which he has rolled back most of Yeltsin’s democratic reforms, Russians see in him someone who is gradually returning their self-esteem by improving standards

053 of living and making Russia a player again on the world stage.

In 1998, a year after I moved to Russia, Yeltsin oversaw the country’s greatest financial crisis. The ruble lost a sixth of its value, Russia defaulted on billions of dollars of foreign debt, and millions lost their savings.

Greatly helped by record high oil prices, under Putin Russia experienced eight years of uninterrupted growth, repaid its foreign debts early and put aside a stabilization fund of more than \$160 billion. Until the world financial crisis, Russia had been booming. Moscow, once a drab place many thought of as a third world city, became one of the most hedonistic places on earth.

Millions still struggle here and the world credit crunch has hit Russia hard. But walk into any of Moscow’s nightclubs on a good night and you’d be forgiven for thinking the crisis was not so bad after all. Take RAI Paradise, a club popular with Russia’s golden youth – its first generation since tsarist times born or raised rich.

Outside, chauffeur-driven black Hummers, BMWs with tinted windows, and at least one Lamborghini crawl along the canal past guards in dark suits and earpieces.

Inside, the scene is pure hedonism – Moscow style – brash, unabashed, gaudy, and ostentatious. Long-legged models covered in body paint pose topless

next to a Formula One car on show for the night, a few steps from a dozen oversized Fabergé eggs on sale for \$4,000 apiece. Perfectly sculpted dancing girls covered only in baby oil and tiny bikinis gyrate on the bar overlooking a packed dance floor.

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Rising above are the club's private lodges. The cheapest – a cramped cubicle for six – costs \$2,500 for the night. The VIP, a kitschy affair with its own back room and shower, can be rented for \$10,000, drinks included. On a night I visited, all lodges were taken – one by Andrei, the son of a wealthy businessman, who was celebrating his 17th birthday with friends while his driver and bodyguard killed time watching a DVD in a Mercedes outside.

In a haze of smoke, bright laser beams and sparkler sticks, Andrei and his schoolmates were puffing on water pipes and knocking back vodka shots and mojitos. One of his girlfriends, who looked barely 18 in a see-through top, fishnet tights, and diamond earrings, drank Champagne and picked strawberries from a giant fruit platter.

"Life is great," Andrei shouted over the loud music as a throng of very young women and older men danced below. "Look at this! It's RAI! What better place to be than in Moscow? We have it all. It's the best place in the world to party. If you have money, of course. But that's not a problem."

As if on cue, a Russian pop song with the lyrics *zhizni udalas* (life's worked out well) came on. The

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// AN ATTRACTIVE YOUNG  
BLONDE, SIPPING A  
COCKTAIL, WORE A WHITE  
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crowd went so wild that security had to remove two young girls. Later, by the bar, I found an even more poignant way to sum up the Moscow of the *zolotoya molodezh* (golden youth). An attractive young blonde, sipping a cocktail, wore a white T-shirt with a warning emblazoned across her cleavage: "No yacht. No plane. No money. No chance."

To travel outside the capital is to go back decades. In regional cities, life is slowly improving. Wealth is trickling down, and a small middle class is growing. Pick any village in Russia, however, and you'll come face to face with a society blighted by alcoholism, poverty and hopelessness.

Many still live along dirt tracks in wooden houses without proper sewage. They survive on what they grow and shop in small Soviet-era food stores where most products are Russian-made. Unemployment is high. Seeking work, young people head for nearby cities, leaving behind the sick and old, often in semi-deserted villages.

Life may have improved, but Russia remains a deeply tragic place. The average male life expectancy is just 59, well below that of Western Europe and many developing countries. For women, it is 70. Elderly ladies, mostly, populate the villages. Alcoholism kills men early, especially in the countryside. Counterfeit vodka alone is responsible for 40,000 deaths a year. Bad health care, smoking, and depression among the jobless all take a toll.

Many of Russia's 30 million pensioners live in poverty. They can be seen on the streets of Moscow or St. Petersburg trying to scrape a living by selling gherkins, woolly socks, or the odd personal possession.

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Hard times partly explain a new tide of hate. There are many unpleasant aspects to Putin's Russia. One of its most despicable is the dramatic rise in racially motivated murders by Russia's growing mob of neo-Nazis.

It is one of the contradictions of modern Russia: the country which 60 years ago did the most to defeat Nazism is now home to one of Europe's most vicious neo-Nazi movements.

Some 300 immigrants have been killed and 2,000 injured in attacks over the last five years. The Kremlin strongly condemns the violence but is often accused of not doing enough to stop it. In some cases, police play down crimes, categorizing them as acts of hooliganism. The issue is sensitive, and politicians are reluctant to admit Russia has a racial problem.

As a result, except for a few well-publicized cases, those Russian skinheads and neo-Nazis who are prosecuted receive far lesser sentences. In a worrying sign of a growing social malaise in Russia, often those committing the murders are mere teenagers.

Any non-white might be a victim. The youngest to

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date is Khursheda Sultanova, a 9-year-old Tajik girl who bled to death on the outskirts of St. Petersburg after being stabbed by skinheads chanting, "Russia is for Russians."

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By far the most shocking brutality against dark-skinned immigrants was posted on the Internet less than two years ago. A video showed two migrant workers tied up and gagged in a forest. Hooded and posing in front of a neo-Nazi flag, their captors beheaded one man with a hunting knife and shot the other in the head.

Police have yet to make a single arrest and, like most racially motivated killings, the double murder remains unsolved.

I once joined a group of 50 neo-Nazis at a secret boot camp in the woods two hours from Moscow where volunteers receive combat training and classes in extremist ideology. At night, around a bonfire flanked by torches, they exchanged Nazi salutes, chanted slogans celebrating Hitler, and made speeches about a "super-race" of ethnic Russians.

"We need to kill all dark-skinned immigrants," explained a young man renowned as one of Moscow's most radical skinheads. He calls himself Tesak, Russian slang for "hatchet." Weighing 238 pounds, shaven-headed, and wearing a black bomber jacket, Tesak is a 23-year-old unemployed building engineer. Fellow neo-Nazis respect him for his brutal assaults on non-whites. "We shouldn't just kill adults," he said. "We must also get rid of

their children. When you squash cockroaches to death, you don't just kill the big ones. You go for the little ones, too."

In a sign that the authorities are starting to clamp down, Tesak has since been arrested. More neo-Nazis are going on trial. The murders, however, are no less frequent.

If capitalism has not been good to millions of Russians, surprisingly few blame the government. Mention Putin's name, and even among the poor it is easy to find fans of Russia's strongman. Take, for instance, Larissa Vralova. She earns \$500 a month, and her elderly parents each collect a \$180 pension. They don't have much hope in the future, but they only have praise for Putin.

"Under Putin, of course things have become better," Larissa said. "Under Yeltsin, we didn't get our salary. They would just give us a part of our salary and they didn't pay us for months. They didn't pay pensions. We worked and worked, and they didn't pay us. Then our factory went bankrupt and they shut it down."

"I wanted him to stay on as president," her mother, Anna, added. "During his time we saw no suffering. Now they pay our pensions and even raise them."

It should then come as no surprise that while many in the West like to vilify Putin for his authoritarian streak and criticize his regime for rolling back

democratic reforms, in Russia to be labeled a "democrat" is political suicide. Very few Russians worry about the sorry state of Russian democracy, and Putin's KGB background was never an issue to the overwhelming majority of voters.

I recently asked Vladimir Pozner how Russia's attitude towards democracy had changed since the collapse of communism. Once a Soviet propagandist, Pozner, 72, turned his back on communist ideology and lived several years in America where he worked as a broadcaster. Now back in Russia, where he hosts the only live political show left on television, he is one of the country's sharpest commentators.

"There is a play on this word that you can't really translate when Russians talk about *der-mo-cratia* – not *de-mo-cratia*," Pozner said. "Dermo in Russian means crap – so initially what was called democracy became, excuse me, shitocracy. Because Russians saw some people getting filthy rich, and the majority of people losing everything, and that was supposed to be democracy, so naturally they said we don't want this."

"And even today if you ask people how they feel about democracy, your average Russian will respond negatively because they don't know what it is. They have heard things about it but it's become a very compromised concept."

Instead of cringing at the sight of a drunken and sick Yeltsin, most Russians now rub their hands



with glee at Putin's swipes at America. Most Russians like strong leaders, men who in the tradition of the tsars are seen to rule with an iron hand. The more Russia flexes its muscles and forcefully pursues its interests beyond its borders, the greater the impression that it is regaining some of the influence it lost with the collapse of communism.

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"I'm no big fan of Putin's or of his methods, but the reason he is popular is because he managed to bring back the country together," Pozner went on. "For the first time in many years Russians are living better, there's stability and people believe in their future.

"And he is popular because Russia is becoming assertive again. For the average Russian who is a very proud person, with a sense of history and a belief that his is a great country, Putin has given him back his sense of pride. Now, people say, the West will have to take us into consideration. You cannot ignore us anymore the way you did when Yeltsin was in power and Russia on its knees."

I put the question to Ivanov, Putin's deputy. Is Russia becoming more assertive and why? What has changed?

"Yes!" he shot back. "We are becoming more assertive. Because our economy is stronger, and we are simply richer. As a result we are more free to defend our national interests. No country in the world, however strong or rich, can dictate its rules to us and to the rest of the world. That's our point."

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So, the Russian bear is on its hind legs again. And Putin is popular in part because he is seen as defending his country's interests. Surely, there is nothing wrong with that. What few in the West realize, however, is that this comeback is fueled by a sense of revanchism towards the West – America in particular – and by a siege mentality.

Most Russians, including Putin and those around him, are convinced the West wants Russia to be weak. Far from seeing themselves as aggressive, they feel America and its allies want to encircle them. To make matters worst, many feel betrayed by Western nations that let them down when they needed help. True or false, the perception is widespread. Twenty years after the collapse of the Berlin Wall, this is hardly a healthy state of affairs.

"When the Soviet Union collapsed, most people, including myself, were thrilled with all things from the West. Now that attitude has changed," said the man at the center of the worst Anglo-Russian diplomatic crisis since the end of the Cold War.

Andrei Lugovoi is the Russian wanted by Scotland Yard on suspicion of poisoning Alexander Litvinenko, the former KGB agent who was killed in London in 2006.

He vehemently denies the allegation but has consistently refused to stand trial in Britain. To Downing Street's fury, Russia has refused to extradite him, citing its constitution, which bars the extradition of Russian citizens.

“When we first saw Western goods – Marlboro, jeans, Armani, Dolce & Gabbana, porn, all these things which were unimaginable in the Soviet Union, we thought it was our salvation,” Lugovoi said. “Then as we became used to such things and began to realize how many negative things the West also brought us, the infatuation was over. And now we see that in fact the West wants Russia to be weak. Why? Because it’s eyeing our massive natural resources.”

Last year I spent much time with Lugovoi to report on the Litvinenko story. He granted me unprecedented access, allowing me to follow him for more than a month. I went with him on a hunting trip, watched him socialize during a day at the Moscow horse races, and spent dozens of hours interviewing him.

I also attended his private birthday party when one of the guests presented him with a World War II heavy machine gun mounted on wheels and another gave him a walking stick encrusted with precious stones and gold which concealed a sharp dagger in its handle.

He has since become a member of parliament as No. 2 in a hard-line nationalist party. Innocent or guilty, how does one explain to a Western audience that the man accused of the only murder known to have involved a radioactive substance has a political future in Russia? Why do people stop him for his autograph? And what does that say about the mood here?

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063 The answer is simple: a mounting anti-Western sentiment among ordinary Russians. Those who think Lugovoi did commit murder in London think of him as a hero because Litvinenko, who fled to Britain and revealed all he knew about his former KGB employers, was viewed as a traitor. Those who think Lugovoi is innocent also consider him a hero because they believe he was set up in a complex conspiracy to smear Russia.

And those who would not vote for his nationalist party would not do so whatever they think of Lugovoi. Murderer or not, Lugovoi is in a win-win situation.

“There was a lot of euphoria in Russia,” Ivanov said. “A lot of Russians thought that after the collapse of the Soviet Union the West is on our side, they will help us and there will be eternal peace and prosperity. That was very, very naïve, but it happened. Now I think that the bulk of the Russian population is much less naïve. The temperature now, the anti-American feeling among the public in Russia is growing. That’s unfortunate.”

In contrast to Soviet times when anti-Americanism was virulent in the Kremlin but weak at the grass-roots, now at the top it is tepid but strong among ordinary people, especially among young people who are becoming increasingly patriotic.

“When communism collapsed, most expected the West to embrace them,” Pozner recalled. “To say yes, now we are together. Most people thought

that especially the U.S. would help. But then they began to see that it was either not helping or helping very little. And to make matters worse the U.S. did not want Russia to come back again.

“There was no Marshall Plan for Russia. Quite the opposite, in fact. You know, keep them down and what’s more you lost the Cold War, well now you are going to pay for it – the whole attitude towards the U.S. and towards Americans began to change. And now there’s a feeling that they betrayed us.”

Pozner is right. The mistrust runs deep. Putin has gone so far as to claim that American intelligence officers were on the ground fighting the Russians in Georgia. Even the war in Chechnya, some Russians never tire of telling me, was somehow the result of a dark Western conspiracy.

The official in charge of the British press at the Russian foreign ministry once asked me who prepared my questions whenever I traveled to the war-torn region to interview Islamic rebels fighting the Russians.

It is a deep-seated suspicion I am always confronted with whenever I visit the Lubyanka, the FSB headquarters in Moscow, whose cloak-and-dagger residents jokingly describe as the country’s tallest building – “because from here we can see as far as Siberia.”

I have known a couple of people there for years. We chat periodically over cups of strong tea. I

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probe much, and they reveal little. We genuinely like each other, and once I was given what is clearly considered a special treat inside the Kantora: a private audience in the building’s archives with Hitler’s teeth, which except for a piece of his skull, are the Fuhrer’s only remains left.

// WHEN I FIRST MOVED  
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ALL HOLLYWOOD  
BLOCKBUSTERS. NOW  
THEY ARE ALL RUSSIAN.

But, inevitably, I always feel they think I am an undercover intelligence officer. From where they look at the world, an Italian working for a British paper in Moscow can only be a spy. There is not much point in trying to prove the contrary, so when they ask how I am I joke: “Not well. They still haven’t promoted me to major.” They laugh, but never without a nod and a wink.

It is hardly surprising that even reasonable and affable FSB officers should be suspicious of a foreigner. But they share the same background as Putin and many of his closest aides. Old habits die hard. They, too, see the West through a prism of conspiracy and distrust – not unlike many politicians in the West who were brought up during the Cold War and are still wary of Russia.

Disillusionment with the West has led to patriotism in most spheres – even in Russian culture. People are still open to the West but now that the euphoria has long gone, homegrown culture is back. When I first moved here, the highest grossing films were all Hollywood blockbusters. Now they are all Russian.

Actor-director Nikita Mikhailkov, the most powerful man in Russia’s film industry and a personal

friend of Putin's, is now shooting a patriotic epic set in World War II. At \$60 million it promises to be Russia's most expensive film to date. According to him, love for the Motherland is growing because Russians now have a choice.

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"Before you had to love the USSR. Now the state does not force you to love Russia so when you do it's because you have made a conscious decision that this is where you want to be," he said on his film set.

Mikhailkov has worked abroad, regularly travels to the West, and counts stars like Jack Nicholson among his friends. He too, however, shares the Kremlin's fortress mentality.

"Unlike others, I was never naïve about the West embracing us when communism collapsed," he said. "The West has never liked Russia. In fact, Russia has always been a thorn in the West's side. It's always looked to us with envy because of our massive natural resources and rubbed its hands with glee when it saw everything collapse.

"And now America and its allies must understand that we have a right to our voice again and that we must be respected, but not as a little old lady you can just flick away. Russia must be respected because it's strong and can answer back. It can say no, you want to talk let's talk. You want to fight, let's fight. But then don't complain."

Not only do many Russians think the West let them down, they also feel besieged – most of all, by NATO's

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expansion eastward. Seen from our vantage, the issue is straightforward. After communism collapsed, several former East bloc countries joined the military alliance. It was their free choice and no threat to Russia. The same is true of Georgia – where most want to join – and Ukraine – where most do not.

The Russians, however, see things very differently. Why, they ask, is an alliance founded to contain the Soviet threat advancing right up to its borders? To add insult to injury, the Kremlin is adamant that NATO promised it would not expand eastwards if Moscow accepted German reunification.

A further complication is America's plans for missile-defense components to be stationed in Poland and the Czech Republic. This infuriates the Russians, but Washington insists the shield is to protect it from Iran and North Korea.

"We can't buy that explanation," Ivanov said. "Iran and North Korea don't have missiles which theoretically might reach Western Europe. At the same time, we know perfectly well that the new radar and anti-ballistic missiles might reach Russian territories in seconds, not minutes. Russia will definitely react, because we cannot just sit back when there's a new military threat only 300 kilometers from our borders."

Leontiev, the political TV show host, whose radical views are aired into the homes of tens of millions of Russians, echoed the thought. "Ideally America would like Russia not to exist," he fumed. "And

NATO too – it's an organization in the first instance directed against Russia.

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“We are to blame because for years we gave the impression – especially to America – of a country which was falling to pieces. And that is the basis on which they have formulated their policy towards us. So now that we are a player again, they have a problem. Either they have to change their entire policy or try to push us back down.”

This may sound a bit paranoid, but take my word: millions of Russians, including many in the Kremlin, would agree.

So, what is the mood in Putin's Russia, nearly two decades after the collapse of communism?

Pro-western liberalism is out while nationalism, fierce patriotism and self-assertion are back with a vengeance. And since Russia is a former superpower emerging from very traumatic times of transition, its bullish stance is fueled by two conflicting emotions: a sense of superiority over what it once was and one of inferiority over that which it lost.

Is it a threat? Well, I have seen many things I don't like in my time here, but, no, I don't think so. Far more dangerous is a widening gulf in understanding between us and them. Far more worrying is growing mistrust.

Forget the talk of a new cold war. But there is no doubt, like it or not, that Russia is back. And given

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its sense of inferiority, most of all it craves respect. And least of all, given its sense of superiority, does it want lecturing.

Pozner summed it up like this:

// FAR MORE DANGEROUS  
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IN UNDERSTANDING  
BETWEEN US AND THEM.  
FAR MORE WORRYING  
IS GROWING MISTRUST.

“Yes, Russia is in many ways its own worst enemy. But there are far too many things the West does not get about Russia. Most of all, the West does not want to understand that if a country has never had democracy in its entire history – no freedom of the press, religion or elections – nothing, then you cannot expect it in the space of 15 or 20 years to say, ‘Bingo, we're now democratic.’ It's going to take generations. This country is still run by people who grew up in Soviet times.

“Give this country a break. Hold off a little. You're not asking the Chinese for some reason to be democratic; you don't seem to care. Let the Russians evolve and don't put that much pressure on them because if you do you'll bring out the worst. You'll bring out the super-patriots who will say: ‘You see, we told you you can't trust the West.’”