No. 49 5 November 2008



russian analytical digest

www.res.ethz.ch www.laender-analysen.de/russland

HOW RUSSIA WORKS: AN ASSESSMENT OF THE MEDVEDEV-PUTIN SYSTEM

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Analysis

Tandemocracy in Today's Russia

By Andrei Ryabov, Moscow

Abstract

Tandemocracy is the best term to describe the evolving relationship between President Dmitry Medvedev and Prime Minister Vladimir Putin. Putin and his close allies decided that he should remain in power even if he did not want to change the constitution to give himself a third term as president. Accordingly, Putin chose to take the position of prime minister and selected Medvedev as the next president. The transition was carried out on the basis of informal agreements that preserve the personalistic nature of the regime established under Putin. These arrangements continue to undermine formal institutions in Russia. Within the tandem Putin remains by far the most powerful player. Currently, the two leaders are cooperating, but observers question whether this cooperation will eventually turn into competition. The global economic crisis makes relations more complicated than they have been until now.

The Crux of the Problem

Six months have passed since a new system of power began to function in Russia, one in which there are two practically equal centers for making decisions in the persons of President Dmitry Medvedev and Prime Minister Vladimir Putin. This system has been described in various ways: "diarchy," "dualism," "duumvirate," and "bi-centered." More recently, observers have begun to describe the system as a "tandemocracy."

This latter term has been gaining popularity for two reasons. First, traditionally in Russian, when you use the terms "diarchy," "dualism" or "bi-centered," you a priori have in mind competition between two centers of power, even if only within a limited context. The term "duumvirate" derives from classical history and is understood as something born of circumstances and therefore unstable. In this sense, the concept of "tandemocracy" is a useful counterpoint since it emphasizes cooperation between the two centers of power. Today, this concept is a better description of reality, since until now the system for making decisions, at least in the public sphere, strives for coordination between the two centers of power. This approach is particularly obvious in foreign policy. While individual specialists have been able to discern some differences in the positions of Medvedev and Putin, in practice, their actions are well coordinated and it is difficult to see any difference in their international approaches. In domestic policy, Medvedev and Putin have publicly disagreed only on rare occasions and analysts have to work hard to find these cases.

Second, typically the Russian literature uses the first four terms to describe systems in which the two centers of power are based on constitutional and other legal norms or official agreements. But the existing configuration of power is based only on the personal agreement between the president and the prime minister. Making the transition from the presidential monocentrism to the Medvedev-Putin tandem does not require amending the constitution or revising any constitutional laws, such as the law on the Russian government. Based on these considerations, we will use the term "tandemocracy" to describe the new configuration of power in Russia.

The main questions which arise among political scientists and experts in regard to this political configuration usually come down to: who is the chief in this relationship, how stable and long-lived will the relationship be both in and of itself and in the face of potential political challenges. The following article will address these questions.

The Origin of the Construction as the Key to Understanding Its Nature

The reasons for the appearance of the new power configuration, which is in no way based on the logic of the development of modern Russian statehood, can largely be explained through an understanding of the particular features of the transition in power from President Putin to Medvedev in the spring of 2008. But, to start at the beginning, it is necessary to point out that Russia, like the majority of post-Soviet countries in the process of post-Communist transformation, did not create stable rules for the transition of power. Moreover, the weakness and instability of the political institutions became one of the defining characteristics of Russia's post-Communist development. Accordingly, one of the most important tasks of the transition remained unfulfilled. Formally, the transition of power in Russia takes place on the basis of competitive presidential elections.

However, it is no secret that the name of the new head of state became known before election day. The previous president appointed him, either on the basis of his own view of the overall situation in the country and at the summit of power, or after informal consultations with the most influential people and groups among his advisors. In other words, in Russia's political system the transfer of power depends on numerous factors, most of which are in constant flux and therefore difficult to predict.

The contradictory situation before the elections complicated the transfer of power in spring 2008. On one hand, President Putin, who according to the Constitution should leave office at the end of his second term, enjoyed enormous popularity, both among the elite and the masses. On the other hand, there was no one who could match Putin's authority and influence, while also serving as a consensus figure for the majority of interest groups that make up the Putin elite. This situation created a feeling of uncertainty in Russia's ruling circles and stoked fears about the threat that the political situation would become unstable if Putin left office. Therefore, several influential members of Putin's team suggested that he amend the constitution so that he could serve a third term as president in the interests of preserving stability at the highest level. Putin rejected these recommendations. It is hard to say what drove Putin to take this decision. Possibly, at that moment, he did not want to complicate relations with the West. Or, feeling somewhat tired from the burdens of power, he decided to take a pause, giving him a little more time to decide if he wanted to continue his political career. Putin's decision to leave the presidential post forced the power elite to seek a configuration of power that would maintain for the ruling team a dominant position in politics and simultaneously save them from internal divisions. Logically, this formula assumed preserving Putin's role in politics. The question was what his status and place would be in the political system. To resolve this problem, they proposed that Putin serve as "national leader," without holding any state position. They advised him to head the party of power United Russia, and in this capacity control the president and government along the Soviet model. Other suggestions included Putin serving as the speaker of the upper house of parliament or as the chairman of the Constitutional Court. Ultimately, Putin rejected them all because he understood that in contemporary Russia only a high post in the executive branch would give him significant political influence. Therefore, Putin chose the position of prime minister. But this office is dependent on the will of the president and therefore is extremely vulnerable. Both Yeltsin and Putin replaced their prime ministers without making any public explanation to the country. Therefore, in an effort to better equalize the political influence of the president and prime minister, Putin officially took on the position of heading United Russia, while not actually joining the party. He apparently calculated that the official support of the parliamentary majority, in case of a breakdown in relations with the president, would provide additional defense for the cabinet of ministers and the prime minister from his unexpected removal in the manner of his predecessors.

In order to work successfully in his new role, Putin needed to find an appropriate candidate to succeed him as president. This person would have to be a member of his ruling team who would be acceptable to most of the leading interest groups and, as a minimum, if there were any objections, then from the smallest number among them. The successor also had to be a politician capable of negotiating and firmly supporting the agreements made during the transition of power and carrying out the responsibilities that he had accepted. Then First Deputy Prime Minister Medvedev met all of these demands. In this regard, he distinguished himself from the other first deputy prime minister Sergei Ivanov, who was long considered the most likely to succeed Putin. Ivanov, because of his arrogance and efforts to emphatically take the most important public roles, aroused doubts among many of the power elite that as president he would not break the agreements he had made with his predecessor about the division of power and responsibility in his favor. One cannot exclude that these considerations guided Putin in determining his successor.

Tandemocracy as a New Version of a Personalistic Regime

The majority of political observers in Russia are convinced that the transfer of the presidential post from Putin to Medvedev was carried out on the basis of informal agreements, the content of which is known only to a narrow circle of individuals close to both leaders. Most assume that, according to these agreements, Putin preserved for himself control over the majority of ministries and agencies, including the power ministries, which are the most important bastions of power in contemporary Russia. Allowing the prime minister control over these posts contradicts the Russian constitution, which stipulates that the power ministries and the Ministry of Foreign Affairs are directly subordinate

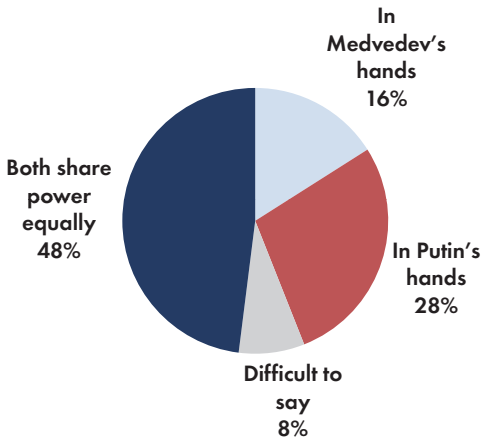
to the president. Such a redistribution of power in favor of the prime minister, carried out without changing the constitution or the constitutional law on the government, was possible because Medvedev became the head of state with Putin's blessing and active support. According to Russian sociologists, Medvedev's strong showing in the March 2008 presidential elections (more than 70 percent support) was achieved largely thanks to Putin's "reflected rating."

The second factor allowing the prime minister to increase his own power within the tandem is the fact that the new president lacks his own constituency and team. Therefore it is completely logical that Medvedev only has one personal ally in the new government – Justice Minister Aleksandr Konovalov, who previously served as the president's envoy to the Volga Federal District. Other highly-placed officials who have been close to Medvedev since his university days include Supreme Arbitration Court Chairman Anton Ivanov and Federal Service of Court Bailiffs Director Nikolai Vinnichenko. These positions are far from the most powerful in the Russian governmental hierarchy. Medvedev's team includes new figures who have only decided to cast their lot with him as the country's leader recently. They include presidential press secretary Natalia Timakova and presidential economics advisor Arkady Dvorkovich. In general, however, the tandem depends on a united team, whose core is people who owe the prime minister their current position.

It might seem paradoxical, but the transition from presidential monocentrism to tandemocracy did not change the nature of the political regime in Russia, which as before remains personalistic. As in previous years, it is not based on strong institutions or legal bases, but on the power of the leaders and the personal agreements among them. In this sense, one can be sure that tandemocracy, as a personalistic regime, would not be created by any other individuals if they were to become president or prime minister. The model was created especially for Medvedev and Putin, taking into account the close personal and, according to several observers, friendly relations between them, lasting since the time of their joint work in the St. Petersburg mayor's office.

About half of Russia's population (48%) believe that the tandem of two politicians share power, according to a September poll conducted by the Levada Center. Twenty-eight percent believe that Putin holds power alone and only 16 percent think that Medvedev does. Thus, not only representatives of the political class, but just under a third of ordinary Russians think that Putin is the main decision-maker in the tandem.

In Whose Hands is the Actual Power in Russia?



Sourece: http://www.levada.ru/press/2008091901.html
19 September 1008

Cooperation or Competition?

Are Putin and Medvedev cooperating or competing? This is the main question that Russian and foreign analysts are trying to figure out. How they see relations between the two leaders determines how such analysts see the future of tandemocracy. Most observers argue that this configuration is not stable. Competition is inevitable in the face of objective conditions, before which the two leaders are powerless. This point of view is based on two arguments. First, tandemocracy contradicts the many centuries' Russian political tradition of monocentric power. In a political system, where power is not based on institutions, but on personal relations, it is important to know concretely where and how decisions are made. Therefore, Russian bureaucrats, used to the idea that "in the heavens there can be only one sun," until now have some difficulties understanding how to behave in current conditions of tandemocracy. Second, in the Russian political system, the role of a monocentristic president is extremely important since the head of state serves as the supreme arbiter in resolving arguments and conflicts within the elite. In a situation in which there are two, approximately equal in influence, centers of power and a weak judicial system, such conflicts over time will inevitably undermine the stability of the authorities despite even the good personal relations between the president and prime minister. Advocates of this point of view argue that either the tandemocracy will evolve in the direction of a parliamentary republic, in which, following amendments to the constitution, the official leader of the country will be the prime minister, or the governing system will re-

turn to the traditional monocentrism. The second scenario could be realized if Putin, using his current leadership in the tandem, returns to the post of president in the next round of elections, which could be called ahead of schedule, or if Medvedev, drawing on his constitutional rights and power, gradually concentrates real power in his hands.

A smaller group of analysts argue that the base principle is cooperation between the two political leaders. Therefore this system will be changed only when Medvedev and Putin jointly decide that it has served its purposes. Most likely, this will happen sometime in the middle of the current presidency, when Medvedev as a political leader starts to gain experience and gradually forms his own political team. Or, recognizing that he did not succeed in managing the country, decides not to seek a second term.

In terms of today's practice of cooperation, both politicians prefer to act in agreement on the key questions of domestic and foreign policy. But this does not mean that Medvedev does not have his own position or that he is not seeking to get out of the shadow of his powerful predecessor in the presidential post. As is well known, when Medvedev entered the Kremlin, a part of the political and business elite, which supports moderate positions, tied their hopes for liberalization to his approach for strengthening law and the legal system in the life of the country. Medvedev understands that the positive expectations associated with him will not last long. In contrast to Putin, Medvedev does not have a reserve of time for gradually concentrating power in his hands and assembling his own team. Putin's predecessor, Boris Yeltsin, left the Kremlin forever. But Medvedev's predecessor remained in power at the zenith of his popularity and influence; therefore if the current president does not prove himself as an independent figure, then it is entirely possible that Putin will return.

But the ability of Medvedev to become Russia's unified leader are limited by informal agreements about the division of power, the lack of a deep bench of personnel, and an absence of other resources.

In a difficult situation when, on one hand, it is necessary to demonstrate an effort toward attaining greater independence and, on the other, there are no resources to actually do this, Medvedev chose a flexible tactic, which could prove effective. Avoiding any public disagreement with the prime minister, he began to formulate his own agenda and began to build his own "bureaucratic platform" for moving it forward in political and business circles. Medvedev set out this agenda in such a way that the socially active part of the population would see it as the firm intention of the new president to implement reforms oriented toward democratization. The president formulated two major tasks. The first involves restoring in the country an independent judicial branch and channeling social processes in Russia onto a legal track. Although Medvedev never used the term "rule-of-law government," no one doubts that he is pushing the country in this direction. The second task is one of the most difficult battles in Russia today – combating corruption. Medvedev ordered the drafting of a special program to address this issue. It formed the basis for a set of bills, which has been introduced to the State Duma. The distinguishing characteristic of this program is that it defines the main cause of Russia's widespread corruption and its enormous scale the fusing of the state apparatus and business and the massive involvement of bureaucrats in business activity. Therefore, the key solution proposed by Medvedev is the separation of the state and business. Observers are united in the belief that if the president's agenda is even partially realized, it will give a powerful impulse to changing the existing political and social-economic systems, which many call bureaucratic authoritarianism, in favor of a more open model, based on the principles of competition.

At the same time, Medvedev has allowed himself, in very cautious terms, to disagree publicly with Putin's activity in some instances. Thus, at the end of July, when the prime minister's sharp criticism of the Mechel metal company caused a panic in business circles and led to the sharp reduction of its capitalization, Medvedev let it be understood that he did not agree with Putin's position, calling on the state apparatus not to "give business nightmares." In the end of September, when the international financial crisis reached Russia, Medvedev expressed dissatisfaction with the way that the government was battling with the crisis. In doing so, the president pointed out the ineffectiveness of micro-managing the country, when all decisions are concentrated in one center, and their realization is carried out not through institutions, but through trusted individuals. It is no secret that this system came into being during Putin's presidency.

Nevertheless, all Medvedev's efforts to gain greater independence, whether through his political-legal initiatives or formulating positions separate from the prime minister on key questions of domestic policy, remain incomplete. There is no serious movement in his plans to strengthen the independence of judges. Likewise, there are serious concerns that the substance of Medvedev's proposals for combating corruption to a

significant degree will be hollowed out under the pressure of influential interest groups working to maintain that status quo. The state's administrative apparatus has not weakened its pressure on business and the country is managed in the old way through an ineffective and corrupt bureaucratic hierarchy.

In this way, Medvedev succeeded in strengthening his popularity and authority, both in society and the elite during the course of the August conflict with Georgia and in the process of the conflict resolution process that followed it. Medvedev was the one who made the extremely important announcement on national television about the beginning of the military operations against Georgia on August 8 and about recognizing the independence of Abkhazia and South Ossetia on August 26. Medvedev represented Russia in the difficult negotiations about peacefully regulating the conflict around Georgia with French President Nicolas Sarkozy, who headed the European Union intermediary mission. Nevertheless, these actions did not prevent Russian observers from claiming that Putin made all the key decisions regarding the Russian-Georgian conflict during this period or that they were made under his strong influence. Many analysts began to describe Medvedev as a "military president," given his lack of a desire to distance himself from, or express disagreement with, Putin's tough line in Russian foreign policy, who no longer would be able to carry out a policy of liberalization. However, in one of the speeches after the conflict, Medvedev indirectly criticized this position, confirming his intention to carry out the agenda he laid out shortly after his inauguration.

Instead of a Conclusion

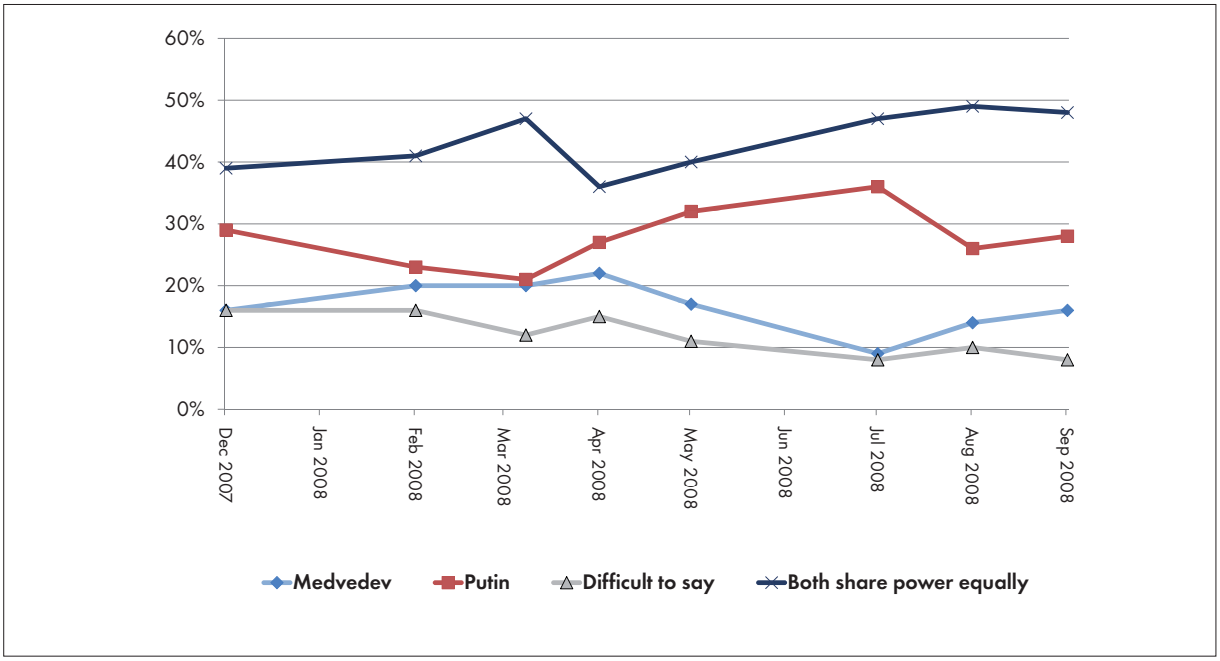
It is possible that the informal agreements about the division of responsibilities will last until Putin feels that the new president is politically strong and has formed his own team with which he will be able to carry out the policies of his predecessor. Then Putin will leave the stage with the feeling that he has carried out his job and transferred the leadership of the country to reliable hands. Or the prime minister could decide that without his participation as the single leader of the country, the power system will not function effectively. However, the financial crisis, which many predict will be difficult for Russia's economy and social situation, could change the developing relations of cooperation and competition among the president and prime minister. How relations develop between society and the power elite during the course of the crisis and whom public opinion and the elite blame for the crisis will depend greatly on the relations within the tandem. By the middle of October, the president had taken a more profitable position in the public sphere than the prime minister. Medvedev, using his constitutional opportunities, did not participate in day-to-day management of the economy and focused on the problems of global politics and conflict resolution in the Caucasus. Combating the financial crisis and its consequences remained the job of the government. Not coincidentally, several media outlets that traditionally support Putin began to advise him to resign in order to save his political influence and popularity. They feared that the negative and protest mood which will inevitably grow in the country due to the crisis would have an adverse impact on his authority. There is no doubt that Putin will not follow these recommendations. Nevertheless, the future of the tandem in conditions of the crisis will be more indeterminate and dependent on many factors, including opportunistic ones. It is possible that cooperation will increase if both leaders conclude that the new situation is dangerous for them both. It is also possible that competition will increase if dissatisfaction with the coming difficulties is focused on one of them.

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Opinion Poll

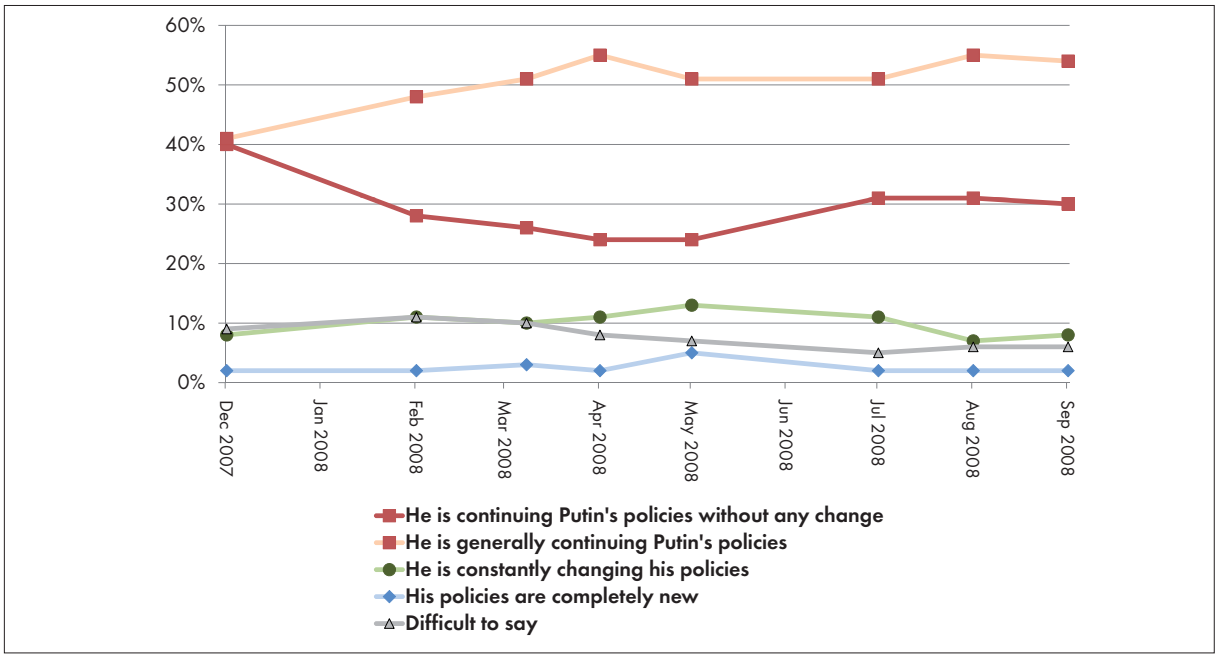
Who Holds Power?

Who Holds Real Power in Russia?*



** From December 2007 to May 2008, the question was formulated: who will hold actual power in Russia after the election of Dmitry Medvedev as President?*

Is Medvedev Continuing the Policies of Putin or Are His Policies Completely New?*



** From December 2007 to May 2008, the question was formulated: will Medvedev continue Putin's policies or will he pursue completely new policies? Source: Opinion polls conducted by the Levada Center,* http://www.levada.ru/press/2008091901.html *19 September 1008*

Analysis

Russian Political System Faces Significant Challenges Dealing with Economic Crisis

By Robert Orttung, Washington

Abstract

The recent drop in oil prices and the global financial crisis present difficult problems for Russia's political system. The concentration of power makes it possible for Russia's leaders to respond quickly. However, without input from a wide range of social groups, it is not clear that the leaders will choose the most appropriate policies or be able to implement them efficiently.

Global Economic Environment Threatens Russia

The Russian political system will be deeply tested by the current global economic crisis. The legitimacy of the current leadership is based on performance. Prime Minister Vladimir Putin and President Dmitry Medvedev depend on steadily improving living standards among the population to maintain the stability of the political system that Putin has put in place. Russia's leaders have basically made a social compact with the population that they will improve living conditions in exchange for unlimited power and wealth for a small circle of elites. Now the situation will change as the global financial crisis takes hold, slowing or halting economic growth and threatening the stability and gradual progress Russians have come to expect. It is an open question whether the current leaders will be able to maintain their legitimacy if economic conditions start to deteriorate. Of course, short of street protests, ordinary Russians have no real way of directly influencing the political system.

Despite the rhetoric of Russia's leaders that the crisis will not affect Russia the way it has other countries, the global downturn is having a two-fold impact on Russia. The first and most obvious impact for Russia is the rapid drop in the price of oil, from almost $150 a barrel in July to less than $65 on October 24. Russia cannot affect oil prices in the international market on its own and is greatly influenced by the ups and downs of the global market. Unlike most countries in the West, Russia is an energy exporter and relies heavily on income from oil and natural gas sales. Sales of energy accounted for nearly 65 percent of Russia's total exports in 2006 and represented 37 percent of federal budget revenues in 2005. In recent years, Russia has used its oil income to finance a dramatic increase in imports from Europe. Russia exported 143.5 billion euros worth of energy and raw materials to the European Union (EU) in 2007, while the EU shipped 89 billion euros worth of manufactured goods (machinery, transportation, equipment), food and live animals to Russia that year.

The current Russian budget is based on expectations that oil will sell at $70 a barrel. Prolonged prices below that level mean that the budget and trade balance will drop into deficit. Additionally, there is enormous pressure on the ruble, whose rise against the dollar has been touted as a sign of Russia's strengthened position against the US. While Russia has more than $500 billion in cash reserves to address these problems, it is burning through this money quickly.

The second problem is that the international credit crisis is having a major impact on Russia since many of its banks and natural resource businesses are heavily in debt. As credit dries up, businesses are no longer able to operate, suggesting future losses of jobs and lower salaries, a prospect that is haunting the entire international community. In Russia, companies working in construction, real estate and retail trade are already in trouble.

Inefficient Political Centralization

Since coming to power, Putin has put in place a system of state capitalism. He has sought to reduce as much as possible the power of Russia's most powerful businessmen. After he drove two of the dominant Yeltsin-era oligarchs into exile and imprisoned a third, the rest of the economic elite fell into line. At the same time, Putin has brought key parts of the economy back under state control after its privatization during the 1990s, particularly the oil sector and key manufacturing units, such as automobile production. The global financial crisis will make it possible to extend state control over the economy even further. To a much greater extent than elsewhere, Russia's economy is concentrated in the hands of a few key individuals. Many of the most prominent businessmen need state bailouts now and will have to give up even more control over their assets to the state to secure them. Several of the

oligarchs have lost more than 60 percent of their net worth and are hoping to gain access to some of the $200 billion in government support Putin plans to hand out through Vnesheconombank, where he chairs the supervisory council.

The ever increasing state dominance of the economy threatens to further reduce the efficiency with which Russian companies operate. The inability of state companies to operate effectively was already apparent among oil companies as the state began to play a greater role in this sector. In fact, investment capital was starting to flee Russia many months before the extent of the crisis became apparent in the Fall, largely because of concerns that Russia would not be able maintain current levels of energy production. The Russian stock market has been steadily declining since May.

The growing state dominance of the economy creates fertile grounds for increasing corruption. In its 2008 Corruption Perceptions Index, Transparency International ranked Russia 147 out of the 180 countries that it examined. The inability to address the problem of endemic corruption was a key legacy that President Putin passed to his successor. Upon taking office, Medvedev promised to deal with the issue as well as the "legal nihilism" that went with it.

Putin has not just sought to exert control over the economy. He has spread his favored system of top-down control throughout all aspects of Russian life. He has closed off pluralism in Russian elections, sharply curtailed free speech in the media, reduced the possibility for action in civil society and made it extremely unlikely that any campaign against corruption will be effective. The main result of these policies has been to significantly reduce the possibility of any bottom-up solutions to the problems that Russia now faces. If Russia is to address the current crisis, its leaders will have to do so drawing on the political and intellectual resources at the top of the system.

Manipulated Electoral Processes

Russia has not created a system for transferring power from one set of leaders to the next. The December 2007 parliamentary elections and the March 2008 presidential elections were largely stage-managed affairs with pre-determined results. Fearing another negative report, Russia set conditions that made it impossible for the OSCE to monitor them effectively. The electoral process is not serving the function it would in a healthy democracy by bringing new leaders and ideas to the fore.

Control over elections extends down to the regional level. Putin cancelled direct governors' elections in 2004, creating a situation in which governors now seek to serve the Kremlin rather than their constituents. The situation in St. Petersburg is a case in point. There Governor Valentina Matvienko has been in office for more than five years. Since the Yabloko party was disqualified from the city's 2007 Legislative Assembly elections on a technicality, there has been little public criticism of the governor's policies. Now public life in the city is characterized by a lack of free speech and political homogeneity.

The situation is no different in regional legislative elections. Russia held its latest round of regional elections on October 12 and parties that did not have representation in the State Duma effectively were not allowed to compete at the regional level. United Russia dominated the elections. The Kremlin is essentially purging the field of alternative parties. Regional legislatures filled with party loyalists will be able to do little more than pass along instructions handed down from Moscow. Such obsequiousness will not be very useful in times of economic crisis, as the Moscow Carnegie Center's Nikolai Petrov pointed out in a recent analysis. With weak ties to the local community, these representatives will not be able to advocate for the ideas and interests of the local population.

Stunted Civil Society

Putin's centralization of political power has made civil society increasingly irrelevant. What could be an incubator of new policy ideas has largely been suffocated or co-opted. The extensive Kremlin control over elections means that political parties independent of the Kremlin have an increasingly smaller role to play in society. Opposition has essentially become meaningless.

The most recent example is the disappearance of the Union of Right Forces (SPS). On October 2, the SPS political council voted to disband the party in its current form, give up its oppositional character, and merge with other smaller parties into a pro-Kremlin "liberal" party. By the middle of October, there were 14 registered parties in Russia, down from 35 two years ago. New SPS chairman Leonid Gozman told Ekho Moskvy that "it is impossible to create a party without cooperating with the authorities under the existing totalitarian regime." SPS no longer has any independent sources of financing, forcing former leader Nikita Belykh to quit. The party has had little popular support in recent years and was no longer represented in parliament. Russia now essentially has a 1.5 party system, focused mainly on Putin's United Russia and a handful of smaller pro-Kremlin parties.

At the same time, some of the most interesting opposition groups that have appeared in Russian society in recent years have since been co-opted by the government, as Floriana Fossato and colleagues argue in the recent publication *The Web that Failed*. A prime example is Svoboda vybora (Free Choice), an association of automobile enthusiasts which was created as a reaction to the proposed government ban on right-hand drive vehicles. The group evolved into a broad-based social movement that challenged the legitimacy of government policy making. The height of the movement's activity was a nation-wide protest on May 19, 2005, against the proposed ban. The organization subsequently set up a website (19may.ru) that brought together automobilists all over the country. The organization peaked as a grassroots protest movement in 2005 and 2006 and since then Vyacheslav Lysakov, the group's leader, has shifted to working with the government from the inside. The organization now provides advice to the government on car safety issues, but no longer functions as an organized grassroots opposition movement.

Constrained Media

The situation is no better with the media. Reporters without Borders ranked Russia 141 out of 173 countries in the 2008 Press Freedom Index, citing continued violence and harassment of journalists. The global economic crisis shows that the state will continue to use its control over television to promote short-term political goals at the cost of free-flowing information and informed discussion about the challenges that the crisis poses to Russian society.

The state-controlled and affiliated media cover the financial crisis in the rest of the world in detail, including describing the measures that foreign governments are taking to address the problems. However, they often skip coverage of the most severe impacts on Russia. The media has avoided using phrases such as "crisis" and "collapse" when discussing the situation inside the country. For example, state television did not cover the 19 percent drop in the Russian stock market on October 6. Internet forums pointed out that Russia's officials were happy to discuss other countries' problems, but not their own. Under such conditions, people lose faith in their leaders.

In some ways, Internet usage has helped to compensate for the crackdown on the media since it frequently hosts a free-flowing discussion of important policy issues. Russia has 2.6 percent of international blogs, but these blogs account for 11 percent of blog entries, meaning that the Russian users write more than others do. The Russian bloggers also tend to have more friends than bloggers in the US and Europe, with many having more than 1,000 such links. For many Russians, on-line engagement is their primary form of community since they are not likely to be involved in clubs off-line.

While politicians frequently call for greater controls over the web, such extensive oversight has not yet been implemented. In April Medvedev blocked a bill that would have closed down media outlets on libel grounds. But controls do exist: a government decree requires all telecom companies and Internet service providers to install equipment at their own expense which allows the Federal Security Service unrestricted monitoring of all communications, phone calls, text messages, and e-mail, without the service provider or user knowing about it. Under these conditions, agencies can trace specific individuals if they want, but they cannot control the entire Internet.

Unfortunately, the Internet has yet to live up to the high expectations of those who thought that its on-line forums and discussions would translate into off-line policy solutions and political action. The Internet brings together those who are already disposed to work together. Most sites do not reach out to the uncommitted. Moreover, often rather than serving as a grassroots mobilizer, the Internet has become an effective tool in the state arsenal to consolidate power and spread messages of stability among the people who use the web. State propagandists also pay bloggers and others to disrupt discussion in opposition forums using abusive language and obstructions or acting in concert to prevent some issues from reaching important audiences. This reasonably sophisticated form of manipulation avoids the overt censorship of the Chinese model, making it possible for the Russians to claim to outside observers that they respect the freedom of expression. The government pays a lot of attention to the blogosphere, spending millions of dollars a year to exert control over it. Such attention suggests that the government takes it seriously.

Pervasive Corruption

Upon coming to office, Medevedev announced that one of his priorities would be combating corruption. New legislation that the government has introduced for discussion in the State Duma includes definitions of corruption and conflict of interest, a step forward for Russian law. The main innovation of the law is that public officials and their families have to publish their incomes, and they cannot work for companies that they did business with as public officials for two years.

Nevertheless, in current Russian conditions, critics like Indem's Georgy Satarov argue that the current campaign against corruption is no different from previous ones: it is simply a way for one group to grab money from another. The laws stiffen penalties for those offering a bribe, not those willing to accept them. Moreover, the law does not mention classified budgets. Usually, the more classified a budget, the more susceptible it is to corruption.

A real battle against corruption will not be possible in Russia before citizens have much better access to information about what the state bodies are doing, as a recent report from the St. Petersburg-based Institute for Information Freedom Development makes clear. It argues that despite the active development of legislation in the area of freedom of information, current laws do not provide legal means and mechanisms for interested citizens to gain access to information about the activities of official agencies. As a result, interested individuals experience difficulty in realizing and defending their right to gain access to such information. Today they are not privy to a satisfactory amount of information. Without access to this information, the battle against corruption will be nothing but empty words.

Conclusion

With its current state system, Russia has the potential to react quickly to the global financial economic crisis. Power is concentrated and there are few opportunities for those opposed to obstruct the leadership's policies.

The question, however, remains if the leadership will be able to select and implement an effective set of solutions. By concentrating power and shutting off discussion of the topic, Russia's rulers have deprived themselves of a free-flowing debate about all the issues that incorporates broad social input. Given the low efficiency of past state interventions into the economy, there are plenty of reasons to be skeptical that the current leadership will be able to respond in a manner that will both address the problems and serve society's interests.

About the author

Robert Orttung is a senior fellow at the Jefferson Institute and a visiting scholar at the Center for Security Studies of the Swiss Federal Institute of Technology.

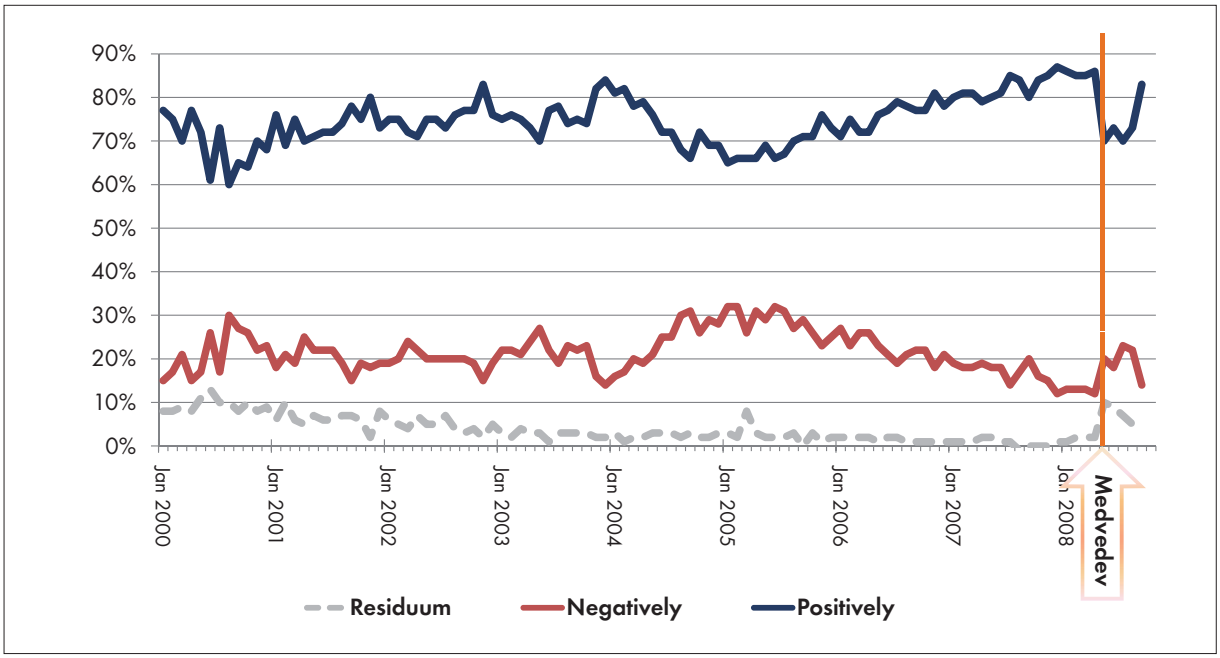
Suggested Reading

- Institut Razvitiya Svobody Informatsii, Fond Svobody Informatsii, *Natsional'nyi doklad o dostupe k informatsii o deyatel'nosti organov vlasti v Rossiiskoi Federatsii* , September 2008, http://www.svobodainfo.org/info/page?tid=633200206.
- Floriana Fossato and John Lloyd with Alexander Verkhovsky, *The Web that Failed: How opposition politics and independent initiatives are failing on the internet in Russia,* Oxford: Reuters Institute for the Study of Journalism, 2008, http://reutersinstitute.politics.ox.ac.uk/publications/the-web-that-failed.html.

Opinion Poll

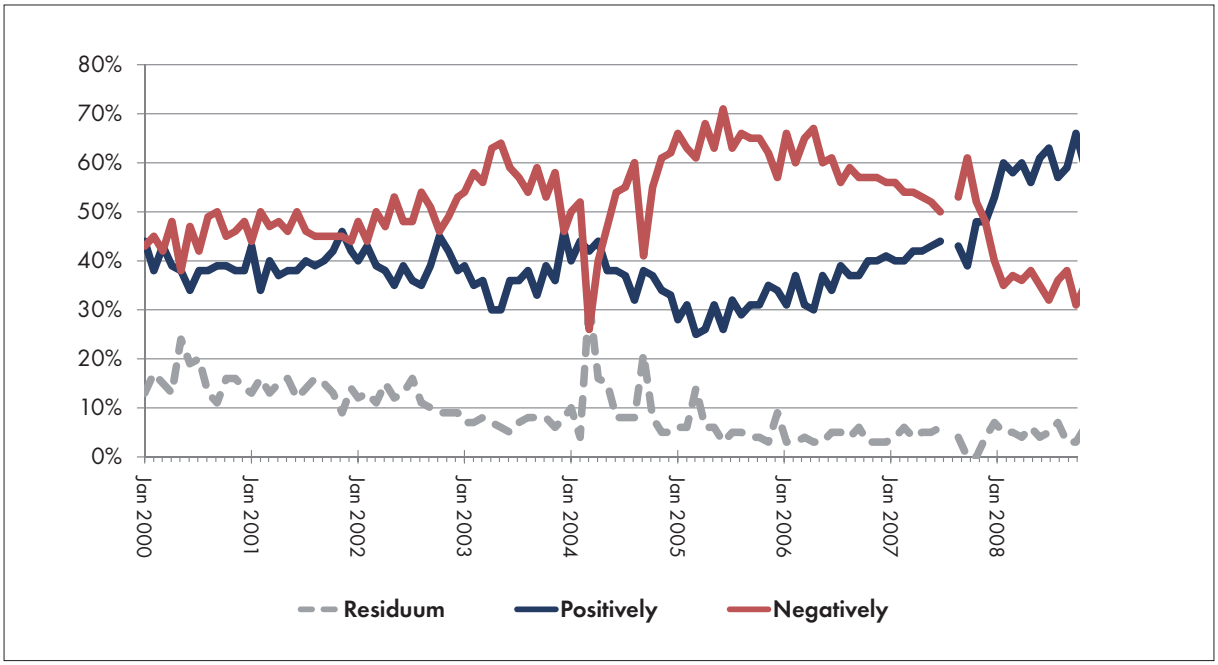
Trust in Government and Politics in Russia

How Do You Rate the Work of Putin/Medvedev as President of Russia?

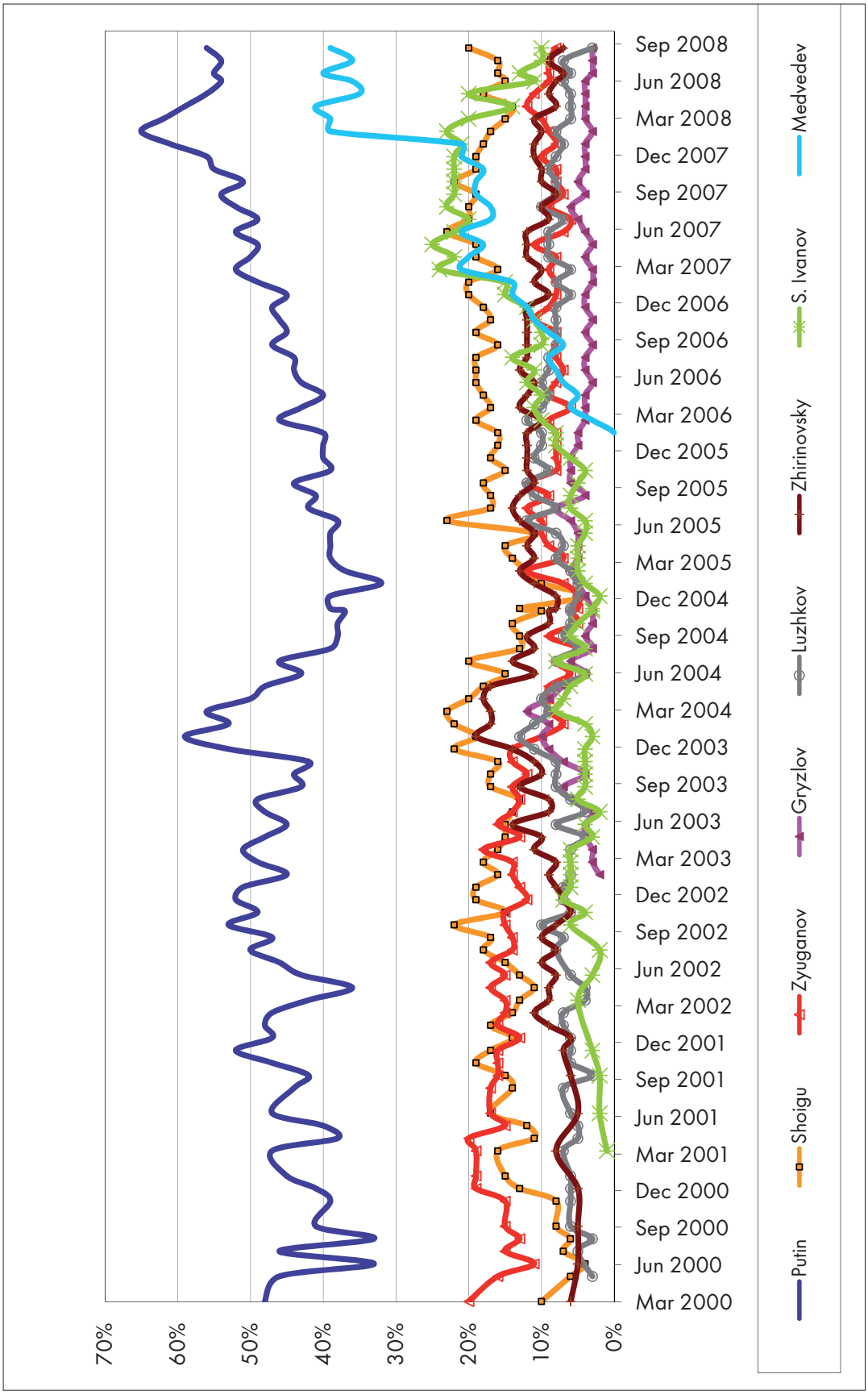


Sources: opinion polls conducted by the Levada Center, http://www.levada.ru./prezident.htm; http://www.levada.ru./pravitelstvo.html

How Do You Rate the Work of the Russian Government?



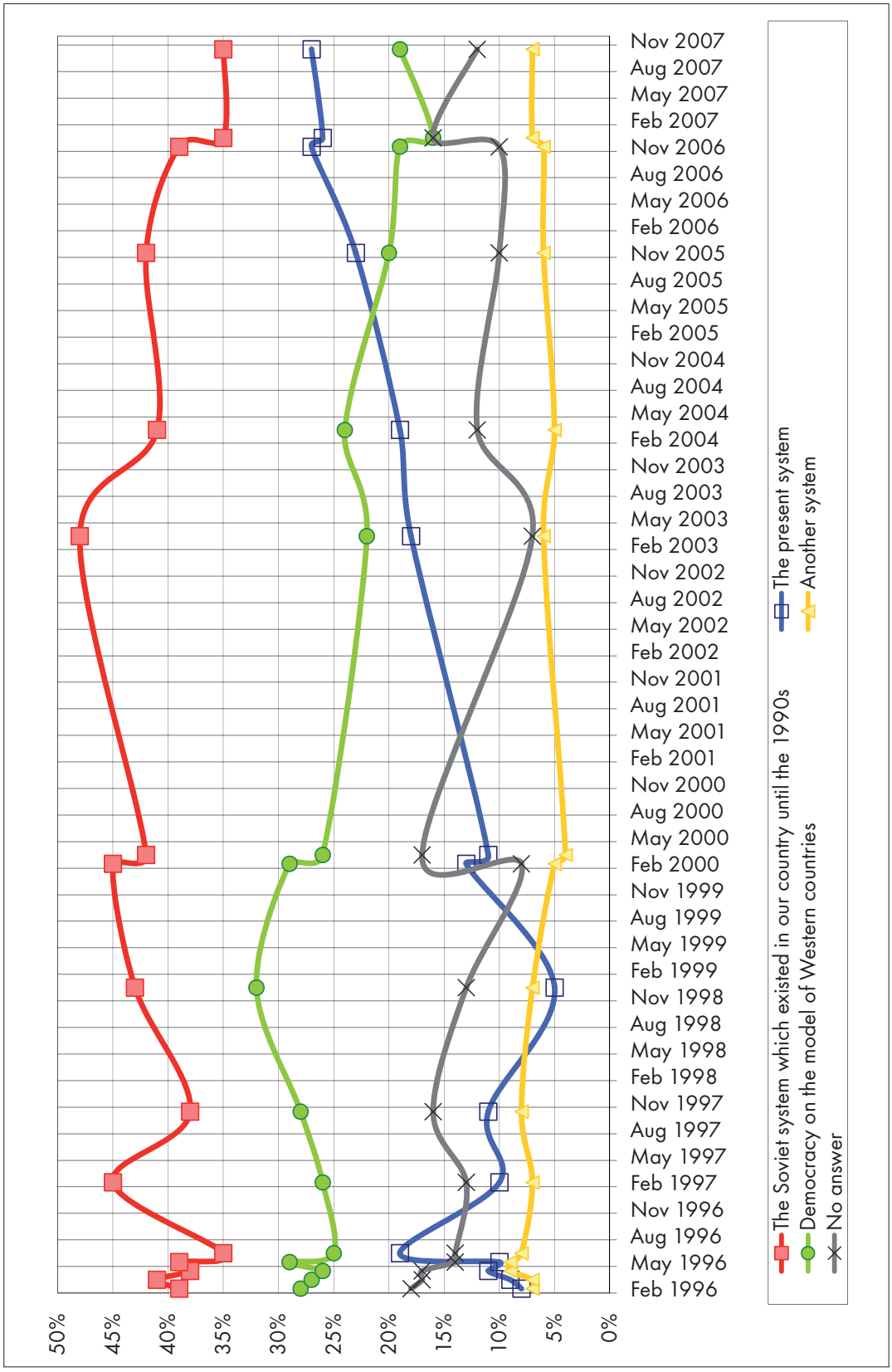
Sources: opinion polls conducted by the Levada Center, http://www.levada.ru./prezident.htm; http://www.levada.ru./pravitelstvo.html



Name 5–6 Politicians You Trust

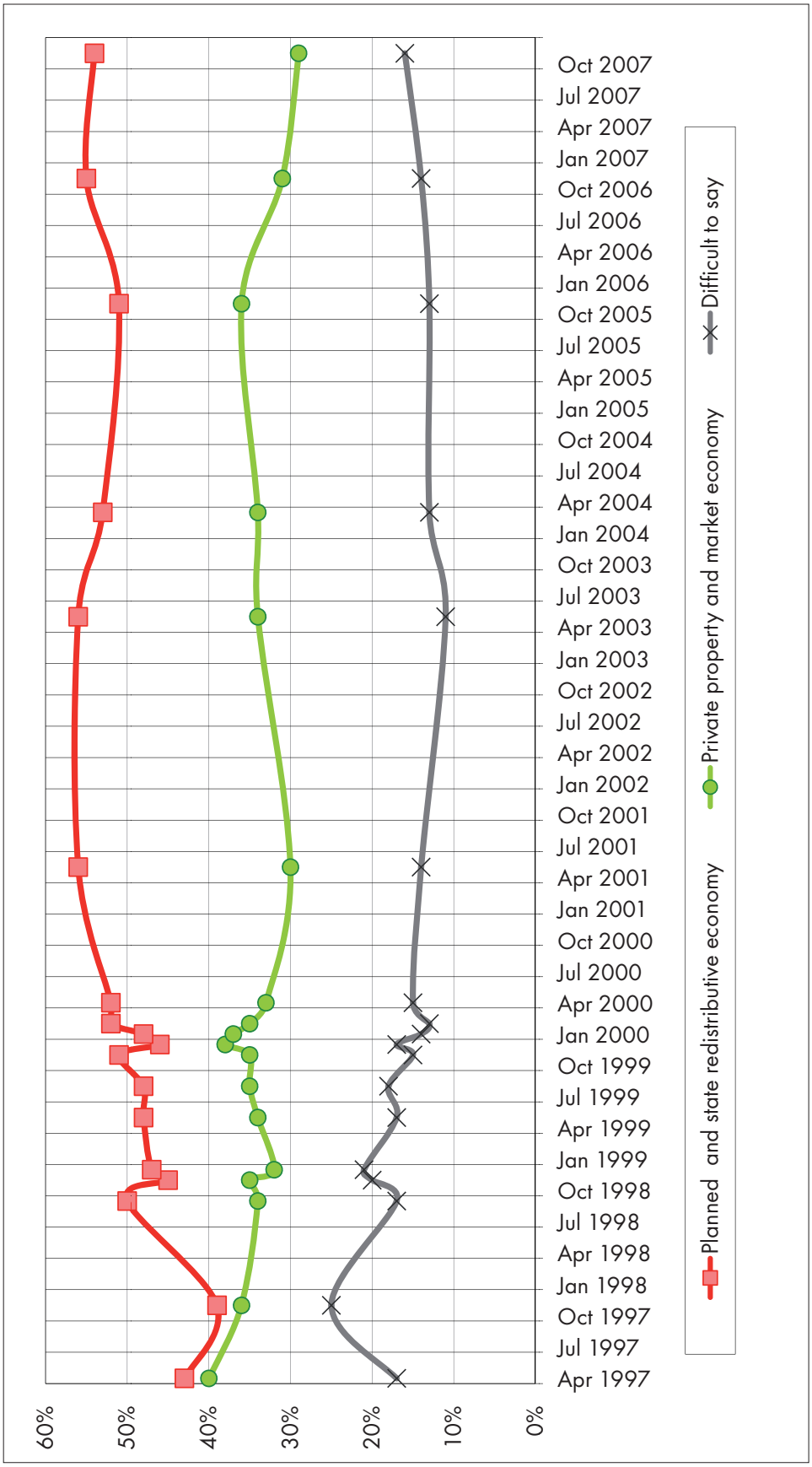
Sources: opinion polls conducted by the Levada Center, http://www.levada.ru./prezident.htm; http://www.levada.ru./pravitelstvo.html

Russians' System Orientation



Sources: opinion polls conducted by the Levada Center, www.levada.ru/tabl02.html; www.levada.ru/tabl09.html; www.levada.ru/tabl08.html

Which Economic System Is More Appropriate?



Sources: opinion polls conducted by the Levada Center, www.levada.ru/tabl02.html; www.levada.ru/tabl09.html; www.levada.ru/tabl08.html

About the Russian Analytical Digest

Editors: Matthias Neumann, Robert Orttung, Jeronim Perović, Heiko Pleines, Hans-Henning Schröder

The Russian Analytical Digest is a bi-weekly internet publication jointly produced by the Research Centre for East European Studies [Forschungsstelle Osteuropa] at the University of Bremen (www.forschungsstelle.uni-bremen.de) and the Center for Security Studies (CSS) at the Swiss Federal Institute of Technology Zurich (ETH Zurich). It is supported by the Otto Wolff Foundation and the German Association for East European Studies (DGO). The Digest draws on contributions to the German-language Russlandanalysen (www.laender-analysen.de/russland), the CSS analytical network on Russia and Eurasia (www.res.ethz.ch), and the Russian Regional Report. The Russian Analytical Digest covers political, economic, and social developments in Russia and its regions, and looks at Russia's role in international relations.

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Founded in 1982, the Research Centre for East European Studies (Forschungsstelle Osteuropa) at the University of Bremen is dedicated to socialist and post-socialist cultural and societal developments in the countries of Central and Eastern Europe.

The Research Centre possesses a unique collection of alternative culture and independent writings from the former socialist countries in its archive. In addition to extensive individual research on dissidence and society in socialist countries, since January 2007 a group of international research institutes is participating in a collaborative project on the theme "The other Eastern Europe – the 1960s to the 1980s, dissidence in politics and society, alternatives in culture. Contributions to comparative contemporary history", which is funded by the Volkswagen Foundation.

In the area of post-socialist societies, extensive research projects have been conducted in recent years with emphasis on political decision-making processes, economic culture and the integration of post-socialist countries into EU governance. One of the core missions of the institute is the dissemination of academic knowledge to the interested public. This includes regular email service with nearly 20,000 subscribers in politics, economics and the media.

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The CSS is engaged in research projects with a number of Swiss and international partners. The Center's research focus is on new risks, European and transatlantic security, strategy and doctrine, state failure and state building, and Swiss foreign and security policy.

In its teaching capacity, the CSS contributes to the ETH Zurich-based Bachelor of Arts (BA) degree course for prospective professional military officers in the Swiss army and the ETH and University of Zurich-based MA program in Comparative and International Studies (MACIS), offers and develops specialized courses and study programs to all ETH Zurich and University of Zurich students, and has the lead in the Executive Masters degree program in Security Policy and Crisis Management (MAS ETH SPCM), which is offered by ETH Zurich. The program is tailored to the needs of experienced senior executives and managers from the private and public sectors, the policy community, and the armed forces.

The CSS runs the International Relations and Security Network (ISN), and in cooperation with partner institutes manages the Comprehensive Risk Analysis and Management Network (CRN), the Parallel History Project on NATO and the Warsaw Pact (PHP), the Swiss Foreign and Security Policy Network (SSN), and the Russian and Eurasian Security (RES) Network.

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Editors: Matthias Neumann, Robert Orttung, Jeronim Perović, Heiko Pleines, Hans-Henning Schröder
Layout: Cengiz Kibaroglu, Matthias Neumann
ISSN 1863-0421 © 2008 by Forschungsstelle Osteuropa, Bremen and Center for Security Studies, Zürich
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