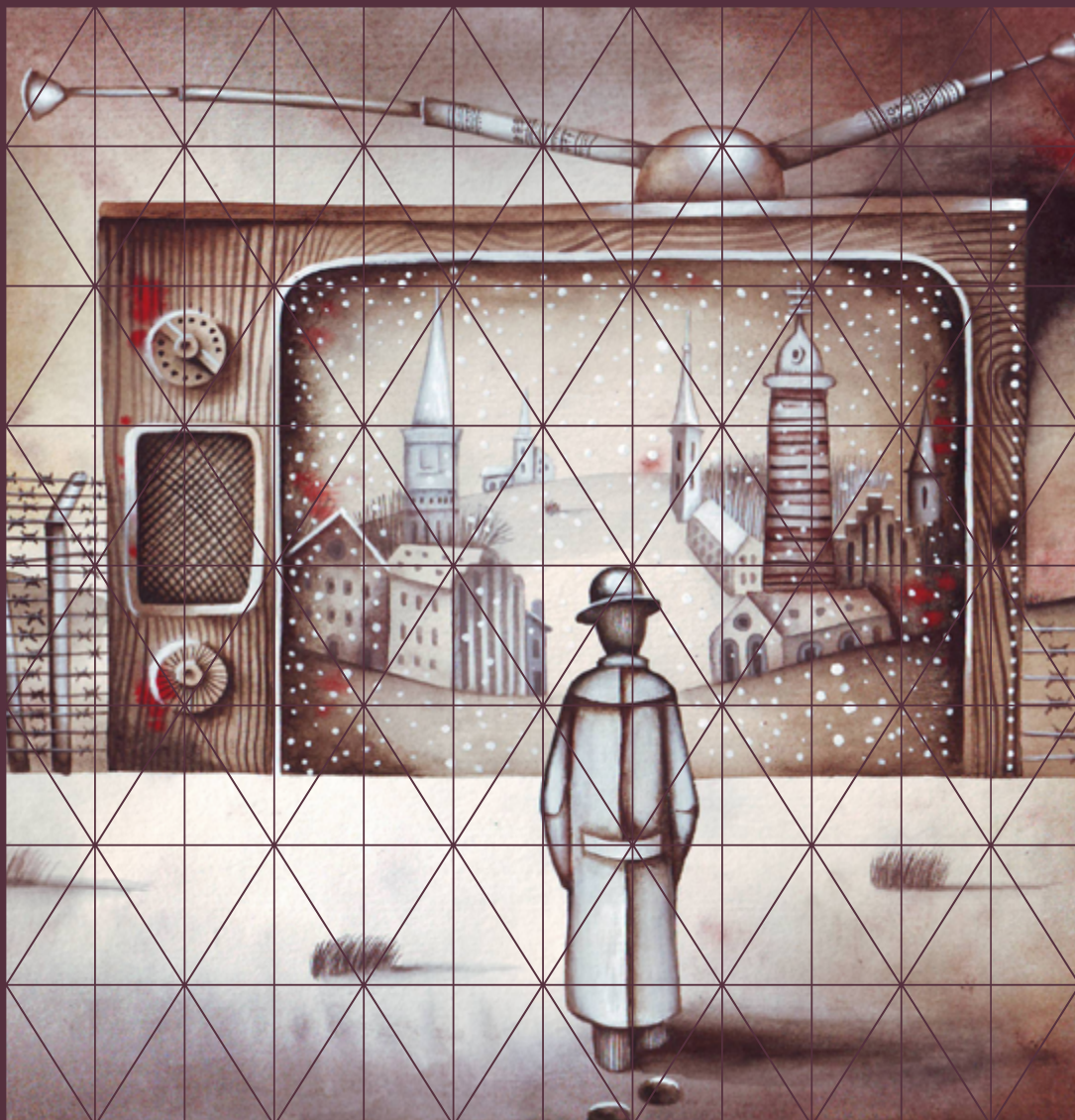


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PUTINISM AFTER PUTIN

THE DEEP STRUCTURES OF RUSSIAN AUTHORITARIANISM

Maria Domańska

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MAIN POINTS

- **The Russian model of authoritarian rule owes its durability to the ‘deep structures’** that constitute the foundation of the Russian political system and political culture. **These deep structures encompass an entire complex of basic values, norms, behaviour patterns and co-dependencies between them, which are manifested in two pivotal phenomena.** Firstly, it is the patrimonial notion of the state as being the personal property of the leader; and secondly, it is the logic of patron-client relations as the main factor organising the sphere of socio-political interactions. The deep structures have so far prevented genuine and sustainable democratisation in Russia. Their present-day continuing dominance in the socio-political environment will also hamper possible attempts to democratise the country in the post-Putin period.
- **The deep structures emerged over a centuries-long evolution of Russian statehood.** They stemmed from specific geographical and climatic conditions and from the patterns of state administration, which led to: the priority of physical survival over social-economic development; a peculiar perception of the government as the only state-building driving force (while society was perceived as a collective client of the ruling class); and finally, to the development of the imperial idea, which resulted in the strongly hierarchical nature of government-citizen relations.
- **The power of these archaic deep structures in Russia’s state institutional system has led to a number of phenomena which are pathological from the viewpoint of democratic values and the rule of law.** As these pathologies are omnipresent at various levels of Russian state organisation, they are perceived not as violations of norms but rather as norms themselves. Most widespread among them include: nepotism, large-scale misappropriation of public funds by government representatives; abuse of law enforcement agencies by state officials for private purposes; manipulation of state politics by resorting to illegal funding and violence; and well-developed linkages between state authorities and organised crime.
- **The pervasiveness of such pathological practices serves the essential interests of the key influential groups.** The latter include: the president’s inner circle, law enforcement and security agencies, big business, organised criminal groups, and the state administration. All these groups share a vital interest in maintaining the authoritarian governance model in Russia,

which enables them to plunder the country's resources with impunity and maximise their political influence.

- **Given the entrenched dominance of the deep structures in Russia's socio-political sphere, the leader's personal role in reproducing authoritarianism is limited, and his influence on potential qualitative changes in the political system may be even weaker.** A model of power whereby socio-political relations are based on the deep structures is the only one recognised by both the establishment and the public. Paradoxically, the leader, as the 'superpatron' in the system – regardless of his character traits and the extensive powers vested in him – is to a great extent a mere hostage to informal institutions and the corporate interests of various groups within the elite, as he needs the latter's support to maintain power. The impression of a pronounced 'personalisation' of power in Russia is largely a consequence of the opaque nature of the decision-making processes, which can only be fully understood by those members of the establishment who belong to the president's inner circle. While Putin's specific leadership style affects the perception of the regime among the public, it does not in itself determine whether the authoritarian model will break down or continue to persist after the incumbent president leaves office.
- **The main task for the power elite during the change in leadership will be to develop a new consensus between the key interest groups** (law enforcement and security agencies, bureaucracy and big business) **concerning the distribution of power and resources, and also to maintain their loyalty to the new decision-making centre. The loyalty of the security forces will be a key factor in this context.** The stability of the system will be maintained if the new leadership is able to guarantee a balance of power inside the patronage networks. A serious challenge may be posed by the necessity of further maintaining the fragile balance between the resources distributed to 'feed' the elite (corrupt funds) and those required to perform the necessary minimum of the state's public functions in order to keep the social situation stable.
- **Should this balancing strategy fail, the two likely scenarios of political development would be as follows: firstly, an upset in the balance of power and distribution of assets within the elite** (which may lead to a repetition of the political scenario of the 1990s), **and secondly, a 'colour revolution', i.e. the large-scale public protests organised by the counter-elites.** The latter scenario would most likely be accompanied by

a tactical alliance forged between the leaders of the protests and a section of the political establishment. Whichever course is taken, it will not necessarily lead to enduring changes in the political system.

- **The long-term barriers to the democratisation of Russia include:**
 - Firstly, **staunch resistance from the beneficiaries of the present system**, who will fear losing their privileged position, assets and prestige. This resistance would be backed up by the well-developed machine of political repression and preventative measures remaining at the disposal of the law enforcement agencies.
 - Secondly, **the sceptical approach among the Russian public towards the very idea of democratisation**, which stems from the traumatic experience of political transformation in the 1990s, as well as from the atomisation of Russian society and the paternalistic mentality inherited from the Soviet era, which still prevails among the public.
 - Thirdly, **the ineffectiveness of the democratic opposition**, which has been successfully marginalised by the government and does not enjoy widespread public support.
 - Fourthly, **the negligible impact of external impulses for change**, which is not only a result of Russians' attachment to the imperial idea but also of the crisis of the Western liberal democratic model.
- Even if the pro-democratic opposition takes power in Russia, **genuine democratisation will be hindered by the temptation to implement it in line with the paradigm of 'enlightened authoritarianism'** that is familiar from the past (i.e. in a top-down and centralised manner, which would be wrongly considered as an effective way of reforming the country). Furthermore, due to the ever-present dominance of the deep structures in the Russian political system, no institutional reform could be productive without reverting to the exact same informal mechanisms that have historically contributed to the entrenchment of the non-democratic system in Russia.

*In Russia, every ten years everything changes,
and nothing changes in two hundred years.*

Pyotr Stolypin

INTRODUCTION

Under Vladimir Putin's rule, a full-fledged authoritarian system – 'Putinism' – has been formed in Russia. It reached its mature form after 2012, during Putin's third presidential term. This system is a result of the reactivation and consolidation of the entire complex of systemic solutions and political practices which were typical of the organisation of the Russian state in the past. The consistency in Russia's authoritarian tradition, sustained over centuries, renders the concept of 'path dependence' a relevant analytical tool in this case. As this concept states, random or intentional institutional choices made in the past set a specific trajectory of institutional development that is difficult to reverse. In other words, the historically shaped *status quo* automatically reproduces itself, which makes it extremely difficult – though not impossible – to transform the existing model¹.

The origins of Putinism date back to the early 1990s, a period marked by a fierce conflict over the design of the Russian political-economic system, waged mainly between two powerful interest groups. One of them consisted of the supporters of a strong presidential power, centred around Boris Yeltsin. The other one was the parliament, dominated by his opponents, who wanted the legislative power to have the upper hand in the system. **Even though both parties to the conflict appealed to the ideals of 'democracy'** (albeit understood in different ways), **both were actually fighting for the monopoly of political power and the exclusive right to divide up state assets.** They also employed similarly undemocratic methods of political competition, among them the arbitrary use of state laws (including the constitution) to serve their own ends. It was a time when the durability of the authoritarian norms and values inherited from the USSR fully revealed itself; not only had they survived the collapse of the Soviet state and its institutions but also continued to strongly influence the course of Russian transformation in the following years. Ultimately, the 'democrats' led by Yeltsin owed their victory in the political

¹ Hence, the concept of 'path dependence' should not be confused with fatalism.

stand-off against parliament to a brutal crackdown on the parliamentary opposition in 1993.

Nevertheless, while in the 1990s the authoritarian tendencies co-existed alongside pluralism in the public sphere, with a broad range of civic freedoms and political competition between various centres of power, **the year 2000 marked the beginning of the consistent elimination of the fragile seedlings of democracy and the reconstruction of a centralised system of power. The traditional authoritarian standards were adapted to modern challenges:** globalisation, a market economy and technological development. The process of opening up to the international system of political, economic and social interactions, initiated in the 1990s, was continued and Russia became part of the globalised world. However, as this process developed under the strict control of the Kremlin, it did not change the essence of the authoritarian system. **Its modern costume does not effectively mask its archaic, anti-modernising and anti-democratic character.**

This system is characterised by the total dominance of the executive power (i.e. the 'collective Kremlin': the president, the Presidential Administration and the narrow circle of Putin's aides). This is partly a consequence of the extensive prerogatives formally vested in the head of the state under Yeltsin's constitution adopted in 1993, but also a result of further struggle for the actual distribution of political influence. It has led to **the absence of genuine tripartite separation of powers.** The formal constitutional division of prerogatives between government bodies is a mere façade that covers the informal mechanisms of ruling the country, based on individual or corporate political and business connections.

One of the most serious consequences of this state of affairs is that **society is viewed not as a subject of politics but as a collective object of political manipulation.** Human rights and civic freedoms are frequently violated, in line with the authoritarian regime's instinct for self-preservation. One of the main distinctive features of this regime is the absence of competitive elections. 'Elections' are generally designed as a sort of ritual plebiscite; their intended aim is to express support for the government rather than articulate the genuine needs and interests of various social groups. Russian authorities have two powerful instruments at their disposal to guarantee political passivity of the public and minimise their protest potential: firstly, through state propaganda, which adds a strong great power undertone to Russian authoritarianism; secondly, through targeted repression against political opponents and

civil society activists, which employs intelligence agencies and law enforcement bodies.

While the West and some segments of the Russian public expected the Yeltsin reforms to firmly implant the model of Western democracy upon Russian soil, **the political transformation of the 1990s actually proved abortive.** What effectively prevented free competitive elections, genuine tripartite separation of powers and respect for human rights and civic freedoms from becoming a solid foundation of the Russian political system, was largely **the pervasiveness of the ‘deep structures’ inherited from the Russian Empire and the USSR.** They continue to adversely affect the functioning of state institutions and social relations and consistently obstruct democratic changes.

The aim of this paper is to analyse these deep structures, their historical sources and their impact on the functioning and reproduction of the authoritarian regime in Russia. This text also attempts to provide a medium-term (covering the coming decade) forecast of political developments in Russia. It is based on the assumption that the durability of the deep structures, well-rooted in the Russian institutional system, will considerably reduce the likelihood of a break with the authoritarian paradigm after the incumbent president steps down. Chapter One presents a definition of the deep structures, the patterns of their multiplication and the specific nature of Putin’s system, which has been formed under their influence. Chapter Two presents the contemporary practical manifestations of the deep structures across various levels of the Russian state. Chapter Three lists the main challenges that the Russian ruling elite will have to face if the political leadership changes after 2024. It also lists the main barriers to Russia’s democratisation.

I. THE DEEP STRUCTURES AS THE HISTORICAL FOUNDATION OF RUSSIAN AUTHORITARIANISM

The term 'deep structure' is used in linguistics with regard to the semantic layer of a sentence (rules of analysis and interpretation of its meaning) which can be conveyed with the use of various 'surface structures' (grammar and style forms). **In this analysis the term 'deep structures' represents an entire complex of basic values, norms, behaviour patterns and the co-dependencies between them that form the foundation of Russia's political system and political culture². They are manifested in two pivotal phenomena: firstly, the ruling elite's patrimonial notion of the state as being the personal property of the leader; secondly, the logic of patron-client relations as the main driving force governing socio-political interactions.** Other norms, values, customs and patterns of behaviour to a great extent merely derive from them. **The deep structures determine the real logic of the system, regardless of its political 'stylistic' or 'grammatical' forms,** like the formal design of institutions, the policy of personnel appointments or the content of state propaganda.

The patrimonial system was an early medieval form of states' organisation in which the state and the subjects living on its territory were considered the private hereditary property of the ruler. In this system, there was no distinction between the public and private domains, including between the private assets of the ruler and the budget allocated for public needs, and between the public functions performed by officials and the roles assigned to them in the ruler's inner circle. **Contemporary Russia clearly draws upon this patrimonial legacy; the ruling elite view the state and its resources as the property of a small group of decision-makers** (the 'ruler' and his 'courtiers') who hold real power. The central role in this group is performed by the president.

A key element of the patrimonial model of state politics is the omnipresence of patronage networks. These are unequal, hierarchical relations that are not based on universal legal regulations or formal institutional frameworks but rather on the logic of interpersonal patron-client interdependencies, with the country's leader as the superpatron. **They permeate the socio-political**

² According to the *International Encyclopedia of the Social Sciences*, political culture is "a set of attitudes, beliefs and sentiments that give order and meaning to a political process and which provide the underlying assumptions and rules that govern behaviour in the political system". Political culture, as a product of the evolution of a political system and of the experience of its participants, is thus a manifestation of the psychological, subjective dimension of politics.

and economic reality at all levels of state governance. In this model of ‘patronal politics’³ individuals achieve their political and economic goals mainly through capitalising on family bonds, their place of origin or residence, and contacts established at universities, in the workplace or by service (in the armed forces or security services). These networks aim to deliver mutual – albeit unequally distributed – benefits (e.g. material goods or security, in exchange for loyalty and political support). In these networks, the system of rewards and punishments for clients is based on arbitrary decisions by patrons and substitutes for the universal, codified system of rights and obligations predominant in democratic states.

The deep structures define above all the logic of the informal institutional sphere, which encompasses unwritten yet widespread and commonly accepted standards and rules of social behaviour. They also define the logic of interrelations between the formal (relating to ‘surface structures’) and informal domains. In such a system, the informal, frequently non-transparent interdependencies develop outside the formal institutions, or on their periphery, or, most frequently, penetrate them to such an extent that the two become inextricably intertwined. **In the case of Russia, the distinction between the ‘deep’ and ‘surface’ structures is particularly important, given the fact that the formal sphere of institutions, procedures and declared values does not explain the actual sense of events and decisions but rather serves to camouflage them,** albeit not always intentionally⁴. The deep structures are thus a direct source of the dysfunctionality of state institutions, and distort the latter’s roles laid down in legal acts. Formal institutions are instrumentally abused to further the vested interests of individuals and groups at the expense of public and state interests, even if it involves overt violation of the law. The arbitrary use of violence is a frequent element of these practices. If the ‘state’ is present in this logic at all, it is identified with the authoritarian regime.

1. The historical sources of deep structures in Russia

The dominant role of the patrimonial tradition and patronal relations in the Russian political system is deeply rooted in its historical and cultural background. This system was formed in specific circumstances that

³ For the ‘patronal politics’ model, see: H. Hale, *Patronal Politics: Eurasian Regime Dynamics in Comparative Perspective*, Cambridge 2014.

⁴ This can clearly be seen, for instance, in the language of state propaganda.

accompanied the emergence and evolution of Russian statehood. Although these circumstances were partly of an objective character, to a much greater extent they resulted from intentional, consistent actions taken by the rulers, whose overriding priority was to maintain full political control over the expanding territories. Even though there existed alternative variants of state development⁵ and attempts to reform the system were occasionally made in past centuries, the authoritarian form of government was ultimately strengthened every time. The unique features of the Russian path lay in the lack of any comprehensive modernisation, which would overturn the socio-political patterns initially shared by all traditional societies. This led to the underdevelopment of the state institutional system and formed peculiar templates of collective mentality. These deeply rooted kinds of worldview, often applied unconsciously, still constitute a strong social basis for authoritarianism. These templates have essentially survived over centuries, despite formal changes in the Russian political system and the model of social relations.

The deep structures formed and entrenched their dominance in the Russian political system in several key phases. Their origins can be traced back to the early formation of the patrimonial Grand Duchy of Moscow, which took place in specific geographical conditions. In later stages they were shaped by the adoption of a despotic model of state administration during the 'Tatar Yoke' (13th–15th centuries), and over the course of socio-economic development in modern times, which fundamentally differed from that implemented in Western Europe. The deep structures were further reinforced in Soviet times, due to the nomenklatura-based organisation of the state, and subsequently by the political and economic upheavals of the *perestroika* period (1980s) and Yeltsin transformation (1990s)⁶. The factors that led to the dominance of non-democratic development patterns included: the priority of physical survival over socio-economic development; the peculiar perception of the government as the main state-building driving force (while society was perceived as a collective client of the ruling group); and – last but not least – the imperial idea as the ideological foundation for the state-building and nation-building processes in Russia.

⁵ Authoritarianism was not necessarily the only choice for Russia. Alternative, proto-democratic models of development did appear throughout its history. Apart from the political solutions adopted in the medieval principalities of Great Novgorod and Pskov, 'windows of opportunity' also appeared at later stages (e.g. in the early 20th century when the attempt to introduce a parliamentary monarchy was made).

⁶ Nomenklatura – a system of nominations for senior positions based on the governing party's recommendations.

1.1. The values of the peasant culture: 'survival mentality'

The early forms of Muscovy statehood (up to the 16th century) developed in areas distant from the main trade routes and in climatic and geographical conditions that were unfavourable for farming. This resulted in a constant balancing of the local populace on the verge of physical survival, which made them distinct from many other traditional agricultural communities. Therefore, the overriding priority was not development and progress, which were scarcely possible to achieve, but survival itself, attained through the subordination of individual interests to the collective interests of the rural community as a whole. One of the key tasks of these communities was to redistribute available resources between their members so that the subsistence of the whole village was secured⁷. In such conditions **a specific peasant culture was formed, which above all valued stability and risk avoidance, and which shared the belief that individualism poses a threat to the essential interests of the community**. It is worth noting that in the case of Russia a culture based on a similar system of values developed – although for different reasons – in the circles of the Muscovy court and bureaucracy⁸.

This culture persisted for several more centuries and was further enhanced after a wave of socio-political catastrophes that swept through Russia in the 20th century. The revolution of 1917, the devastating civil war, the Stalinist repressions and the hecatomb of war in 1941–1945 led to a widely applied strategy of conformism and subordination to collective interests as the only chance of physical survival. These disastrous events also strengthened the belief that an individual is defenceless in the face of history. **Large groups of those who advocated a different system of values (based on individual freedoms and on the belief that the society should be a subject, not an object of political processes) were physically eliminated or effectively marginalised**. Socio-economic development not only became the exclusive domain of the state, but was also understood mainly in terms of quasi-war mobilisation (including mobilisation of the military-industrial complex). One of the key features of this system was the restricted access of the public to basic goods and foodstuffs. Paradoxical as it may seem in the epoch of robust industrialisation, it was bringing Soviet citizens back to the medieval-era challenge of balancing on the verge of physical existence. As this made the individual extremely dependent

⁷ R. Pipes, *Russia under the Old Regime*, New York 1974.

⁸ E.L. Keenan, 'Muscovite Political Folkways', *Russian Review*, April 1986, vol. 45, no. 2, www.jstor.org.

on the state, the traditional imperative of survival became even more ingrained in a collective mentality.

The transformation of the 1990s came as another huge trauma to Russian society. It led to widespread pauperisation of entire social groups and gave rise to a commonly shared sense of lawlessness, perceived as a result of the state's weakness. **A natural consequence of these processes was the return to familiar values:** the desire for stabilisation and a minimal sense of security⁹, which reinforced the patronal-clientelist model of state-society relations.

1.2. The logic of government-society relations.

Power, property and arbitrary violence

The present-day logic of government-society relations is a direct result of the ruling elite's perception of the state as a property of the leader. This 'proprietary' approach dates back to the times of early settlements in north-eastern Rus (including the territory of the Grand Duchy of Moscow). The settlement was largely organised by princes who would automatically grant themselves the exclusive right to the colonised lands and to their inhabitants¹⁰. The state thus grew out of a prince's domain, in which the latter exercised undivided power over gradually expanding territories. This political thinking, based on the identification of sovereign political power with property rights over the whole state, outlived the early formative stages of Russian statehood. In contrast to Western European countries, in Russia it was only in the 18th century that the state began to be conceptualised as an entity separate from the ruler. However, this did not translate into an effective system of civil and political rights. **The tradition of Roman law and the institution of feudal contract** (the latter defining the rights and obligations of both parties to the agreement, and thus offering a legal mechanism of defence against arbitrary abuse of power), **which were well-rooted in the West, were absent in Russia.**

Instead of the Western European feudal contract it was the administrative practices of the Golden Horde that were imported to Rus as the model of rule over the territory and the population. This model was clearly **not based on mutually binding legal obligations but on arbitrary**

⁹ Paradoxically, in this system the state is both the main guarantor of security and the main threat to it.

¹⁰ For comparison, in Kievan Rus, which represented a different model of government, settlements preceded political power. Here, and further in sections 1.2. and 1.3., the conclusions are based on Pipes's work, *Russia...*, *op. cit.*

violence and naked coercion, which defined the relations between subjects and rulers. Such patterns of state-society and government-citizen relations continued to operate for centuries, although with varying intensity, gradually taking modernised, more bureaucratic forms. They found their expression *inter alia* in the development of a police state in the Russian Empire¹¹. The first political rights, granted to the representatives of various social groups in an attempt to break this model, date only from the beginning of the 20th century. However, even these modest achievements were almost immediately buried by the 1917 revolution.

The patrimonial vision of the state gave rise to **the specific system of rewarding state officials (кормление – ‘feeding’), which became enrooted in the Russian political tradition**. An official delegated to a given territory was expected to ‘feed’ himself with tributes from the local population, and in principle he had a free hand as to the scale and methods of collecting these tributes as long as he paid an agreed sum of money to the treasury. The official thus had his share in ‘possessing’ the state; moreover, his capacity for self-enrichment was directly linked to his position in the system. This formed a well-entrenched conviction that a government position is above all a source of ill-gotten gains, dependent not on one’s ability to govern or competence in administration, but on the ability to use one’s official position and legal powers to maximise private benefits. **Corruption thus became a natural and intrinsic element of state administration.**

1.3. Irreplaceable government: clientelism as a model of state-society relations

While states in Western Europe (regardless of their political systems) most often emerged organically out of societies and were built on the foundations of existing societal structures, **in Russia the social structure was formed primarily as a result of state-driven action. The population differentiated into social strata mainly as a result of different obligations vis-à-vis the state**, which were imposed from above on different groups. A combination of objective socio-economic circumstances, but above all the intentional,

¹¹ The ‘police mentality’ of state authorities prevailed unperturbed in Russia, regardless of how the regime evolved. Punishments for political activity or even for suspected intention to discredit the government, as well as the unrestricted arbitrariness of the political police, were invented under tsarism and then ‘perfected’ by the Soviet regime. For instance, the criminal codes of 1845, 1927 and 1960 imposed similar punishments for the circulation of anti-government publications. See: R. Pipes, *Russia...*, *op. cit.*, p. 294 and further.

consistent policies of subsequent rulers led to **a lack of social groups that would be well-developed and strong enough to counterbalance central government and effectively negotiate their rights with the state leaders.** To a large extent, this was due to the long-maintained restrictions on private ownership¹², including the ownership of the means of production (in contrast to Western Europe), which resulted in centralised state control over industry and trade. This in turn led to the top-down, 'state-decreed' model of economic modernisation that prevailed in Russia up to and including the 20th century. As a result, the nobility and the bourgeoisie, the main driving forces of economic development and of dismantling absolutist monarchy in Western Europe, were relatively weak and poor in Russia¹³. **They adapted to the patronal-clientelist model of relations with state authorities, based on the belief that the path to material benefits and privileges leads through loyal subordination to the ruling patrons.** The main result thereof was the underdevelopment of the legal-institutional dimension of relations between state and society, and the lack of a coherent system of individual and group rights.

One of the major long-term consequences of this systemic weakness of the nobility and the bourgeoisie is **the absence of a well-established tradition of parliamentarism in Russia.** The first Western-style parliament (albeit with a rather weak political position) was convened only after the 1905 revolution. Previous 'parliamentary' bodies, such as the *Duma* or the *Zemsky Sobor*, did not represent the group interests of any social class; they served as an instrument of absolute power rather than a counterweight to it. A similar situation applied to periodically created self-government bodies; their powers were curbed by the central authorities, and although their formal task was to represent local communities, in practice they often constituted a mere extension of the absolutist central government.

Similar functions were performed by pseudo-representative bodies after 1917. **In the Soviet system of centralised distribution of goods and services,**

¹² While in the 14th century Europe conditional feudal use of land began evolving towards full ownership, and early industries and trade generated capital as a financial base for political demands, conditional ownership still flourished in the Grand Duchy of Moscow.

¹³ The state prevented the nobility from gaining a firm territorial and economic base to build their political position vis-à-vis the government. Examples include the *Oprichnina* terror in the 16th century, but also the system of granting land estates to the nobility in later periods. Not only were they dispersed and often located in different provinces; the noblemen also could not perform administrative functions in territories where they had estates. The development of bourgeoisie was hampered by centralised control over industries and trade through the system of state monopolies, official prices and state licensing. Moreover, merchants were easy prey to extortion from state officials and could not count on any kind of legal protection. For more, see: R. Pipes, *Russia...*, op. cit.

society itself was merely a collective client of the party-state. The individual's position in the clientelist networks that offered access to scarce resources was determined by their position in the nomenklatura hierarchy¹⁴.

1.4. The imperial idea

One of the constitutive elements of Russian authoritarianism is the imperial idea. The development of modern Russian statehood (starting with the 'gathering of the Russian lands' from the mid-15th century) was accompanied by territorial expansion and annexation of lands populated by various ethnic and religious communities. **The process of building the empire was thus developing ahead of the process of building the nation state; hence the notion of empire became the main linchpin of Russian collective identity.**

The logical consequence of implementing the imperial idea in the Russian patrimonial system was the imposition of centralised political power on the annexed territories. The idea of sovereign, undivided, hierarchical state power made it impossible to grant political rights to the public. Empress Catherine the Great justified the need for autocratic rule with the territorial extent of the empire. In her opinion, a different political system would have caused the collapse of the state¹⁵. Similarly, according to Nikolai Karamzin, the first secular ideologue of the Russian empire and an apologist for autocracy, Russia could only exist as a state with a strong central authority: whenever the power of the monarch weakened, the survival of the state organism was also threatened¹⁶. According to one of the definitions of empire: "The empire is an order (...), it is the power to command others. This power is always threatened by others, by those who can rebel against our orders (though they have obeyed them so far) and those who reign in neighbouring empires and may want to subordinate our empire to their orders and their will, and to incapacitate us"¹⁷. **As the imperial expansion was above all meant to guarantee security of the state and the government at the expense of economic development,** it implied that socio-economic modernisation in Russia could only be superficial and implemented in a top-down manner under the strict control of the state.

¹⁴ М.Н. Афанасьев, *Клиентелизм и российская государственность*, Москва 2000.

¹⁵ A. Nowak, *Metamorfozy imperium rosyjskiego 1721-1921*, Warszawa 2018, p. 35.

¹⁶ This concept was broadly presented in his *History of the Russian State*, originally published in 1816.

¹⁷ A. Nowak, *Metamorfozy...*, op. cit., p. 295. The definition proposed by the author emphasises the community-building potential of the empire (the division into 'ours' and 'others'), which protects historical and cultural collective identity (*ibidem*, p. 296).

The obsessive concern about the government's security resulted in the militarisation and 'Chekisation' of the Russian state. The priority was given to the development of the defence industry, the political police and a powerful apparatus of repression that was expected to guarantee the full control of the government over domestic socio-political processes¹⁸. This was supposed to protect Russia not only from military aggression but also from the influx of 'dangerous' ideas that could pose a threat to the 'sovereign' autocratic state power, identified with the state itself. The building of geographical 'strategic depth' was thus accompanied by the building of 'political depth', which in practice led to long periods of isolation from the outside world for Russian society.

The traditional idea of the empire gave birth to the modern concept of Russia as a great power. This concept found its full-scale implementation after World War II and was based on traditional criteria of power. These are: a powerful, centralised government, military strength (with the nuclear potential being its key indicator since Soviet times) and a geostrategic territorial potential – all of them safeguarded at the expense of socio-economic development.

2. The 'wild 1990s' – survival of the authoritarian tradition

The consolidation of the Russian authoritarian system after 2000 was made possible due to the logic of the political-economic transformation of the 1990s – a period when limited reforms, initiated during Gorbachev's *perestroika* in the late 1980s, were continued on an increasingly large scale. As those turbulent years showed, **the sustainability of the deep structures and the ensuing authoritarian drive is largely independent of the degree of centralisation of state power.** While the ambitions of Soviet party and regional elites undermined the centralised system of state governance, considerably weakened the state machinery and led to pluralism in the public sphere in the 1990s, they left the deep foundations of the authoritarian regime largely intact.

¹⁸ The political reality of Russian statehood throughout its evolution was marked by robust development of the machine of political repression that took its ultimate form in the 19th century. It included political police, preventive-repressive legal provisions, the arbitrariness of the law, an extensive surveillance and denunciation system, censorship and instrumental use of courts by the executive power. For detail see: R. Pipes, *Russia...*, *op. cit.* When Cheka, the prototype of the contemporary political police and intelligence agencies, was established in 1917, it could reach for ready-to-use templates. For more information on the role played by intelligence agencies in the Russian system see: J. Darczewska, *Defenders of the besieged fortress. On the historical legitimisation of Russia's special services*, OSW, Warsaw 2018, www.osw.waw.pl.

After the collapse of the USSR, heated discussions began over the conception of Russia's new political system, among them the fateful dispute over two core issues: 1. Who (the president or the parliament) will hold the monopoly on political power?, and 2. Who will get the right to arbitrarily decide on the distribution of state property inherited from the USSR? In the course of these debates, two crucial premises for liberal democracy, which were supported by some political factions, were first marginalised and then ultimately disregarded. One of them was the idea of guaranteeing a genuine tripartite separation of powers; the other one – the claim for establishing a solid system of legal protection for free-market competition, which would become the economic basis for a liberal-democratic political model. In spite of such aspirations, the reforms actually implemented led more to a Darwinian version of the free market, including the absence of any effective protection of private property, as such legal safeguards were not seen as essential in themselves.

There were two causes for the ultimate failure of the democratic project in the second half of the 1990s. Firstly, the combination of objective factors impeding effective systemic transformation (above all the acute economic crisis); **secondly, the political and economic interests of the former Soviet nomenklatura.** They managed to influence the course of the transformation, push through opaque privatisation schemes (tantamount to capturing the lion's share of state assets), and to scupper the process of solidifying the rule of law. The very same ambitions of the former Soviet elite that made them seek independence from the Kremlin's centralised control, also made them endeavour to break free from control by the public, in order to protect the assets and political clout acquired to date. Thus, even though the collapse of the Soviet Union, for the first time in many decades, offered the opportunity to reinvent the 'Russia project', the results of the reform efforts revealed the scale of Russia's dependence on its authoritarian patterns. Instead of launching a qualitatively new strategy of political and socio-economic development, the Yeltsin transformation *de facto* laid the foundations for Putinism.

Both *perestroika* and the difficult reforms of the 1990s¹⁹ were burdened with similar distortions, resulting from the logic of the politico-economic processes that had been developing in the USSR for decades. These main obstacles to successful state reform included extensive patronage networks and the vast shadow economy and black market, which had been actively supported

¹⁹ The scale of the social and economic turbulence experienced by the new Russia gave rise to the popular slogan 'the wild nineties' – «лихие девяностые».

and exploited by the communist nomenklatura. It led to a gradual decay of the official planned economy long before *perestroika*. The growing dysfunction of Soviet institutions was accompanied by widespread practices of informal administrative and bureaucratic bargaining between the nomenklatura clans for scarce material goods and positions in the system of power²⁰.

The partial liberalisation of the economy, starting from 1987, and a weakening of control by the central government under Gorbachev's rule, led to **a whole-sale appropriation of state assets by party officials, 'red directors' of state-owned enterprises and Komsomol activists**. They used their informal contacts and exclusive information available to the CPSU (the Communist Party of the Soviet Union) structures, in addition to party assets, to take over state property for a fraction of its true value²¹. These gains were legalised after 1991, as part of the privatisation process. Although this 'primitive accumulation of capital' laid the foundations for the market economy, at the same time **it enhanced the traditional link between power and property in Russia**²². In those days the reformers intended primarily to overcome the economic collapse and create a consumer society; **the political transformation was viewed primarily through the prism of economic reforms. However, this could not in itself foster democratisation**²³ **as its political and institutional aspects were neglected**. Since the state law and institutional framework could not keep up with the dynamics of socio-economic reality, **the powers of the state authorities were often replaced with dispersed, privatised violence**, employed by political-business factions and organised crime as a tool in their struggle for assets. In effect, **'privatisation' meant not only the privatisation of state resources but also – in accordance with patrimonial logic – the privatisation of the state itself by a narrow circle of politicians and businesspeople**.

In these conditions, **the introduction of formal attributes of democracy** – such as free elections, civil rights and liberties, pluralism in political life – **was superficial and unsustainable**. They were mechanically transplanted into

²⁰ W. Marciniak, *Rozgrabione imperium. Upadek Związku Sowieckiego i powstanie Federacji Rosyjskiej*, Kraków 2004, pp. 78–87, 350.

²¹ U. Becker, A. Vasileva, 'Russia's political economy re-conceptualized: A changing hybrid of liberalism, statism and patrimonialism', *Journal of Eurasian Studies*, January 2017, vol. 8, issue 1, www.sciencedirect.com.

²² It is an open question whether any real alternative existed at that time, and whether it was possible to build a free-market economy on the ruins of the previous system without taking control of state resources in a semi-criminal way.

²³ A. Auzan, 'Revolutions and evolutions in Russia: In search of a solution to the path dependence problem', *Russian Journal of Economics*, December 2017, vol. 3, issue 4, www.sciencedirect.com.

the post-totalitarian society in a top-down fashion, and due to the weakness of the state there were no mechanisms established for their protection. The need for social dialogue and for guaranteeing an adequate level of political representation, together with effective public control over the government, were not taken into account. Democracy was understood by the politicians as 'the rule of democrats'²⁴ and not as a system where citizens participate in politics. "Simple, violent solutions to complex problems became the main method of the government's interaction with the public"²⁵.

In turn, **the public, demanding change in the 1980s, was not actually ready for reforms** (even less so in the chaotic and 'Darwinian' form implemented by Yeltsin), **but rather expected 'socialism with a human face'**, more social justice, higher living standards and a curbing of the nomenklatura's omnipotence²⁶. This was a clear manifestation of the widespread paternalistic attitudes, well-rooted in society. Large groups of citizens became deeply disillusioned with the painful reforms that, additionally, were implemented inconsistently (which can largely be justified by adverse economic and political circumstances). In effect, **this led to the whole idea of democratisation being discredited in the eyes of the wider public and supplanted by a growing demand for rule with a firm hand**, which was expected to curb the chaos and lawlessness of the time (though initially this did not imply support for an authoritarian political system)²⁷.

At this point public sentiment coincided with the interest of some factions among the ruling elite. Faced with the failure of the previous model of governance and with a pressing need for fundamental political and socio-economic reforms, Yeltsin's team struggled to solve the dilemma regarding the political methods of the transformation. Economic slump, the widespread pauperisation of society and the criminalisation of Russia – all these formed the background for a fierce battle for political clout. The intense conflict between Yeltsin, who was pushing through liberal reforms, and the parliament (the Supreme Council), where his opponents prevailed, led to what in fact was a system of dual power in the country, and to a chaos in the ruling elite. It is worth noting that both parties to the conflict vied for undivided power; thus

²⁴ Т. Ворожейкина, 'Определелись ли новый вектор развития России?', Горбачев Фонд, www.gorby.ru.

²⁵ Т. Ворожейкина, 'Было ли возможно иное: альтернативы пройденные и непройденные', *Вестник общественного мнения* 2006, no. 4 (84).

²⁶ 'Фоторобот российского обывателя. Реформы или стабильность', Новая газета, 5 June 2008, www.novayagazeta.ru.

²⁷ W. Marciniak, *Rozgrabione imperium...*, op. cit., pp. 260, 531–532.

political pluralism merely masked authoritarian goals and methods employed by the competing factions.

The weakness of the state and the scale of the challenges made some of the avowed ‘democrats’ more inclined to a concept which could be branded as ‘enlightened authoritarianism’. They truly believed that extra-legal strengthening of the president’s power would make it possible to bring order, continue necessary reforms and prevent the outbreak of a civil war. The beneficiaries of economic liberalisation feared that the reforms underway (de-nationalisation of the economy and opening up to foreign trade and investment) would be blocked by the industrial lobby. The latter had huge influence in the Supreme Council and was determined to maintain its control over economic resources, owing to state subsidies and the policy of protectionism. Hence, the new oligarchs, regardless of their provenance and ideological orientation, were generally inclined to support free-market authoritarian rule. They viewed it as a guarantee of preserving their existing positions, and even directly referred to the model of Pinochetism as the most relevant for Russia²⁸. **At that time even the ‘democrats’ (Yabloko and the Union of Right Forces) considered that parliamentarism would hinder the transformation and lead the country towards anarchy.** The statement by Gennady Burbulis (then secretary of state of the RSFSR, later the first deputy prime minister) of October 1991 is revealing in this context: “Representative bodies have become mainly the brake on reforms. They were needed to dismantle the totalitarian system, and they completed this task. Now the regions of Russia need a ‘power vertical’ [вертикаль власти]”²⁹.

In the prevailing conditions of legal chaos, largely resulting from the incongruence between the Soviet constitution still in force and the dynamically changing political reality (which also meant the absence of formal procedures for resolving political conflicts), **the president’s position was strengthened to a high degree due to his informal influence on political processes.** Yeltsin managed, for instance, to obtain support for a rather arbitrary form of ‘manual control’, exercised through presidential decrees, which was intended at overcoming barriers to reforms. “Yeltsin became a pivotal figure of a system of personal reign exercised by the bureaucratic apparatus that was subordinated and loyal to him”³⁰. **The Russian transformation, already at its early**

²⁸ For more details, see: W. Marciniak, *Rozgrabione imperium...*, op. cit.

²⁹ Quoted from: Т. Ворожейкина, ‘Было ли возможно иное...’, op. cit., p. 15.

³⁰ W. Marciniak, *Rozgrabione imperium...*, op. cit., p. 166.

stage, was thus tainted with a lack of respect for the legal-institutional system (however, the issue is whether there were other viable possibilities for resolving the political stalemate). The prolonged constitutional crisis, which could not be resolved by universally accepted law, not only led to bloodshed (in October 1993), but also ended with a new constitution (adopted in December 1993) that consolidated traditional domination of the executive over other branches of power.

An important element in the reconstruction of Russian authoritarianism was **the growing influence of the president's inner circle on the mass media and propaganda machine**. The clearest illustration of this lay in the **discrediting of free elections** during the presidential campaign in 1996. In light of the high ratings enjoyed by Communist Party leader Gennady Zyuganov in opinion polls³¹ (whose victory would entail a reversal of reforms and deprive the oligarchs of their newly acquired assets), a coalition of 'democrats' and oligarchs was formed. It aimed to guarantee Yeltsin another term in office, even if this would require resorting to anti-democratic methods. **Once again, reformers of various kinds joined their efforts to back authoritarian methods of rule.**

In this game, the electorate proved more an object of the government's manipulations than a subject. Only five years after the independent Russian Federation was proclaimed, 'free elections' turned from a linchpin of democracy into a festival of 'political technologies' (see: Glossary), forgeries and black PR³². This was the first occasion when the so-called 'administrative resource' (Russian: *админресурс* – see: Glossary), which later became typical of Putin's rule, was used on a large scale. In this way, the opportunity for any democratic rotation of power was lost, and **the system of free market institutions became merely an economic basis for authoritarianism.**

The year 1999 proved to be another milestone in strengthening non-democratic tendencies; at that time the process of gradual elimination of political pluralism among the Russian elite was initiated. The 'Putin project'

³¹ Yeltsin's approval ratings at that time ranged between 8% and 9%, due to public disillusionment with the results of economic reforms, the defeat in the Chechen War and corruption scandals inside the president's inner circle. The parliamentary election in December 1995 sounded the alarm for the Kremlin: the Communist Party led by Zyuganov garnered over 20% of the votes, while Our Home – Russia, the movement supported by Yeltsin, was in third place with around 10% support.

³² The operation was successfully conducted by spin doctors, the pro-Yeltsin media holdings (the 'Most' group, owned by oligarch Vladimir Gusinsky) and the tactical alliance of key Russian oligarchs who sponsored the campaign (an informal arrangement of seven interest groups, known in Russian as *Semibankirschina*, *семибанкирщина*).

(for which there was no alternative) devised by Yeltsin's inner circle, was implemented against the background of mass hysteria over Chechen terrorism, fanned by state propaganda. In the face of the Second Chechen War, public disputes about the constitutional model of the state and the state of human rights in Russia were mostly suspended³³. Since then, the elite (including the 'liberals' and the 'democrats') have generally not resisted the subsequent phases of tightening the authoritarian grip. They apparently calculated – in line with the traditional notion of clientelism – that the benefits of subordination to power outweigh the benefits of political independence³⁴. **A strong president elected by universal suffrage became the most important institution of the new Russia**, and the only one able to partly consolidate an atomised society. Other institutions that could constitute such a binding force remained extremely weak³⁵.

It may be argued that **the failure of Russian democratisation was a result of the enormous scale of challenges facing the ruling team, as three formidable operations had to be conducted simultaneously: first, the fundamental transformation of the political system; second, the building of a nation state on the ruins of empire, and third, the creation of a national identity in a society deeply traumatised by totalitarianism.** The legal-institutional chaos of that period led to the resurrection of the traditional domination of executive power, while the prevalence of informal rules once again came to the fore. Against this background, a spectacle called 'democracy' was staged in place of genuine democratic reforms. This spectacle was founded on pluralism in the public sphere and on a predatory capitalism that theoretically offered possibilities for social advancement and enrichment to the majority of society. In fact, it merely masked and legitimised the semi-criminal race for financial and political spoils, which were only available to a few. In this way, **the traditional patrimonialism adapted to the**

³³ The federal law enforcement bodies were at that time vitally interested in destabilising quasi-independent Chechnya, as they were seeking revenge for Moscow's defeat in the First Chechen War at any cost. The government intentionally and successfully stoked fears of Chechen terrorism among the Russian public, thus artificially exaggerating the actual threat. The immediate pretext for the military operation in Chechnya was a series of terrorist attacks on residential buildings in Buynaksk, Moscow and Volgograd in September 1999, which had a total death toll of over 300. It is very likely that the terrorist attacks were plotted by Russian intelligence. The sense of a direct and omnipresent physical threat was expected to make citizens more inclined to unconditionally support the pacification operation in Chechnya, and build the image of Putin as a 'saviour of the nation'.

³⁴ Т. Ворожейкина, 'Было ли возможно иное...', *op. cit.* If some oligarchs were in conflict with the Kremlin at that time, it was because the latter restricted their economic and political influence. Thus, this fight had more to do with defending their individual interests than with their concern for the rule of law in Russia.

³⁵ М.Н. Афанасьев, *Клиентелизм...*, *op. cit.*, p. 7.

challenges of modern times and to a market economy open to external ties. This version of ‘democracy’ was viewed by the public as a warning rather than an incentive, which largely paved the way for Putin’s ‘state capitalism’ and ‘sovereign democracy’.

3. Deep structures during the Putin era

The contemporary manifestations of the patrimonial model of state power are called neo-patrimonialism. **The neo-patrimonial system consists of two components. The first is the traditional, proprietorial approach of the authorities to public goods,** with political and administrative relations based on personal ties. **The second component is an extensive, modern system of state law and bureaucratic institutions, formally based on impersonal bonds and universal procedures.** Therefore, in contrast to the historical forms of patrimonialism, there is a formal distinction between the private and public spheres. Nevertheless, formal state institutions are not autonomous, as informal networks of personal interactions dominate over the written law. As a result, what is viewed as pathological in democratic systems, in Russia has effectively become a standard. **Pathologies do not accidentally ‘happen’ but constitute an intrinsic part of the Russian model of rule, which is designed to make them not only possible, but necessary.**

Relations between formal and informal institutions are based on ‘unwritten rules’ (Russian: *понятия*)³⁶. Constitutional values and rights (including property rights and the freedom of economic activity) are of a provisional character and their actual implementation depends on the arbitrary decision of the leader and his inner circle. What are considered to be the unalienable rights of citizens in the Western democracies, are in Russia frequently offered as payment for loyalty or services. The position of state functionaries in the system depends only to a small extent on their professional performance (e.g. the quality of public services delivered).

The formal position of the elite member in the ‘power vertical’ results from their – or that of their patrons – position at the ‘court’ (i.e. from the scope of their informal influence in the system) and constitutes a payment for loyalty. At the same time, a sort of a ‘feedback loop’ emerges, as formal powers are used to build up one’s influence in the patronage networks. For instance, ill-gotten

³⁶ A.V. Ledeneva, *Can Russia Modernise? Sistema, Power Networks and Informal Governance*, New York 2013. *Ponyatiya* (*понятия*) is one of the key elements of the criminal (and prison) code of behaviour – the unwritten rules known only to insiders.

gains, obtained owing to the protection of one's patron, serve to secure the loyalty of one's clients. The only limitation in pursuing individual interests is a potential collision with those of another interest group, or the patrimonial-patrimonial system as a whole. Thus, **the legal-institutional sphere is seriously undermined by the prevalence of informal, hierarchical inter-dependences** between the patrons and their clients. The entire logic of the system is determined not so much by legal regulations, but by personal or corporate bonds subject to continuous, opaque bargaining. The latter define the actual rules of dominance-subordination relations, the real scope of powers enjoyed by state agencies, as well as social and financial status and the obligations and privileges of the elite members. Moreover, **there are no formal institutions to which one can effectively appeal in the case of conflict in the informal sphere**. The judiciary, the law enforcement and supervisory institutions are, like the rest of the state agencies, fully subordinate to the strongest political players. The formal settlement of conflicts does not depend on the universal legal provisions, but on the political weight of patrons who act as the only 'body of appeal'. It dismantles the very idea of the rule of law, equality before the law and constitutional guarantees of rights and freedoms.

This institutional model strengthens Russian authoritarianism in two ways. First, it leads to a seemingly paradoxical hypertrophy of the privatised state. In Russia, the expansion of state powers and the progressive nationalisation of the economy³⁷ (the model of 'state capitalism') have been visible for years. In formal terms, an increasing portion of society depends on the state as an employer or service provider (with regard to social transfers). However, the increasing nationalisation of the public sphere only serves to conceal and legitimise traditional patrimonial practices. **'Nationalisation' paradoxically means - in line with the patrimonial philosophy - the privatisation of the state**, since the state (understood as a system of de-personalised institutions serving public goals) has been deliberately weakened³⁸. The functioning of state agencies or state-controlled companies is subordinate to the financial and political interests of those who head them, as the latter are the key figures in patronage networks³⁹. Private-corporate interest groups clustered around the key decision-makers usurp the functions of the public authorities, including the monopoly on institutionalised violence. In pursuit of their goals, they

³⁷ The estimated share of the state in the economy reached 35% in 2005 and 70% in 2015. See: 'Оценка эффективности масштаба участия государственных компаний в экономике РФ', РЖД-Партнер, 15 January 2016, www.rzd-partner.ru.

³⁸ Т. Ворожейкина, 'Было ли возможно иное...', *op. cit.*, p. 19.

³⁹ М.Н. Афанасьев, *Клиентелизм...*, *op. cit.*, p. 116.

instrumentally abuse the judicial, supervisory and law enforcement bodies, as well as legislative procedures. Their overriding aim is to expand their own political clout and make profits from lucrative deals, based on a mutually beneficial exchange of goods and resources. These assets are formally owned by the public but are in fact privatised and arbitrarily exploited⁴⁰. Thus, **the task of state institutions is not so much to provide public services as to redirect financial flows into the hands of the few. Special care is taken to ensure that the written laws legitimise actual lawlessness.**

The second major consequence of the Russian institutional model, perpetuating the anti-democratic tendencies, is the atomisation of society. The subordination of formal institutions to the logic of patronage networks undermines public trust in state organs. At the same time, there is no other institutional system that could capitalise on public trust on a broader scale, as the government has been consistently impeding the development of grassroots, independent forms of social activity. Civil society in Russia has for many years been struggling for survival. Moreover, participation in civil society networks is often presented to the public as anti-state activity. **The underdevelopment of horizontal social bonds** means that individual and group identification is based on participation in patronage networks to a much larger extent than on ideological, ethnic, regional or professional affiliation. **It thus impedes public politics understood as transparent articulation of collective interests.** However, 'patronal identity' is also fluid, as networks of connections are not fixed in place once and for all. The most important patronage networks are not linked to any particular institution but rather permeate the institutional system on many levels, as the patrons fill its critical points with trusted clients. Furthermore, **patronage networks are vertical and hierarchical**⁴¹. The values mostly appreciated therein (loyalty and obedience before skills and knowledge) **make these networks reproduce, on a micro level, the same authoritarian logic that is clearly visible on the macro level,** i.e. in the state as a whole. An individual cannot make a free choice: participation in the system is determined by the mere fact of being born in it⁴².

The overexpansion of the privatised state, together with social atomisation, has led to the entrenchment of clientelism as the foundation of the

⁴⁰ G. Erdmann, U. Engel, 'Neopatrimonialism Reconsidered: Critical Review and Elaboration of an Elusive Concept', *Commonwealth and Comparative Politics*, February 2007, vol. 45, issue 1, www.tandfonline.com.

⁴¹ For more on the specific features of patronage networks see: H. Hale, *Patronal Politics...*, *op. cit.*

⁴² A.V. Ledeneva, *Can Russia Modernise?...*, *op. cit.*, p. 19.

Russian authoritarian model. It is based on the ‘patronal pyramid’, headed by the president as the superpatron, positioned above the patrons of lower ranks. Two main factors decide on the patrons’ position in the system: first, the resources they offer their clients in exchange for loyalty and support; second, the ability to force their clients to comply. However, what is of paramount importance is the capacity to shape expectations – as such expectations (concerning the strength of patrons, their ability to exert influence and resolve conflicts) depend on whether rewards and punishments will work as incentives⁴³. In Russia, this means that backing by the security services is of key importance to the superpatron.

Clientelism means that both individual rights and freedoms and the access to material resources and public services are conditional upon the good will of the authorities, and therefore depend on the degree of loyalty to the authoritarian regime. A citizen, downgraded to the role of a client or supplicant, is not treated as a subject of politics. At the same time, **the nature of relations between various state administration bodies is also clientelist**: the actual position of formal institutions in the political system depends on their leadership’s clout in informal relations with the ‘collective Kremlin’ (i.e. with the president and the individuals from his inner circle, those who perform public functions and those who stay on backstage).

In this model, formal institutions facilitate the operation of the ‘deep state’ and legitimise it. This complex of opaque, often explicitly illegal connections between state politics, big business, the state security sector and organised crime constitutes a specific illustration of how patronage networks function in Russia. Due to the universal and systemic nature of these connections, **in Russia the ‘deep state’ does not function in parallel with the ‘official’ state, but has rather replaced it at the level of political praxis. These two states are bound together by the president**, who subordinates the public interest to the vested interests of his cronies and intelligence agencies; accounts concerning Putin’s biography also include his alleged connections with the Russian mafia⁴⁴. A clear criminal trait in the clientelist networks supervised by the president is perhaps the most important qualitative change in the history of Russian authoritarianism and constitutes Putin’s personal contribution to the evolution of deeply-embedded deep structures.

⁴³ H. Hale, *Patronal Politics...*, op. cit., pp. 31–34.

⁴⁴ See inter alia: K. Dawisha, *Putin’s Kleptocracy. Who Owns Russia?*, New York 2015.

II. THE PRACTICAL ASPECTS OF THE DEEP STRUCTURES IN PUTIN'S RUSSIA

The analysis of the practical dimension of the deep structures in contemporary Russia should encompass the identification of the most important beneficiaries and their strategic goals. It should also categorise the systemic and widespread pathologies, which are inherent in politics, business and public administration. As has been said above, these pathologies have become norms in the Russian authoritarian regime. On the one hand, they lead to numerous dysfunctions of the political system, and on the other, they effectively perpetuate it.

1. The key players in the authoritarian game

The key figures in the Russian system of power are clustered in several groups, which are partly interlinked. These groups perform various functions and have varying degrees of influence within the system.

1.1. The first group is Vladimir Putin's inner circle – those individuals who are especially trusted and supported by the president himself, and who form a kind of 'deep state' command centre. This circle consists of the chief representatives of the law enforcement and security bodies, some of the 'oligarchs' heading state companies (the 'state oligarchs'), as well as a few businessmen who have been friends with Putin for years⁴⁵.

It is in this circle that big politics, big business and state security interests are tightly intertwined. The motivations of its members boil down to maximising their influence, assets and personal security guarantees – as these are the three attributes that ensure survival and a high position in the system. **Representatives of this group have a different impact on the Kremlin's policies, yet all of them are relatively independent patrons, able to control sprawling clientelist networks, and they report only to the president as their superpatron.** The main binding force of this heterogeneous group is their personal loyalty to Putin; the position of at least some of its members in the system will most likely falter if Putin weakens or departs the scene.

⁴⁵ Those individuals who, regardless of their long-lasting friendship with the president, play less important roles in the functioning of the 'deep state' were not taken into account here. One of them is Prime Minister Dmitry Medvedev, formally the second most important person in Russia. Deprived of political ambitions and manifesting loyalty to Putin on numerous occasions, he earned Putin's special trust but has no major influence on the key domestic and foreign policy issues, even those that formally fall within the powers of his cabinet (such as energy policy).

However, even the resulting reshuffle would not change the general logic of ‘patronal politics’ that socio-political and economic relations in the state are based on.

Within this group **the heads of the chief security forces** (*siloviki*, *силовики* – the military, law enforcement bodies and intelligence agencies) **have the most prominent impact on the decision-making processes in the sphere of domestic and external state security. They exert influence not only as members of Putin’s inner circle, but also in a more institutionalised manner, as permanent members of the Security Council** (a consultative body of the president, currently consisting of 11 permanent and 17 ordinary members). Among them the key players include: Alexander Bortnikov, the head of the Federal Security Service (FSB – a service with the largest scope of powers, including overall control over the political and socio-economic sphere); Sergey Naryshkin, the Director of the Foreign Intelligence Service (SVR, co-participating in the implementation of Russian foreign policy); Nikolai Patrushev, the Secretary of the Security Council⁴⁶; and Sergey Shoygu, the Minister of Defence⁴⁷.

Among the ‘state oligarchs’, two former KGB officers, whose close relations with Putin date back to the early years of his professional career, currently head key state-owned companies. These are: Sergey Chemezov, the current CEO of Rostec Corporation (controlling a significant portion of the defence and civilian industry) and Nikolai Tokarev, the CEO of Transneft⁴⁸. **A special position inside the president’s inner circle is reserved for Igor Sechin**, who served as Putin’s assistant when they both worked at the Saint Petersburg Mayor’s Office in 1991–1996. He not only manages Russia’s largest oil company in a quasi-feudal manner but is also said to have substantial influence among the intelligence agencies and a hand in shaping Russia’s domestic and foreign policy. All three enjoy a large degree of latitude in managing the sectors they have been placed in charge of, and the scale of their ambitions often leads to conflicts of interest which must be resolved by Putin himself.

⁴⁶ Patrushev served with Putin in Leningrad’s KGB in the 1980s, Naryshkin worked with him at the Leningrad (Saint Petersburg) mayor’s office, and his friendship with Bortnikov also began during the Leningrad period.

⁴⁷ The actual position in the ‘inner circle’ of another former *silovik*, Sergey Ivanov, is unclear. Ivanov is still a permanent member of the Security Council despite his dismissal from the position of head of the Presidential Administration in 2016. Since then, he has served as a Special Representative of the President of the Russian Federation on Issues of Environmental Activities, Environment and Transport, which provides no formal grounds for his status in the council.

⁴⁸ Both of them, like Putin, served as KGB officers in Dresden during the final years of the USSR.

What all the individuals mentioned above have in common, in addition to a long-lasting close relationship with the president, is their institutional affiliation with security agencies or large state-controlled companies. Apart from their informal clout, this additionally strengthens their position in the system. However, **the ‘inner circle’ also includes individuals whose status is based solely on personal ties to Putin.** They are the friends of his youth and business partners from the early 1990s (the brothers Arkady and Boris Rotenberg, Yury Kovalchuk, Gennady Timchenko and Nikolai Shamalov)⁴⁹. They have no influence on shaping state policy but they have been successfully building their enormous business empires for years, owing to their privileged position on the public procurement market. They most likely safeguard the financial interests of Putin himself, which makes them important players in the Russian ‘deep state’⁵⁰.

1.2. The second faction is formed by broadly defined state security institutions (security services and law enforcement bodies): the FSB; the Federal Guard Service – Федеральная служба охраны; the SVR; the National Guard – Росгвардия, Федеральная служба войск национальной гвардии; the Ministry of Internal Affairs; the Investigative Committee; the Prosecutor General’s Office, etc. **They are permanently vying for political influence and financial resources but share one strategic interest, which is to defend the authoritarian regime**⁵¹ as the only one that can offer them broad and constantly expanded supervisory and repressive powers, as well as access to budget funding and illegal income from corruption and extortion. Within this group the FSB has been consistently strengthening its position over recent years. This institution is the main advocate of shaping state policy in line with the logic of ‘special operations’ and ‘besieged fortress’ syndrome. This means they strive to maximise control over society and to isolate Russia from foreign influence.

The role of intelligence agencies in the Russian system of power, both on central and regional levels, increased noticeably after Vladimir Putin came to power,

⁴⁹ Putin and Arkady Rotenberg became friends as teenagers – they attended the same martial arts classes. His co-operation with Timchenko and Shamalov dates back to the early 1990s, when Putin was the head of the Committee for External Relations of the Leningrad (Saint Petersburg) Mayor’s Office. It is believed that Shamalov’s son, Kirill, one of Russia’s richest people, is Putin’s son-in-law. In 1990 Kovalchuk was among the founders of Rossiya Bank, financed with money from the Communist Party of the Soviet Union/CPSU. Tellingly enough, one of its first shareholders was Gennady Petrov, a leader of the Tambov-Malysh gang. The bank, managing flows of corrupt money, was branded as a ‘bank of Putin’s friends’. See: K. Dawisha, *Putin’s Kleptocracy...*, op. cit., pp. 63–70.

⁵⁰ See: M. Domańska, “The Russian aspects of the “Panama scandal””, OSW, 6 April 2016, www.osw.waw.pl.

⁵¹ However, their support for the authoritarian regime as such does not mean that they will defend specific individuals or interest groups at any cost.

but they had built their economic and political leverage throughout the 1990s, largely due to the use of the intelligence resources of the Soviet KGB⁵². The two Chechen wars made it easier for these agencies to strengthen their position in the state by making the public accustomed to the 'special operations' regime, the use of violence and emergency measures. The declared mission of the *siloviki* at that time was to bring an end to the turbulent legacy of the 1990s and 'reinstate order' in a country plunged into chaos⁵³. The continued expansion of their powers has been enhanced by their symbolic status in the system, based on the myth of defenders of the homeland and on a unique professional ethos glorified by state propaganda⁵⁴.

1.3. The third major group is big business, consisting of around one hundred U.S. dollar billionaires. Some of them can be found in the rankings of Russia's most influential people, and some belong to Putin's 'inner circle' (see above)⁵⁵. **Their overriding goal is to maximise their assets** (through financial operations and influencing the country's laws)⁵⁶. The authoritarian regime provides them with the opportunity to accumulate wealth on an unprecedented scale, which would be impossible in a democratic system. The main sources of their enrichment include: Russia's opaque system of tax breaks; foreign trade preferences; and public procurement contracts awarded without competitive tendering procedures. However, the same political regime threatens the security of their assets because of the precarious status of private property in Russia. Conspicuous displays of loyalty to the Kremlin do not provide a total guarantee of maintaining and multiplying one's fortune, while the same loyalty in many cases requires refraining from safe investments abroad, which makes the oligarchs *de facto* hostages of the Kremlin. Over the past few years, the

⁵² Already in the 1980s, the KGB began transferring the lion's share of the Communist Party's assets abroad, via specially established private companies, networks of the KGB agents and criminal groups, including the mafia. In the mid 1990s, there were almost no large companies in Russia whose management did not include former KGB associates. They began permeating into state agencies in the second half of the decade. FSB officials delegated to state administration bodies, banks and big business have for years acted as 'custodians' of lucrative business with unrestricted access to information. They supervise all major business transactions, especially in the most profitable oil and gas sector. See: [the Swiss counter-intelligence analytical report](#), [openrussia.org](#).

⁵³ Interview with Olga Kryshatanovskaya: 'Операция «Внедрение» завершена!', Новая газета, 30 August 2004, [www.novayagazeta.ru](#).

⁵⁴ J. Darczewska, *Defenders of the besieged fortress...*, op. cit.

⁵⁵ 'Власть бизнеса. Forbes составил первый рейтинг влиятельных россиян', Эхо Москвы, 30 August 2018, [www.echo.msk.ru](#). The oligarchs and the CEOs of state-controlled companies, who influence state policies owing to their direct access to the president, are often viewed as being much more influential than the most senior state officials, despite all the legal-institutional powers of the latter. Although such rankings do not necessarily reflect all the nuances of the actual balance of power inside the elite, they speak volumes about the actual role of formal positions and informal clout in the Russian system.

⁵⁶ Some of them also act as Putin's unofficial 'cashiers', taking care of his illegal assets. See below.

‘Kremlin oligarchs’ have been paying a price for Russia’s aggressive foreign policy: Western economic sanctions have not only adversely affected their position on foreign markets but also forced them to redefine their business strategies at home⁵⁷. **It seems that this group (at least those who cannot count on generous compensation from the state budget) is least determined to support the authoritarian regime at all costs**, especially against the backdrop of a deteriorating economic situation provoked *inter alia* by the geopolitical confrontation with the West.

1.4. When compared to the 1990s, the role of organised crime in the system has changed. In the period of Yeltsin’s Darwinian capitalism, they became independent players due to the weakness of state institutions. They managed to take control of a portion of economic turnover and played as equal partners (or patrons) in relations with the government, including with the state security apparatus⁵⁸. **This was the time when the current top decision-makers of state, including Putin himself, became allegedly involved in co-operation with mafia groups.** There are numerous publications describing Putin’s close contacts and illegal business schemes with the Tambov gang⁵⁹ during his stint in the St. Petersburg Mayor’s Office in 1991–1996. Reportedly, at that time he was one of the major participants of the criminal deals that involved privatisation of real estate, as well as an organiser of the racketeering and misappropriation of huge incomes from trade in raw materials (the latter case being particularly telling, as export revenues were supposed to be spent on food imports for St. Petersburg to ease the severe deficit of foodstuffs). This illicit income was reportedly handed over to the External Relations Department of the Mayor’s Office, which was then headed by Putin⁶⁰. Viktor Zolotov,

⁵⁷ See: В. Петлевой, П. Трифонова, ‘Дерипаска снизит долю в Еп+ из-за санкций’, Ведомости, 27 April 2018; Г. Старинская, В. Штанов, ‘Дерипаска готов продать долю в группе ГАЗ из-за санкций’, Ведомости, 2 June 2018, www.vedomosti.ru.

⁵⁸ The tradition of cooperation between security services and criminal groups dates back to the era of Stalinist repression. In that period, hierarchical criminal groups with their own system of rules developed in overcrowded Gulag camps. Criminal bosses (Russian: *вор в законе*) were tasked with ‘maintaining order’ in the camps (which included persecution of political prisoners) in exchange for certain privileges. After the collapse of the USSR, former KGB officers became an attractive asset for such criminals. See: [the Swiss counter-intelligence analytical report](http://openrussia.org), openrussia.org.

⁵⁹ The Tambov (Tambov-Malyshev) gang – an organised criminal group that was formed in Leningrad in the late 1980s. It derived income from extortion, racketeering, the gambling business and from embezzling funds from Saint Petersburg’s fuel and energy complex. They collaborated closely with officials from the Saint Petersburg Mayor’s Office. Members of this group became the subject of a widely publicised investigation conducted by the Spanish judiciary in the 2000s. This investigation revealed links between the mafia and senior members of the Russian power elite, including Putin himself.

⁶⁰ K. Dawisha, *Putin’s Kleptocracy...*, op. cit., pp. 75–76, 106 and further. The turn of 1980s and 1990s was a period of close cooperation between criminal groups and the state administration. More than half of the criminal groups might have been linked to the government in the early 1990s. See: J.M. Waller,

the then bodyguard of Mayor Anatoly Sobchak, and currently the Director of the National Guard of the Russian Federation, is said to have served those days as a broker in Putin's contacts with mafia bosses⁶¹. Other Russian senior officials are also believed to have links to the Tambov gang, including: deputy prime minister, Dmitry Kozak, former defence minister, Anatoly Serdyukov, head of the Investigative Committee, Alexandr Bastrykin, and CEO of the state-owned Sberbank, Herman Gref⁶².

The rules of coexistence between the state and organised crime have changed in Putin's era. After 2000, the state became the dominant party in this relationship. The mafia's room for manoeuvre was gradually reduced, and the intelligence agencies took control of the shadow economy and criminal business activity. Tellingly enough, both the criminals and the *siloviki* perform similar functions in the system, using naked violence in the pursuit of private and corporate vested interests⁶³. The acceptance of the new rules of the game enabled mafia leaders to continue benefiting from illegal activity. Key Russian mafia bosses, Semion Mogilevich and Gennady Petrov, who are wanted criminals abroad, not only have found shelter in Russia but also fraternise with circles close to Putin⁶⁴.

This government-mafia symbiosis is mutually beneficial: the law enforcement bodies do not hamper the criminal groups' illegal activities, in return for which the latter provide services of various kinds to the Kremlin, both at home and abroad. This win-win cooperation in obtaining illegal income and expanding control over the business sphere also includes trade in confidential information. Illegal funds accumulated by the mafia ('black money', Russian: *черный нал*) are used, for instance, to finance anti-Western propaganda and cyber attacks, as well as to buy influence among the Western establishment. Organised criminal groups are also used by Russian intelligence agencies for espionage and subversion (e.g. during operations conducted by Russian military intelligence, GRU) and for political assassinations⁶⁵. **The symbiosis of criminal-mafia groups and law enforcement bodies is thus one**

'Organized Crime and the Russian State. Challenges to U.S. – Russian Cooperation', *Demokratizatsiya: The Journal of Post-Soviet Democratization* 1994, vol. 2, no. 3, www.demokratizatsiya.pub.

⁶¹ See: K. Dawisha, *Putin's Kleptocracy...*, *op. cit.*

⁶² 'How the Mafia and Politics Merge In Russia', Radio Free Europe/Radio Liberty, www.rferl.org (Data based on the results of Spanish investigation against the Tambov gang).

⁶³ М.Н. Афанасьев, *Клиентелизм...*, *op. cit.*, p. 517.

⁶⁴ For more, see: О. Ролдугин, 'У «друзей Путина» и «авторитетных бизнесменов» оказалась общая крыша', *Собеседник*, 8 May 2018, www.sobesednik.ru.

⁶⁵ M. Galeotti, 'Crimintern: How the Kremlin uses Russia's criminal networks in Europe', April 2017, www.ecfr.eu; Swiss counter-intelligence analytical report, openrussia.org.

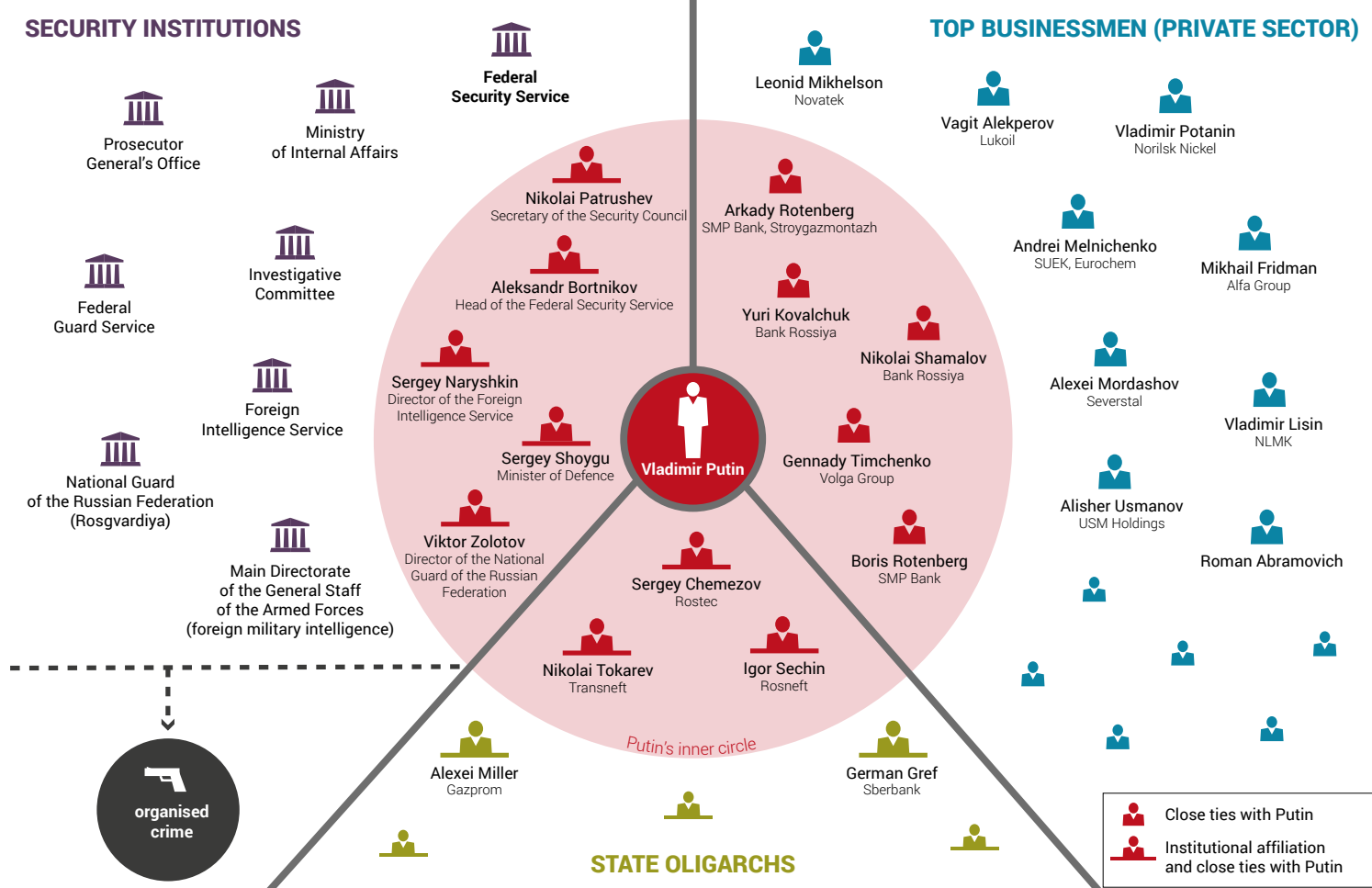
of the important components of the Russian ‘deep state’, where business, intelligence services and criminal interests converge.

1.5. A broad base for Putin’s regime – and the environment in which its main actors operate – is the state administration (bureaucracy). Its upper echelons (occupied by ministers or governors) form a group of direct clients of the Kremlin. As members of the most important patronage networks, they are actively present in politics and big business circles. Aside from the ambition of influencing sectoral state policies, these higher ranks of bureaucracy (similarly to the middle-ranking and lower ones) are driven by the prospects of personal enrichment as their official positions allow them to milk profits from ‘corruption rent’⁶⁶. This is similar to the system of ‘feeding’ state officials known from the past. The administration is not an independent actor in the authoritarian ‘great game’; it rather performs the function of a conveyor belt guaranteeing a more or less effective implementation of the Kremlin’s decisions.

The mutual relations between the key interest groups and individual actors are guided by the logic of a zero-sum game. It implies a consistent expansion into new spheres of economic activity and striving to maximise one’s political influence; holding back would mean letting competitors into one’s own territory and – ultimately – would lead to being marginalised. Hence, fierce competition involving tactical, fluid coalitions to serve group and individual interests predominates in these relations. The president as the super-arbiter is the highest body of appeal in this rivalry. Various competing groups share a common strategic interest: only the preservation of the current authoritarian model (ideally, with more resources to plunder) guarantees them the status of ‘owners of the state’ and allows them to avoid liability for breaking the law.

⁶⁶ Corruption rent – see: Glossary.

Chart 1. Main interest groups in Putin's system of power



Source: own elaboration.

2. Pathologies as the essence of applied authoritarianism

The proprietorial approach of the state authorities to public institutions and public goods, together with the widespread clientelism of society towards the ruling elite, gives rise in practice to a number of phenomena that in a law-abiding state would be clearly recognised as serious pathologies. In Russia, by contrast, they form part of everyday life and permeate the state at every level of its organisation. **These pathologies are primarily linked to corruption**, which is broadly defined as “the abuse of entrusted power for private gain”⁶⁷. **These abuses also include violence**, viewed by public officials as a tool for maximising the profits accruing from their privileged position in the system of power. Such practices, widespread both in the Russian Empire and the Soviet Union, and thus deeply rooted in the political culture and social mentality, are an indispensable instrument for strengthening and reproducing the authoritarian model of government.

Corruption, present in all areas of life – from major public procurement contracts to education, healthcare and citizens’ everyday contact with public servants – **inflicts significant losses on the state and on business** (estimated at hundreds of billions of dollars annually)⁶⁸. Corruption, as a matter of convention, can be divided into two types. The first one is micro-corruption (the corruption of everyday life), pertaining to relations between lower-ranking or medium-ranking officials and citizens trying to gain access to public goods and services. The second type is macro-corruption, meaning large-scale fraud. In this latter case, business interests intertwine with ‘big politics’.

The issue of micro-corruption will not be explored in this paper, since it is primarily the public’s response to systemic challenges, an attempt to adapt to patterns of behaviour imposed from above⁶⁹. By contrast, **macro-corruption is a foundation of the Russian system**, directly responsible for the state’s inefficiency, the widespread misappropriation of public funds and mass abuse of the law for the sake of the vested interests of major players. In most cases, it is accompanied by coercion or arbitrary violence. Corruption allows the government to redistribute resources and buy loyalty, outside the reach

⁶⁷ Definition by Transparency International (TI). In the *TI Corruption Perceptions Index 2017*, Russia was in 135th position out of 180 (i.e. it found itself in the group of highly corrupt states). In September 2018, TI placed Russia on a *list of countries which do not combat corruption*, www.transparency.org.ru.

⁶⁸ See: ‘Коррупция – миллиардные убытки для бизнеса и государства’, Pasm.ru, 25 August 2015, www.pasm.ru.

⁶⁹ It involves bribing officials and public servants, and *blat* (блат) – see: Glossary.

of public control. This is possible due mainly to the nationalisation of the economy, which allows the key influential groups, including law enforcement bodies and state bureaucracy, to enrich themselves by means of state funds. The state also legitimises the illegal seizure of private property by loyal clients of the Kremlin. This strengthens **the feedback loop: political leverage helps to eliminate potential competitors from the economic sphere, and the assets accumulated in this way allow political power to be maintained.** Since the public is accustomed to the omnipresence and impunity of corrupt practices, they continue unrelentingly as the basis of socio-economic relations and political life. **The ultimate arbiter who decides on the scale and the scope of the elite's enrichment is the president: the superpatron of the corruption pyramid that feeds upon the Russian state.**

Entire organisational units of state institutions are engaged in corruption. The individuals in charge of these institutions and their subordinates are jointly involved in these practices. Corruption schemes are governed by several key principles ('unwritten rules' – Russian: *понятия*). Firstly, **there is the principle of intra-group transparency.** If the very fact and scale of one's involvement in corruption is concealed from one's superiors, the latter view it as a betrayal of corporate interests as the corruption rent is expected to be distributed proportionally among all interested parties, in accordance with unwritten rules. Often, the management of corrupt income takes the form of **collective funds** (in Russian they are known as *obshchak*, *общак*, a term borrowed from criminal slang)⁷⁰. This 'transparency' provides corrupt officials with protection from their superiors in case of trouble and ensures the loyalty of subordinates to those above them. The *krugovaya poruka* (*круговая порука*) principle applies here, meaning mutual loyalty and solidarity.

Secondly, **the unwritten rules include the principle of 'stealing according to rank'** (Russian: *брать по чину, брать не по чину*), meaning that one can be punished for excessive greed, disproportionate to one's position in the system. Thirdly, **participation in corruption is not a matter of choice but of obligation.** Entangling everyone in this practice is a quasi-mafia method of controlling and disciplining associates. Should insubordination rear its head, compromising materials collected in advance are ready to be used against any transgressors.

⁷⁰ See: Glossary. A special form of an *obshchak* is a 'pool' (Russian: *бассейн*) – see: Glossary. More on this subject see: С. Соколов, 'Война у «бассейна»', Новая газета, 12 October 2011, www.novayagazeta.ru.

The institutionalisation of illegal practices requires the supportive participation of everyone; otherwise the intricately designed system would collapse. Compliance with the rules is often enforced by the threat of direct repression, but even if radical sanctions are not employed, a public servant who does not accept bribes would quickly lose the opportunity to do their job effectively, due to ostracism by their peers. Rather paradoxically, as illustrated by the ‘anti-corruption campaign’ that has been conducted by the Kremlin over recent years (with numerous high-ranking federal and regional officials having been punished), loyal participation in the corrupt system fails to guarantee safety to its weaker representatives.

The fight against corruption is practically impossible in Russia, because there is no state institution that would remain free from it. The so-called anti-corruption campaign is thus not intended to reduce the scale of corrupt practices, let alone eliminate them. On the one hand, this campaign is a result of settling scores between state agencies in political and business games. On the other, it serves as an instrument of state propaganda. Corruption scandals resurface not as a consequence of the fight against misappropriation of public funds but rather due to serious conflicts between interest groups, including the rivalry for control over cash flows. Such conflicts are often revealed when intelligence agencies decide to leak information to the independent media. **Details of corruption schemes are disclosed selectively** and, given the system’s impermeability and top-down control of the circulation of ‘sensitive’ information, a great deal of scepticism should be attached to the publicised motivations and interests of the parties engaged. Probably only a small fragment of the puzzle is shown to the public in each case. However, the description of the corrupt practices themselves is generally reliable and allows one to understand the logic of the whole picture, even if the exact scale of the phenomenon remains unknown.

The key types of systemic pathologies, revealing the close interdependencies between the official and the unofficial (including illegal) spheres of public life in Russia, are presented below.

2.1. Embezzlement of budgetary and state company funds or extortion from private business

The goal of such practices is to siphon off funds from official circulation, including through shadowy transfers to foreign bank accounts controlled by high-ranking state officials. ‘Money mules’ and sham contracts are usually

used in such cases. These funds then serve to increase the personal wealth of high-level officials (e.g. to purchase real estate) or to acquire stakes in state-owned companies (which means an increased share in ‘owning’ the Russian state). **A great deal of indirect evidence suggests that Vladimir Putin is a covert beneficiary of many transactions of this kind.** Some of the funds, accumulated in a so-called ‘pool’ (see footnote 70), are used for political purposes and spent on measures viewed as indispensable for the operation of the regime. They include financing subversion and propaganda activity outside Russia⁷¹.

Putin’s piggy banks – a secret fortune in tax havens⁷²

Sergey Roldugin (musician, close friend of Vladimir Putin and godfather to his elder daughter) is the formal owner of a number of companies based in tax havens, although he does not officially engage in any business activities. Billions of dollars flow through these companies, while the estimated value of Roldugin’s fortune is US\$372 million⁷³. Their huge profits result from contracts signed with Russian state-owned banks and companies belonging to Russian oligarchs (many of them are hidden behind shell companies registered in tax havens). These contracts are extremely favourable for Roldugin and clearly disadvantageous for his contractors.

- Roldugin’s companies have on numerous occasions bought shares in Russian enterprises and on the next day sold them on to previous owners at a large profit (up to US\$400,000–500,000).
- In 2010, one of Roldugin’s companies concluded an agreement with another one (also registered in a tax haven) for the purchase of shares in the state-controlled company Rosneft. A contract cancelling the transaction was signed at the same time. Under the terms of the contract, Roldugin received compensation worth US\$750,000 for the cancellation.
- In 2007, one of Roldugin’s companies received a US\$6 million loan, which was soon written off for one US dollar. The lending company turned out to be associated with the Russian oligarch Alexey Mordashov

⁷¹ Д. Травин, *Просуществует ли путинская система до 2042 года?*, Санкт-Петербург 2016, pp. 326–327.

⁷² Quoted from: ‘Panama Papers’, 3 April 2016, www.occrp.org.

⁷³ Е. Артемьева, ‘Тени Путина’, *The New Times*, 29 January 2018, www.newtimes.ru.

and held a 100% stake in one of the companies belonging to Severstal, Russia's metallurgical giant.

- Fake loan mechanisms also tied Roldugin's companies to entities controlled by another oligarch, Suleyman Kerimov. In the years 2008–2010, thanks to a multi-stage scheme, including the purchase of Kerimov's debts for a total price of two US dollars, Roldugin received around US\$260 million, including US\$60 million from the state-controlled company Rostelecom.
- Another important source of funding was in the form of loans from the Cyprus-based RCB bank, which was controlled by the state-owned Vneshtorgbank. In 2010–2012, Roldugin had unlimited access to an open credit line worth at least US\$650 million, under a contract that was grossly unfavourable to the bank.
- Part of the money that accumulated in the bank accounts of Roldugin's companies was invested in Russia in the form of 'loans' granted to intermediaries linked to Bank Rossiya (the bank of 'Putin's friends' – its main shareholders are Yury Kovalchuk and Nikolai Shamalov). Their purpose was to buy luxury real estate and yachts (a great deal of indirect evidence indicates that they are used by Putin) and strategic assets. These include Igora ski resort, where Putin's younger daughter's wedding took place in 2013, as well as shares in Video International (an advertising industry giant) and automotive sector companies Kamaz and Avtovaz.

For obvious reasons, Putin's name is not mentioned in any of the documents concerning these transactions. Instead, all property and assets are registered under entities linked to his henchmen. However, the volume of evidence compiled allows us to assume, with a high degree of likelihood (if not certainty), that people like Roldugin are merely money mules serving as intermediaries in transferring donations to the president from Russian oligarchs or state-controlled companies and banks. The total value of Putin's fortune built on corruption is extremely difficult to estimate, as the trails that such transactions leave are carefully concealed⁷⁴. The paradox is that the main 'owner of

⁷⁴ The amounts mentioned range between US\$500 million and US\$200 billion. 'Сколько денег у Путина? Как журналисты и аналитики оценивали состояние президента России', Медуза,

Russia' places illegally obtained funds in tax havens, while officially leading an 'anti-corruption' and 'de-offshoring' campaign. The latter includes a statutory ban on holding bank accounts abroad, imposed in 2013 on state officials and members of their families. Putin also urges Russian big business to withdraw assets from other countries.

2.2. Slush funds of political parties

The mechanism of financing political activity with corrupt money is two-fold. **Firstly, it takes the form of overt or covert financial transfers to the 'party of power'**, United Russia, by private business and state-controlled companies. The donors may then count on lucrative public procurement contracts. Another widespread practice is the allocation of grants and subsidies from regional budgets to those who are seeking election as United Russia's candidates, or to entities linked to them. These are in fact unregistered funds for election campaigns. **Secondly, special 'black cash boxes'** (Russian: *чёрные кассы* – dirty money pooled in illegal slush funds) **are used to finance the election campaigns of opposition parties** (both the systemic and non-systemic ones). Political parties are not allowed to obtain sponsors without consulting the Kremlin; any major donations to the opposition should be approved beforehand by the Presidential Administration officials in charge of domestic policy. Businesspeople either receive direct instructions from the Kremlin regarding which party they should finance or are obliged to offer certain amounts of cash to Kremlin officials responsible for its subsequent redistribution (such money is often deposited with the state-owned banks Vnesheconombank and Sberbank). The money goes into a common pool and is then distributed in a highly opaque manner⁷⁵.

5 April 2016, www.meduza.io. Besides Roldugin, other 'money mules' include: Mikhail Shelomov, the son of Putin's cousin; Petr Kolbin, a friend from Putin's youth; and Sergey Rudnov, the son of the director of Saint Petersburg television, which backed Anatoly Sobchak's election campaign in 1996. The estimated fortunes of Shelomov and Kolbin reach US\$573 million and US\$550 million respectively (no data on Rudnov's wealth is available). Е. Артемьева, 'Тени Путина', *op. cit.*

⁷⁵ Another inseparable element of the Russian political scene is the decentralised system of 'black cash boxes', widespread in the Russian regions. These are 'voluntary' (*de facto* compulsory) donations made by businesspeople to finance projects aimed at boosting the popularity of United Russia or of the governor (parks, churches, charity projects, etc.), which cannot be funded from the regional or federal budget due to the shortage of funds. The effective collection of this 'black cash' is proof of the governors' effectiveness in administering their regions and thus proof of their usefulness for the Kremlin. Such cooperation with regional authorities is beneficial for businesspeople since, in exchange for donations, they win lucrative public procurement tenders. In turn, if they refuse to cooperate, they are usually persecuted by local supervisory institutions, tax service or prosecution authorities.

The Kremlin's 'black cash boxes' – opposition and business as government's dependants⁷⁶

- United Russia received one million roubles (almost US\$30,000) during the campaign preceding the parliamentary election in the Republic of Tatarstan in 2014. The money was donated by a company indirectly controlled by the state-owned Rostec corporation. One year earlier, half a million roubles was transferred to United Russia's bank account by a company controlled by the state-owned weapons manufacturer Almaz-Antey.
- In 2016, pursuant to the decision of the governor of Altai Krai, a grant from the regional budget was transferred to a company from the machine-building industry. The company belonged to a United Russia candidate who was running in the State Duma election (similar schemes were used in preceding years during other election campaigns).
- Subcontractors for large public procurement contracts are almost exclusively sponsors of United Russia. In 2016, 61% of donor companies entered into such contracts (these data do not cover the cases where tenders were won by entities related to donors).
- In 2007, the Kremlin-approved budget of the oppositional Union of Right Forces for the election campaign to the State Duma was set to reach US\$150 million. The appropriate sum was paid by sponsors to the Kremlin's 'black cash box'. Shortly before the election the party was informed that it would not receive the money. Instead, the money was given to the spoiler parties: Citizens' Force (Гражданская сила) and the Democratic Party of Russia (Демократическая партия России). These are Kremlin-created political parties whose names, political manifestos and slogans closely resemble those of genuine opposition parties, with the intention of confusing voters. It also subsequently turned out that the sums granted to the spoiler parties were around 30% smaller than agreed and paid for by the sponsors.

⁷⁶ See: '«Черная касса» Кремля', The New Times, 10 December 2007, www.newtimes.ru; *Деньги на выборах: проблемы обеспечения прозрачности финансирования политических партий и избирательных кампаний в Российской Федерации*, Трансперенси Интернешнл-Россия, Москва 2017, www.transparency.org.ru.

2.3. Misappropriation of public procurement funds

The practice of embezzling large sums from public procurement contracts by companies and individuals linked to the Kremlin is known as ‘sawing up’ (Russian: *pacнун*)⁷⁷. It involves rigging bids or awarding contracts without tender, as well as frequent and unjustified inflation of the value of contracts. Another frequent practice is to certify the completion of a project and issue due payment, even though the commissioned works have not been completed.

An essential feature of these schemes is the imitation of legal procedures (e.g., undue restrictions to competition are legalised by specially issued presidential decrees). The narrow group of main beneficiaries of public contracts includes, among others, Arkady Rotenberg and Gennady Timchenko. They have earned huge sums on subcontracting Gazprom’s investment projects, which inflicted obvious financial losses on the company and thus on the treasury⁷⁸. **It should be assumed that part of the money earned by them goes to Putin himself**⁷⁹. Embezzlement afflicts even the state security sector – the strongest pillar of Putin’s regime⁸⁰. Because of Western sanctions targeted at Kremlin-linked business circles, and due to regularly publicised corruption scandals, the access to information about the beneficiaries of tenders and public contracts has been increasingly restricted⁸¹.

⁷⁷ According to estimates by experts, one eighth of the funds allocated for public procurement in the budgets of various levels of the state administration is embezzled annually. The total amounts of embezzlement reach 2 trillion roubles (around US\$30 billion). ‘«Распил» госбюджета на госзакупках в России оценили на 2 трлн рублей в год’, Newsru.com, 10 June 2017, www.newsru.com.

⁷⁸ For more details on the logic of bid rigging to favour concrete subcontractors see: the Sberbank CIB report *Russian Oil and Gas. Tickling Giants*, www.globalstocks.ru.

⁷⁹ B. Gertz, ‘Putin Corruption Network Revealed’, The Washington Free Beacon, 7 April 2014, www.freebeacon.com.

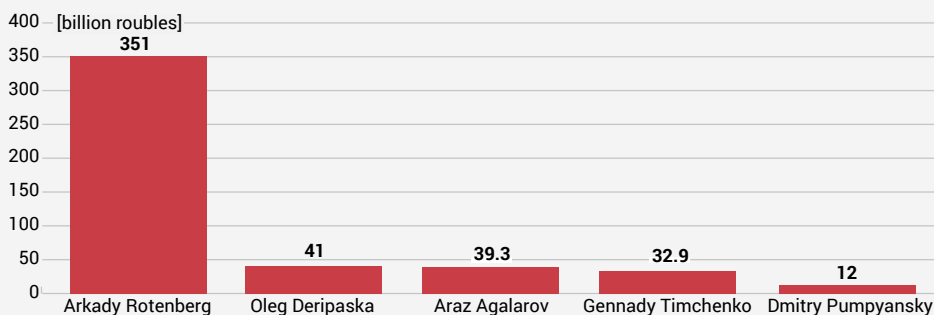
⁸⁰ In August 2018, Navalny’s Anti-Corruption Foundation revealed the scale of embezzlement of funds allocated for food supplies to the National Guard of Russia (around 340,000 personnel). After Prime Minister Medvedev granted the exclusive status of supplier to a company owned by a former subordinate of the present National Guard commander, Viktor Zolotov (in December 2017), prices rose several-fold, and the quality of foodstuffs deteriorated. It is estimated that around 1 billion roubles (around US\$15 million) was stolen this way. For details, see: ‘Картошечка Росгвардии’, 23 August 2018, www.navalny.com.

⁸¹ Under the 2017 decree issued by Prime Minister Medvedev. ‘Короли госзаказа – 2018. Рейтинг Forbes’, Forbes.ru, 22 February 2018, www.forbes.ru.

El Dorado for public procurement – the FIFA World Cup marred by the shadow of corruption⁸²

The FIFA World Cup in 2018, an indisputably prestigious event, served as another occasion (after the Winter Olympics in Sochi) for misappropriating public funds. It was manifested by repeatedly inflated costs of building and modernising sports facilities and the accompanying infrastructure. This was the most expensive World Cup in history – it cost over US\$13 billion, 70% of which was funded from the federal and regional budgets⁸³. Gennady Timchenko and Arkady Rotenberg were traditionally among the key beneficiaries of the public procurement contracts relating to the construction and modernisation of sports and transport infrastructure.

Chart 2. The main beneficiaries of the World Cup (the total values of contracts signed with companies belonging to the persons listed below)⁸⁴



Source: С. Титов, 'Миллиардеры на футболе. Инвесторы и подрядчики чемпионата мира из списка Forbes', Forbes.ru, 11 June 2018, www.forbes.ru.

- The cost of construction and modernisation of most football stadiums was not only grossly inflated during the project implementation, but also significantly exceeded the costs of similar facilities abroad. The Saint Petersburg Zenit Arena was the record-holder in this respect. Its initial estimated cost was 7 billion roubles and the final cost reached

⁸² 'Золото мундиаля. Доклад о завышенных расходах на главные арены ЧМФ-2018', Центр антикоррупционной политики, 2017, www.yabloko.ru; С. Титов, 'Миллиардеры на футболе. Инвесторы и подрядчики чемпионата мира из списка Forbes', Forbes.ru, 11 June 2018, www.forbes.ru.

⁸³ Official data. For more, see: I. Wiśniewska, J. Rogoża, 'The 2018 FIFA World Cup in Russia – circuses instead of bread?', OSW Commentary, no. 286, 17 September 2018, www.osw.waw.pl.

⁸⁴ Slightly different data are provided in the report *Золото мундиаля* drawn up in 2017, where Tatar businessman, Ravil Ziganshin, is listed among the key beneficiaries (50.9 billion roubles). These discrepancies are most likely a result of the government's efforts to hide the links between the official and the actual beneficiaries of the contracts.

48 billion roubles (while the cost of an analogous facility abroad is less than 18 billion roubles). Thus the state budget might have lost as much as 30 billion roubles (almost US\$500 million). The Accounts Chamber (a financial inspectorate) revealed irregularities worth 12 billion roubles. Estimated budget losses related to other facilities range between less than 3 billion roubles (Kazan Arena) and 15 billion roubles (in the case of Moscow's Luzhniki).

- Several investigations have been launched in connection with embezzlement. They include the investigation against high officials of the St. Petersburg administration (among them a former vice-governor) due to irregularities during the construction of Zenit Arena, and the one against the Magomedov brothers – businessmen involved in the construction of the stadium in Kaliningrad. However, the reason for launching investigations was not corruption as such but rather the risk of failing to meet the deadlines of the World Cup schedule, which could pose a serious threat to Russia's image. Apparently, these businessmen and officials crossed a red line in their desire to raise the stakes and earn as much as possible on the Kremlin's flagship project.
- The main allegations made by Transparency International against the government in connection with the FIFA World Cup referred to the opaque, non-competitive selection of subcontractors and the lack of transparency in spending funds (including the lack of public information about orders for companies cooperating with the main subcontractors).

2.4. The control by *siloviki* factions over lucrative spheres of state activity

One of the most widely publicised scandals of the past decade was the corruption scandal that took place at the Ministry of Defence (MoD), which broke out in 2012 and resulted in the dismissal of the then minister, Anatoly Serdyukov. The wrongdoing concerned multi-billion rouble misappropriations committed by the ministry's functionaries and the Oboronservis company linked to the MoD. It involved serious irregularities in the sale of assets and real estate, as well as bid rigging. The scale of the illegal activity put at risk the timely implementation of the strategic army modernisation programmes. Another important

sphere of such corrupt practices is foreign trade, where the *siloviki* are fiercely vying for the huge profits obtainable from cross-border machinations.

The gold-bearing borders – lucrative smuggling in the hands of law enforcement officers⁸⁵

Regularly publicised scandals concerning the smuggling of goods across the borders of the Russian Federation suggest that control over contraband is one of the most important sources of corrupt income. It is a subject of bitter conflict between law enforcement agencies, mainly the FSB and the Federal Customs Service (FCS). However, even the most outrageous scandals have not yet led to their key figures being punished, and corrupt practices continue regardless of reshuffles among the management of law enforcement bodies. The only tangible effect of subsequent scandals is that the beneficiaries of the illegal activity change each time.

- In 2006 Andrey Belyaninov was nominated head of the Federal Customs Service (in the 1980s he was an officer of the KGB residency in East Germany, where he most likely met Vladimir Putin). One year later, Belyaninov's advisor became the director of the state-owned ROSTEK company tasked with the functions of a customs agent (they involve a comprehensive handling of customs procedures related to importing goods to Russia). Belyaninov's wife Lyudmila held shares in one of ROSTEK's subsidiaries. Over time, the company attained at least 20–30% market share, partly due to the forced acquisitions of stakes in other customs agencies that offered services to customs checkpoints and customs warehouses. Those agencies that refused to offer their shares were closed by the FCS. In 2008–2012, the number of customs agents was reduced from 714 to 313, and 200 of them were linked to ROSTEK. According to findings of the Accounts Chamber, in the years 2008–2009 the state-owned ROSTEK transferred only a few percent of its revenues from commercial activity to the state budget.
- ROSTEK not only charged carriers with standard fees, but also extorted 'unofficial' fees for unimpeded passage of shipments across the border.

⁸⁵ Source: Д. Зотов, '«След Бельянинова» в «Ростэке»?', The Moscow Post, 6 July 2015, www.moscow-post.com; А. Сухотин, 'Борьба с коррупцией: закрытый показ', Новая газета, 16 February 2017, www.novayagazeta.ru. Other sources: И. Варламов, '«Крыша» от Бельянинова', The Moscow Post, 26 July 2016, www.moscow-post.com; М. Хайруллин, 'Таможня не дает добро. Или почему Андрей Бельянинов не хочет расставаться с ФГУП «РОСТЭК»', Версия, 3 February 2014, www.versia.ru.

This meant both illegal charging of honest carriers and accepting bribes for turning a blind eye to smugglers. Part of this income most likely went to Belyaninov himself.

- Following a series of complaints to the Federal Antimonopoly Service (FAS) from entrepreneurs, Putin ordered ROSTEK to be closed down in 2012. Since then, the FCS, following Belyaninov's guidelines, has collaborated with around 40 newly established private companies handled by individuals linked to the FCS management or the previous management of ROSTEK. These companies took over the assets previously belonging to ROSTEK's subsidiaries. Furthermore, the FAS regularly accused the FCS of being slow to collect customs duties.
- By the end of 2011, Belyaninov removed FSB representatives from FCS and as a result he took full control over the way his service dealt with contraband.
- In 2012 Alexander Romanov, a former advisor to ROSTEK and a close associate of Belyaninov, was arrested and sentenced on corruption charges. According to investigators' estimates, in 2010–2012 he may have received tens of millions roubles as bribes from foreign trade companies. This amount, however, is only a fraction of the corrupt income that FSC-related entities might have obtained.
- In March 2016 billionaire Dmitry Mikhhalchenko, a businessman who successfully smuggled expensive alcohol to Russia (partly owing to FCS protection), was arrested. This was used as a pretext for an attack on Belyaninov himself⁸⁶. In July 2016, FSB officers searched his house, and scandalous photographs of shoe boxes filled with banknotes (including foreign currency) were leaked to the media. Tellingly enough, Vladimir Putin criticised the FSB for unnecessary publicity and announced that no investigation was underway against Belyaninov. He met with Belyaninov the next day, thus supporting him in the conflict with the FSB. The affair ended with the voluntary resignation of Belyaninov as the head of the FCS. Shortly afterwards, he was nominated chairman of the Eurasian Development Bank.

⁸⁶ The operation was also an element of the FSB's attack on the Federal Guard Service. Mikhhalchenko had close relations with its head, Yevgeny Murov.

- Vladimir Bulavin, an FSB general and former subordinate of Nikolai Patrushev (the Security Council Secretary) became the new head of the FCS. One of his first decisions was the restoration of FSB representatives to the FCS and the revival of highly opaque and corruption-generating electronic procedures for customs clearance of goods, which had previously inflicted billion-ruble losses on the state budget⁸⁷.

2.5. Corporate raiding

Corporate raiding consists of private or state-controlled entities taking over profitable companies, often in collaboration with criminal groups, law enforcement agencies, intelligence agencies, judicial authorities and supervisory institutions.

Corporate raiding aims to take over profitable companies and then exploit them to the maximum, including by transferring their money to private accounts, which often leads to bankruptcy. **A classic corporate raiding mechanism involves a massive assault** in which tax services and supervisory authorities harass firms that are unwilling to voluntarily relinquish their assets. Typically, an investigation is launched on fabricated charges and this gives the law enforcement agencies a pretext to confiscate the company's documentation and sensitive data. Subsequently, forged documentation is produced in order to take over the company's assets. In the final stage, the entire operation is sealed with a court ruling favourable to the raiders. According to data from early 2017, corporate raiding (together with illegal investigations launched to commit extortions) is the most frequent cause of complaints submitted by businesspeople to the prosecution authorities⁸⁸. Small and medium-sized business and

⁸⁷ These losses resulted from decoupling the electronic procedures for goods clearance and actual checks of goods at the state border. Customs officers at the border checkpoint did not see the importer's final declaration, while those who supervised the electronic circulation of customs documents did not see the goods that actually crossed the border. Given the highly ineffective communication between state agencies, this facilitated abuse on a mass scale, including massive undervaluing of the imported goods. A. Сухотин, 'Борьба с коррупцией...', *op. cit.*

⁸⁸ These data were collected after a special channel of communication between businesspeople and the prosecutor general was launched in 2016. The largest number of complaints arose in Moscow, Krasnodar Krai and Saint Petersburg. See: В. Деграчев, 'Рейдерство стало самой частой причиной жалоб бизнеса в Генпрокуратуру', РБК, 7 February 2017, www.rbc.ru. In 2014, only 46,000 of the 200,000 cases launched against businesspeople were submitted to court (which proves that launching investigations without adequate evidence is a widespread practice). However, as a result of investigations 83% of the entrepreneurs lost their companies. This strongly suggests that the real intention of the investigators was to seize assets. See: M. Domańska, P. Żochowski, 'Business under supervision – pathologies serving the system of power in Russia', *OSW Commentary*, no. 212, 31 May 2016, www.osw.waw.pl.

individual entrepreneurs are especially vulnerable. In the case of big business (such as the oil and gas companies, large private banks or major trade and service companies) the relations with the state administration generally rely on personal contacts with policy makers and on individual negotiation channels. However, such contacts do not always suffice to protect a company from being raided.

A loyal businessman loses out to Igor Ivanovich – the Kremlin vs. Bashneft⁸⁹

Actors: Vladimir Yevtushenkov, the owner of AFK Sistema corporation, and Igor Ivanovich Sechin, the CEO of the state-controlled company Rosneft.

A two-stage operation was conducted in 2014–2016, which allowed the state-controlled company Rosneft to take over a majority stake in the private oil corporation Bashneft (owned by AFK Sistema). The beneficiary of this transaction was Igor Sechin, who holds a strong position in Vladimir Putin's inner circle. Owing to the takeover of the rapidly growing Bashneft, he strengthened both the economic position of Rosneft and his own role in the Russian system of power. On the one hand, the case of Bashneft was another illustration of the precarious status of private property in Russia, on the other, it was quite exceptional. Unlike Mikhail Khodorkovsky (the head of Yukos, which was taken over by Rosneft in 2004), Yevtushenkov was fully loyal to the Kremlin. His only failure was to have protectors too weak to fend off Sechin's advances.

- In 2008, Sistema, following the Kremlin's instructions, acquired a controlling stake in Bashneft from the government of Bashkiria region, for a price several times lower than its real value. In April 2014, the Investigative Committee launched an investigation into the privatisation of Bashneft. In September 2014, Yevtushenkov was accused of misappropriating the company's shares and was placed under house arrest, while Bashneft's stakes belonging to Sistema were seized under a court order. The accusations and Yevtushenkov's arrest were preceded by Sechin's efforts to buy the company (Yevtushenkov refused due to the unfavourable conditions of the transaction).

⁸⁹ See: J. Rogoża, 'Areszt Władimira Jewtuszenkowa: władze kontra biznes', OSW, 17 September 2014, www.osw.waw.pl; S. Kardaś, 'Pseudoprywatyzacja: Rosnieft' przejmuję Baszneft', OSW, 12 October 2016, www.osw.waw.pl.

- Due to the conciliatory stance of Yevtushenkov, the case ended in his release from house arrest and the withdrawal of charges against Sistema. In December 2014, Sistema's shares in Bashneft were nationalised.
- In October 2016, state-owned Rosneft bought the majority stake in Bashneft (ironically, this transaction was named 'privatisation'). In May 2017, Rosneft sued AFK Sistema for a total sum of almost 270 billion roubles in connection with the alleged mismanagement of Bashneft in 2010–2014. This was in fact another attempted act of corporate raiding. In the end, as the result of a settlement, Sistema paid Rosneft 100 billion roubles⁹⁰.

2.6. *Kryshevaniye* and racketeering

Kryshevaniye* or *krysha (*крышевание*, literally 'offering the roof') **means the broadly defined protection** offered to business entities in their legal or illegal activity, in exchange for a regularly paid sum of protection money or a share in the company's profits (a mechanism known as ***otkat***, Russian: *откат*). *Krysha* can be provided by criminal groups or law enforcement agencies (Ministry of Internal Affairs, the FSB), as well as private security companies (currently the latter are supervised by Rosgvardiya, the Federal National Guard Service, formed in 2016, headed by Putin's long-time personal bodyguard, General Viktor Zolotov). *Krysha* refers both to protection against competition and to facilitation of contacts with administrative bodies. One of the most notorious examples of *kryshevaniye* was the umbrella extended over the drug trafficking business by the Federal Drug Control Service (FSKN), liquidated in 2016. Its officers not only protected drug mafias but also made profits from the sale of confiscated drugs⁹¹.

Racketeering is an organised system of extorting money by means of violence (threats, blackmail, physical violence and kidnapping), sometimes in exchange for a real or illusory *krysha*.

⁹⁰ В. Петлевой, '«Роснефть» и «Система» помирились', Ведомости, 22 December 2017, www.vedomosti.ru.

⁹¹ After the liquidation of the service, some of its powers were taken over by the Ministry of Internal Affairs. On the basis of information available, it can be concluded that representatives of the Russian intelligence agencies still derive income from drug trafficking, most likely in collaboration with organised crime. See: 'Критики Кремля видят за контрабандой наркотиков уши российских спецслужб', Delfi, 5 March 2018, ru.delfi.lt.

From criminals to *siloviki* – the evolution of racketeering and *kryshas*

- The history of racketeering dates back to the times when the shadow economy started to develop in the USSR. Small entrepreneurs were easy prey to criminals extorting funds in exchange for protection against harassment. As private business was banned under Soviet law, there was no way to seek legal protection from extortion. In 1979 the first attempt to ‘civilise’ the unbridled system of extortion was made: criminals, individual entrepreneurs and speculators struck a deal settling the sum of protection money at 10% of an entrepreneur’s income⁹².
- After the collapse of the USSR, the weakening of state institutions, among them the law enforcement agencies and the judiciary, meant that despite the legalisation of private business activity, business-people still had to seek protection in the sphere of privatised violence (i.e. among criminal groups or private security agencies founded and led by former security officers). Protection from extortion was offered in exchange for a share in profits. In the mid-1990s, criminal *kryshas* might have controlled as much as 85% of commercial entities, and racketeering swallowed up 30% of company revenues⁹³.
- At the turn of the 1990s and the 2000s, after Russia recovered from the financial crisis, state institutions became increasingly stronger and law enforcement agencies took control of the business sphere⁹⁴. Only those companies which were engaged in illegal financial operations remained under criminal *kryshas*. At present, the FSB, which quite frequently resorts to brutal criminal methods of ‘persuasion’, has the strongest position among those offering ‘protection’ to entrepreneurs.

An important element of contemporary Russian economic reality is the widespread control – exerted both formally and informally – by law enforcement agencies over private business. It serves two main goals: firstly, it is an authori-

⁹² ‘Как в 1970-х «воровской мир» стал влиятельной системой’, Толкователь, 14 August 2015, www.ttolk.ru.

⁹³ А. Гуров, *Красная мафия*, Москва 1995, p. 315; В.В. Волков, ‘Силовое предпринимательство в современной России’, www.ecsocman.hse.ru.

⁹⁴ S. Lain, *Corporate Raiding In Russia. Tackling the Legal, Semi-Legal and Illegal Practices that Constitute Reiderstvo Tactics*, RUSI Occasional Paper, July 2017, www.rusi.org.

tarian tool for disciplining a large segment of society; and secondly, it is a channel for 'feeding' the *siloviki* with a constant inflow of rent from corruption, which is supposed to ensure their loyalty to the Kremlin.

Since the 'protection services' market became dominated by *siloviki*, it has become more orderly, though not necessarily more civilised. Both racketeering and *kryshevaniye*, be they performed by criminals or law enforcement bodies, frequently see the 'protectors' offering protection mostly against themselves. As long as the 'contract' works seamlessly, the 'protected' entity may have a sense of benefiting from it as it offers a corresponding measure of security. However, the downside is that there is no guarantee that the contract will last, as the other party may act arbitrarily (for instance, launch a corporate raiding without warning). Legal instruments, including the web of non-transparent or mutually contradictory regulations, can always be used against entrepreneurs in unpredictable ways. The only salvation is to find a more powerful *krysha* and accept similarly unequal terms of forced 'cooperation'.

2.7. Nepotism and cronyism

Public authority (i.e. one's political leverage and position in the state administration) is commonly exploited to ensure privileged status for family members or close friends, regardless of their competence. **This is expressed most commonly through offering them lucrative posts in the federal and regional administration, or in business.** This mechanism constitutes a clear illustration of the **patronal logic** incompatible with standardised procedures for appointing personnel. However, it is also a consequence of the **atomisation of Russian society** and the prevailing social distrust, both in state institutions and in other people (unless they belong to a close circle of family and friends). Having tried and tested people in the critical points of the system is viewed as a guarantee of financial well-being, personal safety and enhanced status as a patron. In this way, the prosperity of the entire family is secured, and one's position in the system of power stands every chance of becoming hereditary. **Over the past few years, a new generation of the Russian elite started to expand into lucrative positions in business and (far less often) in the state administration.** These are the sons and daughters of high-ranking officials, top-level representatives of law enforcement bodies and the heads of large state-controlled corporations⁹⁵.

⁹⁵ See: *Преемники 2.0 (аристократы)*, a report by the Peterburgskaya Politika Foundation, 30 May 2018, www.fpp.spb.ru.

The tentacles of the octopus: the family business empire of the Prosecutor General and the mafia⁹⁶

Actors: Artem Chayka, Igor Chayka – the sons of Prosecutor General Yuri Chayka.

Artem Chayka is a dollar millionaire. For years, he has earned money by taking over profitable companies in Russia and investing the ensuing profits abroad. The enterprises were taken over with the active help and protection by law enforcement agencies, including prosecutors reporting to Yuri Chayka. It turned out that these prosecutors were linked to organised crime. In turn, Igor Chayka has built his fortune on public procurement contracts awarded to his companies under rigged bids. His competitors are excluded from tenders under various pretexts, and the mutual relations between those who are allowed as bidders bear all the hallmarks of cartel collusion (these entities are interlinked and controlled by Chayka). The key sectors of his business interest are: waste disposal, landscape management, the chemicals industry and concrete manufacturing.

- Artem Chayka earned his first large tranche of money owing to the acquisition of a state-owned river transport company (Verkhne-Ilen'skoye Parokhodstvo, Верхнеленское пароходство – VLP) in Irkutsk Oblast. The takeover mechanism bore the classic hallmarks of a corporate raid. In 1999, a company associated with Chayka granted a loan to VLP for ship repairs, and then demanded the early repayment of the entire sum. Since the loan was nonetheless fully repaid, the next stage became a massive attack on the company's management board with the involvement of local financial supervisory bodies and the prosecutor's office. In 2002, the VLP director opposing the hostile takeover was found dead in his own garage (despite suicide being ruled out by medical experts, no investigation was undertaken). A sequence of court rulings favourable to Chayka enabled him to take over VLP via shell companies, and the proceeds from selling its assets were then transferred to his foreign bank accounts. This money was later used to purchase real estate in Switzerland.

⁹⁶ '«Чайка». Фильм Фонда борьбы с коррупцией', a film made by Alexei Navalny's Anti-Corruption Foundation in December 2015 is available on YouTube.

- A scheme involving local prosecution authorities to take over selected companies was also used by Artem Chayka in the case of several profitable companies from the salt-mining industry in the Irkutsk and Kaluga Oblasts. They were acquired for just a small fraction of their real value, and the competitors were successfully eliminated, partly due to blackmail from prosecutors.
- Chayka has also invested income from his business activity in Russia to buy real estate in Greece, including a luxury hotel, co-owned by Olga Lopatina, formally the ex-wife of Yury Chayka's deputy (the hotel hosted representatives of the Russian political-business elite at an ostentatious opening ceremony). Lopatina is also a co-owner of the Russian holding company Kuban Sugar. The remaining shares in this company belong to the wife of Alexei Staroverov, the former senior official of the Prosecutor General's Office, and to the wives of two bosses of the so-called 'Tsapki gang'. This organised criminal group terrorised part of the Krasnodar Krai with impunity for around 20 years, earning a grim reputation as the most cruel bandits in Russia's recent history. They committed dozens of serious crimes, including mass murder. The gang was for many years protected by the prosecutor of Krasnodar Krai, Leonid Korzhinek, who had personal links to the Chayka family. Despite the conviction of members of the gang in 2010, the Investigative Committee never revealed their connections with officials from the regional prosecution authorities. In turn, Alexei Staroverov was dismissed from office in 2014, after it was revealed that he had used his villa to provide refuge to the members of another gang, the so-called 'GTA gang', responsible for numerous assaults and killings in Moscow Oblast. Very likely, criminal groups were actively helping the owners of Kuban Sugar to maximise their business profits.

The family business of the Prosecutor General (the patron of a wide-ranging corruption scheme, who formally supervises the fight against corruption) illustrates the full spectrum of the key pathologies of Russian kleptocratic authoritarianism. These are: nepotism, corporate raiding, extortion, 'feeding' one's family on public procurement, links with the underworld, and criminal methods used by law enforcement agencies and the judiciary. Given the scale of the phenomenon, it is impossible for such practices to take place without the Kremlin's tacit permission.

2.8. The criminalisation of state power

The mafia mentality has left its mark on the way Russian decision-makers view state power and the methods of holding onto it⁹⁷. As clearly revealed in Russian domestic politics, the Kremlin readily resorts to utilising mafia groups and criminal methods to effectively manage the state. This includes keeping 'difficult' regions in check. **One example of employing criminal methods to govern Russia is the Kremlin's relations with Chechnya.** Often called the 'inner abroad' of the Russian Federation, it is ruled in an autocratic way by Ramzan Kadyrov: the territory and the inhabitants are almost officially treated as the property of the leader, in the spirit of archaic patrimonialism. Russian law does not in practice apply in the republic, which is bound to Russia by a peculiar 'personal union'. Kadyrov has on numerous occasions manifested his personal loyalty to Putin, at the same time emphasising Chechnya's independence from federal state institutions, including law enforcement agencies. He even addressed open threats to the federal *siloviki* to demonstrate his indivisible power over the republic⁹⁸. Putin accepts such insubordination for two apparent reasons. Firstly, he is unable to effectively resolve the Chechen conundrum; turning a blind eye and paying huge subsidies is an acceptable price for maintaining stability in the republic. Secondly, Kadyrov is a useful ally in foreign policy (e.g. Chechen soldiers backed the Donbass separatists), and above all in domestic policy, where he serves as a bugbear for the opposition.

A criminal khanate at the Kremlin's service⁹⁹

- Kadyrov's autocratic rule is backed by his private army, consisting of up to twenty thousand regional *siloviki*. Many of them are former separatists and terrorists. This outfit resorts to criminal methods to discipline and pacify the local residents.
- Representatives of the highest Chechen authorities are responsible for a number of political killings within and outside the Russian Federation. The known victims of Kadyrov's 'death squads' include Anna Politkovskaya, a journalist murdered in Moscow in 2006; Natalya Estemirova, a human rights activist murdered in Grozny in 2009;

⁹⁷ For more details, see: M. Domańska, *Conflict-dependent Russia. The domestic determinants of the Kremlin's anti-Western policy*, OSW, Warsaw 2017, www.osw.waw.pl.

⁹⁸ Р. Сааков, 'Кадыров и силовики: обмен уколами или конфликт в верхах?', BBC News Русская служба, 24 April 2015, www.bbc.com/russian.

⁹⁹ И. Яшин, *Угроза национальной безопасности. Независимый экспертный доклад*, Москва 2016.

the brothers Ruslan and Sulim Yamadayev, leaders of anti-Kadyrov Chechen opposition who were killed in 2008 and 2009 in Moscow and Dubai, respectively; Boris Nemtsov, an opposition politician murdered in Moscow in 2015. Despite many years of investigations conducted by federal authorities, it was claimed 'impossible' to identify those who ordered these murders. Neither Kadyrov nor anyone from his entourage have ever been questioned, despite numerous clues suggesting their guilt and despite their open support for the killers. In the case of Nemtsov's murder, committed in the immediate vicinity of the Kremlin (which is an extremely carefully protected area) some form of cooperation should be assumed between the Chechen killers and the Federal Guard Service as the cameras covering the murder scene had been switched off.

- It is believed that Adam Delimkhanov, Kadyrov's cousin and a United Russia deputy of the State Duma (where he sits in the parliamentary committee on security and anti-corruption) is responsible for the assassination of Kadyrov's enemies. He is wanted by Interpol for organising the murder of Sulim Yamadayev. The US officially suspects him of affiliation with the international criminal syndicate, Brothers' Circle.
- Kadyrov supervises the Chechen mafia, active both in Russia and abroad. Chechen criminals holding ID cards of Chechen intelligence agencies (including the FSB) freely operate in Moscow. They have been involved in assaults, murders, racketeering and blackmail, and they openly protect criminal groups. This has led to conflicts with the federal *siloviki* but Chechens generally avoid responsibility owing to Kadyrov's personal interventions. There were cases when federal law enforcement agencies were forced to close investigations against Kadyrov's people, following orders 'from the very top'. The head of the National Guard, General Viktor Zolotov, is believed to be one of Kadyrov's most influential friends and protectors in Moscow.
- In 2012 reports appeared on Kadyrov's 'Moscow headquarters' and its staff – an armed unit consisting of at least several dozen people and led by the notorious criminal Zelimkhan Israilov aka 'Bes'. The unit is permanently located in the President Hotel belonging to the Administrative Directorate of the President of the Russian Federation

(Управление делами Президента). This is the federal agency responsible for providing government services and managing government property.

The examples presented above clearly illustrate how representatives of the Russian political, bureaucratic and business establishment parasitise upon state and society, with the active or tacit involvement of the highest state authorities. They manifest to what extent state property in Russia has become intertwined with private property, and to what degree the state institutions are subordinated to the vested interests of the ruling elite members, exceeding their statutory powers and engaging in overtly criminal activities.

III. DEEP STRUCTURES AND THE PROSPECTS FOR RUSSIAN AUTHORITARIANISM

Given that Vladimir Putin is the central figure in the Russian political system, and his current presidential term (2018–2024) is the last consecutive one permitted under the Russian constitution, the architects of Putinism will face significant challenges in the coming years. The most important of these will be to guarantee the continuity of authoritarian rule and to secure the interests of the ruling elite, regardless of the inevitable reshuffles among the political leadership. The persistence of the self-replicating deep structures, along with strong inherent barriers to democratisation, will most likely foster effective resistance to any durable systemic changes, even if temporary socio-political turbulence occurs.

1. Deep structures vs. the personal dimension of authoritarian power

Putinism is usually characterised as an extremely personalised model of governance, where Putin plays a much more important role than any of the institutions. Hence, some experts and opposition leaders expect that his departure from power will naturally lead to qualitative changes in the Russian political system.

However, **while the leader plays an undeniably significant role in ruling the authoritarian state** (which is a logical consequence of the patronage networks' dominance in the system), **his impact on the reproduction of the authoritarian templates is limited**. Although in the patronal-clientelist model the expectations of the elite and the public are always focused around a specific superpatron or super-arbiter, the long-term prerequisites for the reproduction of authoritarianism lie more in the very logic of clientelism and the privatisation of the state. These guiding principles, which govern political and social relations in Russia, significantly limit the room for manoeuvre of decision-makers as regards possible systemic changes.

The dominance of the deep structures has persisted in Russia over centuries, regardless of the different personality traits or leadership styles of the superpatrons. This dominance has always resonated with the vital interests of the leaders, who naturally strived for maximisation of power, free from public control. By the logic of 'path dependence', a feedback loop has emerged, whereby **the effectiveness of the leader depends above all on**

whether they are able to adapt their rule to the logic of the deep structures and apply it for their own benefit. The status of leaders is based on their performance as arbiters in the opaque system of political and business lobbyism; their main task is to balance the political sway of various interest groups, against the backdrop of ineffective formal institutions.

The role of the leader is largely circumscribed by this balancing act. Their room for manoeuvre, albeit quite extensive, is limited by the boundary conditions set primarily by the imperative of ‘feeding’ the elite. Thus, **the superpatron, with all constitutional and informal powers vested in him, often ends up becoming a hostage to certain intra-elite factions**, whose rational expectations allow him to remain the key arbiter in the system. These factions will most probably retain their influence over the political-economic domain after a leadership change. They can be expected to only back a person who will guarantee the continuation of the authoritarian *status quo*.

Given these systemic restrictions, **the widely-shared perception of the Russian political model as a highly ‘personalised’ one is largely a result of the opacity of decision-making processes** to those outside the narrow establishment. **This is a direct result of the lack of effective control over the presidential centre of power, which is the very essence of authoritarianism.** The president can freely bend the rules for filling key state positions¹⁰⁰ or exert ‘manual control’ over selected spheres of the state’s activity, as long as he balances the vested interests of key factions. However, the latter are fully understandable only to a few insiders.

‘Manual control’ by the president over the state means either his exclusive right to approve or veto the major business transactions, or regular personal interventions in the case of high-profile scandals. These scandals most often concern gross violations of citizens’ rights that are committed by federal or regional authorities. The president mostly intervenes in those cases where the legitimacy of the system as a whole is at stake or where the strategic interests of the key interest groups could be affected. Besides this, the operation of the state apparatus is largely based on bureaucratic inertia; it reflects the logic of the deep structures and mainly serves the interests of the most powerful lobbies at different levels of government. Regular reports on state administration

¹⁰⁰ This refers *inter alia* to gubernatorial elections – the ‘proper’ results of voting merely serve to legitimise the personnel appointments previously made by the Kremlin.

bodies failing to implement the president's directives prove quite telling in this context¹⁰¹.

The decisions taken personally by Putin (regarding personnel appointments and politico-economic issues) that define the intra-elite balance of power are often the result of biased information provided by those who enjoy his trust. These are above all the *siloviki*. **Putin is both a product and a proponent of the interests of law enforcement agencies and intelligence agencies** (mainly the FSB), not only due to the peculiar 'Chekist' mentality and professional solidarity they share with the president, but also because his authoritarian power is largely based on the apparatus of state violence. Thus, even though personal emotions, preferences, affections or animosities are naturally present in every decision-making process and should not be underestimated, they should not be considered absolute either.

Given this wider context, **Putinism differs from the preceding versions of Russian authoritarianism, not because the current model of rule is significantly more personalised, but rather because Putin symbolically legitimises the political regime and personifies the state**, thus giving legitimacy to the collective interests of the authoritarian elite¹⁰². The state propaganda machine has for years created and exploited the president's positive image and his charismatic leadership style in order to portray the Putin era as a glorious period in Russian history, favourably standing out from previous decades. In the first years of his rule, he primarily personified order, stabilisation and economic development, in contrast to the chaos and poverty that afflicted Russian society under Yeltsin's rule. This image ultimately changed in 2014, and since then, against the backdrop of systemic economic problems, he has above all personified Russia's great power ambitions. **Putin's leadership style affects the social perception of the regime, yet does not in itself determine whether the authoritarian model will survive or collapse** after the incumbent president leaves. As indicated by research on the sustainability of authoritarian regimes, after the departure of the authoritarian leader,

¹⁰¹ This is a fairly frequent practice, even though its precise scale is difficult to assess due to the absence of reliable official data. The directives are not fulfilled, partly due to the unrealistic goals they set, and partly due to bureaucratic inertia. Moreover, the Russian officials' reluctance to take action seems quite rational, given the constant changes in legal provisions and systemic tensions between the formal and the informal procedures.

¹⁰² The elite ostentatiously manifest their loyalty to the president and highlight his exceptional status as compared to his predecessors in order to freely parasitize on the state assets and to avoid uncontrollable faction struggles. Cf. the motives for cherishing the myth of the omnipotent tsar by the Muscovite court oligarchs: E.L. Keenan, 'Muscovite Political Folkways', *op. cit.*

power is usually assumed by yet another authoritarian leader. This scenario becomes even more likely when the predecessor spent longer in power or had a more orderly departure from office¹⁰³.

2. The main challenges to the 'post-Putin' regime

The change of leadership in Russia will probably take place over the next decade, and the Kremlin will make every effort to prepare the ground for a smooth succession of power in advance. Considering Vladimir Putin's age (born in 1952), this succession should be expected by around 2030 at the latest, upon the expiry of another six-year presidential term and after thirty years of rule. It is quite probable that a transitional variant will be implemented in 2024–2030. Putin would not be the president but would maintain his dominant influence on decision-making processes in order to neutralise any threats associated with succession. "Putin's greatest fear is that everything will collapse when total struggle inside the elite begins"¹⁰⁴.

The main challenges during the transition period will result from the chronic, systemic problems that the Kremlin has been facing over the past few years. Firstly, maintaining the fragile balance of power inside the elite; secondly, the need to neutralise the potential for public dissatisfaction in the face of persistent economic problems; and thirdly, the diminishing effectiveness of state ideology and propaganda, leading to the erosion of the regime's legitimacy. Since 2014, the increasingly bitter struggle for the redistribution of shrinking assets, the negative effects of Western economic sanctions, and the growing repressiveness of the authoritarian regime towards state officials and businesspeople have been fuelling frustration among the Russian elite. Since mid-2018, public support for the president and his policy has been falling (see below). All this gives rise to the question of whether and to what extent the current system is capable of serving the interests of the elite in the long run, which means guaranteeing the personal security of elite members and allowing them to accumulate wealth with impunity, while keeping the public passive towards the kleptocratic regime. These will become pressing issues when various centres of political power start to compete for the loyalty of the key players and the 'patronal pyramids' controlled by them, while **there will be no more simple recipes for success**, such as flooding the economy with

¹⁰³ See: A. Kendall-Taylor, E. Frantz, 'How Autocracies Fall', *The Washington Quarterly* 2014, vol. 37, no. 1, pp. 35–47.

¹⁰⁴ Statement from Olga Kryshchanovskaya, quoted from H. Meyer, I. Arkhipov, 'Putin Is Grooming a New Generation to Preserve His Legacy', *Bloomberg Businessweek*, 1 February 2018, www.bloomberg.com.

petrodollars (as in 2000–2013) or spectacular propaganda achievements (like the annexation of Crimea).

The main task during the leadership transition will be to conclude a new political contract and reach a lasting consensus between law enforcement agencies, the bureaucracy and key oligarchs, regarding their loyalty to the new decision-making centre (the loyalty of the *siloviki* will be crucial) and their acceptance of any new principles governing the distribution of political influence and economic resources. **The stability of the system will primarily depend on the new leadership's skilfulness, so as to preserve a balance in the patronage networks**, while possible changes in the formal system of institutions will be of secondary importance.

Another important task will be to guarantee a stable social situation. Fears of destabilisation of the system due to the outbreak of mass social discontent may result in preventive, disproportionate intensification of repression (so far repression has been applied selectively) targeted at both political opposition and civil society, which in turn may cause uncontrolled increase in social resistance. Suppressing all grassroots activity unsanctioned by the government can prove explosive as a system deprived of 'safety valves' may become incapable of adapting to new challenges.

It may also be problematic to further maintain the fragile balance between the resources allocated to 'feed' the elite with corruption rent and the funds streamed to fulfil the necessary minimum of the state's public functions. The new leadership will have to overcome the adverse consequences of the Western economic sanctions that affect private business interests of the Kremlin-linked actors. It is likely that the new government, seeking the lifting of sanctions, will create the appearance of a more constructive attitude and will scale back aggressive activities abroad in an attempt to build warmer relations with the West, at least temporarily. **The key issue will be to guarantee at least minimal economic growth in a dysfunctional economic model.** This would require economic modernisation in pursuit of both social legitimacy of the new leadership and new sources of corruption rent. However, most likely, such modernisation would be limited to a selective, superficial reform of the most inefficient economic and bureaucratic aspects of the system, a reform that would not impede the political priorities of the authoritarian regime. This could obviously bring only temporary results, while genuine economic modernisation would require a thorough political liberalisation (democratisation) that could effectively weaken the dominance of the deep structures.

Another difficulty may relate to maintaining public support for the regime, which has been noticeably weakening since mid-2018 for socio-economic reasons (see below). During a reshuffle at the helm of the state, **the government will face the need to redefine the leadership style. Most likely, attempts will be made to replace Putin's inimitable charismatic style with a more 'depersonalised' model of governance.** One option is to base any new legitimacy on the improved quality of state bureaucracy at a central and regional level, and on the elimination of the most egregious pathologies. A number of steps made by the Kremlin over the past few years may indicate that this process is already underway. These include: nominating relatively young 'technocrats' for some of the positions in central and regional governments, gradual improvement of the operation of public services¹⁰⁵, and creation of a national system for the selection and education of public administration personnel. For the time being, such projects are developing on a limited scale, but it is possible that their overall goal is to search for new, attractive 'packaging' for traditional authoritarian forms. These efforts may temporarily improve public perception of the regime, but the entrenched financial rapacity of the elite and the peculiar Russian political and administrative culture would most probably undermine the credibility of this strategy in the long run¹⁰⁶. The new generation of 'managers' may be more willing to curb their financial ambitions, but the absence of thorough systemic reforms will perpetuate inertia, apathy and the fossilisation of the system.

Another challenge would be to creatively redefine the current ideological foundations to prevent further erosion of the impact state propaganda has on the Russian public. Further exploitation of the current ideological agenda may lead the regime to a dead end. The surge of patriotic enthusiasm provoked by the annexation of Crimea has largely been exhausted¹⁰⁷ and the new leadership will have to invent its own founding myth. In spite of the fact that, as suggested by sociological surveys, the 'besieged fortress' narrative and conflict with the West have so far been the most effective tools of instilling a 'rally around the flag' reaction, it is unlikely that the compensatory function of this

¹⁰⁵ The quality of management at the lower levels of state administration has improved in recent years. These improvements refer e.g. to handling citizens' affairs at local offices, which is partly linked to the digitalisation of public services. High professional work standards apply at some ministries and courts can pass impartial verdicts in non-political trials.

¹⁰⁶ For instance, even small indulgence for entrepreneurs would collide with the repressive logic of the system and with the interests of the intelligence agencies and officials involved in racketeering.

¹⁰⁷ See: '«Эффект Крыма прошел»: почему россияне стали хуже относиться к Путину', TV Rain, 13 December 2016, www.tvrain.ru; В. Хамраев, 'Экономика уводит россиян от Крыма', Коммерсантъ, 3 April 2017, www.kommersant.ru.

narrative will succeed for long, given the deteriorating living standards in Russia. In turn, withdrawal from the anti-Western narrative will not only go against the grain of thinking for a large section of the Russian elite, but could also lead to the ruling class being held fully responsible for the country's socio-economic backwardness¹⁰⁸.

It is an open question as to whether the Russian authoritarian regime is capable of a gradual evolution towards a 'softer' model of power (despite the growing tendency since 2012 for escalating repression and closing off 'safety valves' in various spheres of public life). Effective management of domestic politics may require some decorative changes in the future, which would mean partial replacement of typically repressive instruments with manipulative techniques used on a mass scale. Unrealistic as it may seem at present (mainly due to technological limitations), a more flexible model of control and manipulation would transform Russia into a state that would be still undemocratic, yet more effective in masking and legitimising the authoritarian deep structures.

3. Stability or turbulence?

Possible scenarios for power struggles in Russia

The two key questions about the post-Putin evolution of the Russian model of rule relate, on the one hand, to how likely the democratisation tendencies will be, and on the other hand, whether they will have any chance of success (i.e. whether they will result in the implementation of genuine political changes). Based on current knowledge, several possible scenarios concerning the rivalry for Putin's legacy can be outlined. The long-term socio-political trends, which are persistent even in the face of formal changes to the state's organisation, imply that none of these scenarios would lead to an enduring weakening of the dominant influence that the deep structures exert, and thus to overcoming the authoritarian paradigm. The latter would require fundamental changes in the mindset of the ruling elite and in social attitudes; so far, there have been no grounds to expect such changes. However, **the prerequisites for a gradual evolution of Russian authoritarianism may emerge in the first years of the post-Putin era and may lead to a kind of authoritarian-democratic hybrid regime in the longer run.**

¹⁰⁸ The Russian elite apparently fear the repetition of the late 1980s scenario, when the degeneration of the Soviet state was no longer accompanied by traditional, anti-Western mobilisation, which ultimately led the Soviet government to lose control over the system.

If the new political leadership successfully respond to the main challenges presented above (which means they will ensure social stability and a relative balance of power in the ruling elite, as well as effectively redefine their legitimisation strategy), **this will provide a measure of stability to the regime.** In that case, a temporary escalation of intra-elite conflict, significant reshuffles among high-ranking officials, or even depriving the current key beneficiaries of Russian neo-patrimonialism of their political clout, will not lead to serious turmoil in the political system. On the contrary, the system will stand every chance of becoming consolidated under the ‘new team’.

What may have more serious consequences is the failure of efforts to stabilise the system. This could result primarily from serious imbalances in the distribution of power and assets between the most influential factions, be it due to objective circumstances (such as a deep economic crisis) or subjective factors (such as opting for cut-throat rivalry rather than a win-win consensus). Such a scenario is highly probable, given that the political culture of the Russian elite is based on the logic of a ‘zero-sum game’. **This could lead to a temporary opening in the window of opportunity for political changes and a softening of authoritarian rule.** These changes could either be the result of a top-down impulse (initiated by a section of the political-economic establishment) or a bottom-up one (such as mass social protests). **However, such a trend is unlikely to continue for long** (the barriers to democratisation are discussed further in this text).

Such a scenario would most likely repeat the developments of the 1990s. A section of the establishment may capitalise on society’s disillusionment and fervour for change, in order to strengthen their own political and business position. This may result in transient and unstable pseudo-democratisation tendencies. The slogans of systemic liberalisation would become a tool in the factional struggles accompanying the change of leadership, but these slogans would lose their significance as soon as a new pact covering the distribution of power among the elite is drawn up. This arrangement may assert the need to change the Russian political system or even set new official rules of the game (e.g. the dominant role of the president could be reduced and the balance between the branches of power might be enhanced). These processes may lead to greater pluralism in the ruling elite, and thus to a Yeltsin-like model of competing ‘patronal pyramids’¹⁰⁹. However, in the absence of political will

¹⁰⁹ At Yeltsin’s time this pluralism to a great extent resulted from objective circumstances: the state power became decentralised due to the economic slump, and Russian leadership faced a formidable

and the tools to break the dominance of the deep structures, such pluralism would neither be durable nor lead to genuine democratisation. Each of the pyramids would probably employ equally undemocratic methods in the zero-sum game, serving to maximise its own influence in line with the idea of untrammelled power that is rooted in Russian political thinking. The ultimate effect thereof would be the destabilisation of the state, rather than its reconstruction. As society grows tired of the increasing chaos, a longing for rule with a firm hand may re-emerge. Pseudo-democratic pluralism would probably last only until a new leader emerges, one strong enough to take on the role of a superpatron.

Another possible scenario behind upsetting the balance of power in the Russian system is a ‘colour revolution’, i.e. the large-scale, effective mobilisation of social protest by the counter-elites, most likely combined with a tactical alliance between the leaders of a rebellious public and a section of the political establishment. As the previous experiences of colour revolutions in the post-Soviet area demonstrate, they usually broke out when the political and business elite was in the phase of struggling for succession, and the ousted leader was rather unpopular among the public. In the case of Russia, the outbreak of any such revolution would mean that Putin’s successor was not accepted by key elite factions or by the public. The crucial factor in such cases is collective expectations, which act like a self-fulfilling prophecy. When the demise of a leader is anticipated, their position immediately weakens (because clients obey the patron under the expectation that other clients will do the same), which opens the window of opportunity for their competitors. However, this requires a prior weakening of the regime’s apparatus of prevention and (as in the previous scenario) a split within the elite. The latter would be tantamount to the emergence of an alternative patronal pyramid, which can be expected to take power. Consequently, the key to breaking the Kremlin’s political monopoly will reside more in the government’s weakness than the strength of its opponents.

While this scenario is not impossible, it will most probably not lead to lasting systemic changes. Firstly, social protests will most likely not be long-lasting and strong enough to enforce a qualitative breakthrough in the rules of the political game against the interests of the establishment. Secondly,

challenge of building a national state on the debris of the Soviet empire. A partly competitive model of power also formed during the presidency of Dmitry Medvedev (2008–2012). At that time ‘Putin’s pyramid’ turned out to be stronger than ‘Medvedev’s pyramid’. This was partly due to the low level of political ambitions and leadership skills of the then president.

the collective character traits of those figures who led the various colour revolutions revealed qualities which were not conducive to lasting systemic changes. The same qualities that determined their success in gaining power, also enhanced their determination in restoring those practices of governance that proved beneficial for them but detrimental to the state and society. In that sense, the main opponents of the toppled regimes were at the same time perfect products of authoritarianism. They usually originated from a clique gathered around the ousted head of state, which allowed them not only to acquire the necessary financial resources but also to build their own patronage networks among the state bureaucracy, while obtaining the political nous that is indispensable to seizing power¹¹⁰.

4. Barriers to Russia's democratisation

A genuine democratisation of Russia (a successful break with the authoritarian model) would entail the minimum boundary conditions being met. These include: the organisation of free and fair elections; a genuine tripartite division of powers; and the implementation of effective guarantees for human rights and civil liberties. This in turn would require the creation of a viable system of state institutions, performing their statutory functions on the basis of depersonalised procedures and the rule of law. They would have to be accompanied by effective supervisory bodies and bodies of appeal serving to correct errors and shortcomings in the implementation of the above principles. Such a scenario will only be feasible if two conditions are met simultaneously: firstly, if the active part of society is determined enough to ensure consistent grassroots pressure on the government, and secondly, if a section of the establishment is ready to relinquish the benefits of authoritarian rule and to assume responsibility for difficult reforms. However, **there are too many factors present that will sustain the authoritarian deep structures for the foreseeable future. The barriers to democratisation will be linked on the one hand to an active undermining of any systemic transformation, and on the other hand, to the absence of sufficient means for pushing through the reforms.**

4.1. Resistance from vested interests

What will ultimately determine the success or failure of the liberal-democratic reform project will be the determination of its opponents,

¹¹⁰ For more details, see: H. Hale, *Patronal Politics...*, *op. cit.*

rather than that of its supporters. The beneficiaries of the current system will fear losing their position and privileges, and will not hesitate to use all possible means to torpedo the political transformation. They will have more tools at their disposal than the reformers, and their ability to put up a long-lasting, organised and institutionalised resistance may prove overwhelming. The feedback loop of political power and economic assets as guarantees of personal security, coupled with the mutual distrust deeply rooted inside the elite, considerably raise the stakes in the game. This in turn would dramatically reduce the likelihood of concluding a conciliatory pact for reforms, even if guarantees are provided that the ‘old team’ will maintain their illegally acquired property. In the event of crisis, members of the political-economic elite will face a ‘prisoner’s dilemma’ and will then most likely choose to follow the zero-sum logic inherent in their mindset, rather than the fair and transparent rules of a ‘win-win’ *modus operandi*¹¹¹.

The first line of defence for the authoritarian regime will be the intelligence agencies and the military-industrial lobby. These groups benefit from both the repressive system of domestic rule and from the aggressive foreign policy designed to legitimise it, including high levels of defence spending required for military operations abroad¹¹². **Democratisation, which *inter alia* assumes greater transparency of public finance, would bring serious losses to large private and state-controlled companies linked to the Kremlin,** which currently drain the state budget, together with hundreds of their subcontractors. **Democratic reforms would also be opposed by the federal and regional power elites,** including senior officials who currently benefit from huge corrupt incomes and other profits and privileges (including impunity), owing to their carefully developed patronage networks¹¹³. As Putin, the main patron of Russian kleptocracy, himself remarked, “those who dreamed of an oligarch’s career in the 1990s are now choosing the career

¹¹¹ The ‘prisoner’s dilemma’ is a term used in game theory. It describes a situation in which co-operation with a partner theoretically may offer the greatest benefits to a prisoner. However, for both of them to win, they must trust one another. The second most rewarding variant is to betray the partner before the partner does so.

¹¹² Even though many of the lower-ranking *siloviki* would react indifferently to political changes, their superiors might become engaged in active resistance against the reforms. This is because they would potentially have a lot to lose in the case of democratisation.

¹¹³ The logic of resistance can be explained using the example of the judiciary. ‘Not guilty’ verdicts are extremely rare in court proceedings in Russia; the judges almost always take the side of the prosecution authorities. A greater objectivity and a greater share of ‘not guilty’ verdicts would mean that fewer cases would be addressed to courts, and thus judges will have fewer tasks, which will lead to staff cuts. Meanwhile, judges currently form a group of the best-paid state administration officials. See: О. Романова, ‘Почему российские судьи не выносят оправдательных приговоров’, Московский Центр Карнеги, 24 August 2017, www.carnegie.ru.

of a state official in droves. Many view it as a source of rapid and easy enrichment (...), all 'purges' are pointless if the state service is perceived not as service but as a source of *kormleniye* [feeding]"¹¹⁴.

Thus, given the fact that successful reforms require an extensive mobilisation of the state apparatus and serious financial resources, it would be extremely difficult to build an efficient 'coalition of the willing'. **Those groups that, due to their position in the system, would have the necessary resources, influence and apparatus of coercion at their disposal are at the same time the most ardent advocates of Russian authoritarianism.** Their resistance would be hard to neutralise due to its dispersed and widespread character, as the patronage networks that support the current system are based on overlapping, multidimensional and often opaque relations permeating state institutions. Additionally, these networks derive their legitimacy and power from various sources, including geographical, professional and kinship bonds, which are often tightly intertwined¹¹⁵.

The gradual generational change taking place inside the Russian political and business elite does not offer much hope of a change in the current setup either. **The younger generations** (often graduates of Western universities) **do not differ much from their parents in terms of their status as beneficiaries of the authoritarian system.** They have been formed by the same patronal-patrimonial system of values and are equally focused on preserving and multiplying their family assets, in both economic and political terms. Being perfectly aware of the profits linked to their privileged position, they will most likely opt for maintaining the highly unequal access of the wider public to political and economic institutions, in order to maximise their own benefits and protect themselves from competition.

4.2. The apparatus of prevention and repression

The beneficiaries of authoritarianism will have a powerful machine of political repression at their disposal, the one inherited from Putin's era. Although it is difficult to forecast the future scale of its use, it can be assumed that the logic of its operation will be preserved. The effectiveness of this machine during the change of leadership will depend primarily on the loyalty

¹¹⁴ 'Демократия и качество государства. Владимир Путин о развитии демократических институтов в России', Коммерсантъ, 6 February 2012, www.kommersant.ru.

¹¹⁵ H. Hale, *Patronal Politics...*, op. cit., pp. 115–116.

of the *siloviki* to the new ruling team, and on the efficiency of the administrative apparatus in the face of possible socio-political turbulence.

The preventative measures serving to preserve the Putin's system have been developed for almost two decades and can be broken down into two categories. Firstly, those aiming to discourage citizens from active forms of protest, and secondly, those serving to impede the very emergence of wide public dissatisfaction with the government. The first category includes 'early warning mechanisms' against political threats: the continuous surveillance (including widely used infiltration) of political opponents and independent activists, as well as suppressing anti-governmental grassroots initiatives through repression or 'persuasion' (i.e. threats and blackmail). These also include co-opting selected ideological opponents to the ruling elite, which deprives the public of a genuine alternative to the Kremlin's political dominance. The strongest opposition parties (CPRF and LDPR) were almost completely stripped of their independence in the 2000s and now they remain loyal to the Kremlin, even if it is against the wishes of their own electorate¹¹⁶.

Russian state law is another powerful preventive mechanism: its over-regulation, internal contradictions, as well as its arbitrary enforcement, all mean that citizens must violate at least some of the legal regulations as part of their everyday lives; thus, everyone is potentially guilty and can be punished in the event of political 'insubordination'. The overarching goal of the regime is to discourage citizens from communicating freely in the public sphere and to pressure them to exercise self-censorship. The 'scare tactic' is implemented through disproportionate application of legal provisions on combating extremism (as seen in recent years, they are even targeted against those individuals who do not manifest any opposition sentiment), as well as through tightening control over the Internet¹¹⁷.

These moves are accompanied by specific 'poverty management' measures as the government try to buy social peace through the redistribution of prodigious incomes from exports of raw materials. Authoritarian regimes

¹¹⁶ For instance, they did not launch a full-scale campaign during the regional elections in September 2018, regardless of the clear trend of a protest vote seen at that time among the Russian electorate. Many voters were ready to vote for any candidates other than United Russia representatives.

¹¹⁷ Anti-extremist regulations are often used in an absurd way, e.g., in the case of reposting neutral contents in social networks. Further regulations imposing stricter censorship online were adopted in March 2019. See: M. Domańska, J. Rogoża, 'Russia: stricter Internet censorship', OSW, 13 March 2019, www.osw.waw.pl.

which have access to abundant oil and gas resources are therefore much more durable, and much more successful in avoiding democratisation, than those lacking such resources¹¹⁸. The logic of this redistribution is based on two principles: firstly, efforts are made to guarantee a basic income for citizens at a minimum level enabling survival; and secondly, ad hoc, targeted social assistance is transferred to economic sectors or geographical regions where the protest potential is visibly mounting. Thus, while unequal redistribution of income is generally an important source of growing public dissatisfaction, emergency situations can always be alleviated in the 'manual control mode' owing to enormous funds remaining at the disposal of the authorities. It should be expected that even under the burden of Western economic sanctions, the Russian state will for a long time have sufficient financial resources to prevent living standards in Russia from falling to a critical level, which could generate mass demands for reform.

The second category of preventative measures includes what is broadly understood as state propaganda and a carefully designed system of manipulation. The latter consists of: the perversion of political discourse; the system of mock institutions; and the politics of memory.

The language used by the ruling class intentionally blurs or annihilates the meaning of words: its main function is not to name and explain but rather to manipulate, to signal an intention contrary to the real one, and to permanently remove the link between a word and its true meaning (the famous slogans: 'parliament is no place for discussions'¹¹⁹ or 'sovereign democracy', which means in fact the opposite of democracy, are particularly revealing). The overarching goal of these practices is to confuse the audience, to destroy language as a tool for a critical description of the world, to neutralise the political narrative of the opposition and to imbue the Russian public with an attitude of cynical relativism in interpreting reality. All this is expected to make citizens not only doubt the credibility of anti-government narratives but also question the very existence of objective information, which is intended to make them passively accept the content of state propaganda.

¹¹⁸ М. Росс, *Нефтяное проклятие. Как богатые запасы углеводородного сырья задают направление развития государств*, as in: Д. Травин, *Просуществует ли путинская система до 2042 года?*, *op. cit.*, p. 159.

¹¹⁹ This is a misquote of Boris Gryzlov's statement made in 2003, when he was serving as the Speaker of the State Duma. This catchphrase was later frequently cited by media outlets. Gryzlov's original statement was: "I believe that parliament should not be a stage for political battles, for fighting for political slogans and ideologies (...) [but for] constructive, effective legislative activity".

Similar goals are manifested in the operation of mock institutions. They are established with the intention of appropriating the public sphere in Russia and of recruiting new elite members by offering them career opportunities and access to public funds. These institutions include: fake non-governmental organisations (so-called GONGOs, the government-organised NGOs); pseudo-opposition political parties; and government-controlled trade unions. The rulers cannot tolerate the genuine autonomy of social institutions, yet they need a pseudo-democratic façade concealing authoritarian content for propaganda purposes. This serves to pretend that institutionalised channels of government-society dialogue still exist in Russia, and is expected to channel social activity in the desired direction. While a great deal of citizens have no illusions about the real value of these contrivances for articulating collective interests, they remain likely to be co-opted.

In turn, **the aim of the politics of memory is to shape a vision of Russian history that is convenient for the government. According to this vision, there is no viable alternative to the entrenched authoritarian system;** the persistence of authoritarianism is presented as proof of Russia's exceptionalism. Moreover, the imperial-great power narrative is expected to strengthen anti-democratic sentiments and discredit the liberal opposition. The history of Russia is presented mainly as the history of its rulers and of military conquests made by an empire surrounded by enemies. Presenting confrontation and conflict as a path to greatness is intended to disavow the very idea of borrowing development models from outside. Even Peter the Great, paramount in the pantheon of historical figures, is remembered not so much as the instigator of Russia's modernisation and Westernisation but rather as the founder of an empire and a victor in war. The official canon leaves practically no place for the history of the nation and society. As individual, family and group memory remained suppressed for many decades, historical memory other than that imposed by the state is practically non-existent among the Russian public (with the exception of such social niches as the intelligentsia and opposition circles).

An important element of imparting Russian public acceptance of authoritarian rule is the banality of violence, which permeates the official version of history. It is usually presented either as an acceptable price for the greatness of the state, or as the destiny of a martyr nation that is invested with a special mission for all mankind. This is accompanied by suppressing the memory of mass repression in the 20th century. All these measures serve to artificially create a sort of national unity, built around the ruling class as the

heirs to their predecessors' great achievements¹²⁰. The representatives of the apparatus of repression are consistently portrayed as heroes, not only on the official level, but also in state-sponsored pop culture, which results in the rising stock held by 'Chekists' among the Russian public¹²¹. Thus, the narrative focuses on "the history of state violence, which is presented as a historical necessity for a state seeking great power status"¹²².

4.3. Paternalism and the atomisation of Russian society

It is increasingly difficult to predict what sentiments will prevail among the Russian public in the coming years. According to sociological surveys conducted in 2018–2019, **social disappointment with the current government policies (including foreign policy) is deepening, the support for and confidence in the president are falling, and the readiness for active protest and awareness of civil rights are growing.** The escalating social problems (among them tax increases and the sustained decline in citizens' real income since 2014¹²³), the ideological void of state propaganda and the visible absence of a national development strategy are leading to **growing demands for change in Russia. Furthermore, the 'Crimea effect' no longer works:** in respondents' perceptions, the great power narrative and the geopolitical rivalry with the West cannot offer sufficient compensation for domestic difficulties (above all, constantly deteriorating standards of living)¹²⁴. Thus, tensions are rising palpably between the 'authoritarian personality', which has long prevailed among Russians¹²⁵, and the first shoots of tendencies that – in the longer run – might potentially become a social basis for democratic transformation.

¹²⁰ А. Липский, 'Фоторобот российского обывателя. История – утешительница жизни', Новая газета, 5 November 2008, www.novayagazeta.ru.

¹²¹ This can clearly be seen in the dynamics of positive and negative associations linked to the Cheka and the KGB—the share of respondents who associated the Cheka with political terror and repression fell from 23% to 12% between 1997 and 2018. The share of respondents who associate the KGB primarily with protecting the state's interests has increased since 2000 from 22% to 41%. Sociologists from the Levada Center have pointed to the intelligence agencies' image presented in television and pop culture as one of the causes for these changes. See: 'Россияне стали лучше относиться к ВЧК и КГБ', Левада центр, 22 February 2018, www.levada.ru.

¹²² 'Фоторобот российского обывателя. История...', *op. cit.*

¹²³ Ю. Старостина, 'Реальные доходы упали пятый год подряд', РБК, 25 January 2019, www.rbc.ru.

¹²⁴ See the surveys conducted by the independent Levada Center and the governmental research centre VCIOM; М. Дмитриев & со., 'Признаки изменения общественных настроений и их возможные последствия', Комитет гражданских инициатив, 11 October 2018, komitetgi.ru; J. Rogoża, 'Cracks in the marble. Russians' trust in Putin on the decline', OSW Commentary, no. 297, 13 March 2019, www.osw.waw.pl.

¹²⁵ For more details, see: Л. Гудков, 'Повесть о советском человеке', *Ведомости*, 28 December 2016.

However, since these phenomena are relatively new, **it is unclear whether they can be viewed as the beginning of a new stable trend**, especially given the high volatility of public sentiment¹²⁶. Moreover, this is Putin's fourth 'legitimacy crisis'; so far, each time he has managed to regain public support for the political regime he personifies, which indicates the cyclical nature of public sentiment over longer periods¹²⁷. **Although the need for change may grow in the coming years, this does not automatically mean that Russian society will become an essential driving force of democratisation.**

There are at least two reasons for scepticism. Firstly, public dissatisfaction has been provoked above all by the government's social policy and the increasing expectations of greater social justice¹²⁸. Even though the very concept of democracy is understood by Russians in various ways, what clearly prevails is the expectation of a 'special' democracy with a strong social welfare component¹²⁹. Paradoxically, such a view of democracy may go in tandem with support for an authoritarian regime. Secondly, growing dissatisfaction traditionally has little to do with readiness to participate in protest activity, especially that of a political nature. Thirdly, even mass public support for systemic reforms may not pass the test of another political-economic transformation. As Russians will experience the adverse effects thereof – which would negatively affect their living standards, as well as lead to another identity crisis – they may once again choose to follow the tried and tested patterns of 'passive adaptation', as they already did in the 1990s¹³⁰. This would mean a return to acceptance of authoritarian order and stability. There is thus a serious risk that society would once again become an object rather than a subject of the political process.

¹²⁶ 'Застой в экономике, но не в сознании: сможет ли население пережить стагнацию и изменить экономическую политику', TV Rain, 21 January 2019, www.tvrain.ru.

¹²⁷ In the past Putin's ratings fell significantly: in 2000, when the Kremlin was taking over the media holdings owned by the oligarchs Vladimir Gusinsky and Boris Berezovsky; in late 2004/early 2005 due to the welfare system reform and the decision that governors would no longer be elected; and in 2011–2013. See: К. Рогов (ред.), *Крепость врастает в землю. Год после выборов: стратегии, вызовы, тренды*, Москва 2019, www.liberal.ru.

¹²⁸ See reservations concerning the government's work: 'Деятельность правительства', Левада центр, 14 January 2019, www.levada.ru.

¹²⁹ The [Levada Center's most recent survey concerning this issue](#) (published in January 2016) revealed that 46% of Russians wanted "a special democracy that would suit the national interests and particular features of Russia". A further 19% wanted the same kind of democracy "as was in the USSR". 16% would choose a democracy "like in developed European and American countries". Furthermore, over 60% stated that contemporary Russia is at least partly a democratic state.

¹³⁰ Passive adaptation means that the public responds to the government's policy by focusing on individual survival strategies rather than on protest activity. Л. Гудков, 'Инерция пассивной адаптации', *Pro et Contra*, January–April 2011, www.carnegieendowment.org.

The durability of non-democratic sentiments and patterns of behaviour observed so far among the Russian public has two principal sources. Firstly, the memories of the traumatic transformation of the 1990s are still alive. The pseudo-democratisation of that period is identified with chaos and a predatory, Darwinian version of capitalism¹³¹. As a consequence, **values presented as democratic were thoroughly discredited** at that time. Disillusionment with reforms gave rise to a craving for order and stability as early as in the mid-1990s; then the economic crisis of 1998 led to increased support for rule with a firm hand. Whereas in 1989, only 25% of Russians believed that state power should be permanently concentrated in the hands of one individual, and almost twice as many claimed that this should never happen, these proportions have now been reversed for years¹³². **Society at large also believes that 'order' prevailing in the country is more important than respect for human rights**¹³³.

Secondly, an important ally of authoritarianism is the historically conditioned atomisation of Russian society. It is not bonded together organically, by an internalised sense of community, but rather mechanistically, mainly through subordination to the state, which largely results from the legacy of totalitarianism. **There is a deficit of solidarity, collectively shared values, common interests and the customs and aspirations of collective participation in civic activity.** The collective 'community' symbols (the macro-level ritualistic identification) are limited to the following: the imperial-great power idea as the only solid foundation of national identity; the concept of strong government; a heroic military past; and an Orthodox religion that refers more to the cultural than the religious domain. Against the backdrop of these values,

¹³¹ The memories of dramatic pauperisation of society and the chaos of *dermokratiya* experienced at that time (a popular play on words in the 1990s lexicon: *demokratiya* – democracy combined with *dermo* – shit) still have a strong impact on social attitudes. The majority of the Russian public are reluctant towards the idea of comprehensive system transformation, viewing it as a threat to their existential safety, as well as towards the very notion of reforms. It is indicative that when the government raised the pension age in summer 2018, the Kremlin did not allow the officials to use the term 'pension system reform'. ('Это страшное слово «реформа»: Кремль запретил говорить о повышении пенсионного возраста в стиле 1990-х', Новый день, 16 July 2018, www.newdaynews.ru).

¹³² Towards the end of 2017, only 17% of Russians were categorically opposed to the concentration of power in the hands of a single person, while 40% believed that this kind of governance model is necessary in Russia "on a permanent basis". 38% were of the opinion that "it is necessary sometimes, for example, now". See: 'Ответственность за успехи и проблемы', Левада центр, 11 December 2017, www.levada.ru.

¹³³ Having witnessed a decade of growth in 2008, 51% of respondents believed that order was more important than human rights, while 39% expressed the opposite view. Thus, even during an economic boom, human rights were prioritised by a minority of respondents. Towards the end of 2014, the time of political turbulence and the beginning of the economic crisis, these proportions were 62% and 29%, respectively. The Levada Center's surveys as in: Д. Розанов, '«Достойные люди» против законов', Газета.Ru, 22 December 2014, www.gazeta.ru.

Russians do not view democracy as something organically inherent in their identity, culture and history. In everyday life (the micro-level identification), Russians genuinely value family ties or bonds with their closest friends. The sense of solidarity limited to one's inner circle is a traditional mechanism of passive adaptation to a repressive state. Against this background, the underdevelopment of an intermediate level of social relations (the meso-level identification) is evident. These are well-established, horizontal group bonds that enable collective activity in the public sphere and could potentially offer a viable alternative to the imperial-authoritarian state as a binding force for national identity. Alas, they have been deliberately destroyed throughout the history of Russian statehood.

As a result, **the level of mutual trust in Russian society is extremely low.** According to the widely shared belief, **an individual is unable to influence what goes on around them, apart from minor issues that fall within the orbit of everyday life**¹³⁴. Nevertheless, since 2018 the declared sense of 'responsibility' for the situation in the country and the readiness to become actively engaged in politics have increased¹³⁵. One symptomatic feature of the current situation is that the institutions most trusted by the public are: the army, the intelligence agencies and the Orthodox Church (thus, the institutions that are associated with the idea of empire and strong power). Conversely, the institutions typically associated with democracy, such as the mass media, small and medium-sized business, local government and political parties, are viewed with distrust¹³⁶. This clearly demonstrates that the Russian public is perfectly aware of the marginal role of these institutions in their country. At the same time, this awareness may have adverse long-time consequences, since it discourages citizens from active participation in civil society, thus impeding their future development.

The memory of abortive democratisation and social atomisation has engendered a collective mentality that allows for the consistent reproduction of

¹³⁴ This belief was repeatedly expressed in surveys conducted for many years by the independent Levada Center. Since 2008, at least three-quarters of respondents were of the opinion that the level of mutual trust among the Russians constantly declined. While 90% of Russians believe that they have full control over their family life and approximately 45% are convinced that they can influence their situation at work, only 10% claim that they can have an impact on the situation in the country or in their hometown. *Потребительское поведение через призму доверия и ответственности*, Sberbank, 2013, www.sberbank.ru; 'Ответственность россиян за происходящее в стране выросла', Левада центр, 31 October 2018, www.levada.ru.

¹³⁵ 'Доля желающих участвовать в политике россиян достигла максимума за 12 лет', Левада центр, 24 January 2019, www.levada.ru.

¹³⁶ 'Институциональное доверие', Левада центр, 4 October 2018, www.levada.ru.

authoritarianism. However, **this mentality is highly rational. It is a result of the centuries-long process of adaptation to an oppressive state, where the costs of compliance have been much lower than the costs of resistance. The public has learnt to function on the margins of the oppressive system of formal institutions, owing to patronage networks**, perceived as the best – and often the only – way to protect oneself and one's family.

The 'institutional deficit' in Russia is being eased by corruption and *blat* (блат). These two perform similar functions as during the times of shortage in the USSR¹³⁷. Identification with a patronage network substitutes for identification with the interests of one's professional group or local community¹³⁸, which usually form an important platform for political and civic participation in the public sphere, featuring in democratic countries.

Yet, **among the various patronage networks, the state remains the main patron in the eyes of the public**. Paradoxically, it is the exact same state that citizens generally distrust¹³⁹, but which is viewed as the only political actor able to effectively address social needs. **These rational calculations contribute to strong paternalistic attitudes**, which are intentionally fostered by the state and which give rise to the phenomenon branded as '**humble rebellion**' (Russian: *бунт на коленях*). This means that social protests aimed at solving the most pressing problems are often accompanied, not by criticism of the Kremlin (due to fear of repression), but by appeals to the highest authorities for help. The latter method, if complemented by sufficient loyalty to the ruling regime, is believed to bring much better results¹⁴⁰.

Paternalistic, authoritarian sentiments among the Russian public have so far not correlated with their living standards. Even though support for rule with a firm hand was initially a natural result of the financial problems seen during the transformation period, public support for democracy failed to rise

¹³⁷ 'Фоторобот российского обывателя. Вертикальная мобильность', Новая газета, 30 June 2008, www.novayagazeta.ru. *Blat* (блат) – see: Glossary.

¹³⁸ Worker protests in Russia are highly dispersed and their scale remains limited. The absence of strong independent trade unions leads workers (clients) to strike secret and informal deals with their employers (patrons). Similarly, local protests are rare and focus on specific issues, and their participants in general overtly distance themselves from politics.

¹³⁹ Two-thirds of Russians do not trust any state institutions. See: 'Фоторобот российского обывателя. Вертикальная мобильность', *op. cit.*

¹⁴⁰ This approach was manifested in 2018 during the protests against the outrageous ecological conditions in some locations in Moscow Oblast, caused by the mismanagement of municipal landfills. For more details, see: J. Rogoza, 'A stinking business. Environmental issues, protests and big money in the waste business in Russia', *OSW Commentary*, no. 283, 27 August 2018, www.osw.waw.pl.

in the first decade of the 21st century, when living standards were improving. The middle class, which in the West is considered to be one of the pillars of democracy, largely comprises the participants and beneficiaries of outmoded and opaque state privatisation schemes¹⁴¹. A significant part of this class has based its financial well-being on 'administrative rent'¹⁴².

As the experience of recent decades shows, during periods of prosperity the great bulk of society appreciates the improvement in their financial situation and thus sees no reason for changing the model of governance. In turn, during crises, the Russians traditionally focus on survival, which significantly limits their interest in liberal political values, such as civil rights¹⁴³. Moreover, the government has been quite successful, at least until recently, in offering alternative political values to the public: among them the notion of great power that was expected to compensate for low living standards. Whereas in 1988–1989 only 13% of respondents claimed that Russia had enemies, 20 years later this share exceeded 70%. Perceiving themselves as weak and inferior, Russians developed a sense of threat and nostalgia for an empire that was respected and feared¹⁴⁴.

The current prospect of long-lasting economic stagnation and the risk of recurring economic crises may thus add to the pro-authoritarian survival imperative¹⁴⁵. The latter may be further enhanced by gross exaggeration of threats to the security of the state and the individual, which is an effective means of social engineering, employed not only in Russia but elsewhere. In December 2018, 56% of Russian respondents were of the opinion that their country was under military threat from other states¹⁴⁶. "The more the society is subordinated to the state before a crisis strikes, the more it is atomised and ready to bow to the government at the time of economic hardship"¹⁴⁷.

¹⁴¹ A.V. Ledeneva, *Can Russia Modernise?...*, op. cit., p. 98. For more details on the Russian middle class, see: M. Menkiszak (ed.), *Late Putin. The end of growth, the end of stability*, OSW, Warsaw 2015, pp. 26–29, www.osw.waw.pl.

¹⁴² 'Administrative rent' – see: Glossary.

¹⁴³ Д. Травин, *Просуществует ли путинская система до 2042 года?*, op. cit., p. 336.

¹⁴⁴ The discussion between the economists Konstantin Sonin and Alexander Auzan: «В России за 5 лет меняется все, а за 200 – ничего»: почему некоторые страны быстро развиваются, а другие – стоят на месте, TV Rain, 23 June 2018, www.tvrain.ru; 'Фоторобот российского обывателя. Ксенофобия', Новая газета, 28 August 2008, www.novayagazeta.ru.

¹⁴⁵ See: Д. Травин, *Просуществует ли путинская система до 2042 года?*, op. cit., p. 337.

¹⁴⁶ This is one of the highest indicators since 2000. See: 'Более половины Россиян сочли реальной угрозой войны с другими странами', Левада центр, 30 January 2019, www.levada.ru.

¹⁴⁷ Т. Ворожейкина, *Государство и общество в России и Латинской Америке*, *Общественные науки и современность* 2001, no. 6.

The patterns of passive adaptation and paternalistic attitudes are also characteristic of the young generation. They mostly adjust to the rules of the game, seeking their place in the system. A major share of young people are planning careers in public administration or in large state-run corporations, which not only offer a sense of stability but, above all, high salaries. Independent surveys conducted in 2017 revealed that people under 25, as compared to other social groups, had the lowest expectations of any change in the state, and their support for the government was the highest. They also generally showed no interest in politics¹⁴⁸. Although representatives of young people would have no difficulty in adapting to a democratic system (especially since their attitude towards the West is clearly more favourable than that of older generations), the question arises as to how they can become autonomous bearers of democratic values, while many of them remain vulnerable to the Kremlin's propaganda¹⁴⁹.

4.4. The current state of the opposition

The Russian government's capacity for effective prevention and repression, as well as for shaping the expectations of the public and the elite in a way that best serves the Kremlin's interests, is one of the main factors underlying the weakness and fragmentation of the opposition. As the establishment have monopolised the political sphere, **Russia is currently lacking a counter-elite that is strong and effective enough to become a driving force for change. The ruling class remains the dominant player on the political scene** and has been able to subjugate not only most of the public (imparting a belief that there is no alternative to the present model of rule), but also the bulk of the opposition. This refers both to the 'licensed opposition' and the non-systemic parties (the latter not being allowed to sit in parliament).

As indicated above, the functioning and funding of opposition structures, including a large section of the non-systemic opposition, depend on collaboration or compromising with the Kremlin, and their room for political manoeuvre relies upon the current approach (repressive or "liberal") adopted by the

¹⁴⁸ V. Gelman, 'The Vicious Circle of Post-Soviet Neopatrimonialism in Russia', *Post-Soviet Affairs*, 10 August 2015, www.tandfonline.com; А. Колесников, Д. Волков, 'Мы ждем перемен. Есть ли в России массовый спрос на изменения?', Московский Центр Карнеги, 5 December 2017, www.carnegie.ru.

¹⁴⁹ Although surveys conducted over the past few years show that the Internet is gradually becoming more popular than television (the main channel of state propaganda), the prevalence of independent sources of information is still very low. Therefore, their impact on possible changes in mentality and life attitudes can only be felt in the long run. See: Д. Волков, 'Чем российская молодежь отличается от своих родителей', *Ведомости*, 5 December 2018, www.vedomosti.ru.

government. The parliamentary opposition, which has a well-developed organisational base and may count on public support¹⁵⁰, has been perpetually serving the regime's interests and has become a collective beneficiary of Russian authoritarianism. In turn, **the so-called democratic and liberal opposition was either pushed out from politics over many years of repression, or is struggling to survive on the political scene. These groups are largely infiltrated by the Kremlin's agents, are often at loggerheads with each other and are distrusted by the public** due to their consistent failure to recognise the actual needs of society or to present an appealing political program. It remains difficult for them to convince citizens that democratic leaders deserve more support than the government, which holds the purse strings. The opposition's poor performance in those few areas where they do participate in politics (mainly at the municipal level) also does not help it to improve its image¹⁵¹.

The group of so-called 'liberals', who actively supported the market reforms in the 1990s, and who currently hold senior positions in the state administration, will most likely not aspire to the status of leaders among the counter-elite. This group includes: German Gref, the CEO of the largest state-owned bank; Alexei Kudrin, the Chairman of the Accounts Chamber; and Anatoly Chubais, the CEO of the state-owned corporation Rusnano. Their current status in the system of power, linked to significant financial benefits, makes any prospect of their defection rather illusory. It is hard to imagine that these individuals would give up their careers and sense of security in order to back difficult and risky reforms, let alone political changes.

Those few relatively effective opposition activists who rely on an independent organisational base, such as Alexei Navalny or Mikhail Khodorkovsky, remain marginalised as political figures. Although they have independent funding sources and their own media outlets at their disposal, they are unable to significantly expand their base of active supporters. This is because protest sentiment and the political engagement of the Russian public rarely spread beyond internet-based forms of communication, and even then they tend to develop on a small scale and take the form of atomised individual protests, which cannot lead to any qualitative

¹⁵⁰ In August 2018, 11% of respondents declared that they would support the LDPR and 9% would support the CPRF in parliamentary elections. 28% would vote for the 'party of power'. See: [Levada Center's survey, www.levada.ru](http://www.levada.ru).

¹⁵¹ The opposition activity has been effectively paralysed by the government. However, internal conflicts have also contributed to their weak position in Russian politics.

breakthrough¹⁵². The main causes of this include the absence of grassroots self-organisation customs, the underdevelopment of civil society, the widely shared distrust of politicians and the belief that supporting the opposition would be futile whilst being under the Kremlin's political monopoly.

4.5. The paradoxes of the top-down democratisation

Considering the systemic weakness of the political opposition and civil society, as well as the passive and paternalistic attitudes prevailing among the Russian public, **democratisation in Russia would have to be imposed from above and arise from a schism inside the government elite**. Dismantling the authoritarian system would require effective tools for breaking the resistance of key influential groups. In the Russian reality, **it would *de facto* necessitate the application of quasi-authoritarian methods**. Even with the best intentions on the part of reformers, this would mean repeating the scenario of the 1990s when the declared goal of authoritarian practices was to accelerate democratisation. Most likely, the 'new democrats', themselves products of the patronal-patrimonial system and facing strong resistance from the establishment, would sooner seek to expand than restrict the scope of their powers.

Furthermore, since the leader's position in the Russian system relies mostly upon the informal influence they exert through patronage networks, **effective institutional reforms would require resorting to the same patronal logic that consolidates the authoritarian regime at present**. This would merely solidify the current system whereby the state law itself has no real value unless it is backed by informal pressure. By this logic, any formal change to the system would be most likely viewed as a minor obstacle that could be circumvented by informal clout. This could easily lead more towards dismantling the new system of formal rules than weakening the dominance of the 'deep structures'¹⁵³.

Consequently, reforms of the formal institutional system would be doomed to failure, unless accompanied by deep changes in the informal sphere that are aimed at eradicating the patronal-patrimonial mentality. However, another paradox is that while widespread informal co-dependencies make the state dysfunctional, they also enable the public to cope with the consequences of these dysfunctions¹⁵⁴. Thus, **radical attempts to eliminate informal practices**

¹⁵² One example thereof was the society's reaction to the extremely unpopular pension system reform. Russian citizens chose rather to cast protest votes during regional elections than take to the streets.

¹⁵³ A.V. Ledeneva, *Can Russia Modernise?...*, op. cit., p. 14.

¹⁵⁴ *Ibidem*.

without first creating alternative, effective mechanisms to address social needs, might face resistance from both the elites themselves and from society as a whole.

4.6. Obstacles to external impulses for democratisation

External templates for systemic reforms have limited impact in Russia. This is determined both by domestic factors and by the current state of the West. Unlike in the Central European and, to some extent, East European countries, **in Russia there is no influential interest group that would play the role of ‘Westernisers’.** In general, **neither the political elite, nor big business, nor even the public deem it necessary to adjust the Russian political-economic system to Western democratic standards** in order to embark on institutional integration with the Euro-Atlantic region. Firstly, it results from the widely shared belief in Russia’s special international status and identity. Secondly, it is governed by anti-Western sentiment characteristic of a large part of Russian society.

The belief in Russia’s uniqueness and self-sufficiency derives from the imperial-great power idea, which is key to Russian identity. It contributes to its desired image as an independent centre of power that bases its global influence, both in political and cultural spheres, on a system of values distinct from that of the West¹⁵⁵. This belief, shared by the government and a significant section of Russian society, naturally impedes the acceptance of imported systems of values, like that of liberal democracy. In a survey conducted by the independent Levada Center in November 2018, 88% of respondents claimed that Russia “should continue playing the role of a great power”, and 62% believed that “Russians are a great nation, of special importance for world history”¹⁵⁶. Even if the respondents mention the need for democratisation, their understanding thereof is usually somewhat vague (see above)¹⁵⁷.

The anti-Western sentiment is another major reason why the Russian public is resistant to liberal-democratic patterns of development. This sentiment has persisted for decades and has been consistently stoked by Kremlin

¹⁵⁵ For summary of the Levada Center’s surveys on these topics, see: Л. Гудков, ‘Механизмы кризисной консолидации’, *Контрапункт*, September 2016, no. 5; ‘Западные обесценности’, Левада центр, 28 October 2014, www.levada.ru; ‘Величие вместо демократии: как Россия догнала США в умах своих жителей’, Левада центр, 4 February 2016, www.levada.ru.

¹⁵⁶ ‘Национальная идентичность и гордость’, Левада центр, 17 January 2019, www.levada.ru.

¹⁵⁷ ‘Демократия особого типа’, Левада центр, 14 January 2016, www.levada.ru.

propaganda. Despite periodic fluctuations in public moods and preferences, **the West has for years been the strongest negative point of reference for collective identity, especially at times of crisis**¹⁵⁸. The long-term effectiveness of the propaganda narrative proves that it falls on the fertile soil of social prejudice. The rise in anti-Western attitudes evident since the mid-1990s was initially linked to disillusionment with the course of Russian reforms backed by the West, and over the following years the anti-Occidentalism (mainly anti-Americanism) became an instrument of political conflict during the period of domestic crises.

The anti-Western sentiments, whipped up under Putin's rule, reached their peak during the early stages of war against Ukraine, marked by the anti-Western hysteria unleashed by state media outlets and by the annexation of Crimea. The latter, treated as the ultimate manifestation of Russia's great power status, significantly boosted Russian citizens' self-esteem and fed the belief that Russia had begun to be more respected worldwide¹⁵⁹. The softening of anti-Western sentiment, and the fall in support for the Kremlin's quasi-isolation foreign policy apparent since 2018¹⁶⁰, seem to result not from a redefinition of the desired international image of Russia, but rather from awareness of the growing costs of such policy. Although it is not impossible that deepening social problems will lead to a stable increase in public support for Western patterns of development (mainly associated with material well-being), these preferences may prove easily reversible. If Russian society faces long-term adverse effects from painful systemic reforms, it may once again return to the isolationist great power narrative.

It does not seem likely that the West will be able to support pro-reform trends in Russia in the foreseeable future. The growing resistance of some EU member states and European business to the prolongation of the economic sanctions regime, imposed in response to Moscow's aggression against Ukraine, betrays their readiness to accept Russian authoritarian system in the long run. This stance seems to have two sources. Firstly, they seek benefits from business cooperation with Russia, regardless of serious risks to Western investors arising from the institutionalised lawlessness that is characteristic of government-business relations under Putin's rule. Secondly, the Western establishment usually fears antagonising Russia and 'provoking' it into

¹⁵⁸ See *inter alia*: the survey conducted by the Levada Center in November 2018 (see: 'Отношение к странам и санкциям', Левада центр, 6 December 2018, www.levada.ru).

¹⁵⁹ Л. Гудков, 'Механизмы кризисной консолидации', *op. cit.*

¹⁶⁰ 'Отношение к странам', Левада центр, 20 March 2018, www.levada.ru.

threatening European security. **Guided by economic interest and fear, Western elites will continue to take Moscow's declared intention of improving relations with the West at face value**, even though it is merely a form of window dressing aimed at lifting Western sanctions. Should the latter course of events prevail, it could somehow improve Russia's economic situation and thus strengthen the Kremlin's political legitimacy. However, it would not lead to any long-term 'reset' in mutual relations, as Russian authorities will continue to instinctively seek their legitimacy, in the 'besieged fortress' syndrome and in the myth of the enemy, founded on confrontation with the West¹⁶¹.

As a result, unless Russia launches another act of large-scale aggression abroad that infringes on EU or US interests, they would sooner stake their chances on domestic stability than on political change in Russia with all its attendant costs and risks. **The deepening crisis of liberal democracy in the West** (including the growing popularity of nationalist and populist movements) **will also serve to undermine the chances of Russian democratisation**¹⁶². As a consequence, those few who are genuinely determined to promote democratic reforms in their country will be at risk of losing ground.

¹⁶¹ For more details, see: M. Domańska, *Conflict-dependent Russia. The domestic determinants of the Kremlin's anti-Western policy*, op. cit.

¹⁶² Д. Травин, *Просушествует ли путинская система до 2042 года?*, op. cit., pp. 345–347. The author points to the correlation of the strength or weakness of Western liberalism and the presence or absence of modernisation impulses in Russia which was seen in the past.

CONCLUSION

The legitimisation of Putin's regime has clearly become more problematic since 2018. This is made evident by the growing public dissatisfaction and increasing frustration among the elite, who are locked in an increasingly fierce struggle for assets and concerned for their own security. **Even if these tendencies persist over the coming years, the possible crisis of Putinism will not automatically lead to a serious crisis of Russian authoritarianism.**

The analysis of the prerequisites for continuity or change in the Russian political system suggests that **the deep structures as the foundation of the authoritarian regime stand every chance of being reproduced in the future.** The elite, whatever their political provenance, will be vitally interested in maintaining the kleptocratic, repressive model of the state, free from public oversight, where the rulers are not obliged to abide by laws restraining their powers. The beneficiaries of the current system constitute a group that is large enough to scupper any attempts at real transformation.

The dominance of the extensive patronage networks over the formal institutions will undermine the effects of potential system changes. A society that is atomised will be focused above all on social welfare demands, and thus be more susceptible to populist discourse than to any long-term agenda involving onerous political and economic transformation. When another crisis arises, citizens will most likely once again reach for the familiar and proven patterns and values: stability, order and acceptance of rule with a firm hand. Russia, given its geographic, military and economic potential, its geopolitical ambitions, and a national and international identity that is firmly rooted in great power aspirations, is highly unlikely to embrace a transformation model based on imported democratic templates and on integration with the West.

Russian authoritarianism will most likely survive the change in political leadership without major turmoil, as Putin is more a product of the firmly entrenched deep structures than the creator of a qualitatively new system. Therefore, his departure will not change the essence of the political system, although some minor adjustments are possible in order to boost the government's image. **Even in the event of some temporary upheaval in the system, or greater pluralism in the public sphere, the traditional patterns of political culture will enhance the tendency to re-concentrate power in the hands of a narrow group of decision-makers.** Considering the domestic political interests of the authoritarian leadership, no qualitative change

should be expected in the attitudes of a post-Putin Russia towards the West, either. Nevertheless, another instance of a mock ‘thaw’ in the relations between the Kremlin and the West cannot be entirely ruled out. Both the traditional patterns of government legitimisation (based on anti-Western great power narratives which compensate for a dysfunctional economic model), and Russia’s geopolitical interests that dictate a confrontational policy towards the West, will most likely remain unchanged.

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PUTINISM

GLOSSARY OF BASIC TERMS

Administrative rent – bribes demanded by officials of various ranks in exchange for properly fulfilling their official duties or for special ‘favours’ in handling applicants’ cases, not necessarily in compliance with regulations. It is also defined as illegal profits linked to intentional, artificial tightening of administrative regulations for the benefit of selected entities.

Administrative resource (Russian: админресурс) – public funds, statutory powers, informal patron-client networks and coercive instruments controlled by the state institutions, which allow the ruling elite to effectively influence the political sphere. This term is most frequently used with reference to the state administration manipulating the course and outcomes of elections on various levels.

‘Black cash boxes’ (‘black money’, Russian: черный нал) – a kind of slush fund, the illegal budget of an organisation (administration body, company, political party, etc.), usually stored in cash, spent unofficially in the interest of a small group of beneficiaries.

Blat (блат) – corrupt relationships based on the exchange of favours, usually used to gain scarce goods or other benefits.

Corporate raiding (Russian: рейдерство) – taking over profitable companies by private or state-controlled entities, often in collaboration with criminal groups, where prosecution authorities, intelligence agencies, judiciary and supervisory institutions are instrumentally used. The goal of corporate raiding is to take over a company and then exploit it to the maximum extent, including by siphoning off its assets to private bank accounts, which often leads to bankruptcy of the company itself.

Corruption rent – illegal benefits received by an official from individuals or corporate entities on a regular basis. They are obtained in exchange for performing official duties linked to supervision of the activity of these natural or legal persons. Sometimes it is identified with administrative rent.

Democracy (in Russia also referred to as ‘sovereign democracy’) – in the Russian reality this term is used to mask the authoritarian essence of Putinism. Russian ‘democracy’ means a two-faced model of governance. On the one hand,

there exist written guarantees of civil rights and freedoms; a tripartite division of powers and the rule of law are enshrined in the constitution; and elections are organised on a regular basis. On the other hand, the ruling class abide by the constitution, laws and ratified international agreements only if this does not pose a risk to their power and illegally acquired fortunes. In this system ‘elections’ do not express the genuine will of the electorate, but constitute a mere ritual, performed in order to formally legitimise the power of the ruling group. This is achieved by employing the administrative resource (see above) and political technologies (see below). The adjective ‘sovereign’ thus effectively dilutes the essence of the noun ‘democracy’. In practice, it means that the ruling class arbitrarily (in a ‘sovereign’ manner) decides which regulations can be used, when and against whom, and how they should be interpreted. The Russian ‘democratic’ doctrine was figuratively explained in May 2017 by Valery Zorkin, the Chairman of the Russian Constitutional Court: “Protecting human rights should not pose a risk to the state’s sovereignty, nor should it undermine the morality and religious identity of the society”.

Fight against corruption – a campaign to track down and punish arbitrarily selected, corrupt state officials. It aims not to eradicate corruption but rather to redistribute property and political influence. As corruption remains a driving force of Putinism and a massive source of income for influential figures linked to the Kremlin, as well as for senior state officials including the president, the ‘fight against corruption’ is a mere manifestation of the struggle for shrinking assets inside the Russian elite, which has been intensifying since 2015. The intelligence agencies, mainly the FSB, are often used as an instrument in this struggle, yet they also benefit from it.

Kompromat (компромат) – compromising information collected and used to blackmail, discredit or manipulate political or business opponents.

Krugovaya poruka (круговая порука) – mutual guarantees of loyalty between members of a closed group, compelled by joint involvement in illegal or compromising activity. This mechanism implies collective responsibility as a guarantee that none of the group’s members will betray others.

Krysha or kryshevaniye (крыша, крышевание, literally ‘providing a roof’) – protection, in the broad sense of the term, offered to business entities in their legal or illegal activity, in exchange for regularly paid protection money or a share in the company’s profits (a mechanism known as *otkat* – see below).

Nationalisation – privatisation of the state by the narrow political-economic elite in accordance with the patrimonial logic. The formal control of the state over economic activity enables privileged members of the elite to privatise the ensuing profits while losses accrue to the state budget.

Obshchak (общак) – in criminal slang this means a collective fund, a ‘budget’ of a criminal organisation; the term is used with reference to corruption schemes in Russian state institutions. *Obshchak* is created by the participants of these schemes paying part of their corrupt income into a slush fund. These funds are then used to finance the needs of the group resulting from its illegal activity (e.g. offering bribes).

Opposition – in the language of the Russian ruling class, this means a group of people (a political party) who keep up the appearances of having an independent agenda and activity but who do not actually disturb the rulers in exercising their power. The essence of the opposition’s functions is better reflected in the term ‘licensed opposition’; such opposition operates under the government’s permission, and its criticism of the government must fall within precisely defined limits. The members of the ‘licensed opposition’ are in fact allies of the authorities and help legitimise them by contributing to the façade of pluralism. They are also beneficiaries of the authoritarian system, which offers them financial and political gains. The opposition that is truly independent from the government (the non-systemic opposition) is usually branded by authorities as ‘extremists’, a ‘fifth column’, the ‘organisers of massive riots’, ‘opponents of the constitutional system’, ‘agents’ working for the US Department of State, ‘traitors’ and ‘criminals’.

Otkat (откат) – protection money or a share in the company’s profits, offered in exchange for some benefit (e.g. winning a tender or gaining protection – see: *krysha*).

Party of power – in contrast to a ‘ruling party’, which takes power by winning free, competitive elections and then forms a government, the party of power (United Russia) is in actuality an instrument and extension of the executive power (the Presidential Administration), and is formed in a top-down manner from the president’s support base. It is not a political organisation with a coherent political agenda that represents the interests of voters. It does not struggle to retain power under conditions of open political competition. Its ‘political manifesto’ is dictated by the current needs of the Kremlin. The party positions are staffed in accordance with the Presidential

Administration's guidelines. The rivalry between party members for formally elected positions usually does not involve any interaction with voters to secure a genuine public mandate. It rather involves behind-the-scenes bargaining and intrigues intended at winning the acceptance of the Kremlin and securing the administrative resource for a given candidate. Membership in the party of power is often a prerequisite for a career in the state administration.

Political technologies – a political toolkit for manipulating public opinion in order to win support for a politician or discredit their opponents. The Russian term 'political technologist' is an equivalent of the English 'spin doctor', although the former in general has incomparably more room for manoeuvre due to the absence of transparency in public life and the lack of public control over the government. Political technologies were for the first time applied on a large scale in Russian politics during the presidential election in 1996.

Ponyatiya (понятия – 'understandings') – a popular term derived from the criminal (and prison) code of conduct, meaning the unwritten rules of behaviour originally known only to insiders. In the Russian political and bureaucratic sphere, *ponyatiya* have absolute primacy over written law in the state management. They serve as the main regulating force for socio-political relationships. *Ponyatiya* refers to force (or even violence) and to patrimonial logic as the principal sources of law.

Pool (Russian: бассейн) – an illegal budget of the ruling group, accumulated through various corruption schemes (including protection money paid by oligarchs), used by the narrow circle of the power elite for their own interests.

Racketeering (Russian: пекет) – an organised system of extorting protection money using violence (threats, blackmail, physical violence and kidnapping), sometimes in exchange for a real or illusory *krysha*.

Raspil (распил – 'sawing up') – various mechanisms of embezzling budget funds or the assets of a private or state-owned company.

State capitalism – formally a free-market economy, which is *de facto* controlled by the state. The government exerts control over capital flows and the key sectors of the economy, including over large private business. State-controlled companies play a major role in the system. The mechanisms of the free-market serve the interests of the ruling group.

State law – a system of legal norms and sanctions, deployed arbitrarily by the executive, legislative and judicial authorities. The overriding goal of the legal system is to guarantee power and privileges to the main political decision-makers. In effect, this is not the ‘rule of law’ in the classic understanding of this term but a rule ‘by means of the law’, where the law is used primarily as an instrument of repression against political opponents and independent-minded activists.

Tripartite separation of power – an imitative, purely formal separation of state power into the three classical branches (the legislative, executive and judiciary), in which the parliament and courts in fact serve as the back office for the executive power. They are loyal to the Kremlin and pursue the interests of the narrow group of rulers, using all the methods at their disposal.