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## LATE PUTIN

THE END OF GROWTH, THE END OF STABILITY

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## **LATE PUTIN**

### THE END OF GROWTH, THE END OF STABILITY

Text prepared by the Russian Department of OSW  
under the direction of Marek Menkiszak



**OSW** |

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## SUMMARY

- Since Vladimir Putin returned to the Kremlin as President in May 2012, the Russian system of power has become increasingly authoritarian, and has evolved towards a model of extremely personalised rule that derives its legitimacy from aggressive decisions in internal and foreign policy, escalates the use of force, and interferes increasingly assertively in the spheres of politics, history, ideology and even public morals. The events of recent years – the annexation and occupation of Crimea, military operations in eastern Ukraine and the assassination of Boris Nemtsov – all testify to the scale of the Russian political regime’s evolution; and at the same time they have been pushing the regime towards further radicalisation and preventing a return to the earlier pragmatic policy of reconciling the interests of various groups in the elite and the public.
- The nature of the regime’s internal operation has also changed. Putin’s power now rests on charismatic legitimacy to a much greater extent than it did during his first two presidential terms; currently the President is presented not only as an effective leader, but also as the sole guarantor of Russia’s stability and integrity. His inner circle of people influencing the decision-making process has become even narrower, and is dominated by members of the secret services who share the president’s worldview and his vision of the threats faced by Russia. Other, more moderate groups, such as businessmen, economists and lawyers, have been marginalised. The entire mechanism whereby the Kremlin manages the elite has also changed, as positive instruments (distribution of assets and promotions, guarantees of immunity) have been largely replaced by negative instruments (demonstrations of power, disciplinary measures and selective punishments).
- After 15 years of Putin’s rule, Russia’s economic model based on revenue from energy resources has exhausted its

potential, and the country has no new model that could ensure continued growth for the economy. The main reasons for this are the structural factors that stem from the general philosophy underlying the Putinist system, i.e. the primacy of control over development. This priority has prevented a diversification of the Russian economy, promoted the centralisation of decision-making processes, exacerbated the weakness of institutions (including the judiciary) and guarantees of property rights, curbed competition and further undermined the investment climate. It has also led to a negative selection of state cadres (whereby those who are loyal and passive were promoted, and those who are active and creative faced blocks to promotion and development). As a result of this, standards of governance have been deteriorating, capital has been fleeing in record levels, and Russia has been experiencing a brain drain and an intellectual degradation.

- The original social contract has also reached the limits of its potential; with the economy deteriorating, the Russian leadership is no longer able to guarantee steadily improving standards of living, which have hitherto provided the leadership with undiminished popularity. However, the government has been able to effectively make up for the sacrifices that people have had to make over the course of the last year, using an authoritarian consolidation fuelled by an actively promoted sense of threat from the ‘hostile’ West and pride in Russia’s territorial conquests. The attitudes of Russian society at large are helpful in maintaining the current authoritarian model, which is being held together by social apathy, atomisation, mutual distrust and the lack of horizontal social relations that could give rise to lasting civil society structures. The trauma of the Soviet Union’s collapse, which is still alive in Russia, makes people more susceptible to the government’s imperialistic stratagems, such as the annexation of Crimea, which evoked social euphoria.

- The Putinist system of power is starting to show symptoms of agony – it has been unable to generate new development projects, and has been compensating for its ongoing degradation by escalating repression and the use of force. However, this decline is not equivalent to the system’s imminent collapse, as the ruling team have instruments at their disposal to extend the present state for years, even if degradation continues. On the other hand, the risk of destabilisation is inscribed in the very nature of this system; the lack of any formal or institutional guarantees for political actors makes it impossible for them to cede power voluntarily, as doing so would mean risking their positions, possessions or even their personal security. This in turn makes a peaceful succession of power unlikely and imposes the logic of a constant extension of the leader’s rule. As the last 15 years of Russia’s history have shown, the most effective way to consolidate power and boost the popularity of the leader is to resort to ‘extraordinary measures’, and especially military successes. This means that the possible further erosion of power makes it extremely likely that the Russian leadership will escalate the use of such methods.

## INTRODUCTION

While the last 15 years of the Russian political regime should be viewed in terms of continuity, the country's political system has nonetheless undergone a considerable evolution within that period. As a result of the policy of centralisation, the relatively pluralist model of the last 1990s has gradually transformed into a clearly authoritarian, monocentric and personalised model. In its most recent phase, i.e. since Putin's return to the Kremlin in 2012, this system has established tight control not only over politics and the economy, but also the spheres of ideology and public morals, and has stepped up repression and escalated the policy of military expansionism.

The comprehensive analysis of Vladimir Putin's 15 years in power shows a persistent **legacy of authoritarian rule**, which has been the reality for Russia throughout almost the entire history of its statehood. That legacy ensures that the authoritarian model is able to reproduce itself after each crisis or attempted reform. At its core is the political culture of the generation currently in power, i.e. the habits of taking authoritarian, top-down actions, taking arbitrary decisions behind the scenes, and stymying the development of any tools of social control of government. During Putin's rule the secret services, the most repressive institution of the Soviet state, have been the pillar of the president's power. The worldviews, mentality and interests of the secret service have left a mark on Russia's policy, both domestically and internationally. The authoritarian culture of governance has also been supported by the legislation: the Russian constitution vests nearly full power in the state in the president's hands. And finally, this model has been kept together by the attitudes of the majority of Russians, whose worldviews and political culture have been shaped by the legacy of authoritarianism.

The authoritarian nature of the Putinist system has not been affected by the few attempts at modernising it (albeit to a limited

extent), i.e. the liberal economic reforms initiated after Putin came to power in 2000, or the liberal modernisation rhetoric of Dmitry Medvedev's presidency (2008–2012). The effects of those efforts were limited and short-lived because many of the measures taken were merely illusory (e.g. Medvedev's modernisation rhetoric), or stumbled on a fundamental obstacle stemming from the very nature of the system, i.e. **the primacy of control over development**. The Kremlin's imperative has invariably been to keep and consolidate power, and reforms were treated merely as a means to enhance the efficacy of the state structures or improve their image. Moreover, the liberal economic reforms initiated by Putin coincided with a strong tendency towards centralisation in the political and social spheres, which sought to restore the presidential team's control over political actors (regional governments and political parties) as well as the economy, and reinforced the 'manual control' mode of governance at the expense of institutional mechanisms. Likewise, the modernisation efforts undertaken during Dmitry Medvedev's short presidency were superficial, and expectations of genuine liberalisation, which some groups in the political elite and the wider public had started to cherish at that time, were suppressed by the counter-reforms initiated after Putin returned to the Kremlin.

Putin's policy was a reaction to the ferment with which some parts of the elite and the public responded to the prospect of his return to power, a prospect they associated with stagnation and the lack of any lasting guarantees of rights and property. The Kremlin's policy of consolidating power, mobilising support and persecuting opponents reached its climax after the revolution in the Kyiv Maidan in early 2014 and the escape of the Ukrainian president Viktor Yanukovich, developments which the Kremlin interpreted as foreshadowing a bottom-up destabilisation that could also affect Russia. This consolidated the authoritarian nature of the Russian state, but at the same time made the leadership hostage to its own policy, especially the decision to annex Crimea, which had far-reaching geopolitical, internal political and economic

consequences. An analysis of the Russian elite's present condition – the 'late Putin' period – leads to the conclusion that the ruling team is unable to devise or implement internal reforms. It seems doomed inertly to continue its current policy, which contributes to Russia's further economic and social degradation, and limits the set of instruments available to the leadership to repression and military action, including abroad.

The purpose of the present paper is not so much to comprehensively discuss the system of power in Russia as to present its current condition after 15 years of Vladimir Putin's rule. The first chapter describes the main features of the system of power, its main actors and decision-making processes, as well as the challenges generated by its internal specificity. The second chapter characterises Russian society and its role in holding the system of power together. The final chapter attempts to outline the prospects of the system's further development (or in fact degradation), and the potential consequences of a crisis in the Putinist system of power.

## I. PUTINISM: SUCCESSIVE STAGES OF AUTHORITARIANISM

From the start, terminology associated with authoritarian systems has been applied in describing Vladimir Putin's rule, although the notions used have ranged from milder ones referring to so-called 'democracy with adjectives' (controlled or *façade* democracy) to terms directly referring to authoritarianism (e.g. electoral authoritarianism,<sup>1</sup> denoting an authoritarian system of power that derives its legitimacy from a sham, controlled electoral process that does not lead to a change of government). The Putinist system of government has from its beginning been characterised by a centralisation and personalisation of power, restrictions on political pluralism and economic competition, selected repression and the use of force both in Russia and abroad, as well as ideological and historical manipulations for political purposes.

In recent years, however, the system of power has grown increasingly **more authoritarian and repressive**. This evolution is indicative of the Kremlin's strategic choice made in the wake of the political experiment - Dmitry Medvedev's presidency. During this time, the main features of the Putinist regime continued but the style of governance changed, Vladimir Putin's poll showings declined, and groups formed within the political elite and in the general public which voiced their expectations of liberalisation. That 'hard line', which was adopted in order to remedy the weakening of Vladimir Putin's legitimacy as the leader, proved that the Kremlin had chosen the path of authoritarian consolidation; that is, it had decided once again to concentrate the formal decision-making mechanisms in the hands of the president and pursue a policy of restrictions towards those actors who did not unconditionally support this line. This was chosen instead of opting for an evolutionary variant, i.e. Medvedev's re-election, as

<sup>1</sup> See *inter alia* Grigory Golosov, Электоральный авторитаризм в России, *Pro et Contra*, January-February 2008.

a result of which the original model would have stayed in place, but power would be decentralised and split among the different groups within the elite in a controlled and gradual manner. The process **of authoritarian mobilisation** gained momentum in the wake of the Kyiv Maidan in winter 2014, Russia's annexation of Crimea, the conflict in eastern Ukraine and the confrontation with the West.

One of the main symptoms of the system's evolution concerns the substitution of the **main source of the Russian leader's legitimacy** – the devaluation of legal (electoral) legitimacy, which was dominant during Putin's first two terms as president, in favour of the increasingly dominant **charismatic legitimacy**. The president, who acted as the key decision maker even beforehand, and who could not have been challenged at the ballot box by any other politician, is currently represented as the sole guarantor of Russia's stability and integrity, and as a politician endowed with nearly superhuman powers.<sup>2</sup>

Another stage in the evolution of how the Russian **political regime** derives its legitimacy concerns its **progressing ideologisation**. Previously, the regime used to be pragmatic and ideologically eclectic, which reflected the relative pluralism of the Russian elite. However, since Putin's return in 2012, the Russian leadership has stepped up efforts to develop a state ideology based on a specific version of conservatism rooted in 'traditional' Orthodox values.<sup>3</sup> The Kremlin's conservatism is supposed to serve as the regime's ideological foundation and justify the preservation of the

<sup>2</sup> Aired on public television on 26 April 2015, the documentary *The President. 15 years of new Russia* creates an image of Putin as a politician who has saved Russia from poverty, chaos and the terrorist threat of the 1990s, who single-handedly takes all the key decisions, and who is endowed with political genius and other exceptional virtues.

<sup>3</sup> For more information, see Witold Rodkiewicz, Jadwiga Rogoża, Potemkin conservatism. An ideological tool of the Kremlin, *Point of View*, 3 February 2015, <http://www.osw.waw.pl/en/publikacje/point-view/2015-02-03/potemkin-conservatism-ideological-tool-kremlin>

‘traditional’ (but effectively authoritarian) model of governance in Russia. This has been presented as an alternative to the liberal ideology which, in the Kremlin’s view, is incompatible with the Russian reality, and as a justification for the policy of confrontation with the Western world, which is presented as a source of ‘alien’ values and an aggressor in Russia’s sphere of vital interests. For the needs of the state ideology, the Russian leadership and its loyal experts have also constructed a specific **historical policy**, wherein the interpretations of history are adjusted to current political needs. For instance, the victory over fascism in World War II is juxtaposed with the present Russian aggression in Ukraine where Russia is allegedly fighting a new variety of fascism, and a manipulated version of the 19<sup>th</sup>-century Russian World (*Russkiy Mir*) concept is supposed to justify the cultural and political dominance of Russia over Ukraine and Belarus.<sup>4</sup> This policy also generates justifications for authoritarian and totalitarian rule,<sup>5</sup> while avoiding any re-evaluations of the tragic or controversial chapters of Russia’s history.

The **social contract between the leader and the public** has also changed. As the economic situation has been deteriorating, the Kremlin is no longer able to ensure steadily improving standards of living for the people, which used to be its way of winning the public’s support and loyalty. The current social contract could be phrased in terms of ‘sacrifices in return for heroism and a sense of dignity’. The leadership has been trying to offset the sacrifices which the Russians have been forced to make as a result of the

<sup>4</sup> See Marek Menkiszak, The Putin doctrine: The formation of a conceptual framework for Russian dominance in the post-Soviet area, *OSW Commentary*, 27 March 2014, <http://www.osw.waw.pl/en/publikacje/osw-commentary/2014-03-27/putin-doctrine-formation-a-conceptual-framework-russian>

<sup>5</sup> Even though Putin has formally condemned Stalin as a criminal, the recent years have witnessed an apologia for Josef Stalin (tolerated by the government): historians with close links to the leadership have been presenting him as an ‘effective manager’, and in May 2015 a monument to Stalin was erected in the town of Lipetsk at the initiative of the Communists.

sanctions and economic stagnation by resorting to an authoritarian mobilisation fuelled by a sense of threat from the ‘eternally hostile West’ and thriving on a sense of pride in such achievements as the ‘regaining of Crimea’. The most visible element of this mobilisation is the massive wave of **aggressive media propaganda** which is extremely biased, exploits hate speech and resorts to disinformation techniques, of which the most glaring examples can be observed in connection with the crisis in Ukraine.<sup>6</sup> Despite the objective fact that the people’s standards of living and purchasing power have declined, at the present stage that propaganda is capable of generating the desired outcomes for the Kremlin, boosting the president’s popularity even more and fanning the aversion towards the West.<sup>7</sup>

**The evolution of the leader’s position in the system of power has been accompanied in recent years by changes in the president’s inner circle.** Originally consisting of several mutually balanced groups with diverse backgrounds and interests, it has now become entirely dominated by representatives of the secret services who share Putin’s worldview and vision of the threats faced by Russia. The narrow group in charge of strategic decisions, such as the annexation of Crimea and the policies towards Ukraine, the Commonwealth of Independent States and the West (for example, the counter-sanctions against the states which have imposed economic sanctions on Russia or banned Russian officials) consists

<sup>6</sup> The extremely aggressive and emotional mediatisation of stories which would then turn out to be untrue, such as the reportage broadcast by the main TV station, 1 Kanal, on 12 July 2014, showing the story of a boy from Slavyansk reported to have been crucified by the Ukrainian military, or the practice of illustrating reports about the Ukrainian army’s alleged atrocities with materials documenting other conflicts, etc.

<sup>7</sup> The president’s popularity reached 89% in June 2015 (according to the Levada Centre poll of 24 June 2015). According to other polls by the Levada Centre, 62% of Russians believe that Russia’s relations with the West “will always be based on mutual distrust” (26 June 2015); 66% of respondents believe that the objective of the Western sanctions is to “weaken and humiliate Russia”, and 70% believe that Russia should not pay heed to the sanctions and continue with its own policy (29 June 2015).

almost exclusively of members of the secret services. In the aftermath of a series of reshuffles in the President's Administration, the secret services have become the main, or even the sole provider of information to the president, and have been reinforcing Putin's vision of the world (e.g. with regard to the West's hostile policy towards Russia) while at the same time shaping his current orientation in keeping with their own sectorial interests. This has made **the main decision maker increasingly isolated in terms of access to information**, as the services have been providing the president with a selective view of the world largely driven by wishful thinking. The secret services' monopoly on information reinforces the Kremlin's vision and its geopolitical priorities by representing the Western world as an eternal enemy intent on undermining or even destroying Russia.<sup>8</sup> Those perceptions have overshadowed any economic calculations, also with regard to decisions whose consequences affect the condition of the entire state (since the annexation of Crimea, the Russian economy has practically been hostage to geopolitical decisions). The decision-making processes habitually entail negative side-effects, which in themselves require the development of remedial strategies. The secret services have also been manning the president's main organisational staff, fully controlling his daily functioning, personal relations and physical security. This has left the president largely a **hostage to the security service people around him**, quite in contrast to the impression of one-man leadership that he has been ostensibly making, and the undisputed fact that the main decision-making mechanisms are concentrated in his hands.

At the same time, the president has been increasingly **alienated from the broader political and business elites**. Putin has been emphasising the single-handed nature of important decisions ever more frequently, often confronting his own political and

<sup>8</sup> Nikolai Patrushev, secretary of the Security Council of the Russian Federation, said that the United States "wished Russia to cease to exist as a state". Interview for the *Kommersant daily*, 22 June 2015, [www.kommersant.ru/doc/2752246](http://www.kommersant.ru/doc/2752246)

business base with accomplished facts and in some cases taking decisions that have adversely affected the interests of that base.<sup>9</sup> The elite groups in question, i.e. members of the state administration, business and expert and research communities, have lost their influence on the decision-making processes concerning strategic issues or matters affecting their own position and well-being.<sup>10</sup> Most people in these groups (including the Sberbank CEO German Gref, the economic advisor and former deputy prime minister Alexei Kudrin, and the Central Bank governor Elvira Nabyullina) have kept their jobs, but their role is currently limited to executing the Kremlin's political directives and developing tactics to implement strategies that have already been decided. This illustrates the change that has occurred in the general nature of **the Kremlin's relations with the broader elites** – whereby positive instruments (distribution of assets and promotions, guarantees of immunity) have been replaced by negative instruments (demonstrations of power, disciplining measures, selective punishments). Moderate members of the elite who do not support the Kremlin's aggressive policy unconditionally have been dismissed as a **'sixth column'**<sup>11</sup> whose loyalty to Russia has allegedly been

<sup>9</sup> The policy of so-called 'nationalisation of elites' may serve as an example here; this aims to step up the Kremlin's control of the property and private lives of members of the administration and business, for example by prohibiting officials and employees of state-owned corporations from holding foreign banking accounts; imposing stricter requirements concerning personal property declarations; the creation within the President's Administration of a register of assets held by the elite and financial flows to other countries, etc. For more information, see Jadwiga Rogoża, The nationalisation of the elite: Kremlin tracking officials' foreign assets, *OSW Analysis*, 10 April 2013, <http://www.osw.waw.pl/en/publikacje/analyses/2013-04-10/nationalisation-elite-kremlin-tracking-officials-foreign-assets>

<sup>10</sup> The elite has suffered various negative consequences of the decision to annex Crimea, which hit at its economic interest and position in the West, where most of the elite members have been investing their capital, where their families have been living and where their children have been going to school.

<sup>11</sup> This term was coined by Alexander Dugin, the ideologue with close links to the Kremlin, who said that the "sixth column" consisted of "those members of the Russian leadership who support Putin but at the same time call for a liberal, pro-Western, modernised and Westernised Russia, for globalisation, integration with the Western world and European values and institutions,

eroded by its extensive economic ties with the West. All this has affected the attitudes of these elites and the quality of their support for the state leader. Over the last three years (and especially since the annexation of Crimea) many representatives of this elite have openly voiced concern over the Kremlin's increasingly unpredictable policy and its harmful effects on the condition of the Russian economy – and on their own personal interests.<sup>12</sup> Once Vladimir Putin's convinced and ardent supporters, they have gradually become hostages to the evolving regime which – while still rewarding them with profits – has become increasingly precarious.

The president's progressing alienation has been accompanied by a drastic narrowing of the limits of that political and social activity that remains uncontrolled by the Kremlin. The regime **has increasingly been penalising any opposition or independent social and political activity**, starting from the condemnation of opponents as a 'fifth column' or 'foreign agents',<sup>13</sup> to persecution and repression (a larger number of custodial sentences, including for participation in opposition demonstrations), all the way up to political assassinations (the murder of Boris Nemtsov by the Kremlin wall in February 2015, perpetrated by people with links to the Chechen leader Ramzan Kadyrov). The limits of the freedom of speech have narrowed down drastically, especially in relation

and who want Russia to become a prospering corporation in a world in which the rules are set by the global West". See A. Dugin, Шестая колонна, <http://vz.ru/opinions/2014/4/29/684247.html>.

<sup>12</sup> The Sberbank CEO German Gref, the economy minister Alexei Ulyukayev, CEOs of private corporations and even lobbyists in friendly relations with Putin, such as Gennady Timchenko. Even lobbyists closely associated with Putin, who have been beneficiaries of the Kremlin's decisions for many years, have now been pushed into subordinate positions (Yuri Kovalchuk, Arkady Rotenberg, Vladimir Yakunin, and even Igor Sechin); the Kremlin keeps supporting them financially, but the president ever more frequently reprimands them publicly in order to remind them of their 'vassal' status.

<sup>13</sup> The terms 'fifth column' and 'traitors of the nation' were used by President Putin himself in his address to the Federal Assembly on 18 March 2014; <http://kremlin.ru/events/president/news/20603>

to the sphere of online information, which had previously been unfettered.<sup>14</sup> In addition to curbing political and civil freedoms, the regime has also started to systematically **restrain individual freedoms and encroach on the sphere of public morals.**<sup>15</sup>

As the system has been evolving, so its *modus operandi* has been changing. The leadership has increasingly resorted to **'manual control' mode** (which had existed since the start of Putin's rule) in state governance. The centralisation of power and the Kremlin's drive to control the main aspects of public life has led to inertia in the institutions responsible for the functioning of the state, which have become 'service providers' to the Kremlin. Against this backdrop, the presidential team (and the President's Administration in the institutional dimension) appears to be relatively effective,<sup>16</sup> although it also tends to become chaotic in crisis situations (such as the currency crisis in December 2014), while many presidential decrees are implemented in a dilatory manner or even obstructed. As a result, the Kremlin needs to intervene in every important case in order to ensure that its decisions are implemented. This 'achievement' of the Russian power system, i.e. the fact that the Kremlin now controls all the important actors of public life, is at the same time one of its main disadvantages: with-

<sup>14</sup> Bloggers are now legally required to reveal their personal data and comply with a set of restrictive laws. Structures with close links to the Kremlin have taken over control of Russia's largest social network Vkontakte, and many popular portals have been forced to change their editorial policies (Gazeta.ru, Lenta.ru and others). The independent online television Dozhd has faced persecution, and a number of popular opposition portals (Grani.ru, Ej.ru, Kasparov.ru, Alexei Navalny's blog) have been blocked by the governmental Roskomnadzor service.

<sup>15</sup> The law now requires everyone to declare dual citizenships and register their residence. Not only opposition activists but also ordinary citizens are persecuted for expressing critical opinions of the government or taking part in protests. Finally, sexual minorities have also faced persecution instigated by the authorities.

<sup>16</sup> Vladimir Putin himself tries to strengthen this impression; for instance in the TV documentary *Crimea. The road to the homeland* broadcast on the anniversary of the peninsula's annexation, he explained the success of that operation by the fact that he had personally controlled every step of the process.

out the leader's involvement the system erodes and becomes inert, while the weakness, or perceived weakness, of the leader becomes a fatal signal for the entire system, demonstrating how fragile the 'stability' under Putin is.<sup>17</sup> The fact that the system is based on **informal rules not grounded in law and on personal relations and arrangements** has likewise been a double-edged sword for the ruling team. It means that there are no reliable guarantees of the rights of citizens, political actors and economic operators, and the institutions appointed to defend those rights are a mere facade. This has enabled the Kremlin to arbitrarily 'manage' those guarantees because, in the absence of definitive legal guarantees of the oligarchs' property rights, they remain dependent on the political leadership, and the recurrent 'redistributions' of their assets remind them of this dependence.<sup>18</sup> However, such a system does not offer any reliable guarantees to the members of the narrow ruling elite, either. For them, giving up power means risking their assets, sometimes their freedom, and in extreme cases even their lives. This situation has affected the crucially important process of the **succession of power**, which in this paradigm is perceived as a risk factor. As the reactive policy that followed Dmitry Medvedev's short presidency demonstrated, even 'controlled succession' is seen as a risk; the potential emancipation of the new president would have entailed painful losses for the group ceding power. As a natural consequence of this, those in power seek to stay there using any means available, which over

<sup>17</sup> In this context, the ten-day pause in the president's public appearances in March 2015 triggered a wave of speculations and undermined the sense of stability in the ruling camp. See also Lilia Shevtsova, Has the Russian System's Agony Begun?, *The National Interest*, 17 March 2015, <http://www.the-american-interest.com/2015/03/17/has-russias-agony-begun>

<sup>18</sup> For example the takeovers, under legal pretexts, of the business empires owned by Vladimir Gusinsky (2000), Mikhail Khodorkovsky (after 2003) or more recently, Vladimir Yevtushenkov (2014). Vladislav Inozemtsev has termed the Putinist stabilisation 'the stability of the time-limited' («стабильность временщиков») because it has created a group of people in power and a class of property holders, but has failed to create mechanisms to guarantee their property rights. W. Inozemtsev, Распад стабильности, *snob.ru*, 10 March 2015.

time degrades the quality of governance and leads the regime to evolve towards dictatorship.

In the economic dimension, the Putinist system – with its centralisation of decision-making, the politicisation of the economy and the suppression of competition – has led to a situation in which **the economic model based on revenues from energy resources has reached the limits of its potential**, while no new model that could replace it and ensure further growth for the Russian economy has been proposed. For around a decade, the Russian economy grew dynamically owing to the high and constantly rising oil prices.<sup>19</sup> This model started to crumble around 2012, with oil prices still peaking (a yearly average of US\$100 per barrel) but growth slowly decreasing. In 2012 the Russian GDP grew by 3.4% (down from 4.3% in 2011), by 1.3% in 2013, and by 0.6% in 2014, and Russia is expected to close 2015 with its GDP smaller by several percent. This slowdown is mainly due to **many years of structural neglect**: the failure to diversify the economy (since the start of Putin's rule, the Russian economy's dependence on the raw materials sectors has increased considerably<sup>20</sup>), the support and subsidies provided to many unprofitable enterprises; a poor investment climate; the weakness of institutions (including the judiciary); the lack of property right guarantees, which has weighed on the development of entrepreneurship; and finally, the technological backwardness which has exacerbated the unprofitability and uncompetitiveness of production in many sectors of the economy and made them more dependent on imports.

<sup>19</sup> Russia's GDP grew by 10% in 2000 (with the average annual oil price at US\$23.9 per barrel), 5.1% in 2001 (US\$20.8), 4.7% in 2002 (US\$21.02), 7.3% in 2003 (US\$23.81), 7.2% in 2004 (US\$31), 6.4% in 2005 (US\$45.2), 8.5% in 2007 (US\$64.3). In the years 2012–2013 the price of oil was above US\$100. [www.cbr.ru/statistics/credit\\_statistics/print.aspx?file=crude\\_oil.htm](http://www.cbr.ru/statistics/credit_statistics/print.aspx?file=crude_oil.htm)

<sup>20</sup> During Putin's rule, the share of revenue from oil and gas exports in the Russian budget expanded from 18% in 1999 to 54.5% in 2011; according to the Ministry of Energy, in 2014 it was 52%.

Underlying those problems is the fundamental principle on which the Putinist system rests, i.e. the **primacy of control over development**. Since 2000, the Kremlin has consistently centralised the decision-making processes, and limited competition and the autonomy of other actors (whether political, business or social), while at the same time promoting attitudes of passive loyalty without ‘excessive’ initiative. Many years of such negative selection of the state cadres have resulted in a poor level of governance at the federal and regional levels, and inertia and incompetence in the administration. This has lowered the quality of many strategic decisions, and derailed even those rare attempts at reform or modernisation that the Russian leadership undertook in the last 15 years. Active and innovative groups have been denied promotions and opportunities to develop, which has resulted in a permanent flight of capital (which reached record levels in 2014) and a brain drain, depriving the system of its most creative members.<sup>21</sup> This has led to a gradual **intellectual degradation of the system**, which has been taking advantage of the favourable economic situation, but has ceased to generate the new ideas and technologies which determine the position of states on the global stage today. Since mid-2014 those long-term internal problems have been exacerbated by adverse external factors, including falling global oil prices, the related depreciation of the rouble, and the impact of Western sanctions, which have exposed the fragility of the Russian economy and its dependence on the fluctuations of the economic situation.

The collapse of the **welfare state model** in Russia, which used to be presented in the Kremlin’s propaganda as one of Russia’s greatest achievements throughout Putin’s rule, marks another socially painful failure of the Putinist system, and runs counter to the triumphalist propaganda of ‘Russia rising from its knees’. Rising standards of living (and more broadly, economic, political and

<sup>21</sup> The flight of capital from Russia in 2014 increased two and a half times compared to 2013 as its volume exceeded US\$150 billion (figures from the Central Bank; US\$61 billion in 2013); emigration has also reached record levels.

social stability) were the cornerstones of the Russian social contract since Vladimir Putin came to power. Drastically low in the 1990s, those standards of living then improved considerably; during the first decade of Putin's rule GDP *per capita* increased fourfold, and the people's real incomes grew year on year.<sup>22</sup> Despite that, Russia continues to struggle with the inefficiency of the state institutions in charge of providing social services, i.e. healthcare, education and research, and municipal infrastructures, which are in deplorable condition, especially outside the large cities.<sup>23</sup> The scale of the unsolved problems reveals itself, for instance, in the president's annual televised conferences with the inhabitants of the Russian regions, which despite the television programmers' censorship present a picture of a society struggling with basic social and infrastructural problems that have not changed for years, and with the corruption and lawlessness of state officials and law enforcement functionaries. Those problems are largely a consequence of the Kremlin's strategic decisions, such as the 2001 financial reform which transferred a considerable portion of the revenues of regional budgets (responsible for managing the social infrastructure) to the central budget, the tolerance of corruption, and the incompetence of those in charge. Social spending (on education, healthcare, culture) in the central budget has also been cut in recent years, which **stands in contrast to the constant growth of security and defence spending** (which accounted for 40% of total budget spending in 2015, compared to 30% for social spending)<sup>24</sup>.

<sup>22</sup> Nominal GDP *per capita* increased from US\$5914 in 1999 to US\$24,083 in 2012 (and based on purchasing power parity, from US\$4200 in 1999 to US\$18,000 in 2012), while average nominal income *per capita* increased from 2281 roubles in 2000 to 38,340 roubles in 2013.

<sup>23</sup> Last year, the numbers of healthcare establishments in several dozen Russian regions were reduced as part of an 'optimisation' operation that sparked an outcry in Russia. For more information, see <http://www.gazeta.ru/social/2013/02/22/4978173.shtml>

<sup>24</sup> Ewa Fischer, Amendment to the Russian budget for 2015: an attempt to maintain the status quo, *OSW Analysis*, 18 March 2015, <http://www.osw.waw.pl/en/publikacje/analyses/2015-03-18/amendment-to-russian-budget-2015-attempt-to-maintain-status-quo>

## II. A SOCIETY OF OBSERVERS – THE FACTOR THAT KEEPS THE REGIME TOGETHER

The specific nature of the Russian society, and especially the weakness of civic institutions, is one of the main pillars sustaining the viability of the current regime. Civil society institutions that could provide a counterbalance to the state and supervise those in power have not developed in post-Soviet Russia, despite several attempts to create them. This is a legacy of the many centuries of authoritarian state models in which society was reduced to a mere object, and its public activity was usually limited to uncontrolled and destructive outbreaks of anger that failed to improve its overall situation.<sup>25</sup> Up to the present day, the Russian leadership has an extensive set of instruments at its disposal to influence and manipulate the public. Firstly, they hold the systemic and economic tools, including the existence of an extensive public sector<sup>26</sup>; the state is the largest employer in Russia, which makes it easier to co-ordinate and control the political behaviour of a large segment of the public (and public sector employees are indeed considered to be a bastion of the ruling group). Secondly, the Russian leadership has effective propaganda instruments at its disposal, including the state-controlled media, especially television,<sup>27</sup> which feed the people both political propaganda and sensational & entertainment content that ‘hypnotises’ the audience and reinforces its attitude as passive observers of events.<sup>28</sup>

<sup>25</sup> Alexander Pushkin had already defined it accurately in the nineteenth century: “God save us from seeing a Russian revolt – senseless and merciless”.

<sup>26</sup> The Russian public sector employs 14.5 million people (more than 20% of the entire working population), of which 3.3 million people work in the federal institutions (2014, novainfo.ru/archive/24/sovershenstvovanie-oplaty-truda). The numbers are even bigger if we include the related sectors that benefit from public funding.

<sup>27</sup> Television is the main source of information about Russia and the world for 90% of Russians (according to a Levada poll, June 2014). This percentage showed a downward trend in the years 2010-2013, but increased again after the annexation of Crimea.

<sup>28</sup> The diagnosis was formulated in 2001 by the leading Russian sociologists Dmitry Gudkov and Boris Dubin of the Levada Centre, in their paper entitled

The Russian public's great susceptibility to the Kremlin's manipulation, as observed in the course of last year, stems from the still extant **post-imperial complex** and the trauma of the Soviet Union's collapse, which for many Russians meant a loss of identity and their sense of security, and which Putin once described as the greatest geopolitical catastrophe of the twentieth century. The Soviet mentality can be easily reanimated, as demonstrated by the Russian leadership's success in reviving the attitudes, practices and even aesthetics typical of the Soviet period. The development of a democratic state model has also been impeded by the fact that Western values, such as democracy and the market economy, were discredited in the eyes of the public during the 1990s. The activities of the then-leaders of Russia, who invoked democracy but in fact oversaw the privatisation of the state by the elite and groups associated with it, created a caricature of democracy, which most Russians still associate with poverty, chaos, corruption and the unbridled development of criminal structures, and with the state's failure to deliver on its basic social commitments. The Kremlin has been skilfully taking advantage of those perceptions by emphasising the harmfulness of 'transplanting' Western models to Russia, and championing a specifically Russian path of development. The Russian leadership's main postulate in this context has concerned the need to preserve **traditionally Russian social and political values**, a move intended indirectly to legitimise the traditionalist, authoritarian model of government.

Other factors that have contributed to the persistence of the authoritarian model in Russia concern the negative attitudes and behaviour patterns rooted in Russian society, i.e. the **passivity, atomisation, mutual distrust and the lack of horizontal social ties** that could give rise to lasting civil society structures.<sup>29</sup>

A society of television viewers, [http://ecsocman.hse.ru/data/197/991/1219/05\\_gudkov-31-45.pdf](http://ecsocman.hse.ru/data/197/991/1219/05_gudkov-31-45.pdf).

<sup>29</sup> See *inter alia* Alexei Levinson, Боюсь не успеть, Неприкосновенный Запас 6/2014.

This tragic legacy derives at least from the events of the twentieth century and its repressions and wars, which have brought about a negative social selection, cutting people off from their roots and instilling a sense of helplessness in the face of history, reinforced by the violent historical upheavals which nearly every generation experienced. Most Russians display low political awareness and passiveness in the political and professional spheres, helplessness and disbelief that their endeavours could be successful ('I can't change anything'), and do not have the skills to take grassroots action and co-operate with other people with similar interests or problems. This '**silent majority**' in Russia is a pillar of the government's power. In fact, what keeps the system together is not so much people's active, enthusiastic support for the leadership, as apathy and lack of social involvement in any processes beyond the private sphere. This attitude has enabled the government to shape policy on its own.<sup>30</sup> This social apathy has also damped down the Russians' genuine frustration with the problems they face in everyday life: the low quality of healthcare, social security and education, the condition of the infrastructure and other issues. This frustration has not translated into mass protests or grassroots action for change; rather, it has prompted the Russians to seek individual and *ad hoc* ways of dealing with the problems. Therefore, the claims that social unrest could erupt in Russia if the economic situation deteriorates are disputable, as demonstrated by the way the previous economic crisis in the years 2008–2009 unfolded. At that time, despite the economic decline that left large industrial plants in trouble, only isolated social protests took place (e.g. in the town of Pikalyovo), which the authorities were easily able to deal with.

In this context, it should not be overlooked that social apathy also entails some negative consequences for the government. While the popularity showings of the Russian leadership and especially

<sup>30</sup> See Vladislav Inozemtsev, Секрет путинского консенсуса, *snob.ru*, 11 February 2015.

the president are high, the **quality of the people's support is questionable**; it is usually passive, and does not mobilise people into getting actively involved in pro-Kremlin initiatives, so the state structures have to make a major effort each time they need such involvement.<sup>31</sup> In the event of major problems or a crisis in the Kremlin, Vladimir Putin's record popularity showings of over 80% will not translate into tangible support from his backers.<sup>32</sup> Russian society has also demonstrated a tendency to easily divert its sympathies to politicians or groups that appear to be strong and project self-confidence at a given moment, which also applied to opposition forces at those times when they seemed to be gaining power.<sup>33</sup> While the recent wave of repression against the opposition has succeeded in restoring the impression of the Kremlin's strength, and in attracting people back to the ruling camp, this very fact proves that social sympathies are likely to follow the course of developments, rather than shape them.

A study of the more active groups of Russian society with higher social capital and intellectual potential also leads to the conclusion that the expectations of political and systemic change within them are very limited. These groups, which could be defined in

<sup>31</sup> For instance, at the peak of the anti-Kremlin protests in 2011-2012 the authorities faced considerable difficulty in organising counter-demonstrations to express support for Vladimir Putin; participants in pro-Putin actions had to be brought to the rallies in buses and paid to participate, and their behaviour at the rallies was passive.

<sup>32</sup> As Lilia Shevtsova noted, Putin's ten-day disappearance in March 2015 caused much concern in the state administration and expert communities but did not trigger any major reaction among the wider public, which may mean that the public will behave in a similar way in the event the president's position weakens or falters. See: Has the Russian System's Agony Begun?, *ibidem*.

<sup>33</sup> In 2011, as the pro-Kremlin political forces were losing their support (especially the United Russia party), and the anti-Kremlin protests, whose participants were mostly young people, were gaining momentum, the public sentiments started to turn towards the opposition; around 40% of people supported the protesters (see [http://www.gazeta.ru/politics/2012/12/13\\_a\\_4889485.shtml](http://www.gazeta.ru/politics/2012/12/13_a_4889485.shtml)). Another evidence of this is. Alexei Navalny's result in the 2013 elections for mayor of Moscow: after a dynamic and charismatic campaign, Navalny managed to garner nearly 30% of votes (his real showing was probably even better).

simplified terms as **urban middle class** and which account for around 15–18% of the population,<sup>34</sup> formed the core of the anti-Kremlin protests in 2011–2012. Those protests showed that there were groups in Russian society which had adopted attitudes and values typical of modern societies, which in turn warranted a belief that the middle classes could be the vectors of a new, non-Soviet awareness and political culture, and could be the subjects of modernisation.<sup>35</sup> However, a closer look at the values and attitudes of the Russian middle class revealed that its expectations concerning change were very limited, and reform of the political sphere played only a minor role in them. The middle class is as diverse in terms of values as Russian society is as a whole. Values typical of modern societies (self-reliance, individualism, enterprise, rationality, respect for private property) coexist with values found in traditionalist and patriarchal societies, such as the need for a strong state and an equal distribution of goods. The political norms and values held by the Russian middle class differ considerably from those held in the West (for instance, researchers have pointed to legal nihilism in Russia, among other factors), and even the idea of rapprochement with the West is not a priority.<sup>36</sup>

<sup>34</sup> The Russian middle class on the most-desired direction of the state's development: research project by Svetlana Mareyeva, Institute of Sociology, Russian Academy of Sciences, <http://www.opec.ru/1813805.html>. The classification methodology was based on four criteria: education, professional status, wealth and self-identification.

<sup>35</sup> See *inter alia* Natalia Tikhonova, Institute of Sociology, Russian Academy of Sciences, The middle class as the subject of Russia's modernisation, [www.lawinrussia.ru/srednii-klass-kak-subekt-modernizatsii-rossii](http://www.lawinrussia.ru/srednii-klass-kak-subekt-modernizatsii-rossii)

<sup>36</sup> Tikhonova, Mareyeva, *op. cit.* Mareyeva: There is general agreement in Russian society that the Western model of development cannot automatically be applied in Russia. Those advocating the Western model of development currently account for 33% of the middle class (23% on average in other segments of society), a figure which has dropped by around 10 percent over the last decade (from 43% in 2003). Members of the middle class are also convinced that the norms and institutions which play their roles effectively in developed Western societies would not produce the same outcomes in Russia. The middle class's attitude towards the principle of the rule of law is also ambiguous: its members believe that one should abide by the law only if members of the state bodies also abide by it (the results in the other segments of society were practically identical).

This is largely due to the specificity and origins of the Russian middle class, which is a **product of the period of oil-based prosperity** under Putin. Administration officials, including members of the institutions of force,<sup>37</sup> account for a large part of this group, which also includes a considerable number of people who are formally private entrepreneurs or members of the liberal professions but have economic links with the state, that is, they benefit from public procurement, make money off providing services to the public sector, etc. This generates complex identities and complicated motivations in relations with the state; on one hand, representatives of middle class expect gradual liberalisation that would secure their rights, but on the other, they fear any ‘revolutionary’ change that could cause destabilisation. The opinions voiced by many ordinary members of the middle class indicate that those people do not expect a thorough reform of the state model, but simply want its most restrictive aspects to be remedied while preserving the informal (pathological) rules of which they themselves have also been beneficiaries.<sup>38</sup> For a majority of the Russian middle class, the case of Ukraine (and especially the capability of ‘the street’ to change governments) is tantamount to the destruction of the state, while their most desired scenario for Russia seems to be the rule of Dmitry Medvedev, who offered mitigated form of exercising power without considerably changing its substance.

A **‘politically motivated’ section of the middle class**, which believes that a deeper reform of the system is necessary, also exists in Russia, but it cannot create the critical mass needed to influence the course of events. Its development has been arrested by the wave of restrictions it faced in the aftermath of the protests

<sup>37</sup> According to estimates by Natalia Tikhonova (Russian Academy of Sciences), around half the middle-class population are employed in the public sector and their incomes are not regulated by the market. *Op. cit.*

<sup>38</sup> Members of the middle class commonly accept corruption, which they see as a way of resolving situations when dealing with the state bodies, or when one has violated the law.

in 2011–2012; as well as by the economic decline, which has hit the sectors where its members make their living, i.e. the independent media, non-governmental organisations and the advertising industry.<sup>39</sup> Paradoxically, open borders have not helped this group's growth; many sworn opponents of the government have decided to leave the country because of the lack of any prospects for democratisation. Russia has experienced an unprecedented wave of emigration in recent years,<sup>40</sup> which mainly involved members of the middle classes, and is comparable in terms of scale to the emigration wave of the 1990s. It has contributed to the growth of Russian diasporas in Central Europe (especially in Latvia, with its liberal residency rules, as well as Bulgaria and the Czech Republic) and in Western Europe (London, Berlin)<sup>41</sup>.

The phenomenon observed in Russia, i.e. the periodic political mobilisations of some opposition social groups (the *perestroika* wave in the mid-1980s, the first half of the 1990s, the turn of 2012) could be seen as **cyclical social involvement**. Those waves of activism have triggered (or strengthened) processes at the national level, but they have not led to the formation of lasting and influential civil society structures that could defend civil rights in Russia and strive to establish society as a political actor. While the general public is an important (or even crucial) factor in the government's legitimacy, at the same time it is being effectively manipulated by the government using economic and propaganda methods. However, contrary to some opinions, the current ruling team seems incapable of **building a neo-totalitarian system** involving the mobilisation of the public and mass repression. The obstacles that prevent such a course include both the lack of an effective and

<sup>39</sup> The SME sector has shrunk by around a million people. For more information, see Georgy Stepanov, Российский средний класс расстается с амбициями, *Новые Известия*, 30 March 215.

<sup>40</sup> More than 200,000 people emigrated from Russia permanently in 2014, and many others have left Russia temporarily or moved their families abroad.

<sup>41</sup> See Jadwiga Rogoża, Emigracja rozczarowanych [Emigration of the disillusioned], *Nowa Europa Wschodnia* [New Eastern Europe], 6/2014.

efficient state apparatus, and the lack of an inspiring and commonly shared ideology, which together could effectively mobilise the masses, as was the case in the Stalinist period.

### III. THE OUTLOOK FOR THE FUTURE – CHANGE OF THE LEADERSHIP OR THE SYSTEM?

The Putinist model of state is facing the prospect of **degradation and financial & organisational inefficiency**. The resources that the Russian state will command in the coming years will be increasingly insufficient to cover the inflated budget spending levels of the recent past, and or to meet the needs of the unreformed and capital-intensive economy, as well as the appetites of the elites at all levels and the extensive network of lobbyists who have been feeding off the public finance in Russia and expect to be continually supported by the state. Moreover, the quality of the decisions being taken by the state authorities has been declining, as they habitually entail side-effects which in themselves often require costly remedial measures. As mentioned above, the annexation of Crimea has led to a spectacular consolidation of Vladimir Putin's power, but it also triggered a confrontation with the West (which has harmed the interests of many groups in Russia) and the sanctions which have hit the Russian economy; it forced Russia to start financing both the newly-acquired region and the subsequent military operation in Donbas; and it boosted the state's repressive nature, again striking at the interests of large sections of the Russian elite. The policy of confrontation with the West has also affected Russia's economic model based on exporting the resources – of which the European Union is, and will for some time remain, the main consumer – and the absorption of revenue by the elite.<sup>42</sup>

Studies of the Russian state's condition increasingly refer to an **agony of the system**,<sup>43</sup> which has been unable to generate new development projects, and whose reaction to the progressing degradation has been limited to escalating repression and the use of force.

<sup>42</sup> As Lilia Shevtsova has said, the Kremlin has changed Russia into a fortress under siege, which cannot be reconciled with another paradigm, that of Russia the petrol station. Своим возрождением Запад будет обязан Путину, *colta.ru*, 14 April 2015.

<sup>43</sup> See Lilia Shevtsova, *Has the Russian System's Agony Begun?*, *op. cit.*

However, the symptoms of agony do not automatically mean that the collapse of the Putinist system is imminent. The system's agony may turn out to be a protracted process, because there are many factors in Russia which increase **the system's potential to endure**, even while it continues to degrade. The economic and systemic factors that should be named in this context include the 'manual control' mechanisms in the economy which, even though they perpetuate the archaic and inefficient economic model, may be helpful in postponing crises in individual branches of the economy, sustaining individual strategically important enterprises, or regulating the prices of staple foods, which is vitally important for the less affluent strata of society. A possible improvement in the market for Russia's export resources in the coming years may also contribute to extending the life of Russia's inefficient economic model.

A number of political and social factors will also contribute to **sustaining the inefficient system**. The Russian public at large, which associates any change of government with destabilisation and chaos, has lent the ruling camp very high (albeit passive) support, and is susceptible to manipulation by the government. Meanwhile that part of Russian society whose attitudes and interests run counter to the government's line is too weak and small to build the critical mass needed to initiate change. The attitude of the broadly understood elites of Russia, i.e. business, the state administration and the intellectual and cultural communities, is even more significant for the political regime's viability. Even though many groups in the elite (and business in particular) have been suffering considerable losses as a result of the Russian government's anti-Western global-power politics and the lack of reliable guarantees of property rights, what they fear even more is a change of leadership and the destabilisation it could entail. The current system, while far from perfect, is still regarded as a lesser evil compared to the prospect of change. The dominant view, also outside Russia, is that Vladimir Putin could only be replaced by 'someone even worse', such as a more radical member of the security services or a nationalist. This attitude testifies to the efficacy of the Kremlin's narrative, which has

been building an image of Putin as the sole guarantor of political and economic stability, the sole 'European'<sup>44</sup> and a shield to protect the oligarchs and the assets they acquired for peanuts in the 1990s from the people's wrath.

At present, Putin's inner circle, consisting of past and present members of the secret services, has the greatest and most direct influence on the Russian leader's position and continued rule. Only this group seems able to exert influence both on the decisions of the president and the decisions concerning the president. As stated above, these people share Putin's worldview, while the president is a guarantee that they retain their position and influence. However, the greatest challenge to the system's stability is posed by its own underlying feature, i.e. the fact that it is based on informal rules, personal links, sympathies and relations of trust that are far from transparent or predictable. In such conditions, external observers find it very difficult to precisely diagnose and identify the relations within the system, the shifting interests and ambitions of individual actors. As researchers argue, in the event of a 'palace coup', the criteria guiding the elite members conducting the coup are very far from what is considered as public policy criteria in democratic states. The key factors concern neither the popularity of the leader to be toppled, nor levels of economic growth, but rather the arbitrary interests and ambitions of those undertaking the coup.<sup>45</sup> At this stage it could be said that Putin's policy has also been triggering some muted reactions in his closest circle. According to researchers, the voice of Yevgeny Primakov, the recently deceased former prime minister and head of the Foreign Intelligence Service, highly respected in the secret

<sup>44</sup> This illustrates a certain historical continuity in the thinking of the Russian elite and intelligentsia, whose biggest fear concerns a 'revolt of the masses'; in this context one often hears the quote from Alexander Pushkin: "The government is the sole European in our country".

<sup>45</sup> See Naunihal Singh, *Seizing power: The strategic logic of military coups*, in Yekaterina Shulman, *Неокремлинология и ее пределы*, *Vedomosti*, 2 February 2015.

service community, was a signal of this kind. In his statements and publications last year, Primakov expressed cautious scepticism about the conflict with the West, which in his view had gone too far, and the losses it had generated for Russia.<sup>46</sup>

Another challenge to the current personalised regime and Putin's position comes from the need to constantly **demonstrate the leader's strength, skill and vitality**. In such a system the president's image, and especially the way he is perceived by his own circle, is as important as his formal prerogatives. This is visible in the Kremlin's propaganda, which has been emphasising the president's personal role in the pivotal moments of Russian history (the documentaries mentioned above attribute Russia's successes over the last 15 years solely to Putin). At the same time, Putin's indecision in some crucial situations has had an adverse impact on his image. Much criticism was voiced after the president failed to adopt a decisive stance in the aftermath of Boris Nemtsov's assassination, or to take any visible measures to resolve the open conflict that broke out at that time between the secret services (the FSB and the Investigative Committee) and the Chechen leader Ramzan Kadyrov. The president's image was also marred by his panicky reaction on 'Black Tuesday' (16 December 2014, when the exchange rate of the rouble against the dollar and the euro plummeted), or his helplessness during the annual press conferences in December 2014 and April 2015, when he was unable to present a convincing strategy for solving Russia's deepening economic problems or offer a vision of Russia's further development. Finally, his ten-day disappearance in March 2015 also created a bad impression, as it triggered a wave of speculations about his health and plastic surgery procedures that he was allegedly undergoing. Such critiques, which are the political norm in democratic

<sup>46</sup> Professor Mark Galeotti, who studies the Russian power elite, has coined the term 'seventh column' to denote the influential *siloviks* in Putin's inner circle who oppose further confrontation with the Western world and may pose the greatest challenge to Putin's position. See <https://inmoscowsshadows.wordpress.com/2015/01/24/russias-intelligence-system-a-presentation>

countries, resonate widely in the extremely personalised Russian system, and a protracted, unexplained absence of the leader may upset the system as it relies on the 'manual control' mode.

The evolution of the Putinist system demonstrates that the Russian leadership has followed the path of undemocratic regimes, which often start by carrying out reforms in the spirit of 'enlightened absolutism' and end up preserving their power using ever more radical methods. Such systems render it impossible for those in power to step down voluntarily, because doing so would mean losing their position, assets, and sometimes even their personal security. **This makes a peaceful succession less likely to happen** and imposes the logic of extending the leader's rule indefinitely, which can only be limited by a "human factor". The experience of the last 15 years of Russia's history shows that 'extraordinary means', i.e. **military successes and gains in foreign conflicts**, are the most effective way to consolidate power. Putin's popularity peaked in 2000, at the height of the Second Chechen War; in 2008 during the armed conflict with Georgia; and in the years 2014–2015, following the annexation of Crimea and during the conflict in eastern Ukraine. Such events are effective in making the public forget about internal problems, including economic difficulties.<sup>47</sup> However, this mechanism may be double-edged, and once the foreign conflict is over, the society's attention shifts back to internal issues, including the vital question of standards of living (after the 'Georgian euphoria' public sentiments quickly started to deteriorate as a result of the economic crisis in the years 2008–2009). The subsidence of popular euphoria one year after the annexation of Crimea also proves that the effects of the use of force and propaganda inevitably wear off. That, in turn, makes it more likely, or even inevitable, that the use of such methods will be escalated and the fields of conflict expanded.

<sup>47</sup> Mikhail Dmitriyev, *Внешнеполитический конфликт как основа рейтинга президента*, *Vedomosti*, 1 March 2015.

Even though the Russian leadership has instruments to prolong the duration of the current system, its internal unpredictability may result in the accumulation of negative factors and, in consequence, an **extensive crisis of the state**. While it is probable that in the aftermath of such a crisis the country's leadership may be replaced, a **systemic change** leading to the formation of a decentralised political system based on institutions is a much less realistic prospect. The authoritarian model of power rooted in the Russian tradition seems set to outlast the current Russian leadership. At this stage, there are no major forces in Russia that could offer a programme for a deep reform of the state model, even among the opposition. The political projects that exist, such as those of Alexei Navalny or the émigré Mikhail Khodorkovsky, are general and do not have many supporters, which means that at this stage they are simply utopian. A new leadership could only be 'ushered' into the Kremlin by members of the current ruling elite, who are likely to opt for systemic and personal continuity.

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