

CURRENT HISTORY

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“The Russian system today has only two ideas: national egotism and personal enrichment. But Russians are beginning to ask: Is our might a delusion? And who is going to make us rich, and how?”

Medvedev’s Potemkin Modernization

LILIA SHEVTSOVA

Russia is experiencing a dramatic moment in its history. The deadly wildfires and toxic smog that spread across the country this summer underscored the government’s inability to protect lives and reinforced a sense that authorities unaccountable to the people have become an impediment to Russia’s survival. That the nation’s system of governance has exhausted itself is eminently clear today.

Of course, Russia has endured crises before. Today’s situation, however, is unique. First, the political elite understands that the Russian system is worn out, yet is unable to offer ways to reform it. Second, the nation’s leaders are attempting to preserve their hold on power by imitating what for them is an alien model: liberal democracy. Russia is trying to copy the West while remaining anti-Western in essence.

All this has left Russian society stuck in historical time, not wanting a full return to the past but lacking the strength to pull itself toward the future. This “neither backward nor forward” condition could produce great political volatility in coming years.

PROLONGING THE STATUS QUO

Not so long ago, many thought that Vladimir Putin, the current prime minister and former president, had strengthened the state by building the so-called “vertical” of power that would help Russia “rise from its knees.” Today it has become clear that this “vertical” cannot guarantee stability, let alone development.

The recent global financial crisis sent state revenues and Russian stocks plummeting. In 2009,

the nation’s gross domestic product dropped by 7.9 percent; inflation reached 8.8 percent; and industrial production fell by 24 percent. The Russian economic “miracle” exploded. By laying bare the rot in Putin’s concept of an “energy superpower” with an authoritarian regime, the crisis forced the elite to look for new means of survival.

Thus Putin’s strategy of regulating closely from above, removing all hints of opposition from the political stage, and taking a confrontational line in foreign policy has given way to President Dmitri Medvedev’s talk of “modernization” and his softer approach to relations with the Russian public and the outside world.

Medvedev has begun to sound almost like an opposition figure, invoking themes he raised in his November 2009 state of the union address. “Are we,” he asked then, “supposed to keep dragging into our future the primitive raw-materials economy, chronic corruption, and obsolete habit of depending on the state?” In the twenty-first century, the president declared, “our country once again needs all-around modernization. This will be the first modernization in our history based on democratic values and institutions.”

However, while lambasting the system, Medvedev makes it a practice to warn against rushing into reforms: “We will not hurry,” he said last year. “The changes will be gradual. . . . Russian democracy will not mechanically copy foreign models.” Moreover, the president tries not to forget to repeat that “any attempts under democratic slogans to destabilize the situation and the state, to splinter society, will be stopped.”

Vladislav Surkov, the Kremlin’s main political spin doctor, makes perfectly clear how the government plans to implement modernization, explaining the project’s essence this way: “The more money, knowledge, and technology we can receive from the leading countries, the more sovereign

LILIA SHEVTSOVA is a senior associate at the Moscow Center of the Carnegie Endowment for International Peace. Her latest book is *Lonely Power: Why Russia Has Failed to Become the West and the West Is Weary of Russia* (Carnegie Endowment, 2010).

and strong our democracy will be.” Translation: Modernization is technological, not political; and Russia will take whatever Western aid it can get to maintain the system of personalized power that the Kremlin calls “sovereign democracy.”

Russia’s ruling tandem never loses an opportunity to assert that the country has already taken shape as a democracy and committed itself to the same values that underpin the West. “I see no big differences when it comes to human rights and freedoms,” Medvedev insists. “Is there anything dividing us? Nothing, I hope.” If Putin and Medvedev see no difference between Russia and the West in terms of principles and values, then what talk can there possibly be of political reform?

This outlook obviously raises a host of questions. How can you hope to renew Russia while failing to alter its system of personalized power, a sixteenth-century governing model? How can you stimulate postindustrial development, which requires freedom and competition, by borrowing technology or buying companies in the West? The absurdity in any case is that Medvedev is criticizing a system built by his colleague, Putin, whom he has no intention of forcing out of power.

Remember that Putin in 2001 and 2002, at the start of his presidential term, also issued reformist statements and even tried to implement partial reforms. Putin fought corruption. He enhanced the role of the courts. He promoted administrative reform and diversification of the economy. The results were pathetic. Medvedev today is rerunning a failed experiment, mostly rhetorically.

In fact, there is nothing new in Medvedev’s idea of modernization. It is a mere reiteration of the Russian tradition of using technological innovations from the West to strengthen the old state. This was exactly what Peter the Great did, for the same reasons, in the eighteenth century; and what Joseph Stalin did in the twentieth. Russia would borrow what it needed to bridge the military and technological gap with the West while rejecting its political standards. But because Russia never truly fostered innovation, that gap would always begin to grow anew. Medvedev (no doubt with the consent of his senior partner) is extending this tradition into the twenty-first century.

The new modernization kick allows us to draw a number of conclusions about how the Russian regime is handling its mounting problems. The ruling tandem certainly understands that it can neither maintain control over society nor pursue economic reform within the old Putin paradigm of

hands-on rule. Putin and Medvedev need to “humanize” the system, but only to a certain degree, so as not to undermine their monopoly on power.

The two-headed regime allows the two men to follow mutually exclusive courses simultaneously: Putin appeals to the traditionalist part of the public, while the president, in the eyes of other observers, works toward a political “thaw.” Medvedev, to deal with the effects of the economic crisis, has to rebuild bridges to the West that Putin burned. In essence, the two are reshaping the crumbling Putin consensus into a new one centered around “continuity and renewal”—which they see as a means for preserving the status quo.

Rapprochement with the West is the regime’s main instrument for pursuing the modernization agenda. This change of course is natural. As Medvedev has explained, if the Russian elite wants to import Western capital and technology, it must turn to the West with a “smiling face.”

PERPETUAL PRETENSE

The rhetoric of modernization so far has not changed the principles on which the Russian system is built. The Kremlin’s new tactics, instead of expanding freedoms for society, only try to co-opt civil society and the opposition and discredit any viable alternative to established power. At the same time, as the international monitoring group Freedom House noted in a recent report, a “culture of impunity” has become embedded across the country: “Human rights activists and opposition journalists are killed, and the perpetrators are typically neither found nor prosecuted. This sends a strong signal to potential activists to avoid political engagement.”

Surveys point to a growing gulf between the public and authorities. In an opinion poll conducted recently by the Moscow-based Levada Center, only 3 percent of respondents said they believe they can have any influence on political life in Russia. Seventy-one percent saw themselves as without protection from arbitrary action by authorities; 61 percent said that they cannot defend their rights; and 82 percent said state officials do not respect the law. Today, according to the survey, close to three-quarters of the population believes that Russia has become a less just society over the past five years, and 69 percent think there is less law and order now.

There are no signs that the state is weakening its control over the economy. The authorities, looking for cash, promise to start selling govern-

ment assets, but they intend to preserve control over these assets. The state holds private investors hostage as it constantly changes the rules of the game. Meanwhile, the way in which Medvedev characterizes the roots of Russian corruption says a lot about his “liberalism.” He has contended that the bureaucracy’s corruption and its attempts to harass businesses have resulted from the fact that “the society became more free.” According to this logic, limiting freedom would be a way to fight corruption!

Few people in Russia now see Medvedev’s liberal rhetoric as anything more than an attempt to keep the ruling system afloat. According to the business news daily *Vedomosti*, only 11 percent of Russians believe that his modernization campaign will succeed. Indeed, few think that the president has the power to make an impact even if he wanted to: According to the Levada Center survey, only 13 percent of respondents consider Medvedev to be Russia’s ruler.

Medvedev himself has asserted repeatedly that he and Putin have no political differences. Despite rhetorical differences and signs of possible spats between the two leaders’ teams, there is no evidence of a split within the tandem. So what are the grounds for believing that the president will reform the personalized power built by his predecessor, who remains in charge?

For all the skepticism regarding Medvedev’s modernization plan, the plan nonetheless enjoys the West’s support. Apparently some in the West who have decided to aid the Kremlin in its modernization drive hope that technological and economic progress will lead Russia to democratization. But how can we expect economic innovation to become possible in a system that stifles competition and knows no rule of law? And why place such hope in economic reform, which the Russian elite has been attempting to carry out since 1991, and which has not stopped Russia from turning authoritarian, or dissuaded it from being hostile toward the West?

Russia, some suggest, needs “gradual reform.” The so-called gradualists argue that specific areas of the Russian system should be reformed first, creating “oases” in which new principles can be tried out, thus allowing reform to be extended to the system as a whole. But Russia’s postcommunist

evolution shows that attempts at gradual or local implementation of new principles ultimately produce only imitations and never the real thing.

THE OMNIVOROUS CHAMELEON

The ruling tandem’s search for a survival strategy has given rise to several paradoxes. Medvedev’s image as a modernizer in some sense loosens Putin’s hierarchy and begins to weaken his hold on power. But keeping Putin on as national leader prevents Medvedev from becoming a serious figure, and his empty calls for modernization discredit the idea of change. These paradoxes are evidence of the dead end at which the regime finds itself.

Being everything at once and nothing in particular, cynically adapting rhetoric and adopting new slogans, superficially imitating models, and following mutually exclusive courses of action—all this helps the Russian political class maintain continuity by appealing to all public forces. But systemic—indeed civilizational—uncertainty makes it impossible for the nation to formulate a clear strategy.

How serious are the obstacles that prevent Russia from moving out of this gray zone of uncertainty and imitation, toward truly liberal rules and standards? In the early twentieth century, transformation was hindered

by Russia’s cultural and historical baggage, by its economic backwardness, and by its archaic society. Today, the causes of failure in Russia’s liberal-democratic project lie on a different plane.

The first cause is the very nature of the post-Soviet Russian elite, which cannot survive in conditions of political competition. The second resides in the Soviet Union’s nuclear and great power legacies, including Russia’s permanent membership in the United Nations Security Council and the nation’s ambition to be one of the pillars of the global security system.

Indeed, international status is the main condition for perpetuating both a superpower identity and the tradition of personalized power. The combination of great power status and personalized power, each of which reinforces the other, is the basis of the system that the elite is trying to reproduce under the banner of modernization.

Russia’s civilizational blurriness is manifested in the simultaneous existence of democratic slogans and authoritarian instruments; liberal, conserva-

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tive, and leftist rhetoric; reactionary populism and liberal technocracy; and cooperation with Western states and hostility toward them. The regime is trying to find support in the most varied strata of society, ranging from liberal Westernizers to extreme nationalists. The state alternately shows paternalism toward and alienation from the public; overwhelming force and total impotence.

The ruling team and the groups serving it include former members of the security services (*siloviki*), statist, Westernizers, proponents of dictatorship, and supporters of liberalization. The existential model for the Russian system is an omnivorous chameleon. It is not surprising, then, that the contemporary Russian project has no ideological framework; by the time you have defined it, it has mutated into something else. It is telling that the Russian political class cannot clearly articulate what it has created and what its goals are.

How will the prospects for Russia's transformation be affected by this official pretense and civilizational uncertainty? One might think that reforming an imitative system would be easier than transforming a strict authoritarian system. Ukraine and Serbia, where hybrid regimes eased transformation toward political pluralism, are evidence of such a possibility. But it may be that reforming the imitative system in Russia will prove much harder. Liberal principles and ideas were deformed here, losing their original meaning and turning into their opposites. As a result, the transformation of this system, a cocktail of mutually exclusive ingredients, is a daunting and uncertain task.

THE DILEMMA OF CAPTIVE MINDS

The Polish sociologist Piotr Sztompka coined the expression "dilemma of the captive mind" in trying to explain the personality syndrome of "homo sovieticus." It boils down to a desperate clinging to old stereotypes in mentality and behavior and an inability to comprehend a new reality. This dilemma can also help describe the approach of many observers who try to justify the current Russian system. The following three lines of thought have influenced analysts and politicians who deal with Russia.

First, "Russia is not ready for democracy." To be sure, many in the country still maintain undemocratic values. Yet significant numbers of Russians are capable of moving toward a freer and more competitive society. Second, "Democracy will come to Russia after capitalism, which is the determining factor." In fact, Russia provides the world's

best evidence that this notion is wrong. In Russia, economic growth and capitalist development have gone hand in hand with an antidemocratic drift. And third, "Russia is a unique country." This is a truism; the real question is how this "uniqueness" is manifested. In the inevitability of the country's authoritarian thought? Then why have the Ukrainians, who are culturally quite close to the Russians, behaved differently?

Let me single out several structural and psychological traps that Russia encounters on the path to democracy. One problem is that *success can be detrimental*. Russia survived the global financial crisis and has started to post some positive economic indicators. This creates hope that the Putin-constructed system is sustainable; such hope hinders the system's transformation.

The *instability of stability* is another such paradox. Russia's leaders view the current lack of massive social discontent as evidence that they can control the situation indefinitely. But the lack of legitimate channels of self-expression could in time trigger destructive and destabilizing protest.

A *digging-one's-own-grave* syndrome is at work today as well. The ruling team's fear of leaving the Kremlin has created a dynamic such that the longer the team stays in power, the more inevitable becomes its own forced removal from power. If this becomes the only exit option, it will be painful.

Then there is the problem that can be called *how to lose your reputation*. The success of a transformation depends on the emergence within the system of pragmatic forces ready for change and intellectuals ready to work on an alternative. Yet the involvement of liberals, intellectuals, and pragmatists in the orbit of the corrupted regime undermines their integrity. This makes dissent more aggressive and broad consensus in favor of change less feasible.

This is not an exhaustive list, and new Catch-22s are constantly arising. Most stem from the fundamental Russian political paradox: *the law of failure*. When a liberal opposition is not ready to take power, society may have to pursue a false avenue before recognizing that it leads to a dead end. Only after hitting the wall does the public start looking for another way out of its predicament. Failure could be the only way to understand the need for the system's radical restructuring.

This is Russia's conundrum today. On one hand, the nation's elite wants dialogue with the West so it can gain access to technical and material capabilities. On the other hand, it wants to protect

Russian society from the “corrupting influence” of Western values. It cannot permit even limited liberalization because that would threaten the elite’s property and its monopoly on power.

It is quite possible that Putin’s ruling team will retain control over the country and secure the continuation of its power beyond 2012, when the next presidential election is scheduled. (Putin has said he is considering a run for the office that he held from 2000 to 2008.) Such an outcome would mean that Russia would stagnate for an indeterminate length of time. If oil prices remain high, society continues to be passive, business interests willingly serve the regime, the opposition stays fragmented, and the West supports the Kremlin, then the most probable scenario for Russia’s future would be continued inertia and atrophy.

But we cannot exclude the possibility of another scenario: a new systemic collapse. With the highly centralized system recreated by Putin, dysfunction in one area might set off a chain reaction, which could lead to a repeat of the Soviet collapse of 1991. All that such a chain reaction requires is an economic crisis more serious than the one that befell Russia in 2008.

Even without an economic crisis, the failure of individual elements in the political system—for example, a disruption in the connection between the center and the regions—could send dominoes falling. Collapse of the system could also result from a series of technological catastrophes within Russia’s Soviet-era industrial infrastructure.

Opinion polls demonstrate that the mood of the Russian population is changing. A July 2010 Levada Center survey found that 43 percent of the population are not expecting “anything positive” from Putin, and only 23 percent support him because he is “dealing successfully with the country’s problems.” Sixty-seven percent agreed that Russia “needs a political opposition.” And nearly 30 percent of respondents said they are prepared to take to the streets if necessary to protest government policies.

DRIFT AND DEMORALIZATION

Russian society and the political system are now drifting in opposite directions. The last time that happened, the Soviet Union fell apart. The system is saved by just one thing—the lack of a credible

opposition. But the fact that social anger and frustration are growing faster than the political process can channel them increases daily the danger of public degradation and demoralization.

The time is approaching when the Russian regime will not be able to provide the standard of living and the consumption lifestyle that the most dynamic strata of Russian society have come to expect over the past two decades. The social basis of the system, which has kept the country stable throughout the Putin-Medvedev period, may be undermined at any moment.

One paradox here—among the many—is that the forces that once helped to strengthen the system have now begun to undermine it. Take corruption, for example. Until quite recently, it was one of the pillars of the Russian state. Today it has become a dreadful source of weakness. Corrupt police and public officials provide little support for the ruling team. The corrupt state apparatus disobeys orders from the center with impunity.

The regime understands the threat posed by corruption, but taking decisive measures against it would mean rejecting principles on which the system is built. It would mean guaranteeing an independent press, judiciary, and parliament, thereby ending the regime’s monopoly on power. In fact, the ruling team is moving in the opposite direction. Under Medvedev’s presidency, political opponents are routinely harassed, and rallies in defense of constitutional protections are dispersed and the participants brutally beaten and arrested.

Or consider another factor: elections, whose management the Kremlin has mastered. Until recently, manipulating elections and falsifying their results helped preserve continuity of power. But making a pretense of holding elections only works when the public agrees to play “Let’s pretend.” The time may come when the public says, “We don’t want to play that game anymore!” That is what citizens did in Serbia and Ukraine.

To win support in the parliamentary and presidential elections of 2011 and 2012, the ruling elite will have to practice fraud on an even greater scale than before. Eventually, a regime based on rigged elections will lose any pretense of legitimacy. The only way it will be able to hold on to power is through repression. Yet the state is not ready for massive repression. Corrupted law enforcement

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organs would hardly be an effective instrument for supporting the regime. Besides, the petrostate and the rentier class that survive through cooperation with the West understand the consequences of raw repression for their friendly relationships abroad. This, of course, does not mean that they will not try to turn to violence if they discover they are losing power.

No matter how hard the political class tries to keep Russia drifting through the zone of uncertainty, sooner or later it will have to acknowledge that the current pseudo-project has exhausted itself. A state that satisfies narrow vested interests while pretending that it is satisfying national ones—and that has no means to shut the society off from the outside world—is doomed, and its superficial imitation of liberal models in order to survive only brings closer its inevitable collapse.

ESCAPING THE TRAP

What does Russia need to do to break out of its vicious cycle and take on a European identity? It must reform its state matrix. This presumes three achievements: a transition to the principle of competition in economics and politics; a rejection of the principle of merging power and property; and a systematic commitment to the rule of law.

Achieving these reforms, in turn, requires a review of the Putin-Medvedev foreign policy doctrine that justifies simultaneous cooperation with and containment of the West. A liberalizing society cannot consolidate freedoms and the rule of law while attempting to contain the democratic West. This does not mean that the interests of liberal Russia will always coincide with the interests of particular Western democracies. It means only that their interests should not be antagonistic.

Today the Kremlin's "modernization" mantra proves that the ruling elite is not ready to start dehermetization. This leads to an unpleasant conclusion: that a crisis—whether social, economic, or political—is needed to persuade members of the elite that the system is threatening their own survival. Regrettably, no examples exist in Russian history of preventive reform before a crisis hits.

Meanwhile, the logic of history moves on. In its day, the Soviet Union based its existence on a global missionary project. That project was bound for nowhere, but at least it conferred an idea and passion. The Russian system today has only two ideas: national egotism and personal enrichment.

But Russians are beginning to ask: Is our might a delusion? And who is going to make us rich, and how? The authorities do not have the answers.

About a third of Russians could now be considered among the modernist part of society—people who are psychologically prepared to live and work in a liberal system. The modernist part, together with the passive strata that could join it, make up perhaps two-thirds of the population. In the Levada survey, 53 percent of respondents said it is "most important" to respect civil, political, religious, and other rights, while only 27 percent said that the highest priority should be "subordination of the minority to the majority." Only 23 percent of respondents said Russia does not need a democracy.

At the moment most Russians are atomized and just hoping to get by on their own. It is not clear who or what could awake them, or what will happen when they do awake. But an enormous part of the Russian public is ready to accept new ways of doing things.

The attempt to modernize the country without changing the rules of the game may be the last Russian illusion. It is in any case an illusion that few in Russia seem inclined to believe in. The leaders are confused, and we can see that they do not know where they are leading the country. The elite is trying to guess what is ahead, while safely squirreling away families and finances in the West—just in case. The political regime cannot halt the growing dissatisfaction in its own ranks.

One should not be lulled by the fact that for now things in Russia remain quiet. It is a deceptive quiet. A significant part of the public and a not-insignificant part of the elite have concluded that they are living in a temporary shelter that needs to be rebuilt, and this in itself is a condemnation of the current system of government. The elite can keep "engaging" with Western colleagues, and the society may look as though it continues to sleep (or pretends to sleep). But deep down, the society is stirring.

The rampant, fatal wildfires of 2010, by highlighting the authorities' helplessness, offered still more evidence that one-man rule has become a threat to Russia's very survival. A moment of truth inevitably approaches. Unfortunately, it will have to wait until Moscow and the West overcome the illusion that Russia can modernize without changing its old genetic code. ■