

## In Search of Modernization Without Irritation

### Medvedev's Third Address To The Federal Assembly

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#### Abstract

On 30 November 2010, Russian President Dmitry Medvedev delivered his report on the state of the nation to the Federal Assembly—the bicameral Russian parliament. The guiding theme of his address was modernization, but the president avoided controversial or disputed issues, instead focusing on one area where general consensus could be expected: Meeting the needs of children, supporting their development, and creating an amenable environment for them. Very obviously, the address was crafted to avoid controversy and to convey an integrative stance. This is probably due to the fact that the power arrangement for the period following the 2012 presidential elections will have to be negotiated over the coming year. It would not have been helpful in this context for the president to make radical proposals in November 2010 and alienate parts of the elite. Thus, the annual address to the Federal Assembly was an overture for the follow-up debates that will ensue during the coming year.

#### Not An Easy Year

The year 2010 was not an easy one for the Russian president. It is true that the country has experienced worse periods, such as the hyperinflation from 1992 to 1995, the crisis of autumn 1998, or the year 2008, which brought the war in Georgia, the financial crisis, and a collapse of fuel prices. But 2010, despite economic stabilization, was a year full of adversity that exposed shortcomings in society and the weakness of the government. The devastating forest fires during the dry summer had shown the regional authorities to be ineffective and incompetent. Prime Minister Vladimir Putin's idea of monitoring the reforestation efforts by webcam showed that the Russian leaders did not trust their own administration. Efforts to curtail the violent conflicts in the Northern Caucasus were unsuccessful. In March, suicide bombers from the Northern Caucasus carried out two attacks in the Moscow metro that killed 37 people. The distrust of the security forces came to the fore in the case of the "Primorsky Partisans" as large parts of the population—in a completely misguided perception—romanticized a series of attacks on police officers as acts of resistance. The internal problems of the security apparatus became apparent in the case of the mass murder in Kushchevskaya, which revealed the close link between the investigative authorities and the world of organized crime. The second trial of former Yukos owners Mikhail Khodorkovsky and Platon Lebedev—a legal farce—demonstrated the dependency of the judiciary on the executive authorities. The brutal attack on a "Kommersant" correspondent who had publicly criticized the construction of a highway through the forest of Khimki drew attention not only to the failure of the rule of law, but also to the difficult situation of the media. The campaigns Medvedev had initiated for combating corruption and a comprehensive modernization of Rus-

sia were not making any progress. Privatization of state companies was going slowly. The reform of the police and the Ministry of the Interior, which Medvedev himself had pursued with considerable energy, showed no immediate visible results. In short, the multiple weaknesses of the Russian state came to the fore in a way that could not be ignored in 2010—despite all of the efforts by Putin and Medvedev to exert vertical control.

#### The Modernization Campaign of 2009

Therefore, the president had a whole range of issues to choose from in his annual address to the Federal Assembly. In the previous year, the main issue had been the modernization of Russia. Medvedev had spoken about "chronic backwardness", a "primitive economic structure", an "archaic society", and "confused actions dictated by nostalgia and prejudices", and had announced a drive that would be "the first experience in our history of a modernization based on democratic values and institutions". The basis would be a technological overhaul of the entire sphere of production, assisted by foreign investors and imported know-how. The president identified the following key technologies: medical technology, energy and information technology, the development of aerospace and telecommunications, and enhancement of energy efficiency. Medvedev wanted to achieve a modernization of the state sector including cautious privatization. Fully or partially state-owned companies were to submit to independent audits and be restructured in line with contemporary concepts of corporate governance. As early as the first quarter of 2010, the state was to present a comprehensive program for the promotion of science and research. Within two months, the government was to revamp the approval process for investment programs, reducing the processing period from between one-and-a-half and two years to three or four

months. Furthermore, before the end of the first quarter of 2010, laws were to be drafted on reforming the system of taxation and mandatory insurances in order to create favorable conditions for investors. Medvedev also demanded an expansion and improvement of the public school system and an improvement of working conditions for charitable endowments and non-governmental organizations. The implementation of this ambitious program required an assertive political leadership and broad support throughout society.

### Autumn 2010—A Time Of Great Expectations

It would therefore have been reasonable to expect that the president would take up his ambitious plans of the previous year and implement them energetically—not least considering the difficulties and resistance that his policies had met with during 2010. After the summer break, Medvedev had made several political sallies on various occasions. At an international forum in Yaroslavl that was held in September at Medvedev's initiative, he had declared: "...I not only believe in democracy as a form of leadership, I not only believe in democracy as a form of political regime, I also believe that an application of democratic principles can liberate millions of people in our country and billions of people worldwide from degradation and poverty." The conception of democracy that he propagated in this speech was patterned on international norms: The president referred to the UN Charter and the OSCE Paris Charter. He described Russia as a democratic state, albeit flawed, but on track towards true democracy. At the same time, however, he rejected attempts to leverage democratic standards for demagogic purposes as a means of enforcing geopolitical interests—a side blow at the US. In November, one week before his address to the Federal Assembly, Medvedev once more took up these thoughts in his blog. He wrote that it was necessary to make the political system more just and to raise the level of political competition as well as the quality of popular representation—the core task of any democracy. However, he also stated in this blog that the danger of election-rigging had been minimized and all parties had been given equal access to state media—an outright lie, given the obvious recent administrative interference in the regional and municipal elections.

Nevertheless, the Yaroslavl speech and the blog entry gave rise to high expectations. At quite an early stage, the Russian media speculated that Medvedev's address would refer to the issues he had raised earlier. In any case, it was expected that the president would use the opportunity to position himself for the 2012 presidential elections and introduce concrete projects to give

tangible shape to his modernization drive. However, at the beginning of November, the "Nezavisimaya Gazeta" daily newspaper noted with irritation that preparations for the address were being kept top secret, and reported on speculation that Medvedev would focus on social issues this time around. When the address was delayed several times, new rumors arose, including that Medvedev would propose a far-reaching restructuring of the Russian Federation and a reduction in the number of federal subjects ("states") from 83 to 20. Medvedev's meeting with the Duma party chairmen on 24 November as well as his blog entry on 23 November raised expectations that the address would deal with a reform of the political system. But at this point, high-ranking Kremlin officials signaled that the president did not intend to pursue this matter in greater detail in his third address to the Federal Assembly.

Such speculations, which were nourished to some extent by the late date of the address—Medvedev had presented his address for 2008 on 5 November and the second one on 12 November 2009—were primarily an indicator of the expectations harbored by the political class. The political intelligentsia was certainly aware that the comprehensive modernization proposals and reforms announced by a swaggering Medvedev in 2009 could not be realized without an overhaul of the entire political system. Therefore, many observers were waiting for concrete measures that would create space for reforms. But once again, in 2010 Medvedev disappointed these expectations as well.

### Children And Other Problems

The address that the president delivered to the Federal Assembly on 30 November 2010 was unspectacular. Certainly he did not retract the ideas he had presented in the previous year, but he did not engage in any energetic further development of the modernization policy and avoided controversial or disputed issues. Instead, his remarks focused on a topic where he could reasonably expect broad consensus: Meeting the needs of children, supporting their development, and creating an amenable environment for them. He prefaced his address by positing a claim that he had already formulated in the previous year and that his audience in the Russian parliament undoubtedly agreed with: The status of Russia as a great power was to be strengthened by encouraging greater innovation. In this way, he offered a precise outline of the tasks of the modernization policy while simultaneously underscoring the necessity of that policy: Without comprehensive modernization, Russia cannot become competitive at the international level.

The president devoted only a few sentences to the problems of 2010 and the necessary measures to address

these problems, he also discussed technology and the pharmaceutical industry, and announced his intention to present the government with a list of tasks that it would need to tackle. Then he turned to his main theme, the situation of children. Here, he covered an impressive range of topics ranging from demographics to pediatric hospitals, support for families with many children, the availability of kindergarten places, law enforcement for minors and juvenile delinquents, and the problem of sexual abuse of children. He demanded that the corporate sector become more engaged in charitable work and announced that he would hire a presidential plenipotentiary for children's issues. Medvedev called for future-oriented schools and for greater efforts to foster young talents and to raise teachers' qualifications, and did not forget to mention the importance of a patriotic education. His approach to the matter of environmental pollution stressed the necessity of passing on an intact world to the next generation, for which civil society had a special responsibility.

Turning away from the question of children, the president moved on to the topic of the state and its citizens, and discussed a range of issues including transparency, modernization of state services, and improving the investment climate. He touched briefly on the questions of privatization, reforming the Interior Ministry, the need for just laws, reforming criminal law, and the fight against corruption as well as the new version of the law on public contracts, which is designed to prevent waste in this area. The modernization of the armed forces, the quality of the political system, and the state of the municipalities were also identified as important issues. The president dwelt in slightly more detail on security policy and the reform of the armed forces, and particularly discussed the Russia–NATO summit in Lisbon and the question of missile defense. In the part of his address dealing with foreign policy, Medvedev stressed the importance of diplomacy for economic development and in particular emphasized the significance of Russia's modernization partnership with Germany and France. He highlighted cooperation with the EU and the US, mentioned the Asia-Pacific region and ASEAN, referred to the CIS in connection with the Collective Security Treaty Organisation (CSTO) and the Eurasian Economic Community (but not the tax union with Kazakhstan and Belarus), offered the services of the Russian disaster management service for global assistance in emergency situations, and advocated international cooperation in combating piracy. The issue of modernization was a recurrent theme throughout his address in many variations. Nevertheless, the speech did not introduce any specific program, but was rather a potpourri of old and new ideas, to which each

government department appeared to have contributed. Apart from the committed and well-structured section on children's and youth policy, which listed a number of concrete problems, the address came across as disjointed and unfocused.

### **Modernization And The Succession Of 2012**

Unlike in September 2009, when Medvedev's "Russia Forward" article introduced a political campaign that culminated in his address to the Federal Assembly, he avoided criticism or indeed any harsh notes in his 2010 address. In 2009, he had criticized the state of affairs in the country so roundly that his remarks were perceived as criticism of his predecessor. He had made clear that unless Russia underwent a radical transformation, the country would lose touch with its international competitors altogether. In 2010, he focused on children, an issue that enjoyed a consensus transcending partisan political or social boundaries. Quite obviously, the address was designed to avoid controversy and to serve an integrative function.

The open criticism voiced in the previous year, his efforts to reform the legal system and the police force, the armed forces reform, the initiatives to privatize state companies, and the attempts at limiting corruption among government officials had irritated parts of the elites. Medvedev had stated only too clearly that real modernization was impossible to achieve without sacrificing special rights and privileges. For politicians, high-ranking officials, and corporate directors, the creation of an independent judiciary meant that they could no longer influence court decisions with a simple telephone call. Effective combating of corruption meant diminishing income for many state officials. For all of them, serious efforts at modernization implied a loss of privileges they had hitherto enjoyed.

In 2011, however, as Duma elections are held and preparations for the presidential elections begin, resistance from parts of the elites is the last thing the political leadership needs; instead, it depends on collaboration with these elites. This is also true for Dmitry Medvedev personally, who seems to be aiming for a second term in office as president. The decision on his succession will be made at some point during the year 2011. What is at stake is not a competition between Putin and Medvedev. The two of them have a more or less frictionless collaboration, which will be continued after the presidential elections. The question is which power arrangement will be in place when the successor comes into office. Medvedev's modernization program is clearly aimed at the period beyond 2012—and it is safe to assume that both Medvedev and Putin are serious about modernization. Most likely, Medvedev is hoping to be involved in its

implementation even after 2012—preferably as president, but possibly also in some other role. The specific shape of the power arrangement and the distribution of roles will probably be “negotiated” between the various elite groups in 2011. It would not have been helpful for the president to make radical suggestions in November

2010 and to alienate parts of the elite. In this respect, the address to the Federal Assembly was an overture to the discussions that can be expected to ensue in the coming year. The goal is modernization, but preferably without causing irritation.

*Translated from German by Christopher Findlay*

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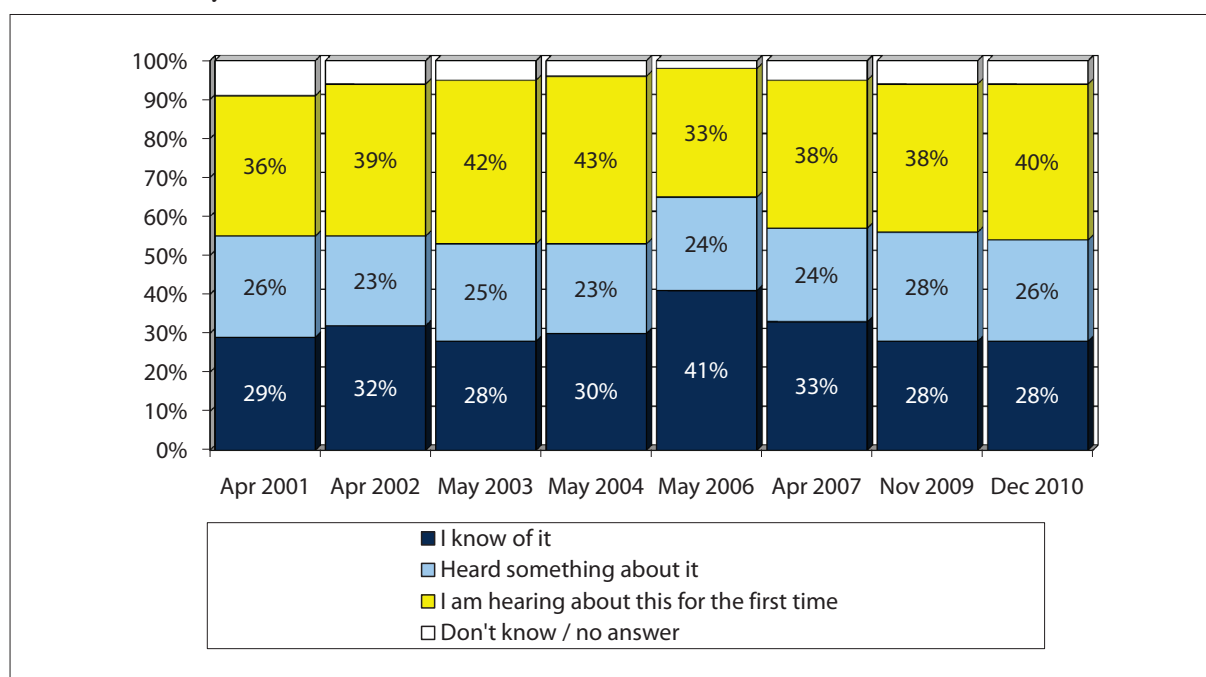
#### *Further Reading*

- Presidential Address to the Federal Assembly of the Russian Federation. 30 November 2010, 13:00 The Kremlin, Moscow <http://eng.kremlin.ru/news/1384>
- Speech at the plenary session of the Global Policy Forum The Modern State: Standards of Democracy and Criteria of Efficiency. 10 September 2010, 16:30, Yaroslavl <http://eng.kremlin.ru/transcripts/928>
- “Our democracy is imperfect and we are absolutely aware of this. But we are going forward”. 23 November 2010, 21:00. Dmitry Medvedev’s blog entry on the development of Russia’s political system. <http://eng.kremlin.ru/transcripts/1358>

## OPINION POLL

### Reactions to the Address

Figure 1: Do You Know That the President Delivered His Annual Address To the Federal Assembly? (FOM, 2001–2010)



Source: opinion polls by FOM 2001–2010, last polls conducted 4–5 December 2010  
<http://bd.fom.ru/report/map/projects/dominant/dom1048/d104811>