Russia and Eurasia Programme Paper 2012/02

Two Russian Narratives

Andrew Wood
Chatham House

December 2012

The views expressed in this document are the sole responsibility of the author(s) and do not necessarily reflect the view of Chatham House, its staff, associates or Council. Chatham House is independent and owes no allegiance to any government or to any political body. It does not take institutional positions on policy issues. This document is issued on the understanding that if any extract is used, the author(s)/speaker(s) and Chatham House should be credited, preferably with the date of the publication or details of the event. Where this document refers to or reports statements made by speakers at an event every effort has been made to provide a fair representation of their views and opinions, but the ultimate responsibility for accuracy lies with this document's author(s). The published text of speeches and presentations may differ from delivery.
Competing narratives

Major shifts usually surprise, but with hindsight look predictable. Few Russians are now confident of what condition their country will be in by 2018. There is scope for change in people’s assumptions as two differing and competing narratives take hold and determine how Russia’s political evolution proceeds.

The Kremlin account is the easier to describe. Those who had speculated on Vladimir Putin turning reformer in his latest presidential term have been disappointed. The possibility looks increasingly distant. He has yet to set a convincing agenda for managing, let alone transforming, the economy. Since his return to the Kremlin in May, he has sanctioned a comprehensive series of laws passed by the Duma that greatly increase the powers of the security organs to take arbitrary and punitive action against those who displease the authorities, and he has given free rein to his anti-Western instincts. In retreating towards and encouraging the traditionalist, not to say reactionary, instincts of an admittedly significant section of the Russian electorate, Putin has further diminished the status he once enjoyed of being a national leader beyond ordinary politics. Judging by the continuing efforts of the authorities to frame charges against protest leaders following the demonstrations of 6 May, on the eve of Putin’s inauguration as president, the scale of these protests caused him particular and personal offence.

The rival narrative is one for replacing the personalized system of rule by ‘understandings’ in favour of clear, accountable and institutionalized structures. Looked at this way, it goes beyond the protest movement to include significant parts of the Russian establishment. That gives it strength. But it lacks organizing focus, making it in its present form subject to changes in public mood and the errors or accomplishments of the ruling elite. The official opposition parties in the Duma have been quite passive. The authorities tried to disrupt the ‘non-systemic’ opposition’s election of a Coordination Council. This, together with pressure on individual protesters, suggests that for all its public sneering Russia’s ruling group takes the non-systemic groups quite seriously. But even if the new council proves able to build on existing habits of consultation between those who have come out on the streets with varied ambitions, or might be ready to do so in the future, it has a considerable way to go before it may become a coherent political force. Demonstration fatigue, moreover, has set in, for now at least.
Kremlin response

The October regional and municipal elections were adroitly managed by the Kremlin. Voter turnout was distinctly low. The ‘non-systemic’ opposition was ineffective in its campaigning; indeed it hardly did much. Mikhail Prokhorov, whose links with the Kremlin are ambiguous, has recently inaugurated a platform to include voices critical of the Putin administration, arguably as a sanitized outlet for the opposition-minded. But these developments do not seem to alter the underlying tension between an effort to cement in place the present Kremlin framework and its practices on the one hand, and the widespread apprehension that more broadly acceptable and durable structures are needed, on the other.

Putin’s claim to Russia’s leadership now rests more than ever on the absence of any apparent alternative, together with the evisceration of the constitutionally mandated organs of the wider Russian state. Buttressing his group’s rule with the support of the Russian Orthodox Church, appeals to patriotism in the face of alleged outside threats and what looks like an effort to establish red lines against various internal pressures all serve to underline the extent to which Russia has moved further towards becoming a personal fiefdom. The hereditary tradition that supported Nicholas I when he tried something similar is not there for Putin, who cannot now present himself as being the current incarnation of a wider and continuing reality. He might have avoided this trap had he allowed Dmitry Medvedev to become the real authority after 2008, or perhaps, despite Medvedev’s uncompelling performance as president from 2008 to 2012, had Putin’s planned return to the Kremlin not been announced at the fateful United Russia gathering in September 2011. As it is, the issue of what may eventually follow Putin’s rule is now a permanent part of the Russian political scene, just as the question of succession is central to the politics of, for instance, Kazakhstan, Uzbekistan or Belarus. Putin’s room for manoeuvre is already reduced by the repressive approach taken by his administration since May. The further the regime travels down this authoritarian path, which it may well find that it must if intimidation is to have a chance of working, the greater the risk to its legitimacy and ultimately, its power. Putin has become the linchpin of a fully personalized system.

The prevailing mood in much of Russia is the fear of incipient stagnation and eventual political crisis. The original Putin formula of stability, in the sense of leaving politics to those in power in exchange for increasing wealth for those outside the magic circle, has been compromised. Capital flight continues. Capital investment, whether Russian or foreign, is limited. Russian projections
suggest that the balance of payments will turn negative by 2015. The strain on the budget is such as to make the social security payments already enacted problematic, let alone the range of further expenditures the Kremlin promised during the pre-election period. The pension system is to be changed yet again, with the accent so far on short-term fixes. Russia is as dependent on the price of oil as it ever was, while Gazprom is not the government cherry tree that it used to be: shaking it is no longer enough to cover unexpected contingencies. It is as vital that Russian oil output should be maintained as it is that the oil price should remain within or above its present range. But there is a gap before new fields can be brought on-stream.

It is on the face of it odd that there should be so much questioning as to where the Russian economy is or ought to be headed, given that desirable economic reform has been so extensively, even minutely, studied. There is a fair amount of common ground, after all, between those in government and those critical of it or even opposed to it, as to what needs to be done. Putin and his group are more inclined towards state control than others. The accent is less on diversification now than it was under Medvedev. But at the level of general principle, the same hymn sheet is used more or less across the board, which was not the case before Russia’s economic collapse in 1998. The ‘non-systemic’ opposition does not seem to have developed ideas that suggest anything all that different. But three interlinked matters hold action back: the sheer difficulty and disruption that would be a necessary part of radical change; the question of who would own what and under what conditions as a result of such change; and how the institutional framework that would govern the workings of a newly effective economy might evolve.

It was no surprise that Russia dealt with the 2008/09 global economic crisis by spending its money to prop up what existed rather than in the pursuit of restructuring. Its plans to meet a further such crisis are in the same mould, with fingers crossed as to how far its reserves might stretch. In the unlikely event that a greatly different regime were in place by, say, 2014, the chances are that it too would try to batten down the hatches in the same way. Any government would fear the social unrest that might flow from structural reforms, particularly at a time of economic stress. Social unrest that might coincide with political protest is probably what the Russian government fears the most. But that does not alter the facts that a clear pathway to an economy less burdened with obsolete enterprises is – or ought to be – a principal preoccupation of the Russian authorities, and that a return of global risk is a clear possibility. President Medvedev warned of the dangers of Russia falling
behind its competitors. President Putin has downplayed these apprehensions and done nothing to prepare the population for the difficulties of deep reform.

**What needs to be done**

The question of who owns what, and the implications of that, is also one that haunts, but is scarcely debated. The oligarchs of the 1990s may be fair game but none of those in present possession of significant assets, including the oligarchs of this century, can be sure of their ownership. That dependence may bind them to the current political leadership but it also cramps their plans for the future. It subjects them as well to the humiliating need to play courtier to Putin and his immediate entourage, in competition with their peers. The opposition-minded would be wise to think of ways to reach out to those bound by their private interests to the present governing elite, including, perhaps, with a proposition whereby current ownership rights would be recognized in return, for example, for greater transparency and accountability. That will not be easy for many of the ‘non-systemics’. Nor for that matter will it be easy for them to face up to the difficulties of economic change and to accept that pursuing it will require top-down leadership, even if validated by free and honest elections. It is fundamental to their thinking that Russia must change from a country that is subject to the will of its rulers to become instead one governed by the rule of law and the will of its citizens.

‘The rule of law’ is easy to talk about but tough to establish. Putin campaigned in 2000 for a ‘dictatorship of the law’. He did not say who would be subject to it, or precisely what it meant. What happened did not answer the hopes of Western optimists. There is a distinction between legislation and ‘the law’ in a wider sense. Russian legislation is not always valid in this wider sense. The country’s constitution has not been safeguarded against breaches of its evident intent, as witness the laws passed since Putin’s return to the Kremlin in May. Russia has very little by way of tradition that would support liberal thinking or individual rights, let alone experience of its rulers being called to autonomous account. One result of the protest movement has been to begin what could, with time, be a fixing of this fault.

The scrupulously honourable Sergei Kovalev, who resigned as President Boris Yeltsin’s human rights adviser over the war in Chechnya, has remarked, while dismissing the ‘non-systemic’ opposition as a rabble in an interview on 2 November with *Novaya Gazeta*, that there should be only three things on Russia’s agenda: honest elections, independent courts and independent
media. The last of these is of particular importance at the present time. If the wider narrative that seeks to replace the current personalized system with one more soundly based in accountable institutions is to prevail, then free argument will have to underpin it. Opposition circles are right to discuss what these institutions should be, and how they would work, whether between the executive and the legislature, or the regions and the centre, for instance. But without free mass media none of the resulting bodies would live up to their responsibilities. It was glasnost, above all, that freed the peoples of the USSR. A full and proper exchange of ideas is a necessary preliminary to the renewal of Russia’s polity. All three items on Kovalev’s agenda are against the narrowly perceived interests of the group at present in control of the central authorities. But the desire for them is nonetheless widespread.

Discussions of Russia’s future for now end, and maybe have to end, at this frustrating point. One analytical approach is to follow the logic behind what Putin had to say about Russian exceptionalism and autarchy in Krasnodar in September (see below); and another is to predict, as many do, national ruin as the authorities retreat further down their cul-de-sac. An analysis of current Russian attitudes produced for the Russian Centre for Strategic Research by Mikhail Dmitriev and Sergei Belanovsky, published by Vedomosti on 24 October, addresses the latter possibility. Their report is too nuanced and comprehensive to summarize fairly here, but its tenor is that their country-wide focus groups are largely convinced that the present regime can now neither be voted out nor reform itself from within; that Russia’s decline is inevitable without such inner renewal; and that only pressure from below can force through the changes that increasing numbers of Russians desire.

**Future-past**

Any foreigner who knew the Soviet Union and who visits Russia now is often asked how much has changed – or is simply told that things are different these days. The continuities are, however, increasingly evident. I recall writing in 1981 a piece to the effect that deep and radical change had to come to the USSR, but that it looked impossible, given the nature of Communist rule, without upheaval somewhere in the bloc. That was half right, but also mistaken. It left out Mikhail Gorbachev, and the unexpected shift in perspective that accompanied his advent. The parallel with today is increasingly evident.
Vladimir Putin on the moral and political upbringing of young people, Krasnodar Seminar, September 2012.¹

As history shows, including ours, cultural self-awareness, spiritual and ethical values, codes of behaviour – these are all spheres of fierce competition, on occasion the objects of information attack, I should prefer not to say aggression, but certainly attack – that is exactly what it is, exactly that is to say, well-directed propaganda attack. And this is not some sort of phobia, there is nothing here that I am making up, this is what it really is. This is at the minimum one of the forms of the competitive struggle. Attempts to influence the world views of whole peoples, intending to make them subject to the will of others, to bind them to such values and governing ideas – these are realities, just as real as the struggle for natural resources which many countries have to contend with, ours among them.’

ABOUT THE AUTHOR

Andrew Wood is an Associate Fellow of the Russia and Eurasia Programme at Chatham House and author of the Chatham House Report Putin Again: Implications for Russia and the West (with Philip Hanson, James Nixey and Lilia Shevtsova), Change or Decay: Russia’s Dilemma and the West’s Response (with Lilia Shevtsova) and a 2011 paper for Chatham House on Russia’s Business Diplomacy. He is a consultant to a number of companies with an interest in Russia. He was British ambassador to Russia from 1995 to 2000.

¹ President of Russia, ‘Встреча с представителями общественности по вопросам патриотического воспитания молодёжи’ [Meeting with representatives of the general public about the issue of patriotic education for young people], 12 September 2012. http://kremlin.ru/transcripts/16470