

Analysis

“Modern Times” Is There Movement in Russian Politics?

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Abstract

In 2009 the Medvedev Administration launched a comprehensive modernization policy seeking to overcome the many problems that hinder Russia's development. In 2010 the first concrete results of these policies can be seen. Of course, no one expects Medvedev to make quick progress in restructuring the state apparatus, replacing personnel or reducing the level of corruption. However, in some areas there are perceptible changes. These are most obvious in the reform of the Interior Ministry and the police force. The measures initiated by the Medvedev administration are followed by a public that uses the Internet as a medium for criticism. However, democratization is not the goal of the president's modernization policies. He has not sought to change the functioning power vertical which depends on a loyal corps of governors, flanked by regional legislatures under the tight control of well-managed parties. There is no space for initiatives from below. Moreover, a further goal is to forge alliances and to weaken potential adversaries in the run up to the decision on presidential succession, which will be made in the second half of 2011.

The Legacy and the Crisis

When Vladimir Putin installed Dmitry Medvedev as his successor as president, Medvedev inherited numerous social and economic problems. In a series of programmatic speeches that Medvedev gave in January and February 2008 as a presidential candidate, he criticized among other things:

- The overall atmosphere of “legal nihilism,” which led to a lack of independent courts, the absence of a legal culture, and a climate of legal uncertainty;
- The widespread corruption prevalent in the state administration, which hindered economic development;
- The demographic crisis, particularly the high mortality and low birth rates and the inadequate health care system as one of the causes of this crisis;
- The raw material dependence of the economy and the weakness of the manufacturing industries, especially the lack of innovative production;
- The infrastructural decay in all areas of transportation and municipal services, and the obsolescence of production facilities;
- The lack of capital within the Russian economy and the insufficient inflow of foreign investment into it;
- The weakness of “civil society,” the political party system, and the democratic institutions at the local and regional levels.

Medvedev did not mention two other topics, although they have a significant impact on the scope for policy reforms:

- The great social differences within Russian society, particularly the extreme contrasts between rich and poor, and

- The political passivity of the population and its deeply-rooted distrust of public institutions.

The social differences are a source of latent discontent and threaten the stability of the political system in the medium term. Although the widespread political apathy protects the regime from social unrest, it also makes it difficult for leaders to mobilize the population in support of their reform policies.

As if this legacy was not enough, Medvedev became president just as the Russian economy, which had been booming since 2000 due to the rising oil price, fell into a deep crisis. The slump in energy prices and the international financial crisis of 2008 had a massive impact on the country. Growth in industrial production faltered: following an increase of 6.3% in 2007, it grew only 2.1% in 2008, and declined by 10.8% in 2009. Investment, which had risen by 21.1% in 2007, grew only 9.1% in 2008 and dropped by 17% in 2009. The crisis underlined once again how vulnerable Russia's commodity-dependent economy is to fluctuations in world markets. Diversification, innovation and structural reforms were necessary to improve the economy.

Blueprints for Reform

In order to address these problems, the leadership must initiate structural reforms in some areas. After the summer break, the Medvedev administration launched a political campaign in the fall of 2009, proclaiming as a goal the radical modernization of the country. The basic ideas of this policy were formulated in an article published on 10 September under the title “Russia, forward” on the Internet website of the newspaper gazeta.

ru. The decision to publish the manifesto by means of such a contemporary medium as an Internet news site – rather than through a television speech or a government newspaper – signaled that the president was willing to part with old habits. Medvedev promoted his modernization strategy in a series of high-level events, including a conference in Yaroslavl, which was held on his birthday, at the meeting with the Valdai Club, at an economic forum in Sochi and at a meeting where he founded the Committee for Technological Development and Modernization of the Economy. The campaign culminated in Medvedev's address to the Federal Assembly, the Russian president's "State of the Union" speech before the two houses of the Russian parliament.

The basis of the modernization strategy is the technological renovation of the entire sphere of production, in part with the help of foreign investors and imported know-how. The key technology areas identified by the president include medicine, energy, information, aerospace, telecommunications, and energy efficiency. To promote progress, Medvedev urged the modernization of the state sector and a cautious privatization. State-owned enterprises and those with state participation should be subject to independent audits and will be redesigned according to modern concepts of business management. The state should launch a comprehensive program to promote science and research, and incorporate the private sector in these efforts. The approval process for investment projects would be streamlined, the tax system and mandatory insurances reformed in order to create favorable conditions for investors. Medvedev also called for expanding and improving the education system and improving conditions for charitable foundations and NGOs.

Such widespread structural reforms needed backing in the political arena because they are not enforceable without support among society and the elite. Here the president did not follow through, however. He described the party system, whose distortions were particularly obvious in the October 2009 elections, as, on the whole, consolidated and the parties as true mass organizations, strengthened by their battle for voters. Rather than introducing extensive reform, he announced a series of small changes in the electoral legislation, which facilitated access for the smaller parties to representative bodies at the regional and local levels. While the president called for more transparency in the electoral process and promoted the spread of the Internet as an opportunity for greater public debate, he set clear limits on the opposition forces, threatening: "Any attempts to use democratic slogans to create unrest, to

destabilize the state or divide society will be blocked." Democracy "from below" was not part of Medvedev's modernization strategy.

If the Medvedev administration was not ready to mobilize society to enforce his policy of reform, we must ask who would in fact do it. Large parts of the elite long ago had settled into the status quo and a change would create anxiety and curtail their access to resources. A functioning legal system would limit the opportunities available to officials, politicians and business leaders to influence court decisions. Efforts to combat corruption block sources of income for members of the state apparatus. Independent audits of state enterprises and a more streamlined management system make it difficult for officials and politicians to access resources. In short, Medvedev's modernization plans caused disadvantages for large parts of the elite. Such a modification of the "rules" would change the balance of power within the ruling class, ultimately making Medvedev's modernization strategy vulnerable. To some Russians, Medvedev's modernization campaign also brought back bad memories of Gorbachev's perestroika proposals. In particular, the idea that a reform campaign might lead to the politicization of society and thus gain momentum of its own is perceived as dangerous.

Words and Deeds

The Medvedev Administration therefore acted cautiously in implementing its strategy. It took a number of specific measures to induce support, avoiding dramatic political change, but making it clear that something was in motion.

One such small step was the compilation of a presidential personnel reserve. In early 2009 the Presidential Administration announced that it wanted to compile a list of 1,000 young, competent executives which could be used to fill important management positions. The first 100 names on the list were announced in February 2009 and another 500 names became public in December. This list, which contained no surprises, obviously served a double purpose. On one hand, it signaled the bureaucracy that the administration had ready staff who could be used to replace anyone involved in misconduct or passive resistance. On the other, it showed the young people that the reforms could also provide an opportunity for personal advancement.

In order to make a bigger impression, the Medvedev administration made a series of key political appointments. Already in 2009 the president had replaced some governors, typically when their terms expired. Thus, for example in Volgograd, Orel and Sverdlovsk oblasts,

Medvedev replaced longtime governors who had won considerable political authority. On the other hand, he retained the incumbent governors in Primorsky Krai, Kurgan and Mari El. During 2010 the terms of 30 governors will expire. Tatarstan President Mintimer Shaimiev has already relinquished power, but passed his seat on to his prime minister, assuring that he will retain influence. Thus, Medvedev is not simply replacing old cadres with new ones, but is deciding what to do on a region-by-region basis. The recent performance of the regional economies and the willingness of regional leaders to implement the modernization plans both seem to play a role.

Medvedev also took a few tentative steps to change the party system. After massive criticism of the regional elections on 11 October 2009, in January he invited the leaders of the main parties, including the liberal opposition Yabloko party, which had been removed in recent years from nearly all legislatures, to discuss the electoral manipulation and distortions of the political system. However, the corrections to the Political Parties Act, which the president brought to the State Duma in March 2010, were modest. It allowed parties which were not represented in the Duma and regional parliaments to once a year participate in the plenary meetings of the legislative committees. It also discussed the possibility of rolling back the 7% threshold that parties must pass in order to gain representation in the legislature. All these measures were but cosmetic revisions, which changed little. In the regional elections on 14 March 2010 Yabloko was excluded from the voting process. In addition to the systemic parties, United Russia, Fair Russia, Zhirinovskiy's LDPR and the Communists, only two other organizations won seats, Right Cause and Patriots of Russia, both of whom received little more than 1% or 2% of the vote. So far, there have been no real efforts to reform the political system.

The Medvedev Administration invested greater efforts in the fight against corruption, which had been a concern of Putin and was taken up by his successor. Already in July 2008, the president had adopted a national plan to combat corruption and on 25 December 2008 a law to address this problem followed. On 14 April 2010 Medvedev announced a new national plan to combat corruption. All these efforts led to a series of individual measures, including new legislation, enhanced law enforcement, an improved legal system, higher salaries for public officials, improved financial supervision, increased public participation and efforts to involve Russia in anti-corruption efforts within an international

context. These were useful approaches, but their implementation requires a long time. A short-term improvement is not expected.

As part of the anti-corruption initiatives, the president ordered the ministers and governors to disclose their financial situation. Medvedev and Putin led by example, ministers and many leading regional politicians followed suit. The president told the public that he had a 2009 income of 3,335,281.39 rubles (\$115,000) and a bank balance of 3,574,747.34 rubles (\$122,000). He also had a flat of 367.8 square meters and a cottage with 4,700 square meters of land. His wife had virtually no income and was driving a VW Golf. What is interesting about this initiative was that it made fighting corruption a public enterprise. Politicians whose declared assets exceeded what they could reasonably earn in public service came under pressure to explain their sources of income. A graphic example was the newspaper "Vedomosti" which published on its website photographs of politicians and the estimated value of their watches. Citizens were able to ask themselves if the Chairman of the Foreign Committee could really afford a Patek Philippe for 16,000 U.S. dollars on a public salary and why the Governor of St. Petersburg was wearing a Harry Winston for 26,000 U.S. dollars, and how the Deputy Mayor of Moscow had financed his Greubel Forsey for 360,000 U.S. dollars.

Police Reform and the Internet

The president has carried out actual change in one area of the state service – the Interior Ministry (MVD) and the police force under it. The police have long belonged to one of the most despised institutions in Russia. Criticism of the police gained national attention, as in November 2009 when police Major Alexei Dymovsky from Novorossiysk posted a YouTube video in which he sharply criticized police officials in Novorossiysk. In February 2010 the opposition magazine "New Times" published an article that revealed the relationships within a Moscow special police unit in which members of this unit complained that their superiors used them to perform services for private companies.

Criticism of the Interior Ministry corresponded with a presidential initiative to thoroughly reform the entire police force. On 3 February 2010 Medvedev took part in a discussion of MVD reform, in which he declared that the work of the ministry needed serious corrections. The announcement was soon followed by deeds. On 18 February the president fired 16 high-level police officials and ordered a thorough restructuring of the ministry.

The reform of the MVD, which is, after all, an institution that is one of the power ministries, has had public consequences that the president probably did not expect. On 25 February two people driving in a small Citroen were killed in a head-on collision with the armored Mercedes of a Lukoil vice president. The police quickly decided that the blame lay with the victims. Thereupon, the famous rapper Noize MC posted a video on the Internet, in which he attacked both the police and Lukoil. The video drew 600,000 hits in just a few days. The media followed up with its own criticism and the president ordered the police to investigate the incident again. Shortly thereafter, on 5 March, a video showed how the Moscow police forced motorists at night to form a road block on the ring road in order to catch a car thief. The drivers were allowed to sit in their cars even though they were in danger. Again, the Internet took up the case of the “living shield” and ultimately attracted media attention to the issue. What was remarkable in these events was that conflict with the police spilled over to the public sphere and that the extent of criticism voiced on the Internet definitely was not to the Medvedev administration’s liking. When Noize MC at the end of his video called on people to stop the “highway killers with special license plates and flashing lights,” it amounted to an attack on the prevailing social order.

Great Expectations

The modernization campaign, which Medvedev initiated in September 2009, began to take shape in 2010. Certainly there are few concrete results, but they were not to be expected. A reconstruction of the state appa-

ratus, the modernization of the economy and the fight against corruption take time. Some progress has been made in restructuring the Interior Ministry. The suicide bomb attacks in the Moscow metro on 29 March, shook the public, but they have not brought an end to the reforms.

Still, the questions remain of where the modernization program will lead and who will support it. The modernization policy does not seek to mobilize the public and does not include plans for democratization. Even though some analysts see such political reforms as necessary in Russia today (see, for example, the publications of the Institute of Contemporary Development – INSOR), this is not the intention of the administration. However, there are increasingly critical voices on the Internet, which are featured in the media if they coincide with the objectives of Medvedev’s policy. But still no opening of the political system is sought. The Putin-Medvedev tandem seeks a functioning power vertical with a loyal corps of governors, flanked by legislatures, under the tight control of the managed party system. There is no room for initiatives from below.

At the same time, there is a hidden agenda. In spring 2012 a new president will be elected. Medvedev has made clear that he imagines a second term of office for himself. Putin also has not ruled out that he might again serve as president. The decision will be taken in the second half of 2011. Thus, the various interest groups are seeking to use the reform policy enacted in 2010 to gain the best possible position for 2011. So the modernization policy is also about forging alliances and weakening potential adversaries. Democracy is not a consideration here.

About the Author

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