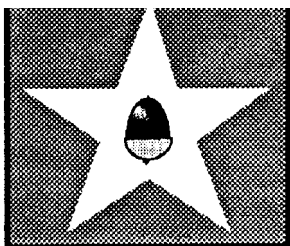


Conflict Studies Research Centre

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**FPS & FAPSI -
RIP**

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FPS & FAPSI - RIP

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This brief outlines the structural and personnel changes announced on 11 March 2003.

Structural Changes

On 11 March 2003, President Putin announced the most significant reforms of the Russian security structures since the Constitutional Court of the Russian Federation declared, on 15 January 1992, that Boris Yel'tsin's decision to establish a Ministry of Security and Internal Affairs was illegal.

- The Federal Border Guard Service (FPS) is transferred to the Federal Security Service (FSB), not as an equal partner but as a substructure,
- The Federal Agency of Government Communications and Information (FAPSI) is to be abolished and its functions, personnel and infrastructure distributed between the FSB and the Ministry of Defence,
- The State Committee of the Russian Federation to Control the Trade in Narcotics and Psychotropic Substances is to be created,
- Another new body, under the auspices of the Ministry of Defence, the State Committee for the State Defence Orders is to be set up, to oversee procurement,
- The Federal Tax Police Service is to be abolished and its resources and most of its staff are to be transferred to the newly created drug-busting committee. Some of its tasks, and personnel combating tax evasion and related irregularities, will be moved to the Ministry of Internal Affairs (MVD).

Old Personalities - New Functions

Vladimir Putin has thus abolished three federal organizations, created one new federal committee and allocated what was left to other bodies. None of the heads of the disbanded organizations was retired or disgraced and the two new important security nominees - Viktor Cherkesov and Vladimir Pronichev - are effective hard line security technocrats, chosen from the circle very close to Putin.

Viktor Vasil'yevich Cherkesov, from 2000-2003 the presidential envoy for the Northwest Federal District, is appointed chairman of the State

Committee of the Russian Federation to Control the Trade in Narcotics and Psychotropic Substances. His post as envoy has been given to Valentina Ivanovna Matviyenko, relieved of her duties as deputy prime minister. The 53 year-old Cherkesov is a professional security officer, who retired in 2000 after serving 25 years in Soviet and Russian security organs. Like Putin, he joined the KGB in 1975. The careers of both men have many similarities, some of them downplayed by Russian officials. He may take some time to settle into his new position but like the defence minister Ivanov and the FSB director Patrushev, Cherkesov has the president's complete trust and can count on his almost limitless tolerance. His past work against domestic dissidents may be controversial, but his professional competence and absolute devotion to Vladimir Putin are unquestionable.

Colonel-General Vladimir Yegorovich Pronichev, the First Deputy Director of the FSB, former head of the FSB department responsible for defence of the constitutional system and combating terrorism was, until 11 March, in charge of all anti-terrorist operations. His new responsibility, commanding the border controlling organs within the FSB, indicates that Russia intends to defend its border in a much more robust manner. (The departing head of the FPS, General Totskiy, announced cryptically after his farewell meeting with President Putin that Russia will use some of the border protection methods employed in the USSR.)¹ General Pronichev is ideally qualified for his new position, considering the challenges which the border personnel have been facing for the last decade. Born in 1953, Pronichev graduated in the mid 1970s from a border guard higher command school and spent the next several years in border guard units. He later graduated from the Frunze Military Academy and served in the Soviet contingent in Afghanistan. In 1994 Vladimir Pronichev replaced Nikolay Patrushev, the present director of the FSB, as the head of the Karelian FSB Directorate. Since moving to Moscow, General Pronichev's career has been in the FSB antiterrorist structures. He commanded "Vympel", the anti-terrorist unit which, after many bureaucratic battles, the FSB inherited from the intelligence directorate of the old KGB. Pronichev was the commander and supervisor of many large anti-terrorist operations, and was the man in charge of the first part of the Nord-Ost hostage operation in Moscow in October 2002. General Pronichev also conducted the difficult talks with Georgian security and intelligence officials on the joint operations against the Chechen separatists based in Georgia.

For **Vladimir Georgevich Matyukhin**, the last director of FAPSI, the new appointment as chairman of the Russian State Committee for the State Defence Orders with the rank of first deputy minister, is a step down. In his previous position he was answerable only to the president. Now his immediate superior is the defence minister Sergey Ivanov. Colonel-General Matyukhin, a specialist in cryptographic and communications equipment, has since 1969 been working for the KGB and its offspring technical and cryptological branches. This is, at the age of 58, his first step outside this highly secretive, technically indispensable and therefore comparatively financially well cocooned world. He is moving into the military procurement world of financial shortages and cutthroat business practices which in the

past has damaged even the most experienced administrative and political fighters.

Departing General **Konstantin Vasil'yevich Totskiy** is the next permanent envoy of the Russian Federation to NATO. This is an unusual appointment. General Totskiy is a professional border guard officer without diplomatic experience, a modest knowledge of foreign defence issues and has only a few brief foreign visits to his credit. His relations with his subordinates and partners from the Ministry of Foreign Affairs and the Ministry of Defence may therefore be complicated. Both ministries' representatives may simply try to avoid or sidetrack him. If, however, General Totskiy is actively supported by Vladimir Putin, the other ministries will have to listen and obey. This appointment is in line with Russia's policy of talking to NATO about security, organized crime, mass migration and the drug trade rather than about military matters, in which it prefers to rely on bilateral contacts.

The head of the defunct Tax Police, **Mikhail Yefimovich Fradkov**, is appointed permanent envoy of the Russian Federation at the European Union. A graduate of an engineering school and foreign trade academy, Fradkov's first foreign post was in the Soviet embassy in India between 1973-1975. His career in the state administration included two ministerial positions, two brief foreign trade postings abroad (New Delhi and Geneva) and a brief spell in the insurance industry. He could be expected to feel perfectly at home in Brussels' labyrinthine administrative corridors.

The New KGB?

Putin's ascendance to power provoked speculation that as a former Soviet security officer he would attempt to recreate the KGB.² Because the speculations were always phrased in sensational, attention seeking language, referring to the "new KGB" without analysis of what sort of security bodies Russian needs, can afford, or plans to have, officials had no difficulty dismissing the speculations by insisting that there would be no new KGB.

The security system which Putin inherited was purposefully fragmented by Boris Yel'tsin, who wanted to control it but at the same time to impair cooperation between individual organizations. These latest reforms make the Russian security system more efficient, not automatically more oppressive. Nothing suggests that Vladimir Putin intends to use the streamlined security apparatus to conduct Soviet-style security campaigns. Had he intended to use Soviet coercive methods, he could have done so without changing federal structures. If he was determined to violate anybody's human rights, Putin did not need to reform the security services in order to do so. They were already all under his jurisdiction and he has been responsible for all their top nominations and strategic tasking.

The creation of The State Committee of the Russian Federation to Control the Trade in Narcotics and Psychotropic Substances will be fraught with

difficulties, even if sufficient finance and personnel were to be guaranteed. The new committee is bound to poach personnel from most power structures and tread on many toes in the FSB, MVD and the Main Prosecutor's Office. Even with rising oil prices, many power structures will have to do with less, blaming the new committee for their problems. Its legal position in relation to the FSB, MVD and the Main Prosecutor's Office is not clear. Will it develop legal muscle with yet another set of special forces units, sophisticated equipment and powers of detention or will it be only an information gathering body, saddling the MVD and the FSB with the more physical tasks? Financial and personnel recruitment problems may force Putin to bring it under the FSB roof.

The abolition of FAPSI is not surprising. The agency performed its primary duties, comparable to those of the British GCHQ or the US NSA, and was also saddled with opinion polls, technical control of elections, open sources research, military tactical work and distribution of information to leaky regional political elites.³ The transfer of personnel, property, infrastructure and budget to the FSB and the MOD will be complicated, especially in the case of the latter organization. Most of FAPSI's components belonged not so long ago to the FSB's predecessors and most of the senior officers in FAPSI and the FSB started their careers in the KGB. Some FAPSI officers may not be overjoyed by the prospect of losing independence in strategic decisionmaking, budgetary allocations and the statutory right to report directly to the president and his staff. The new head of the FSB's communication and information body will be Patrushev's subordinate, not an equal partner. The position of his counterpart in the Ministry of Defence will be even more difficult. The FAPSI assets destined for the MOD will mainly benefit military intelligence (GRU) and to a lesser extent the Signals Troops. The GRU and its commanders of "osnaz", tactical electronic reconnaissance, units will be particularly pleased with more personnel, new equipment and a bigger budget but their forcefully adopted members will be less happy, especially in hot spots like Chechnya. The Chechen separatists may find their lines of electronic communications more vulnerable, as the links between the electronic traffic interception bodies and combat troops become shorter and simpler and the reaction of the Russian combat units operating against them becomes faster.

One of the side effects of FAPSI's dissolution could be better cooperation between the FSB and the Foreign Intelligence Service, SVR, unless the announced security reforms include a separate, secret clause giving the SVR a slice of the agency's empire. If this is not the case, the FSB's FAPSI component will become the main provider of foreign electronic communications interception for the SVR, forcing closer cooperation between the two organizations.

The FSB's new border guard element will also improve its position among the Russian power structures. General Patrushev has inherited the largest border guarding organization in the world. Even with the planned staff reductions from 200,000 to 182,500 by 2006, the border guards will be the numerically largest component of the FSB. They will also become an

important FSB asset in collecting information useful to all power bodies. The border guard work will force the FSB and the MVD to improve and streamline their cooperation. In addition to its law enforcement functions, the MVD is in charge of immigration procedures and of issuing many legal documents. The contacts which it had in the past with the FPS will now be transferred to the FSB.

The disbandment of the Federal Tax Police and the transfer of its assets to the State Committee of the Russian Federation to Control the Trade in Narcotics and Psychotropic Substances and the MVD is a natural step in the security reforms. The Federal Tax Police was originally set up as a powerful independent investigative organization with wide powers and answerable only to the president, because Boris Yel'tsin had little faith in other organizations' honesty, loyalty or competence. The tax police was its own task master, investigator and executor, a powerful tool against businesses and individuals in the hands of a weak president. Putin is not weak and does not need a personal tool of this kind. The transfer of most of the disbanded tax police to the new drug busting body, one run by one of his closest colleagues, may suggest that combating the illegal drug industry is, together with the conflict in Chechnya, at the top of his security agenda. The day after the changes were announced, he made a very strong speech criticizing insufficient efforts to combat drug trafficking.⁴

Although more secure, effective and more democratic than his predecessor, Vladimir Putin does not intend to relinquish his total control over Russia's security organizations. This should not be surprising, because the Russian State Duma has not even tried to discard its image as an expensive and chaotic talking shop. Russian security organizations would not become more democratic, accountable or effective if the Russian legislators were given more supervisory powers over them. Putin does not need to create a new KGB, but Russia's internal problems and transnational terrorism and crime require him to streamline the existing security structures to combat both new and old threats. This could mean that further security reforms may follow. The new drug agency may eventually be incorporated into either the FSB or the MVD. Further changes may involve bodyguards, financial monitors or the repositioning of substructures from one federal organization to another. For the time being the latest reforms will result in budgetary changes, new recruitment policies and the overhaul of many education and training organizations.

ENDNOTES

¹ ORT, 11 March 2003.

² For a summary of the discussion on resurrecting the KGB see: CSRC, C108, "Vladimir Putin & Russia's Special Services", Gordon Bennett, August 2002, p13.

³ For more information about FAPSI see: CSRC, C105, "The Federal Agency of Government Communications & Information", Gordon Bennett, August 2000.

⁴ ORT, 12 March 2003.

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