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POLICY BRIEF

THE ARRIVAL OF POST-PUTIN RUSSIA

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SUMMARY

- Russia's March 2018 election will mark the arrival of the post-Putin era in Russian domestic politics.
- Following the vote, Vladimir Putin will focus on shaping the new era, in a process he views not as a search for a successor but as a transfer of power from his generation to the "Putin generation" (comprising politicians who came of age during, and have been shaped by, his rule).
- Meanwhile, the behaviour of Russia's major political and economic players will be defined not by the president's presence in the system but by the expectation of his departure.
- Despite widespread expectations that the regime will undergo a major transformation, it is unlikely that post-Putin Russia will be an anti-Putin Russia.
- Moscow will likely maintain its current foreign policy objectives even after Putin's exit from the Kremlin, but without him Russia will probably be a weak international player.

When George Kennan wrote his famous "Long Telegram", the 1946 dispatch to US secretary of state James Byrnes that laid the foundation of America's containment policy on the Soviet Union, he mentioned Josef Stalin just three times. This was despite the fact that, at the time, the Soviet leader ran his domain like an emperor. At the height of Stalin's power, Kennan succeeded in imagining the political behaviour of the post-Stalin Soviet Union while having no idea when the Soviet leader would leave office or who would succeed him. Can we envision Russia after the departure of Vladimir Putin with equal clarity – given that we do not know when or how he will leave, who will replace him, or in what kind of international environment the transition will take place?

This is a risky exercise at a time when Putin is set to begin another term as president, but we want to try nonetheless. While he will comfortably win the March 2018 election, his victory will mark the arrival of the post-Putin era in Russia's domestic politics – even if, as is almost certain, he remains the supreme decision-maker in Russian foreign policy.

The paradox of 2018

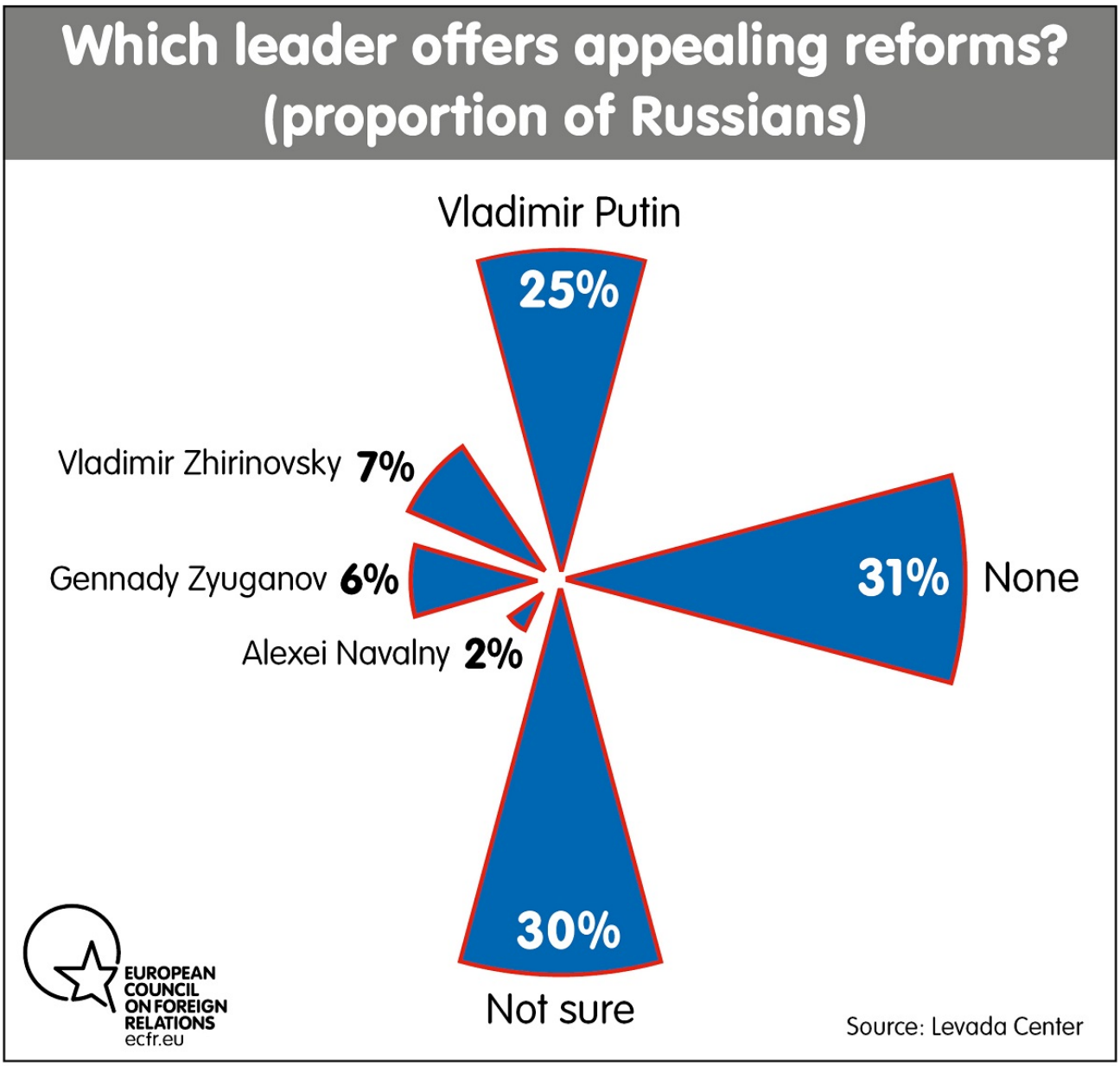
The paradox of 2018 can be summarised as follows: Russia is in deep social, political, and economic crisis. In the words of Russian political scientist Yekaterina Schulmann, "today's political machine is in a low-resources state, operating in calorie-conservation mode, preoccupied with survival rather than expansion."[1] But, while Russians are aware of this state of affairs, regime change is highly unlikely. There is no critical mass of people demanding radical change and, contrary to Western fantasies, Russians under the age of 25 are among the most conservative and pro-Putin groups in society. It is symptomatic of the times that, according to a recent survey, 50 percent of school-age Russian boys dream of working for the security services.

But while Russia is not on the edge of regime change, the regime is changing. The coming presidential election will mark the arrival of post-Putin Russia regardless of whether Putin remains the head of state for the next six or 16 years. This is because,

following the vote, the behaviour of Russia's major political and economic players will be defined not by Putin's presence in the system but by the expectation of his departure.

Most Western analysts fail to see the pending arrival of the new era primarily because they assume that post-Putin Russia will be an anti-Putin Russia. It is their belief that when the refrigerator wins its war with the TV set – when the dismay caused by deteriorating living standards negates the appeal of government propaganda – the majority of the population will turn against Putin and his legacy.

Many Western observers find it difficult to understand that, for most Russians, Putin is not simply a president but the true founder of the post-Soviet Russian state. Since Russia's annexation of Crimea in 2014, opinion polls have indicated that Russians view Putin as a historic figure rather than an elected official. His role in the public imagination is similar to that of the national liberation leaders of the 1960s and the 1970s. Therefore, his successor – whoever he or she is – will claim to defend Putin's legacy even while intending to break from it. Reflecting on the results of a survey conducted last summer by the independent Levada Center, Andrei Kolesnikov and Denis Volkov concluded that within the Russian public, "there is no debate about Putin. Almost no one questions his legitimacy as President. He is a constant, the portrait on the wall that can no longer be taken down."[2]



In the 2018 election, Putin is not so much a candidate as a "prize": the real suspense is in which of the Kremlin's competing elite groups will be able to credibly claim to have achieved victory for him.

Shaping post-Putin Russia

Members of the Russian elite now know that the president is focused on designing

post-Putin Russia – even if they have no power to influence his choices. Putin is doubtlessly aware that the absence of any vision of the country's future without him could dramatically weaken his standing in the eyes of ordinary Russians. In our view, four factors will shape this vision.

The first of these is Putin's belief that the country will face a hostile international environment and that its rivals will use all means at their disposal to weaken and fragment it. Therefore, he sees post-Putin Russia as Fortress Russia. To sustain its power, the Kremlin will likely maintain control of the country's strategic industries and remain very selective in accepting inflows of foreign capital, judging the merits of large foreign investments mostly from a security perspective. The president sees post-Putin Russia as comprising a mobilisation society and a mobilisation economy in which even private companies – if they are large enough to matter – defer to the interests of the state. But Putin is also aware that the "Crimea effect" cannot be replicated, and that the legitimacy of the government and the survival of the regime will depend on its ability to satisfy the basic material needs of the population.

The second factor is Putin's conviction that Russia has nothing to gain from imitating Western-style institutions – or, put differently, Russia should imitate what the West is doing (interfering in domestic politics) and not what it is preaching. Although many Westerners see General Valery Gerasimov's "hybrid war" strategy as an aggressive rejection of Western-style foreign policy, Moscow regards it as merely Russia's way of adopting Western strategies. The only difference is that, because Russia struggles to foment protest in enemy territory, it instead mobilises angry internet trolls on virtual terrain.

The third factor is that, while members of the Russian elite once perceived modernisation as centred on Western-style institutional reform, they now view it as an attempt to maintain Russia's competitiveness in the development of new technology. As Putin stated in September 2017, "artificial intelligence is the future, not only for Russia, but for all humankind. Whoever becomes the leader in this sphere will become the ruler of the world."[3]

For different reasons, both liberals such as Sberbank President Herman Graf and *siloviki* ("men of force" from the military, security, and intelligence services) such as Sergei Chemezov, head of Rostec, subscribe to the technological turn in Russia's view on modernisation. For liberals, technological innovation is the only way to reduce corruption and increase the efficiency of public services while avoiding an open clash with the all-powerful *siloviki*. For *siloviki*, new technologies promise not only larger military budgets but also new opportunities to exercise control over society.

Russian leaders tend to believe that they can turn Russia's absence from the previous round of technological investment (there is no Russian analogue to Google or Alibaba) to its strategic advantage in developing the next generation of technologies – echoing the Soviet-era popular conviction that there are some advantages to backwardness. In this sense, current Russian decision-makers think and act in the best tradition of Soviet progressivist thinking of the 1920s and the 1960s.

The fourth factor is Putin's conviction that Russia needs not a single successor – as it did under Boris Yeltsin – but a successor generation. He sees the coming transition as a transfer of power from his generation to the "Putin generation", comprising politicians who came of age during, and have been shaped by, Putin's rule.

Vladimir Putin participates in the 2017 Direct Line TV programme (Kremlin, http://bit.ly/2rl9FDE, Attribution 4.0 International, http://bit.ly/1GZ2EOO)

According to a study *Russkii Reporter* conducted in late 2011, Putin recruited the Russian elite from a tiny pool of candidates in the first decade of his rule.[4] The majority of these figures graduated from either of just two universities, while none of the occupants of the top 300 government positions came from Russia's far east. The most important predictor of membership of this elite circle is to have known Putin before he became president. In short, a circle of friends has governed Russia for the last 18 years. This is not a meritocratic system in any sense: most of these people did not have careers that would have prepared them for their current roles, but have simply ended up in the ruling group because of their personal loyalty to the leader. While there are no signs that the president is planning to disempower his circle of friends, he intends to open the system to increase its chances of survival. In this, the regime needs a group of professional loyalists and a system that can train and

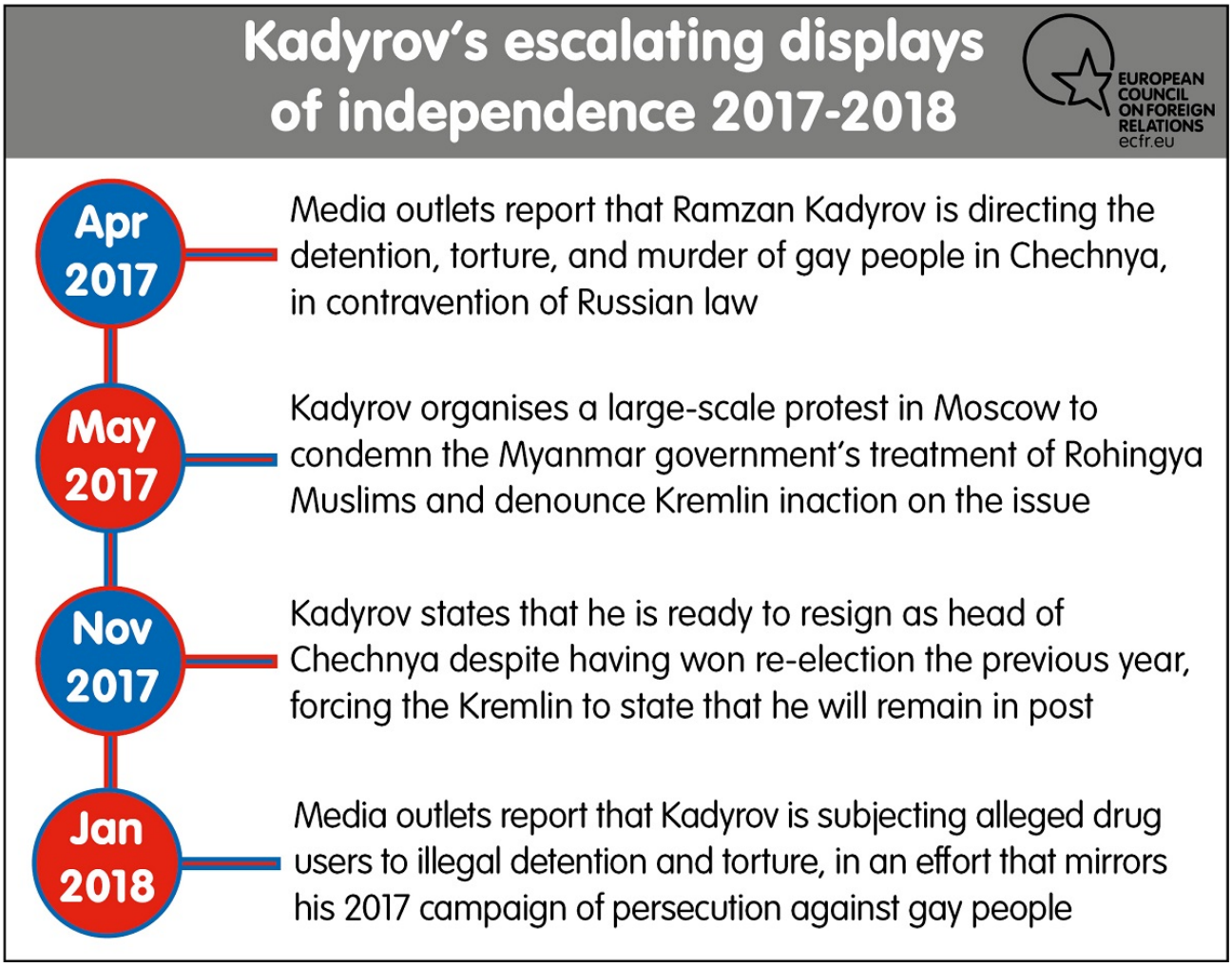
promote them.

The fast promotion of the sons and daughters of senior figures in the elite is critical to the president's plans for post-Putin Russia. There has been a major change in the behaviour and career trajectories of leaders-in-waiting in the last few years: if the sons and daughters of the Yeltsin-era elite tended to study and work abroad, those of the current elite often study in the West but usually work in Russia – many of them for the state. Western sanctions on Russia appear to have accelerated rather than initiated this shift.

The relatives of the leading Putin-era *siloviki* are extending their influence primarily in the financial sphere. For example, Dmitry Patrushev – son of Nikolai Patrushev, secretary of the Security Council of Russia and former head of the Federal Security Service (FSB) – is in charge of Russian Agricultural Bank, Russia's sixth-largest bank (he is also rumoured to be joining the board of the Russian Railroad Company). Denis Bortnikov, son of FSB head Alexander Bortnikov, is a member of the board of VTB Bank North-West. Pyotr Fradkov – son of Mikhail Fradkov, a former prime minister and head of Russia's foreign intelligence service – is director general of the Russian Export Centre. Sergei Ivanov Jr, son of a former head of the presidential administration, is prewsident of Arosa. Stanislav Chemezov, son of Sergei Chemezov, is the head of the powerful Interbusiness Group.[5] The rise to power of Andrei Turchak, the new general secretary of United Russia, also fits with this trend.

At the same time, Putin is attempting to open the system to leaders who have excelled in a more meritocratic environment. Shaping the new generation of loyal technocrats appears to be the primary task of the new deputy head of the presidential administration, Sergei Kiriyenko. Putin's strategy is to meet the expectations of political change among the Russian middle class by empowering a new generation of leaders. In the last two months, the Russian government has appointed nine young politicians as regional governors. The defining characteristic of a member of Putin's successor generation is a resemblance to Austrian writer Robert Musil's "man without qualities".[6] He or she is best described as an expert in logistics with no identifiable

political convictions or loyalty to a constituency. Under its emerging system, Russia would be a country governed by McKinsey consultants who are loyal to Putin and will preserve his policies once he is gone.



Post-Putin Russia has begun to arrive not only because the president is preoccupied with his vision for it; some key members of the Russian elite have also started preparing for the realities of this new era. They have begun to transform the access to the president that is their major source of power into a political currency that will retain its value after Putin leaves the Kremlin. Some of the most high-profile scandals of recent times seem to have been designed with post-Putin Russia in mind. These include the trial of former economy minister Alexei Ulyukaev – engineered by Igor

Sechin, the powerful head of Rosneft – and Chechen leader Ramzan Kadyrov's *feuerwerks* of unconventional political activity. Members of the elite are vying with one another to show how they might wield power in the new era. Sechin demonstrated his influence on the security agencies and the judicial system by punishing Ulyukaev for his opposition to Rosneft's takeover of Bashneft. Kadyrov displayed his capacity to mobilise Muslims in Russia by organising a spontaneous protest in Moscow against the persecution of Rohingya Muslims in Myanmar (he likely chose this case to show his political relevance because the persecutors in question are Buddhists, not Christians).

When members of the Yeltsin-era elite were preparing for an era under a new president, they preferred to look for guarantees of influence outside Russia, mainly in the West – selling shares to major Western companies and developing personal relationships with influential Western politicians. In their view, this was the best insurance against instability at home. Current members of the elite are different. Looking for guarantees abroad could prove valuable once Putin has left the presidency, but while he is still around it is seen as disloyal. As such, members of the elite focus on efforts to build or reinforce domestic political constituencies and coalitions. The shift in opposition leader Alexei Navalny's political strategy is one more demonstration of the arrival of post-Putin Russia. Rather than simply expose the corruption of the regime – as he has done with popular videos targeting Vladimir Yakunin, Dmitry Medvedev, and, more recently, Sergei Prikhodko – Navalny is now working to show the public that Putin's expected successors are unfit to govern the country. By taking the considerable personal risk of opposing Putin, Navalny wants to make clear to voters that only he has the profile of a national leader and is capable of serving as the next president. In short, after the 2018 election, Russians will already be living in the post-Putin era.

Continuity in Russian foreign policy

Despite these significant domestic changes, Putin's position as the ultimate decision-maker on foreign policy will ensure that Russia continues its aggressive efforts to

secure a role as a global power. In this, a perceived need to counter American influence will be the dominant rationale of Russian foreign policy.

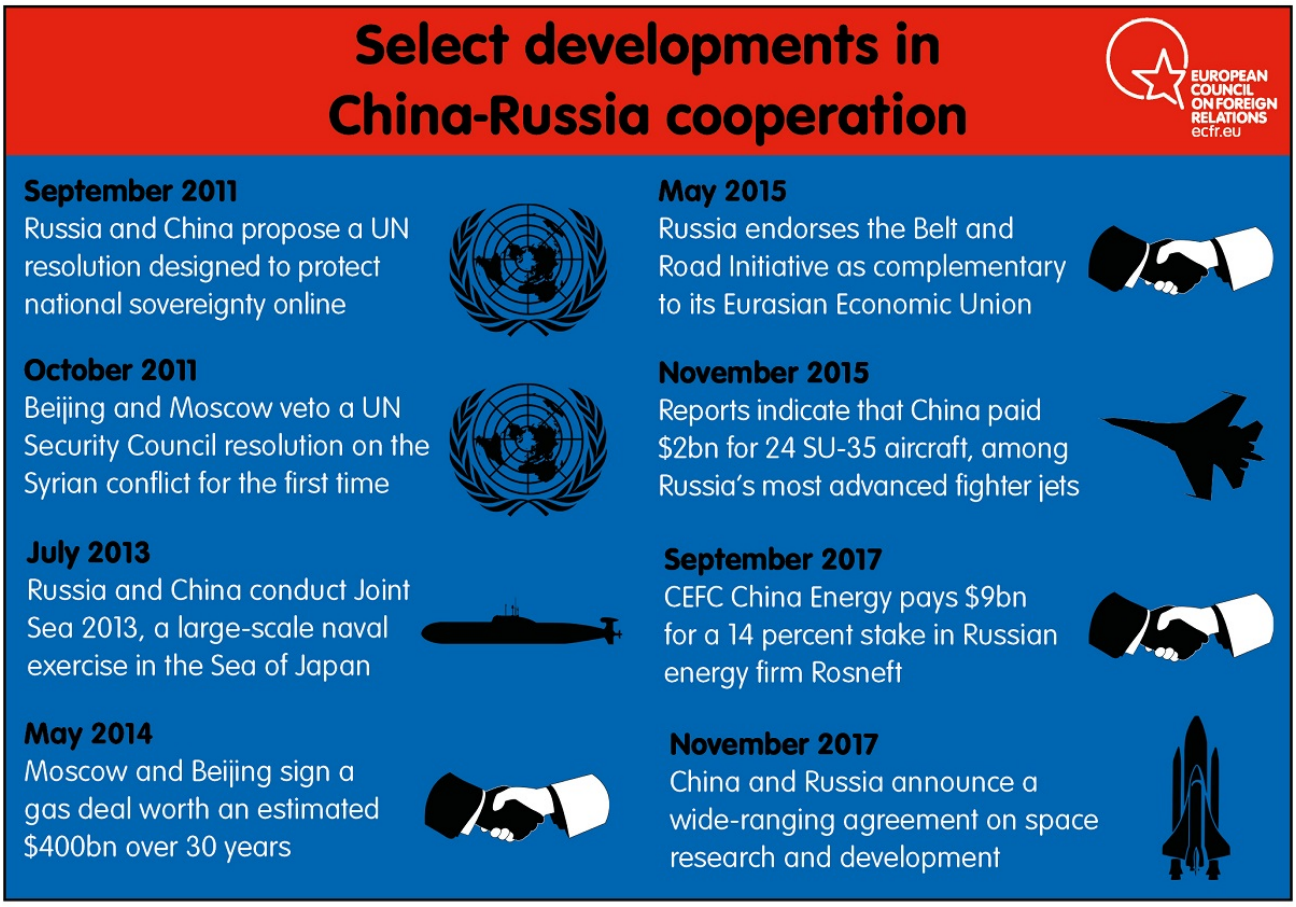
There will be no decisive breakthrough in the negotiations on the conflict in Ukraine's Donbas region under Putin – even if Moscow allows the talks to make some progress between the election and the football World Cup, scheduled to take place in Russia in summer 2018. Moscow is intent on holding a well-organised World Cup that no country sees fit to boycott, partly because the International Olympic Committee's decision to exclude the Russian flag from the Winter Games emphasised the risk of international isolation Russia faces. As a consequence, in the first half of 2018 Russia will try to avoid any actions that could provoke a hostile international response.

But Russian forces will remain active in Syria despite Putin's December 2017 announcement of their partial withdrawal from the country. Russia's influence in the Middle East will continue to increase – at the expense of the United States. Moscow will also try to use the crisis in relations between Turkey and the West to ensure that the country becomes "NINO" (NATO in name only).

US-Russia relations will remain frosty. The Kremlin will continue to be openly hostile to the US while being respectful and constrained in its criticism of Donald Trump. Moscow fears further US sanctions, but also hopes that some international actors will see Congress's latest round of sanctions as having gone too far, pushing them to limit their exposure to the volatility of American politics. (They may do so by creating parallel institutions that could reduce the West's control of global financial infrastructure, as China did with its establishment of the Asian Infrastructure Investment Bank.)

In attempting to lift at least some of the sanctions imposed in response to its annexation of Crimea in 2014, Moscow will shift its focus from the US to Europe. Rightly perceiving the rise to power of Russia-friendly parties in some European countries, the growing tensions between some European Union member states, and Britain's exit from the EU as providing an opportunity, Russia will try to split the EU from the US and EU countries from one another. Russia's chances of securing changes

to the sanctions regime in 2018 should not be underestimated, particularly if Moscow makes concessions on the conflict in eastern Ukraine.



The emerging Moscow-Beijing strategic alliance is the most significant outcome of the current crisis of the relationship between Russia and the West. Events in 2018 will demonstrate the Kremlin's commitment to linking its economic future to China and trying to manage the power imbalance in the partnership by investing in military capabilities and maintaining a high international profile. In the words of analyst Artyom Lukin, "Russia aspires to be the main security and diplomatic broker in Eurasia while leaving China with the role of the economic leader".[7] Russians sometimes draw parallels between the Russia-China relationship and the Franco-German alliance, claiming that Russia, like France, is a security-minded global power while China, like Germany, is an economic superpower reluctant to engage in military

operations. There are evident flaws in this analogy, but Russians prefer to ignore them. Putin has chosen to view China as geopolitical ally rather than a competitor. Russians are generally clear-sighted about the far-reaching ambitions reflected in China's Belt and Road Initiative, but do not wish to resist it.

In the coming years, the major challenge in policymaking on Russia will be that, while the arrival of the post-Putin era will reshape Russia's domestic politics, it will do little to curb the country's aggressive behaviour as an international actor. Moscow will likely maintain its current foreign policy objectives even after Putin's eventual exit from the Kremlin. But without him Russia will probably be a weak international player: it is Putin rather than the Russian state that has regained the status of a great power.

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Ivan Krastev is chairman of the Centre for Liberal Strategies, permanent fellow at IWM Vienna, and a founding board member of ECFR. Gleb Palvlovsky is president of the Russia Institute.

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FOOTNOTES

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