Mr. Speaker, I rise

today to call the attention of my colleagues

to my serious concern with the

lack of the rule of law in Russia.

Fifteen years ago, all of us watched

with great excitement and great optimism

as the Communist system came

to a resounding close while the Russian

people and the government went

through an historic transformation. We

saw President Boris Yeltsin stand up

against tanks in the streets of Moscow,

and we watched as Russia moved to

embrace Democratic change.

Mr. Speaker, unfortunately, in the

last few years, we have watched as the

government of Mr. Putin has slowly

but surely pulled back from Democratic

change. Freedom of the press has

increasingly declined, particularly in

the realm of television. Elections have

been less open and less Democratic.

The rule of law has been proscribed by

government regulation. Increasingly,

government control has restricted the

freedoms that had just begun to blossom

in post-Soviet Russia.

Mr. Speaker, the most recent, and in

many ways the most dramatic, example

of this decline of the rule of law in

Russia has been the Russian government’s

political prosecution and persecution

of Mikhail Khodorkovsky, the

former chairman of Yuko Oil, one of

Russia’s largest companies, and the

one that had gone the farthest in moving

towards transparent western market-

oriented business practices. It was

the Russian company which had made

the greatest progress in corporate

transparency. The company was on the

verge of an unprecedented business

deal with Western oil companies.

The Russian prosecutors, clearly at

the demand of the political leadership,

initiated a political prosecution of Mr.

Khodorkovsky. He was arrested last

summer by a mob of armed security

forces as his plane landed at a Siberian

airfield. Since that time, he has been

held in a Russian jail. He has been limited

in his contact with his own attorneys,

he is not permitted to communicate

with the outside world, and he

appears in court in a steel cage.

This treatment of an individual who

at this point has a tax dispute with the

Putin regime violates all principles of

due process and the rule of law.

Mr. Speaker, I am calling attention

today of our colleagues in the Congress

to this decline of civil and human

rights in Russia. Together with my distinguished

colleague, the gentleman

from California (Mr. COX), we have established

the Russia Democracy Caucus

to work for the development of the

rule of law and the consolidation of

civil and human rights in Russia.

Mr. Speaker, a number of my colleagues

will be submitting their statements

joining me in deploring the rollback

of freedom and civil rights in Russia

during recent years.

Mr. Speaker, last month, on a visit to Moscow,

I met with Ambassador Alexander

Vershbow and other embassy officials to get

an update on the political situation in that

country. I also met with legal experts and

human rights groups who provided a grim account

of the recurring threats to individual and

political freedoms that regrettably harkens

back to the old Soviet days.

Respect for human rights is the cornerstone

of a civilized society. Even the Russian constitution

recognizes this fact, as provided in

Article 2:

Our own commitment to human rights as it

relates to Russia and other former Communist

countries is manifest in the Helsinki Final Act

in 1975, in which we effectively utilized the socalled

‘‘Basket Three’’ of that document to

publicly hold the Soviet Union accountable for

its violations of human rights and civil liberties.

For a brief moment, during President

Yeltsin’s presidency, we thought indeed there

would be freedom and liberty in Russia. It was

during this time, the G–8 member nations allowed

Russia to participate as an ad-hoc

member, so long as it adhered to the principles

of Constitutional democracy, rule of law

and human rights. My colleague CHRIS COX

and Senator JOE BIDEN have spoken out recently

about whether Russia, under President

Vladimir Putin, deserves a place at the G–8

table and indeed if that country should host

the next session in 2006.

I would also remind my colleagues that Resolution

H. Con. Res. 336, which enumerates

these shortfalls and recommends that Russia

be denied participation in G–8 sessions until it

demonstrates its worthiness as a Democratic

state, recently passed the House International

Relations Committee. A similar measure is cosponsored

by Senators MCCAIN and

LIEBERMAN.

Mr. Speaker, our own State Department has

documented what we have learned from a variety

of sources concerning the deteriorating

situation as it relates to rule of law, freedom

of expression, and human rights in Russia.

Over the past year, reports from human rights

groups, NGOs, the European Union, legal

scholars, and wide spread media reporting of

conditions in Russia bear out what our own

government has reported. On Secretary of

State’s last trip to Russia, he made it a point

to voice his concerns directly to President

Putin and publicly expressed them through the

limited media outlets that exist in Moscow.

There is much that concerns me about Russia

today. In view of the time limitation I cannot

address all of them, but I would like to

mention a few that I believe deserve urgent attention.

First is the case against Mr. Mikhail

Khodorkovsky, chairman of YUKOS Oil Company.

This week Mr. Khodorkovsky goes to

trail in a court that is hardly known for its integrity

or independence. Virtually all of the

legal entities and courts outside Russia have

ruled against the Russian government, generally

finding the cases lack in legal merit and

being political in nature. Little wonder Mr.

Khodorkovsky is already a condemned man.

Hardly anyone inside or outside Russia seriously

believes he will receive a fair and just

trial.

Since his arbitrary arrest last fall by masked

gunmen and detention, Mr. Khodorkovsky has

been subjected to numerous violations of his

due process rights. The Kremlin has directed

the case against him for purposes that are

widely seen as political, not criminal. Indeed

the case is being held in the notoriously corrupt

Basmanny Court, which is controlled by

Kremlin and Russia security forces. His corporate

and lawyers’ offices, foundations,

daughter’s school have been repeatedly

searched without warrant or warning.

The relentless attacks on the YUKOS Company

and efforts to cripple the once prominent

and Western-oriented company raises questions

about the true motives by the authorities

involved. It is one thing to bring a case against

Mr. Khodorkovsky and other officers in the

company, depending on the charges brought

against them. But clearly the Kremlin has

other motives as well, not the least of which

is to bring about a stake takeover or ownership

of the once thriving private company.

Mr. Speaker, I draw the attention of my colleagues

to Senate Res. 258, which expresses

concern about the circumstances surrounding

Mr. Khodorkovsky’s case, and which has

passed the full Senate.

My second concern has to do with state

ownership and control of the media in Russia.

Under President Boris Yeltsin, privately owned

and independently operated media began to

take root and for the first time citizens of that

country could read and view objectively reported

news and even criticism of government

officials, even the president himself.

The vanguard of this new era was Mr. Vladimir

Gusinky, an entrepreneur who had the genius

of a William Randolph Hearst and the resources

to build a media empire worthy of any

in the West. However, Boris Yeltsin’s successor

had no tolerance and certainly not the

temperament to allow any criticism of him or

his politics.

The result, as we have seen in subsequent

events, was predictable. An angry Vladimir

Putin, utilizing extralegal means, forced a

shutdown of Mr. Gusinsky’s media outlets,

save one—the prominent and popular NTV television

station, which was taken over by the

state-owned Gazprom and has been under

Kremlin influence ever since. Just a few

weeks ago, the one newscaster on NTV who

dared to lightly criticize government officials

was sacked on orders from intelligence agencies

inside the Kremlin. Mr. Leonid Parfyonov,

a popular host of a Sunday-night political

news program and one of the most independent

voices in Russia, apparently crossed

over the line on the Kremlin-directed censorship.

I was personally well acquainted with Mr.

Gusinsky, who today operates a media conglomerate

in Israel. Not only did he lose his

media businesses in Russia, but he suffered

personal hardship and humiliation. President

Putin ordered raids by masked gunmen on his

business headquarters and the arrest and detention

in Moscow’s infamous Butyrskaya prison,

and eventually forced him into exile. Since

then Russian authorities have sought his extradition

by way of requests to Interpol, and

the courts of Spain and Greece. In every single

case, the requests were denied for lacking

in legal merit and being political in nature.

Finally, I would like to address the issue of

expropriation of property. There is little secret

that many of Russia’s crown jewels, its natural

resources, were acquired by individuals during

the privatization that occurred in the early

1990s. Whatever the circumstances and the

controversial amounts that were paid for these

acquisitions, they were conducted within the

laws that existed at the time. Yet there are recurring

threats, some outright as in the case of

YUKOS and others implied, that the government

may renationalize these assets.

This poses several disturbing questions.

One, of course, is the overall affect on direct

foreign investment in the country. At the moment,

Russia’s economy is performing well

only because of the sizable revenue that is

pouring in from the exportation of energy, primarily

oil and gas. Foreign investment and

Western business cooperation, which is necessary

if Russia is to truly develop its industrial

and exporting sectors, will be jeopardized

if the Kremlin-directed assaults on these enterprises

is allowed to continue.

Other questions concern the Russian government’s

official position with regard to these

privatized businesses, most of which are in

the resource-based sectors. At the moment,

the government policy is, if anything, arbitrary

and unpredictable, if not outright threatening to

the privatized companies involved. At best,

President Putin has sent conflicting messages

by making reassuring statements, on the one

hand, while authorizing contrary actions on the

other.

A case in point is the SPI Group, which acquired

production and distribution rights to

Russia’s most famous vodka trademarks (including

Stolichnaya). In 1997, a group of investors,

headed by Mr. Yuri Shefler, bought

the rights to 43 Russian vodka brands from

the original investors who acquired the production

and trademark rights during the privatization

of this and other resource-based sectors.

They assumed a $50 million debt and

promptly invested another $20 million, and

today it is a well managed and successful

business.

SPI Group has registered the trademarks for

its vodka brands in more than 150 countries.

It has a 10 year distribution deal with Allied

Domecq in the United States and equally well

established distributors throughout Europe.

Yet the Russian authorities, principally

Rospatent and the Ministry of Agriculture,

have aggressively challenged the SPI Groups

rights inside Russia and elsewhere, and while

court rulings have been mixed in Russia they

have been uniformly in favor, of the SPI Group

outside the country. Among the more prominent

cases, ruling in favor of the SPI Group,

occurred in Germany, a Rotterdam decision

affecting the Benelux countries, France, and

more recently in Kazakhstan.

Mr. speaker, what I have recounted here is

limited simply because there is no time to go

on further. But it underscores the disturbing

trends in Russia today.

I have always counted myself as a friend of

Russia and have expressed on many occasions

my gratitude for the huge sacrifices

made by the people of the country to halt the

march of Nazism in Europe. It greatly saddens

me, therefore, to witness the unraveling of

democratic freedoms in that country today.

The Russia democracy Caucus, cochaired by

CHRISTOPHER COX and myself, is fully committed

to helping guide Russia through this period

so that it can be counted among the truly

great democracies of the world.

Mr. Speaker, in conclusion to this discussion

of concerns about the rule of law and related

problems, there is an urgent humanitarian

issue that I want to bring to your attention.

That is the grave medical condition of Mr.

Platon Lebedev, a prominent businessman

who, along with his partner, Mr. Mikhail

Khodorovosky, is in detention under rather inhuman

conditions in Moscow. The gravity of

Mr. Lebedev’s deteriorating health and the absolute

neglect of his condition by the Russian

authorities demands international outrage and

it underscores why I, along with many of our

colleagues, have asked for this time on the

floor today.

Last week, a dozen of the leading human

rights activists in Russia representing major

human rights groups issued a statement critical

of the treatment by Russian authorities of

Platon Lebedev, the head of Group Menatep,

the parent company of YUKOS Oil.

Mr. Lebedev has been detained and jailed

for nearly a year and has not been allowed to

have an independent medical examination or

treatment, despite the fact that credible Russian

and foreign experts have confirmed that

he has severe and life-threatening ailments. In

fact Mr. Lebedev was originally taken into custody

from a hospital bed and in December

2003 had to have an ambulance take him

from a court hearing.

Russian human rights activists point out that

the denial of appropriate medical attention violates

several articles of Russian law that indicate

that detainees may receive medical treatment

at medical establishments should this be

required by the detainees condition. It is clear

that Russia is not only violating universal

human rights and the rule of law but their own

laws.

Let me read a quote from the recent statement:

Mr. Speaker, the treatment of Platon

Lebedev is clear evidence that the Russian

legal system is broken.