

The Kremlin's regional policy – a year of dismissing governors

Maria Domańska

2017 has seen a wave of dismissals of the heads of Russia's regions – the largest in the past five years. This is linked primarily to the Kremlin's preparations for the presidential election. Personnel changes are among the few instruments the government has at its disposal to improve public support, given the dysfunctional governance model, growing dissatisfaction among the Russian public and the government team's unwillingness to launch reforms.

Even though it would appear that there is no single consistent algorithm for reshuffles on the level of governors (each decision to dismiss and nominate a governor has been considered separately), still the criteria that were taken into account in the first place included the socio-economic situation in the region, the degree of tension inside the regional elite, and public support for the incumbent governor. The Kremlin's inability to formulate an appealing and credible election manifesto has been masked by a partial rejuvenation of the regional government staff and a temporary neutralisation of tension in some of the regions. Thus the staff 'face-lift' ahead of the election is aimed predominantly at building a positive image; the main goal is to give hope to the public, at least temporarily, of positive changes.

The position of governors in the Russian government system has been gradually diminishing. Their competences and status have been consistently reduced as part of the process of increasing the centralisation of power in Russia. The logic of the personnel changes carried out in 2017 proves that the status of the governor's office has been finally downgraded and depoliticised: the newly appointed governors are in fact middle managers and representatives of the *nomenklatura* delegated from the centre and at the full disposal of the central government.

The position of governors in the Russian political system

A formalised, transparent federal system regulated by consistent laws has never been developed in the Russian Federation. Relations between the centre and the regions (formally: federal subjects) have been going through the process of formation since the beginning, to a great extent in the 'manual steering' mode determined by personal relations between the president of the state and the heads of the regions (governors), including the lobbying

potential of the latter. The process as part of which regions were becoming increasingly independent from the federal government in the 1990s put the state's integrity at stake and gave rise to attempts to maximise the centralisation of power and to tighten control of the political sphere; and these attempts have been successful throughout the Putin epoch. The gradual lowering of the governors' status since 2000 fits in with these moves.

Their role in the system has been reduced in two ways. Firstly, the budget and tax reforms conducted in the first year of Putin's rule resulted

in a significant curb on the governors' autonomy as regards influencing the economic situation of the territories they were in charge of¹ – a redistribution model has become entrenched in Russia where most of the regions' revenues from taxes and other fees are transferred to the federal budget and then they are redistributed among the regions, often in a non-transparent manner. This system has a demotivating effect on the local governments, discouraging them from improving their regions' attractiveness to investors. Governors, whose role has practically speaking been limited to technical management, are in turn forced to engage in constant financial lobbying, and thus play the role of supplicants in contacts with Moscow.

The status of the governor's office in Russia has been finally downgraded and depoliticised. The newly appointed governors are in fact middle managers delegated from the centre.

This has the most detrimental effect on the richest regions – their financial dependence is viewed by Moscow as a guarantee of the political loyalty of the local elites. Furthermore, regional budgets are quite often burdened with additional tasks without being offered adequate transfers from the central budget, and the responsibility for carrying out the task, including ensuring social stability, is each time delegated to the local governments.

¹ For more details see: J. Rogoża, Federation without federalism. Relations between Moscow and the regions, *OSW Studies*, April 2014, https://www.osw.waw.pl/sites/default/files/ang_prace_49_federacja_bez_net.pdf

Secondly, the social legitimacy of governors has been consistently undermined under Putin's rule. The terrorist attack in Beslan in 2004 was used as a pretext to abolish elections for governors (introduced in Russia in 1995). Starting from 2005 governors were appointed by regional parliaments upon a presidential motion. The reinstatement of elections as part of neutralisation of protest sentiments after the demonstrations in 2011–2012² has not rebuilt their significance as an institution based on political competition; they have become a rather predictable ritual. A number of formal and informal mechanisms limiting or even preventing competition have been built around elections for governors, such as the municipal filter³ or, what has already become a standard, support from 'administrative resources' (legal and illegal assistance from the local governments in financing and conducting the election campaign) offered to candidates of the 'party of power', United Russia.

Decisions to dismiss or appoint governors are in fact taken by the president alone, often on purely subjective grounds. They are the result of recommendations from the domestic policy unit of the Presidential Administration, lobbying from interest groups linked to the Kremlin and the personal preferences of the head of state. The president nominates acting heads of the regions who then formally legitimise their mandate by taking part in non-competitive and

² Neither the regional elites nor the public supported the formula of nominating governors. According to the public opinion polls conducted in 2005 – 2012, 60–65% of respondents wanted direct elections reinstated. К. Рогов, Избранные жертвы: что означают массовые замены губернаторов, <https://www.rbc.ru/opinions/politics/06/10/2017/59d729fb9a79477e10dd12e7>

³ The municipal filter means that a candidate seeking registration must receive between 5% and 10% of signatures of councillors in three quarters of the municipal constituencies of a given region; in fact, given the domination of the 'party of power' in regional and local state administration, it is impossible to receive the signatures without prior acceptance of the candidate by the Kremlin. This was clearly visible, for example, during the most recent regional election (September 2017).

often manipulated or rigged elections⁴. However, the public mandate achieved in this way does not protect them from being dismissed – the right to dismiss governors is statutorily vested in the president of the Federation (the regulations grant very extensive competences to the president in this area), as is the right to nominate acting governors. The president's decisions do not necessarily have much in common with voter sentiment, one proof of which is the fact that governors with low public support often keep their position for years, as long as they are capable of ensuring desirable electoral results for the 'party of power'. The president's statutory competences are reinforced with unofficial mechanisms of the functioning of the government model (including the Kremlin's unrestricted possibilities to use the secret services for political purposes). As a rule the formal reason for a dismissal is 'resignation' (then the official may count on remaining part of the government system) or 'loss of the president's trust' – for example, in those cases where the dismissal is linked to an especially widely publicised corruption scandal.

The logic of staffing decisions A.D. 2017

In Russia the representatives of regional and local governments of various levels whose term ends in a given year are elected on the 'joint election day' (this day is set every year for September). This means that governors' dismissals usually take place in spring or autumn. This way their acting successors have enough time to adequately prepare their election campaign for the upcoming regional election in which they are expected to gain the formal public mandate to perform the function.

⁴ The only incumbent governor to have beaten the Kremlin's candidate in elections is the head of Irkutsk Oblast, the Communist, Sergey Levchenko. If an incumbent governor runs for a subsequent term in office, the routine practice is the following: if he or she may count on the president's support, they resign before the end of the current term and thus put themselves at the president's disposal. Then the president entrusts the ex-governor to temporarily perform the duties of governor until the time of the election. This signifies the president's full support to the candidate. This practice is further proof that the real source of legitimising formally elected bodies is in the Kremlin.

The range of the two waves of dismissals in 2017 (February-April and September-October) was the largest in the past five years: nineteen governors were replaced. Under Putin's rule reshuffles on a similar scale were only seen in 2010 (also nineteen replacements) and 2012 (twenty).

'Outsiders' and 'technocrats' without a political base tend to predominate among the new governors. Their position depends not on a public mandate but on the president's arbitrary decisions.

The reshuffles in February affected the governors whose five-year terms in office would have ended in 2017 anyway, and thus the decisions in their cases were linked to the election calendar⁵, while the term in office of most of those dismissed in autumn might have lasted a few more years⁶. There were two special dismissals in April, also in the middle of a term: the governors of Mari-El Republic and Udmurtia lost their positions and were arrested on corruption charges. These dismissals were not so routine in their nature, but they rather proved that the Presidential Administration was searching for the right staff replacement formula ahead of the presidential election. While the logic of governors' dismissals was based to a great extent on a few objectivised criteria⁷, it is rather difficult to notice a clearly prevalent trend in the new nominations. It is worth noting the Kremlin's will to leave the dismissed governors (with

⁵ The dismissals affected the governors of: Perm Krai, Buryatia, Karelia, Novgorod Oblast and Ryazan Oblast (before that, in January, the head of Adygea was replaced).

⁶ The dismissals affected the governors of: Samara Oblast, Nizhny Novgorod Oblast, Krasnoyarsk Krai, Dagestan, the Nenets Autonomous District, Primorsky Krai, Pskov Oblast, Oryol Oblast, Omsk Oblast, Novosibirsk Oblast and Ivanovo Oblast.

⁷ Unofficially, these included: an evaluation of the socio-economic situation in the region, the degree of tension in the regional elite, the level of corruption among the elite and public support for the governor (reflecting also the potential of dissatisfaction and protest sentiments), <http://www.mk.ru/politics/2017/09/30/nazvany-kriterii-otstavok-gubernatorov--v-rossii.html>; https://www.gazeta.ru/politics/2017/02/06_a_10512575.shtml#page1

a few exceptions) in the government system by co-opting them into federal or regional government structures⁸.

The overriding criterion in the case of both reshuffles was the 'problematic' situation in the regions that might become a challenge to the government in the context of the presidential election. Although the election result is absolutely predictable, the incumbent president enjoys a high level of public support and the entire state administration will be put into a state of maximum mobilisation, for Vladimir Putin it is the style of his victory that will be most important. Given this situation, conflicts inside local elites, protest sentiments among the public, and corruption scandals may not only make the election machinery less efficient but may also indirectly adversely affect the president's image in the eyes of regional communities. The dismissed governors were inefficient according to the expert rankings prepared for the needs of the Presidential Administration. It was mainly due to: their lack of skill in preventing conflicts inside local elites (the degree of consolidation of the elite on the regional level is one of the key factors of the stabilisation of the situation in the context of the presidential election), corruption scandals inside regional government circles, and their inability to bring public sentiment under control. One example of the latter was the situation in Novosibirsk Oblast, where the governor's position was shaken partly due to a conflict over a rise in utility charges caused by him. The economic situation of a given region seemed to have the least influence on the staffing decisions.

The logic of choosing new heads of the regions is less obvious. Much depends on the candi-

date's 'managerial' skills, the special characteristics of a given region, the balance of power inside the local elite and also the result of lobbying by the individual interest groups among which the domestic policy unit of the Presidential Administration is only one of the players (the others include the federal ministries, regional governments, financial and industrial groups and secret services)⁹. Putin's attitude to a given candidate is also very important.

The overriding criterion in the case of the personnel changes in 2017 was the 'problematic' situation in some regions that might become a challenge to the government in the context of the presidential election.

Nevertheless, three main tendencies can be distinguished in the logic of the nominations. Firstly, few of the newly nominated governors originate from the regions they took charge of (only three out of the eleven governors nominated in the autumn). This is a continuation of the trend visible throughout Putin's third presidency – the share of 'aliens' has increased to 64%, while during the presidency of Medvedev it was 48%¹⁰. It is proof of local groups of influence losing the Kremlin's trust. On the one hand it provokes their dissatisfaction¹¹ while on the other, it might result in the improvement of the government's public perception (the 'aliens'

⁸ President Putin met with both groups of the dismissed governors. He assured them that they might expect new positions and appealed to them to support their successors. Amongst the new nominations so far granted are those to: the former head of Buryatia (he currently serves as a representative of Buryatia in the Federation Council) and the former governors of the following oblasts: Oryol (deputy presidential plenipotentiary representative in the Central Federal District), Samara (special presidential representative for relations with the World Congress of the Finno-Ugric Peoples) and Novosibirsk (advisor to the presidential plenipotentiary representative in the Siberian Federal District).

⁹ It has been pointed out, for example, that Sergey Chemezov, the CEO of Rostec, might have lobbied for candidates from the Ministry of Industry and Trade; the mayor of Moscow, Sergey Sobyenin, backed the incumbent governor of Perm Krai, and Sergey Kiriyenko helped his former associate from Rosatom become the head of Primorsky Krai.

¹⁰ www.rbc.ru/politics/16/10/2017/59de58a99a79474f-1855c9d0?from=newsfeed

¹¹ One sign of this is, for example, the dissatisfaction of the elites in Novosibirsk Oblast for whom the nomination of Andrei Travnikov for acting governor in October 2017 came as a complete surprise and caused dismay. Not only is he an outsider in a region which has a relatively strong local identity, but also the functions he has held so far do not make him a political player (mayor of Vologda, before that he held medium-level positions in the metallurgical corporation Severstal).

are not linked to the disgraced local clans involved in corruption scandals). The new governor of Dagestan stands out especially clearly against this background – he is the first governor who not only originates from outside the region but also has nothing in common with the main ethnic groups inhabiting the republic (Vladimir Vasilyev is of Kazakh-Russian ethnic background). Secondly, the governor corps has become somewhat younger owing to the changes (the average age was reduced from 55 in 2013 to 46 in 2017), but this is not a sensation in the history of the Russian Federation (in 2001 the average age was 40.9)¹².

The reshuffles will not resolve the regional problems nor will they neutralise the growing friction between the federal centre and the regions over financial issues.

Thirdly, many of the newly nominated governors are ‘technocrats’ – former high- or medium-level officials in the structures of the federal government, regional government or large corporations (including deputy ministers for economic development, the deputy minister for industry and trade, the general director of Rosmorport company, and a department head at the office of the mayor of Moscow).

These tendencies prove that the status of the governor’s office has been finally downgraded and depoliticised. The newly appointed governors are in fact middle managers and representatives of the *nomenklatura* delegated from the centre and at the full disposal of the central government. Even the nominations of representatives of the ‘political’ sphere fit in with this scheme (they include the parliamentary speaker in Krasnoyarsk Krai, the mayors of Samara and Vologda, the head of the United Russia faction in the State Duma, and high-ranking representatives of the parliamentary opposition – the Communist Party and A Just Russia).

¹² www.rbc.ru/politics/16/10/2017/59de58a99a79474f-1855c9d0?from=newsfeed

The possible consequences of the personnel changes

The reshuffle is mainly a PR move; it is not aimed at improving regional government’s effectiveness in the socio-economic sphere but rather (at least for a short time) increasing public confidence in the government and President Putin in the period preceding the election scheduled for March – owing to the removal of the most ‘problematic’ governors. Their successors are given ‘a honeymoon period’ from the voters (in the hope for change). However, none of the key regional problems are likely to be resolved, such as the impoverishment of society, a shrinking tax base, the need to continue the painful welfare cuts, including access to medical care, and infrastructural problems. These problems are not so much an effect of the special conditions existing in the regions or erroneous staffing decisions, corrected through reshuffles, but rather of the systemic dysfunction of the excessively regulated, bureaucratised and corrupt Russian state¹³.

Thus the political risks to the regime will continue to exist. One consequence of the increasing difficulties is growing public dissatisfaction in the regions in 2017 in connection with problems in such areas as social services, housing, transport and employment¹⁴. The only positive effect the staff replacements may have could be the temporary improvement of the effectiveness of governance in the regions as a result of streamlining bureaucracy – this is one of those few spheres on which regional heads still have a real influence. The personnel changes are also unlikely to neutralise the growing friction between the centre of the federation and the regions over financial issues; over the past year there has been an escalation in the dispute over the principles of the redistribution of funds between the economically differentiated regions, given the fact that revenues to the federal budget have fallen

¹³ For more information see: M. Domańska, ‘Crisis in Russia. Degradation of the model of economic governance,’ *OSW Studies*, March 2017, https://www.osw.waw.pl/sites/default/files/prace_61_ang_crisis-in-russia_net.pdf

¹⁴ <https://www.rbc.ru/politics/31/10/2017/59f7a4329a79476ddc21a2df>

over the past few years due to low oil prices. The mayor of Moscow, the president of Tatarstan, the governor of Kaluga Oblast and deputies for Khakassia, Novosibirsk Oblast and Sakhalin are among those who have demanded more fair principles of tax revenue distribution (the latter ones were backed by the governor of the region nominated in 2015 who managed to negotiate some concessions from the Kremlin). Sometimes regional parliaments openly threaten that there will not be sufficient funds for projects of importance in the period preceding the election (the so-called Putin's 'May decrees'¹⁵ or road repairs). The situation has been worsened by moves from federal bodies which contradict the logic of stabilising the situation ahead of the election, for example, inflaming the relations with Tatarstan or the Komi Republic over language issues¹⁶. This raises doubts regarding the possibility of a durable stabilisation of the situation in the 'problematic' regions and even the smooth organisation of the presidential election; this concerns

¹⁵ Populist decrees passed by Vladimir Putin in May 2012 (on the occasion of opening his new term as president) ordering the regions to significantly raise wages in the budget sector (the regions had to incur 70% of the expenses towards this).

¹⁶ In summer 2017, the Kremlin refused to renew the agreement granting special symbolic status to the Republic of Tatarstan (including the right to call the head of the region its president). This was followed by a dispute as to whether the Tatar language lessons should be compulsory or extracurricular (the constitution of the region grants it the status of a second state language). The republic head, Rustam Minnikhanov, resorted to thinly veiled threats addressed to the Kremlin, pointing out that Putin's popularity in the republic may be reduced as a result of the dispute and that the conflict may cause difficulties in the process of holding the presidential election in March 2018, <https://www.idelreal.org/a/rustam-minnikhanov-tatarskiy-yazik/28816845.html>

particularly those governors who do not originate from the region and have no knowledge of the local problems or mechanisms of regional governance (some of the newly nominated governors are relatively young former high-ranking officials on the federal level). They may find bringing local groups of influence under control to be a serious challenge. Many of these groups are formed by experienced and seasoned political players. In this context, the situation of the newly nominated governors is difficult because their responsibility for stabilising the regional socio-economic situation is incommensurate to the instruments they have at their disposal, and the lack of a strong political base in the region puts their personal security at risk, above all in connection with the possible pressure from law enforcement structures as part of 'combating corruption'¹⁷. The final outcome of the struggle to control the situation in the pre-election period will be the sum of the repressive and persuasive methods applied and, above all, of the individual skills of the new heads of the regions. This is why at least some of them may finally turn out to be temporary figures who will be removed by the Kremlin from their positions already during the next regional elections scheduled for September 2018.

¹⁷ The so-called 'struggle with corruption' has been intensifying over the past few years in Russia. Governors and their inner circles are increasingly often falling victim to this struggle. Arrests on charges of corruption or abuse of power are most often a result of the struggle for political and material assets in which the law enforcement structures are employed, as well as a means used by the centre of the federation to discipline members of the elite. In 2016 - 2017, criminal investigations were launched against 2% of the total number of representatives of the regional elites; <https://www.rbc.ru/politics/31/10/2017/59f7a4329a79476ddc21a2df>

EDITORS: Adam Eberhardt, Marek Menkiszak

Halina Kowalczyk, Anna Łabuszewska

TRANSLATION: Ilona Duchnowicz

Co-operation: Nicholas Furnival

DTP: Wojciech Mańkowski

Centre for Eastern Studies

Koszykowa 6a, 00-564 Warsaw

phone: +48 | 22 | 525 80 00

e-mail: info@osw.waw.pl

The views expressed by the authors of the papers do not necessarily reflect the opinion of Polish authorities

Visit our website: www.osw.waw.pl