

PUTIN'S RETURN TO POWER AND MEDVEDEV'S LEGACY

Putin's return to the presidency has been orchestrated as the resounding confirmation of the system of creeping authoritarianism and crippling political patronage he created during his first two terms in office. It dispelled any hopes of change that many, both at home and abroad, saw in the one term presidency of Dmitri Medvedev. The article looks at the broad sweep of recent developments in Russian politics in order to extrapolate main trends, which are likely to shape Russia's domestic situation as well as its foreign policy in the next decade. It concludes that although the much-desired semblance of stability has returned for the time being, by ignoring some deep structural flaws of the present system, the ruling regime might precipitate its own demise in the long run.

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Russia has been back in the spotlight of international media largely owing to the swearing in of President Vladimir Putin for an unprecedented third term on 7 May 2012. To many Russia observers this was no surprise. In fact, it has been long rumored that Putin, who was barred from seeking a third term after 2008, would sooner or later return to the Kremlin. More importantly, Medvedev's presidency, justifiably or not, represented a faint hope of potential change to the murky system of crony capitalism and authoritarian inclination of his predecessor. Yet this is only the half of the story. Russian politics has once again been revealed to be enigmatic, ripe with speculation, half-truths, and disinformation.

In and of itself, Putin's return to the Kremlin is unlikely to result in any positive change – at least not immediately. Indeed, many believe that since Putin has practically retained the reins of power even after stepping down from office in 2008 in favor of his *protégé*, his elevation back to the presidency will only serve to reaffirm who is really in charge. The need to safeguard the beleaguered regime will trump any domestic or foreign policy considerations. For Putin's regime, therefore, the first order of business will be to ensure its survival and fend off any real or imaginary challenge from both within or outside of the country. The irony of such business-as-usual approach is that in the long run unless the regime undertakes far reaching political and economic reforms it will precipitate its own demise.

This article discusses the significance of Putin's return to the Kremlin both in terms of its immediate political ramifications and impact on Russia's long-term prospects. It uses Medvedev's one-term presidency as an analytical lens to point out broader trends in Russia's domestic politics as well as foreign policy. First, it examines domestic issues concerning Putin's reelection and how it will shape the country's political scene. Second, it moves to determine what foreign policy the new president will pursue and how this is likely to alter Russia's relations with the rest of the world.

Putin's Monopolization of Russian Domestic Politics

Domestically, Putin's return to presidency has revealed a number of intriguing trends in the regime's power structure while it serves as an important portent of things to come.

The manner in which Putin orchestrated his return was truly sensational in many respects. One could only be struck by the symbolism of this carefully choreographed spectacle, telling of current power dynamics in Russia's Byzantine politics. The most obvious outcome was that it established beyond all doubt Putin's

uncontested dominance of the Russian public sphere. In 2008 Medvedev's elevation to the presidency fueled all sorts of speculation, especially in the West, about the possibility of the new president attempting to break ties with his political patron if the right opportunity presented itself. Yet the United Russia's congress in September 2011 and subsequent events set the record straight by exposing how little independence Medvedev enjoyed whilst in office. Those who pinned their hopes on Medvedev to build a more open alternative to Putin's system have been proven spectacularly wrong.

In the greater scheme of things, the intrigue surrounding the power transition revealed three broad trends in contemporary Russian politics.

Firstly, that Putin can hardly afford to remove Medvedev from the scene completely, as this would be interpreted as an admission that "Project Medvedev" has failed. After all it was Putin who handpicked Medvedev as his successor in the Kremlin. Putin's confirmation that Medvedev would succeed him as prime minister was meant to dispel any notion of a faltering system, while re-asserting that Putin is firmly in control. Maintaining the image of the regime as a well-oiled machine is the most important thing for Putin and his loyalists. One can only speculate about the extent to which Medvedev genuinely strove to project himself as a leader. But the way in which Medvedev's presidency abruptly ended left little doubt about how much the former Russian president could realistically have hoped to achieve.

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Secondly, Medvedev may prove immensely useful in his new role as prime minister to promote unpopular and long overdue economic reforms. Difficult times lie ahead for Russia; the country faces bleak prospects and long-term economic challenges due to its decrepit infrastructure, severe dependence on natural resources as the main engine of the economy, and a rapidly aging population. Moreover, Russia is not immune to shocks of the ongoing global economic crisis. In order to ride out the impending storm, Russia needs far-reaching economic reforms, which, until quite recently, were shunned lest they alienate the electorate.

After the parliamentary and presidential elections, there could be a brief window of opportunity to push through some tough reforms, and who could be better suited to carry them out than the self-proclaimed liberal Medvedev? Along the

same lines, there are already signs that the government is increasingly impatient to lure in foreign investments by putting on a more business-friendly face. Although there are many opportunities, the omnipresent corruption and almost impenetrable wall of bureaucracy makes Russia a tough sell for foreign investors. Capital outflow and hesitant foreign investors do not bode well for the prospects of the Russian economy, problems further exacerbated by pervasive corruption. To create a more positive image for Western investors, Medvedev might act as a “poster boy” for reforms. This will all, however, play out in a tightly scripted fashion leaving little doubt as to who the real boss is.

In this regard, it will be interesting to observe how Russia’s membership in the World Trade Organization (WTO), much sought after over the last decade and finally attained in December 2011, will boost the image of Russia’s business environment in the eyes of foreign investors. As the accession of China demonstrated, it is not a foregone conclusion that joining WTO leads to liberalization of an economy. It is unlikely that Russia’s WTO membership will become a panacea for the country’s many economic woes. Moreover, it can be expected that the Russian government will not hesitate to violate its WTO commitments if necessary, to maintain its tight grip on industries that it deems of strategic importance, such as extraction of mineral resources and aerospace. It remains to be seen how far Putin will let Medvedev go in overhauling the Russian economy before he is sacrificed in order to shield the regime from the wrath of the Russian people bearing the brunt of economic reforms.

Thirdly, keeping Medvedev around might help to burnish the otherwise illiberal and authoritarian appearance of Putin’s regime both at home and abroad. Medvedev will likely continue to speak in favor of greater openness in Russian society, occasionally calling for increased freedom of press and rule of law. As the regime appears to be increasingly predisposed to imposing a more restrictive control on the society, Medvedev’s more liberal positions will serve to deflect criticism. It is doubtful, however, that he will have any real authority to bring about change.

In the long run, the strategy of tightening screws on the society may well prove self-defeating for Putin and his regime. At least for now, Putin seems to be convinced that more oppression will turn his regime’s fortunes around. Yet this is quite short-sighted, as dissatisfaction with his regime seems to have set firm roots in Russian society. More importantly, the regime has few if any effective tools left to placate the increasingly restive society.

Ever since the parliamentary elections in December 2011, more and more Russians have forgotten their qualms about taking to the streets to express their frustration with the regime. It is fair to argue that the authorities, including Putin himself, were

caught off guard by the scope and intensity of the anti-government protests. The lackluster response by the authorities to the initial phase of street protests in Moscow and St. Petersburg emboldened many Russians to openly challenge Putin's regime while showing the limits to which the authorities were ready to deploy brute force against the protesters.

Putin's unchallenged reign was to a large extent made possible by a tacit acquiescence from the majority of the Russian population who were willing to trade certain liberties for relative stability and prosperity. This has recently changed as Putin finds it increasingly difficult to keep up his end of the bargain, thereby propelling large swaths of well-

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off and liberal Russians to continue to desert him. The key to success for Putin during his first two terms in office was largely a booming economy riding on the back of high oil and gas prices. This changed after Putin stepped down in favor of his prime minister and the country had to deal not only with falling oil prices but the impact of a full-blown global financial crisis. Although the overreliance on the export of hydrocarbons is a serious problem, more worrying is still the largely unreformed and undiversified state of the Russian economy. This, coupled with the country's decrepit infrastructure, will seriously undermine the prospects for successful long-term economic development, thereby depriving Putin of a chance to buy the loyalties of the majority of the population.

More importantly, judging by his rather inept response to the protests and general state of confusion, Putin is perhaps not as much of a strategic and long-term thinker as many might have thought. Putin did not foresee the magnitude of protests and what a lasting mark they would leave on the Russian political stage. Therefore, his unwillingness to admit that his popularity or general support for his regime could be waning will likely come to haunt him later in his presidency if he maintains his current political course. The salience of such a revelation ought not to be underestimated, because it tells us that Putin lacks a grand vision for his presidency while haphazardly reacting to things as they come. This is certain to make his rule less predictable and stable with potential serious repercussions for the country as a whole.

Putin's Russia and the Rest of the World

Though the change of guard in the Kremlin may have little to no immediate effect on Russian foreign policy, more tensions are likely to emerge in Russia's relations

with the West, as Putin settled into the presidential saddle over the next months. In his quest for attaining a privileged status on the international stage, Putin will have to answer two broad foreign policy challenges. First, the manner in which he intends to steer Russia's relations with the U.S. and Europe. Second, given his affinity for closer cooperation with the East, Putin will have to show a great deal of foreign policy craftsmanship to anchor Russia in the fluid politics of Asia.

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According to the Russian Constitution, the president sets out overall guidelines for the Russian Federation and represents the country abroad. This was very much true during Putin's presidency as he defined the basic contours of contemporary Russian foreign policy. However, Medvedev's foreign policy legacy

is rather mixed at best. Supporters of Medvedev would highlight his distinct attempts to strike a cooperative tone with the West. For them, the "reset" with the U.S., renewed cooperation with NATO, Russia's tougher stance *vis-à-vis* the Iranian nuclear program, and last but not least, Moscow's acquiescence in NATO's intervention in Libya are clear testaments to Medvedev's pro-Western agenda. So only if Medvedev had had a chance, they assert, he would have pursued a more amicable relationship with the West. This is where the analysis becomes deeply flawed.

Under Medvedev's watch, Russia went to war with Georgia over the breakaway provinces of Abkhazia and South Ossetia, continued to wrestle with the U.S. over the latter's plans to deploy missile defenses in Europe, and unscrupulously sought to bolster its presence in neighboring countries – as president Medvedev once again resolutely declared that the post-Soviet republics lie in Russia's "zone of privileged interests". This certainly needs to be viewed in contrast to Medvedev's overtures towards the West.

Still, it would be unfair to Medvedev to argue that his presidency was merely a clever PR stunt, designed to improve Moscow's relations with the West. Russian foreign policy is more complex than that, and the description of the former president as "Western-oriented" holds some truth. But it should not be ignored that foreign policy has remained within the firm bounds set out by his predecessor with little room for Medvedev to leave his mark. For instance, when in 2008 Medvedev pledged his support for UN sanctions against the recalcitrant regime of President Robert Mugabe in Zimbabwe he was, to his own embarrassment, unceremoniously overruled by Putin. Nonetheless, Putin's caretaker president Dmitri Medvedev has come to represent unwarranted optimism for change in Russian foreign policy.

Putin's Foreign Policy Challenge

During his presidency Putin will continue to follow the basic tenets of his foreign policy, laid during his first two terms in office and largely followed by Medvedev. Hence, the indisputable *leitmotif* of Russia's post-Soviet policy remains its quest for independence, whereby Russia would firmly establish itself as an independent actor on the world stage and not be perceived to be in the grip of any other great power. Inscribed in the country's foreign policy ethos and frequently reiterated by its politicians, president and prime minister, is the principle of "multi-polarity". This catchphrase has been used to describe a world without the U.S. as the single superpower, which makes Russian foreign policy decision making deliberately obtuse, inflexible and irrespective of who sits in the Kremlin. This locks Russia in a paradigm precluding an embrace of the West as imagined by proponents of *rap-prochement* with the West both at home and abroad.

With respect to Russia's relations with the West, although Russia's partners in the U.S. and Europe might find their new interlocutor more difficult to deal with, it would be premature to jump to conclusions. Putin should not be seen as necessarily anti-Western. After all, during his first term in office he oversaw a major realignment in Russia's relations with the U.S. and NATO, while pursuing close ties with several European countries.

With Putin's return to the Kremlin, however, the risk is that he will find himself more susceptible to pursuing a more hard line foreign policy as a way to increase his support at home. Unlike Medvedev, Putin has deliberately cultivated his image as a strong leader, ready to defend Russia's national interests. Putin is no stranger in portraying Russia as a besieged fortress and insinuating that the West conspires to weaken Russia. Coupled with Putin's mistrust of the West, this makes a recipe for a foreign policy disaster. Putin is said to have grown more wary of the West as he believes the West did not live up to its part of the deal in return for Russia's assistance in the war against terrorism. The most likely area of disaccord will be U.S. and NATO plans to deploy missile defenses in Europe.

On the other hand, Putin is positively inclined to build closer ties with Asian countries, China in particular. His first visit abroad after accepting the presidential nomination was to China, which was no coincidence. This was a thinly veiled message to the West that Russia had other friends to turn to. To that end, Putin can be expected to try to boost Russia's participation in different Asian integration organizations, be it the Shanghai Treaty Organization or the Asian-Pacific Economic Cooperation (APEC) forum. Similarly, Putin will boast of East Asia as a promising alternative to Europe for Russia's gas and oil exports. There remains the question

of what Russia actually stands to gain. The much-touted China-Russia strategic partnership is merely a smoke screen behind which both countries hide their disparate goals and competing agendas. Moreover, in any such partnership Russia is likely to play secondary fiddle to rapidly developing China. Apart from its abundant natural resources, there is very little Russia can offer and hope to extract from deepening its partnership with the East.

To what extent Putin is willing to attach Russia to Asia is an open question. Purposefully shunning the West, while pursuing engagement –albeit limited– with the East might isolate Russia, rather than giving Moscow a greater strategic leeway.

The Dawn of Putin's Presidency

In conclusion, Putin at least in the initial phase of his presidency is destined to remain preoccupied by domestic affairs, whereby he will attempt to contain any signs of brewing discontent. Putin's return to presidency sets Russia on a worrying path of perpetual decline as a result of regime's overriding goal to ensure its survival. One must be careful when passing quick judgments about the current state of affairs in Russia. Certainly the opaque nature of Russian policy, clouded by domestic intricacies and raging clan rivalries, continues to erect an impenetrable wall for outside observers attempting to comprehend the recent developments in Russia. And although we might be tempted to dismiss –not entirely unjustifiably– Medvedev's presidency as a political farce, its abrupt end offers intriguing insight into the future direction of Putin's Russia.

What Putin's return signals in the first place is that the regime views any potential change to the current *status quo* as a direct challenge to its survival. Beyond cosmetic tweaking of the system in place, the top-down reform drive dreamt of by some of Putin's supporters seems unlikely. Riding high on the hopes of wide ranging reforms, Putin's presidency established that radical change to the system will neither be desired nor tolerated. The first order of business for Putin will be to preserve the system. It also tells us that, at least for the time being, the current leadership is firmly behind the cause of propping up the existing system. Throughout his reign, Putin has eradicated any viable opposition and any signs of rising potentially independent political force have been swiftly dealt with. This will very likely be the chief guiding principle for Putin with the liberal shield provided by Prime Minister Medvedev. Nevertheless, it is unclear to what extent the tightening of screws at home might prove effective in squashing the increasingly dissatisfied urban class this time around. Putin is quickly running out of options to keep his promise of stability and prosperity with his support base eroding in front of his very eyes.

Regarding Russia's foreign policy, Putin will stick to his core convictions of seeing the current international order as largely Hobbesian with little room for cooperation and constant struggle for power among nation states. In addition, Putin will be tempted to turn up the heat in Russia's relations with the West. Given his distrust of the West and tendency to play hardball politics, Putin may prove less predictable and more prone to erratic outbursts than his predecessor. However any grandstanding foreign policy is likely to prove a costly undertaking for which Russia currently lacks resources.

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On the eve of Putin's third presidential term, Russia is heading for a period of stagnation marked by the ruling elite's increasing obsession to keep the system largely intact without realizing that this is likely to prove more dangerous to the survival of the regime. While Putin is unable or unwilling to recognize the changes in Russian society in general, and the deep structural flaws in the system of which he is the chief architect, the tectonic shifts are already taking place with no prospect of abating.