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RUSSIA AFTER THE 2018 ELECTIONS: STABILITY VS. CHANGE?

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On May 7, 2018, Vladimir Putin was sworn in as President of the Russian Federation for another six years. Although he has already secured himself a place in Russian history by “taking the Crimea home”, he faces significant challenges. For example, the economy must be sustainably strengthened, the conflicts in Syria and Ukraine are consuming valuable resources, and the cleavages with the West have deepened further. How will the system Putin develop during his fourth term and will Russia’s role as a major player change in the near future?

After the election is before the election

There was no doubt about Putin's election victory on March 18, 2018. Hence the focus was on the percentage of votes and the overall turnout. The goal was to legitimise Putin as a strong leader with at least 70% of the votes in 70% turnout. With 76% of the votes the set goal was overfulfilled, while the participation of 67% slightly tarnished the result. Holding the election on March 18, that marked the fourth anniversary of the annexation of Crimea, it was intended to increase the turnout (e.g. concert on Red Square). The boycott call of the well-known opposition member Alexei Navalny, who was not allowed to run for president, did not endanger Putin's success at all. Xenia Sobchak represented the democratic opposition as the “candidate against all”. Her candidacy should make the election interesting as a “real” alternative for Putin's detractors. Sobchak's results (1.67%) show, however, that Russia's divided democratic opposition currently has no chance. The OSCE election observers speak of a mostly correct election process. The environmental conditions (pressure on critical voices, one-sided

media coverage) and the lack of genuine competition (restrictions on the registration of candidates and freedom of assembly) were the main reasons for criticism.

Putin's election campaign focused on nationalist narratives and military triumphs (Crimea, Syria). His focus on foreign policy successes ensured him the approval of large sections of the population. In general, his legitimacy is based more on foreign policy than on domestic policy, as he has increasingly withdrawn from the latter recently. However, taking a look at Russian domestic policy is worthwhile, as Putin cannot avoid the urgent economic and social problems in the next six years of his presidency. The importance of economics is underlined by the appointment of Anton Siluanov to the post of First Deputy Prime Minister in addition to his job as Minister of Finance. Furthermore, the former fi-

nance minister Alexei Kudrin now heads the Federal Court of Auditors overseeing all government spending. Many experts presumed the appointment of the liberal economist Kudrin to some senior position in the government in order to stimulate reforms and economic growth. However, the current set-up of the government shows no eager plans for economic reform. The government is mainly composed of politicians of the previous cabinet.

Regarding Russia's power ministries, which are most relevant for its foreign and security policy, there has been made just one change in leadership. The head of the Ministry for Emergency Situations, Vladimir Puchkov, which commands about 7,000 civil defence troops and has organised the "humanitarian relief convoys" into Donbas, has been replaced by the former Deputy Director of FSB Yevgeny Zinichev. Foreign Minister Lavrov, Defence Minister Shoigu and Minister of Interior Affairs Kolokoltsev remain in place. The relations between the government and the military-industrial complex have been rearranged, as the former Deputy Defense Minister Army General Yury Borisov took over the agenda as Deputy Prime Minister for Defense and Space Industry. His predecessor Dmitry Rogozin now serves as General Director of Roskosmos.

Internal change - enforced, spontaneous, planned?

The outlook concerning the economic and social situation in the country is sobering, as Putin himself pointed out to the Federal Assembly on March, 1. Several challenges must be tackled due to an ageing population, poor infrastructure, excessive bureaucracy, corruption, a growing gap between rich and poor and massive deficits in the education and health system (e.g. outdated equipment and ineffective structures). The commodity-based economy also needs to be modernised and diversified. On May, 7 Putin signed a decree that foresees to place Russia among the five leading economic nations in the world

by 2024 and encourage technological innovation as well as the digitalisation of the economic and social spheres. The decree also emphasises the need for a sustainable natural population growth, an increase in life expectancy, while simultaneously cutting the poverty rate by half.

In addition to Russia's future economic policy orientation, the question of Putin's succession will come to the fore in the coming years. Various elites such as members of the security and military apparatus and the secret services (so-called Siloviki), liberals and "political technocrats" will increasingly struggle for influence. Although a generational shift towards younger "political technocrats" has been observed recently, the renewed appointment of Dmitry Medvedev as prime minister implies stability and leaves the succession open. Despite some new faces in the government, the political course will not change for the time being. Furthermore, the role of the presidential administration as the determining institution remains intact. It is rather unlikely that Putin will continue to govern after 2024 through a constitutional amendment or be removed from office through a democratic overthrow. There is a slight chance that a tailored position for him as a "Father of the Nation" could be created. Thus, the "Putin system", which has grown over the years, could continue to exist far beyond the end of the fourth presidency.

The strategic situation after the election

There is much to suggest that Putin will continue his current foreign policy. In principle, foreign and security policy is the domain of the president, who relies on advice from his immediate environment. Besides the presidential administration, the National Security Council plays a central role in policy formation, as do some confidants from Putin's trusted circle. Three guidelines are decisive for the strategic culture in Russia: the formula "strong state, conservative Great Power"; the distinction from the "hostile" West; and co-determination

in the so-called “Near Abroad”. Even the opposition has no alternative concepts currently.

Russia's strategic situation today shows a mixed picture. Relations with China are friendly, but not free of conflict and tensions. The division between the military-political world power Russia and the economic world power China still works from Moscow's perspective. An essential element of Russian-Chinese relations is military cooperation in the Shanghai Cooperation Organization, which focuses on countering terrorism and fighting internal unrest (so-called colour revolutions). Moscow and Beijing will have to find a way of future cohabitation in Central Asia. The five Central Asian states are turning away from Moscow, while Beijing's influence through its Belt and Road Initiative is growing. Putin's Eurasian Union project has come to a standstill, but Russia will not abandon its historical relations with the region since it is a possible source of instability - primarily because of the danger of Islamism and the situation in Afghanistan.

In the Middle East, Moscow faces the challenge of pacifying Syria after Assad's retention of power and the “victory” over the Islamic state. However, to stabilise the region, Putin needs Ankara and Tehran, both of whom pursue their own interests. For the foreseeable future, Russia will remain a decisive power in the region. With Tartus (Marine) and Khmeimin (Air Force), the Kremlin has two permanent military bases in Syria and can exert influence from the Eastern Mediterranean to the Red Sea. However, military power projection is expensive in the long run, which is why Moscow could try to assume a role as a regional “mediator”. Furthermore, potential financial partners will be required for the reconstruction of Syria.

No thaw in the frozen conflicts

Also, Putin cannot ignore the frozen conflicts in his immediate vicinity. In the Nagorno-Karabakh conflict between Azerbaijan

and Armenia, Russia, the most significant arms supplier for both parties to the conflict, has been increasingly attempting to act as a mediator since the Four-Day War of 2016. Iran also has an interest in resolving the conflict for domestic political reasons (approx. 24% Azeri minority). The situation in Nagorno-Karabakh remains very tense. On the one hand, Azerbaijani President Aliyev is confident of Turkey's support and has massively upgraded his army in recent years. On the other hand, Armenia is a close ally of Moscow (member of the Eurasian Union, Russian military base in the country). Additionally, long-term president Serzh Sargsyan resigned at the end of April after protests prevented him from remaining in power as prime minister. Nikol Pashinyan, now appointed Prime Minister, does not question the close bonds with the Kremlin. Thus, the change of power in Yerevan is not expected to ease the Nagorno-Karabakh conflict for the time being.

In Georgia's breakaway regions of South Ossetia and Abkhazia Russian “peace-keeping troops” are still present. Despite an attempted rapprochement between Tbilisi and Moscow, a solution to the conflict has not been found. Due to the still unclear “borderlines” between South Ossetia and Georgia, there is still potential for conflict (e.g. arrests of Georgian citizens for “illegal” border crossings). It remains to be seen how Putin will behave on the 10th anniversary of the Russo-Georgian war in 2008. A visit to the two “separatist republics” would indeed not be a signal of relaxation.

The conflict in Ukraine is unlikely to heat up in the short term, as Russia does not want to disturb the FIFA World Cup (as it was the case with the Olympic Winter Games in Sochi 2014). The proposals by Putin and Poroshenko on a possible UN mission in the Donbass show how opinions differ between Moscow and Kiev on the conflict solution in eastern Ukraine. The main points of disagreement are the mandate, the competences and the strength of UN-

troops, as well as the area of operations (limited to the line of contact, or the entire territory of the so-called People's Republics, including the Ukrainian-Russian border). In any case, a UN mission could provide a new dynamic in the conflict and international attention, and in particular it could bring relief for the everyday life of the population. Regarding the Russian economy, Putin could try to loosen Western sanctions by making concessions in Eastern Ukraine. A return of the Crimea to Ukraine is still not up for debate in Russia.

Concerning the frozen conflict in Transnistria, long paused negotiations in the 5+2 format (Transnistria, Moldova, Ukraine, Russia, OSCE + EU and the USA) were continued last autumn. Minor progress has been made between Moldova and Transnistria (e.g. reopening of a bridge, recognition of Transnistrian university certificates). The status quo (Transnistria demands autonomy; about 1,500 Russian "peace-keeping troops" on the ground) is unlikely to change significantly, as the interests of the actors involved are too diverse. However, Putin could use Transnistria as a bargaining chip to improve relations with the West and to ease the financial burden, as the Kremlin continues to support Transnistria through payments.

Putin's strategic dilemma

Although Russia's president is not expected to face any severe domestic political competitors in the foreseeable future, he is under socio-political pressure to succeed. To remove the economic tensions caused by Western sanctions, and thus improve the living conditions of the Russian population in the long term, an improvement in relations with the West is needed. A more cooperative stance, however, contradicts Moscow's current approach

in Ukraine, Syria and also increasingly in the Western Balkans, where Russia is seeking to prevent integration into the EU and NATO. A continuation of the deconstructive foreign and security policy towards Europe and the USA, therefore, runs counter to domestic political necessities.

It is also questionable whether the balancing act in Syria, where Russia wants to coordinate Turkish, Iranian, Saudi Arabian and its own interests, can work in the long term. The conduct of the World Cup will also be necessary for Russia's image, and thus that of its president. A disturbance or even blockade would not be compatible with the self-image of a major and recognised power. Despite this challenge, Russia could succeed in weighing up the different interests due to its multifaceted commitments and diplomatic skills.

Conclusions and recommendations

- In his next term of office, President Putin will presumably strive to demonstrate not only successes in foreign but also in domestic politics. Such a shift of focus could lead to a departure from his hostile attitude towards Europe.
- Due to its economic weakness, Russia will not be able to finance reconstruction in Syria. If Russia wants to maintain its "winning image", the country will have to seek partners.
- Russia cannot sustain its costly involvement in Syria, Ukraine and the frozen conflicts in its "Near Abroad" in the long term, which provides new opportunities for resolving existing conflicts with the participation of Europe.

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