As this is my final lecture I could, perhaps, ask my interpreter to give the lecture, because he knows well what I have been saying over the past several days.

Good afternoon ladies and gentlemen. I thank you for this opportunity to speak to you. I have been told who is present here, so I understand that you are well prepared and well informed. This allows me to go straight to the point without any additional explanations.

I would like to preface my remarks by saying that as this is my last day in Australia and as I am spending this day in the capital of Australia and I would like to say how much we have liked what we have seen here in this country. I have had meetings and have given lectures to large groups of people in the biggest cities of Australia and my impressions have been very favourable. I was particularly impressed by the fact that the people who came to hear me and the other speakers on the lecture tour came voluntarily and paid to listen to our lectures. They represented a cross section of Australia. From my discussions here I have concluded that intellectual thought is very much alive in Australia, and I have been most impressed by this. Yesterday I said that we have liked everything in Australia, including Australian cuisine. What I liked less was the cuisine that is served by Mr Murdoch, by the media of Mr Murdoch, even though I know Mr Murdoch and I met with him a few years ago. But of course this is for you to sort out. It is your country and it is up to you.

Now, to turn to Russia's road to democracy. This is a very difficult road because it is one from totalitarianism to democracy. Of course in Russia, whatever the question, whatever issue, you always have to look at it in the context of history. An analysis of only what has happened since 1985 would be insufficient and would not give you an idea of the profound causes and mechanisms behind what has been happening in our country.

We have to look at these things from the perspective of the history since the Bolshevik revolution in 1917, and even the history of the more ancient times, because what has been happening in our country since 1985 has been profoundly affected by our country's age-old history. The Russian State is one thousand years old, and those one thousand years have made an imprint on the country and on the national character
of our people. Russia has existed for centuries at the crossroads of different religions and different cultures. This is a unique feature of the Russian civilisation, and one which has had a significant impact on what has been happening in our country.

Russia is a vast country. That vastness has of itself made the country more difficult to govern. Consequently, the State has always played a very important role in Russia, and that is why we have had a very high degree of rigid centralisation from the very beginning of the existence of the Russian Empire. In Russia you have practically all of the religions represented. Until the break-up of the Soviet Union, we had 225 languages and dialects. All of these groups had to be united in a single community and the State played a key role and one that was played out in various forms. Finally, Russia has always faced the problem of protecting itself from outside danger and threats, and the State played a key role in that aspect too.

Another important and unique aspect is that Russia has always had to catch up with the more advanced countries. During the initial years and centuries of its development, Russia was itself a rather advanced country, but then for about three centuries it was under Mongol domination. The Slavic nucleus of the population of Russia played an integrating role in the Russian State. The Russian Empire also played a civilising role vis-a-vis the more backward hinterlands and the outlying regions of Russia. That too required tremendous resources and slowed down the overall development of the economy and of the Russian society.

A very important conclusion should be drawn from this, given the subject of my remarks. In order to solve the problem of catching up with more advanced countries, Russia's rulers, beginning with Peter the Great and all the way to Nikita Kruschev and those who succeeded him, those whom you know, always or practically always had to resort to the so-called 'mobilisation model of development'. This model predetermined the balance between centralism and democracy and between autocratic and democratic ways of governing the country. Democracy had very little role to play in that mobilisation model of development. And so, giving people a chance to operate in a free and democratic context does not mean that you will immediately get free people who will immediately act and behave like free individuals. This takes time. This takes evolution. This cannot happen overnight. And we are speaking of Russia, country where serfdom, a form of slavery, existed almost until the end of the nineteenth century. Serfdom was only abolished in 1862 and the process of ending it was a long and difficult one.

Of course there were some democratic institutions - rudimentary, quasi-democratic institutions - in Russia from the very beginning of the existence of the Russian State. For example, the Veche in Nograd, an institution that had some aspects of parliamentary democracy, existed many centuries ago. But, of course, that was all overlaid by many centuries of Tsarism and serfdom. It was only toward the end of the Romanov dynasty that a parliament, the state Duma, was formed in Russia.

So that history has affected very considerably the processes that have been underway in Russia during the twentieth century. Monarchy was abolished in February 1917, and the first democratic government, the interim government, was created at that time. That was the beginning of Russia's modern history. But the bourgeois democratic revolution failed because the government that succeeded the Tsarist government in
February 1917 was a weak government, a government that failed to keep the country together, a government that put the country on the verge of disintegration. It was this failure that enabled the Bolsheviks to gain significant public support and to seize power.

The Bolsheviks had some attractive slogans that are of interest even today: 'An end to war', 'Peace to all nations', 'Freedom to all the oppressed', 'Factories to the workers' and 'Land to the peasants'. These are wonderful slogans. I will speak about what happened afterwards, but first let me say something about the Bolsheviks’ view of democracy, as Lenin expressed it. He articulated it in the following way: 'The proletariat should seize control of the country in the context of democracy and then should rule the country through democracy.'

Theoretically that sounds quite correct. Of course, even later and under Stalin there was a lot of rhetoric that sounded good and attractive, but the political reality was quite different. Lenin’s government initially adopted a programme for the rural areas that was very similar to the programme of their coalition partners, whom they later expelled from their coalition government. They dissolved the constituent assembly, which was freely elected by the people after the revolution. They banned opposition newspapers, and instead of democracy they began to work on the basis of the dictatorship of the proletariat.

Eventually Lenin understood that he had made a mistake. But after his death Stalin took over, and he led the country in a very undemocratic, totalitarian direction. Stalin created the totalitarian system that continued in Russia for decades. But again, if you read the so-called Stalinist Constitution it says that power belongs to the people. In reality, however, power was usurped in 1917, and only one political party was allowed: the Community Party. The other parties were either banned or abolished.

The Soviet Constitution stated that the Soviet people are free human beings, but freedom was in fact precluded because they could not take the initiative, particularly the economic initiative, because of the existence of just one form of property - state property. All the other forms of property ownership, including private and even co-operative forms such as collective farms, were prohibited. The actual form of property ownership was not collective, instead everything belonged to the State.

Similarly, the Constitution said that elections were free and by secret ballot. But people had no choice because on the ballot there was only one name: the name of the person who was selected by the Party. We had the cabinet of ministers and the Supreme Soviet, a kind of parliament, who made decisions. But they took only those decisions that were first considered and adopted by the Party Politburo. The same system existed at the regional levels when I worked in one of the regions for several years as First Secretary of the Party, which was the equivalent of the government. For seven years, before becoming the General Secretary of the Central Committee, I was a member of the Politburo, and I know very well from my own experience that no important was taken without prior consideration and adoption by the Politburo.

I am still being asked: 'What happened to the so-called Communist Party gold, the gold reserve that the Communist Party allegedly had?' My answer has always been that there was no gold reserve of the Communist Party. There was the gold reserve of
the State, and every kilo of that gold reserve was allocated in accordance with the decisions of the Party Politburo. That is how it was.

Let me give you another example, an example of a country where there was supposed to be total uniformity of thought, where there was no pluralistic discussion. The only pluralistic discussions allowed were in the people's kitchens, and any kind of critical remarks about the Soviet system were regarded as anti-State and the people who made those remarks were jailed or exiled.

For many years Communist propaganda was able to persuade people that there would be a happy future, that very soon there would be prosperity. But as people became better educated, more and more of them were asking this question: 'Why is it that there are other countries which have less resources and less potential wealth, but where people there live better than we do in our own country?'

It is true that a lot was accomplished under the old system in terms of building culture and civilisation in our country. But for that standard of education, culture and so on people paid a very heavy price, particularly the price of their freedom. They sacrificed their freedom. When the technological revolution started throughout the world, the more advanced countries were able to adjust to that revolution. Many structural changes occurred in those countries, but they coped with the challenges of the technological revolution. Yet our country, where people lacked freedom and where the system was based on that lack of freedom, was not able to adjust to those economic and technological challenges, and the gap between us and the advanced countries grew. That is why Perestroika was necessary.

Initially Russia's leaders, including myself, thought that we could improve our system and breathe new life into it by injecting some democracy into it. Glasnost and freedom of speech were important in and of themselves; they certainly helped us to move along the path of reform. But quite soon my associates and I concluded that the old system under which we worked had to be replaced because it could not be improved or reformed. Therefore, the declaration of political and economic freedom and human rights had to be complemented by genuine political reform that would allow those freedoms to take root.

In the first free elections, held in 1989, a significant portion of the party bureaucrats were defeated. That shocked both the Politburo and the entire Communist Party nomenclature, and the battle began between the reformers within our Party and the anti-reform forces that were concentrated in the reactionary Right wing of the Party, and particularly in the nomenclature in the government and the economic bureaucracy. The political nomenclature and the economic bureaucracy actually wielded power, and they had vested interests in the system. Their defeat in the free elections was a blow to those vested interests. Despite their resistance we were able to create, for the first time, a free Parliament that was not dependent on the Politburo. In that Parliament, for the first time, the members of the Politburo were seated in the audience with all the other and members, rather than at the podium. For you, that's normal and routine. For us, that was a dramatic development. All of this happened on live TV, because both the meetings of the Supreme Soviet and the First Congress of People's Deputies were broadcast live. Our people saw what was happening and they
welcomed it. For the first time, the government was formed on the basis of the
decisions of the Parliament rather than of the Politburo.

A separation of powers also took place and that was extremely important. Later the
same thing later happened in the constituent republics of the Soviet Union and in the
regions. We also prepared ground for judicial reform in the courts, and that was
important because until then we had what was called 'telephone law' rather than the
courts deciding.

Perestroika was interrupted and undermined because of the activities of two forces:
the separatists and the economic discontent of the people. Nevertheless, Perestroika
was successful in ending the situation in which freedom was totally lacking. We had
free elections. We had political pluralism. We built a legislative basis for various
forms of property ownership. We built a legislative basis for the creation and
functioning of different political parties and groups. And during the final months of
Perestroika, we adopted a law on freedom of expression and freedom of the press that
was, I believe, the most democratic in the world at that time. Even after the break-up
of the Soviet Union, all of these things have been preserved in a certain way, and they
are still influencing the processes underway in Russia and in the other republics of the
former Soviet Union. But the functioning of democratic institutions has been
undermined and complicated by the attempt to reform the economy overnight using
so-called 'shock therapy'. That kind of shock therapy resulted in a significant
deterioration of the economy and in a great decline in the standard of living of the
people. This policy of shock therapy, which I can describe as a new kind of
Bolshevism, a neo-Bolshevism, was imposed on the country by the Presidential
Administration, which was able to defeat Parliament in the political battle.

That same Parliament that gave President Yeltsin extraordinary rights and powers in
implementing reforms and in ruling the country. In October 1993, that same
Parliament was dismissed, dissolved and shelled by tanks. In 1994 a new constitution
was adopted, which reallocated powers in favour of the Presidency. Virtually all the
powers of the Government were concentrated in the Presidency, whereas the
Parliament was devalued and depreciated. The Government and the Cabinet of
Ministers became virtually powerless.

The situation became really absurd. At this time opinion polls indicate that 98 per cent
of Russians surveyed did not support the President. About 80 per cent of the people
agreed that he should take early retirement. Yet he remains the constitutional leader of
Russia, and the Parliament has so little power that it is virtually impotent.
Governments are replaced at the whim of the President. They become scapegoats and
come and go, one after another. This is how the Primakov Government was
dismissed; the same Government that saved the country from sliding into chaos after
the financial crash of last August. Eighty-one per cent of the Russian people polled in
opinion surveys disagree with the decision to dismiss the Primakov Cabinet. Only
eight per cent supported the firing of Prime Minister Primakov.

Of course the lawyers among you may remind me of the fact that while the
constitution exists and that we should live according to it. As the Romans said 'let the
world be destroyed but law should still prevail', or one has to change laws. This is the
situation that we are facing. The President is a spent force, politically, physically and
intellectually. He still rules, despite the fact that he doesn't have any support to speak of; whereas the person in the Cabinet who had the support and trust of the people - the Prime Minister - was fired, along with his Cabinet.

This is the state of Russian democracy today. It is a situation of backsliding, compared to what was accomplished during the years of Perestroika. Nevertheless something very important can take place: the parliamentary elections later this year, and the presidential elections next year. Perhaps, if necessary, we could have presidential elections before the middle of next year.

It is very important for us, for the first time in Russian history, to have a change of Russia's rulers in a democratic and constitutional way. I am hopeful, because I believe we have drawn lessons from the past. We have drawn proper conclusions from what happened during the years of Perestroika and from the Russian State's experience during the post-Perestroika period. You may have seen that very often the protesters in the streets of Russia carry the portraits of Joseph Stalin. At present we probably have a Stalin, a Stalin of a different kind. But even this person has not resorted to massive repression or to massive atrocities, and that is very important.

I would accept it, even prefer it, if the President were to serve out his entire presidential term and step down within the constitutional process. I would even favour the adoption of a law that would provide certain guarantees for him in the future. I would do all that for the sake of the continuation of the democratic process and democratic institutions in Russia. There is only one kind of dictatorship that our country needs, and that is the dictatorship of law. Over the centuries of Russia's history, we have experienced far too much of all other forms of dictatorship. But I remain optimistic. Thank you for your attention.

Maybe I have spoken five or ten minutes longer than I was allocated, but of course the fault is not with the president but with the interpreter!

Thank you.