

# A Pyrrhic Victory Over USAID

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The U.S. Agency for International Development marked its 20th anniversary of working in Russia this year, but this anniversary will be its last. On the orders of the Foreign Ministry, the agency's activity will cease Oct. 1, and its staff must leave the U.S. Embassy.

The Kremlin was convinced that all protest movement in Russia in one way or another was supported and even funded from abroad, especially from the U.S. In addition to the protest movements, the U.S. supports human rights and builds civil society in the country, which Russian leaders believe is subversive. Little has changed from the Soviet period, when the Communist Party made the words "dissidents" and "human rights defenders" synonymous with betrayal of the motherland.

It was amusing to hear from the Foreign Ministry that one of the justifications for ejecting USAID was that Russia has already become a donor to development projects in other countries. In fact, Russia's share in the projects is less than 0.5 percent. The largest amount of international assistance provided by Russia totaled \$735 million in 2009. In 2010, for example, the U.S. provided \$30.2 billion in human rights and democracy-development assistance to other countries, Britain \$13.76 billion, France \$12.9 billion, Germany \$12.7

billion and Japan \$11 billion.

It is actually surprising that the Russian representative office of USAID was allowed to operate as long as it did and wasn't closed five years ago during the second presidency of Vladimir Putin. In 2006, the administration of U.S. President George W. Bush, with U.S. Secretary of State Condoleezza Rice playing a leading role, reformed USAID and made it report directly to the State Department. One of the goals was to achieve greater coordination of international assistance with the administration's foreign policy priorities, including the spread of democracy in the world.

In the 1990s, it was acceptable for Russia's ruling elite to cooperate with the West in the development of democratic and financial institutions. Now that cooperation is considered subversive. (Ironically, members of United Russia have participated in various USAID-funded programs, such as seminars on governance, which would imply that it is also a subversive organization, using the Kremlin's logic.)

Since 1992, USAID has spent \$2.7 billion in Russia on programs to help develop civil society. Of that amount, \$1.7 billion was spent in the first decade of its operation, after which the annual amount of aid was reduced about twofold. In the 1990s, the focus of USAID programs was on developing free-market institutions, making small loans, developing small and medium-sized business and assisting unemployed Russian nuclear scientists find new positions. There were also programs to reform government institutions, in particular the judicial system. Judges and lawyers received valuable training in Western legal practices. In the humanitarian sphere, USAID helped NGOs reduce the spread of AIDS and tuberculosis, improved health care for mothers and children and care for orphans, and helped integrate the disabled into the workplace. There were also valuable USAID-funded programs to train journalists in the regions and to protect the environment.

Only about a third of all funds spent over the last 20 years were on programs that evoke so much suspicion in the Kremlin — in democracy-building and human rights. In this category, Golos was at the top of the Kremlin's most-hated list because it revealed thousands of cases of election fraud in the December State Duma elections and the March presidential vote. Just below Golos on the list was the Moscow Helsinki Group, a human rights NGO that dates back to the Soviet period, and Transparency International Russia, which focuses on corruption.

When the Foreign Ministry explained its decision to expel USAID, it mentioned in particular the meddling of USAID-funded NGOs in the North Caucasus. Above all, it was referring to Memorial, which provides legal assistance to victims of human rights violations committed by the police and security services, a huge problem in the region.

The Foreign Ministry also defended its actions by claiming that Russia is a mature, developed country and able to manage without financial assistance from the U.S. This is unfortunately not the case. USAID's withdrawal from Russia will cause damage to its extremely fragile civil society. Smaller NGOs will be hit the hardest. This means that there will be minimal support for the disabled, orphans, drug addicts and those suffering from HIV and tuberculosis. Russian society will not be able to pick up the slack from USAID's withdrawal. There are few Russian NGOs to fill this void, and Russians give woefully little to the small number of charities that do exist. Moreover, many USAID projects require special skills and know-how

that are simply not available in Russia. Bringing these experts from abroad was crucial for many social civic projects.

The Kremlin can celebrate its victory. Without USAID, it will be able to slow down, or even stop, the development of many important civil-society initiatives. But this will be a Pyrrhic victory, of course.

The opposition movement, which has so far been peaceful and law-abiding, has only been a small irritant to the Kremlin. But by expelling USAID, it has delivered a serious blow to the human rights and democracy movements. Civil society is upset about the Kremlin's crude, heavy-handed demarche, and this will only speed the process of turning a peaceful protest movement into an angry, and potentially dangerous, one.

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