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### *Civil Society in a Transitional Context: The Response of Health and Educational NGOs to Legislative Changes in Russia's Industrialized Regions*

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*Published in:*

Nonprofit and Voluntary Sector Quarterly

*DOI:*

[10.1177/0899764013482396](https://doi.org/10.1177/0899764013482396)

*Publication date:*

2014

*Citation for published version (APA):*

Ljubownikow, S., & Crotty, J. (2014). Civil Society in a Transitional Context: The Response of Health and Educational NGOs to Legislative Changes in Russia's Industrialized Regions. *Nonprofit and Voluntary Sector Quarterly*, 43(4), 759-776. <https://doi.org/10.1177/0899764013482396>

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Please cite as

Ljubownikow, S & Crotty, J (2013), 'Civil Society in a Transition Context: The Response of Health and Education NGOs in Russian Industrialised Regions to Legislative Changes', *Non-profit and Voluntary Sector Quarterly*. **43** (4): 759-776

**Civil Society in a Transitional Context: The Response of Health and Educational NGOs  
in to Legislative Changes in the Russian Industrialized Region**

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### **Abstract**

In 2006, the Russian state sought to rein in non-governmental organizations by passing a law restricting their activities. This legislation drew considerable criticism at home and within the international community with regard to the development of civil society in Russia. In this paper, we assess the impact of the NGO law on organizations that have received relatively little attention in the literature: Russian health and educational NGOs. The data suggest that these NGOs have acquiesced to the demands of this legislation, which undermines their independence and is currently stalling the further development of Russia's civil society. Our findings also illustrate that these legislative changes have not resulted in the predicted effects.

*Keywords:* Russia; Non-governmental Organizations; Regulation; Civil Society

## **Introduction**

Following the collapse of Communist rule in Central and Eastern Europe, the development of non-governmental organizations (NGOs) has been a subject of increasing academic attention (for recent NVSQ articles see Carmin & Jehlicka, 2010; Spencer, 2011). In order to ensure their lasting independence, former Warsaw Pact countries sought membership in the EU. The pressures associated with Europeanization (Warleigh, 2001) have generated legal arrangements that have facilitated the creation of a third sector akin that found in EU countries (Warleigh, 2001). Despite its emergence from a seemingly common base, the Russian Federation, which did not seek EU membership, has faced only limited Europeanization pressure. The evolution of legal arrangements governing NGOs has therefore differed. In this paper, we examine the impact of these legislative changes.

In mid-2006, the Putin Administration enacted a Law “On Introducing Amendments into Certain Legislative Acts of the Russian Federation,”<sup>1</sup> (commonly known as the “NGO Law”), which amended the existing legislation regulating NGOs. Federal Law 18-FZ was intended to make NGOs more accountable and transparent. The fragmentation of civil society that occurred following the collapse of the Soviet Union (Crotty, 2006) had led to NGOs acting as fronts for commercial or criminal organizations (Robertson, 2009) and non-governmental individuals (NGIs) whose sole purpose was to chase grant money (Henry, 2006). It was hoped that by increasing transparency and financial control of NGOs would professionalized, capable of convincing domestic philanthropists to make donations (Robertson, 2009).

As observed by Robertson (2009, p. 540), however, the state also wanted to keep NGOs, particularly those with foreign funding, on a “very tight rein.” Prompted by the role that international NGOs had played in the “Color Revolutions” in other former Soviet states (Chaulia, 2006), restricting the activities and scope of NGOs could preempt similar perceived

interference (Machleder, 2006). Further, as argued by Machleder (2006), the Kremlin perceived both domestic and overseas NGOs as tarnishing Russia's international reputation in the areas of human rights and democracy. In addition the intervention of foreign NGOs in Russia's process of public environmental evaluation was perceived as curtailing its economic development, (Digges, 2006). These perceptions provided powerful stimuli for the 2006 NGO Law.

The NGO law, which echoes the 1997 Law on Freedom of Conscience and Religious Associations,<sup>2</sup> placed an increased administrative burden on both domestic and foreign NGOs (Maxwell, 2006). Maxwell (2006) observes that the changes to various legislative acts<sup>1</sup> increased state scrutiny of the activities and membership of NGOs. Among other amendments, the following changes to the Federal Law on Public Associations § 38 are critical:

*Supervision over the observance of laws by (...) shall be exercised by the Public Prosecutor's Office (...). While exercising such control the said body shall have the right: 1) to request from the governing bodies of public associations their regulatory documents; 2) to send its representatives for participation in the events held (...); 3) to inspect once a year at most the compliance of (...) activities, in particular their spending monetary funds (...); 4) to obtain on demand information on the financial and economic activities (...).*

It is therefore not surprising that the 2006 legislation drew high-profile criticism from both the international community (Machleder, 2006) and representatives of domestic NGOs, particularly those based on rights (Alekseeva et al., 2005). In its assessment of the draft legislation submitted for parliamentary consideration, Human Rights Watch stated publicly that the Russian NGO movement would be condemned to evisceration if it became law (Dejevsky, 2005). The Heritage Foundation stated that the additional costs and administrative

burdens would effectively smother Russia's third sector (Volk, 2006). An open letter signed by the leaders of leading human rights, environmental, and other NGOs operating in Russia was also sent to the government, condemning the potential impact and harmful effects of the law (Alekseeva et al., 2005). Russian Foreign Minister Lavrov attempted to refute these criticisms (Abdullaev, 2006), citing similarities between the Russian legislation and the NGO Laws in France, Finland, and Israel.<sup>3</sup> Other scholars (e.g., Abdullaev, 2006) also countered this argument by stating that much would depend upon how the law was implemented. Although France and Finland might have similar NGO laws, these countries are governed by transparent and functioning democracies. The strict implementation of such legislation within a developing democracy could cut off fledgling shoots of civil society.

Since the NGO Law took effect in April 2006, it has been subject to a number of amendments aimed at addressing some of the concerns that have been raised. Amendments passed in 2009 include the exemption of NGOs with no foreign donations from reporting their revenue as outlined in the Federal Law on Public Associations § 32:

*Non-profit organizations (...) that had not during a year received any property and monetary means from international or foreign organizations (...), in the event that the receipts of property and monetary means amounted up to three million rubles, shall submit to the authorized body (...) an application confirming their conformity to this item and [confirm] (...) the continuation of their activity (...).*

It was no longer possible to register group, on the grounds that a group would threaten the “national interests of the Russian Federation” (Federal Law on Non-Profit Organizations, § 23.1). All other provisions remained in force, including powers to attend all NGO meetings, whether private or public. The law was amended again in July 2011, expanding the grounds upon which the government could conduct unscheduled audits of NGOs. This amendment was subsequently repealed in November 2011.

From one perspective, these amendments could be seen as the state loosening the “reins” (Robertson, 2009, p. 540) on Russian civil society. From another perspective, these amendments would change very little of the overarching aim of this legislation, which is to “license” (Robertson, 2009, p. 541) Russian civil society. Moreover, as noted by Yakovlev (2006, p. 1054), subjecting the law to frequent changes reflects a pattern of “excessive” regulation, characteristic of the Putin/Medvedev era (Crotty & Rodgers, 2012). By making the law a moving target, it would be difficult for NGOs to know whether they are in compliance.

To date, several empirical assessments of the NGO Law have been conducted, based on survey data (Jakobson & Sanovich, 2010) and anecdotal evidence (Javeline & Lindemann-Komarova, 2010). In 2007, a more detailed assessment of its impact found that few organizations had complied with the registration requirements and that rights-based organizations felt proportionately more affected by the legislative changes (ICNL, 2007). The report also highlights inconsistencies with regard to the implementation of the law across various regions (ICNL, 2007). To date, however, there is no extensive array of empirical, peer-reviewed work on the impact of the NGO Law. Further exploration of the day-to-day impact of the NGO Law on Russian NGOs is therefore warranted. In this paper, we aim to enhance our understanding of both the reaction of NGOs to the NGO Law and the impact of this legislation on their day-to-day activities, based on interviews with 80 Russian NGOs. Our findings offer detailed insight into the impact of the NGO Law, thus providing a starting point for others to examine the development of civil society in Russia since 2006, in light of the NGO Law. We precede the presentation of our findings with a definition of civil society.

### **Defining Civil Society**

The literature defines and conceptualizes civil society in a variety of ways, and definitions often depend upon the importance of basic societal institutions. The term “civil society” is often used interchangeably with such terms as “third sector” or “social movements.” Despite conceptual and historical differences, these concepts share several common characteristics, including being considered separate from the state (see Muukkonen, 2009). For this reason, Muukkonen (2009) suggests that the interplay between political systems, economic orientation, family systems, and religious traditions is what shapes civil society. The civil society space consists of a variety of institutional forms, including groups, formal and informal networks, associations, or organizations (Mercer, 2002).

The Russian Federal Law on Public Associations § 5 refers to these forms as “voluntary, self-governing, non-profit formations set-up by individuals who have united on the basis of the community interests to realize common goals (...).” In the literature – and for the analytical purposes of this paper – formally organized groups or organizations are usually referred to as NGOs (Mercer, 2002). Thus, following Gordenker and Weiss (1995, p. 360), we define NGOs as formal organizations that are “self-governing on the basis of their own constitutional arrangements. (...) They are separate from governments (...) and are not in the business of making or distributing profits.” Mercer (2002) observes that the term NGO is also widely used to characterize formal civil society groups in Russia and other contexts of democratization (Spencer, 2011). Thus NGOs are both politicized organizations, which often challenge and attempt to influence decision-making within state institutions (e.g. promoting human rights or environmental protection) and apolitical organizations, which engage primarily in the provision of services and/or the delivery of public goods (e.g. working in areas of health and education).

In the context of the Russian Federation, Cook and Vinogradova (2006) distinguish six broad types of NGOs, based on behavioral characteristics. Most studies on Russian NGOs

distil these six definitions into three groups (see Henry, 2006). The first group can be characterized as successors of the state-controlled institutional arrangements that the Soviet regime used to manage the free time of individuals (Howard, 2002). NGOs within this group have been described as government affiliates or government organized non-governmental organizations (GONGOs, see Muukkonen, 2000, p. 73), which are “created by the state or government officials and have no leadership or constituency in society” (Cook & Vinogradova, 2006, p. 34). In the context of Russian Federation, Cook and Vinogradova (2006) refer to GONGOs as *marionette* organizations, as they serve to legitimize and support the state’s policy agenda, in addition to creating the image of an autonomous and functioning civil society. The second group consists of grass-roots organizations (Cook & Vinogradova, 2006). These are often small, locally based organizations that have no paid staff (Mercer, 2002) are leader-centric and generally of an apolitical nature (Henry, 2006). These groups also find it difficult to attract funding either at home or abroad (Henderson, 2002). The third group consists of professionalized organizations (Henry, 2006). These are often larger organizations that are able to maintain paid staff (Mercer, 2002) and that had previously been reliant on funding from the West (Sundstrom, 2005). To be consistent, we adopt these descriptors in this study. In order to provide some context, we now describe the development of Russian civil society prior to the implementation of the NGO Law.

### **The Development of Russian Civil Society before 2006**

According to Cook (2007), the period since the collapse of the Soviet Union has been characterized by rapid democratization and the implementation of neo-liberally oriented welfare reforms that have eliminated the social safety net that guaranteed housing, education, and free healthcare (Rivkin-Fish, 1999; Thomson, 2002). Over time, the gap left by the retreat of the state from healthcare has been plugged (albeit inconsistently) by locally focused, donation-based groups. These groups were often reliant on sparse funding from

local authorities or from facilities that were financed by foreign organizations, (Rivkin-Fish, 1999). Their focus was broad, ranging from social work (Thomson, 2002) to the societal integration of the disabled, in addition to such emerging problems as HIV/AIDS (Jakobson & Sanovich, 2010).

Despite the emergence of these NGOs, Sundstrom and Henry (2006) describe the post-1991 development of Russian civil society as being in a “holding pattern,” with organizations struggling to overcome both the legacy of the Soviet past and difficulties arising from a transitional economic environment. A range of factors inhibited the development of NGOs in post-Soviet Russia, including a lack of enthusiasm in public participation (Petukhov, 2006; Rimskii, 2008) and the rejection of formalized volunteering (Howard, 2002). Further, Crotty (2006) argues that many social movements (e.g. the green and trade union movements) fragmented into individual organizations, due to the elimination of restrictions on expression and assembly after the collapse of the Soviet Union. In addition, the continuing dominance of Soviet cultural values in political institutions (Hedlund, 2006) and social organizations (Spencer, 2011) meant that the majority of NGOs remained parochial and inward looking (Crotty, 2006; Mendelson & Gerber, 2007).

The most detrimental factor for NGOs, however, was an absence of domestic funding sources. Sundstrom (2011) argues that the little domestic support that was available focused on isolated initiatives rather than on support for formally institutionalized organizations. This forced groups to rely on donations from overseas. Sundstrom (2005) assesses such foreign funding as ineffective in contributing to democratization, as it was often misdirected toward projects and programs with little public support. This combination of factors meant that the Russian civil society remained under-developed (Sundstrom & Henry, 2006), with limited public support or participation (Crotty, 2009). Recent studies (e.g. Jakobson and Sanovich, 2010; Javeline and Lindemann-Komarova, 2010) provide a more positive assessment of

NGO activity and infrastructure (e.g. the development of domestic funding sources).

Nevertheless, the extended literature overwhelmingly indicates that, prior to the passage of the NGO Law, most Russian NGOs had failed to realize their full potential, whether in terms of building civil society, holding the state accountable, or engaging the public (Crotty, 2009; Henry, 2006).

The studies on Russian civil society that have informed these conclusions focus on the environmental movement (Crotty, 2006; Henry, 2006), the women's rights movement (Sundstrom, 2005), trade unions (Kubicek, 2002), and the human rights movement (Mendelson & Gerber, 2007). This collective literature thus lacks a detailed assessment of the development of groups that advocate and are engaged in health and welfare causes. To address this omission, and to provide insight into the impact of the NGO Law on a relatively neglected section of Russia's third sector, this paper focuses on the impact of the NGO Law on health and education NGOs (HENGOS). Have HENGOS resisted or acquiesced to the law? Given that the impact on funding and the registration requirements is likely to impose an additional burden on HENGOS, how and in what ways has the NGO law affected their day-to-day activities? We explore these questions by analyzing interview data collected from 80 HENGOS in three regions of the Russian Federation. Before presenting our findings, we outline the methodology of the research study.

### **Methodology**

The research reported in this paper is based on a qualitative methodology that we applied in order to expose key insights into the impact of the NGO Law within individual organizations. We selected this methodology in order to provide a more detailed picture of specific organizational experiences than is provided by the evidence that has been published thus far (ICNL, 2007). In order to collect this data, we selected three cities (Perm, Yekaterinburg, and Samara) as sites for this study. Each of these cities is representative of a

typical industrialized provincial city located outside of Moscow and St. Petersburg. The region of Perm is dominated by extractive industries. Sverdlovsk (the region in which Yekaterinburg is situated) is a center for metallurgy, and Samara is a manufacturing hub. All three cities have significant defense sectors (Federal State Statistics Service, 2010), thus reflecting the industrialized nature of Russia's provinces. Furthermore, more than 80% of the population in each of the three regions is ethnic Russian, and the areas are similar in terms gross regional product<sup>4</sup> (Federal State Statistics Service, 2010). These three regions thus provide a sufficiently similar context for examining contrasts and similarities between these three regions (Miles & Huberman, 1999), while minimizing potential regional factors that could act as explanatory influences.

According to Huberman and Miles (1999), inductive research designs should be applied for exploratory studies in which the territory under enquiry is excessively complex. Given the dynamic nature of Russia's economic and social development, and given the lack of literature on the NGO Law and its impact, an inductive research design is appropriate to the purposes of this study. This approach also enables us to capture the respondents' own interpretations (Eisenhardt, 1989), thereby facilitating the evaluation of the ways in which respondents portray the NGO Law.

We drew upon the literature on civil society development in Russia (Sundstrom & Henry, 2006), aspects of the legislative changes, as well as their assessment in the literature (Maxwell, 2006) to construct a semi-structured interview protocol, which was translated into Russian for data collection. As with other Russian NGOs (see Spencer, 2011), the majority of HENGOS are small, with the majority of those participating in this study having six members. This means that both the leadership and membership were in constant interaction. The GONGOS and the professionalized HENGOS were larger and had less interaction between the membership and the leadership. Nevertheless, given the widespread use of

“democratic centralism” in Russian NGOs, in which the ideas of the leaders are automatically adopted by full member consent (Spencer, 2011, p. 1080), the leader’s response represents the most relevant opinion with regard to organizational decision-making (see also Jakobson & Sanovich, 2010). This study therefore focuses on interviews with leaders of HENGOS.

On average, the interviews lasted 45 minutes, and they were conducted in Russian without an interpreter. To reduce self-reporting bias, the interview data were triangulated by consulting data, observational and artifacts collected by attending HENGO events (Miles & Huberman, 1999). The data-collection process focused on establishing the specific impact of the Law on the operations of NGOs. Data collection included reflective periods, during which the interview protocol was adjusted and amended in order to capture and probe any emerging issues.

In order to recruit organizations, HENGOS were initially identified using web-based resources (<http://www.nko-ural.ru/>), as well as with assistance provided by three partner universities, which provided administrative support and facilitated access to NGOs in the educational sector. Participating HENGOS were purposefully selected (Siggelkow, 2007), based on their activities, objectives, and whether they considered themselves civic/social organizations (in Russian, *obshchestvennyye organizatsii*). This procedure initially generated contact details for approximately 35 organizations. To increase the number of participating organizations, local phone directories and snowballing techniques were used. The snowballing technique also helped to improve understanding regarding the interaction amongst HENGOS. In all, interviews were held with 80 organizations dispersed throughout the three regions.<sup>5</sup>

For analytical purposes, all interviews were transcribed and translated into English onsite, calling upon the skills of native speakers wherever discrepancies arose. The interview material was coded inductively according to themes related to the manner in which the NGO

Law has affected HENGOS. As the interview transcripts were read and reread during the coding process, new codes emerged and existing codes were adjusted (Charmaz & Mitchell, 2007). This process also established relationships between the various parts of the data (Miles & Huberman, 1999). In order to ensure coding reliability, the codes were discussed with field experts, who helped to reduce ambiguities. Throughout the analytic process, the interview data were crosschecked against observational notes and artifacts. The following discussion explores these issues, illustrating the key points with narratives from the interviews, as well as “illuminating examples” (de Vaus, 2001, p. 240).

In order to ensure the anonymity of the organizations and the participants and the confidentiality of the data, the adopted coding system is used to refer to the data in the discussion that follows. For example, the code Org01Sam is used to refer to the first organization in Samara. Any organizational material collected that was not in the public domain is treated confidentially and thus included in this paper only in paraphrased form. The following section presents the empirical findings of this study.

## **Findings**

### **Response to the NGO Law: Compliance or Resistance?**

Despite the criticism that the NGO Law has received both internationally (Dejevsky, 2005; Machleder, 2006) and domestically (Alekseeva et al., 2005), our evidence suggests that compliance was widespread. Only 7% of the respondents reported that they had not complied with the law. A review of the data reveals that organizational categorization (e.g. GONGOS/marionettes, professionalized, or grass-roots organizations) or sector had only limited effects on compliance in all but five of the organizations. We explore this result in further detail below.

#### ***Compliance: Access to State Funding***

One result of the NGO Law is that access to foreign funding is now severely restricted. Combined with the absence of domestic philanthropy (Sundstrom, 2005), such restrictions often leave the state to assume the role of donor to Russia's third sector. In 2010, the federal state distributed one billion rubles to only 604 of Russia's 300,000 NGOs (Civic Chamber of the Russian Federation, 2010). With such fierce competition, eligibility for any funding is vital to the continued operations of an NGO (Javeline & Lindemann-Komarova, 2010). It is thus not surprising that compliance appears to be aligned with such eligibility. Non-compliance meant that HENGOS would no longer be "*granted the trust of the registration office which would allow us to continue*" (Respondent 33, Org09Per) and that, "*without the help of the government, you cannot achieve anything*" (Respondent 16, Org17Sam). Respondent 65 (below) and many others in this study thus created "compliance" narratives highlighting the positive benefits for their organizations, rationalizing why they would chose to submit themselves to a law granting the state access to and control over their day-to-day activities.

*I think that, if the government wants to engage with the third sector, it needs to have an understanding of it. (...) Of course, nobody likes doing a statement of accounts; I do not like doing it. But if we want to have government funding, if we want to be equal partners [with the state], then we need to provide this information.*

Respondent 65, Org16Yek

In a similar observation, Respondent 7 illustrates compliance as a sign that an organization is active.

*I think that this law is very important because, in the third sector, there are many NGOs, but only few are actually active. [If you comply] everyone [including the state] will be able to know which organizations are active and which are not.*

Respondent 7, Org07Sam

Survival is crucial; not “being registered” means that “*you will not be able to exist*” or be able to “*participate in grants*” (Respondent 4, Org04Sam). “*Existence*” (Respondent 66, Org17Yek) is the only method to access resources, interact with state authorities, and continue the work of an organization. Without being seen as legitimate, HENGOS cannot continue to function as organizations or to provide key services, including “*social, sports or cultural events for the deaf*” (Respondent 32, Org08Per), “*local programs aimed at nurturing patriotism*” (Respondent 61, Org12Yek) or “*social-psychological and legal help for people with HIV/AIDS*” (Respondent 46 Org21Per). For the majority of organizations in this study, therefore, refusal to comply was not an option. Compliance was assumed.

*The law has good intentions: monitoring of the work of NGOs so the state can direct financial support to their work. I also understand that the government has to check the work of the NGOs, so they do not do anything wrong.*

Respondent 8, Org08Sam

*I always say, it does not matter what rules are in place, as long as there are some. We are ready to play according to any rules.*

Respondent 47, Org22Per

This pragmatic approach comes at the cost of independence. Once an organization has received state funding, it is difficult to hold it accountable (Taylor, 2006). For the organizations in this group, however, this does not appear to be very important. Despite this situation, a recent CIVICUS survey (Jakobson et al., 2011) involving a wide range of civil society organizations reveals that these organizations have only a limited number of funding sources, with the sale of services and membership fees – and not state funding – providing the majority of organizational income (Jakobson et al., 2011). One caveat to this report, however, is that such income is used to maintain rather than to develop and increase the reach and impact of organizations (Jakobson et al., 2011). The continued development of these organizations is thus likely to require the ability to access state funding – and thus to comply with the NGO Law. In adopting this approach, therefore, compliant organizations are exchanging their democratization potential for legitimacy and eligibility for state resources (see also Jakobson & Sanovich, 2010). The only way to remain independent is to choose not to register. A small number of organizations in this study chose this route. We explore their motivations below.

### ***Non-Compliance: A Minority Response***

As noted above, 7% of the participating organizations did attempt to circumvent the NGO Law. Nevertheless, this group stopped short of outright protest or challenging the state and the NGO Law openly, instead choosing not to register with the state under the provisions specified in the NGO Law. The organizations that did not register consisted of five grassroots, leader-centric HENGOS (Org12Sam, Org22Sam, Org10Per, Org16Per, and Org09Yek), several of which had received foreign funding in the past.

Respondents from these organizations characterized the NGO Law as “*one reason why we left this sector*” (Respondent 58, Org09Yek), because “*everything became too organized; there are too many controlling structures*” (Respondent 57, Org09Yek). They also

felt that the Law strained the ability of their organizations to conduct their activities: “[we] do not have the resources’ (Respondent 21, Org22Sam). They also considered the bureaucratic burden was too high and “*entailed so much [work], so we decided not to register*” (Respondent 21, Org22). More importantly, respondents in this group felt the Law saddled their organizations with an excess of paperwork, which disrupted their activities.

*I, like anyone else, understand that there is always something that can be criticized.*

*There are always some formal aspects that they can use to disturb your activities. So you end up writing reports explaining yourself, and you do not get anything done.*

*This is why I do not want to register.*

Respondent 12, Org12Sam

Given the criticism of the NGO Law (Alekseeva et al., 2005; Dejevsky, 2005), the commentary from this group is more consistent with our expectations. The HENGOS in this group did not seem to share the pragmatic approach adopted by the majority of organizations that participated in this study. Although this result can be seen as a sign that some grassroots HENGOS decided not to comply, it also means that such organizations no longer officially exist. In addition to being ineligible for state funding, these organizations will also be overlooked by the state. This will further limit their ability to interact with the state and to influence it or hold it accountable, thus limiting their potential for democratization.

### **The NGO Law: Impact on Day-to-Day Activities**

Our second proposition explores the impact of the NGO Law on the day-to-day activities of HENGOS. A review of the data revealed that the sector of an NGO does not matter. Organizational categorization has the strongest effect on the constructed discourse,

with grassroots HENGOS referring to a wide spectrum of “negative impacts,” while professionalized HENGOS and GONGOS portray the impact as “positive.”

### ***Professionalized HENGOS and GONGOS***

Despite the criticisms of increased bureaucracy (Maxwell, 2006), the representatives of professionalized HENGOS and GONGOS did not portray the NGO Law as a burden. They reflected the government’s argument that the law was necessary in order to improve the transparency and professionalism of NGOs (Machleder, 2006; Maxwell, 2006). In discussing the registration requirements, two groups asserted that they had registered “*without problems*” (Respondent 15, Org16Sam). They further noted that their registration had “*little impact on the activities and structures of our organization*” (Respondent 65, Org16Yek) and that it been important in “*bringing [their work] to paper*” (Respondent 65, Org16Yek). In order to meet the requirements of the NGO Law, both groups stressed the need to have an “*already very developed management system*” (Respondent 64, Org15Yek) and to be “*professionally organized*” (Respondent 47, Org22Per), such that “*filling in this [registration] document is not a problem*” (Respondent 1, Org01Sam). This discourse indicated that professionalized HENGOS and GONGOS have tended to view compliance as helping them to become better, stronger, more efficient organizations. It has provided them with a way of demonstrating their professionalism and abilities. The respondents were thus also keen to contrast their professionalism with that of groups that were less organized.

*Today, the Law requires of [non-governmental] organizations the same that is required of commercial organizations, but the level of development – the level of the people that work in many organizations – is not always on that level. But we have no such problems.*

Respondent 48, Org23Per

In contrasting their approach to the Law, professionalized HENGOS and GONGOS highlighted another benefit of compliance. They perceived that the demands of the Law reduced the number of legitimate HENGOS. They stressed that the Law meant that “*only active organizations [had] survive*” (Respondent 61, Org12Yek) and that “*others had been closed down*” (Respondent 28, Org04Per). Thinning the field might be advantageous to individual HENGOS, which exist within an environment in which the competition for funding is fierce (Jakobson et al., 2011). A reduction in the number of NGOs is not good for the overall development of Russian civil society, however, as it weakens the base from which an active, functioning civil society sector could emerge. Moreover, in seeking to be one of the relatively few organizations to receive state funding, the professionalized HENGOS and GONGOS have apparently both complied with the NGO Law and allowed the state to determine their goals.

*Russia is a country in which the role of the government is important. If the government does not support this, then NGOs will have trouble doing something in this area. If the government says it needs to be done, only then will they work in this direction; otherwise nothing will happen.*

Respondent 16, Org17Sam

Given the necessity of this tradeoff to their continued existence, the way in which HENGOS engage in the provision of services provision may not have changed, but the scope of services that they offer has now become subject to external interference.

It is perhaps not surprising that GONGOs, which emerged from within state structures, were willing to operate in this manner. The acquiescence of the professionalized HENGOS, however, is of greater relevance to this study. This development has allowed the state to annex a part of Russia's third sector that was previously independent, thereby reducing the likelihood that such organizations can provide the leadership necessary to the emergence of a functioning civil society from within Russia's current NGO community. This finding reflects the fears expressed by Dejevsky (2005) and Volk (2006), who asserted that the NGO Law would "eviscerate" or "smother" Russia's emerging third sector.

### ***Grassroots HENGOS***

In contrast to the professionalized HENGOS and GONGOS, the grassroots organizations that we interviewed portrayed the stricter government supervision associated with the Law as a strain on their resources. The time required to complete the necessary paperwork was particularly problematic, as the Law "*makes you submit all your protocols. They want so many documents that a year is not enough to get them all together*" (Respondent 55, Org07Yek). Further, grassroots HENGOS noted that the audits following the submission of their annual statements were "*very tough, [and] you need a lot of time*" (Respondent 31, Org07Per) and that the requirements of these audits posed a distraction from the work of their organizations.

*In general, when they were introduced, these new rules gave us a headache. We are not able to keep an accountant on staff, but we had to hire one and take some of the money we use for projects to pay him.*

Respondent 24, Org13Sam

*It takes a lot of time and takes you away from the focus of your work, and you have to do all the paperwork instead of helping our children.*

Respondent 70, Org21Yek

The respondents from grassroots HENGOS thus saw the Law as a drain on their time and resources, requiring them to hire staff members that they could not afford and to devote time that they would otherwise have spent advancing the aims of their organization on completing paperwork. These respondents also emphasized what they saw as the presumption of guilt underlying the NGO Law: *“it is your responsibility to fill the reports correctly”* (Respondent 55, Org07Yek) and, even *“if they make a mistake, you have to prove that they were wrong”* (Respondent 51, Org03Yek).

*You hand them [the reports] in and they find a small mistake, some inaccuracy, a spelling mistake or if you use the wrong word. They send the documents back to you in order to liquidate your organization.*

Respondent 61, Org12Yek

These comments reflect the way in which grassroots HENGOS perceived the milieu of excessive regulation (Crotty & Rodgers, 2012) that had dominated the Putin/Medvedev era. By creating a legislative environment in which NGOs need to comply in order to ensure their existence, but in which compliance is difficult to achieve, the Law gives the state significant, yet unwritten power over the activities of NGOs. As explained by the representatives of grassroots HENGOS, the reporting requirements are *“very tight now, which makes life difficult”* (Respondent 53, Org05Yek), *“so difficult, I was tearing my hair out”* (Respondent 50, Org02Yek). Nevertheless, non-compliance was not an option. Like their

professionalized HENGO and GONGO counterparts, these organizations recognized that non-compliance would mean that their organizations would cease to exist (officially) and that they would be “out of business.”

*Of course, we have to be registered, because now everything is more structured.*

*Without adhering to the official requirements, you will not be able to exist. If we have people coming to our courses, they want a certificate, so we have to be official so we can get paid.*

Respondent 66, Org17Yek

As was the case with professionalized HENGOS and GONGOS, legitimacy played a large role in the acquiescence of grassroots organizations to this Law despite the obstacles it posed for the day-to-day operations of their organizations. This was the case, even though many grassroots HENGOS stated that they had received very little state funding or had little prospect of receiving any: “*we receive very little funding*” (Respondent 22, Org23Sam); “*we hand in empty declarations, I mean I just put a zero everywhere*” (Respondent 22, Org23Sam). Nevertheless, they needed to remain eligible for potential access to state or other domestic funding at some point in the future.

We discuss the implications of this and the other findings in the following section.

### **Conclusion**

Our findings reflect a strong relationship with the extended literature on civil society in Russia (Crotty, 2009; Henry, 2006; Jakobson & Sanovich, 2010; Spencer, 2011). Before presenting our conclusions, however, it is important to acknowledge the limitations of this study. A larger sample, a different methodological approach, different sectors and regions may have generated different reactions to the NGO Law. Such contextual differences should

be addressed in future research. Our conclusions should thus not be applied to Russia as a whole. The importance of the findings reported in this paper lies in the fact that they provide insight into the impact of the NGO Law on NGOs, as well as on the prospects for the development of Russia's civil society. We hope that this paper will provide a springboard for other researchers to examine the development of Russian civil society since 2006.

Given criticism that the NGO Law has received both domestically and internationally, the analysis of the data presented in this paper may appear counterintuitive. Based on the objections by rights-based organizations (Dejevsky, 2005), we would expect that the majority of NGOs in this study would have either engaged in reluctant compliance or refused to comply (see ICNL, 2007). The results reveal the opposite, with only 7% of the organizations having engaged in active non-compliance and with some HENGOS even viewing the NGO Law in a positive way (in addition to their compliance). Conversely, our data contain no evidence of groups engaging in any direct challenge to the Law, whether through protest or through legal challenges.

Respondents illustrated organizational compliance with the NGO Law as a function of survival and legitimacy. They were pragmatic about the restrictions imposed by the NGO Law, and they had been willing to exchange independence for the chance of survival. The pragmatic response of respondents also illustrates the adaptive nature of Russian NGOs (Jakobson & Sanovich, 2010). It remains to be seen whether the 2009 amendments will change the respondents' assessment of the legislative environment.

In an environment in which funding is limited, it is not surprising that HENGOS with a focus on the provision of services would seek to comply with the Law if compliance meant being eligible for state or other domestic funding that would enable the continuity of their work. At the same time, however, this also illustrates the ingenuity of the NGO Law. Since 1991, Russian NGOs have struggled to access resources. The NGO Law has mobilized this

issue. In cooperation with the Civic Chamber, the state has replaced the previously scant funding sources as a major donor to Russia's third sector (Richter, 2009). The organizational growth of many HENGOS depends upon legitimate to access state authorities and eligibility for state funding.

In addition, by recognizing the characteristics of Russia's underdeveloped civil society and by constructing a mechanism for "licensing" the existence of NGOs, the NGO Law has effectively allowed the state to annex parts of Russia's civil society. Our conclusions thus reflect the argument proposed by Jakobson and Sanovich (2010, p. 294) that the state now governs the third sector, even though it also promotes the non-political activities of NGOs as "allies in solving social problems."

Our observations also suggest that both non-political and pro-state organizations have been gaining strength within Russia's current political and legal environment (Robertson, 2009). Civil society arrangements inspired by religious, "orthodox," (Kharkhordin, 1998) or political traditions have favored arrangements in which the state has control over society (Hedlund, 2006). As argued by Hedlund (2006), the need to maintain control over a vast geographical space generated a patrimonial regime characterized by institutional arrangements aimed at ensuring the regime's survival. This regime and its subsequent reiterations were built primarily upon the existence or portrayal of an outside threat to the territory, thus feeding a system of state bureaucracy that depended upon the ruler for its economic survival. Hedlund (2006) further asserts that state bureaucracy used various devices, including regulations (or, as noted by Yakovlev [2006], regular changes to the legislative framework) and religion or ideology (e.g., communist) to strengthen its power. The NGO Law and similar developments in the media (Simon, 2004) with regard to religious<sup>2</sup> or commercial organizations (Yakovlev, 2006) under the Putin/Medvedev administration are a reflection of the persistence of such arrangements.<sup>6</sup>

As highlighted by our evidence, therefore, societal institutions that facilitate such a regime continue to exist, thus reiterating the argument made by Muukkonen (2009) that civil society is a function of basic societal institutions. Despite more than 20 years of transition, the civil society arrangements illustrated in this paper imply that a reconfiguration of these basic institutions will require additional time. Our study indicates that the legislative arrangements adopted in 2006 have apparently not been helpful in facilitating this process or in bringing order to this emerging sector. We therefore argue that, while the spirit of the 2006 NGO Law remains unchallenged and unchanged, the character of Russia's civil society will remain one that fails to challenge the state or to hold it accountable, and that this will continue to have implications for Russia's democratic development.

## Endnotes

<sup>1</sup> The 2006 NGO Law amended the legislation governing non-governmental organizations, including nonprofits (Federal Law on Non-Profit Organizations, 1996), public associations (Federal Law on Public Associations, 1995), religious organizations (Federal Law on Freedom of Conscience and Religious Associations, 1997), and charitable organizations (Federal Law on Charitable Activities and Organizations, 1995).

<sup>2</sup> The Federal Law on Freedom of Conscience and Religious Associations (1997, amended 2004) placed restrictions on the operations of foreign missionaries in Russia, narrowly defined the entities that could and could not be registered as religious organizations, and permitted the suppression of religious groups that could harm the “morality” or “health” of the Russian people.

<sup>3</sup> In France, NGOs are regulated by a law known as the 1901 Law (*loi 1901*; OSCE Office for Democratic Institutions and Human Rights, 2012). In Finland, they are regulated by the Associations Act of 1990 and its subsequent amendments (PRH, 2002). Israel’s parliament is currently discussing amendments to existing NGO regulations in order to limit foreign funding to NGOs (Association for Civil Rights in Israel, 2012).

<sup>4</sup> In 2009, the GRP of Perm was 609.2 billion rubles, while that of Samara was 706.5 billion rubles and that of Sverdlovsk was 823.8 billion rubles.

<sup>5</sup> In all, 80 organizations participated in this study. Most were active in the areas of health or education. The majority of the organizations (49) were active in the health sector, encompassing everything from support for the disabled to drug rehabilitation or support services for HIV/AIDS. Some of the organizations (25) were focused primarily on providing educational activities for children. One organization was active in both areas. Five organizations were infrastructural NGOs, which focused on providing support to other HENGOS.

<sup>6</sup> In June 2012, the newly re-elected President Putin replicated the spirit of the NGO Law in another legislative context by introducing changes to the law governing public protests and by significantly increasing fines for unofficial protests. Also in 2012, the Russian state passed additional legislation that classifies NGOs receiving foreign funding as foreign agents.

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