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War against corruption the Russian way: Putin versus his inner circle

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In recent weeks, many corruption scandals have come to light in Russia: the scope of the investigation into fraud in the Ministry of Defence's subject company Oboronservis (which led to the resignation of the minister Anatoly Serdyukov) is expanding; the Prosecutor General's Office has revealed the embezzlement in 2011 of funds from the Ministry of Health and Social Policy under Tatiana Golikova (who is now an advisor to the President); the Interior Ministry revealed that 6.5 billion roubles (US$200 million) had been embezzled from funds assigned to the development of the GLONASS satellite navigation system; and the Account Chamber has discovered embezzlement to the tune of 15 billion roubles (US$500 million) from the organisation of the APEC Summit in September in Vladivostok.Russian media, including state television, has been reporting on these corruption scandals, including at the local level, on a daily basis.

Commentary

- Corruption in Russia is considered to be one of the most acute social problems. Throughout their rule, Putin and Medvedev spouted slogans against corruption, whereas most commentators agree that there is an informal consent in Russia to official corruption in exchange for loyalty to the Kremlin. Independent observers have often accused Putin himself and his close entourage of corruption; the media have also published reports that the president allegedly owns property worth billions of dollars. At present, we are witnessing another instalment of this campaign, in the form of mass reports of corruption in key government institutions. The reports come from state investigative bodies (including the Investigative Committee and the prosecutors' office, both controlled by the President), and are also being aired by the Kremlin-controlled media (television and the tabloid-style internet portal Life News). This supports the idea that the Kremlin is coordinating the campaign.

- One of the political motives for such a wide-ranging anti-corruption campaign seems to be an attempt to improve the president's image, which has been tarnished by social protests and criticism from the opposition and circles of experts. The campaign's aim is to reverse the downward trend in public support for the president (for example, according

to the FOM Centre, after the March elections it fell from 54 to 44%, but over the last 2 weeks – since the anti-corruption campaign started – it has risen to 48%).

- At the same time the anti-corruption campaign, which is aimed at several prominent members of the state administration, seems to be a warning signal from Putin to the elite. It is intended to discipline the administration and head off the ferment seen in its ranks since Putin's return to the Kremlin. The anti-corruption campaign, including the well-publicised resignation of the defence minister, is aimed at demonstrating that Putin is in control of the situation, that it is he who is taking the most important decisions, and that he has the tools to control and even punish the people within his inner circle.

- Some of the elite have reacted with open opposition to those anti-corruption projects, which can be used to strike against almost any government official. The bill (supported by the president), which bans officials from holding property and bank accounts abroad, has polarised the elite – its critics include Prime Minister Dmitri Medvedev, the Chairman of the State Duma Sergei Naryshkin (and some deputies of United Russia), and the head of the Account Chamber Sergei Stepashin; a negative opinion on the draft bill has also been submitted by the Supreme Court. This is one signal that a part of the elite is concerned about the 'heavy hand' policy initiated since Putin's return to the Kremlin, which includes not only the repression of opposition groups, but also an attempt to strengthen the President's control over his own team of supporters.