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Kudrin is back: the pretence of reform in Russia

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On 20 April, Aleksei Kudrin, a former finance minister and one of the main critics of Russian economic policy among members of the political elite, announced his readiness to devise a programme for the economic development of Russia, in response to a proposal from the Kremlin. This plan may include projects to reform public administration, health care, education and the judiciary. Kudrin has taken up the post of chairman of the Centre for Strategic Research, a think-tank close to the government; his role on the President's Economic Council is also set to expand.

This is not the only initiative concerning the development of a reform strategy. In parallel, work will proceed on a government strategy for Russia's development to the year 2030 (which has been included in the legislative programme), and a committee on the reform of the state administration has also been formed under the leadership of the President.

Commentary

- The announcement of the preparation of a strategic programme for Russia's development should be seen as part of the campaign ahead of parliamentary elections (September 2016) and the effective start of Putin's campaign before the presidential election scheduled for 2018. This project aims to demonstrate that the Russian government is ready to reform the current system for managing the state. It is also a political signal aimed at both the Russian and the foreign audience.
- It seems that the target of this signal on the national stage will primarily be the liberal environment, including the initiators and participants of political protests in the years 2011-2012, even though they remain a minority. Their dissatisfaction with the government's authoritarian model is most likely to be 'channelled' by including representatives of their group in the work on the announced reforms. Another aim is to build up the image of Putin as a leader capable of reducing the impact of the power structures on the management of the state.
- The announcement of a nationwide reform with the participation of Kudrin, who remains close to President Putin but is perceived as a supporter of liberal reforms, is intended to improve the image of Russia and Putin in the West, in order to convince European governments to fully thaw their cooperation with Russia (despite Moscow's continuing confrontational foreign policy) and, in tactical terms, to contribute to the elimination of EU sanctions.

- However, it is highly unlikely that (despite the economic crisis and the failure of the commodities-based economic model) the Kremlin is ready to undertake any real reform. In Russian conditions, this would mean dismantling the centralised system of governance, built up by Putin, based on the subordination of fundamental rights (including principle of ownership, which is of key importance for the economic sphere) to the particular interests of the political elite, mainly the power structures and the group of senior officials and oligarchs centred around Putin. Previous long-term development programmes (such as the Gref programme from 2000, or the '2020 strategy' developed in 2011) were implemented to only a minimal extent, and the overwhelming majority of liberalising legislation remained on paper. However, it is possible that limited changes which will not affect the governance model may be introduced; these will be used by the government in its propaganda leading up to the election cycle in 2016-18.