

RUSSIA'S RELATIVE RESILIENCE: WHY PUTIN FEELS VINDICATED BY THE PANDEMIC

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SUMMARY

- Covid-19 has damaged Russia's economy and President Vladimir Putin's political agenda.
- Yet the crisis has given the Kremlin some grim self-confidence that things might be bad, but others have it worse.
- Putin sees most countries' behaviour in the pandemic as having validated his philosophy of international affairs: liberalism and universal rules are in retreat, while state-centrism is advancing.
- The pandemic has exposed many of Russia's weaknesses, ranging from its healthcare system to a general lack of trust in state institutions.
- But none of these problems implies the imminent collapse of the country's physical or political infrastructure.
- The fact that Russia's economy is projected to contract less than those of most Western countries makes the Kremlin feel vindicated in its economic policies.
- Russia's experience of covid-19 has fostered a 'wait and see' attitude towards foreign policy in the Kremlin – an expectation that time is on the country's side.

INTRODUCTION

On a sunny and warm day in late September, the Russian internet was once again sharing photos of ambulances in long queues at hospital doors, waiting to drop off patients – a sight not seen since late April. The number of covid-19 infections in Moscow had more than doubled in just a few days. This probably forced many a reluctant admission that the drama of the coronavirus was not yet over: the second act was just about to start – as indeed it did.

Yet anyone who hoped that the common threat from the virus would help launch a new era of international cooperation, not least between Russia and the West, must be disappointed. So must be those who expected the virus to be the final straw for Russia's oil-addicted economy or President Vladimir Putin's political system, which has long been battling for legitimacy and popularity.

So far, the Kremlin's view of events is closer to the opposite. Putin likely sees most countries' behaviour in the pandemic as having validated his philosophy of international affairs: liberalism and universal rules are in retreat, while state-centrism – vividly manifested in the European Union's border closures in spring – is advancing. As Putin said in October: "only a viable state can act effectively in a crisis – contrary to the reasoning of those who claim that the role of the state in the global world is decreasing." And even though Russia's economy has undoubtedly taken a blow – it is projected to contract by around 4-5 per cent this year – the overall damage appears to have been less severe than that in many other countries, and even less than in Russia itself during the 2008 financial crisis.

Nonetheless, the second wave of the pandemic is surging across Russia. It is worse than the first one in terms of the numbers of infected, the regional spread, and the burden it places on the country's healthcare system, especially as concerns the provinces. But, due to the absence of a tough lockdown, its economic impact is less severe. And its political effect is almost non-existent – despite the political elites' unusually high levels of exposure to covid-19, with more than one-third of Russia's MPs and governors contracting the virus. Indeed, the narrative that prevailed during the first wave persists. As one well-connected analyst put it, the Kremlin appears to feel that "things might be bad, but others have it worse – so, in relative terms, we are winning!" This sentiment is not conducive to selfless international cooperation or the search for the common good. Rather, it fosters a 'wait and see' attitude – an expectation that time is on Russia's side and a better deal (whatever that might be) will be available once the dust settles.

This sense of victory is not euphoric, though. The atmosphere among the political class in Moscow is one of tiredness rather than hubris. And there is a certain end-of-an-era feeling in the air. Analysts of domestic policy tend to attribute this to the exhaustion of the 25-year-old model of ‘managed democracy’, while many foreign policy experts describe it in terms of the slow collapse of Western hegemony in general – and of 60 years of US-Russian arms control and European-Russian energy trade in particular.

Russia’s elites seem aware that the future is uncertain and difficult for them to shape. Yet, even so, they currently believe that they are better prepared to face the unexpected than their counterparts in the West – whose worldview is, at least in Putin’s eyes, at odds with reality. As he put it last summer: “the liberal idea has become obsolete. It has come into conflict with the interests of the overwhelming majority of the population ... [Liberals] cannot simply dictate anything to anyone just like they have been attempting to do over the recent decades.”

HOW RUSSIA WEATHERED THE ECONOMIC STORM

To the casual observer, covid-19 initially seemed to have created a perfect storm for Russia’s oil-dependent economy. Russia introduced lockdowns in mid-March, just weeks after oil prices plunged due to a disagreement between the country and OPEC over production cuts. The situation was aggravated by a subsequent price war – which Saudi Arabia launched in reaction to Russia’s lack of solidarity with the bloc. Already on a downward trend since the beginning of the year, oil prices lost more than half of their value during the price war, bottoming out at \$21.51 per barrel on 23 March – well below the \$42 per barrel that the Russian state needs to balance its budget. The rouble followed a similar trajectory, losing 16.3 per cent of its value against the euro in March.

The agreement to cut production reached on 12 April by several countries – including not just Russia and members of OPEC but also the United States – slowly restored prices to around \$40 per barrel in summer. Oil prices have been hovering at around Russia’s budgetary break-even point ever since, leaving the country in relatively comfortable position, albeit with it still losing out because of production cuts.

To seriously pressure Russia’s finances, a plunge in oil prices would need to be not only deep but sustained. With its sovereign wealth fund, the National Wealth Fund, worth 10-12 per cent of GDP at

the start of the crisis, Russia could have covered its budgetary shortfalls for many months or even a few years (depending on how much prices dropped by and how costly the pandemic was). So, any economic worries Putin might have had in April 2020 have probably been offset by self-congratulation – for having accumulated these reserves in the first place, and for embarking in 2014 on a conservative fiscal policy (which significantly reduced government expenditure).

By autumn 2020, economists in Russia and elsewhere were busy revising the country's economic forecasts upward. The emerging consensus was that Russia had weathered the coronavirus crisis better than most European countries. This was largely due to the specific characteristics of the Russian economy. Russia is less reliant on services than most Western countries, and on the small and medium-sized enterprises that have been so vulnerable in the crisis (large companies, by comparison, have relatively easy access to finance, and a greater capacity to redistribute resources and adapt in other ways).

According to Oxford Economics – which has developed a matrix of nine different indicators of economic activity in Russia – Russian economic activity had slumped to 65 per cent of its pre-crisis level by late April, at the height of the lockdown, but had recovered to 94-95 per cent by the end of summer. Sector-wise, the recovery is still uneven: agriculture is doing well, construction did not suffer much to start with, and retail has almost recovered, but other services are still around 20 per cent below their pre-crisis levels.

Unemployment figures somewhat reflect the severity of the crisis. In earlier economic crises, salary adjustments and part-time furloughs usually absorbed the shock. But, this summer, around 6.5 per cent of the Russian workforce was officially unemployed – up from less than 4.5 per cent around a year ago. Factoring in hidden unemployment, the true figure could be 8-10 per cent. Unemployment benefits in Russia are very small (around €140 per month), but the government has tried to remedy the shock by handing out child benefits and authorising tax breaks. “It was not very much but, still, it gave you the feeling that the government was trying to help,” said one Muscovite who received both.

Russia’s reserves have actually grown: the National Wealth Fund has increased from \$123bn to close to \$180bn this year. This is partly because the fund absorbed in March the surplus from the 2019 budget, and partly because there has been a surge in the value of Sberbank shares (which the fund bought). The central bank’s reserves are close to \$600bn – due to fluctuations in the value of the euro and the US dollar, a sharp increase in the price of gold, and the bank’s decision not to prop up the rouble (before October). The value of the rouble has fluctuated, but it rose in December, in sync with oil prices. If the markets did not fear new sanctions on Russia, the rouble would be even stronger.

Nonetheless, a weaker rouble is helpful for Russia's state budget.

In all, a comparatively strong economic performance has translated into political self-confidence – the thinking in the Kremlin that, in relative terms, Russia is winning. This is encapsulated by statements from presidential adviser Maxim Oreshkin, who claimed in September that Russia would overtake Germany to become the world's fifth-largest economy (in terms of purchasing power parity) by the end of 2020 – as opposed to 2024, which was his prediction in 2018. Currently, Russia is 11th in dollar terms and 6th in purchasing power parity. “And, pay attention, this is not because Russia is doing well, but because others are doing more badly,” said one Russian political analyst who saw many parallels to this in Russia's thinking on foreign policy.

Oreshkin's hopes for 2020 may still fail to come true; and the second wave of covid-19 has certainly increased the frustration in the Kremlin. Overall, though, Putin probably views the situation with a sense of sombre self-congratulation. His instinct that Fiona Hill and Clifford Gaddy have called “survivalist” – but that is essentially just the old peasant wisdom of putting aside supplies for bad years – seems to have paid off once again. Russia may have had a worse crisis than it hoped but, thanks to its conservative fiscal policy and the National Wealth Fund, the country is faring a lot better than the Kremlin initially feared – and, importantly, better than its competitors in the West.

NOT PUTIN'S KIND OF CRISIS

Yet, paradoxically, this has not been a good crisis for Putin. He has not excelled in it or enjoyed it. And, domestically, he has hardly benefited from it. A crisis that does not allow for heroism, but requires patience and diligent management, does not suit Putin personally or authoritarian leaders generally. As Ivan Krastev put it: “authoritarians only enjoy those crises they have manufactured themselves. They need enemies to defeat, not problems to solve. The freedom authoritarian leaders cherish most is the freedom to choose which crises merit a response.”

Covid-19 has upended much of Putin's agenda for 2020. Perhaps the most interesting question concerns whether it did so once or twice. It could be that a lavish celebration of the 75th anniversary of the end of the Second World War – which was planned for May – was always meant to be a party that crowned Putin as Russia's leader for, potentially, the next 16 years. Or it could be that covid-19, combined with the fall in oil prices and broader turbulence in the world, derailed Putin's plans to

gradually take a backseat in politics, prompting him to seek the opportunity to rule on. The latter explanation was put forward by his spokesman, Dmitry Peskov, who said in March that Putin made the decision because “the situation in the world has become less stable”, citing the pandemic, the risks of “global recession”, numerous “acute regional conflicts”, and Western sanctions.

One cannot rule out the possibility that Peskov’s statement contained elements of truth. Had Putin always intended to stay on, he could have organised it differently. Putin’s political ‘special operations’ have usually been tidy, sometimes almost primitively linear. By contrast, the process of drafting constitutional changes in January and February was so messy that even high-ranking regime loyalists allowed themselves to be openly sarcastic about it. It could be that the process strayed out of control and, combined with growing instability in the world, prompted Putin to insert a backstop – an option to remain in his seat in the Kremlin for 16 more years. In some ways, this resembled his manner of decision-making in 2011, when he allegedly decided to return to the Kremlin due to crises in Libya and other parts of the Middle East and North Africa.

Be that as it may, the Victory Day parade and the vote on changing the constitution to allow Putin to stay in power were still meant to be highlights of the year. But the coronavirus crisis shifted the timing and the context of both – and not in Putin’s favour. For a short while, he tried to play down the virus and keep his schedule intact: “we managed to contain the massive … spread of the infection in Russia … the situation is generally under control,” said Putin on 17 March, the day on which he signed an executive order setting the date of the constitutional vote for 22 April.

However, just around a week later, Putin was forced to postpone both the vote and the parade, announcing a country-wide non-working week instead. After that, Putin was effectively out of the public eye, and his popularity ratings began to tumble. In early May – a few days before the Victory Day parade would have taken place – they reached a historic low of 59 per cent.

The constitutional vote eventually took place on 1 July, with pre-voting beginning seven days before that. Anyone who expected it to turn into a protest vote must have been disappointed – the changes passed comfortably, with 79 per cent of voters approving them. However, if the aim of the exercise was to inject new energy and legitimacy into the political system, it did not achieve this either. The vote inspired no enthusiasm; rather, it further undercut the reputation of the federal, regional, and Moscow authorities, as it became evident that health data was being ‘edited’ to accommodate the political agenda. “It was hard for [Moscow Mayor Sergey] Sobyanin to explain why the strict self-isolation measures were suddenly relaxed,” said one analyst based in the city. “His attempt to retain some control and order by announcing a right to walk outside in shifts was seen as ridiculous and

completely unrealistic.”

The vote also cast Putin in a poor light. According to Moscow sociologists, people saw from the start that, in the context of this big disaster, what Putin cared most about was his own agenda – the vote. “People did not like self-isolation, but when they understood that it ended not because doctors said so but because Putin needed to end it, this was met with contempt,” said Levada Center sociologist Alexey Levinson. Even those who had little against Putin staying on found it distasteful that he had arranged the formal procedure in such a way and prioritised it above all other things. “Some saw it as a moral crime; others decided that, if the state needs sacrifice, people need to deliver,” commented Levinson, “but popular it was not”.

Furthermore, it is unclear whether this political theatre achieved any of the aims of political elites or Putin himself. “When Putin first mentioned the constitutional changes in January, it seemed that the aim [of this] was to start a process of rearrangement of power that would ultimately allow him to leave the Kremlin,” said one Kremlin-affiliated analyst. “Then, the procedure [of drafting the changes] took on a life of its own that culminated with [Duma Deputy Valentina] Tereshkova’s proposal to give him an opportunity to serve until 2036. But whether will he make use of it or not, Putin has not said. Thus, if the aim of the whole exercise was some reordering of the system, or providing clarity about its future direction, then this has not been fulfilled; we are back to square one. And if that was not the aim, then what was it?”

THE CENTRE VERSUS THE REGIONS

The conventional wisdom may have been that the Kremlin would use the opportunity created by the virus to engage in further centralisation, as well as greater surveillance of the population. But what happened – on the centralisation front, at least – was the opposite. Putin announced that all regions and governors needed to take decisions suitable to them. In theory, such a delegation of responsibility made perfect sense: the intensity of the pandemic varied greatly across regions; and the Russian healthcare system is nominally organised on the regional level, with the federal authorities playing little role in it.

However, for a country whose political trajectory over the last 20 years has been one of determined centralisation by the Kremlin (with only minimal reversals of this after the protests of 2011-2012), Putin’s approach was baffling. As one foreign policy analyst affiliated with the Kremlin put it, “for a

while, Russia felt almost like a true federation.”

Early on in the pandemic, many observers suspected that this was a smart public relations move: Putin choosing local governors to play the bad guys responsible for healthcare failures and limitations on personal freedom, but preserving for himself the role of a benefactor who bestows gifts in the form of non-working days and financial assistance. Yet, if this was the plan, it did not work. Not only did Putin’s popularity nosedive, but the prime minister essentially lost his political role.

In January, when Putin appointed Mikhail Mishustin to head the government, there seemed to be a distinct agenda behind it. Mishustin was supposed to accelerate the implementation of ‘national projects’ – economic investment initiatives intended to transfer money from the national reserves into the mainstream economy – and the resulting rise in living standards was supposed to create the conditions for a smooth and controlled transfer of power. But, in the course of just a few months, the government postponed these projects, the transfer of power became uncertain, and Mishustin – after having been briefly sidelined by covid-19 himself – continued to act as a technocrat: an administrator in charge of the government with no ambitious political agenda.

Thus, as far as the central government was concerned, covid-19 did not cause citizens to rally round flag. Instead, as sociologists observed, there was a slight rise in support for regional leaders – “creeping federalisation”, as some put it. This is something relatively novel for Russia, where historically people have tended to believe in good czars and bad boyars. And periods in which the centre has weakened – such as the 1990s and the early 17th century – have, in retrospect, been widely regarded as time of troubles.

However, this creeping federalisation was not caused by the pandemic: according to political scientist Ekaterina Schulmann, the relative importance of the regions started to increase before the crisis began, and the trend has continued since then. One should also not overinterpret the immediate political effects of this trend. While it seems that Russians who live outside Moscow and Saint Petersburg are increasingly acquiring their own agendas and voices – as seen in, for instance, the July 2020 protests in Khabarovsk – this trend is as gradual as it is important. Today, in practical policymaking, the centre and the regions retain close links as parts of a slowly decaying political system.

One can find a good example of this in the recent career of Sobyanin. Having been appointed as the head of Russia’s coronavirus taskforce in mid-March, he became the face of the administrative power in spring. Despite some initial hiccups, the public broadly approved of the measures he introduced.

For instance, his implementation of commuter permits in Moscow – which were valid from 15 April until 9 June – initially had the approval of 54 per cent of voters. However, in June, the Kremlin abruptly forced Sobyanin to lift the lockdown, to comply with Putin’s desire to hold the constitutional vote and the parade. This dealt a blow both to Putin’s popularity and Sobyanin’s authority: it not only strengthened the impression that the president’s first priority was his political agenda, but also made people suspect that Moscow’s permit system and strict quarantine stemmed from an unnecessary and selfish move by the powers that be. As a result, Sobyanin’s popularity dropped from a peak of 57 per cent to 45 per cent.

If the Kremlin ever had any qualms about its sway over the regions, then it probably put these to rest following the 13 September local elections – which saw most government-approved candidates carry the day. The one area in which the Kremlin seems to have taken advantage of the pandemic, consciously or otherwise, is in election procedure. With voting spread across a significant number of days and locations – ostensibly, and perhaps actually, due to the coronavirus – the process became very hard to monitor procedurally. This started with the constitutional vote on 1 July, the rules for which were drafted haphazardly. Some analysts warned early on that the rules for the vote were being written up in a chaotic and improvised way – which could be bad news for the electoral process and the electoral system as a whole.

And indeed: the improvisation on rules and procedures carried into the 13 September local elections, which many experts considered to be much more serious. “The constitutional vote was god knows what, so it was fine to conduct it in god knows which ways,” said one expert affiliated with the establishment. “But extending the period of voting for local elections, and allowing so much off-site voting – that already amounts to the erosion of the institution of elections, and this is serious. People mind it.”

STATE OF DISTRUST

Most Russian citizens are struggling to make sense of the coronavirus crisis. “People believe the gossip – but only up to a point; they register a fact, but place it in the ‘doubtful column,’” wrote Levinson. “Who is to blame: the coronavirus or the higher-ups? They are just as invisible and omnipresent as the virus. But the virus has no particular aim in mind, while they do: to keep us down so we don’t cause trouble.”

It seems that distrust of the state leaves its imprint on all public perceptions related to the coronavirus; the crisis functions as a filter through which the public sees and interprets all sorts of developments, especially the actions of those in power. Sometimes, this is justified. For instance, it is probably quite true that, while handling the coronavirus, the Kremlin has always tried to tailor the measures it introduces to its political agenda.

Yet many other things that Russians complain about in focus groups and opinion polls, and blame the state for, just reflect general confusion about how to behave at the start of the pandemic – and are not really specific to Russia at all. Like many countries in Europe, Russia swiftly ended travel to and from China, but failed to do so with Italy; lacked tests and protective equipment; and was unsure about how to diagnose covid-19, or how harsh a lockdown to impose. The result was that some people considered the government's response to be too harsh, others too relaxed. And these positions were not necessarily split along the traditional liberal-conservative lines (or what passes for them in Russia).

In autumn, Russia – like the rest of Europe – was hit by a second wave of the pandemic that was more severe in terms of infections and death toll, but that left only a marginal imprint on political discussions and narratives. Russia's response to the coronavirus does not really stand out as being significantly worse than those of other countries – but what does is the Russian public's reluctance to see the state as acting in good faith.

Take, for instance, Russia's healthcare system. According to research by the Levada Center, people respect the work of physicians and nurses, but have a very low opinion of the medical services. They blame the healthcare system for postponing planned procedures, allowing covid-19 infections to develop in hospitals, and being generally unprepared. However, a look at the raw data does not seem to fully support this assessment. It appears that, paradoxically, some ostensible weaknesses of the Russian healthcare system became strengths during this particular pandemic.

Take, for example, the system's large number of hospital beds: according to World Health Organization data from 2013-2014 (the latest available), Russia had roughly the same number of hospital beds per capita as Germany. Russia had 818 hospital beds per 100,000 people, while Germany had 826 per 100,000; and had 641 acute care beds to Germany's 621. In Germany, this is a feature of a decentralised healthcare system; in Russia, it is an outcome of partial reforms to a centralised system. Both Russia and Germany have more acute care beds than most other European countries (even if Russia's number of beds has slightly declined due to the reforms it has undertaken

since 2013). In normal circumstances, a large number of beds is often considered to be a sign of inefficiency – as it incentivises inpatient treatment at the expense of outpatient treatment, and a scattered healthcare system cannot possibly offer high-quality, complex services at all its hospitals. However, as the coronavirus forces those with severe infections to stay in bed for weeks, an abundance of hospital beds became an advantage.

One could probably say the same of Russia's huge ambulance fleet. Prior to the pandemic, some analysts estimated the rate of emergency callouts in Russia to be nearly three times higher than the average for members of the Organisation for Economic Co-operation and Development. This is widely viewed as an indication of poor primary care, which forces many people to call the emergency services. But, during the pandemic, access to a ready and functioning ambulance service on this scale proved to be an advantage.

Nonetheless, the crisis has highlighted the evident shortfalls in primary care. “We are lucky to have a relatively [big] bed supply to place infected cases, but we have primary care with a limited capacity to select cases according to their severity and to manage some at home,” said Igor Sheiman, a healthcare specialist at the Higher School of Economics who contracted covid-19 himself. “As a covid patient I experienced this myself. Primary care workers test patients, put diagnosis in simple cases ... and draft self-isolation agreements. A few weeks later they test you again. Nothing in between. Nobody knows about my status and cares about me.”

Moreover, the abundance of hospital beds is not matched by numbers of medical personnel, a lack of whom forced Russia to rely on medical students early on. Also, Russia's healthcare system is still underfunded: prior to the pandemic, the country spent 3.5 per cent of GDP on public health, compared to 6–10 per cent in EU countries. This has resulted in sizeable regional imbalances: Russia has an average of 45.2 physicians per 10,000 residents in urban areas, compared to just 14.5 per 10,000 in rural ones. During the first wave of the pandemic, the imbalance was somewhat offset by the fact that well-off metropolitan centres such as Moscow and Saint Petersburg were the main covid-19 hotspots. But the second wave is now sweeping across the regions, sometimes stretching healthcare capacity beyond its limits. In several regions, hospitals are overflowing with patients and the situation is close to catastrophic.

Even so, the politically interesting feature of this complicated situation is that, from the start, Russians have been reluctant to give the powers that be a fair hearing – and have emphasised their shortcomings over their accomplishments. “We cannot say that the Russian government or power

failed in some very spectacular way,” said Schulmann. “The huge bureaucracy has been more or less coping. But these efforts were not met with approval on behalf of the people.”

THE PANDEMIC’S IMPACT ON FOREIGN POLICY

The coronavirus does not appear to have changed the Kremlin’s thinking about its foreign policy goals, though it temporarily forced the suspension of many efforts to pursue these goals. In spring and early summer, for instance, the Russian Foreign Ministry focused overwhelmingly on the repatriation of stranded citizens – traditional consular work that appears to have met with resistance from other parts of the Russian government. According to Moscow gossip, the state institutions in charge of handling the pandemic were initially reluctant to allow potential infection-carriers to enter the country – so the foreign minister, Sergey Lavrov, had to complain to Putin to resolve the matter.

Foreign policy has gradually regained its importance. But some in Moscow suggest that the virus elevated the domestic agenda over foreign policy, and changed how foreign policy is done. “Take for instance the French leaking the content of Putin’s conversation with [President Emmanuel] Macron about [Russian opposition leader Alexei] Navalny,” said analyst Fyodor Lukyanov. “I can assume the leak was correct … But the fact that it was leaked shows that it is more important for Macron to take a certain position domestically, to be seen in a certain light, than to accomplish something with Russia.”

Beneath such shifts, though, Russia’s foreign policy agenda remains essentially the same. And, as discussed above, Putin probably feels that his worldview has been vindicated. “Instinctively, [Putin] is nationalist, unilateralist, and transactional”, said one Russian analyst in December 2018. “Thus, he feels close to political forces in Europe that share this worldview. For him, this is how the world works, and he wants to be vindicated. He wants to be able to tell the West that he has always been right.”

The coronavirus created excellent opportunities for exactly this type of vindication. The Kremlin sees that “the fragility of globalism has been underscored as the international community grows more fractious and the liberal order recedes,” wrote the Russian analyst Dmitry Trenin on 20 March. “The state has reasserted itself as the prime actor on the global scene.”

Moscow saw that democracies were not better equipped to face the virus than autocracies – and that the EU, with its commitment to free movement, was almost philosophically unfit to answer the

challenge. “The reemergence of internal border controls between EU countries has been read in Moscow as more proof that the EU is not coping with the challenges of the modern era,” wrote Trenin, concluding that “Russia may interpret recent events as confirming the wisdom of self-reliance in a globalised world driven by individual countries’ self-interests.”

These (early) insights largely hold up to this day, even if the course of the crisis has offered some evidence to the contrary. Ultimately, Russia and Western countries experienced similar levels of infections, which made it difficult for Putin to stick to his characterisation of the crisis as an “external threat”. And EU countries have gotten their act together, by coming up with an impressive economic response package, normalising freedom of movement, and gradually reopening the borders between member states.

But any Europeans who thought that the crisis would make Russia more receptive to cooperation with Europe – because the virus is a common threat, and the EU’s eventual decisiveness showed that it could be a strong and coherent actor – were wrong to do so. The Moscow establishment took hardly any notice of the EU’s bolder responses to the pandemic, remaining convinced that, with the world in flux, Russia was likely to lose less than others. “And if you are certain that time works for you, that at the exit from the crisis you will be in better shape than your opponents, then – of course – the stimuli to agree (on anything) *hic et nunc* are lowered,” wrote analyst Andrey Kortunov.

This perspective has been reinforced by the Kremlin’s notion that ‘there is no one to talk with’ in the EU – that Macron does not speak on behalf of Europe, and that German Chancellor Angela Merkel is on her way out. Russian elites also feel ambivalent about US president-elect Joe Biden, expecting his administration to engage in confrontation with Russia but perhaps also to push for some arms control agreements, such as START II. Either way, most of them tend to view Biden’s upcoming presidency as the last gasp of the liberal order that one should not rush to engage with, given that his policies are unlikely to last beyond his term in office.

It is true that there is some renewed interest in Europe on the lower levels of the Russian political landscape: diplomats working in Russia mention that Russian companies are increasingly keen to engage with Europe on healthcare, or want to come to terms with the European Green Deal, seeking ways to maintain energy exports to the EU. However, most such firms could not take these wishes and aspirations to the Kremlin, and those that could are very cautious. Thus, it remains unclear if this agenda will affect the Kremlin’s decision-making any time soon. That process is increasingly influenced by special services and power ministries that focus on hard security matters – if not special operations – and that generally have few incentives to reach out to Europe. In addition, the stand-off

between Russia and the West that has persisted since the annexation of Crimea in 2014 has created a strong psychological and rhetorical impetus that the tired but still self-confident leadership does not want to disrupt.

Russia and the West have engaged in little pandemic-related cooperation – and, where they have briefly done so, it has nevertheless been subtly or overtly coloured by a competitive spirit. For instance, in March, when Russia (along with China) sent aid to Western countries hit by sudden shortages of masks and ventilators, it did so with a subtle message: ‘we can afford to help you, as we are better off’. The aid was meant to be an instrument of soft power and a display of superiority – even if that superiority was short-lived, as Russia only had spare supplies during the first few weeks of the pandemic, and later struggled with shortages itself.

And, as concerns Moscow’s relations with the EU, it was probably no accident that the Kremlin chose to send its limited help in March-April straight to Italy, as opposed to reaching out to Brussels. This is despite the fact that such a gesture to Brussels would have been a good way of signalling a desire to use the pandemic to mend fences with the EU, as opposed to engaging with its member states in ways that many suspected were designed to erode the bloc.

Nowhere was this competitive spirit more evident than in the dash to produce a covid-19 vaccine. In symbolic reference to the space race of the 1960s, Russia named its product ‘Sputnik V’. The country rushed its vaccine to production despite the misgivings of the world’s scientific community, as well as strong distrust among the Russian public. As Putin inadvertently emphasised when he first spoke about Sputnik V in August, what matters to the Kremlin is that this is the first vaccine officially registered anywhere in the world.

RELATIONS BETWEEN RUSSIA AND THE WEST AFTER THE CRISIS

When looking into the future, one cannot help but predict more of the same. Post-pandemic Russia might become a little more introverted and not engage in wars of choice but – as shown by its engagement with Belarus – it will not hesitate to act where it perceives an existential threat to its interests. And Russia will continue to act as a regional powerbroker, as it recently has in Nagorno-Karabakh. There, Russia’s choice to accommodate Azerbaijani interests – as opposed to its traditional

approach of standing fully behind Armenia – does not necessarily indicate diminished clout. Instead, it is part of a shift in strategy rooted in developments that pre-date and will outlive the pandemic.

It would also be futile to expect that the economic pressure created by the crisis will have any effect on Russia's engagement further afield, in places such as Syria. Indeed, the Kremlin now considers its involvement in the war in Syria to be not just military and political success story, but an economic one too: "it is completely wrong to assume that Russia is losing money in Syria," said Lukyanov. "It is the opposite – without being a serious player in Syria, Russia could never have agreed with the Saudis on the oil price. Thanks to Syria, they took us seriously and accommodated our wishes."

True, not every Russian effort has ended in triumph. The second wave of the pandemic has made the Kremlin acutely aware of the shortcomings of the Russian healthcare system, and the unavoidable need to top up investments in it. Similarly, in 2020, another scorching Siberian summer resulted in a new environmental catastrophe, when melting permafrost caused a major oil spill. As with the healthcare system, the Kremlin is aware that this is a long-term issue.

However, while both the pandemic and climate change affect Russians' perceptions of elites and slowly erode the legitimacy of the regime, they have failed to translate into a shift in foreign policy in the Kremlin. The ideas that several European countries came up with over the summer – to use the common disaster of the pandemic to step up 'selective' engagement with Russia, including and perhaps especially in the fields of healthcare and the environment – had succumbed to disillusionment by early autumn, with the poisoning of Navalny and Russian support for President Alyaksandr Lukashenka's crackdown on protests in Belarus. And, had events not killed off these plans for outreach to Russia, the Kremlin probably would have.

In the near term, any cooperation that the Kremlin engages in with the West is likely to be on its own terms, and to be influenced by its view that the jury is out on the long-term viability of the Western system. Putin's annual Valdai club speech – usually a good barometer of things to come – testified to that, when he acknowledged the severity of the pandemic, and humankind's general loss of direction. According to him, "this crisis cannot be settled through diplomatic negotiations or even a large international conference. It calls for revising our priorities and rethinking our goals. And everyone must begin at home, every individual, community and state, and only then work toward a global configuration."

In some ways, as unpleasant as it may be to admit it, Putin is right. Challenges such as climate change

still require global responses sooner rather than later. Yet Russia will only take Europeans – and even Americans – seriously as global partners if they show that they have gotten their domestic arrangements right and ensured that their political systems are sound and sustainable.

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The – admittedly pretty trivial – lesson of 2020 seems to be that, while we can do more than we thought over Zoom, personal meetings remain exquisite and irreplaceable. On foreign policy, one can do a lot of reading, but certain things are always best picked up from the air.

That was the tricky part about working on this paper: to pick up nuances of atmosphere and debate in Moscow, while not being able to visit. So, I am in debt to all those who agreed to be my ‘eyes and ears’ in Russia – describing not just behind-the-scenes debates, which is a regular part of any policy research, but also everyday life, from the use of commuting permits on the metro to reflections of sunlight on the windows of an apartment where one spends one’s lockdown. You know who you are, and I thank you all!

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