# Zugzwang in slow motion?

The implications of Russia's system-level crisis

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# **ZUGZWANG IN SLOW MOTION?**

THE IMPLICATIONS OF RUSSIA'S SYSTEM-LEVEL CRISIS

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#### **SUMMARY**

The upsurge in Russia's foreign political and military activity should be understood and analysed as a reaction to several internal and external setbacks that the Russian system has suffered in recent years. As a response to these multiple challenges, the Russian leadership has switched on a crisis mode that legitimises exceptional measures in both foreign and domestic policy.

Domestically, this mode has meant 'internal mobilisation': the creation of enemy images, assertive patriotism, growing isolationism, tighter control and more aggressive use of information resources. In the name of national unity, only the dominant version of patriotism is accepted while others are easily branded as 'fifth column' or 'foreign agents'.

While the internal mobilisation and portrayal of Russia as a 'besieged fortress' seem to have improved the system's resilience in the short term, the underlying systemic problems remain unresolved. Adding to the problem is the nature of the Russian system: instead of formal political institutions, it relies on unofficial networks of power that sustain and support the system but simultaneously limit its powers and restrict its capability to reform. As a result, the system is unable to solve the long-term structural problems it is facing.

Not only is the Russian system in crisis, but more precisely, it uses and instrumentalises the crisis mode in order to legitimise and secure its power. As the system is currently unable to provide Russians with increasing standards of living, protecting them from an outside threat has become the system's main source of legitimacy. Uncertainty and a crisis atmosphere are therefore not a phase Russia is going through but rather a more permanent feature that the regime needs in order to maintain its popularity and power.

The political passiveness combined with the popular resonance of the isolationist discourse and the effective elimination of any viable alternatives to the regime indicate that the leadership will be able to hold on to its power for the time being. However, the systemic problems will remain unresolved and will gradually worsen. This dilemma is what this paper has dubbed 'zugzwang in slow motion'.

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#### Introduction

Russia's military action in Crimea, Donbass and most recently in Syria has left many outside observers puzzled: where does this sudden audacious aggression stem from? The popular Russian explanation that the country has developed into a strong and powerful state rings hollow against figures that indicate that Russia remains a weak and risky state with regard to the rule of law, its economy, infrastructure and long-term political stability.

In order to understand Russia's external behaviour, it is crucial to examine the country's political system; only in this way is it possible to assess what kind of policies the system is likely to produce in any given situation - namely, what is the 'logic' of the system. This analysis argues that the system has suffered several internal and external setbacks during the past couple of years that have posed a challenge to its resilience and shaken the poise of its leadership. These setbacks include international changes such as the increasing role of the EU in the post-Soviet space as well as internal changes such as the mainly urban discontent with Vladimir Putin's decision to seek his third presidential term in 2011–12, Russia's inability to diversify its economic structure and root out corruption, the economic downturn and the fall in energy prices. Some of these changes happened with little input from the Russian system itself, while others resulted from the nature of the system and/or the policies it produced.

In order to improve its resilience, the Russian system has switched on a crisis mode: a perception of a major outside threat has allowed exceptional internal and external measures and unified the nation behind the leadership. This analysis argues that this has successfully increased the short-term resilience of the system. However, the system is incapable of addressing the underlying longer-term structural problems. As they remain unresolved, the system could gradually slide into a 'zugzwang'. The German term literally translates as

'compulsion to move': it describes a situation on a chessboard, usually when the endgame phase has been reached, where all available moves make the situation worse for the player in question.

The term has been used previously to describe different situations concerning Russia, 1 but this analysis argues that the problem has to do with the system itself: not only is there a lack of good alternatives concerning some particular policy decisions, but the whole Russian system is moving towards a zugzwang. This does not, however, mean that there is a sudden collapse in sight: it is more likely that the system will be able to cope with the setbacks and problems it faces by muddling through, with the deeper structural problems remaining unresolved.

As a starting point, this analysis examines the nature of the current Russian crisis, its relationship with and significance to the system, the ways in which the system has reacted to the crisis and what this means for Russia.

We draw on Alena Ledeneva's authoritative definition of the Russian 'sistema', according to which the system is based on unofficial and reciprocal networks of political and economic power instead of formal political institutions. These networks of power sustain and support the system but simultaneously set limits on its power and restrict its freedom of action and capability to reform itself. They make governance complex, diffuse and seemingly unpredictable. According to Ledeneva, the system is bigger than Putin: even the president is limited

See e.g. McDermott, Roger (2010): "Russian Military Manpower: Recurring Zugzwang." Eurasia Daily Monitor 7.218 (2010): 7; Pastukhov, Vladimir (2013): "Moskovskiy zugzvang", Novaya Gazeta, 14 Aug 2013, pp. 8–9; Sakwa, Richard (2014): Putin Redux. Power and Contradiction in Contemporary Russia. Routledge, London & New York; and Whitmore, Brian (2015): "Putin's Deadly Zugzwang". Radio Free Europe/Radio Liberty, 11 June 2015: http://www.rferl.org/content/putins-deadly-zugzwang/27067188.html.

and enabled by the system and he cannot set himself free from it, even if he wished to do so.<sup>2</sup>

Forming the basis of this analysis are a multitude of texts, chosen to provide an up-to-date and in-depth picture of Russia's system. All of the texts studied in this paper have been published relatively recently and all of them offer an original argument or thesis concerning Russia's political system and recent developments. In order to provide a diverse view of the current discussion, the selection includes texts produced both in the West and in Russia. The authors include both pro-regime writers such as Vladimir Yakunin and Sergei Glazyev, as well as fierce critics of the system such as Karen Dawisha.<sup>3</sup>

## Putin as the personification of hopes

Although this analysis agrees with Alena Ledeneva's perception that the Russian system both enables and limits even President Putin's power, the mutually constitutive relationship between the leader and the system is a complex one. Indeed, analysts differ remarkably in their assessment of how much of the Russian system is President Putin's achievement and the role he is currently playing within the system.

Putin is often seen as being somehow 'above' the system. Richard Sakwa calls him 'the great arbiter' between different elite groups

2 Ledeneva, Alena V. (2013): Can Russia Modernise? Sistema, Power Networks and Informal Governance. Cambridge University Press, Cambridge. See also Shevtsova, Lilia (2015): "Russia's Political System: Imperialism and Decay". Journal of Democracy, Vol. 26 No. 1, January 2015, pp. 171–182 and Kononenko, Vadim & Arkady Moshes (eds.) (2011): Russia as a Network State. What Works in Russia When State Institutions Do Not? Palgrave Macmillan, London.

3 A complete bibliography is available at the end of this analysis.

and different interests. Others, like Karen Dawisha, believe that the system is the creation and embodiment of Putin and his 'cronies' and hence imply that if they were removed from the top, the system could be reformed.

Surveys indicate that Putin is indeed perceived by Russians to be above the system: trust for the president does not fully translate into trust for the government or the authorities in general. The vast majority of Russians trust Putin (91 per cent), yet a smaller percentage of respondents trust other public institutions (77 per cent trust the government, 72 per cent trust the police, and 66 per cent trust the courts). <sup>6</sup>

In general, one can observe a tendency that the more local the institution, the less people trust it. This explains how Putin remains popular despite the ill-performing and corrupt system that is part and parcel of people's everyday lives. Lev Gudkov, a sociologist and the director of the Levada-Center, explains that in many ways Putin is a catalyst of people's hopes rather than a political leader whose task is to solve practical problems. The paradox here is that the Russian people believe in Putin, not in the system, yet Putin is in no way independent of the system. So although the president is not above politics or the system, people seem to perceive him that

- 4 Sakwa 2014; Hill, Fiona & Clifford G. Gaddy (2015): *Mr. Putin. Operative in the Kremlin.* Brookings Institution Press, Washington, D.C.
- 5 Dawisha, Karen (2014): Putin's Kleptocracy. Who Owns Russia? Simon & Schuster, New York.
- 6 International Trust, October 2015. Survey by the Levada-Center: http://www.levada.ru/eng/institutional-trust. The figures indicate the number of respondents who say that they trust the particular institution either fully or partly.
- 7 Pain, E. A. & Gudkov, L.D. (2014): "Beseda na temu: 'V ozhidanii chuda: rossiyskoye obshchestvo posle krymskih sobitiy'". *Politicheskaya kontseptologiya*, No 1, 2014.

way – and no doubt Putin wants to be perceived that way.

This way of thinking is evident in an article by the president's advisor, populist politician Sergei Glazyev, who forthrightly blames the Russian oligarchs – who have grown accustomed to a cosmopolitan Western lifestyle and hide their money abroad – for Russia's problems and argues that Putin and the honest, ordinary Russian people are blameless. It is rather difficult to believe in the sincerity of this argument given the fact that many of these oligarchs are Putin's close associates from his St. Petersburg years.

Related to Putin's central role, and the illusion of him being 'above politics', is naturally the succession issue. Dmitry Medvedev never acquired the 'above politics' status as president; his popularity has always been dependent on Putin standing beside him. Political technologist-turned-Putin-critic Gleb Pavlovsky claims that the lack of a reliable succession mechanism is a fatal handicap of the current Russian system and makes it much more vulnerable and prone to instability than the Soviet Union ever was. Pavlovsky argues that in the USSR there were always a number of possible successors in

the Politburo, but in contemporary Russia such options do not exist. 10

The succession issue also remains a challenge in the event that power would at some point change hands as a result of an elite coup – which many scholars, including Vladislav Inozemtsev, see as more likely in Russia than a Maidan-like popular uprising. Denis Volkov argues that the fate of the "Putinist" regime depends on the *siloviki*, the security elite. According to Volkov, the leadership is safe from coups as long as the security strongmen do not rise up against it. At the moment, they have no reason to do so because, for them, maintaining the status quo is a better option than radical changes. Therefore, major changes in the upper echelons of power remain unlikely for the time being.

# The economic modernisation dilemma<sup>13</sup>

Russia's problems in reforming the structure of the economy and thus reducing the country's dependency on raw material exports and in creating a new type of economic growth go far beyond the current crisis. Some analysts argue

- 8 Glazyev, Sergei (2015): "K strategii sotsialnoi spravedlivosti i razvitiya". Glazev.ru, 10 Sep 2015: http://www.glazev.ru/econom\_polit/446/. It is worth noting that while Glazyev might fill some sort of demagogic need with his comments, he has little or zero effect on actual policy.
- 9 Putin's close associates include, for instance, the businessmen Gennady Timchenko and Boris and Arkady Rotenberg, as well as the CEOS Alexey Miller of Gazprom, Igor Sechin of Rosneft and Vladimir Yakunin formerly of the Russian Railways. See Dawisha 2014, pp. 338–339 for details.

- 10 Pavlovsky, Gleb (2015): Sistema RF. Istochniki rossiyskogo strategicheskogo povedeniya. Metod George F. Kennan. Izdatel'stvo "Evropa", Moskva 2015, p. 24.
- Inozemtsev, Vladislav (2011): "The Hinge that Holds Russia Together. Why Putin Knows He Cannot Leave His Country To Its Own Devices." Foreignaffairs.com, 30 Sep 2011: https://www.foreignaffairs.com/articles/ russia-fsu/2011-09-30/hinge-holds-russia-together.
- 12 Volkov, Denis (2015): "Nastroyeniya rossiyskih elit posle Kryma". Carnegie.ru, 10 Nov 2015: http://carnegie.ru/2015/11/10/ru-61925/ildv.
- 13 The authors would like to express their gratitude to Bank of Finland's Laura Solanko and Iikka Korhonen for their insightful comments on this analysis.

that Russia has had a "non-reform agenda" since at least the mid-2000s. The so-called 'Yukos affair' in the early years of the new millennium was important in this regard, as it signalled to the power elites in Russia that they were mere managers of the assets that the Kremlin ultimately controlled. Others have linked the change at policy level to the Arab Spring that infected the Russian top bureaucracy with the fear of losing power.

Despite these differences of opinion on when a policy change occurred, most economists agree that the years of high growth experienced during the early and mid-2000s in Russia are over for good. Most importantly, the situation of Russia's economic isolation coupled with low or near-stagnation growth is expected to last for years. In a way, this expectation has already become the 'new normal'.

This development is significant, not least because economic growth has been one of the main sources of legitimacy for the regime in the past. The mechanism of 'rent distribution'

- 14 Oxenstierna, Susanne (2015): "The Decline of the Russian Economy. Effects of the non-reform agenda". *Baltic Worlds*, vol VIII: 3–4, 87.
- 15 Hanson, Philip (2007): "The Russian economic puzzle: going forwards, backwards or sideways?" *International Affairs* 83(5), p. 881.
- 16 Viktorov, Ilya (2015): "The Russian Economy at the Crossroads. Before and beyond the Ukrainian crisis. An interview with Andrei Yakovlev". *Baltic Worlds*, vol VIII: 3-4, 65.
- 17 See e.g. BOFIT Russia Team (2015): BOFIT Forecast for Russia 2015–2017. Bank of Finland BOFIT Institute for Economies in Transition, 24 Sep 2015: http://www.suomenpankki.fi/bofit\_en/seuranta/ennuste/Documents/brf215.pdf; "Russia GDP Growth Forecast 2015–2020 and up to 2060, Data and Charts". Knoema.com, 26 Oct 2015: http://knoema.com/mgarnze/russia-gdp-growth-forecast-2015–2020-and-up-to-2060-data-and-charts.

has ensured that economically non-viable actors have survived and continue to support the regime. Those parts of the economy that live outside the rent distribution networks, for example, the new small and medium size businesses, are nevertheless unable to grow due to weak institutions.

Susanne Oxenstierna argues that we are witnessing a vicious cycle where weak institutions create scope for manual management of economic matters and allow the Kremlin to pursue political rather than economic goals, which in turn limits the need to strengthen the institutions. This description reflects Ledeneva's analysis of the system's informal governance through different networks that combine manual control and personal loyalty to get things done. 19

A general conclusion from years of debate on 'technological modernisation' under President Medvedev, and a belief shared by most researchers of the Russian economy, is that a political reform is required before the dysfunctional (from the viewpoint of sustainable economic growth) patterns of rent distribution within the system can be replaced and the markets can be reinstated as "the main instrument in resource allocation" What is referred to here is the understanding that although the Kremlin promotes policies and businesses that contribute to the overall economic growth, the key sectors are treated as strategic assets and thus, are fully controlled by the state. <sup>21</sup>

- 18 Oxenstierna 2015, p. 89.
- 19 Ledeneva 2013, p. 231; Mellow, Craig (2015): "Will Russia Ever Recover from Its Economic Crisis?" *Institutionalinvestor.com* 27 Apr 2015: http://www.institutionalinvestor.com/article/3447968/asset-management-macro/will-russia-ever-recover-from-its-economic-crisis.html#/.VjnNwrcrK70.
- 20 Oxenstierna 2015, p. 89.
- 21 Hanson 2007, p. 881.

The strengthening of the market mechanism, or so the logic goes, would require unpacking the Kremlin-controlled rent distribution mechanism.

Although the roots of the statist thinking lie in the developments of the early 2000s, it can be argued that since 2012 and Putin's return to the presidency, the arguments by conservative economists have become even more popular in Russia. Western economic institutions and cooperation are portrayed as an American plot targeted at keeping the great Russia at bay, and Russia aims at increasing its resilience by creating parallel norms and institutions.<sup>22</sup> It is also argued that the current Russian system is too open to outside influence through the elite's Western lifestyle, dependencies created by cross-border capital flight and monetary speculation.<sup>23</sup> The emergence of such claims reflects the overall political discourse in Russia since the war in Ukraine began.

The line of thought promoted by the conservative economists is described as "conservative modernisation". According to a founding member of the conservative Izborskiy Club, Vitaliy Averyanov, there is no contradiction between the two concepts.<sup>24</sup> Political scientist Elena Chebankova argues that the conservative thinkers do realise that resisting globalisation

is futile, and they are seeking some sort of "acceptable adaptation". Attempts have been made to invest in strategic industries "that could consolidate and promote Russia's potential leadership in the international arena". Those include, for instance, technologies related to Arctic exploration, support for the aviation industry, restructuring the army, and large industrial projects mainly in the sphere of infrastructure. To a large extent, this thinking is shared by President Putin: in the 2012 presidential decrees that outlined the economic programme for Russia, the defence industry was named as a "driver" in economic development. The service of the service

To become a 'driver of economic growth', the core functions of the Russian defence industry should undergo fundamental changes – which seem highly unlikely in the current circumstances. However, the injection of money into the defence industry can be understood as an attempt to increase the resilience of the regime and to postpone a possible public outcry due to harsher economic conditions. It has been suggested that protest potential among the Russian public is more likely to take a form

<sup>22</sup> For instance, since the sanctions regime was established, Russian politicians and officials have been calling for the creation of Russia's own national card payment system; the card has already been given a name, *Mir*. Putin has also highlighted the need to create a separate credit rating agency for Russia.

<sup>23</sup> Glazyev 2015. See also Yakunin, V. I., V. E. Bagdasaryan & S.S. Sulakshin (2009): Economic Policy Ideology. Moscow, Nauchnyi expert. Available at: http://rusrand. ru/files/15/01/21/150121113235\_econ\_policy.pdf.

<sup>24</sup> Ilyashenko, A., A. Kobyakov & V. Averyanov (2014): "Konservatizm – eto borba s krainostyami." Golos Rossii, 2 Feb 2014. Available at: http://dynacon.ru/content/ articles/2605/.

<sup>25</sup> Chebankova, Elena (2015): "Contemporary Russian Conservatism", pp. 20–21. Post–Soviet Affairs, 13 Mar 2015. Available at: http://www.tandfonline.com/doi/full/10.1080/1060586X.2015.1019242.

<sup>26</sup> Oxenstierna 2015, pp. 89-90.

<sup>27</sup> Pynnöniemi, Katri & Petteri Lalu (2015): "Huomioita Venäjän sotateollisen kompleksin kehitysnäkymistä", Tutkimuskatsaus 4, Puolustusvoimien tutkimuslaitos. Available at: http://goo.gl/gDkuco.

of economy-related protests rather than full-scale political demonstrations like the 2011–12 protests. <sup>28</sup>

Responding to public sentiments is important from the point of view of the regime, especially as it is not only the remote regions (the *oblasts*) of Russia that are suffering from the economic downturn: the substantial shrinking of the service sector is also taking its toll on the big cities, as argued by a prominent commentator on economic affairs, Natalya Zubarevich.<sup>29</sup>

As suggested above, contrary to the "conservative modernisation", the shrinking liberal strand of the Russian economists, together with their Western counterparts, argue that the main problem is the weakness of actual market mechanisms in Russia. This makes the economy inefficient and has a very negative effect on the whole country. According to this line of thought, the biggest structural problem is the excessive involvement of the state in the

economy.<sup>30</sup> There is a profound internal contradiction here: the state is increasingly controlling the economy but it simultaneously suffers from a lack of efficient tools for economic management under the conditions of inadequately functioning market mechanisms.

Simply increasing state control of the economy does not count as a reform, as everyone knows. 31 What is perhaps more troubling is that the whole idea of economic reforms has been downgraded and, with this, the possibilities of sustainable economic growth in the future are becoming more and more limited. An economic collapse might be unlikely, but the structural problems remain: the retirement age is still only 55 for women and 60 for men, the working-age population is shrinking rapidly, the already weak small and mid-size businesses are currently further weakened by the crisis, and the dependency on energy exports ('the resource curse') is not going to disappear anytime soon. Russia is merely muddling through by adjusting

<sup>28</sup> Dmitriev, Mikhail et al. (2015): Mezhdu Krymom i krizisom. Pochemu izmenilis' sotsial'nye ustanov-ki rossiyan? Doklad Komitetu grazhdanskih initsiativ podgotovlen po zakazu Fonda Kudrina. Khozyaystvennoye partnerstvo 'Novyi ekonomicheskiy rost', Moskva, p. 65. The ongoing situation with the truckers' protests against the road payment system will demonstrate the system's agility to respond to these kind of challenges.

<sup>&</sup>quot;Po kom sil'nee vsego udarit krizis? Otvechaet
Natal'ya Zubarevich." Tvrain.ru, 30 Sep 2015: https://
tvrain.ru/teleshow/dengi\_prjamaja\_linija/natalja\_
zubarevich\_krizis\_silnee\_vsego\_udarit\_po\_krupnym\_gorodam-395429/. Zubarevich argues that the
crisis is having the biggest effect on the regions with
strong manufacturing industries such as the automotive industry, whereas export-oriented regions are faring better so far.

<sup>30</sup> Kudrin, Alexey & Evsey Gurvich (2015): "A new growth model for the Russian economy". BOFIT Policy Brief 1/2015: http://www.suomenpankki.fi/bofit\_en/tutkimus/tutkimusjulkaisut/policy\_brief/Pages/bpb0115.aspx.

<sup>31</sup> One camp to call for reforms and cause tensions between the different elite groups could be the oligarchs. Until the Ukraine conflict, they could evade risks by investing in Western markets and transferring part of their money to Western banks and financial institutions. With the isolationist policy turn, this route has been at least partially closed. Andrei Yakovlev (in Viktorov 2015) has suggested that the inherent conflict between the Russian political and economic elites has not yet materialised, nor has it been resolved.

to the crisis and seems to be facing a period of stagnation. 32

This is exactly where dependency on Putin's personal popularity makes the regime so vulnerable. If the leadership did eventually try to reform Russia, then the only way to implement the reforms would be by the president himself presenting some of the most painful ones, as the people's trust is primarily invested in him and not in other institutions. However, we have a decade of evidence attesting to the fact that Putin is not willing to sacrifice his popularity – and risk his own position as the 'above politics' sovereign of Russia – in order to improve the system. Therefore, major economic reforms remain unlikely.

# Changing patterns of internal mobilisation and control

Since the kick-off of Putin's third term, the leadership has increased the control over Russian civil society. This is not to say that there was no civil society control or suppression of plurality earlier, but only to note that this development has accelerated significantly since 2012.

As a reaction to popular protests in 2011–12, Putin signed a law branding Russian NGOs which receive funding from abroad as 'foreign agents'. However, the change is more

32 On adjusting to the crisis, Natalya Zubarevich argues that the Russian labour market is now making people work part-time and implements unpaid administrative leaves and other similar measures. See "Ishchem vyhod... Gde na Rusi zhit' opasno?" Ekho Moskvy, 04 Nov 2015: http://echo.msk.ru/programs/exit/1651876-echo/.

33 During Putin's first presidential term, major economic and tax reforms were carried out when making them was easier due to high oil prices, but since then there have not been significant reforms despite the dire need for them.

comprehensive: there is a deep sense of insecurity amongst the NGOS, as their status and activities can be challenged anytime by the regime. Hence, not only businesses but also civil society suffers from the lack of the rule of law, non-transparency and corruption of the system.

Alongside the growing restrictions and control of "dissentful" organisations, the current internal mobilisation has also encouraged and increased "consentful" NGOS, which are inspired by the patriotic, pro-Putin agenda. Although some of these consentful organisations receive direct funding from the state, many of them may originally have been engendered by a purely private incentive. Russia's great power status and the active, aggressive foreign policy in the post-Soviet space, as well as the great Soviet myths such as the Great Patriotic War, truly and genuinely resonate with the wider Russian public.

In fact, surveys indicate that the Soviet myths have been transferred effectively to the younger generation of Russians who do not have first-hand experience of the Soviet past. If propagandist Soviet popular culture and films are used as historical sources describing how things realistically were during the Soviet Union, the younger generation can easily have an even more positive image of the Soviet era than those who have lived through it. Even the great Soviet fears seem to have been transferred and replicated in the current society: the West, Fascism, Western liberal ideas and capitalism.

- 34 The dissentful/consentful categorisation of Russian NGOs originates from Cheskin, Ammon & Luke March (2015): "State-society relations in contemporary Russia: new forms of political and social contention", *East European Politics*, Vol. 31, no. 3 (2015), pp. 261–262.
- 35 See e.g. Evraziyskiy monitor: Vospriyatie molodezhyu novyh nezavisimyh gosudarstv istorii sovetskogo I postsovetskogo periodov, April–May 2009. Available at: http://www.eurasiamonitor.org/rus/research/event-162.html.

The repressive measures together with the mobilising measures underline the leadership's power to define what is acceptable and what is not. As Ammon Cheskin and Luke March put it, the "current regime establishes increasingly clear boundaries between 'legitimate' (patriotic) and 'non-legitimate' (Western, unpatriotic) claims". 36 Lev Gudkov argues that the regime is currently moving from authoritarianism towards totalitarianism: the state also increasingly attempts to define what is legitimate private behaviour for a Russian citizen. The system wants to control morals, art, what is decent and what is not, what happened in history, how to have sex and how to bring up children.37

To increase the resilience of the inefficient and corrupt system, Putin's strategy is first and foremost to build up a 'besieged fortress' mentality. This is done, as shown above, by increasing the internal control and taking advantage of the resulting internal mobilisation. This enables the state leadership to brush fundamental problems such as structural economic weaknesses under the carpet and claim that the roots of the problems lie elsewhere: for instance, Western sanctions are presented as the reason for lay-offs and the decreasing purchasing power of Russians. The same applies to the foreign policy front: the Maidan revolution in Ukraine cannot be accepted to have been a popular uprising by Ukrainians, but is branded instead as an unconstitutional and undemocratic Us-orchestrated proxy coup.<sup>38</sup>

Resulting from this, calls by Russian citizens for any political claims that do not match the official line easily lead to branding the people in question as unpatriotic foreign agents or even as members of the 'fifth column'. The internal mobilisation equates the survival of the Russian system in its current form with the survival of the Russian state – and even of the nation.

## The system instrumentalises the crisis

A majority of commentators on today's Russia agree that the country is currently facing huge challenges - it has reached a 'culmination point', a 'major crisis' or even a 'survival struggle'. 39 There is also a near-consensus that the crisis period started around the time Putin assumed the presidency for the third time in 2012. This was the time when the Russian economy started to show serious signs of a downturn and when tens of thousands of Russians in Moscow and in other major cities took to the streets in protest. Although the challenge the protesters posed was never significant and determined enough to seriously threaten the system, it was a factor in the development of the crisis mode. As Richard Sakwa laconically notes, "Putin never reacted well to criticism". 40

However, there is much more to the protests than merely the fact that Putin does not like criticism. The demonstrations highlighted the biggest weakness of the system: the fact that it has been unable to consolidate an economic system based on the rule of law and political institutions that would enable popular participation in political change. <sup>41</sup> Furthermore, the regime has been unable to tackle the severe social and economic problems that Russia has

<sup>36</sup> Cheskin & March, p. 269.

<sup>37</sup> Lipskiy, Andrei (2015): "Totalitarniy dreyf" (Interview with Lev Gudkov). *Novaya Gazeta*, 31 Aug 2015: http://www.novayagazeta.ru/politics/69727.html.

<sup>38 &</sup>quot;Interview to American TV channel CBS and PBS".

Kremlin.ru, 29 Sep 2015: http://en.kremlin.ru/events/
president/news/50380.

<sup>39</sup> Shevtsova 2015, pp. 171–182; Kolesnikov, Andrei (2015): "The Russian Regime in 2015: All Tactics, No Strategy". Carnegie.ru, 9 Sep 2015: http://carnegie. ru/2015/09/09/russian-regime-in-2015-all-tacticsno-strategy/ih3t; Sakwa 2014.

<sup>40</sup> Sakwa 2014, p. 193.

<sup>41</sup> Dmitriev et al. 2015, p. 65.

been facing for a much longer period of time than just the current crisis. Issues such as decaying infrastructure, a non-competitive, energy-dependent economy, the looming sustainability gap due to demographics and so forth are all problems that have been inherent from the beginning of Putin's rule. The current crisis represents a setback for the system, but the problems it would really need to address are much deeper than the acute effects presented now by the decreasing oil prices or the sanctions regime.

During the current crisis, the small group of people that constitutes the Russian leadership has in some ways become the Politburo – a black box within which politics is made, which looks unified on the outside and which no one is allowed to criticise. <sup>42</sup> According to Lev Gudkov, the system repeats Soviet practices, but he also notes that the current ethos of unity and patriotism which is contrasted with the image of the enemy resembles all totalitarian ideologies, not just the Soviet one. <sup>43</sup>

Sergei Prozorov would not call this an ideology at all but rather the "reproduction of rituals" that does not try to advance Russia towards

A2 The political consultant Evgeny Minchenko calls the Russian leadership "Politburo 2.0", see e.g. http://minchenko.ru/analitika/analitika\_57.html. Hanson (2007) refers to the Kremlin as an heir to the Soviet Politburo, namely the primus motor of Russian economic policy that has turned to "statism" since 2003. Hanson argues that the liberal technocrats who lead the key economic agencies have not initiated this turn of events and their role as a potential "vanguard" for liberalisation is very limited. See Hanson, Philip & Elizabeth Teague (2013): "Liberal Insiders and Economic Reform in Russia", Chatham House, Report no. 1, January 2013, p. 18.

43 Pain & Gudkov 2014; Gudkov in Lipskiy 2015. Gudkov talks about the current Russia being a "one party system", but he is making this argument from a sociological point of view and referring to sociological mechanisms and the Russian mindset.

any particular goal, but merely keeps the system afloat and its leaders in power. Politics has vanished but the illusion of political actorness remains (in the form of Putin's image). This 'limitlessness' of politics in Russia is what Prozorov calls 'bespredel'. 44 According to him, the same logic can be seen to apply to foreign policy. Russia wants to be recognised as a great power but it does not have a proper great power ideology or projection apart from the simulation of the status itself. 45

Tikhon Dzyadko, deputy editor of the liberal TV station Dozhd, claims that in "this [Russian ideological] void, history becomes the only possible unifier". The 'holy' victory in the Great Patriotic War is the most sacred of all Soviet myths and still very much alive in Russia today – as Dzyadko puts it, "it's almost impossible *not* to get the nation's support" with that reference. <sup>46</sup> A well-known political analyst, Lilia Shevtsova, has long argued that the Russian system has reached the limits of its peacetime

- 44 Prozorov, Sergei (2010): "Ethos without nomos: the Russian–Georgian War and the post–Soviet state of exception". *Ethics & Global Politics*, Vol. 3, No. 4, 2010, pp. 255–275. The word *bespredel* originally derives from criminal jargon but it has been used as an analytical concept by a range of scholars.
- 45 Prozorov, Sergei (2014): "Five theses on the aftermath of the Ukrainian revolution". Politiikasta.fi, 13
  Mar 2014: http://politiikasta.fi/artikkeli/five-theses-aftermath-ukrainian-revolution. See also Reshetnikov, Anatoly (2011): "'Great Projects' Politics in Russia. History's Hardly Victorious End", Demokratizatsiya Journal of Post-Soviet Democratization, vol. 19, no 2, pp. 151–175. Available at: https://www.gwu.edu/~ieresgwu/assets/docs/demokratizatsiya%20ar-chive/GWASHU\_DEMO\_19\_2/L027R24557311867/L027R24557311867.pdf.
- 46 Dzyadko, Tikhon (2014): "Putin Is Using WWII for Propaganda Because It's the Best Memory That Russia Has". *Newrepublic.com*, 23 Apr 2014: https://newrepublic.com/article/117479/russia-world-war-ii-victory-putins-obsession.

adaptability. According to her, the system is in a period of decay which means it is acting in an aggressive way. Following this "new Putin Doctrine", Russia will from now on confront the outside world in 'militarist mode', she argues and claims that Putin has given up any hope of improving or modernising the system under his rule: a phase of 'suicidal statecraft' has begun.<sup>47</sup>

It can be concluded from all of this that the Russian system is not only in crisis, but more precisely, it *uses* and *instrumentalises* the crisis mode in order to legitimise and secure its power. Now that the system is unable to provide Russians with an increasing standard of living, <sup>48</sup> protecting them from an outside threat has become the main source of legitimacy.

The system is in crisis, but the real long-term crisis is stemming from very different sources from the ones the regime is claiming, and the measures that have been taken internally and externally are likely to deepen the crisis in the long term, but confer praise and popularity on the regime in the short term. The system is not completely static and there are some minor signs of movement behind the scenes<sup>49</sup>, but a major change of direction is not in sight. The

47 Shevtsova 2015. This argumentation is partly shared by

Lev Gudkov as well (Pain & Gudkov 2014).

regime has prioritised its own survival over tackling the underlying fundamental crisis of the system (in which case leaders might themselves lose power but the system would be stronger).

#### Conclusion

Some observers claim that the Russian system has already reached its nadir and the situation could unravel quickly if something unexpected happens. <sup>50</sup> However, political apathy combined with the popularity of the 'besieged fortress' discourse and the effective elimination of alternatives to the regime indicates that Russia will more likely be facing a lengthy period of political, economic, and intellectual stagnation.

As this analysis has attempted to demonstrate, President Putin and his 'above politics' status, conservative patriotism that leans heavily on the Soviet past and enemy images, and the state-dominated economy are all popular concepts in Russia, which means that there is no immediate pressure from below to change the course.

Yet it has also become increasingly clear that the system and its leadership are incapable of addressing the fundamental systemic problems Russia is facing – and has been facing for a long time. The leadership is focused and tactically agile: by controlling the domestic information space, it spins its failures and systemic flaws into Western threats, yet it has no strategy on how to solve the actual problems. In foreign policy it markets its aggression as defensive and morally righteous struggles, and separatists supported by Russia are rebranded as respected state leaders.

Simultaneously with these tactical moves, the system eliminates alternatives and political opposition by drawing an equals sign between

<sup>48</sup> Pavlovsky 2015; Tavernise, Sabrina (2015): "Inflation Robs Russians of Buying Power". Nytimes.com, 18 Aug 2015: http://www.nytimes.com/2015/08/19/world/europe/russians-feel-rubles-fall-but-putin-remains-mostly-unscathed.html?\_r=2.

<sup>49</sup> These include e.g. the recent removal of Vladimir
Yakunin from his position as the head of Russian Railways, the visible re-emergence of Prime Minister
Dmitry Medvedev in the public eye, the rumours stating that the former Finance Minister Alexey Kudrin
will return to government, and the information leaked
to the public concerning the extravagant estate outside Moscow of the well-liked defence minister, Sergey Shoigu.

<sup>50</sup> Kolesnikov 2015.

the survival of the current elite and the survival of the Russian nation. In today's Russia, it is increasingly difficult to be a liberal and a patriot, as the regime has branded opposition voices as a fifth column that threatens the Russian sovereignty and greatness.

It seems obvious that the age of new uncertainty is likely to continue in Russia's foreign policy. The system needs a crisis – or at least something that resembles a crisis in the eyes of the domestic audience – so that it can portray Russia as a victim of outside aggression and the regime as the defender of Russian values, identity and security. Uncertainty and a crisis atmosphere are not a phase Russia is going through but rather a more long-term feature that the regime instrumentalises to survive.

While the Russian leadership seems to have reached a 'zugzwang' where it has no good long-term alternatives to choose from, it will likely be able to cope with the worsening situation for quite some time, and the system might even be temporarily growing more resilient due to the supposed 'outside' threats as well as by better managing the resources at its disposal. Russia is not playing a game of blitz chess where the clock is constantly ticking against it – rather, Moscow can buy more time by easing up on its foreign policy aggression and by offering the West some form of 'détente' every now and then.

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