

Terrorism Bill Hits Netizens

By Kevin Rothrock

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Another Internet crackdown appears to be looming in Russia, where the State Duma is reviewing three new pieces of proposed "anti-terrorism" legislation that could place hefty restrictions on the activities of website operators and civil society groups.

Two of the bills address government surveillance powers. One would create new requirements forcing website operators to report on the every move of their users, while another addresses penalties for terrorism-related crimes. The third would set new restrictions for individuals and organizations accepting anonymous donations through online services such as Yandex.Dengi — a measure that could have an especially strong impact on small civil society groups.

The third piece of legislation would place new limits on online money transfers. This draft law would place limits on anonymous online financial transactions and ban all international online financial transactions, where the electronic money operator does not know the client's legal identity. The legislation also raises operating costs for nongovernmental organizations, requiring them to report on foreign donations recieved exceeding \$3,000.

The proposed restrictions on anonymous online money transfers could be significant. Currently in Russia, one can deposit up to \$1,200 into a single anonymous online wallet, and one can pay out almost \$450 from that account in a single transaction. Under the new legislation, Russians wouldn't be able to spend more than \$450 in a whole calendar month from any one anonymous online money account, and single-day transactions would be limited to just under 1,000 rubles (\$30).

How much money do Russian netizens typically send when they transfer rubles online? Consider anti-corruption whistleblower Alexey Navalny's Moscow mayoral campaign in August, which he funded largely with online donations through Yandex.Dengi. It's clear from just a glance at Navalny's public audit of his online donations that a large number of the transfers were well above 1,000 rubles.

Perhaps anticipating today's backlash to the new crackdown on anonymous RuNet money transfers, the Duma actually raised the allowed maximum balance for identified online money accounts in late December, increasing it from 100,000 rubles (\$3,000) to 600,000 rubles (\$19,000).

Indeed, the legislation's potential impact on crowd-funded projects has alarmed many Russians. Writer and activist Arkady Babchenko, who runs a civic group called "Journalists Without Intermediaries," responded with an emotional blog post. He wrote that the new legislation would destroy any efforts to fund his project, which he promotes unceasingly in his online social media. "Now I can close down the project with a clear conscience," he announced with a degree of fatalism.

With similar hyperbole, economist Konstantin Yankauskas, who is also a city council member in the Moscow district of Zyuzino, proclaimed in a Facebook post: "Under the pretext of fighting terrorism, the Duma is preparing to shut down Yandex.Dengi." Like Babchenko, Yankauskas manages his own crowd-funded civic group: a local newspaper in a Moscow suburb.

Curiously, Babchenko and Yankauskas both downplay the fact that the proposed limitations on Internet money transfers apply exclusively to anonymous accounts. Presumably, their panic is rooted in the assumption that Russians will donate to civic initiatives only if they can do so anonymously, without alerting the authorities to any ostensibly "oppositionist" leanings.

Whatever the ulterior motives of Russian lawmakers and the fundraising strategies of civic groups, this move to peel back the privacy offered by online exchange will have an inevitable chilling effect on the country's netizen self-organization. One of the bills' authors, Oleg Denisenko, even admitted to Kommersant newspaper that the legislation "will be unpopular."

As the Duma discusses and revises the bills over the coming weeks, Denisenko will find out whether his colleagues agree that the fight against terrorism warrants such sacrifices. The initial reactions from the RuNet, however, indicate that the proposed measures will never be popular with the country's bloggers.

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