

## Conservative Counterrevolution: Evidence of Russia's Strength or Weakness?

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### Abstract

Following the annexation of Crimea, the Russian authorities seem stronger than ever. Putin's popular support has skyrocketed, his opponents have been dispersed or silenced, and his iron-fist policies meet hardly any resistance. This article assesses what cost Russia will likely pay for the Kremlin's political "stability" and geopolitical successes.

### Authoritarian Tipping Point

With its annexation of Crimea and other actions in Ukraine, Russia turned a new page—not only for its foreign policy, but more fundamentally, for its internal development. However, the year 2011 was the tipping point that set the current course of development. Then the narrow decision-making group made a strategic choice concerning the nature of Russia's leadership. By rejecting Medvedev's re-election, the powers that be dismissed the "evolution" scenario, which would have preserved many features of Putin's model, but could have provided a controlled and gradual decentralization of power to a variety of different groups in the elite. Instead, they chose the "conservative" scenario defined by Putin's return to the presidency. This choice led to the formal restoration of a single decision-making center, re-centralization of power (both on the federal and regional levels), and a wave of counter-reformist actions. Putin's return proved to be more than a reshuffle, when the obvious and unchallenged leader resumes his previous position. It was a strategic choice that the ruling group made with regard to Russia's further development.

The rest is history, one may say: the choice determined efforts to preserve power. The Kremlin redefined its objectives and set about implementing them. The most urgent goal was to counteract the menace of unrest that surfaced in the active, urban groups of society and some of the elites (part of the state bureaucracy and selected business circles). For them, Putin's return symbolized economic stagnation, political restrictions, the rising influence of the law enforcement bodies, and shaky ownership guarantees that would leave them vulnerable vis-a-vis the state. Putin answered signs of fatigue with his rule and dissent against it with a series of heavy-handed policies, political and social restrictions (extending to the private sphere and moral norms), an anti-Western and conservative upsurge, and an aggressive expansion in defending what Russia defines as its zone of privileged interest.

### Putin 3.0—Specific Features

Putin's current model of governance is not entirely new, and is largely a continuation of the system he developed in the 2000s. However, against the changing political and social background, some new features have emerged. The most important ones are: the growing personalization of the Kremlin's policy; the escalation and extension of repressive measures; and the launch of a conservative ideology project that combines moral restrictions with a vehement anti-Westernism.

Putin's model of governance has always favored personalizing power at the expense of building durable institutions. However, the degree of this personalization is growing visibly. What was once a collective, "Putin and his Politburo" style of management is increasingly often becoming "Putin against the world." Putin's Kremlin now confronts part of his own support base—namely, those who expected that policy would evolve toward a more liberal model and therefore, in Putin's eyes, "betrayed" him. Instead of "buying loyalty," as in the 2000s, Putin set about "forcing loyalty." He has changed the mechanisms of managing the elites from positive inducements (distributing assets and positions, ensuring immunity) to negative sanctions (demonstrating power and selectively punishing to improve control and discipline). He launched a policy labeled the "nationalization of the elites" that led to tightening control over the foreign assets held by officials and their activities abroad so as to make them more dependent on the Kremlin. The campaign also involved corruption scandals targeting influential members of the state administration, and the creation of a "*kompro-mat*" database prepared by the president's aides, which includes records of the officials' possessions in Russia and abroad. Putin also likes to stress his status as the main decision-maker, who chooses to act arbitrarily and often unpredictably. Recent examples of arbitrary decisions include the case of imposing anti-elite regulations, some foreign policy decisions that surprised the Ministry of Foreign Affairs, and Mikhail Khodorkovsky's sudden liberation.

Due to his growing distrust of his political support base, Putin made shifts in his inner circle, promoting people with KGB backgrounds and obedient executors of his repressive policies. These people have always been part of his team, but had been counterbalanced by other groups with a more liberal stance. For the time being, Putin's closest and most trusted circle contains predominantly "hawkish" officials and his long-time business partners, most of whom have a KGB background. Putin's most influential associates include top Presidential Administration officials Sergey Ivanov, Vyacheslav Volodin and Yevgeny Shkolov; Deputy Prime Minister Dmitry Rogozin; Rosneft chief Igor Sechin; Investigative Committee head Alexandr Bastrykin; heads of state corporations and companies—Vladimir Yakunin (Russian Railways) and Sergey Chemezov (Rostekh); and private businessmen who accumulated fortunes thanks to Putin's backing—Yuri Kovalchuk, Gennady Timchenko, Arkady Rotenberg. Even though some of these people do not hold public offices, their leverage on state decisions is immense. One example is an official known to few, Shkolov, who has been entrusted with the sensitive mission of monitoring the elite's assets and deals. The "doves" who once were key leaders within Putin's team are on the defensive: notables like Prime Minister Dmitry Medvedev, former Finance Minister Alexei Kudrin, and Deputy Prime Minister Dmitry Kozak; Sberbank President German Gref and other businessmen; diplomats; and some members of the cabinet.

### Conservative Prop for the Political Model

Another novelty during Putin's third term is the upsurge of conservative ideas in Moscow's rhetoric, addressed both to domestic and international audiences. This rhetoric now abounds in references to Russian national traditions, Orthodox faith and a supreme moral designation, which sets the "Russian world" above Western societies, which are claimed to be degenerating due to their "moral decay."<sup>1</sup> The West is seen as an aggressor advancing into Russia's zone of interest, and as a source of alternative political and civic values. Even though notions of morality prevail in this rhetoric, its backbone is in fact opposition to the Western model of government and relations between state and society.

While anti-Western views are deeply rooted in the Russian ruling group's mentality (often lingering from their KGB past), the conservative values they advocate

should not be treated as a reflection of their genuine views or founding ideology. Instead, conservatism became a political project designed to serve the current objectives—i.e. to provide an ideological underpinning for Putin's system of government. In other words, the goal is to preserve ("conserve") a post-Soviet model of governance: top-down, with a clear boundary between the rulers and the ruled, and with a centralized and personalized power that is not accountable to the public. Rather than conservative, the vision promoted by Putin can be called "reactionary" and "retrograde."<sup>2</sup> The actions taken under the banner of conservatism boil down to curbing public freedoms. The laws passed by the parliament at the direction of the Kremlin penalize different forms of political and social activity, tighten the state's grip over the Internet and freedom of speech, increase control over civic initiatives (NGOS), and penalize "immoral conduct" and "insulting the feelings of believers."

Using ideology for political purposes is nothing new in Russia; the notion of "sovereign democracy" devised by Vladislav Surkov in the mid-2000s serves as a prominent example of such tactics in the past. This time the anti-Western overtone is suffused with recurring references to conservative values. These started popping up in Putin's speeches around 2011, prior to his return to the presidency, and as a reaction to social changes that have shaken Russia. During that period, representatives of the urban middle class (including some employees of the state administration) started questioning the existing authoritarian model of state. The discontent peaked during mass street protests at the turn of 2011 and 2012. A central component of the repressive policies launched in response was the conservative and anti-Western rhetoric used to stigmatize the dissenters. In Putin's public speeches, he tags his opponents as the West's "fifth column," "traitors to the nation" and "foreign agents," all against the background of the West's "slackening morals." Putin thus symbolically separated the "healthy and conservative" majority of Russian society from the alienated "cosmopolitan" minority, which allegedly acted in the interests of the West.

What started around 2011–2012 as a defensive project, targeted against domestic "liberal unrest," evolved into an offensive venture by 2013–2014. Conservative rhetoric became an instrument of Moscow's diplomatic offensive aimed at challenging the West's actions in Syria and in the post-Soviet space, particularly targeting the plans of Ukraine, Moldova and Georgia to sign the EU association agreements. Invaluable assistance in

1 See Putin's public speeches, including his annual address to the federal Assembly on 12 December 2013 <eng.kremlin.ru/transcripts/6402>, the Meeting of the Valdai International Discussion Club, 19 September 2013, <eng.kremlin.ru/news/6007> and his televised conference "Direct Line with Vladimir Putin," 17 April 2014, <eng.kremlin.ru/transcripts/7034> (the final part).

2 See: Vladislav Inozemtsev, *Konservatsiya Rossiiskoi Federatsii, Moskovsky Komsomolets*, 7 July 2014, <www.mk.ru/politics/2014/07/07/konservaciya-rossiyskoy-federacii.html>

the external promotion of Putin's conservative project came from RT television and soft power organizations (Rusky Mir, Rossotrudnichestvo and various Orthodox associations, such as St. Andrew's Foundation). Putin presented Russia (and himself) as a sole defender of "healthy, conservative" values, endangered by the West's moral decay and double standards. Somewhat surprisingly, Putin's rhetoric evoked enthusiasm among Western radicals, including American conservatives, such as Pat Buchanan, French far-right leader Marine Le Pen, German right-wing National Democratic Party and even Polish "radical liberals," such as Janusz Korwin-Mikke.<sup>3</sup>

### Crisis as a Booster: The Case of Crimea

The strategic choice to "freeze" the system raised the danger of stagnation, as it left the economy politicized and inefficient, and bound the most active and innovative groups with countless restrictions. Even though Putin himself admitted that the resource-oriented model of the Russian economy had been exhausted, his policies offered nothing to replace it. Therefore, by rejecting a "development scenario," the Kremlin had to resort to "emergency scenarios" to mobilize the nation and consolidate it around the ruler. For Putin, this perspective was not the worst solution. Throughout his entire rule, different sorts of "emergencies" boosted his popularity the most. He rapidly rose to political stardom in 1999, following the bombing of residential buildings in Moscow and Volgograd and the military operation in Chechnya. His social support peaked in 2008 (88%) during the war with Georgia, and almost repeated that record (86%) in 2014, following the annexation of Crimea, according to Levada Center polls.

The annexation of Crimea in March 2014 became one of Russia's most celebrated "success stories" under Putin. Sudden and unexpected as it was, it fit perfectly in the new stage of Russian state-building and aggressive assertion of control over the spheres of Russia's "privileged interest." In the short-term perspective, annexing Crimea provided the Kremlin with a powerful boost: not only has it enhanced Putin's ratings, but it also handed him *carte blanche* for further authoritarian state-building. This "crushing majority"<sup>4</sup> support is treated as a sufficient justification for tightening the grip further. Opposition activists face additional persecution

(especially Alexey Navalny and his associates), successive laws are passed that target bloggers and corporations that provide internet services, control is tightened over dual citizenship and Internet payments, and laws concerning extremism and profanity are developed with political opponents in mind. This concentrated repression has left Putin's liberal opponents in disarray—they have been scattered and silenced, and many deprived of their income, as their projects and media were closed. Many prominent figures have left Russia—well-known journalists, NGO activists, businessmen and experts. This emigration has been labeled the "emigration of the disillusioned,"<sup>5</sup> many of whom headed for Ukraine, making Kyiv a new capital of the Russian opposition. The Russian capital Moscow is left to witness Putin's apparent triumph, with almost no one to challenge it.

### Feet of Clay?

Annexing Crimea and silencing discontent boosted support for the powers that be and helped them stabilize their rule. However, these measures have provided only temporary camouflage for systemic problems within the economy, which remain unsolved and keep piling up. Fossil fuels are providing a growing share of budget revenues, foreign direct investment dropped to 40 percent of its 2013 level,<sup>6</sup> and capital flight almost doubled.<sup>7</sup> An acute loss that is harder to calculate is the emigration of the most innovative individuals, who could have been drivers of modernization, if given sufficient freedom.

More than doubtful are Russia's foreign successes. The initial euphoria in Crimea is giving way to anxiety and the first signs of discontent with the new, harsh reality. Many Crimeans have lost their incomes as the tourist sector grapples with the problems caused by the annexation. In addition, the Russian laws introduced in the peninsula leave society and entrepreneurs much more vulnerable to state predation than under Ukrainian legislation.<sup>8</sup> Moreover, Russia seems to be gradually losing the propaganda war in eastern Ukraine: moods in Donetsk and Lugansk are starting to turn against

3 Richard Herzinger, "Europe's Extreme Right And Left United In Support Of Putin," *Worldcrunch*, 11 May 2014, <[www.worldcrunch.com/opinion-analysis/europe-039-s-extreme-right-and-left-united-in-support-of-putin/russia-extremism-nationalism-ukraine-conflict/c7s15880/#.U8OK4UDU7Fw](http://www.worldcrunch.com/opinion-analysis/europe-039-s-extreme-right-and-left-united-in-support-of-putin/russia-extremism-nationalism-ukraine-conflict/c7s15880/#.U8OK4UDU7Fw)>

4 Irina Chechel, *Vremya, vpered!* Preambula k diskussii o "podavlyayushchem bolshinstve", 17 July 2013, <<http://gefeter.ru/archiv/9447>>

5 Leonid Bershidsky, "No Illusions Left, I'm Leaving Russia," *Moscow Times*, 18 June 2014, <[www.themoscowtimes.com/opinion/article/illusions-gone-im-leaving-russia/502173.html](http://www.themoscowtimes.com/opinion/article/illusions-gone-im-leaving-russia/502173.html)>

6 <[slon.ru/fast/economics/tsb-otchitalsya-o-dvukratnom-padenii-pryamykh-inostrannykh-investitsiy-1125196.xhtml](http://slon.ru/fast/economics/tsb-otchitalsya-o-dvukratnom-padenii-pryamykh-inostrannykh-investitsiy-1125196.xhtml)>

7 Capital flight in 2014 is estimated at is estimated at 100 billion USD (it already reached 80 billion USD in the first half of the year). In 2013, it totaled 59.7 billion USD, and in 2012 53.9 billion USD. <[slon.ru/fast/economics/ottok-kapitala-iz-rossii-za-god-prevysit-100-mlrd-1118363.xhtml](http://slon.ru/fast/economics/ottok-kapitala-iz-rossii-za-god-prevysit-100-mlrd-1118363.xhtml)>

8 One example of this is the expropriation of private property that may affect businessmen and Crimean Tatars who own land by the sea shore, <<http://top.rbc.ru/economics/10/07/2014/935550.shtml>>

Putin, who is said to have forsaken and betrayed them. In Dnepropetrovsk and Odessa, cities that previously never boasted a strong Ukrainian identity, Russian military aggression has stimulated an upsurge in pro-Ukrainian patriotism and anti-Russian sentiments. Further developments in Ukraine are likely to bring Russia successive challenges that may counterbalance its Crimean victory.

### Development versus Stability

Putin's model of governance may be not conducive to the country's development, but it does foster the durability of his rule. It can even be said that rapid economic development played a bad trick on Putin. It gave rise to social groups within Russia who, having satisfied their basic economic needs, developed higher, non-economic aspirations inconsistent with Putin's state model. These groups became the real troublemakers for the Kremlin, not the poorer majority which is used to difficulties and patiently waits until the hard times are over. Despite

declarations that people are ready to protest if things get worse, there were no mass demonstrations fuelled by economic difficulties, even during the 2008–2009 crisis. It seems that hard economic times are often overestimated as a destabilizing factor. Such protests could appear if oil prices drop, but that has not happened in years, despite numerous forecasts that energy markets would be glutted.

Political and economic stagnation help Putin preserve power as long as possible. Backward as it may be, the system does have a margin of safety—society's inertia, scattered opponents, and stable hydrocarbon prices. Obviously, Putin's system is prone to challenges and problems, but its growing secrecy and unpredictability make it hard to diagnose the decisive factor that might ultimately bring about change. One thing is sure: when their power is challenged, top Russian decision-makers will use any means possible to defend it. Another "Crimea" may be needed in a few years. What will that be?

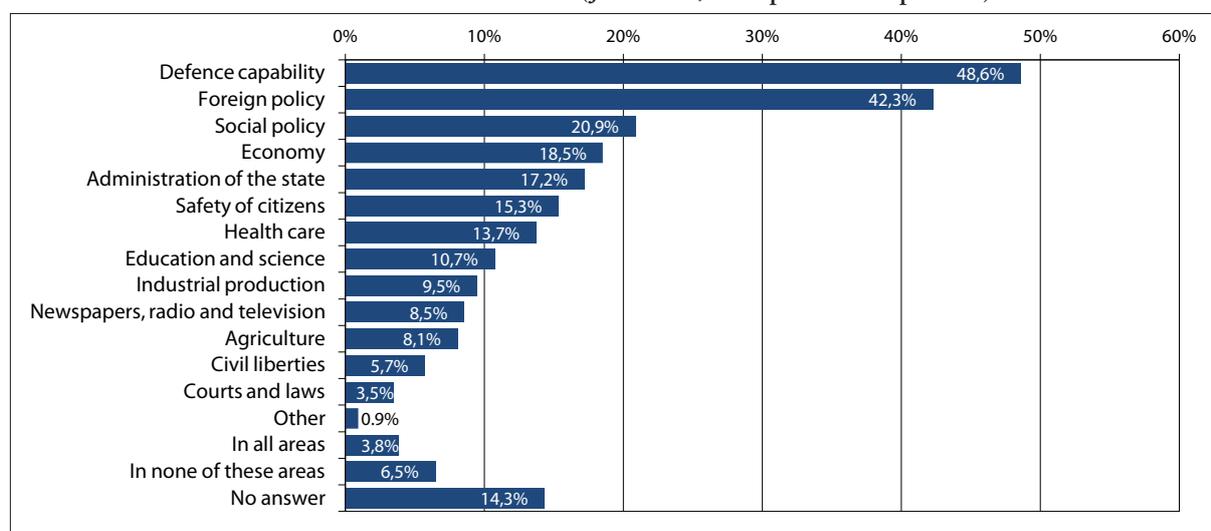
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#### OPINION POLL

## “Which Areas of Life Have Changed For the Better Due to Vladimir Putin’s Work?”

Figure 1: Vladimir Putin was elected President for the first time in 2000. Which areas of life have changed for the better due to Vladimir Putin’s work? (June 2014, multiple answers possible)



Source: representative opinion poll by the Foundation for Popular Opinion (FOM), 14–15 June 2014, N = 1500. Published on 25 June 2014 on: <<http://fom.ru/Politika/11568>>