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## How stable is social stability in Russia? (\*)

Recent social protests in Russia, starting from Vladivostok in late 2008 culminating with Kaliningrad in early 2010 and others, have raised the question of the Putin-Medvedev regime's ability to maintain social stability. In Russia, debate over the mass social protests in the Far East in December 2008 and the authorities' tough response developed into discussions of the tacit social contract, under which the public refrains from intervening in politics in return for rising living standards, and which is no longer working, due to the crisis.

Although social protests in Russia so far have not been tremendously massive, it looks like citizens' patience has run out and that any unpopular action by the authorities – be it higher communal service or transportation tariffs, ecological violations or incidents with high-ranked official participation – can trigger protest actions.

Those who saw the fall of Putin's social contract were too quick to jump. The crisis has helped to decentralize political life, but the authorities have still not renounced

the paternalistic "state-citizens" and "center-regions" model of relations, although the authorities' position has undergone some serious transformation recently. This is especially evident in the election process.

The political system as a whole has changed little since Putin's second term as president. Deinstitutionalization and personalization of the system have continued. The Kremlin's version of "managed democracy" has turned out to be an evolutionary dead end. There is already an "overmanaged democracy" – managed beyond limits of effectiveness and even rationality<sup>1</sup>. The years of financial prosperity used to "improve" the system technologically have led to the onset of "Russian

<sup>1</sup> What distinguishes overmanaged democracy from more run-of-the-mill "managed democracy" is its higher degree of centralization, its narrower space for genuine political competition, and the central role of substitutions as functional replacement of institutions. For more details see N. PETROV - M. LIPMAN - H. HALE, *Overmanaged Democracy in Russia: Governance Implications of Hybrid Regimes*, Carnegie Papers, 2010, p. 39.

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### Abstract

Recent social protests in Russia, starting from Vladivostok in late 2008 culminating with Kaliningrad in early 2010 and others, have raised the question of the Putin-Medvedev regime's ability to maintain social stability. Although protests so far have not been tremendously massive and organized, it looks like citizens' patience has run out. The economic crisis along with the Kremlin's "overmanaged democracy", the almost unchanged political system, government's inefficient dialogue with citizens and its sector-by-sector approach to decision-making, often ignoring regional interests, restrictive electoral laws are all intertwined in the social unrest. What can be done is to switch to free and fair elections, not just relatively free ones, to restore federalism, and to promote the division of power and strengthen the institutions.

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(\*)The opinions expressed herein are strictly personal and do not necessarily reflect the position of ISPI.

disease". The result is a car in which the steering wheel turns like a charm: the political parties are completely under control, the governors are loyal, and civil society is being organized into a hierarchy through public chambers set up at various levels. The only problem is that all this wanton turning of the steering wheel has worn the drive shafts down and the wheels no longer turn. As long as the car keeps running in idle, it does not really matter, but at some point it needs to start going somewhere.

Have the imitation democracy and its mostly imitation management system withstood the test of the crisis? The answer is probably not. The authorities have bought themselves time with the help of the Reserve Fund, meaning that they can hold on for a while longer without changing anything. As a result, the economy, society and the political system came through 2009 – early 2010 relatively unscathed. The authorities have concentrated mostly on the economy, less on the political system, and even less again on society. The new modernization priorities, under discussion since the end of spring when the acute phase of the crisis ended, follow a similar pattern.

What lies ahead is not yet clear. The authorities continue to pursue a very costly populist policy and they will feel increasing pressure to do so, at least until the next Duma and presidential elections take place in 2011 and

2012. People are now gradually starting to understand that no matter what direction the crisis takes and how Russia emerges from it, there can be no return to the past, to "Putin's golden age". The question is, will the political elite wake up to this fact? If so, will they seek change, and will they even be capable of carrying it out?

### **Society and the authorities: Is the social contract still in effect?**

Overall, 2009-2010 have been marked by relative social calm, coupled with increasing populism from the authorities which is largely preventive in nature. What is important is that the above-mentioned crisis in the Far East is systemic in nature and arises from the government's sector-by-sector approach to decision-making, without taking regional interests into account or even properly analyzing the consequences these decisions will have in the regions. A whole number of decisions resulted from this, from subsidizing the shipment of Russian-made cars from the European part of the country to opening an auto assembly plant in Vladivostok.

Now there is also a program in place to subsidize plane tickets for Far East residents flying to European Russia. A state commission headed by Deputy Prime Minister Igor Shuvalov has been working since December 2008 on social and economic development in the Far East, Bu-

ryatia and the Trans-Baikal and Irkutsk Regions. Massive investment is pouring into Vladivostok in preparation for the 2012 APEC summit. The authorities have managed to stabilize the situation overall, but their actions were largely reactive, dealing with circumstances as they arose. At the very end of 2009 and start of 2010, mass protests shifted to Kaliningrad at the opposite end of the country. Other smaller social protests also took place in 2009. Estimates show that protestors blocked roads on 18 occasions<sup>2</sup> in 2009. At the end of the year, the government submitted a bill to the State Duma considerably toughening penalties for blocking roads.

When the first social protests appeared amongst the crisis the authorities tried a carrot and stick approach with them. The stick was wielded in Vladivostok, where riot police sent in specially from the Moscow Region spared no force in dispersing demonstrators. The carrot was tried in Pikalyovo in June 2009, when Putin turned up in person and forced business to cooperate. Incidentally after Pikalyovo, speaking to his envoys in the regions Medvedev said, «I want it to be made absolutely and unambiguously clear to the regional heads that either they sort out these problems, or I will be forced to dismiss them from office, regardless of the services they have rendered and the economic developments

<sup>2</sup> In «Russky Newsweek», 5, 2010, p. 22.

underway. This is the responsibility of the regions' leaders. They need to get down to work there and not wait for these decisions to come from Moscow or from the capitals of the federal districts. If everything keeps on going this way, we have to ask ourselves, why do we even need bosses in the regions?»<sup>3</sup>.

It should be noted that the transition to a system of having Moscow appointing regional governors has substantially diminished the authorities' ability to effectively stem social protest when it does arise in the regions. Further, it has reduced the governors' role as shock absorbers. So despite Moscow's firm stance toward the governors, public discontent with them almost automatically switches to Moscow instead. This explains why anti-Putin slogans could be found side-by-side with slogans against the regional governors at protests in Vladivostok and Kaliningrad.

A continued rise in the tendency to protest could leave the Kremlin facing the negative effects of policies that have weakened political parties and created a lack of influential politicians in the regions. As a result, it will be hard to channel spontaneous protests along parliamentary or any manageable lines and to convert destructive energy into constructive effort.

The main positive result so far is perhaps that the country

avoided the social conflict scenario predicted by Yevgeny Gontmakher at the end of 2008<sup>4</sup>. The downside is that no systemic improvements were made to reduce the likelihood of such a scenario in the future. The social contract is still in place but is gradually being eroded. The authorities are paying a high price to maintain it and look increasingly like hostages to this contract, which they need less and less.

### Kaliningrad

Kaliningrad, with its biggest rally in years in January 2010, came like thunder from a clean sky. 10,000 protesters gathered in Kaliningrad on January 30 to protest at the policies of Kaliningrad's millionaire Governor Georgy Boos, Prime Minister Vladimir Putin and United Russia. This is clearly a huge number for a city of only 400,000 people, but it is also a big number for cities like Moscow and St. Petersburg, where opposition protests attracted no more than 1,000 people.

There are different explanations for why this happened in Kaliningrad, including the large number of self-employed citizens who suffered as a result of the crisis and unlike Russians in other depressed regions could not easily go to more prosperous neighboring regions; regional political and busi-

ness elites' protest at the governor-stranger who brought all his business partners from Moscow, etc. There is even the version that it was organized intentionally by the Kremlin to play against Putin. My explanation would be easier – mere mess. The Kremlin just overslept it. When the first large-scale protest meeting took place in Kaliningrad in mid-December 2009 the country was approaching the New Year holiday season, and when it was over it was too late to undertake preventive measures with regard to the next meeting.

The administration was maneuvering all of that time to try to dissuade the protest. On the eve of the protest, the Kaliningrad authorities canceled plans to increase the transportation tax, one of the protesters' chief complaints, but it was too late. The authorities then hoped to organize a pro-government rally by requiring that people attend from every district, but then they quickly canceled that plan.

The economic situation in Kaliningrad is not great, but it is far from being the worst. There are, however, several complicating factors that have stoked the protest mood. Small and medium-size businesses in the region profit from Kaliningrad's international borders. The import of used cars from other countries and export-import operations that take advantage of the region's status as a special economic zone have actually under-

<sup>3</sup> <http://www.kremlin.ru/transcripts/4401>.

<sup>4</sup> Y. GONTMAKHER, *Stsenarii: Novoчеркасск-2009*, in «Vedemosti», November 6, 2008.

mined the federal government to some extent. Also, Boos is a typical “Varangian,” who was sent from Moscow to rule the detached Kaliningrad region. He brought his own business partners with him, thereby disrupting the existing business connections among the local elite.

What should the Kremlin do in this situation? It would seem that the simplest solution would be to switch the governor for a local person, especially since Boos’ term ends in the fall anyway. But it is dangerous to set such a precedent. Previous experience with Vladivostok showed that applying an *ad hoc* solution in one city does not preclude the same problems from arising in other cities.

The Kaliningrad protest proves both the authorities’ inability to cope with a crisis situation and to manage the political system as a whole. The protest activism in the Kaliningrad region is going on, although its leaders’ initial promises to essentially increase the number of protesters in spring with its better weather conditions were not realized. The authorities combined individual pressure on leaders with socio-economic and managerial improvements. It works although it does not lead toward systemic changes.

### **Elections: Back and forth?**

The March 1, 2009, October 11, 2009, and March 14, 2010 elections demonstrated opposing trends, a swinging

pendulum. In the spring 2009 elections, with the crisis in full force and an unknown outcome for the authorities, the Kremlin displayed a more complex and flexible approach than in previous elections. Electoral laws remained as restrictive as ever, but electoral practice was liberalized.

In the spring of 2009 it seemed that the authorities, reassured by this performance, would take steps to liberalize the election practice a little, but by summer they were backtracking on this political adaptation process, having evidently decided that the worst was over in the economy and they could gradually go back to their old ways. Overall, the October 2009 elections produced an extremely disheartening picture. Having reassured themselves that they had managed to maintain their high popularity ratings despite the crisis, the authorities gave the local people a free hand to produce the desired results.

This was the case of the Moscow City Duma election. Despite public opinion surveys and exit polls to the contrary<sup>5</sup>, as well as statistical rules of voter behavior<sup>6</sup>, the authorities declared the

impressive victory of United Russia and high voter turnout. United Russia’s lists of candidates garnered 66.3% of the vote (compared to 47.2% in 2005), won in all 17 single-seat districts and took 32 of the Moscow City Duma’s 35 seats, with only one other party, the Communist Party, managing to gain access to the capital’s parliament. Outraged by the flagrant fraud that left 2-3 parties outside the City Duma, even though they should have crossed the threshold according to the exit polls, and seeing in the election a trial run of the “one-and-a-half party” model that could be used in the next State Duma election, the Communist Party, the Liberal Democratic Party, and A Just Russia took the unprecedented step of boycotting the State Duma’s work until the president agreed to meet with them and take the necessary measures.

The most critical elections at every stage of the process were in Moscow and Astrakhan. The only novelty is the way innovations were spread: previously there was a spread of relatively honest election practices from Moscow and St. Petersburg to the provinces, while now we can speak of the “chechenization” or “dagestanization” of Moscow’s elections, while oases of relatively honest elections remain in the provinces.

In the March 2010 regional elections the bad news was that only the “Big Four” officially sanctioned parties won seats. The good news was that all of them made decent

<sup>5</sup> See, for example, the detailed report by the Levada Center <http://www.levada.ru/press/2009122501.html>.

<sup>6</sup> For a detailed analysis see D. ORESHKIN - V. KOZLOV, *Nepravitelstvenny doklad*, in «Novaya gazeta», 118, October 23, 2009.

showings nationwide. Since President Medvedev proclaimed that it was not enough to have only one or two factions represented in national elections, the authorities have opened the door to all four parties this time around. The fact that the Kremlin has gone back to the previous four-party model and rejected the single-party sweep we saw in the elections in October is a positive sign. But at the same time, the Kremlin has finally completed its liquidation of the few remaining liberal parties. The Union of Right Forces has been long dead and the Kremlin-created liberal party, the Right Cause, has not gone anywhere. And now, after the March elections, Yabloko has become the latest victim, losing all representation at the regional level. The result is that not only have these liberal parties been marginalized, but also large groups of voters have been deprived of political representation and the political spectrum has become narrower. Unlike the October elections, the March 2010 vote was, on the whole, free but not fair. United Russia's results were significantly worse this time, suffering a string of defeats in mayoral elections in the Urals and Siberia, as well as in single-mandate districts in a host of regional capitals.

The mayoral elections in Irkutsk showed how the authorities' clumsy interference in elections can produce the opposite result. United Rus-

sia heavily supported Sergei Serebrennikov, mayor of Bratsk and an ally of oligarch Oleg Deripaska, in the Irkutsk mayoral race. When opinion polls showed Serebrennikov trailing his contender, the Electoral Commission found a pretext to disqualify the leading candidate. But Irkutsk voters protested by rallying around a much weaker candidate backed by the Communist Party, who won by a wide margin. This was not the first time people voted not so much in support of their favorite candidate as against a United Russia outsider.

Despite all the changes, Russia's electoral system is far from being truly free and fair. Improvements in the latest elections were achieved by slightly readjusting the system of manual control. The Kremlin locomotive was slowed down a bit, but in order to make elections fair it has to abandon the control of the electoral machine.

### **The “wrath” role in a dialogue between authorities and society**

In the week after the elections mass protest actions took place on the so-called “Day of Wrath” on March 20. The number of participants reported by the authorities and the opposition did not match as usual. The geography of actions appeared to be very extensive: Vladivostok, Irkutsk, Barnaul, Omsk, Tomsk, Novosibirsk, Arkhangelsk, Petersburg, Moscow, Kazan, Penza,

Kaliningrad etc. Both federal and local authorities were doing their best to avoid large scale protests. There were reductions of tariffs and taxes, refusals to hold meetings in central squares with fairs and concerts to be held there instead, negotiations with activists and direct communication with citizens, preventive detention of ringleaders and dispersion of meetings.

The most important systemic reaction became the urgent reduction of tariffs for communal services. Moscow did explain skyrocketed tariffs with local wrongdoings. Both President Medvedev and Premier Putin ordered to fix the problem immediately. It was reported that order was restored and tariffs were decreased. What was not reported was the price Moscow should pay to compensate local budgets for the lost income. Last year, the Fund for promotion of communal services reforms distributed large amounts of money among regions on condition that communal services subsidies be sharply decreased and tariffs increased. This year, when some regions tried to minimize the growth of tariffs, the Fund threatened to claim back the money given last year.

It is important that first and locally, authorities were trying to draw attention away and to entertain and indulge in order to avoid mass protests. I believe that the previous week's elections were relatively free as an attempt to prevent protests by politi-

cal parties and citizens. Second, the Kremlin agreed with the leadership of three so-called opposition Duma parties, asking them not to “rock the boat”.

Although the effectiveness of a “party vertical” is questionable, the Kremlin’s switch to a four-party system instead of the “one and a half” which was preferred earlier, is positive. Authorities everywhere have demonstrated readiness and ability to negotiate. Third, parties – including United Russia – played a very secondary role in the authorities’ dialogue with citizens. Not only could they not moderate the dialogue, they could only attract the attention of the authorities by pushing citizens to go to the squares. Thus, this shows the ineffectiveness of the management system, with parties attempting to react only at times of crisis, and also the crisis of the party system.

What we have seen now is a relatively successful attempt by the authorities to fix the problem by means of “manual management” rather than constructing a functioning system of relations with society. The authorities tried their best, including by means of public policy, which is good. The problem is whether they are eager to continue working in such a reactive way. Perhaps if the protests continue, the authorities will recognize the need for systemic changes, first of all strengthening political parties as a mechanism

of interaction between authorities and citizens.

There is an important political-geographic dimension here. Protest actions took place largely in regional centers due to the higher civil activism there and the bigger irritation accumulated there. It is no coincidence that in a number of cases it was where United Russia was losing races both to mayoral offices and to legislatures in single-mandate districts. In order to avoid scandalous defeats and to get “party soldiers” instead of independent-minded candidates, party bosses are pushing for replacement of the mixed system with a purely proportional one.

Now that the Kremlin has demonstrated eagerness to share votes with three minor Duma parties, not only United Russia functionaries but those from A Just Russia, the Liberal Democrats and the Communists do support the idea of switching to the proportional system at all levels. It looks like the joint interest of party leaders from all four Duma parties contradicts not only citizens’ interests but also those of the authorities, as the latter need a functioning party system.

Commenting on the “Day of Wrath”, the majority of experts agree on the opposition’s weakness and the authorities’ strength and flexibility. But this formulation is simplistic. True protests have been spontaneous and often not inspired by consolidated opposition. Howev-

er, lack of organized opposition in case of social protest can be negative rather than positive, because with no possibility to be canalized into a legal course it may lead to riots. Fortunately there was not a riot. We have witnessed a kind of a dialogue between authorities and citizens. We have also seen the authorities’ inability to explain to citizens the essence of measures that need to be undertaken and to get their support. Moreover, the role of “United Russia” and the party system as a whole is minimal as the authorities tend to address citizens directly.

### Conclusions and recommendations

To answer the question put in the title, we can say that **social stability is not that stable**. The Russian political regime at present looks like a colossus on legs of clay – able enough to stay but incapable of moving.

According to sociologists, the potential for protest is not that big now and Levada-center surveys confirm this fact. Only 27% of respondents questioned in February 2010 about the possibility of mass actions in their town/district against a drop in quality of life, answered that they are quite probable and 20% answered that in case of protest actions they would join them. Although in March 2005 protest figures were essentially higher – 36% and 27%, there is an

increase with regard to the 2009 fall<sup>7</sup>.

One should note, however, that those who speak about low protest potential on the basis of sociological polls and “calm” dynamics in crises, overlook two important factors. First, to ensure social calmness the authorities have already spent a huge amount of money, which will not last for long. Second, the refusal to promote reforms bears even a higher price. In order to survive and avoid massive social unrest, the regime has to modernize the political system by restoring the link between authorities and citizens first of all, and decision-making mechanisms based on a balance between all major groups of interests, including regional ones.

What is vitally needed? **A switch to free and fair elections**, not just relatively free as in March 2010. These should include the softening of repressive electoral legislation and legislation on political parties to allow public competition between all political forces, not just those chosen by the authorities. And an increase in the number of elected positions, including governors and mayors. Not only can elections can play a role of an engine promoting political development, they should channel social energy into a constructive course.

#### **Restoration of federalism.**

There are 83 regions in Russia and the only way to avoid the situation of growing internal tension and inefficiency is to give them relative autonomy and to ensure the appropriate representation of their interests at the Center.

#### **Promoting division of power and strengthening of institutions.**

The last two years differ from those of Putin’s presidency in one way only. Under Putin all institutions were weakening except for presidential power; under Medvedev none of them have become stronger while the presidency has become weaker. The lack of autonomous actors and over-centralization makes the system very inefficient and inflexible. It looks like the present regime has almost reached the limits of sustainable existence. If the regime is smart enough to realize this and to modernize itself there will be fast political evolution, if not it will lose control over the country and will be replaced by a different regime.

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<sup>7</sup> <http://www.levada.ru/press/2010031805.html>.