

THE REPUBLIC OF SAKHA AND REPUBLIC BUILDING: THE NEVERENDUM OF FEDERALIZATION IN RUSSIA

JOHN F. YOUNG

One of the most noticeable trends in the study of contemporary Russia has been the rise of what some have labelled “regionology” - the attention given to the role and importance of the various regions in the Russian Federation. A consequence of a variety of factors, including the splintering of the former Soviet Union along republic borders and the subsequent concern that Russia might follow its predecessor; the new opportunities to conduct research outside of Moscow; and the limits that regional governors place on the ability of Moscow to govern; regionology and the commensurate federal (or feudal) arrangements of power between Moscow and its 89 *sub"ekty* have become primary topics of discussion among both area specialists and political scientists now intrigued with Russia's transition. To date, the growing literature on regions in Russia pursues a variety of questions, including the process through which federalism is created, the consequences of distinct political economies to regional politics, and the existence (or lack thereof) of any “regional policy” from Moscow. These questions are pursued by either macro level analysis, encompassing all, or a great number of, regions in one study, as well as the case study approach - one region's relationship with the centre.

There are, quite naturally, different, if not competing, strains within this field. Some view Moscow's relations with the regions as only temporary relationships, until either further rupture divides the country asunder, or until the centre is controlled by a new regime which will finally rein in the centrifugal forces that have run rampant in the 90s. Others suggest that contemporary Russia is best understood by reference to feudalism, as the regions now rival the *udelnye kniazy* of ancient Rus. In spite of the merits of such arguments, however, federalism both as a design of what might be, and as a model for analysis of what is, has gained wide currency.¹

1 The ever growing, and now quite extensive literature on federalism includes the following: Gail Lapidus and Ned Walker, “Nationalism, Regionalism, and Federalism: Center-Periphery Relations in Post-Communist Russia,” in Gail Lapidus, ed., *The New Russia: Troubled Transformation* (Boulder, 1995); Steven Solnick, “The Political Economy of Russian Federalism: Problems of Measurement and Analysis,” paper presented at the 1995 Annual Meeting of the American Political Science Association, Chicago, 1995; Kathryn Stoner-Weiss, *Local Heroes: The Political Economy of Russian Regional Governance* (Princeton, NJ, 1997); Peter Kirkow, “Distributional Coalitions, Budgetary Problems and Fiscal Federalism in Rus-

As one might expect, much of the academic focus on federalism in Russia highlights the emerging relationships between centre and periphery. These relationships are largely defined through the negotiations and agreements concerning the demarcation of power and authority between two levels of government, and include such specific matters as the share of tax revenues and the amounts of transfer payments from one level to another. In this sense, the establishment of a federal system, or the "federalization" of Russia, is perceived as the result of bargaining, or deals negotiated between different jurisdictions. In essence, the various *sub"ekty* now exist, and the task for Moscow is to come to some kind of arrangement which recognizes a division of powers.² Yet while a focus on bargaining is exceptionally relevant to the here and now of contemporary Russian politics, to the give and take between centre and periphery, there seems to be a linear dimension that pervades many such studies: the more the bargaining is resolved, the more Russia approaches "true" federalism, which will make centre-periphery relations more stable and predictable, and replace the *ad-hocery* that has plagued Russia over the past seven years. In this manner, the pursuit of federalism is placed in "either/or" terms. As Solnick asked, "Is the Russian federal experiment doomed, either to revert to centralized rule or dissolve into anarchy? Or are national and subnational governments in Russia beginning to reach consensus on a stable and lasting division of power and responsibilities?"³

There are, however, disparate approaches to the study of federalism, some of which suggest that the term applies to much more than the sum of negotiated pacts between two levels of government. One such approach recognizes federal systems as organic processes, shaped by central and regional governments as they vie for power and control, but hardly as fixed points on a single axis. Federalism is a much more vague and complicated relationship, or, more correctly, a series of relationships among multiple players, involving a variety of coalitions and ebbs and flows of momentum. Within this web of relationships, each government generally attempts to strengthen its power, even if occasionally surrendering some authority. The result may hardly fit the description of a "stable" relationship, although the durability of federal systems often

sia," *Communist Economies and Economic Transformation* 8:3 (1996); Gerald Easter, "Redefining Centre-Periphery Relations in the Russian Federation: Sverdlovsk Oblast'," *Europe-Asia Studies* 49:4 (1997); Dmitri Shlapentokh, "Early Feudalism: The Best Parallel for Contemporary Russia," *Europe-Asia Studies* 48:3 (1996).

2 This approach borrows directly from the work of William H. Riker, *Federalism: Origin, Operation, Significance* (Boston, 1964). See, for example, Solnick, and Daniel Kempton, "The Case of Sakha: Bargaining with Moscow," paper presented to the Annual Meeting of the American Association for the Advancement of Slavic Studies, Seattle, 1997.

3 Solnick, "The Political Economy of Russian Federalism," p. 1.

derive from their flexibility rather than any permanence in intergovernmental relationships.⁴

This essay contributes a perspective on federalism in Russia drawn from the 131 year long Canadian experience. As such, the essay concentrates less on the short term shifting and bargaining between centre and periphery and attempts to highlight the long term strains and challenges that both Moscow and the regions will confront in the future. The essay examines the emergence of one federal arrangement in Russia, with a tighter focus on the consequences of what might be labelled a “logic” of federalism, that is, the tendency which emerges within many federal systems for what students of Canadian federalism call “province-building.” The Republic of Sakha is used here as a case study, not as any claim that Sakha is somehow indicative of all regions in Russia, but because Sakha demonstrates a certain propensity for “republic-building” that may or may not be evident elsewhere. The point is not that republic building occurs everywhere, but that the potential, or the logic for it to occur hints at future challenges to political stability, both within the republic - in the case of Sakha - and, consequently, in Russia as well. Such challenges suggest that flexible, ad-hoc arrangements are not necessarily limited to any transitional period, but may be part of the permanent political landscape.

The point of departure here is that regions are in danger of being perceived as the endpoints of Russian politics. Regrettably, this seems to me to be prevalent even within regionology. While the elections of governors and fiscal transfers are essential aspects of center-periphery relations, the new focus on these relations sometimes ignores anything beyond the 89 regions of Russia, forgetting that regions are but midpoints on the axes that radiate outwards from Moscow to the countless communities in which people conduct their lives. In the earlier years of perestroika, while reforms were still under the nominal supervision of the Union government, the question of whether or not oblasts and krais were constituent parts of a federal government or were instead part of the overall framework of local government generated some hot dispute in the drafting of RSFSR legislation. It was only after much debate and lobbying, including the efforts of those representing the interests of municipal government hoping to liberate cities from regional control, that oblasts and krais were excluded from the 1991 law on local government. A subsequent law on regional governments was drafted later that year, and passed by the Russian Supreme Soviet in March, 1992, the same time that Yeltsin signed the Federal Treaty. Thus the

4 See, for example, Daniel Elazar’s matrix model of federalism as opposed to an hierarchical pyramid or the circular centre and circumference, in his *Exploring Federalism* (Tuscaloosa, 1987); William Livingston, “A Note on the Nature of Federalism,” *Political Science Quarterly* 67:1 (March, 1952), pp. 81-95; and Michael B. Stein, “Federal Political Systems and Federal Societies,” *World Politics* 20:4 (July, 1968), pp. 722-747. See also J.R. Mallory, “The Five Faces of Canadian Federalism, in P.A. Crepeau and C.B. Macpherson, eds., *The Future of Canadian Federalism* (Toronto, 1965), pp. 3-15.

status of oblasts and krais as constituent members of the Russian Federation was by no means predestined.⁵ Of course no one in Russia in early 1991 thought that by the end of the year the Soviet Union would cease to exist and that federalism in Russia would become such a powerful force in domestic events and assume such an important place in political discourse. The recognition, however, that regions have become critical players in Russia should not obscure the relevance of the entire web of intergovernmental relations that extend to subregions and to relations internal to each region. As Ramazan Abdulatipov has suggested, "Federal relations are not only relations between the centre and the subjects of the Federation. Federal relations are the distinct and coordinated activities of all levels of power and the effective development of the economy..."⁶ In order to comprehend Russian politics generally, and federalism and the regions in particular, we need to expand our scope to include not only negotiations between Moscow and Kazan', Grozny, or Vladivostok, but also the various political, economic, and social dynamics within regions that both influence and are influenced by federal - regional relations. Province-building lends us this necessary perspective, highlighting the relations and dynamics within a particular *sub"ekt* which are also integral parts of intergovernmental relations in Russia.

1. THE REPUBLIC OF SAKHA (YAKUTIYA): BACKGROUND

The Republic of Sakha, previously known as Yakutia, is a vast territory situated in the northeast of Siberia. Although its population hovers above the one million mark (about 0.7% of Russia's total population), its land mass is well over 3 million square kilometres, roughly six times the size of France, and about one-fifth of Russia's territory. With its sparse population, permafrost, and bitterly cold winters, Sakha may initially come across as the prototype for a frozen wasteland, but its mineral wealth makes it an area vital to the Russian Federation. The territory of Sakha is enormously rich in diamonds, gold, oil, gas, coal, silver, tin, and a host of other natural resources. According to local legend, when the world was created, God gave one angel the assignment to distribute wealth all around the earth. But as the angel flew over the territory of Sakha, its hands froze from the cold, and it dropped all the wealth in Sakha.

5 See this author's Ph.D. dissertation in political science "Local Government and the Russian State: The Quest for Local Self-Government" (University of Toronto, 1997). Indeed, the asymmetry of Russian federalism was partially a result of Yeltsin's incoherent regional policy - that initially gave recognition to oblasts and krais as constituent members of the federation, but then between 1992-94 tended to treat these regions as prefectures within a unitary state while simultaneously recognizing the republics as *sub"ekty*.

6 *Problemy i perspektivy razvitiya Rossiiskogo federalizma: Pervaya vserossiiskaya nauchno-prakticheskaya konferentsiya, Moscow, 19-20 yanvarya, 1998* (Moscow, 1998).

While there has been an overt Russian presence in the territory since 1632, Russians were a distinct minority in Yakutia until the latter half of this century. The Yakut peoples, or Sakha, by self-designation, were largely breeders of cattle and horses, Turkic in origin, and covered much of the area by the 16th century. The Yakut ASSR was created in 1922, from a region previously subordinate to the Irkutsk *gubernia*. As part of Soviet nationalities policy, indigenous ethnic peoples were promoted through the ranks of local organs of the Communist Party and local soviets to serve as local elites. By the time of the Great Patriotic War, state penetration was augmented by enough loyalty and commitment to the regime that the subsequent war effort was remarkable for any society. With a population of 400,000, the Yakut ASSR sent some 74,000 soldiers to the defence of the Soviet Union, less than half of whom returned. Those who stayed in Yakutia did not fare much better. Famine during the war led to the early demise of tens of thousands of citizens. Central decrees, which forbade hunting and fishing in order to reserve food supplies for the war effort, were enforced even in far off Yakutia, where the people relied on such sources for their daily food.⁷ Through all this, the people seemed resigned to their fate. The last resistance to Soviet government had been quashed in 1927, when members of the Yakut intelligentsia, who had opposed rule from Moscow and attempted to establish stronger national autonomy for the region, were purged.

It was only after the war that Yakutia was forced to confront the full force of Soviet style development. Industrialization and resource extraction accelerated, spurred by the discovery of Yakutia's mineral wealth. With the opening of coal, gold, and diamond mines, came also thousands of workers from the rest of the Soviet Union, particularly from Russia and Ukraine. These workers brought not only their skills, but also compensated for the lack of any local surplus labour and the limited interest that the Sakha had in working in the mines. While there had been some 236,000 Sakha in the republic in 1926 (over 80% of the population), by 1959 the total Sakha population in the republic had not yet recovered from war and famine, numbering only 224,000. But by then, the republic population was almost one half million, and the Sakha were only a slim plurality, roughly 46%. In contrast, the Russian share had climbed to 44%. Thirty years later, by 1989, the republic's population was 1,094,065, with the Sakha at 33%, and the Russians then in a majority at 51%.⁸ These numbers, however, tell only part of the story. Only a small percentage of Russians were *Sibiryaki* and *Yakutyane*, or long time residents, descendants of exiles and settlers from the 19th century. The vast majority came for the work and the preferential pay for northern territories, and then left after a number of years. This

7 Stanislav Timofeev, "Yakutskaya Paradigma," *Nezavisimaya Gazeta, Regiony*, No. 2, November 1997, pp. 1-2. This article suggests as many as 140,000 citizens of Yakutia died during the war as a result of hunger.

8 Tatyana Arguonova, "Federal Relations Between Yakutsk and Moscow" unpublished MA Thesis (Scott Polar Reserach Institute, University of Cambridge, 1995), p. 51.

meant, for example, that an estimated 4 million workers passed through Yakutia between 1959 and 1989, roughly 100,000 workers coming and going each year.⁹

More significantly, much of the development in Yakutia was controlled not by the republic, but by various ministries in Moscow. According to Khazanov, the republic controlled only 4% of republic industry and only 1% of revenues, while Moscow enriched itself by as much as \$1 billion annually from Yakutia's diamonds.¹⁰ Economic development was shaped by large trusts, dominated by Russians connected to Moscow, with little attention given to the local political elite. The results were the predominance of one company towns, such as Udachnyi or Mirnyi, mining communities in the east; poor infrastructure development throughout the republic, lousy housing, and little regard for the local environment. Less than one quarter of housing in the rural districts in the republic had running water or sewer systems, and less than two thirds had central heating.¹¹ These circumstances, and the inability of local leaders to address adequately various local concerns, were particularly onerous given the harsh living conditions of the Russian North. Without rail connection, and with poor roads, the primary means of transporting goods into the republic were either along the Lena river from the north, open for less than half the year, or by air. In either case, the expense of transport meant that the availability of consumer goods and foodstuffs were much lower than elsewhere, and prices much higher. During the summer months, basic goods for the republic had to be purchased for the upcoming winter, a process which required large amounts of advance credit since the sale of goods would not occur until later in the year.

As in many other regions, the political climate changed significantly in 1989 and 1990, as a direct consequence of competitive elections. Although prominent members of the local *nomenklatura* won the right to represent Yakutia in the Congresses of People's Deputies in Moscow, elections undermined the patron-client relationships that had given the Soviet political system its glue. This meant that even many local leaders previously beholden to their superiors recognized some measure of accountability to the voters rather than to the party organization. Within the republic, a broad spectrum of party reformers, democrats, and Yakut nationalists found common ground in a platform directed against central control. In the aftermath of republic elections, the Supreme Soviet of Yakutia declared "sovereignty" on September 27, 1990 and thus joined the parade of sovereignties on tour throughout the Soviet Union. The republic's

9 See Mary McAuley, *Russia's Politics of Uncertainty* (Cambridge, 1997), p. 45. V.N. Ivanov states that only 56% of the republic population was born on the territory. "Sovremennye natsional'nye protsessy v Yakutii, in *Natsional'nye otnosheniya v regionakh strany: istoriya i sovremennost'* (Yakutsk, 1992), p. 99.

10 Anatoly M. Khazanov, *After the USSR: Ethnicity, Nationalism, and Politics in the Commonwealth of Independent States* (Madison, 1995), p. 177. Khazanov cites \$1.7 billion in 1989.

11 N. Dyakonov, "Sovremennye aspekty demograficheskogo vozrozhdeniya i razvitiya yakutskogo naroda," unpublished manuscript, 1992, quoted in Khazanov, p. 178.

speaker, Mikhail Nikolaev, was well positioned to benefit from the collapse of the existing political system the next year. Born in 1937 in the village of Oktem of a Sakha father and a Russian mother, Nikolaev's childhood was interrupted by the hunger and calamity of the war years. He lost his father at an early age, a tragedy later blamed on the lack of adequate health care in the region. He attended veterinary school in Omsk, then returned to Yakutia to commence a life of Komsomol and Party work. He served in a variety of capacities, rising to the post of Agricultural Minister in the republican government, and Deputy Chair of the Council of Ministers. As well as speaker to the Yakut Supreme Soviet, he was also elected People's Deputy to the Russian Congress in 1990. With both portfolios, Nikolaev was invited to Gorbachev's office for a personal meeting in June, 1990. As Nikolaev took the opportunity to inform Gorbachev about the republic and its people, of its poverty and challenges, he claimed that the Union president was barely paying attention, and seemed politely disinterested. According to Nikolaev, this was the moment when he recognized the futility of dealing with the Union government to resolve Yakutia's challenges.¹² To him, the imperial emblem of Yakutsk, dating back to Peter the Great, which showed an eagle with a sable in its talons, represented the three and a half centuries of the centre's exploitation of the region. With his own life experiences, and a concern for the prospects of his republic, Nikolaev became a voice for his region rather than his country.

Nikolaev was elected president in October of 1991, a move which paralleled the creation of a Russian presidency that summer and of republican presidencies throughout the country. The creation of this office led to divisions within the loose alliance of reformers and nationalists - by law the presidency was open only to those fluent in both the Sakha and Russian languages, which disqualified the vast majority of Slavic speakers. Up until then, "sovereignty" had been a movement largely directed against economic control from Moscow, but this divisiveness reflected the ethnic tensions among the sovereigntists.¹³ By sovereignty, local politicians did not claim independence from the central government. They understood the term to represent political and economic autonomy from Moscow as opposed to complete political independence from Russia. In this sense, federalism as a concept is particularly relevant, in that regional leaders desired to share powers with, rather than be subjects to, the centre. The declaration of sovereignty thus was less a declaration of independence than a bid for greater republican rights within a federal system. Since this declaration, representatives of the republican government have gone to great lengths to point out that they do not perceive Sakha's future outside the realm of Russia, while at the same time they work to strengthen Sakha's capacity to function autonomously within the federation.¹⁴

12 Timofeev, "Yakutskaya paradigma."

13 See McAuley, *Russia's Politics of Uncertainty*, pp. 52-54.

14 See, for example, Egor Larionov, "Suverenitet, no ne separatizm," *Rossiiskaya federatsiya* 3 (1995), pp. 22-23.

The last years of the Soviet Union help put Sakha's claims for sovereignty in perspective. The inflation that spiralled ever upwards after 1989 hit hard the economy of the republic. Not only did dependence upon transfer credits for the transport of goods become more complicated, but more importantly, the fixed prices for Yakutia's diamonds and gold, determined in Moscow, meant that revenues were fixed while expenditures increased. This was particularly galling when suspicions arose that individuals in Moscow were reaping enormous personal profits acting as unofficial brokers for Yakutia's wealth.¹⁵ In response, the government of Yakutia in 1990 made a failed attempt to gain recognition as a Union republic, and eventually declared its sovereignty and cut its flow of diamonds and gold to Moscow. As the Union government failed to meet budget promises in the form of fiscal transfers, Nikolaev's demands for new forms of centre-periphery relations found a welcome ally in the form of Boris Yeltsin, who actively encouraged centrifugal forces to undermine Gorbachev and the Union.

With the collapse of the Soviet Union by the end of 1991, Yeltsin had to reap what he had sown in terms of centre-periphery relations. He was particularly vulnerable to regional initiatives since he needed allies in his battles with the Supreme Soviet, finally resolved in the Fall of 1993. Even without such a context, however, Russian federalism was a new creature, and in an early formative stage. Of the 800 new laws passed by Russian parliaments between May 1990 and June 1997, no less than 160 dealt directly with the delineation of powers between central and regional authorities.¹⁶ Given these conditions, Nikolaev was in a good position to negotiate with the Russian government on behalf of the Republic of Sakha. He could point not only to the republic's wealth of resources, but also to its history of suffering from Moscow's economic exploitation, the lack of socio-economic development, and the various challenges of life in the North. By February 1992, Nikolaev and Yeltsin came to an understanding that allowed Sakha to market 10% of its diamonds, the revenues of which would go into the republic budget. By March 1992, a more detailed agreement between the two governments recognized, with a few exceptions, the republic's claim over its natural resources, upped Sakha's share of diamonds to 20%, and 11.5% of its precious metals, and established *Almazny Rossii - Sakha*, a joint stock company (with one-third ownership to the federal government, one-third to the republic, and the rest distributed to workers' shares, local governments, and development funds).¹⁷ The Sakha republic was also granted control

15 These suspicions were well founded. See "Kuda devayutsya almazy Rossii," *Rossiiskaya federatsiya* 7 (1996), pp. 49-52.

16 V.N. Lysenko, "Razdelenie vlasti i opyt Rossiiskoi Federatsii," in M.N. Guboglo, ed., *Federalizm vlasti i vlast' federalizma* (Moscow, 1997), pp. 166-193; pp. 167-168.

17 "Soglashenie o vzaimootnosheniyakh mezhdru Pravitel'stvami Rossiiskoi Federatsii i Respubliki Sakha (Yakutiya) po ekonomicheskim voprosam," 31 March 1992, published in *Federalizm vlasti i vlast' federalizma*, pp. 484-487.

over appointments in the mining sector on its territory, as well as joint responsibility with the federal government for development projects in the republic. That this agreement came just prior to Nikolaev's signing of the Federal Treaty, suggests some *quid pro quo* between Moscow and Yakutsk.¹⁸ Later, in 1995, the 20% share of diamonds was upped to 25%.

As did all regional leaders, Nikolaev pursued fiscal transfers from the federal government to strengthen the republic's budget. This pursuit, however, had a slight twist. Republics collected federal and regional tax revenues, and were expected to remit federal revenue to Moscow, then await transfer payments at a later date. During the quickening of economic decline after the advent of shock therapy, however, the Sakha republic (and others) declined to remit federal revenues to the centre. Sakha's case seemed justified - rather than wait for future federal transfers to later return these revenues to the republic and allow inflation to eat a significant portion of the effective transfer, Yakutsk used the withheld revenue against federal expenditures in the republic. Nikolaev argued that the demand for credit to transport goods for the winter meant that Sakha simply could not wait for any late payments from Moscow.¹⁹ He also claimed that Moscow was not living up to its end of the 1992 agreement, which had spelled out joint jurisdiction over a number of development projects, such as extension of the Amur-Yakutsk railway and hydroelectric and energy works in the resource areas of Vilyui and Neryungri. Rather than allow these projects to be shelved due to inadequate funding, Nikolaev held the federal feet to the fire by spending federal money to compensate for declines in federal capital investment in the republic, which he claimed had fallen from 29% of all capital investment in Sakha in 1991 to only 2% in 1994.²⁰

In short, the relationship between Moscow and Yakutsk was not merely a product of bargaining, but also a reflection of aggressive unilateral action taken by the republic government. The withholding of taxes and the push for increased control over resources were bold moves, but within the framework of

18 Kempton, "The Case of Sakha."

19 There seems to have been some debate about whether this was part of a larger "budget war" between Moscow and the regions, or whether Moscow agreed to allow Sakha to spend federal revenue. See Arguonova, "Federal Relations."

20 Mikhail Nikolaev, "Regional'naya politika: novoe izmerenie," *Rossiiskaya federatsiya* 3 (1995), pp. 18-21. According to one source, in the 1994 transfer of federal revenue to the *sub"ekty*, Sakha led all regions in terms of smallest share of federal transfers in the total revenue of *sub"ekt* budget, only 1.2% (next lowest was Bashkortostan, with 2.6%, the highest was Ingushetia, with 90%, the average for Russia was 22.5%). In contrast, of course, Sakha was the only *sub"ekt* to keep 100% of federal taxes collected in the *sub"ekt*. Komi was second at 95%, while the average throughout the federation was 65%. In spite of its wealth and the agreements concerning revenue sharing from diamonds, Sakha remained a recipient *sub"ekt*, with federal revenues supporting Sakha's residents per capita at 30,000 R; the federal average was for Moscow to collect 175,000 R per capita. See "Some indicators of budget independence of Russia's federation subjects in 1994," (<http://www.region.rags.ru/table2.htm>).

Sakha's push towards sovereignty and for new federal relations. They also meant that Nikolaev possessed the means to determine which federal programs would be funded with federal money in question. While stories of a strong friendship between Nikolaev and Yeltsin continue to circulate throughout Russia (how Nikolaev procures Yakutsk vodka for Yeltsin, that Yeltsin gave Nikolaev his downtown Moscow apartment, or that Yeltsin's trusted *pomoshchnik* Pavel Borodin was the former mayor of Yakutsk and minister in the republic government), the Sakha president is no "yes man". Nikolaev has supported Yeltsin during a number of political battles, but he has also pressed the case continually for strengthening regional power. He lobbied hard for recognition of the Federal Treaty within the Constitution, and, unlike some other regional leaders seems aware of when to push and when to sit still. As one commentator noted, while Chechen leader Dudaev "overate sovereignty, Nikolaev got away from the table in time."²¹

By 1995, the relationship between the federal government and the Republic of Sakha was more clearly defined through a series of documents signed by both parties. These agreements included a *dogovor* on the division of power between the two governments, along with 15 *soglashenye* dealing with the specifics of a variety of issues such as economic control, budget relations, the mining industry, the fuel and energy industry, the northern sea route, external relations, agriculture, communications, customs, immigration, highways, education, environment and natural resources, and federal development funds.²² There were a number of similarities between these agreements and earlier agreements signed by Moscow with Tatarstan and Bashkortostan, but in comparison, these agreements reflected some of Nikolaev's versions of Sakha's interests - less attention, for example, to concerns over law and order, while greater attention was given to natural resources and the possibility for Sakha to engage in international agreements and cooperation.

Studying federalism in Russia from the perspective of these agreements and the Sakha experience, Kempton suggests that while Russia is not yet a classic federation, it now possesses the basic characteristics of a federal state. While the ground is not yet solid, his implication is that Russia is moving towards increased stability. What remains is for the centre to now retake the special privileges either given to or assumed by the republics, and move towards greater equality among the *sub"ekty*.²³ Russian authors and politicians also point to the

21 *Business World Daily*, September 30, 1994; as quoted in Argounova, p. 36.

22 The *dogovor* and agreements were published in *Respublika Sakha*, 5 July 1995, pp. 3-6. Sakha was the fifth region to sign such agreements: the first was Tatarstan in the previous year, followed by Kabardino-Balkaria, Bashkortostan, and North Ossetia. For further detail on the treaties, see "Kachestvenno novyi etap sotrudnichestva," *Respublika Sakha*, 1 November 1995, p. 1-2.

23 Kempton, "The Case of Sakha."

need for a “levelling” of regional authority.²⁴ Vladimir Lysenko, however, has also pointed out that such a response would also prove politically difficult.²⁵ Again, if we view federalization in Russia as merely a bargaining game between two levels of government, we overlook the intricacies of federalism. Should the federal government now launch an offensive, hoping to reel in special status for regions and level the field among all regions, such a move would disrupt the status quo for those regions that have fared well since 1991. While Sakha has not exactly been a trendsetter, it has seized numerous opportunities to pursue autonomy, and has asserted its right to a share of its wealth and the ability to make decisions in the interest of the republic. Nikolaev’s position has been consistent and aggressive, and although he also bows to political expedience, he has staked his political reputation on delivering increased measures of sovereignty to his republic. And much of his public support is premised upon his success in strengthening the republic. Before we draw any conclusions from hypotheses about what the centre might do, let us return again to the claim made earlier that there are other dynamics beside the centre-periphery relationship which will in turn influence these federal relations. For political forces within the republic will also play a role in shaping the relationships and deals that emerge between governments.

2. REPUBLIC-BUILDING AS A PART OF RUSSIAN FEDERALISM

The notion of “republic-building” is borrowed from the Canadian context, where the term province-building has been used to both explain and define what provinces do and why their relations with the central government have become increasingly intransigent. Through the course of federal relations in Canada, provinces have asserted both their autonomy and their capacity to govern their internal affairs, and, as consequence, have also increased their ability to influence federal politics. Province-building thus includes such processes as “freewheeling decentralization,” and the expansion of provincial administrative capacity over a widening scope of issues. In an influential article published some thirty years ago, Black and Cairns highlighted what they described as the evaporation of provincial docility in Canadian politics, and suggested that in the 1960s, provinces had largely seized the initiative in federal-provincial relations, pursuing a greater share of tax revenue, lengthening their administrative reach, and expanding their jurisdictions. These developments not only reflected

24 See the comments by Aleksandr Kazakov, “Kraplenye karty separatizma,” *Ogonek* 31 (August, 1997), pp. 22-24; and the comments by Irkutsk governor Yurii Nozhikov on why he chose not to stand for reelection - he mentioned Sakha as an example of the asymmetry in Russian federalism that left little opportunity to accomplish what he wanted to do. *Ogonek* 18 (May, 1997), p. 11.

25 Vladimir Lysenko, “Chto stroim my v Rossii: simmetrichnuyu ili asimmetrichnuyu federatsiyu?” *Federalizm* 1 (1998), pp. 95-111.

an increased ability for provincial governments to serve provincial interests, but also an increase in provincial capacity to shape those very interests.²⁶ The consequences of province-building, suggested Black and Cairns, would increase conflict between federal and provincial governments, and lead to a fracturing of any common market, which, in course, would impede the capacity of the federal government to develop coherent plans for the national economy.

This process of province-building is most noticeable in the province of Quebec. Relatively quiet until the late 1950s, Quebec politics experienced a startling transformation, labelled in hindsight the “quiet revolution.” The provincial government began responding to pressures from a newly secularized, urbanized, and educated *quebécois* society, and to perceptions of economic exploitation from anglophones and the federal government. The government’s response pursued a course designed to strengthen the provincial government’s capacity to serve the interests of the *quebécois*. The quiet revolution of the early 1960s was thus a shift away from earlier attention directed towards cultural matters, and emphasized instead economic and political control in order to allow the *quebécois* to be “masters in their own home.”²⁷ This shift also reflected the need for Quebec to deal with structural changes in the Canadian economy, as exports moved increasingly to the south, rather than through Montreal to Great Britain and Europe.²⁸ As Quebec suffered economically, it focussed its efforts on meeting the challenge on its own terms: as an autonomous actor, unencumbered by federal politics and divided jurisdictions. Economic development through megaprojects conceived and largely financed by the provincial government (i.e. HydroQuebec), as well as provincial control over pension funds and tax collection extended the capacity of the provincial government to influence Quebec’s destiny. The province also extended its administrative capacity, particularly as it penetrated its largely virgin territory in the north in search of natural resources and hydroelectricity, thus confronting aboriginal peoples and the challenge of incorporating traditional societies under provincial administration. Over the next decade, the corporate and technical realms of the provincial workforce shifted from predominantly anglophone to french speaking, as *quebécois* students graduated with advanced education and expertise to suit the new demands of a *dirigiste* provincial economy. Thus through the 60s, Quebec politics were marked with a new aggressiveness, a dissatisfac-

26 Edwin R. Black and Alan Cairns, “A Different Perspective on Canadian Federalism,” *Canadian Public Administration* 9 (1966), pp. 27-44.

27 See, for example, Charles Taylor, *Reconciling the Solitudes: Essays on Canadian Federalism and Nationalism* (Montreal, 1993), especially Chapter One. My thanks to Tracy Summerville for her helpful comments on this section of the essay.

28 Garth Stevenson, “Canadian Regionalism in Continental Perspective,” *Journal of Canadian Studies* 15:2 (Summer, 1980); and Alain Gagnon and Mary Beth Montcalm, “Economic Peripheralization and Quebec Unrest,” *Journal of Canadian Studies* 17:2 (Summer, 1982); and, by the same authors, *Quebec: Beyond the Quiet Revolution* (Scarborough: Ont., 1990).

tion with existing relations with Ottawa and the rest of Canada. In answer to the question “what does Quebec want?” then Premier Daniel Johnson suggested that it now wanted more than mere recognition of its culture:

As a basis for its nationhood, (Quebec) wants to be master of its own decision-making in what concerns the human growth of its citizens - that is to say education, social security, and health in all their aspects - their economic affirmation - the power to set up the economic and financial institutions they feel are required - their cultural developments - not only arts and letters, but also the French language - and the Quebec community’s external development - its relations with certain countries and international bodies.²⁹

While “the French question” has always existed at one level or another in Canadian politics, it has only been since the quiet revolution and the expansion of Quebec’s provincial government that the issue of separatism has trumpeted so loudly and for long through various halls of Canadian political institutions. In this regard, the “new” nationalism in Quebec, as Louis Balthazar pointed out, developed around the existence of the provincial state.³⁰ But separatism is not the focus here: the main point is that the process of province-building in Quebec not only shaped the internal politics of the province, but also strengthened demands for a reconfiguration of Canadian federalism. This reconfiguration continues to elude political leaders. Of note here is that at the outset, there was little talk of separatism. In 1960, for example, provincial representatives claimed only an increased measure of sovereignty to deal with provincial matters. And Quebec’s original notion of sovereignty fell well within the rubric of Canadian federalism:

Provincial sovereignty must not be a negative concept, incompatible with progress; it must be a truly living reality, a principle which takes concrete form in institutions and legislative measures. In short, the government of the province of Quebec intends to exercise its full sovereignty in the areas of its competence, though without being unaware that all the governments of our country are subject to an interdependence that is ineluctable.³¹

Until the late 60s and early 70s, the notion of independence, even in Quebec, was relegated to a fringe element, engaged in sporadic terrorist activities. It was not until increased frustration with the federal government’s focus on nation building as a response to Quebec, the inability of federal-provincial negotiations to endorse special status for Quebec that was acceptable to other provinces, and the coming of age of a young francophone society, that the *Parti Quebecois* rose to prominence in the 1970s and asserted independence for the province. And there was nothing inevitable about separatist forces coming to power.

29 Claude Morin, *Quebec versus Ottawa: The Struggle for Self-Government* (Toronto, 1976), p. 97.

30 Louis Balthazar, “The Faces of Quebec Nationalism,” in Alain Gagnon, *Quebec: State and Society* 2nd edition (Scarborough: Ont., 1993), pp. 2-17.

31 *Federal Provincial Conference*, Ottawa, 25-27 July, 1960 (Ottawa, 1960), as quoted in Daniel Latouche, *Canada and Quebec, Past and Future: An Essay* - Volume 70 of the Royal Commission on the Economic Union and Development Prospects for Canada (Toronto, 1986), p. 22.

As Daniel Latouche notes, the independence movement was also a result of machinations between political parties in the competition for votes, as each upped the ante during elections.³² Even then, however, independence was initially shrouded in a concept labelled sovereignty association, which recognized certain aspects of Quebec's relationship with Ottawa, but ensured full autonomy over all internal matters.

Quebec was not the only region engaged in province-building. Canada's two most western provinces, British Columbia and Alberta, also demanded greater control over their respective economic and social policy. In the case of BC, Canada's shift in exports away from Great Britain and towards the United States meant that its flow of goods had little to do with either Montreal or Toronto, and the growth of the Asian Pacific region in the 70s and 80s meant that BC's economic interests lay to the west and south. The oil boom in Alberta enriched provincial revenues. Then the National Energy Policy of the federal government in the early 1980s crippled a thriving industry and did injury to Alberta's claim over its natural resources. Economic megaprojects in both provinces (hydroelectricity, Syncrude tar sands) and the expansion of the provincial civil service were also reflective of province building. While BC and Alberta both lacked the ethnic dimension of Quebec, all three cases displayed the assertiveness of provincial governments, both at home and in the federal arena, where the provinces shaped and strained intergovernmental relations.³³ Quebec, for example, pursued its goal to entrench distinct society status within the constitution, and Canada's constitutional wrangling of the past 15 years has been a direct result of attempts to reconcile Quebec's *idée fixe* with disparate interests of federal and provincial governments. Such conflict highlights the tension between rival positions of provincial autonomy and provincial equality.³⁴ Ironically, Alberta and BC have often led the resistance to any special status for Quebec, claiming that their interests are also distinct from the Toronto - Ottawa - Montreal triangle that has dominated Canada since before 1867. Provincial politics in Alberta were animated during the early 1980s, when a shortlived separatist party elected a member to the provincial legislature, and fringe discussions still surface in both provinces about a break away region called "Cascadia." Both western provinces have long been donors to the federal budget, and resent the special deals and preferred federal investment that

32 Latouche, *Canada and Quebec*.

33 See also Stephen Tomblin, "W.A.C. Bennett and Province-Building in British Columbia," in Michael Howlett and David Laycock, eds., *The Puzzles of Power* (Toronto, 1998).

34 Robert Vipond, "From Provincial Autonomy to Provincial Equality (Or, Clyde Wells and the Distinct Society)," in Joseph H. Cairns, ed., *Is Quebec Nationalism Just? Perspectives from Anglophone Canada* (Montreal and Kingston, 1995), pp. 97-119. Vipond highlights this tension between provincial autonomy and equality - for Quebec, he argues, provincial autonomy and recognition of its distinct society is a form of collective freedom, an argument then turned on its side by other provinces in pursuit of provincial equality.

flows to Quebec. Claims of economic exploitation from the rest of Canada are common issues in local political discourse. Perhaps most illustrative of Alberta's and BC's concerns with federalism is their strong support for a federal political party (Reform), whose platform is largely based on constructing a new Canada by shifting power to the provinces. The Reform Party, with 85% of its members from BC and Alberta, now forms the official opposition in the federal Parliament, replacing the previous "loyal opposition" of the separatist Bloc Quebecois (1993-97). Yet, barring an act of God, any significant structural change in Canadian federalism is dead in the water, and the seemingly constant bluster and unending negotiations among politicians no longer holds the interest of voters. There is, quite simply, a stalemate, as the stronger provinces pursue different objectives: BC and Alberta desire increased recognition and clout in Canadian politics (equality with Ontario and Quebec), while Quebec demands special rights and recognition (increased autonomy). The public recognition of this stalemate is why Quebec's push for independence resurfaced again in the 1990s, after almost a decade of frustrated negotiations: with a failed federal referendum on constitutional issues directly related to Quebec's status, a failed provincial referendum in Quebec on independence (51% against, 49% for), and prospects for yet another provincial referendum in the next few years, Canadians now experience what some refer to as the "neverendum" of constitutional crisis and Canadian federalism. It is little wonder that federalism has generally been much more of a *de facto* than a *de jure* arrangement in Canada, and why federalism seems destined to continual conflict and "muddling through" rather than any long term solution.

What might the experience of province building in Canada suggest about republic building in Russia? First, it is important to highlight that province building should not be misconstrued as a causal factor. As critics have pointed out, a tendency developed among some scholars to blame every shift in Canadian federal relations on an ill defined, and consequently, catch-all notion of province building.³⁵ Province-building could also push analysis towards determinism and hysteria, by overemphasizing conflict and overlooking cooperation among governments. Likewise, any comparison involving Sakha, on the one hand, and Quebec on the other, clouds over a number of important differences. One can point out that Canadian federalism exists largely because of French speaking Canada, while in the case of Sakha, the republic exists prima-

35 As used in the literature for two decades, province-building was criticized for referring to a general process that ignored exceptions and emphasizing historical discontinuity (claiming to be a new dynamic, rather than recognize the long historical record of assertive provinces in Canadian politics). The concept also miscast intergovernmental relations and the role and status of the federal government, which seemed always to be on the defensive, fighting a losing battle against recalcitrant provinces. Robert A. Young, Philippe Faucher, Andre Blais, "The Concept of Province-Building: A Critique," *Canadian Journal of Political Science* 17:4.

rily because of federal policy under the Soviet Union.³⁶ Additionally, the francophone population in Quebec continues to be a strong majority, roughly 80%. In contrast, while the Sakha historically exceeded that number, they had declined to one third by 1989. Party politics were also an important factor in the ascendance of Quebec separatism, while republic parties remain virtually non-existent in Sakha. In spite of these cautions and differences, the concept of province-building is useful as an heuristic device rather than as post-factum explanation. In other words, we seek here not to explain what has happened, but to describe what is occurring. The future, of course, holds many alternative paths leading to different end points, and this author would prefer to shy away from any deterministic statements about impending separatism in Sakha. But to either guess or predict at which destination one may arrive involves knowing also the path one currently is following. As we assume possible long term consequences of decisions and policies of the present, the relevance of province building is underscored. So, for example, Quebec in 1960 pursued greater autonomy in hopes of economic growth and control over decision making. It hoped to break free of the heavy hand of the federal government, and in the process shifted its identity towards an assertive, aggressive style that was manifest not only by the provincial administration, but also within Quebec society at large. Let us now turn to the process of republic building in Sakha, before we attempt to draw further parallels.

3. REPUBLIC-BUILDING AND INTERNAL POLITICAL DYNAMICS IN SAKHA

Here we will examine federalism in Sakha from the inside out, or, better yet, from the bottom up. Attention is given to various political dynamics within the republic of Sakha, rather than focus on the relationship between Moscow and Yakutsk. As we shall later suggest, to study these relations only from the perspective of Moscow is to ignore the complex organism that federalism can spawn. Of the western literature on Sakha used in this study, the vast majority concentrates on Sakha as an example of what Moscow must confront in its relations with the regions. Instead the focus here is on the processes and dynamics of development within the republic. Attention will focus on three issues relevant to republic building in Sakha, through which the republican government extends its influence and strengthens its capacity to administer its territory. These issues include the republic's relationship with lower levels of government; corporate developments within the republic's economy; and foreign relations and trade tendencies. The discussion will then move towards demographic concerns and ethnic relations within the republic, to highlight the possible social consequences of republic building. All these examples are used to show that regardless of Moscow's approaches to federalism, there are realistic prospects

36 Greg Poelzer, "Federalism and the Russian North," *Post Soviet Geography* 36:4 (1995), pp. 204-214.

for increased challenges to central governance, and hopes of achieving some sense of any “normal”, stable relations between centre and periphery ignore the complex (and often mutually exclusive) concerns that exist within a specific region. American and German examples of intergovernmental relations notwithstanding, federalism in Russia has more in common with the Canadian model, and this suggests that conflict and flux may become permanent parts of the political landscape rather than something that can be resolved in a short period of time.

Republic-Local Relations: The Republic of Sakha (Yakutia) may seem remote from Moscow. But in the local context, the capital of Yakutsk is also remote from most of the *ulusy* (*raiony*/ districts) and rural communities of Sakha. In this sense, the two dimensional notion of centre-periphery relations which dominates regional and federal studies in Russia lacks the depth to examine intra regional politics. Indeed, the tools of analysis of intergovernmental relations, such as budget transfers and the power of appointment, are just as relevant below the regional level as they are above.³⁷ The republic is divided into thirty five districts, including the capital city, and the range of economic activity among these regions varies from mining to agriculture, from administration to traditional hunter and gathering. Prior to 1991, the rural regions were connected largely through the dual subordination of local executive offices to both party organs and to superior executive offices. The party, however, was the primary glue which held the administrative system together.

Local elections in 1990 did not only lead to the rise of a nationalist and reform oriented bloc in the republic: there were also select regions that sought to break away from the capital Yakutsk. Most notable was the idea of a “Lena Republic,” based out of Mirnyi, the diamond mining community in the East. This short-lived movement was directed against the perception that Yakutsk reflected the interests of the Sakha, while Mirnyi and other mining communities were overwhelmingly Slavic.³⁸ It was not until the 1992 Sakha Constitution that the republic began to outline a framework for local government in the republic. While other regions in Russia passed legislation on local government in 1990 and 1991, either before or immediately after the 1991 RSFSR law on local self-government, the Sakha administration seemed to be in no hurry to reform local organs of government.³⁹ In the interim, the republic’s new constitution,

37 For an earlier discussion of this approach, see this author’s “At the Bottom of the Heap: Local Self-Government and Regional Politics in the Russian Federation,” in Peter Stavrakis, Joan DeBardeleben, and Larry Black, eds., *Beyond the Monolith: The Emergence of Regionalism in Post-Soviet Russia* (Washington, D.C.-Baltimore, 1997), pp. 81-102.

38 The Mirnyi city soviet went as far as passing a motion to hold a referendum on the issue, but the referendum was never held.

39 Regions were well aware of legislation in the works, since the Union legislation setting parameters for all fifteen Union republics was published in 1990, after two years of wrangling. Similar contestation occurred in the Russian Supreme Soviet, which delayed the legislation on local self-government until July, 1991. In the interim, many regions developed

passed in April 1992, partially filled the legal void with an undetailed thirteen statutes under the title of "Local organs of State power and local self-government in the Sakha Republic (Yakutia)." These statutes largely ignored the basic principles of the 1991 federal law, which established that all organs of local administration were self-governing and therefore distinct from regional governments, which were part of the system of state power. In Sakha, the republic slipped the issue by creating two distinct types of local administration: an intermediate level of deconcentrated state power (*ulusy*), which served as local branch offices of the republic administration, and then distinct organs of local self-government. The republic then relied on the former to govern its territory, leaving the latter for small local communities, minor issues, and special designations. After the dissolution of local soviets in late 1993, and the commencement of new federal legislative initiatives on local government, Sakha moved to fill the legal void with its own law which continued the direct violations of the spirit of local self-government. Thus the Sakha parliament (*Il Tumen'*) passed the law "On Local Organs of State Power" in June 1994, which continued to serve the interests of state executive power. The law, however, was in conflict with basic guidelines for local self-government outlined in the Russian Constitution from December 1993, and so republic authorities attempted to address these concerns in piece meal fashion, passing laws on elections and on the relationships between local councils and the republic's administration.⁴⁰

The new federal law on local self-government, passed in August 1995, fleshed out the basic principles contained in the federal constitution. The provisions contained in the new law were supposed to be in place within six months of the law's promulgation, yet Sakha (and other regions) argued that such a pace was unrealistic. In the case of Sakha, they had just undergone local elections, and the republic saw no need to undo their own system of local government so quickly. More to the point, the Republic seemed unwilling to alter its tiered system that allowed for local organs of state power to be excluded from federal legislation and thus slip around trickier and more complicated issues

their own, often very novel approaches to local self-government in anticipation of the RSFSR law. The 1991 law was in effect until the 1993 presidential decree on the dissolution of local soviets, which then created a partial legal void filled by the new law on local government at the end of August, 1995.

40 Zakon "O vyborakh deputatov mestnykh predstavitel'nykh organov gosudarstvennoi vlasti i glav mestnykh administratsii" (22 September 1994); "Ob administrativno - territorial'nom ustroistve Respubliki Sakha (Yakutiya)" (6 July 1995). The first of these set the table for local elections in the Spring of 1995. Sakha was hardly alone among republics in their reluctance to pursue autonomy for local governments. For comparisons with other regions such as Tatarstan and Buryatiya, see E.A. Pakhomov, "Problemy mestnogo samoupravleniya v respublikе Sakha (Yakutiya) i ukreplenie gosudarstvennosti," in V.N. Ivanov, ed., *Respublika Sakha (Yakutiya) na rubezhe XX-XXI vekov: ukreplenie gosudarstvennosti* (Novosibirsk, 1997), pp. 53-57.

such as municipal property and the independence of local budgets.⁴¹ The republic claimed that local self-government did not suit the demands of the many remote communities and municipalities which lacked the capacity to resolve matters of local significance. Without republican guidance and assistance, local governments could not acquire sufficient resources for housing, power, sewage, and education. The republic also pointed to the great disparity among rural districts, and to the challenges involved in the stockpiling and delivery of goods before winter as explanations for republic intrusion on local matters.⁴²

The relationship between the republic and the municipal administration of the capital Yakutsk is a good example of the republic's perspective towards local administration. Given the Constitutional provisions for local elections, and the new law on local government on the horizon, Nikolaev's government set the agenda for local elections in the spring of 1995. In the case of Yakutsk, the election results were expected to return Nikolaev's preferred mayoralty candidate, Nazarov, to replace the previous mayor (Tomtosov), promoted to the republic administration. Yet strong mobilization by the Russian population, and the use of the Communist Party organization brought former construction minister Spartak Borisov to office in a narrow run-off victory full of allegations of deceit and fraud on both sides.⁴³ Borisov's leadership was balanced by a city council dominated by pragmatic leaders from the community - Yakutsk was the only local government in the republic where the mayor did not also chair the council - and the city administration turned its attention towards what they determined to be the number one issue in the city: housing. Nikolaev had earlier contracted a Canadian firm to build prefabricated housing along western standards, a multi-million dollar contract that turned into a boondoggle when the political issue of who would be allowed to take residence in the "Canadian village" came to the fore. One year prior to the local election, Nikolaev resolved the matter when he declared that the residential community, with some 500 new housing units would become a residence for a music school for gifted students.

41 E.A. Pakhomov, "Voprosy zakonodatel'stva Respubliki Sakha (Yakutiya) o mestnom samoupravlenii," *Gosudarstvo i pravo* 7 (1996), pp. 24-26.

42 Of course, the arguments which the republic used to procure credit from the federal government would not wash at the subregional level, a classic example of the oppressed becoming the oppressor.

43 About one third of Nikolaev's "favoured" candidates lost the election to the *ulusy* - an outcome that appeared to have spooked the president about his own reelection the next year. Nikolaev decided that a referendum would be held at the same time as the December 1995 Duma election. The referendum would grant Nikolaev a second term without the need to stand for election. But as the public voiced its disapproval, and as his office seemed safe, the referendum was cancelled shortly before the December election, and Nikolaev won reelection the following year with 60% approval.

The problem of housing is acute in Yakutsk, with the disasterous *zalozhnyi* district in the city sinking slowly into the permafrost. Each spring, the wooden *izby* have up to half a meter of water for a floor, and health rates in the district rival the lowest levels of developing countries. Additionally, larger brick buildings throughout the city can crumble as the concrete pillars upon which they were built lose their form. In the summer of 1996, *magazin* (store) No. 4, located on the central square of the city lost one of its front walls, exposing five stories of rooms to Yakutsk's main street. When Prime Minister Chernomyrdin arrived in 1995 to sign the various treaties which divided power between Moscow and the republic, Mayor Borisov begged a few minutes of time to show Chernomyrdin some of the worst examples of housing in the city. According to members of the municipal administration, Borisov had been unsuccessful in procuring financing for housing construction from the republic, which preferred to develop its own building program. Chernomyrdin responded with enough financial support for the mayor to hire the same Canadian firm to build a new residential community and by late fall another 600 units were under construction. This time, upon completion, the most needy were relocated, and the community on the outskirts of town became known as "Borisovka." Nikolaev's response was full of disdain for the manner in which the mayor had pulled an end run around the republic administration, and conflict and competition between the city and the republic increased. Nikolaev eventually hired the same Canadian firm to build a third (larger) residential community, and official pressure was exerted to call the community "Nikolaevka."⁴⁴

The evaporation of revenues for the city budget offers another perspective on republic-municipal relations. The three biggest expenditures from the city budget are for education (34.7%), housing (19.4%), and health (17.3%). But now without influence over personnel in the city administration, the republic was reluctant to allow independent revenues flow into the city budget. Municipal reliance on transfers payments thus increased, as suggested in Table 1 (Local Revenues as Percentage of Local Budget). Thus, as the republic lost control of the municipal administration, the republic increasingly relied on financial levers to influence municipal decision making:

44 Municipal-regional competition degenerated to the extremely petty. The builders were licensed by the municipal administration, which meant that the firm's vehicles were licensed only for the city limits and were randomly harrassed by the republic police. The republic was not against the housing project per se, only that the city administration had left the republic out of the loop.

Table 1: Local Revenues as % of Local Budget

Year	Local Revenues as % of total budget	Transfers as % of total budget
1994	95.0	5.0
1995	54.6	45.4
1996	40.8	59.2

source: data supplied by the Finance department, Yakutsk municipal administration, 1996.

According to Borisov and to members in the municipal administration, city revenues were only one-third of what the city considered the minimal amount, and attempts to increase revenues and expand the size of the budget were blocked by the republic.⁴⁵ Under the surface, the issue was all about power: the opportunity to determine who would get what, when and how. The republic administration viewed local government as part of its own jurisdiction, and expected that the republic would decide the appropriate allocation of resources in light of the republic's interests. In this sense, local matters remained under the purview of the republic, and Borisov's administration was largely viewed as a collection of outsiders.⁴⁶

A similar conclusion can be drawn from another example of republic-local relations, in this case concerning aboriginal issues. The "small-numbered peoples of the North," the Evenk, Even, and Yukagir, seek title to traditional lands in order to survive and to preserve their way of life. While these land claims are often supported and recognized by the republic government, the support does not emerge from any altruistic concern for aboriginal peoples. As Gail Fondahl has suggested, Sakha legislation on aboriginal land claims appears to have more to do with republican sovereignty vis-à-vis Moscow (and an effort to complicate any further claims for secession from the republic in predominantly Russian and industrial districts) than any aboriginal right. In some of the *ulusy*, for example, land claims approach 50% of the district when less

45 "Nash gorod dolzhen opravdyvat' status stolitsy respublikhi," *Respublika Sakha*, 14 October 1995, pp. 1-2; and interviews with Albina Lykhina, chair of the municipal committee on social issues. These numbers, however, do not show the share of transfers from the Federal government to the municipality, which increased in 1995, and 1996, so that while transfers made up the majority of the budget, more than 60% of the transfers in 1996 were from Moscow rather than the republic. Federal transfers were largely for the housing development noted above. But even this federal role does not completely mask the degree to which the city budget became less independent during Borisov's mayoralty.

46 The republic strengthened its control over the city in 1998 - Borisov's successor as mayor is a protege of Nikolaev.

than 3% of the population are indigenous peoples.⁴⁷ Again the specific issue is of secondary importance, while the republic's primary concern is its capacity to govern and control its own affairs.

While Sakha's policy towards local governments has been in violation of the Russian Constitution and federal laws, the republic does not flout its illegality. Other republics, such as Udmurtia, are far more visible in terms of openly resisting federal law. A new law on local self-government in Sakha was passed November 27, 1997, which attempted to bring the republic closer to federal guidelines.⁴⁸ But Sakha refused to grant *ulusy* and its major cities self-governing status. While the new law strengthens the foundation for self-government at the level of village and towns, the thirty five *ulusy* remain territorial state formations. Such stubbornness reflects Nikolaev's desire to maximize the republic's administrative strength. There appears to be little propensity towards accepting any real division of powers that might weaken the capacity of the state to play a leading role. This is just as true with the horizontal separation of power - the executive dominance of the *Il Tumen'*, and the overall authoritarian tendencies of the administration are widely recognized throughout the republic. The question is not whether Nikolaev has too much control, only whether or not his power is appropriate for Sakha's long term development.

Sakha and Economic Development: The process of province-building in Canada suggests a *dirigiste* role for the provincial government in economic development.⁴⁹ This includes not only a significant role in terms of investment, but also state ownership and guidance of specific sectors of the economy. In Sakha, President Nikolaev has spearheaded certain megaprojects, such as the attempt to complete the Amur-Yakutsk railway, which, without the ongoing support and commitment from the republic, would have been abandoned. The railway project began some twelve years ago, and by the end of 1997 included

47 Gail Fondahl, "Negotiating Aboriginal Territoriality," paper presented at the Third International Congress of the International Arctic Social Science Association, Copenhagen, 22 May 1998. That Neriungri and Aldan districts are predominantly Russian and rich in coal and gold seem to be motivating factors behind the large number of *obshchiny* created and recognized by the republic administration. Further work here can be done in terms of the Even, Evenk, and Yukagir identity with the republic of Sakha.

48 O zakone Respubliki Sakha (Yakutiya) "O mestnom samoupravlenii v Respublike Sakha (Yakutiya)," 27 November 1997, Document from *Gosudarstvennoe Sobranie (Il Tumen) Respubliki Sakha* 3 N 212-1.

49 While the dominant political culture of the Canadian provinces of Alberta and, to a lesser extent British Columbia, find common cause with much of a neo-conservative agenda which highlights privatization and is ideologically opposed to a strong state, the provincial governments in both cases were the source of much economic development, especially from the 50s to the 70s. The governments of Peter Lougheed and W.A.C. Bennet are cases in point. In Quebec, the Lesage administration actively promoted the role of the province in the economy, as have contemporary leaders such as Jacques Parizeau and Lucien Bouchard. The same could be said about other Canadian provinces, such as the government of Frank McKenna in New Brunswick.

rail track across a 360 km expanse of permafrost, which entails 16 large and 88 smaller bridges, and more than 230 manmade structures. Another 440 km of track is yet required. The costs of this project have been enormous: the Sakha government allocated more than 300 billion rubles in 1996-97, and projected completion is for the year 2006, although there are some hopes that earlier completion will be possible.⁵⁰ There are, of course, sound economic explanations for such investment. But the building of a regional economy that follows such *dirigisme* has not only economic benefits, but political consequences as well. In addition to the economic benefits, Nikolaev is also attempting to reduce Sakha's dependence on credit for the transportation of goods. A year round railway connection will go a long way towards accomplishing that task.

Smaller projects, visible to the public, include an awe-inspiring hospital for women and children on the outskirts of the capital Yakutsk, equipped with the latest technology, and large enough to be a primary care hospital in any of the largest cities in the world; a ten-thousand seat sports stadium, complete with astroturf, completed just in time for the Nikolaev sponsored "Children of Asia Games," the first "annual" athletic competition with invitations to all Asian countries during the summer of 1996; and a spanking new and modern airport terminal, which, the residents pointed out when it opened, had no place to sit and wait, a common problem during the fog plagued winters of Yakutia.

But by far the best example of economic development strategy of the republic economy is Sakha's largest company and biggest breadwinner, *Almazy Rossii-Sakha* (Alrosa, or ARS). As noted above, the joint stock company was formed in 1992, by presidential decree in light of opposition from the Supreme Soviet. Much of the the particulars surrounding the company remain secret, and that has not hindered the company from assuming a commanding position in the republic's economic and political landscape. The company contributes between one-half and one-third of republic budget revenues, employs some 50,000 workers in Sakha (from a total population of just over one million), is one of the largest foreign currency producers in Russia, and is the second largest diamond corporation in the world, after DeBeers. The company has diversified to include banking and an airline, and aggressively pursues opportunities for investment outside the region, including diamond mines in Angola, and the mining underway in Arkhangelsk. Its president is Vyacheslav Shtyrov, a close colleague of Nikolaev, who formerly served in the republic administration. As a member of Nikolaev's presidential council, Shtyrov and ARS have the opportunity to vet major policy proposals and economic investment.⁵¹ The company is not only well positioned economically - its ties with the government are blurred enough that what is good for Alrosa is good for Sakha. With a major corporate

50 The AYam railway is a continuation of the legendary BAM railway.

51 IEWS Regional Reports; M.E. Nikolaev, "Regional'nye interesy Sibiri v realiyakh reformirovaniya i prognoznykh stsenariyakh Rossii," in *Sibir' v geopoliticheskom prostranstve XXI veka* (Novosibirsk, 1998), pp. 41-48; *Rossiiskaya gazeta*, 31 July 1997.

power, Sakha is an economic player beyond the boundaries of the republic. This also strengthens the hand of the republic government.

Under Nikolaev's leadership, the republic has also pursued diversification of its economy to lessen its dependence upon diamond revenues. The focus so far has been on such resource sectors as forestry, gas, gold, and other natural resources, but there have also been attempts to establish value added industries, such as a so far ill-fated attempt to develop diamond cutting expertise. Early fruits have been encouraging - Sakha's industrial output has increased consistently throughout the decade, and the republic has climbed from 43rd among all regions in Russia to 21st. With a population much smaller than many regions of Russia, Sakha has begun to take advantage of its natural wealth.⁵² Technology imports are high, and offices throughout the capital are equipped with the latest computer technology even if they are used only as expensive typewriters. Likewise, communications to Sakha are better than many regions in Russia, with long established email and good fax connections available. On the other side of the coin, privatization in the republic moves at glacial speed. When queried a few years ago whether he was against a market economy, Nikolaev responded that he was only for what worked. He stressed that the common interests of the whole republic must be served, and that privatization of the economy could only be successful if it were a gradual process.⁵³

Less all seems aglitter, Sakha continues to confront various economic challenges. And these cases also offer examples of an administration attempting to deal with issues in an independent manner. In spite of its economic growth, or even perhaps because of it, a continuing shortage of currency remains part of the everyday consumer economy. Public sector employees are behind in collecting their wages, especially those who work for the federal government. The republic administration has experimented with local debit cards, so that hard currency is less in demand, and they in 1997 issued their own *tovarnye talony* (coupons), for consumer goods in the republic. Such measures reserve currency for external economic relations, allowing the republic to create currency holdings that are not there.⁵⁴

Foreign Relations: For Nikolaev, Sakha's economic future is inextricably connected with the countries of the Pacific Rim. The issue has become a constant theme in his statements regarding both economic development and in

52 "Kachestvenno novyi etap sotrudnichestva," *Respublika Sakha*, 1 November 1995, pp. 1-2; "Ekonomika respubliki - eto ne tol'ko blesk almazov," *Respublika Sakha*, 24 November 1995, p. 1; *Rossiiskie Vesti*, 20 May 1997, pp. 1-3.

53 "Mikhail Nikolaev beseduet s obozrevatelem "MN"," *Respublika Sakha*, 18 November 1995, p. 3.

54 The hope was to free up some 233 billion rubles for investment. See *FBIS-SOV-97-206*. Indeed, the whole focus of economic policy, particularly under new Premier Valentin Fedorov, former governor of Sakhalin, has been towards attracting and utilizing investment, rather than anything as distracting as privatization.

Russian federal relations. Sakha's wealth has brought significant foreign investment and trade, with a multitude of countries from all over the world.⁵⁵ To effect greater control over any foreign presence, Sakha established an internal registry and entry tax for foreigners, as well as claimed that foreigners require permission from the republic administration to visit the territory. The most important consequence of foreign relations, however, has to do with Sakha's orientation away from the west (Moscow), and towards the east (Pacific). Just as changes in the flow of trade are part of the explanation for political shifts in Canadian federalism, the shift away from Moscow in terms of economic interests foreshadows possible future political ramifications of the structural changes that are part of the breakdown of the centralized economy.

According to Nikolaev, the federal government has been negligent in developing any long term strategies for the integration of the Russian economy with the Far East. The common interests of the regions in Siberia for trading with China, and then the Far Eastern regions with Japan and Korea in particular, highlight the need for cooperation and some measure of solidarity among regions. Without such, the regions will begin to compete with each other, to the detriment of their respective economies. Nikolaev has suggested that inasmuch as Moscow maintains an exploitative attitude towards the resource wealth in eastern Siberia, then these regions themselves must take the lead in both developing strategy and in forging beneficial ties with the Pacific region. One of his targets is the development of the Far East gas industry. Feasibility studies for gas lines to Korea have already been conducted, and Nikolaev eagerly talks about the opportunity to export 60 billion cubic metres of gas by the end of the next decade. On such matters, he is exceptionally forthright. Neither does Nikolaev pull any punches. He has stated frequently that the new economic realities demand a rethinking of Russian federalism and the role that these regions can play in developing their economies and international ties.⁵⁶

In all three examples, the fruits of republic-building are apparent. Nikolaev is more than a regional voice, loyal to Yeltsin. He is also fully engaged in strengthening the economic and political clout of the republic. Such processes, once fully engaged, are difficult to curb. And yet the most critical dimension which shapes politics in the Sakha republic may well be something else entirely - something also tied directly to the process of republic building. This is the ethnic

55 Foreign trade relations and agreements have been established with most of the countries of the former Soviet bloc, as well as Mongolia, China, Japan, Korea, Austria, Belgium, Canada, Germany, the U.S., Switzerland, Turkey, Great Britain, Italy, Norway, Sweden, Israel and India, to name a few. In some cases, the Ministry of Foreign Affairs in Moscow has had to remind Sakha to inform them of any foreign negotiations. Stephan Spiegeleire's contribution to this volume highlights the importance of international relations of regional governments to Russian federalism.

56 Nikolaev, "Regionalnye interesy"; "Vostok - delo tonkoe. I vygodnoe!" *Rossiiskaia gazeta*, 6 November 1997, p. 10; and 15 October 1997, p. 3.

tension that simmers throughout much of Yakutia. Let us examine this tension more closely, and then see how and why the process of republic-building may be exceptionally relevant to Russian federalism.

4. ETHNICITY AND THE PROSPECTS FOR A QUIET REVOLUTION IN SAKHA

The most common claim made in existing literature on Sakha is that since the Sakha are a minority within their republic, the prospects for ethnic turmoil and separatism are marginal.⁵⁷ Only Khazanov, and Balzer and Vinokurova have given adequate attention to the tensions that brew within the republic. But these authors have focussed primarily on the existing ethnic situation rather than linking ethnic relations with matters of political and economic development. Most authors point out that because the Sakha people constitute only a third of the population, their ability to successfully pursue autonomy and sovereignty is severely limited. Khazanov is content to only highlight the potential of future conflict, and Balzer and Vinokurova suggest that “well managed” federalism is the salve which will serve to moderate ethnic tensions. In the latter case, the authors overestimate the capacity of federalism to both achieve and then maintain an elusive balance between unity and disunity. And because they rely on a static notion of federalism, they underestimate the consequences of republic building. Of course, the Sakha are a minority within the republic. But sheer percentages mask a number of factors which are also relevant to understanding ethnic politics in the republic.

In the first instance, the numbers are anything but fixed. As little as 60 years ago, the Sakha were a large majority in the republic. And current population shifts point to the Sakha gaining an increasing share of the population. Net migration levels to and from Yakutia have been in the negative, and quite high (see table 2).

Table 2: Population Loss Due to Net Migration in the Republic of Sakha, in %

<i>Year</i>	<i>% population loss</i>
1990	0.4
1991	2.6
1992	2.6
1993	1.9
1994	3.0
1995	1.8

Source: Goskomstat Rossii, *Regiony Rossii: informatsionno-statisticheskii sbornik 1* (Moscow, 1997), p. 414.

⁵⁷ See Robert J. Kaiser, “Prospects for the Disintegration of the Russian Federation” *Post-Soviet Geography* 36:7 (1995), pp. 426-435; Mary McAuley, *Politics of Uncertainty*.

Of greater importance to the ethnic relationship, is that these are not Sakha or aboriginal peoples leaving the territory, but the Slavic population. Balzer has suggested that given such migrations, the Sakha comprised as much as 40% of the population by 1995, a 20% increase in the size of the share in only 6 years. If the Sakha are currently a minority, that does not mean that they will continue to be so.

Second, exact percentages are less relevant when the ethnic groups are highly segregated. While some reports have suggested that interethnic marriages are high, the percentage of Yakut involved in interracial marriages is an "unfortunately low" 7%.⁵⁸ More to the point, the republic consists of whole communities with large percentages of one ethnic group or the other. Taken as a whole, the ethnic picture may be less troubling, but in its subregional parts, the ethnic dimension becomes quite pronounced. Even in those communities with sizeable populations of both Russian and Sakha, there is palpable tension. In Yakutsk, for example, these tensions play out during municipal elections, and are routinely evident on public transport and various recreation spots.

The process of "sakhazation" in Sakha is well underway. Yurii Tarasov has chronicled the gains made by Sakha personnel within the administration and judicial offices of the republic. So, for example, from 1984 to 1995, the percentage of Sakha among government ministers increased from 20% to 50% of the total, and of heads of administration, from 40% to 65%. This ethnic dimension occurred alongside a generational shift: in 1984 only 17% of the government cabinet were younger than 50 years old, by 1995, 72% were under 50. Similar age and ethnic patterns are found within the republic and lower level courts.⁵⁹ While numbers for economic concerns are unavailable, the predominantly Russian personnel of the past appears to be giving way to a greater percentage of Sakha - particularly in those sectors managed by the state. One reason many Russians offer for their outmigration from the republic is the feeling that they have little opportunity for long term success in Yakutia. From international exchanges for university students, to athletic competition and promotions in the job force, the common perception is that the Sakha are preferred. Such a policy, real or perceived, widens the cleavage between the two major ethnic groups.

58 A.S. Barashkova and A.G. Emel'yanova, "Demograficheskii analiz mezhnatsional'nykh brakov v Yakutii," in *Natsional'nye otnosheniya v regionakh strany: istoriya i sovremennost'* (Yakutsk, 1992), p. 148. Ivanov has noted that Yakut women are three times as likely as Yakut men to marry across ethnic lines. He has also noted that children of mixed marriages are 60% likely to consider themselves Yakut, 40% likely to consider themselves Russian. One proposition may be that mixed marriages are just as common among the Sakha and aboriginal peoples, rather than Yakut-Russian.

59 Yurii Tarasov, "Pravyashchaya elita respubliki Sakha: sotsial'nye mekhanizmy formirovaniya," avtoreferat dissertatsii na soiskanie uchenoi stepeni kandidata politicheskikh nauk (Moscow State University, 1996).

Beyond anecdotal evidence, one way to represent this ethnic cleavage in Sakha is through examination of voting in the 1995 Duma election. While the presidential elections in 1996 and republic elections in 1997 are more recent, neither of these elections offered the variety of choices of the Duma election, as well as the double ballot for both party and constituency candidate.⁶⁰ The results of proportional representation voting and for single member constituencies, compared against available census data from the thirty five districts give a startling picture of the relevance of ethnicity in internal republic politics - evidence not available by looking only at aggregate data. In terms of party support, for example, the aggregate data shows that only a few parties did much better in the republic than they did in Russia as a whole: *Vlast' Narodu* [Power To the People] did much better in Sakha than it did across the country on average (7.5% vs. 1.6%), Women of Russia, KPRF, and Our Home Is Russia polled close to national averages, and Zhironovsky's LDPR did much worse (6.8% vs. 11.2%). But when we also examine the various districts within Sakha, we see exceptionally wide variations within the republic, both in turnout, and in support for parties. The variation in turnout, for example, was from a high of 92.8% to a low of 54.8% (Yakutsk), with a republic average of 66%. Party support also had tremendous swings across counties: the KPRF, for example, gained support from 31.9% of voters in one county to 6.4% in another. Likewise, Our Home Is Russia went from 28.6% support to 7%; Power To the People 20.5% to 1.1%; LDPR from 17.3% to 0.7%; and KRO (Congress of Russian Communities) hit highs of 13.2% and lows of 0.1%.

On the second ballot for candidates for the one single member constituency in the republic, there were also huge variations among districts. While the top two candidates in the republic were Yakut - the incumbent Egor Zhirkov (non aligned, but former education minister in the republic government) and Zoya Kornilova (his predecessor as federal deputy and supporter of the Parliament in its confrontation with the president in 1993) - finished in a near tie, the two did not always run neck and neck throughout the republic. Indeed, the 322 votes that separated them at the end could have been made up in many of the *ulusy*. Kornilova's support in the districts ranged from a low of 7.4% to a high of 63.2%, while Zhirkov ranged from 12.1% to 66.7%. In Neryungrinskii, both Zhirkov and Kornilova did poorly, behind two Russian candidates, (Guminskii and Filatov), and none of the above. All told, Kornilova and Zhirkov each received support from 28% of the electorate. Other candidates did well in specific regions, as high as 39% for Filatov and 30% for Guminskii. One possible explanation for such strong intra-regional variance is the level of party organization. The Communist party candidate Filatov, however, did not find parallel support with his party - the *ulus* vote for Filatov and the Communist

60 In republic elections, there is a noticeable tendency for constituencies dominated by Russians to return ethnic Sakha as deputies. This has been explained to me by the belief that only Sakha deputies will be effective within the republic administration.

party had little correlation. Organization in and of itself was thus not a prominent factor. In an attempt to explain such variance among counties, a series of correlations were run with census data that provided the levels of education, urbanisation, and ethnicity for each of the *ulusy*. While we cannot ignore the problems of ecological fallacy, the results in Table 3 are significant.

Table 3: Coefficients for Party and Candidate Support Against Selected Variables

	turnout	NDR	KRFP	VLAST	KRO	LDPR	ZHENR	Zhirkov	Kornilova	Filatov
Education	-.3793 (33) P = .029	-.2734 (33) P = .124	-.5538 (33) P = .001	-.6794 (33) P = .000	.5090 (33) P = .002	.6051 (33) P = .000	.2603 (33) P = .144	-.5353 (33) P = .001	-.5783 (33) P = .000	.4352 (33) P = .011
Urban	-.5689 (35) P = .000	-.5350 (33) P = .001	-.3663 (35) P = .030	-.3663 (35) P = .000	.7710 (35) P = .000	.8166 (35) P = .000	.2145 (35) P = .216	-.6511 (35) P = .000	-.6841 (35) P = .000	.5928 (35) P = .000
Russian	-.7104 (35) P = .000	-.6323 (35) P = .000	-.4819 (35) P = .003	-.7431 (35) P = .000	.8141 (35) P = .000	.9186 (35) P = .000	.2194 (35) P = .205	-.7135 (35) P = .000	-.7329 (35) P = .000	.5912 (35) P = .000
Sakha	.6838 (35) P = .000	.6167 (35) P = .000	.5441 (35) P = .001	.7437 (35) P = .000	-.7343 (35) P = .000	-.8600 (35) P = .000	-.2528 (35) P = .143	.7321 (35) P = .000	.7045 (35) P = .000	-.5604 (35) P = .000
Native	.0473 (35) P = .787	.0023 (35) P = .989	-.1201 (35) P = .492	.0351 (35) P = .841	-.2092 (35) P = .228	-.1739 (35) P = .318	.1055 (35) P = .547	-.0668 (35) P = .703	.1393 (35) P = .425	-.0500 (35) P = .775
Other	-.6217 (35) P = .000	-.5283 (35) P = .001	-.5285 (35) P = .001	-.7422 (35) P = .001	.7321 (35) P = .000	.8641 (35) P = .000	.1892 (35) P = .276	-.6416 (35) P = .000	-.7658 (35) P = .000	.4941 (35) P = .00

(NDR=Our Home Is Russia; KPRF= Communist Party; Vlast=Power To the People; KRO= Congress of Russian Communities; LDPR=Liberal Democratic Party of Russia; ZHENR=Women of Russia; Zhirkov, Kornilova and Filatov were the three leading candidates for the single member constituency, only the latter was Russian.)

While the aboriginal numbers, as well as those of ZhenRoss (Women of Russia Party), can be disregarded because significance is recognized only when $P < .005$, it is startling that the most significant correlates lie along the ethnic dimension. That is, ethnicity appears as an important dynamic in electoral behaviour in the republic of Sakha.⁶¹ In short, while this table does not give a complete analysis picture of the election, the data suggest that not only does ethnicity matter, but that it is also broken down into smaller territorial districts within the Sakha republic, each of which possess distinct political preferences. Holding the republic together thus exists as an important challenge for President Nikolaev. We do not wish to suggest here any impending ethnic explosion: one of the dangers of province-building is that it can become too deter-

61 Notice especially the high positive and negative correlations for the LDPR, and for Power To the People, the latter party connected with Sergei Baburin, who has expressed strong Russian nationalist beliefs. This support is explained by Kornilova's presence as a Power To the People candidate in the single member district, and her close association and membership with the party. She is, of course, also Yakut.

ministic. However, the quiet revolution in Quebec was only recognized in hindsight. The election data is used here to suggest only that ethnicity is a critical issue in the internal dynamics of Sakha politics. And the consequences of this cleavage affect not only the republic, but also its relationship with Moscow, and by implication, the prospects for federalism in Russia.

5. THE LOGIC OF REPUBLIC BUILDING AND RUSSIAN FEDERALISM

Political change in post Soviet Russia has unearthed a wide variety of disparate political dynamics. Regionology, as the study of intergovernmental relations, tends to focus on the relationships between Moscow and the *sub"ekty* and too often neglects the forces within a region that can shape and influence federal relations. Balzer and Vinokurova end their study of federalism and ethnic relations in Sakha by suggesting that in the absence of any "crystalizing events" that would inflame the passions of one side or another, the balance between unity and diversity would be maintained by "well managed federalism". Since ethnic relations in Sakha (Yakutia) were not marked by boundary disputes over territory, by either polarization or attempts at assimilation, these authors suggest that ethnic tensions will probably simmer away, with occasional flare ups, but without boiling over. One can hope that they are correct, but this hope also ignores a certain logic of republic building and the "sakhazation" of Yakutia. Just as Quebec nationalism became fused with the promotion of the provincial state, republic building in Sakha will only strengthen Sakha nationalist sentiments. This can occur without any noticeable "crystalizing event." The quiet revolution in Quebec, for example, was precisely what the adjective suggests, and recognized only in hindsight. The processes underway in both territories have a number of similarities: political power extending into the economic realm, the claims for sovereignty within the realm of federalism, the growing desire to deal with concerns felt specific to the community, and the potential for lasting generational change.

Nikolaev may be well positioned to manage the current affairs of Sakha, and under his leadership those who have come of age know of economic growth and development, of multiple opportunities, and improved standards of living. They have also become accustomed to special status for their republic within the Russian Federation. Now what might happen should a "levelling" of regions occur in Russian federalism? Might there be growing frustration among the Sakha, and renewed bids for some special status or distinct society? What if Moscow usurps control over the diamond industry, or even launches a fiscal war over Alrosa's tax arrears to the federal government? Any series of minor matters may easily escalate to increased hostility among ethnic groups within the republic. Likewise, Quebec separatism also emerged from the political fall-out of electoral competition. While Nikolaev's office is secure for the present, he is over 60. Who will follow his tenure as president, and will that person be as capable a leader? Might not electoral competition push ethnic issues on to the

republic's centre stage? Such tensions have already been evidenced at the municipal level. Whoever leads the republic will need to be very mindful of such possibilities at home. And these possibilities will affect not only politics in Yakutsk, but also the manner in which negotiations between Moscow and Yakutia are conducted. Playing the anti-Moscow card is already as evident in Russia's regions as it is in Canadian provincial politics.

While it might make sense on paper for Moscow to pursue symmetry in federal relations, the political costs of such a pursuit would prove costly. Just as important, however, is that a neglect to do so will also bear political costs. In this sense, a shift towards symmetrical federalism may be a crystallizing event that widens ethnic cleavages within republics such as Sakha. Inasmuch as federalism in Russia is more than relations between Moscow and regional capitals, the capacity to level the regions is constrained by political dynamics internal to the regions themselves. That is, Sakha, like Quebec in the Canadian context, has become accustomed to status akin to preferred customers - the push for recognition as a distinct society in Quebec reflects its perceived status. Russia, like Canada, thus appears set for a neverending series of negotiations which will attempt to reconcile positions that are mutually exclusive. Those regions without special privileges will expect fair and equal treatment, and those with special deals will expect a continuation of the status quo. For republic leaders to agree to a levelling on the federal level would spell political defeat within their republic. This predicament has been the source of federal disputes in Canada since before the 1960s, and has become a permanent feature of Canadian federalism: Quebec leaders, for example, simply cannot surrender any provincial political advantage without seriously jeopardizing their own power. The quest for a working solution and "stability" in Canadian federalism thus remains elusive, and federal relations are marked by the practice of muddling through. Given the logic of republic building in Russia, and the potential costs of attempting to reverse such developments, Russian federalism may never approach stability. This may be as good as it gets.