

107TH CONGRESS
1ST SESSION

H. R. 2121

IN THE SENATE OF THE UNITED STATES

DECEMBER 12, 2001

Received; read twice and referred to the Committee on Foreign Relations

AN ACT

To make available funds under the Foreign Assistance Act of 1961 to expand democracy, good governance, and anti-corruption programs in the Russian Federation in order to promote and strengthen democratic government and civil society in that country and to support independent media.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Russian Democracy
5 Act of 2001”.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 (a) FINDINGS.—Congress makes the following find-
8 ings:

9 (1) Since the dissolution of the Soviet Union,
10 the leadership of the Russian Federation has pub-
11 licly committed itself to building—

12 (A) a society with democratic political in-
13 stitutions and practices, the observance of uni-
14 versally recognized standards of human rights,
15 and religious and press freedom; and

16 (B) a market economy based on inter-
17 nationally accepted principles of transparency,
18 accountability, and the rule of law.

19 (2) In order to facilitate this transition, the
20 international community has provided multilateral
21 and bilateral technical assistance, and the United
22 States’ contribution to these efforts has played an
23 important role in developing new institutions built
24 on democratic and liberal economic foundations and
25 the rule of law.

1 (3)(A) Since 1992, United States Government
2 democratic reform programs and public diplomacy
3 programs, including training, small grants, and tech-
4 nical assistance to independent television, radio, and
5 print media across the Russian Federation, have
6 strengthened nongovernment-owned media, provided
7 access to and training in the use of the Internet,
8 brought nearly 40,000 Russian citizens to the
9 United States, and have led to the establishment of
10 over 65,000 nongovernmental organizations, thou-
11 sands of vibrant independent media outlets, and nu-
12 merous political parties.

13 (B) These efforts contributed to the substan-
14 tially free and fair Russian parliamentary elections
15 in 1995 and 1999 and Presidential elections in 1996
16 and 2000.

17 (4) The United States has assisted Russian ef-
18 forts to replace its centrally planned, state-controlled
19 economy with a market economy and helped create
20 institutions and infrastructure for a market economy
21 by encouraging the transparent privatization of
22 state-owned enterprises. Approximately two-thirds of
23 the Russian Federation's gross domestic product is
24 now generated by the private sector.

1 (5)(A) The United States fostered grassroots
2 entrepreneurship in the Russian Federation by fo-
3 cusing United States economic assistance on small-
4 and medium-sized businesses and by providing train-
5 ing, consulting services, and small loans to more
6 than 250,000 Russian entrepreneurs.

7 (B) There are now more than 900,000 small
8 businesses in the Russian Federation, producing 12
9 to 15 percent of the gross domestic product of the
10 Russian Federation.

11 (C) United States-funded programs help to
12 fight corruption and financial crime, such as money
13 laundering, by helping to—

14 (i) establish a commercial legal infrastruc-
15 ture;

16 (ii) develop an independent judiciary;

17 (iii) support the drafting of a new criminal
18 code, civil code, and bankruptcy law;

19 (iv) develop a legal and regulatory frame-
20 work for the Russian Federation’s equivalent of
21 the United States Securities and Exchange
22 Commission;

23 (v) support Russian law schools;

24 (vi) create legal aid clinics; and

1 (vii) bolster law-related activities of non-
2 governmental organizations.

3 (6) Because the capability of Russian demo-
4 cratic forces and the civil society to organize and de-
5 fend democratic gains without international support
6 is uncertain, and because the gradual integration of
7 the Russian Federation into the global order of free-
8 market, democratic nations will further enhance
9 Russian cooperation with the United States on a
10 wide-range of political, economic, and security
11 issues, the success of democracy in Russia is in the
12 national security interest of the United States, and
13 the United States Government should develop a far-
14 reaching and flexible strategy aimed at strength-
15 ening Russian society's support for democracy and a
16 market economy, particularly by enhancing Russian
17 democratic institutions and education, promoting the
18 rule of law, and supporting Russia's independent
19 media.

20 (7) Since the tragic events of September 11,
21 2001, the Russian Federation has stood with the
22 United States and the civilized world in the struggle
23 against terrorism and has cooperated in the war in
24 Afghanistan by sharing intelligence and through
25 other means.

1 (b) PURPOSES.—The purposes of this Act are—

2 (1) to strengthen and advance institutions of
3 democratic government and of a free and inde-
4 pendent media and to sustain the development of an
5 independent civil society in the Russian Federation
6 based on religious and ethnic tolerance, internation-
7 ally recognized human rights, and an internationally
8 recognized rule of law; and

9 (2) to focus United States foreign assistance
10 programs on using local expertise and giving local
11 organizations a greater role in designing and imple-
12 menting such programs, while maintaining appro-
13 priate oversight and monitoring.

14 **SEC. 3. UNITED STATES POLICY TOWARD THE RUSSIAN**
15 **FEDERATION.**

16 (a) SENSE OF CONGRESS.—It is the sense of Con-
17 gress that the United States Government should—

18 (1) recognize that a democratic and economi-
19 cally stable Russian Federation is inherently less
20 confrontational and destabilizing in its foreign policy
21 and therefore that the promotion of democracy in
22 Russia is in the national security interests of the
23 United States; and

24 (2) continue and increase assistance to the
25 democratic forces in the Russian Federation, includ-

1 ing the independent media, regional administrations,
2 democratic political parties, and nongovernmental
3 organizations.

4 (b) STATEMENT OF POLICY.—It shall be the policy
5 of the United States—

6 (1) to facilitate Russia’s integration into the
7 Western community of nations, including supporting
8 the establishment of a stable democracy and a mar-
9 ket economy, and also including Russia’s member-
10 ship in the appropriate international institutions;

11 (2) to engage the Government of Russian Fed-
12 eration and Russian society in order to strengthen
13 democratic reform and institutions, and to promote
14 good governance principles based on the internation-
15 ally recognized norms of transparency in business
16 practices, the rule of law, religious freedom, and
17 human rights;

18 (3) to advance a dialog between United States
19 Government officials and private sector individuals
20 and representatives of the Government of the Rus-
21 sian Federation regarding Russian integration into
22 the Western community of nations;

23 (4) to encourage United States Government of-
24 ficials and private sector individuals to meet regu-
25 larly with democratic activists, human rights activ-

1 ists, representatives of the independent media, rep-
2 resentatives of nongovernmental organizations, civic
3 organizers, and reform-minded politicians from Mos-
4 cow and the various regions of the Russian Federa-
5 tion;

6 (5) to incorporate democratic reforms, the pro-
7 motion of an independent media, and economic re-
8 forms in the broad United States agenda with the
9 Government of the Russian Federation;

10 (6) to encourage the Government of the Rus-
11 sian Federation to address cross-border issues, in-
12 cluding the environment, crime, trafficking, and cor-
13 ruption in a cooperative and transparent manner
14 consistent with internationally recognized and ac-
15 cepted principles of the rule of law;

16 (7) to consult with the Government of the Rus-
17 sian Federation and the Russian Parliament on the
18 adoption of economic and social reforms necessary to
19 sustain Russian economic growth and to ensure Rus-
20 sia's transition to a fully functioning market econ-
21 omy;

22 (8) to persuade the Government of the Russian
23 Federation to honor its commitments made to the
24 Organization for Security and Cooperation in Eu-
25 rope (OSCE) at the November 1999 Istanbul Con-

1 ference and to conduct a genuine good neighbor pol-
2 icy toward the other independent states of the
3 former Soviet Union in the spirit of internationally
4 accepted principles of regional cooperation; and

5 (9) to encourage the G–7 partners and inter-
6 national financial institutions, including the World
7 Bank, the International Monetary Fund, and the
8 European Bank for Reconstruction and Develop-
9 ment, to develop financial safeguards and trans-
10 parency practices in lending to the Russian Federa-
11 tion.

12 **SEC. 4. AMENDMENTS TO THE FOREIGN ASSISTANCE ACT**
13 **OF 1961.**

14 (a) AMENDMENTS.—

15 (1) DEMOCRACY AND RULE OF LAW.—Section
16 498(2) of the Foreign Assistance Act of 1961 (22
17 U.S.C. 2295(2)) is amended—

18 (A) in the heading, by striking “DEMOC-
19 RACY” and inserting “DEMOCRACY AND RULE
20 OF LAW”;

21 (B) by striking subparagraphs (E) and
22 (G);

23 (C) by redesignating subparagraph (F) as
24 subparagraph (I);

1 (D) by inserting after subparagraph (D)
2 the following:

3 “(E) development and support of grass-
4 roots and nongovernmental organizations pro-
5 moting democracy, the rule of law, trans-
6 parency, and accountability in the political
7 process, including grants in small amounts to
8 such organizations;

9 “(F) international exchanges to promote
10 greater understanding by Russian Federation
11 citizens on how democracy, public policy pro-
12 cess, market institutions, and an independent ju-
13 diciary function in Western societies;

14 “(G) political parties committed to pro-
15 moting democracy, human rights, and economic
16 reforms;

17 “(H) support for civic organizations com-
18 mitted to promoting human rights; and”;

19 (E) by adding at the end the following:

20 “(J) strengthened administration of justice
21 through programs and activities carried out in
22 accordance with section 498B(e), including—

23 “(i) support for nongovernmental or-
24 ganizations, civic organizations, and polit-

1 ical parties that favor a strong and inde-
2 pendent judiciary based on merit;

3 “(ii) support for local organizations
4 that work with judges and law enforcement
5 officials in efforts to achieve a reduction in
6 the number of pretrial detainees; and

7 “(iii) support for the creation of Rus-
8 sian legal associations or groups that pro-
9 vide training in human rights and advo-
10 cacy, public education with respect to
11 human rights-related laws and proposed
12 legislation, and legal assistance to persons
13 subject to improper government inter-
14 ference.”.

15 (2) INDEPENDENT MEDIA.—Section 498 of the
16 Foreign Assistance Act of 1961 (22 U.S.C. 2295) is
17 amended—

18 (A) by redesignating paragraphs (3)
19 through (13) as paragraphs (4) through (14),
20 respectively; and

21 (B) by inserting after paragraph (2) the
22 following:

23 “(3) INDEPENDENT MEDIA.—Developing a free
24 and independent media, including—

1 “(A) supporting all forms of non-state-
2 owned media reporting, including print, radio,
3 and television;

4 “(B) providing special support for, and un-
5 restricted public access to, nongovernmental
6 Internet-based sources of information, dissemi-
7 nation and reporting, including providing tech-
8 nical and other support for web radio services,
9 providing computers and other necessary re-
10 sources for Internet connectivity and training
11 new Internet users in nongovernmental and
12 other civic organizations on methods and uses
13 of Internet-based media; and

14 “(C) training in journalism, including in-
15 vestigative journalism techniques which educate
16 the public on the costs of corruption and act as
17 a deterrent against corrupt officials.”.

18 (b) CONFORMING AMENDMENT.—Section 498B(e) of
19 such Act is amended by striking “paragraph (2)(G)” and
20 inserting “paragraph (2)(J)”.

21 **SEC. 5. ACTIVITIES TO SUPPORT THE RUSSIAN FEDERA-**
22 **TION.**

23 (a) ASSISTANCE PROGRAMS.—In providing assistance
24 to the Russian Federation under chapter 11 of part I of
25 the Foreign Assistance Act of 1961 (22 U.S.C. 2295 et

1 seq.), the President is authorized to carry out the fol-
2 lowing specific activities:

3 (1) Work with the Government of the Russian
4 Federation, the Duma, and representatives of the
5 Russian Federation judiciary to help implement a
6 revised and improved code of criminal procedure and
7 other laws.

8 (2) Establish civic education programs relating
9 to democracy, public policy, the rule of law, and the
10 importance of an independent media, including the
11 establishment of “American Centers” and public pol-
12 icy schools at Russian universities and programs by
13 universities in the United States to offer courses
14 through Internet-based off-site learning centers at
15 Russian universities.

16 (3) Support the Regional Initiatives (RI) pro-
17 gram, which provides targeted assistance in those re-
18 gions of the Russian Federation that have dem-
19 onstrated commitment to reform, democracy, and
20 the rule of law, and which promote the concept of
21 such programs as a model for all regions of the Rus-
22 sian Federation.

23 (b) RADIO FREE EUROPE/RADIO LIBERTY AND
24 VOICE OF AMERICA.—Radio Free Europe/Radio Liberty
25 and the Voice of America should use new and innovative

1 techniques, in cooperation with local independent media
2 sources, to disseminate information throughout the Rus-
3 sian Federation relating to democracy, free-market eco-
4 nomics, the rule of law, and human rights.

5 **SEC. 6. AUTHORIZATION OF ASSISTANCE FOR DEMOCRACY,**
6 **INDEPENDENT MEDIA, AND THE RULE OF**
7 **LAW.**

8 Of the amounts made available to carry out the provi-
9 sion of chapter 11 of part I of the Foreign Assistance Act
10 of 1961 (22 U.S.C. 2295 et seq.) and the Freedom for
11 Russia and Emerging Eurasian Democracies and Open
12 Markets Support Act of 1992 for fiscal year 2002, not
13 less than \$50,000,000 is authorized to be available for the
14 activities authorized by paragraphs (2) and (3) of section
15 498 of the Foreign Assistance Act of 1961, as amended
16 by section 4(a) of this Act.

Passed the House of Representatives December 11,
2001.

Attest:

JEFF TRANDAHL,

Clerk.