



RUSSIA'S EVOLVING POLITICAL SYSTEM

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The Regime, the Opposition, and Challenges to Electoral Authoritarianism in Russia

By Vladimir Gel'man, St. Petersburg/Helsinki

Abstract

The consequences of the 2011–2012 electoral cycle in Russia were a huge blow for the dominance of the ruling group (“the regime”) and contributed to the rise of its political rivals (“the opposition”). Why did this unexpected outcome occur “here and now”? The article focuses on the key role of political actors, their resources and strategies of political struggle.

The Opposition’s Surprising Rise

The outcome of the 2011–2 electoral cycle and its consequences were unexpected for many participants and observers of Russian politics. On the eve of the campaign, virtually all predictions assumed that the “party of power” United Russia, wielding control over the state apparatus, dominating the media, and enjoying the support of popular political leaders, would gain an overwhelming majority of seats in the State Duma without serious difficulty and open the door for Putin to return to the presidency.

But the outcome of the December 4, 2011, elections overturned these expectations. At a time when the official results claimed that United Russia won only 49.3 percent of the vote, considerable direct and indirect evidence, from exit polls to the reports of election observers, identified a wide range of abuses in determining the voting results; there is no doubt that United Russia’s share of the vote was much lower than reported. After the voting, a wave of protests against the results swept the country, mobilizing crowds whose size was unprecedented in post-Soviet Russia: demonstrations in Moscow gathered several dozens of thousands of participants.

By the presidential elections of March 4, 2012, the authorities had managed to reestablish control over the situation and achieved the necessary voting result using all the means at their disposal. According to the official results, Putin won 63.6 percent of the votes against a background of numerous abuses during the campaign and in the vote-counting process.

The authorities’ subsequent attack on the opposition was supposed to return the country to the previous status quo. However, as a result of the 2011–2 electoral cycle, the Russian authoritarian regime suffered significant losses. It is still too early to speak of a full crisis, much less the regime’s imminent demise, but the challenges that the regime encountered during the elections have a systemic and ineradicable character. Why did these challenges appear now? What determined the election results and which mechanisms and reasons caused both the partial electoral loss of the ruling group, and the rise and subsequent decline in protest activism? How will

these events affect the further development trajectory of the political regime in Russia?

Stunning Elections: Why?

Many scholars evaluated the political regime that developed in Russia during the 2000s as “electoral authoritarianism.” In such regimes, the institution of elections is important and meaningful: it allows the participation of various political parties and candidates—in contrast to “classical” authoritarianism, which mainly held “elections without choice” (as in Turkmenistan, for example). But the formal and informal rules of such elections include high entry barriers to run, consciously unequal access to resources for the participants, the use of the state apparatus for maximizing votes in favor of the ruling party and candidates, and abuses in favor of the incumbents at all stages of the elections, including during the vote count. The knowingly unequal “rules of the game,” designed to guarantee victory for the incumbents at any cost independently of the preferences of the voters, distinguishes electoral authoritarianism from electoral democracy in post-Soviet states and beyond. But there have been prominent cases of the phenomenon of “stunning elections,” when authoritarian regimes conduct elections to strengthen their legitimacy, but as a result, the voting turns into a loss for the ruling groups and, at times, paves a way toward full-scale democratization (as happened in the USSR in 1989–90).

In recent years, particularly under the influence of the waves of “color revolutions,” from Serbia (2000) to Moldova (2009), specialists began to examine the influence of the regime and opposition on the decline of electoral authoritarianism. Some experts noted the critical role of mass mobilization, which strengthened the opposition, emphasizing cooperation between the various opponents of the regime and the tactics of the opposition forces. Other scholars examined the vulnerability of the authoritarian regimes due to their openness to the West, as well as the weakness of the state apparatus and/or the dominant parties, which were not able to provide full control over the political process.

The defeat of electoral authoritarianism in Russia in December 2011 could serve to support either point of view. On one hand, the Russian leaders exerted considerable effort in strengthening the political monopoly, basing this effort on the hierarchy of the state apparatus (the “power vertical”) and the dominant party (United Russia), while fencing domestic politics off from the influence of the West. On the other hand, the systematic actions of the authorities, seeking to marginalize the opposition, pushed it into a political “ghetto.” Dividing the opposition into “systemic parties,” which were officially registered but under Kremlin control, and “non-systemic” groups, which were excluded from the political process, further weakened the scattered and segmented opposition.

It turned out, however, that the regime was insufficiently united and monolithic. The authorities’ expectations were based on previous experience and did not take into account the changing political demands; the balance between the stick and the carrot, which the regime proposed to its citizens, was lopsided. Ultimately, the 2011 Duma campaign tactics were poorly thought out. To put it bluntly, on the eve of the campaign, the Russian authorities basically were concerned about decorating the façade of a Potemkin Village and did not give sufficient significance to the fact that it hid a wall where new cracks were appearing. The authorities counted on the idea that in the wake of Putin’s return to the presidency, the Potemkin village would disappear on its own. However this plan did not take into account that the citizenry of the country lived in the Potemkin village and that eliminating it together with the façade (for example, through mass repressions) was risky, while convincing the population to accept this fact voluntarily (for example, by buying their loyalty) was too expensive. The authorities used the stick ineffectively, while the carrot remained only on the level of pledges.

At the same time, the campaign opened the “window of opportunity” for the opposition, and new figures began to join it, which led to a series of effects that the authorities had not anticipated. The non-systemic opposition succeeded in creating a new political identity on the basis of a “negative consensus” (with the slogan “Vote for anyone but United Russia”) and attracted to its side part of the systemic opposition that previously had been loyal to the Kremlin, including members of Just Russia and the Communist Party of the Russian Federation. The reaction of the authorities to these processes was not always adequate. With each step the regime incurred deeper and more noticeable losses, the old methods did not provide control over the political processes in the country, and the level of mass support for the status quo dropped. The opposition managed

not only to exit out of the ghetto, but its leaders even took the initiative, demonstrating their ability to cooperate with each other and to mobilize mass participation against the regime. As a result, after the 2011 State Duma elections the regime lost the political support of the “advanced” voters (especially, the younger, more educated, and wealthier residents of the large cities), and the base of their political support remained the “peripheral” electorate (the elderly, poorly educated, impoverished residents living beyond the big city limits). Although these events did not lead to regime change, they posed serious threats and forced the authorities to adopt more active and aggressive tactics, which ultimately allowed the regime to achieve the necessary result in the 2012 presidential elections.

Agenda for the Future

The partial decline of electoral authoritarianism in Russia determines the current and future political agenda. This failure in the 2011 Duma voting was in no way inevitable or earlier pre-determined; in fact, it was the consequence of the ruling group’s strategic miscalculations. After unjustifiably overestimating the effectiveness of political manipulations on the basis of previous experience, the regime clearly underestimated the risks resulting from the awakening of the more advanced voters. The famous statement of the prominent American political scientist V.O. Key that “voters are not fools,” which is widely quoted in analyzing elections in democracies, also applies to studying elections in the conditions of electoral authoritarianism. This statement resembles Lincoln’s aphorism that “You can *fool some of the people* all of the time, and all of the people some of the time, but you cannot fool all of the people all of the time.” The Russian voters could have preserved their indifference to the manipulations and abuses by the regime for some time longer if not for the actions of the opposition, which took advantage of the ruling group’s mistakes in a timely manner and used effective means to awake and mobilize its supporters. But the resource potential of the regime turned out to be sufficiently high that the authorities managed to preserve the support of the majority of their voters, and ultimately, although not without difficulty, retained control in March 2012. Does this mean that after the electoral cycle Russian politics will return to the way it was before the elections? The answer to this question depends on what lessons the regime and the opposition learn from the experience of 2011–2.

For the Russian regime (and for other authoritarian regimes in the world) the major lesson for the future could be the conclusion that any form of liberalization threatens the preservation of the status quo, and that to stay in power, it is necessary to “tighten the screws.”

The recent increase in fines for violating laws on demonstrations and labeling all non-profit organizations that receive foreign financial support as “foreign agents” are designed to serve these goals. However, it is hard to say whether the regime will further successfully use political parties and the parliament to coopt the systemic opposition and successfully isolate the non-systemic opposition.

Likewise, serious challenges stand before the opposition. It will be extremely difficult to maintain the “negative consensus” against the existing regime for a long period, to say nothing of efforts to secure organizational consolidation, particularly since the regime does not shy away from using “divide and conquer” tactics against the opposition. Nevertheless, the protest mobi-

lization experience of 2011–2 will not be wasted for the opposition or for the hundreds of thousands, if not millions, of its supporters. The seeds planted last winter in the protest rallies in Moscow and other cities, will ultimately bear fruits, although not necessarily in the near future. In favor of the opposition works the fact that the mood of the more advanced voters over time will transfer to part of the peripheral electorate, expanding the potential base of its supporters. In other words, citizens’ demand for an alternative to the status quo will increase and the key question is: Will the current Russian opposition or other political actors satisfy it in the coming years?

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ANALYSIS

Russian Riot: Senseless and Ruthless or Legal Protest?

By Dmitry Oreshkin, Moscow

Abstract

The Putin regime, which draws its power from control of Russia’s natural resources, is likely to launch a crackdown on society in order to preserve its power. At the same time the protest movement is slowly moving from the capitals into the provinces. The only question is how long it will take for it to gain the strength necessary to make change. Upcoming local elections will provide greater clarity.

From Ally to Enemy?

The Western view on Russia today resembles the incomprehension that prevailed during the first years after World War II. It is almost as if Kennan has sent his Long Telegram, Churchill gave his speech in Fulton, Missouri, and the Iron Curtain has appeared, but no one can believe that yesterday’s ally has become an enemy.

The same thing (although in a lite version) is happening now: only yesterday we were talking about a “reset” in U.S.–Russian relations, pragmatic projects such as North Stream and South Stream, negotiations about canceling visa requirements, and rational actions regarding Russia’s entry to the World Trade Organization. Everything was predictable and was taking place within a reasonable framework. If Russia was not an ally, it was a solid and reliable partner. Does it make sense to change the picture because of the events of the last six–eight months?

The Nature of the Regime

There is a Checkpoint Charlie which sharply divides Western rationalism from Soviet or post-Soviet Putin-style rationalism: it is the question of power. If the problem of who will hold power is resolved and does not raise any concerns, the Putin strategy is reasonably stable, at least for the short-term: trading resources, corruptly purchasing the loyalty of the elites, regularly increasing living standards, and supporting stability. Everything is rational and competent.

But as soon as the question of power appears, which in a resource economy is the basis for the economic well-being of the elites, European rationality disappears like spring snow and rationality of a different type replaces it. It also follows its own kind of pragmatism, but addresses a different problem. It is irrational, from the point of view of a European observer, to preserve control at any price! Doing this means stopping development, freezing social activism, and threatening state institutions. But

such moves are logical in a petro-state, where power is unconditional and the all-encompassing priority.

Such is the inherited trait of the Putin elite from the times of the USSR and the KGB. From outside, it is hard to tell when the goal changed. Externally, almost nothing has changed, but internally, the system works differently.

The problem is that the old Soviet habits have run up against the new post-Soviet society. Moreover, the authorities themselves are not as free in choosing the instruments of exerting pressure. There are many reasons for this, of which the most important are: greater information transparency (the Internet); the arrival of a new generation of Russians who have benefitted from unprecedented freedom; and a higher level of income and quality of life for citizens. Overall, this led to a change in the Soviet collective psychology from a “humble cog in the great state machine” to the psychology of an individual taxpayer, who considers himself a partner and sometimes even an owner of his great country.

Coming Crackdown

Protest in Russia is taking on new content and form. But the authorities continue to see it with the eyes of the 1970s, viewing the protesters as dissidents-derelects. If there are changes, they are merely rhetorical: instead of calling members of the opposition “hirelings of the world bourgeoisie,” they speak about “agents of the State Department.”

The gap between the new socio-cultural requirements and the old political inventory of the Putin elite will only expand. With Marxist dogmatism, the authorities believe that the unmet material needs of the masses will continue to provoke social protest. The fact that the protests started in Moscow, the most advanced and well-supplied region, causes irritation and incomprehension at the top. Doubt about the diagnosis gives rise to a lack of confidence in the adequateness of the measures adopted in response. If a rise in the standard of living leads to opposition, maybe it makes sense to reduce the standard of living in order to strengthen Russia’s statehood?

In fact, that is basically what happened under Lenin and Stalin. That is why the Soviet Union needed such a powerful apparatus of total coercion. From its bosom sprung the key figures of Putin-style management. They, naturally, tried to restore the great (from their point of view) corporate culture, which created the USSR. They do not want to think that under normal conditions of development, when the economy is growing and doing a better job meeting natural human needs, a hypertrophied surveillance, suppression, and coercion apparatus (what Putin calls “manual management”) becomes an unneeded encumbrance.

It is hard to consider yourself unnecessary. The result is a fundamental contradiction: if the modernizing economy does not need the services of their corporation, then tough luck for the modernizing economy! When you see things from this point of view, then the convulsive actions of the regime become understandable and predictable: the Putin corporation does not exist to preserve, develop, and improve Russia, but instead, Russia exists to feed and humor the Putin corporation.

This conflict will deepen in the future. The collective Putin will become ballast for Russian business, Russian taxpayers, and Russian regions. It remains unclear how long it will take for people to understand what is going on and for a real force to appear that is capable of restructuring Russian politics in the interests of normal (in the European sense) development.

Here there is and can be no clarity. The economists are already tired of speaking about Russia’s destructive dependence on oil prices. Theoretically, they understand this at the highest levels and this is what explains Dmitry Medvedev’s abundant rhetoric about modernization. But, so what? The Soviet elite also hit bottom accompanied by speeches about introducing the achievements of the Scientific-Technical Revolution into the practice of socialist construction. The result is well known: the modernizing labor of Mikhail Gorbachev led to the collapse of the state machine, which had been built on an unnatural system of priorities.

The Putin elite learned the negative lesson of the Gorbachev era in that it decided that liberalization would destroy their version of the state. Again that means bad luck for liberalization. From this it is clear what the authorities will do in the coming months and years. The time is coming for a total crackdown, from an uncompromising position on Syria to the defamation of non-governmental organizations as enemy agents.

The Evolution of the Protests

What does this mean for the growing anti-system protests in the capital cities? First, it is necessary to understand that this is only the beginning of the process. The fevered hopes of revolutionaries like Eduard Limonov, who seriously discusses a street battle for the Kremlin and Central Electoral Commission, are clearly not going to be realized. What is happening on the streets of Moscow is principally different from what is happening in Libya, Tunisia, and Egypt. In Russia, there is another demographic, socio-cultural and economic situation. This is also different to the Orange Revolution that took place in Ukraine in 2004. That more closely resembled the Moscow events of 1991 when the elites were clearly divided on the strategy of further development. The street protests were only an argument in the battle of one elite group

against another. In today's Russia, there is still no split in the elite and therefore the citizens' protest of Muscovites and Petersburgers remains independent, separate, and a force with little influence on the political chess board.

Second, it will take time for the innovative mood to spread from the capital centers to other big cities, and then across the entire territory.

Third, in the process of spreading into the farthest reaches of the country, the protest will seek and take on new qualities, slogans, and leaders. Moscow demonstrated the dissatisfaction of the advanced and relatively well-off layers of the population. The demands of the demonstrations had nothing to do with salaries, pensions, and social provisions. They were focused on flagrant violations of the elections, the rampant corruption, and the inability of the authorities to obey their own laws and basic civil rights. It was a protest of citizens who were ready to take responsibility for their own personal welfare—if the authorities did not infringe on their legal interests and rights.

In the provinces, more simple demands are front and center: there the authorities are perceived as the source of funds for existence and other benefits. Demanding an increase in salaries is both tempting and understandable. But questions about rights sound too indefinite.

The Moscow example is interesting to the provinces because it shows that it is possible to go out onto the streets and nothing will happen to you, or almost nothing. Few are interested in the substantive side of the demonstrations; rural Russia received a different signal: public protest is possible. Within the Soviet mentality, this is a real revolution in thought.

Who Are the Protesters?

The Levada Center, Russia's leading public opinion polling agency, recently published a large study on the nature of the social protest. They painted a contradictory picture, but one that makes sense for a society in transition.

Overall, 62 percent of those polled recognize that the massive searches of protesters' homes are connected to the elites' fears about growing protest activity. Moreover, many agree that the repressions provide evidence of the weakness of the authorities rather than their strength (45% to 38%). The authorities mostly provoke irritation. With the label "Party of Crooks and Swindlers" for United Russia, there is 42% agreement against 40% disagreement. People recognize Putin's connection with the unsympathetic bureaucrats. But when the topic shifts to concrete personalities, 56% are not ready to replace Putin! No matter how bad it gets. Moreover, people do not see an alternative to him.

In the mass consciousness, the protest leaders lose out to Putin, particularly because state propaganda has

successfully discredited them. They are seen as agents of influence for external foes such as the U.S., NATO, and the West in general. The Soviet system of propaganda values has been successfully reincarnated over the last 10–12 years and it remains extremely effective. Moreover, the opposition leaders are associated with the crises of the 1990s.

People have little faith in the effectiveness of the protests and do not intend to participate in them. Only 10 percent say that they will join the rallies. At the same time, we should note the quiet erosion of the Soviet system of "pseudo-collectivism": in the set of fundamental values, things like "interests of the country" (6%) are barely visible, while values connected to family, relatives, and friends are at 69 percent. We are looking at a new "atomization" of the structure of social consciousness, in which the concepts of solidarity are absent. Against this background, it is clear why people have lost interest in the idea of strong government, which guarantees collective security, a collective increase in benefits, and collective labor for the benefit of the overall collective. Most likely therefore the protests are seen as consumerist, as a kind of show, which requires popcorn. 49 percent believe that the protesting intelligentsia are "obliged to protect the people" from the demands of the authorities, but they themselves are too busy with their own affairs to support the protesters. They don't have any time to waste in the squares.

Also working against the protest movement is the stable, since Soviet times, disregard for Moscow among the rest of Russia, which sees the capital as privileged and therefore alien to the majority. Muscovites are seen in the provinces as the representative of a golden class or caste—almost like the word "bourgeois" to the ear of a "true proletarian."

At the same time, in the eyes of public opinion, Putin is quickly transforming from the "president of hope" (who imposes order, restores legality, and establishes justice) to the "despair president," who, of course, does not arouse enthusiasm, but is better than the rest. Who are these others? They are also from Moscow...

In the Provinces

On the road to the provinces, the protests have to be transformed and must find a new language with concrete demands that are understandable to the wider masses. This is a long road with many crossroads. Moscow is generating a "right" protest, but the regions want the "left." Here is one of the contrasts between the old political mass culture and the new one. In previous times, the provinces accepted change in Moscow as something far away and inevitable. Gorbachev replaced the old Nomenklatura? Fine, maybe he will make our lives easier. Yeltsin?

We also agree, the country needs changes. Putin? Excellent, it is long been time for someone to impose order.

Today the situation is different. Moscow is a distant political theater. We live here and are more interested in what is happening in our territory. It does not make sense to expect something positive from Moscow. They have their own life there, where Navalny and Nemtsov for some reason fight with Putin, while we have our own life here. We have our own corruption and lawlessness. If they came here and imprisoned all swindlers and thieves, we'd be grateful. But they are not coming! We still are not thinking about how to fix our own problems... We don't know how and don't have the resources. It would be great if people gathered to demand from the owner of the local factory increased pay or sought better roads from local bureaucrats. But we are not Moscow. It is currently impossible for us.

When will the time come? Not before the rest of Russia recognizes that it consists of small territories, on which there are (or should be) authorities who are responsible to their population. Until now, this is not visible. Instead, we are observing the slow evolution of unitary and authoritarian mass thinking and its replacement with more concrete and pragmatic concepts of reality. This means that the under the foundation of Putin's power vertical, invisible to outsiders, there are murmuring small brooks which are slowly destroying the monolithic supreme power. The process is moving at a wide variety of speeds, depending on the local socio-cultural substrata.

In the municipal elections in Yaroslavl, which was always distinguished by its stable urban tradition of

freethinking, the extra-systemic mayoral candidate Yevgeny Urlashov won. In the elections that took place in the more conservative Astrakhan, with crude violation of the law, victory went to the United Russia candidate Mikhail Stolyarov (60%). His popular opponent from Just Russia Oleg Shein (30%) gathered a large number of witnesses to testify about the falsifications in organizing the elections and counting votes, but they were not enough to convince the local authorities or courts. Shein's subsequent month-long hunger strike, along with his supporters, turned Astrakhan into one of the regional centers of political activity, but they did not win any legal victories.

Mayoral elections in the large cities of Siberia, Krasnoyarsk and Omsk, took place with record low voter turnout, 21 and 17 percent respectively. United Russia representatives won in both cases, but the number of people voting with their legs shows disappointment latently is flowing into the urbanized centers of the country. The protest is still passive, but it is in the early stage of development. Its irreversibility is obvious. How soon things will happen is the only question.

Most likely, "Putin's stability" under such conditions will continue for several years. Against this background, the authorities are doing what they can: they are trying to restore the Soviet system of total fear. The problem is that this only speeds up the process of its delegitimation. In October, when there will be elections for four governors, a series of regional legislatures and city administrations, the articulation of protest at the local level will be more clear.

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Local Democracy in Russia: An Antidote for an Aimless Protest Movement

By Andrew Jarrell, Moscow and Evanston, IL

Abstract

The Russian middle class is losing interest in the protest movement. However, young people are not returning to apathy. Instead they are finding hope in local politics and activism.

Prospects for Change

When the Russian middle class joined street protests against a fraudulent December 2011 Duma election, commentators took notice. Unlike previous anti-government demonstrations confined to a handful of fringe groups, the so-called “Snow Revolution” included some of Russia’s most respectable citizens. Excited by this unprecedented trend, many observers pointed to a shift in political culture. As *New York Times* Columnist Thomas Friedman, with his flair for the dramatic, declared: “Have no doubt about this: politics is back in Russia.”¹ They argued that an active and disgruntled middle class signified the beginning of the end for Putin. The regime might not crumble tomorrow, but no longer could the government expect complacency from its citizens. Even as the movement loses steam, such observers assert that the state may never reclaim the legitimacy it once enjoyed.

Although this narrative recognizes how crucial the middle class is in terms of driving change, it fails to acknowledge that many are now fleeing the protest movement. This summer I spent a month in Moscow conducting interviews with Russia’s young professionals, an influential segment of the middle class. They are between the ages of 20 and 35 and work in a variety of fields that include marketing, financial consulting and humanitarian law. Just six months after the first winter demonstrations engulfed Moscow, the message reiterated in my interviews was that young urbanites see the current opposition as reckless and incapable of maintaining progress.

Young professionals’ initial enthusiasm sprang from the belief that demonstrations could result in substantive change, specifically the annulment of a clearly fraudulent Duma election. Once this goal no longer appeared feasible and as a coherent leadership failed to arise, Russia’s professional urbanites distanced themselves from the street rallies. Many now believe that the opposition movement is a fruitless endeavor, dominated by radicals and corrupt officials from the former Yeltsin regime seeking another opportunity to fill their pockets.

These findings indicate that the middle class requires legitimate political avenues to invest their energies. As an investment officer at the International Finance Corporation (IFC) put it, “I really can’t support the protests until I see a clear program and clear set of leaders. Right now the movement is unsustainable, and we need a sustainable opposition.”

An unavoidable irony confronts Russia’s young professionals. Their liberal perspective, the product of higher education and international exposure, is at odds with Putin’s repressive regime. Yet at the same time, this perspective limits their willingness to challenge the government. As successful and pragmatic individuals, they are seeking paths of political self-expression that stand a reasonable chance of succeeding, paths which do not exist in a semi-authoritarian state.

So what does the future hold for the middle class? One likely scenario is that it will increasingly look toward local grassroots initiatives as a means of enacting change and achieving civic fulfillment. Indeed, the popularity of a federal system coupled with the emergence of various municipal projects that seek to increase citizen influence on the political process suggests this is a growing trend.

An Extraordinary Movement

While in Russia, I interviewed 25 young Muscovites. We met in cafes, in parks, at their places of work, wherever and whenever it was convenient. I relied upon snowball sampling, obtaining additional contacts after each interview.

The majority described a feeling of nostalgia when reliving the first protests of December 2011 and February 2012. They recounted the excitement and hope swirling around those early gatherings that led them to believe in the demonstrations. Two elements made the movement unique from others, and in the opinion of young educated Muscovites, ripe for success.

First, the opposition shared the common goal of demanding an official review of the Duma election results. Rallying around a single issue bestowed the movement with direction and a clear-cut purpose that increased the likelihood of a government response. One human rights lawyer and early supporter remarked: “There was a reason to go to the streets. The reason was

1 Thomas Friedman, “The Politics of Dignity,” *New York Times*, January 31, 2012.

the elections . . . I really thought I was going to be one of the millions who was going to change the system.”

Fighting electoral misconduct, to the young elite, signified a practical attempt to improve the country. They recognized the importance of creating solutions and protesting specific grievances, rather than issuing a blanket denunciation of government that could lead to an unproductive stand-off and perhaps violence.

Second, the sheer numbers of people on the streets (20,000 to 60,000, depending on who is counting), indicated something fundamentally different was afoot, and that the same old tactics of repression might no longer work. Perhaps more importantly, skeptical young urbanites viewed the movement as credible when they saw people with similar educational and professional backgrounds in attendance. Explaining his initial concern about going to the December 10 demonstration and his delight at what he found, one Muscovite, who attained a M.B.A. from Case Western Reserve in Cleveland and now works in marketing, commented: “I thought, are they just hippies? . . . When I went there, I was deeply surprised that there were a lot of people just like me demanding what I really think is important.”

A focused mission and the size of the protests led Moscow’s young professionals to embrace the opposition in its infant stages. It would be a mistake however, to imply that the middle class took to the streets solely from its conviction of the protest movement’s potential. Frustration over corruption has existed for a long time, only to boil over with the announcement in September 2011 of Putin’s return to the presidency and yet another “stolen” election.

The most devastating form of corruption for the middle class is that which impedes them from achieving their professional and personal goals. An investment banker admitted, “It is really difficult to do business in Russia. Because when your business starts making real money, some people can just come and take it away.” They resent the bribes they must pay to mid-level bureaucrats, seeing the corruption as an obstacle that restricts their upward mobility.

From Optimism to Disillusionment

The excitement that characterized the 2011–12 upheavals gave way to distrust and resentment. Increases in violence registered as the number one concern among young urbanites I interviewed. With the mission of annulling the Duma elections dissipating, the movement lost direction, and radical groups began to take control. Instead of inspiring speeches that spoke of freedom and democracy, crude nationalistic slogans and unproductive chants grew in frequency. “Russia for ethnic Russians” and “Down with Putin!” now dominate.

The turning point came during the May 6 protest in which clashes broke out between riot police and demonstrators. Regardless of who was to blame, at this point, young professionals became convinced that the opposition no longer possessed the qualities necessary to enact change. “The movement had been hijacked by professional revolutionaries,” explained a 25-year-old entrepreneur and co-owner of a hostel in central Moscow.

Besides the increasingly violent tone of the opposition, its lack of a platform or objectives also raises concern. Without election reform to rally around, protesters these days blindly shout for the overthrow of the government and offer no alternatives. A 24-year-old market analyst working for a U.S. company, noted: “Yeah, it is cool to have a civil society, but they [the opposition], are not showing any solutions. They are just kind of there to be there.” Void of a clear political agenda, the educated youth of Moscow and other cities no longer consider the present protest movement as a legitimate challenge to the regime.

They doubt the type of leadership capable of building a coherent platform exists. The main organizers include anti-corruption blogger Alexey Navalny and TV personality Kseniya Sobchak, who because of her celebrity status and famous father, Anatoly Sobchak, the once liberal mayor of St. Petersburg, is often referred to as the Russian Paris Hilton. While exceling at publicizing various issues and mobilizing core followers, these organizers lack the skill set to transform a raw protest movement into a real political challenger. Many are also wary of these organizers’ true intentions. The cynicism of Russian politics is too great for blind faith, and some acknowledge their fear that Navalny is working with the regime. Referring to him as a “Kremlin project,” they speculate Putin is utilizing the blogger to split and control the opposition. This is a minority point of view, but certainly one which is present, even among the most educated of the populace.

Even more hated are old school liberal politicians from the 90’s, who have reemerged with the protest movement. Most widely known is Boris Nemtsov, deputy prime minister under Yeltsin in 1997, and Alexei Kudrin, the former finance minister, who resigned under pressure after publically criticizing President Dmitry Medvedev’s financial policies. Those I interviewed unanimously resent such individuals, citing their corrupt tendencies when previously in office.

Local Experiments in Democracy

As young professionals abandon the protest movement, it is unlikely that they will simply give in to political apathy. Though few respectable and substantive opportunities for engagement exist on the national stage, there is another option.

The middle class is likely to opt for local civic projects and politics. Though these are low impact endeavors, young professionals can exercise control over them and promote a truly liberal agenda. Indeed, what originally drew people toward Navalny was his various grassroots schemes that sought to make incremental progress on the local level. Over our second cup of coffee, a human rights lawyer and graduate of Oxford University commented, “He [Navalny] organized several effective local projects . . . like RosYama, ‘holes in the roads.’ The same technique can be used to advance other issues, such as access for the disabled to state buildings.” RosYama is a campaign in which citizens photograph potholes across Russian cities and send the documentation to the government in an effort to have them repaired.

These relatively small scale efforts are also productive because they offer a template for building democracy within Russia as a whole. Mikhail Velmakin, the 30-year-old organizer of Our City, a spontaneously-formed campaign to elect young Muscovites to District Council seats, told *The New York Times*, “This small seizure of municipal councils — it is not a small thing, especially under the dictatorship that now exists.”² Of some 200 candidates it put up over the last year, Our City has won 70 seats.

In addition, the Blue Buckets society, an organization formed in 2009, continues to grow in prominence. Members decorate the top of their cars with blue buckets as a means of drawing attention to government officials who abuse their police lights when in traffic. An advocate of the Society, Yevgeny Starshov, explained how such approaches are spreading: “Now most of the action is organized not by the political parties sitting in the Duma but by average Russians.”³

Efforts to build local civic activity are also occurring through volunteer groups. In the wake of devastating floods in the southern city of Krymsk in July, a grassroots aid collection effort launched within 48 hours of the tragedy. Hundreds donated clothes, bedding, med-

ication, drinking water and money, which were shipped from Moscow to Krymsk. Masha Gessen, a Russian journalist, reported on the unprecedented nature of such grassroots activity, even for Moscow.⁴

Ventures like Our City and Blue Buckets may not appear far reaching relative to Western conceptions of democracy. After all, supporters of these projects are not necessarily opposed to authoritative elements within government. Still, such efforts seek to provide citizens with greater influence over Russia’s political direction, and therefore are definable, in broad terms, as local experiments with democracy.

Young urbanites are not interested in the radicalism of the protest movement or the charade of what they refer to as a “system opposition”—several national political parties operating under the protective eye of the Kremlin. Their vision of the country is one in which local autonomy reigns supreme. When asked to identify one change he would make to Russia’s government, the IFC investment officer remarked: “Decentralization. More authority to local leaders, and they have to be elected and report to their constituents directly.”

Of course, the big question still remains how Putin will respond. Some reason he might accept this trend. In April 2012, for instance, the Kremlin passed a bill restoring the election of regional governors, a privilege taken away in 2004.

Responding to criticism regarding authoritarian practices, Putin continues to uphold the notion of sovereign democracy, a concept that states Russia will take a unique path toward democratization, though he has not specified the logistics. Allowing for controlled local experiments with democracy might very well align with this doctrine. Certainly, China, an ally of Russia, is beginning to permit popular elections on the village level in what they call “guided democracy.” Could local politics and civic activity indeed act as a model for authoritarian countries transitioning toward democracy? For Russia, only time will tell.

About the Author

Andrew Jarrell is currently pursuing a BA in political science at Northwestern University.

2 Michael Schwartz, “Opposition to Its Surprise, Wins a Bit of Power in Moscow,” *New York Times*, March 8, 2012.

3 “‘Birth of civil society’ + ‘politically mobilized middle class’ = end to Russia’s status quo?,” Democracy Digest Blog, February 29, 2012.

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Internal Contradictions in Russian Reforms

By Dmitry Maslov, Ivanovo

Abstract

A decade after the Russian authorities embarked on reforms to improve the efficiency of governance in the country, most of the declared goals have not been achieved, including improving the quality and availability of public services and raising the effectiveness of public administration. The latest political developments in Russia have renewed discussion about the internal contradictions in the proposed approach to modernizing the state.¹

Introduction

In the early 2000s, the Russian authorities, in an effort to achieve higher administrative efficiency, launched a series of reforms, including administrative, public service and budget reforms. This modernization package was very similar to the “new public management”—a modern paradigm for public administration associated with British Prime Minister Margaret Thatcher’s reforms in Great Britain, which aimed at eliminating tedious and inflexible bureaucracy in governance. Russia, though with a delay of two decades, followed this world trend to use corporate-style processes instead of formal bureaucratic procedures. This meant switching from funding public bodies to funding public services, emphasizing that public services could be provided by both public and private organizations. Hence, according to this approach, it is possible to outsource some public services, such as licensing certain types of economic activity.

During the last 10 years of reforms, the Russian public administration sphere received a massive injection of western management techniques, like management by results, performance-based budgeting, e-government, and many others. On paper, the essence of the reforms was quite progressive. In practice, the reforms appeared mostly artificial and removed from the lives of ordinary Russians. Citizens, who are now rebranded as customers in a reinvented, marketizing system of governance, are not satisfied with the quality of the public services that the state provides. The problem is that no one in Russia feels the difference between public function and public service. In Russian legislation these two terms blend together. It was (and is) extremely difficult for public administration bodies at all levels to divide their work into services and functions. Federal Law #210, adopted on July 27, 2010, only confused the situation

by defining state and municipal services as activities to be implemented by state and municipal functions at the request of applicants. At first glance, this issue may seem insignificant and just technical, but it poses a fundamental conflict of vertical functional and horizontal service approaches. These methodologies are absolutely different and their combination produces what we call the phenomenon of “perpendicular government.” The vertically-oriented functional system means managing by command and control; the horizontally-oriented service system means managing by processes. Because of this contradiction, invisible for many reformers, the proposed mechanisms of reforms do not work on the ground and cannot bring the anticipated results. “Turbulence,” the term Deputy Prime Minister Vladislav Surkov used to describe the protests that recently took place in Russian society, is also caused by the low efficiency of this “perpendicular” governing engine.

Russian administrative reforms have mostly failed, even from the official point of view. Government is looking for new reserves of effectiveness and fresh approaches to enhance the efficiency of public management. Recently President Vladimir Putin even described the Key Performance Indicator (KPI) system as a probable “magic pill” to overcome governmental inefficiency. But it is practically impossible to use any modern tool, finely-tuned models or even best practices from abroad without first solving the conflict of perpendiculars in the fundamental principles of governing.

“To-Be” Governance

Public administration reforms in Russia were aimed, at least artificially, to move from functional to process management. To modernize the Russian administrative machine, firstly, it is necessary to bring the government into the market of social goods as one of the suppliers. Governmental bodies must adopt new “corporate style” structural and legal forms. In other words, the state should envision itself as a private company that aims to have a clearly defined product for citizens and civil society—public service provided to concrete customers and stakeholders—and there should be a trans-

¹ This article is a result of the author’s visiting research fellowship sponsored by the Special Projects Office of the Special and Extension Programs of the Central European University Foundation (CEUBPF). The theses presented here are the ideas of the author, but do not necessarily reflect the opinion of CEUBPF.

parent performance measurement system based on customer satisfaction with the quality of public services to hold the government accountable.

Secondly, there is a need to rethink the borders of the market sector in which the state operates as a service provider. In market terms, this means that the authorities should clearly define their market niche, including the features and types of services they provide to consumers. This definition implies, on the one hand, that the government should reject the idea that it provides a “package” of services and split these services into various separate categories; on the other hand, it requires a clear definition of customer groups and stakeholders. For example, providing subsidies for housing directly to customers/citizens (not to service organizations as is the usual practice today) actually allows citizen to avoid the compulsory fees that he or she has become used to paying. This is an opportunity to get away from opaque subsidies to municipal infrastructure that result in corruption, while supporting a citizen’s choice of the services that he really needs. Such a reform would not only open the market of housing services for investment, but would also reduce costs to the budget.

Thirdly, according to this logic, public services without defined customers do not have to be provided (if there is no recipient of the service, there is no opportunity to assess the quality of its delivery). It is obvious that the following sectors should be subject to such restrictions: healthcare, education, culture, social welfare and housing—sectors that can be defined as still mostly non-market. Thus, the transition must be made to a customer-oriented management style. Quality of service must be established by clearly identified standards, and public service delivery processes—in administrative regulations. Moreover, the concept of “quality” should not be construed narrowly, as compliance standards or regulations. It has to be measured as the level of customer’s/citizen’s satisfaction with public services.

Finally, it should be noted that a business-like approach requires the most cost-effective way of production. This means that public services must not only meet all customers’/citizens’ requirements, but these must be implemented at a lower cost than at present. Drawing an analogy with a market economy, the effective state constantly reduces costs and improves performance. The ideal situation is if the state can assess the financial “weight” of each public service (budget expenditures for its provision) that allows comparing the actual cost of services both in the public and private sectors. In this case, budget expenditures are targeted, focused on achieving a certain result. They are “tied” to certain public services. Over time, the value of all public services is becoming more transparent,

even those services which the public authorities provide to each other.

The described framework implies four necessary steps of reform:

- First: functional reform in terms of actually changing the content of public management at the strategic level. This reform requires a new definition of the public authorities and their place in the system of public administration in Russia.
- Second: it is modernization of the operational management system (administrative reform in the narrow sense) in accordance with the new content of public management focusing on citizen/customer satisfaction and public service delivery.
- Third: reform of the budget process, primarily to help improve the efficiency of budget spending through effective methods of budgeting.
- Fourth: all reforms require an updated regulatory framework, which must be based on extensive legal reform.

“As-Is” Governance

A number of serious challenges have already arisen with implementing the model of the new public management in Russia (although it should be noted no one in Russia calls it “new public management”). These challenges will continue to arise.

The fast inflow of modern western management techniques into Russia often exceeds the ability of the government to absorb and implement them. The best example of this problem is the conflict between implementing the horizontal process model of public services delivery and the vertical hierarchical framework of public functions. A citizen, imagining himself as a citizen-customer, believes that the state provides public services to him (because the state officials constantly talk about it). In accordance with theory and common sense, service delivery means a horizontal process approach—the fastest and most effective way from customer needs to customer satisfaction. But for the state, public service is no more than a new public function. Public servants cannot (and do not want to) think in terms of processes; they operate in a framework of functions. Under this form of governance, an official’s customer is not a citizen, but his boss from the Power Vertical, the top-down hierarchy in which bureaucrats obey their superiors. Vertical functional management and horizontal process management cannot work together ... but they do in contemporary Russian public administration. The citizen is lost within the bureaucratic machine because at the current stage of modernization, the Russian state has not decided yet what it produces: functions or services. This is the main feature of perpendicular government.

Nevertheless the state, partly accepting the role of a service organization, tries to demonstrate its achievements to the public, its current citizens/customers. But it manages to focus only on the “front office,” where it demonstrates mostly artificial evidence of effectiveness, such as “one window” options for businesses to obtain the licenses that they need to operate. Government has declared that it has adopted a customer-oriented strategy, but it has not integrated a process approach into legislation or the day-to-day activities of public administration. The functional framework still rules.

Another problem is that as the state takes on the role of a “Public Service Co.” it feels comfortable playing the role of a monopoly. It seems that the only thing that a business-like status gave the state is an opportunity to “invent” and sell services. Meanwhile, people are still crowded in the queue, and those who want to receive their services more effectively must go to the backdoor to get what they need—that means only one thing—more and more corruption.

The effectiveness assessment framework, which was to become the main driver for improving public administration, was introduced by two presidential decrees in 2007 (for regional authorities) and 2008 (for municipalities). Developments in this sphere mostly focus on laying out a number of criteria for measuring performance. The performance measurement system is being constantly updated with new indicators. For instance, the evaluation model for the governors initially consisted of 63 indicators, subsequently grew to over 360, but in autumn 2011 dropped to 264. After a short discussion within the framework of the recently created “Open Government,” there are now 11 indicators..

Unfortunately all these changes do not make the effectiveness assessment model any more useful. The main reason is that the gap between the importance of measuring effectiveness and its actual place in the legislation remains very large. Evaluating effectiveness is the last of 18 items in the “Local issues” chapter of the Federal Law on Local Government. The only legal consequence of effectiveness (or ineffectiveness) for the local government could be a grant from the governor that encourages the achievement of better results. The same scheme works at the regional level. Needless to say, public officials have little incentive to work more

effectively. Even the measures that do exist do not give a clear measure of results. A focus on ranking instead learning; empty papers and reports instead real actions and continuing improvement—these are the features of the existing system.

All attempts to evaluate the quality of public service by measuring the level of citizen satisfaction cannot give a truthful picture due to the lack of a relevant methodology. That’s why in official reports we see levels of citizen/customer satisfaction with public services as high as 80, 85, or even 90 percent; but when we go into details to understand how these great results were achieved, we find out that the annual figure was obtained from a 2-hour survey of a handful of people, who themselves are in public office. While some may find this amazing, it is a typical practice.

Conclusion

Historical developments shows that countries from the Roman-Germanic legal family (of which Russia is a member) still poorly fit the model of “new public management.” Some of them spent many years on reforms, but are constantly faced with new challenges. Although it is impossible to guarantee the success of reforms, it is obvious that the businesslike model allows the government to use a range of tools previously inaccessible to the state machine to increase efficiency and collect more resources through mechanisms such as public-private partnerships and delegation of public functions to civil society. “Business-like” governance is more flexible than the “administrative” forms and therefore may exhibit greater stability. New “centers of responsibility” within this system produce a lot of project initiatives, can generate a quick response to citizens’ requests without waiting for a hierarchical signal from the top (through the “functional wells”), and solve problems at the citizen level.

Finally Russia urgently needs to get rid of perpendiculars in governing, to change the ideology of public management, to move from the idea of “serving the public” to the idea of “delivering public services”; from understanding governance as a hierarchy where your customer is higher level officials to the concept of governance as a market where your customer is a citizen.

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ABOUT THE RUSSIAN ANALYTICAL DIGEST

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