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Time for change?

Russia faces some big decisions about its future in the wake of Putin's landslide re-election

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There was no surprise when Vladimir Putin was re-elected as president of Russia for another six years on Sunday, some considerable distance ahead of his competitors. At first glance, his authority appears to be unshakeable. According to surveys, the president, who has now been in office for 18 years, enjoys support levels of around 80 per cent. But this is something of an illusion, and Russia is facing fundamental changes. What remains unclear is what exactly will emerge from this process: reforms that would return the country to its European path, or a catastrophe that could endanger not just Russia but the entire global community.

Russian society is based on an ostensible commitment to the principles of democracy, the market economy and human rights. This political construct, which is supported by the government's massive income from exports of crude oil and other commodities, has proven extremely durable. In reality, everything revolves around one single institution that truly works: the unchanging power of the state led by its most important player, Vladimir Putin. A vast propaganda machine is hard at work to conceal this fact, controlling all the main media outlets and pushing all genuine political opposition to the edge of the public discourse.

At the same time, the model built on commodity exports has shown itself to be fragile. Even in 2013, when crude oil prices leapt to $110 per barrel and the crisis in Russian-Ukrainian relations had yet to reach acute levels, GDP increased by just 1.3 per cent. The subsequent dramatic slump in crude oil and natural gas prices and the imposition of sanctions against Russia following its intervention in Ukraine brought this economic growth to an immediate halt. The population's real income has been falling steadily for the past five years. Putin still enjoys a high degree of credibility, but Russia's citizens are concerned about their future. Experts are unanimous: Russia needs urgent reforms.

Opening up

How best to resolve the current problems? That is where opinions differ. Some believe the political system should remain unchanged, as it would take too long, possibly even decades, to establish European-style institutions. In their scenario, cheap loans to companies and tax reductions would be enough to return the country to annual economic growth of 4 per cent. This could be supplemented by cosmetic repairs to the judicial and law enforcement authorities and the introduction of new social support measures.

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Other researchers, particularly those from the coterie of former finance minister Alexei Kudrin, insist that simple cash injections would not return the country to economic growth, but would lead to inflation and a deterioration in the investment climate. According to this group of experts, in the coming years there must be greater investment in human capital (education, health), infrastructure (road building, communications) and the introduction of new technologies (digitisation, robotics). There also needs to be a fundamental improvement in the efficiency of the state administration. This cannot be achieved without opening up the country's economy and society to the 'greater Europe' of which it remains a part.

Although not part of the public debate, it is plain to see that the reforms proposed by Kudrin and his group will be impossible without political change in Russia. They would require a transition from unrivalled state power and authoritarianism to a true democracy, with healthy political competition, an independent justice system and fully fledged local government. It goes without saying that any such transition would also mean a shift in Russian foreign policy, away from the current isolationism coupled with elements of unjustified aggression and towards a partnership with the West on the basis of shared values.

A third way

However, there is a third option for Russia's development. Its proponents believe that the country represents a specific, non-European form of civilisation based on 'traditional' values. Looking beyond the general rhetoric about human considerations, state centrism remains firmly at the heart of this approach. The state is a sacred institution that

the individual is obliged to serve. Valery Zorkin, the current chair of the Constitutional Court, wrote in the government newspaper *Rossiyskaya Gazeta*: 'Even with all of its shortcomings, serfdom was exactly the main staple holding the inner unity of the nation.' And Putin himself has described Russia as a 'civilisation state'. This worldview conceals the same practical purpose: anyone who criticises the state (and more precisely, those who represent the state) is an enemy of Russia. This is a simple but effective way of justifying the lack of alternatives to the current government.

The perspective illustrated above has mainly taken shape in Russia as the current authoritarian regime has developed. The result: economic crisis and a foreign policy that has led to an acute deterioration in international relations and the imposition of sanctions on Russia. As Putin selects his policies for the next six years, he therefore finds himself faced with three options: cosmetic repairs, greater Europe and non-European exceptionalism. Which will he choose?

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Going by Putin's address to the Federal Assembly on 1 March, the most likely outcome is a combination of cosmetic repairs (albeit without the economy receiving a cash injection) combined with elements of the civilisation state. Greater Europe no longer appears to be an option. On the surface, the corresponding rhetoric would seem to illustrate the progressive nature of the policy being pursued. From Putin's address: 'In order to move forward and to develop dynamically, we must expand freedom in all spheres, strengthen democratic institutions, local governments, civil society institutions and courts, and also open the country to the world and to new ideas and initiatives.'

What price change?

In reality, every development during Putin's presidency has taken the country further from 'greater Europe'. In a clear statement of intent, Putin spent almost an hour describing new weapons that are intended to make Russia the unrivalled leader when it comes to military strength. This hardly chimes with a country that is 'open to the world' or with the infrastructure projects and ambitious plans for social development mentioned in the same address.

Put simply, Russia's problem is that it does not have the money to pursue both an arms race and the necessary social programmes. In the 21st century, innovative developments – including in the military – can only be brought about by people living freely under democratic conditions. And this is entirely incompatible with the vision of the civilisation state preferred by Putin.

All of this means the coming few years of Putin's next presidency will be anything but easy for Russia. Sooner or later, his desire for change without being willing to *make* fundamental changes will push the country into an open crisis. It is clear to see that pro-European reforms in Russia are an inevitability. The only question is what price Russian society will have to pay before that time comes.



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