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Faculty Advisor: Stephen Sawyer

Research Group Members: John Kulback, Laura Neumeister, Jonathan Torrens

Paper Title: Transition to Democracy: The History, Impact and Future of Russia's Privatization

Abstract:
Russia’s transition to democracy is a multi-faceted and infinitely complex issue. The one issue that bears most significantly on all areas of the transition to democracy, and which most directly affects the entire Russian population, is the privatization of wealth following the collapse of the Soviet Union. The conversion of all assets from public to private property was undoubtedly the most pervasively and directly-felt change amongst the Russian people. The privatization process abolished the command economy, turned control of property over to private citizens, and introduced an economic model that was radically different to the Russian people. Our paper employs a chronological approach in its analysis. The first section describes the various steps taken in the early 1990’s to privatize the Soviet Union’s public assets and transfer them to private owners. It outlines the legal and economic mechanisms employed, and how these mechanisms were abused. The second section analyzes the effects that the privatization programs had on the Russian people. It explains the rise of the notorious ‘Oligarchs,’ as well as the multiple factors that led most Russian citizens to become disillusioned with the privatization process. The last section analyzes how the privatization process has motivated the government’s current policies, as President Putin has enacted interventionist policies over several of the country’s strategic economic sectors. This paper is intended to provide some insight into the astonishing challenges Russia has faced over the past fifteen years, and the stoic endurance demonstrated by the Russian people, for which they are so famous.