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## Russia's Domestic Evolution, What Impact on its Foreign Policy?

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***Tatiana Kastueva-Jean***

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## Abstract

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Throughout the Ukraine crisis, the West has been surprised at the brutality of Russia's reaction. It has also been surprised by the broad support for Vladimir Putin's policy among the country's elites and the population at large (88% of whom back the policy), despite the impact of sanctions and countermeasures that are contributing to the deterioration of the country's economy. This level of support cannot be attributed solely to Russia's propaganda machine, though it has been exerting unprecedented influence since early 2014. Russia is using its discourse on the West's behavior as a tool with which to justify the tightening of its foreign policy. While this is undoubtedly a factor, it conceals three profound changes in Russia and in the nature of its political regime that have led to a tougher policy: an extreme concentration of power at the highest level, a failure to diversify the economy and modernize post-Soviet Russia, and the destabilization of society.

## Introduction

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“How did you go bankrupt?”  
Two ways. Gradually, then suddenly.”  
(Ernest Hemingway, *The Sun Also Rises*)

When asked “How did you go bankrupt?” in an Ernest Hemingway novel, a character replies “Two ways. Gradually, then suddenly.” The same answer could be given to the following question: How did Russia go from being a partner of the West—albeit never an easy one—to being a source of uncertainty and threats to Europe's security? The annexation of Crimea and the crisis in eastern Ukraine seem to have “suddenly” brought the “Russian question” back to the forefront, but the groundwork for this abrupt return was “gradually” laid by an internal evolution within Russia.

Critical analysis of the internal evolution within Russia's state and society under Vladimir Putin is not welcomed in today's Russia. Such analysis is the domain of intellectuals, opponents of the government, activists, bloggers and journalists gravitating around the so-called liberal media.<sup>1</sup> Beyond these circles, which are mainly Moscow-based, a critical approach to the country's internal evolution is not an option for either Russia's elites or the general public. The reasons for Russia's increasingly tough foreign policy are widely attributed to external factors or, more specifically, to an aggressive, unjust, humiliating and moralizing stance from the West.

Russia's discourse is well-established: the West treated Russia as the “loser” of the Cold War and implemented a sort of “Versailles policy” (*versal'skaya politika*) towards it, provoking a sense of humiliation comparable with the Weimar syndrome experienced by Germany after World War One.<sup>2</sup> The successive expansions of NATO towards Russia's borders and its interventions outside of its area of responsibility, the strikes on Serbia in 1999, the independence of

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Translated from French by Frances Thomas.

<sup>1</sup> The television channel *Dozhd*, the newspapers *Vedomosti* and *Novaya Gazeta*, the radio station Echo de Moscou and its blogs, etc.

<sup>2</sup> See, for example, S. Karaganov, “Izbežat’ Afganistana-2” [Preventing Afghanistan Mark Two], *Vedomosti*, 28 July 2014, <[www.vedomosti.ru/opinion/news/29501801/izbezhat-afganistana-2#ixzz3DVijCFav](http://www.vedomosti.ru/opinion/news/29501801/izbezhat-afganistana-2#ixzz3DVijCFav)>.

Kosovo, the operations in Iraq and Libya, the policy towards Syria, and the “Orange Revolution” are all factors that have encouraged Russia to object to the West's interventionism. The vision of an aggressive and interventionist West that seeks to weaken Russia is backed up by the belief that the West has become morally decadent, in economic decline, politically weak, and strategically less important. This discourse is also shared by a considerable number of people within the European Union,<sup>3</sup> which is currently facing a rise in anti-Americanism, anti-liberalism and Euroskepticism. This rising sentiment was reflected in the recent electoral successes of extreme-right parties in several European countries.

When taken from this point of view, Russia's reaction to the Ukraine crisis is one of “legitimate defense” in order to halt the economic and political expansion of the West, and particularly the United States, to territories considered to be part of an area of “privileged interests” headed by Ukraine. Two opposing logics are at play: while the West bases its reasoning on an attractive democratic “model,”<sup>4</sup> Russia thinks in terms of power, relationships of force and its area of influence, bringing things down to a zero-sum game.

This situation is nothing new: it has been postulated on numerous occasions in official statements and works by Russian security experts.<sup>5</sup> With the Ukraine crisis, however, the West has been surprised at the violence, scale and brutality of the reaction from Russia and the arrogance it has shown. It has also been surprised by the broad support for this policy among Russia's elites and the population at large (official polls put support for the policy at 88%), despite the impact of sanctions and Russian countermeasures that are contributing to the deterioration of the country's economy. This level of support cannot be attributed solely to Russia's propaganda machine, although it has been exerting unprecedented influence since early 2014.

Russia is using its discourse on the West's behavior as a tool with which to justify the tightening of its foreign policy. While this is undoubtedly a factor, it conceals three profound changes in Russia and in the nature of its political regime that have led to a hardening in its policy. Firstly, since Vladimir Putin came to power, state security—and the Putin regime as its sole guarantor—has been at the heart of all government policy. Combined with the renationalization of the energy sector and the redistribution of cash flows by the state, this

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<sup>3</sup> There are numerous articles on the West's “fault”. See, for example, John J. Mearsheimer, “Why the Ukraine Crisis Is the West's Fault. The Liberal Delusions That Provoked Putin”, *Foreign Affairs*, September-October 2014.

<sup>4</sup> Interview by Th. Gomart and M. Mendras, “Occident-Russie, la paix froide” [The West and Russia: the Cold Peace], *Le Monde*, 29 September 2014.

<sup>5</sup> One typical example: Yu. Belobrov, “Evropejskapa bezopasnst' na pereputie” [European security at a crossroads], *Mezdunarodnaâ Zizn*, September 2013, p. 99-112.



phenomenon has contributed to an *extreme concentration of power at the highest level*.

Secondly, *the failure to diversify the economy and modernize post-Soviet Russia* means that Russia cannot engage in globalization on terms that correspond to its own vision of its role in the world or build a development model that is attractive to neighboring countries.

Thirdly, *the weakening of Russian society* is becoming entrenched. This trend can be attributed to demographic imbalances, an ongoing “brain drain,” and a deterioration in education quality, particularly in human and social sciences. In addition to all this, the post-Soviet identity crisis that has replaced communist ideology means that no coherent national vision has been able to emerge to bring the country together and help it look to the future. The tools of political science and international relations are insufficient to explain this factor and must be supplemented by those of social psychology and sociology.

## The Concentration of Power at the Highest Level of the State

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The concentration of power at the highest level of the state, which has been taking place since Vladimir Putin came to power, has intensified since the 2011-2012 electoral cycle and the social protests that accompanied it. This process is based on two fundamental elements: security and energy income.

### ***A genuine security concern... that is manipulated***

Post-Soviet Russia has never really benefited from “peace dividends.” Between the collapse of the USSR and the outbreak of the Ukraine crisis, Russia's army fought wars and military campaigns on its own soil (the two wars in Chechnya and the military action in Dagestan) and with a neighboring country (Georgia). It has intervened in several conflicts on its borders (such as in Tajikistan and Transnistria). In fact, for this permanent member of the UN Security Council, the G20 and the G8 (until it was excluded from the latter in 2014), the threat of war, whether internal or external, has never really gone away: in 2000, 52% of Russians felt a direct military threat (following the end of the second Chechen war), with this figure changing to 53% in 2003 (after the war in Iraq), 37% in 2009 (after the war in Georgia) and 52% in February 2014.<sup>6</sup>

With security concerns being shared by many, in 2014, 30% of Russians were in favor of boosting the ranks of the armed forces, while 55% thought they should be given more funding.<sup>7</sup> Upon coming to power, Vladimir Putin launched a reform of the country's defense resources, gradually increasing military spending to a record 3.08% of GDP in 2013 (compared with 1.9% for France, 1.24% for China and 3.7% for the United States).<sup>8</sup> This figure was increased to 4.1% in

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<sup>6</sup> WCIOM polls from 25 February 2009, <<http://wciom.ru/index.php?id=266&uid=11478>> and 29 April 2014, <<http://wciom.ru/index.php?id=459&uid=114811>>.

<sup>7</sup> WCIOM polls from 29 April 2014, <<http://wciom.ru/index.php?id=459&uid=114811>>.

<sup>8</sup> IISS, Military Balance 2013 and Military Balance 2014.

2014. This rise in defense spending reflects a vision of “classic power,” based on military capacity and projection.

At the domestic level, Russia suffered a large number of terrorist attacks between 1990 and 2000. According to the Terrorism Risk Index (TRI, Maplecroft), it is one of the 10 countries most at risk for terrorism, ranked behind Somalia, Pakistan, Iraq, Afghanistan, the Palestinian territories, Colombia, Thailand, the Philippines, and Yemen.<sup>9</sup> The North Caucasus, a cockpit of instability, has “exported” this risk to other regions of Russia.<sup>10</sup> Radical Islam and the consequences that the West’s policy in the Middle East may have, not only for this region, but also for Russia directly, prompt it to oppose Western interventionism, which risks encouraging radical tendencies.<sup>11</sup>

It is important to bear in mind Russians’ obsessive fear that their country may implode from within, which seemed a real possibility under Boris Yeltsin after the collapse of the USSR. The authorities are very vigilant when it comes to any actions that may threaten the country’s territorial integrity. For example, in August 2014, the “March for the Federalization of Siberia”<sup>12</sup> was not only banned by the Novosibirsk municipal authorities and its organizers interrogated by police, but *Roskomnadzor* (the Federal Service for Supervision of Communications, Information Technology and Mass Media) forbade the media from broadcasting any information about the demonstration, which was considered to be an extremist action. According to political commentator Evgeny Minchenko, President Putin sees preserving the territorial integrity of the Russian Federation as his “persona mission,” with the issue dominating his entire policy since he came to power.<sup>13</sup>

Cybersecurity, a “priority for the modern army,” in the words of Sergey Shoygu,<sup>14</sup> is also taken very seriously by the Russian authorities. Cyberarms are like “weapons of mass destruction” that can cause chaos, destabilize infrastructure or endanger a vital state function. In February 2014, Shoygu launched the creation of a unified cybercommand within the Russian armed forces. The West probably underestimates the profound impact that the Snowden affair has had on the Russian authorities, as well as their mistrust of the West and the United States and their willingness to gain control over the

<sup>9</sup> *Terrorism Risk Index*, <[www.maplecroft.com/about/news/terrorism.html](http://www.maplecroft.com/about/news/terrorism.html)>.

<sup>10</sup> P. Baev, *The Caucasus: a Hotbed of Terrorism in Metamorphosis*, Ifri, “Russie.Nei.Visions”, No 60, July 2011, <[www.ifri.org/en/publications/enotes/russieneivisions/caucasus-hotbed-terrorism-metamorphosis](http://www.ifri.org/en/publications/enotes/russieneivisions/caucasus-hotbed-terrorism-metamorphosis)>.

<sup>11</sup> A. Tsygankov, “La Russie et le Moyen-Orient : entre islamiste et occidentalisme”, *Politique étrangère*, No 1, 2013, p. 79-91.

<sup>12</sup> The march had planned to take up the idea of the federalization of Ukraine with a view to enforcing Article 1 of the Constitution of the Russian Federation.

<sup>13</sup> E. Minchenko, “Ličnost’ i istoriâ” [The role of personality in history], *Rossijskaâ Gazeta*, 9 August 2014.

<sup>14</sup> 19 October 2013, <[www.vesti.ru/doc.html?id=1143954](http://www.vesti.ru/doc.html?id=1143954)>.

internet, which Putin refers to as a “CIA project”.<sup>15</sup> Their attachment to “digital sovereignty”<sup>16</sup> prompts the authorities to work to repatriate data to Russian territory.

The presence of a great many former KGB agents in the president's entourage and in key positions highlights the importance of security issues. This security-focused perspective has led to two distortions in Russia. Firstly, rooted in strategic and military culture, security is enshrined as an absolute priority, taking precedence over economic and social considerations, to the detriment of public liberties, democracy and transparency. There has been no shortage of examples of this under Putin's presidency. Television channels (particularly NTV) have been put under extreme pressure following their criticism of the authorities' actions during the Dubrovka Theater hostage crisis of 2002. The federal law on extremist activity (adopted in July 2002) contains articles penalizing media broadcasting of material considered to be extremist. Elections for regional governors were canceled after the Beslan hostage crisis of 2004. The portion of government expenditure classed as secret is increasing from one year to the next: in the 2015 budget, it accounts for one fifth of spending on all sectors and two thirds of military expenditure.<sup>17</sup>

Secondly, thanks to an intentional and deliberate shift in meaning, state security in Russia has become linked to the security of the Putin regime. Vladimir Putin came to power on the back of the second Chechen war. His personality and regime were therefore immediately associated with the ability to impose peace and guarantee state security. No other state leader personifies the political and military chief to the same extent.<sup>18</sup> From the outset, despite the Kursk and Beslan crises, the president's communication strategy has linked Russian state security directly to the president himself. This perception is encouraged by Putin's entourage: Vyacheslav Volodin, first deputy chief of staff of the presidential executive office, said in no uncertain terms that “there is no Russia without Putin,” at a meeting of the Valdai International Discussion Club in October 2014. This perception is also shared by opponents of the regime: in an interview, Alexei Navalny, a well-known opponent of the regime, claimed that Putin's departure would risk smashing the country to pieces, starting with Chechnya, which would immediately become a “new state of bandits, like the Islamic State,”<sup>19</sup> on Russia's borders.

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<sup>15</sup> 24 April 2014, <[www.vesti.ru/doc.html?id=1512663](http://www.vesti.ru/doc.html?id=1512663)>.

<sup>16</sup> J. Nocetti, “Isolating, not taming: what’s behind the impetus to “digital sovereignty in Russia?”, 8 May 2014, <[www.global.asc.upenn.edu/isolating-not-taming-whats-behind-the-impetus-to-digital-sovereignty-in-russia/](http://www.global.asc.upenn.edu/isolating-not-taming-whats-behind-the-impetus-to-digital-sovereignty-in-russia/)>.

<sup>17</sup> D. Butrin, “Budget stanovitsâ voennoj tajnoj” [The budget is becoming a military secret], 21 October 2014, <[www.kommersant.ru/doc/2594176](http://www.kommersant.ru/doc/2594176)>.

<sup>18</sup> Contribution by Th. Gomart, Ifri note, “Ukraine: la crise commence”, Paris, Ifri, June 2014.

<sup>19</sup> 9 September 2014,

This blurred distinction between the notions of state security and the security of the regime has enabled Putin to concentrate power in the hands of the executive branch, by creating a vertical power structure and closing off the public space. The second factor that has facilitated the concentration of power is the regime's control over cash flows, particularly those generated by income from the energy sector.

## **Control over energy income**

The renationalization of the energy sector, whose exports provide more than 50% of Russia's budget (“the goose that lays the golden eggs,” according to Vladimir Putin),<sup>20</sup> has helped to secure the regime's foundations. The Yukos affair of 2003 marked the beginning of this process and is symbolic of the renationalization. The cash flows from energy income are distributed by the state. One part is directed to sovereign wealth funds, which act as a “safety cushion” in the event of a crisis but may also be used to finance large infrastructure projects. Another part is channeled to large state corporations, which are supposed to be the drivers of Russia's economy and innovation (Rosnano, Rostech, etc.) or to flagship projects (such as Skolkovo or the Sochi Olympics). Lastly, this income also serves to secure support for the regime among large sections of the population, such as pensioners, *budgetniki* (people whose salaries are paid by the state, such as doctors and teachers), civil servants, and *siloviki* (the police, army and special services). All of these have seen their salaries, pensions, and benefits increase considerably under Putin.

It is worth considering the link between the two pillars on which the regime is built, security and energy. For opponents of the regime like Alexei Navalny, the main goal of this “regime of thieves and crooks” is personal enrichment. His entire campaign to discredit the authorities in power is built on the denunciation of corruption, abuses of power and offshore tax evasion schemes. From this perspective, the discourse on security or the interests of the state is merely a smokescreen to hide the parochial interests of the clans surrounding the president.

However, another interpretation exists, according to which Vladimir Putin and his entourage are deeply concerned about security and the longevity of the Russian state, and are attached to the idea of a powerful Russia that is indispensable in world affairs. This supposedly corresponds to the mentality of the *siloviki*, who are proud to belong to the circles that defend the motherland and are deeply

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[http://slon.ru/russia/navalnyy\\_ostaetsya\\_tolko\\_khlopat\\_drug\\_druga\\_po\\_plechu\\_i\\_pomnit\\_chno\\_drugoy\\_strany\\_u\\_nas\\_net-1168842.xhtml](http://slon.ru/russia/navalnyy_ostaetsya_tolko_khlopat_drug_druga_po_plechu_i_pomnit_chno_drugoy_strany_u_nas_net-1168842.xhtml).

<sup>20</sup> Direct line with President Putin, 18 December 2003.

convinced that “the collective interests of society are superior to all others”.<sup>21</sup> According to this vision, the control of cash flows is simply a means of serving this supreme goal, and personal enrichment is merely a “side effect of circumstance”<sup>22</sup> that can be corrected by dismissing those most compromised (such as Anatoliy Serdyukov, the former defense minister) or implementing a policy of “renationalization” of elites (through a ban on holding bank accounts and shares abroad for senior civil servants and their families).

Russia's elites are undoubtedly sensitive to the security of cash flows and of energy demand and transportation in Europe. In this context, the psychological impact of the banking crisis in Cyprus, the European Commission antitrust probe that may strip Gazprom of its privileges, and European resistance to Russian pipeline projects should not be underestimated. Far beyond any national or personal economic and financial interests, the country's elites may see in these things a genuine threat to the security of the Russian state through financial channels.

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<sup>21</sup> Comments made by Yuri Kobaladze, a former intelligence officer, in “MGIMO Alphabet”, a compendium of eminent MGIMO graduates, Moscow, MGIMO, 2014.

<sup>22</sup> Interview with a political analyst, Moscow, October 2014.

## The Failure to Modernize and its Consequences

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Russia is a country that is fully integrated into the global economy. In 2013, it ranked fourth among countries receiving foreign direct investment (FDI) and fourth among investor countries.<sup>23</sup> More than 50% of its trade is with the EU. A number of EU countries depend on its gas, but Russia's budget is largely dependent on revenue from exports of raw materials, while its economy relies on technology, equipment and consumer goods from the West.

This structural imbalance is a concern for Russians. In articles published under the auspices of the Russian Academy of Sciences, researchers even go so far as to claim that Europe and the United States are seeking to limit Russia to the role of an "energy appendix" to the world, imposing on it a "single-factor economic model".<sup>24</sup> Fear of being at the periphery of the global economy is a recurring theme in political discourse, which, since the turn of the century, has highlighted the need to modernize and diversify the economy in order to become competitive and to integrate as best as possible into the world economy. An article written by Dmitri Medvedev during his time as president, "Rossiya, vpered!" (Go Russia!) adhered to this discourse: it denounced energy dependency, corruption and the paternalism of the state as the three main scourges for the country.<sup>25</sup> Energy income was considered a springboard for the rest of the economy. The high oil price allowed the country to look to the future with optimism and to set extremely ambitious goals, such as a doubling of GDP, the creation of 25 million high-tech jobs, an increase in the share of exports represented by high-added-value products, the development of innovation, and the appearance of five Russian universities in the world's top 100.

While some progress has been observed in different areas, it is true that there is currently no sign of a forthcoming radical change in Russia's place in the international division of labor and in its global competitiveness. The discourse on economic diversification and modernization has not been put into practice. The economic

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<sup>23</sup> UNCTAD, "Inward and outward foreign direct investment flows, annual", 1970-2013.

<sup>24</sup> R. Dzarasov, "Ekonomika 'nasaždeniâ otstalosti'" [The economy of 'imposed backwardness'], *Vestnik RAN*, tom 84, No 4, April 2014, p. 291-303.

<sup>25</sup> 10 September 2014, <[www.kremlin.ru/news/5413](http://www.kremlin.ru/news/5413)>.



slowdown first became visible in 2013 (when growth was 1.3%), proving that the Russian economic model based on energy income was reaching its limits before the annexation of Crimea and the sanctions imposed by the West.

This study will not go into the reasons for this failure; suffice it to say that it has three broader consequences for Russia. The first is the prospect of a reduction in Russia's weight within the global economy, prompting fears that the country will become further marginalized, despite a very deliberate official discourse that highlights Russia's place among promising emerging markets (the BRICS group). Russia's share of global trade was 2.3% in 2011, compared with 9.82% for China. The figures for the two countries are forecast to reach 2.8% and 12.3% respectively by 2026.<sup>26</sup> In 2013, Russia had just six companies on Boston Consulting Group's Global Challenger List (compared with 30 Chinese companies), five of which operate in the raw materials sector.<sup>27</sup> Like China, Russia remains excluded from the negotiations on the Transatlantic Trade and Investment Partnership (TTIP) and Trans-Pacific Partnership (TPP), the major free-trade agreements being promoted by the United States. Its share of scientific publications and international patents filed has been continually falling since the collapse of the USSR. Of the four dimensions of global structural power defined by Susan Strange – security, production, finance, and knowledge<sup>28</sup>—it is only security in which Russia really has any global weight. Numerous sources of friction between Russia and the West reflect the gap between Russia's ambitions and the reality.<sup>29</sup> As a result of the failure to diversify the economy, the Kremlin's responses can be imbalanced: they often focus more on security and geopolitics (including issues relating to pipelines) than on economics and finance.

Secondly, the failure to diversify the economy and modernize post-Soviet Russia means that the country cannot engage in globalization on terms that correspond to the vision it has of its own role in the world. This frustration manifests itself in an ambiguous relationship to globalization, though this is not unique to Russia. On the one hand, Russia shows a desire to integrate in order to take advantage of the opportunities on offer and confirm its place in the world. On the other hand, it fears the negative consequences of such integration: the effects of global crises, as in 2008-2009, but also the loss of its independence, or even its unique character and identity, as

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<sup>26</sup> HSBC, Trade Forecast – Global, 2012.

<sup>27</sup> Gazprom, Lukoil, Norilsk Nickel, Severstal, United Company Rusal and Vimpelcom, in the telecommunications sector.

<sup>28</sup> S. Strange, *States and Markets*, London, Pinter, 1994.

<sup>29</sup> As claimed by G. John Ikenberry, the conflicts of countries such as China, Russia and Iran with the West reflect the weakness of their leaders, rather than their strength. G. John Ikenberry, "The Illusion of Geopolitics. The Enduring Power of the Liberal Order," *Foreign affairs*, vol. 93, No 3, May-June 2014.



part of a process led by the West, and the United States in particular. It therefore favors a “selective approach” to globalization, developing a discourse on preserving its sovereignty and seeking to impose its vision of matters.<sup>30</sup> Whilst seeking to expand its presence in global markets and international institutions, it has always tried to turn them to its advantage.<sup>31</sup> The instinct to replace Western technologies and build autonomous systems that are completely controlled by the Russian state is already being put into practice in several areas (the GLONASS positioning system, Internet search engines, etc.). The Western sanctions imposed in response to the Ukraine crisis have further exacerbated this desire to be less dependent on the West, for example in terms of payment systems and currency reserves, meaning that economic and financial risks are emerging in addition to the government's focus on security.

The third consequence of this failure is the difficulty for Russia to establish itself as a genuinely attractive model for neighboring countries. In addition to this, there is an absence of any political modernization (in the form of political freedoms, effective democratic institutions, less pressure on entrepreneurs, reduced corruption, etc.). Russian soft power is based more on active policy than on a genuinely attractive economic and social model.<sup>32</sup> This encourages Russia to use finance, military force, and hydrocarbon tariffs as its main channels of influence. In addition to its geopolitical dimension, the regional integration project known as the Eurasian Economic Union is intended to boost Russia's standing, both at the economic level and in terms of soft power. A special place in the project has been reserved for Ukraine. In this context, the EU-Ukraine Association Agreement has given rise to fears that Russia would be “pushed back, not only politically and strategically, but also economically”<sup>33</sup> in what it considers to be a natural area of influence.

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<sup>30</sup> A. Tsygankov, "Globalization: A Russian Perspective" in *Thinking International Relations Differently*, edited by A. B. Tickner and D. L. Blaney, London, Routledge, 2012, p. 205-227.

<sup>31</sup> Ibidem.

<sup>32</sup> T. Kastouéva-Jean, *Soft power russe: discours, outils, impact*, Ifri, "Russie.Nei.Visions", October 2010, <[www.ifri.org/?page=detail-contribution&id=6237](http://www.ifri.org/?page=detail-contribution&id=6237)>.

<sup>33</sup> Interview in Moscow with an economist, October 2014.

## The Weakening of Russian Society

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A harsh and “politically incorrect” judgment on Russian society has become widespread in Moscow's intellectual circles: the state of society has been severely “degraded”; it has become less intellectually demanding and, as a result, easier to manipulate, but also more mistrusting and aggressive towards the West.<sup>34</sup> It would be unrealistic to attempt to describe or explain every facet of the evolution of Russian society (moreover, the tools of political science and international relations are often not very useful for this). We will limit ourselves to giving a broad-brush description of certain worrying tendencies that are weakening and destabilizing Russian society.

### *The “erosion” of human capital*

Throughout the 20<sup>th</sup> century, Russia has lost many talented individuals through wars, collectivization and Stalin's purges. Several waves of emigration have added to the sense of a weakening of human capital. This brain drain seems to have intensified since 2014: according to Rosstat, more than 200,000 people emigrated from Russia in the first eight months of the year (compared with 120,000 in the same period in 2013). Undervalued by the authorities and numerically offset by migrants from the former Soviet republics, this new wave seems to include several researchers and entrepreneurs.<sup>35</sup> The economist Sergei Guriev and Pavel Durov, the founder of VKontakte (Russia's answer to Facebook), are just some of the more famous names among this group.

The country's demographic situation is troubling: the working population fell from 90 million people in 2005 to 86 million in 2013, prior to the annexation of Crimea. The population pyramid reflects the changing composition of the country's population: the number of young people is in sharp decline, in contrast with the constantly rising number of pensioners.<sup>36</sup> For both Russian and foreign employers in

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<sup>34</sup> Interview in Moscow with a professor from the Moscow State University, October 2014.

<sup>35</sup> E. Mereminskaâ, “Emigranty novoj volny” [The new wave of émigrés], 1 November 2014, <[www.gazeta.ru/business/2014/10/30/6282685.shtml](http://www.gazeta.ru/business/2014/10/30/6282685.shtml)>.

<sup>36</sup> The number of young people aged between 15 and 19 fell from 12.2 million in 2005 to 7.1 million in 2013. The number of pensioners rose from 29.3 million to 33.1 million over the same period. Rosstat, online data on Russian demography.

the country, the lack of qualified managers has been a deep concern since the mid 2000s.

Russia is ahead of most OECD countries in terms of number of higher-education graduates. While it has certain fields of excellence—some of which date back to the Soviet era—the average quality of the education provided seems to have deteriorated considerably.<sup>37</sup> In light of the “shortage of young people,” in order to fill excess capacity in universities, these institutions are becoming less demanding when it comes to candidates' level. If they were to make entry requirements stricter or exclude weak candidates, they would risk missing out on public funding, which depends on student numbers. Russia's teachers have aged considerably since the collapse of the USSR, the pace of evolution in the subject matter taught is slow, and changes in teaching methods are often superficial. The country's university community is frequently rocked by corruption and plagiarism scandals. The quality of research and teaching in human and social sciences comes in for particular criticism, and political meddling in such subjects is intensifying<sup>38</sup>. Facing competition for budgetary funds under various different programs, university rectors show remarkable loyalty to the government authorities.<sup>39</sup> Universities have also yielded to the influence of the Russian Orthodox Church, as illustrated by the creation of a chair of theology at MIFI (a nuclear engineering institute) and the opening of churches and chapels on site at certain universities. Lastly, the reform of the Russian Academy of Sciences, which was brutally implemented in 2013 by the government with a view to separating the institution's research and management functions, did more to fuel the desire to emigrate than to improve the state of science in Russia.<sup>40</sup>

However, since the mid 2000s, a political discourse has been developing in Russia on the need to preserve and strengthen human capital: of four national priority projects launched under Dmitri Medvedev in 2005, one concerned education and another, health. Some progress has been observed (the creation of new classifications of distinction for universities, an increase in the salaries of teachers and doctors, the creation of the Skolkovo innovation center and of world-class research laboratories, etc.), but these reforms remain incomplete and their continuation is being jeopardized

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<sup>37</sup> T. Kastouéva-Jean, "Les universités russes sont-elles compétitives ?", Paris, CNRS Éditions, 2013.

<sup>38</sup> L. Pipiya, "Les transformations des sciences humaines et sociales en Russie," *Revue internationale d'éducation*, No 49, December 2008, p. 51-61.

<sup>39</sup> Putin's latest meeting with the Rectors' union on 30 October 2014 is a perfect example of this.

<sup>40</sup> On this topic, see: T. Kastouéva-Jean, "La réforme de l'Académie des sciences de Russie", *Regards de l'Observatoire franco-russe 2014*, Le Cherche-Midi, Paris, 2014, p. 145-147 and I. Dejina, *Russia's Academy of Sciences' Reform: Causes and Consequences for Russian Science*, "Russie.Nei.Visions", Ifri, No. 77, May 2014, <[www.ifri.org/en/publications/enotes/russieneivisions/russias-academy-sciences-reform-causes-and-consequences-russian](http://www.ifri.org/en/publications/enotes/russieneivisions/russias-academy-sciences-reform-causes-and-consequences-russian)>.

by the current crisis and new political directions. An analysis of the structure of the federal budget for 2013-2015 seems to confirm that issues relating to human potential are not a priority: while the shares of total spending represented by national defense, security and the maintenance of order increased (from 29.1% of all budget expenditure in 2012 to 35% in 2015), those relating to education and public health fell considerably (from 4.8% to 4.1% and from 4.4% to 2.7% respectively over the same period).<sup>41</sup>

## ***Identity mix and historical memory***

The collapse of the USSR, which was a “major geopolitical catastrophe” according to Vladimir Putin, represented above all a multitude of small “personal catastrophes” for many Soviets<sup>42</sup>. These included ruined careers, disappointments suffered, and a system of values that shattered overnight. The unpopularity in Russia of Mikhail Gorbachev, who is seen as responsible for the debacle, goes to prove this post-Soviet trauma. Nostalgia for this era, painful memories of which seem to be wiped out and replaced with memories of order, equality (despite the privileges of the *nomenklatura*) and international status, should not be underestimated. Furthermore, Russians have never really understood and accepted the reasons why the USSR collapsed: As far back as 2006, Yegor Gaidar, a former Russian prime minister under Boris Yeltsin, warned against the danger of myths about treacherous Western leaders seeking to undermine the USSR's strength and prosperity.<sup>43</sup>

This interpretation is still widespread in Russia's collective consciousness: as at the end of 2014, 54% of Russians regretted the collapse of the USSR, 55% thought it could have been avoided, and 58% believed it was the result of a plot by the elites or the West.<sup>44</sup> The Russian authorities play on people's sensitivities with a narrative of erasing the humiliation of a defeat perceived as accidental and unfair. As Béatrice Heuser writes, “relations between the West and Russia would perhaps be very different today if the former had not proclaimed its ‘victory’ in the Cold War, but instead celebrated the end, common to both East and West, of the constant threat of a third world war involving a nuclear Armageddon”.<sup>45</sup>

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<sup>41</sup> “Osnovnye napravleniâ budgetnoj politiki 2013-2015” [The main drivers of budget policy, 2013-2015], <<http://budget.gov.ru/files/getfile?id=310>>.

<sup>42</sup> Poignant testimonies carefully compiled by Svetlana Alexievich in “La fin de l’Homme rouge” [The End of the Red Man], Arles, Actes Sud, 2013.

<sup>43</sup> Y. Gaidar, “Veimarskij sindrom”, *Kommersant*, 6 February 2006, <[www.kommersant.ru/doc/646878](http://www.kommersant.ru/doc/646878)>.

<sup>44</sup> Survey by the Levada Center, 1 December 2014, <[www.levada.ru/01-12-2014/raspad-sssr-v-rossiiskom-obshchestvennom-mnenii](http://www.levada.ru/01-12-2014/raspad-sssr-v-rossiiskom-obshchestvennom-mnenii)>.

<sup>45</sup> B. Heuser, “La paix comme but de guerre : une lente redécouverte”, *Politique étrangère*, No. 2, 2014, p. 163.

A number of observers have noted the peaceful nature of the Soviet Empire's collapse. The desire to preserve social peace made it impossible to carry out a genuine process of “desovietization.” None of the recommendations put forward by Aleksandr Solzhenitsyn in his political essay “How Should We Make Russia Livable?” (1991), with a view to liberating Russia from its Soviet past, was carried out. These recommendations included carrying out lustrations, banning the Communist Party, reorganizing the KGB, and condemning the crimes of the communist regime. The statues of Lenin that still stand in the central squares of Russian cities and his mausoleum on Red Square are the visible symbols of a history that can easily be resuscitated, despite the efforts of NGOs such as Memorial (which is currently threatened with being shut down).

Under Vladimir Putin, several Soviet symbols have been reclaimed or rehabilitated, from the national anthem to the GTO sports program (“Ready for Labor and Defense of the USSR”) in schools and Putin decorating Marshal Yazov, one of the leaders of the putsch against Mikhail Gorbachev in 1991, when the world was celebrating the fall of the Berlin Wall. These efforts to rehabilitate this Soviet identity have not prevented the simultaneous restoration of imperial symbols (by reviving memories of the family of the last czar and the White Generals, such as Denikin) or the rapprochement between the political powers and the Orthodox Church.<sup>46</sup> Moreover, the idea of a Russian world (*Russkij mir*) bringing together compatriots beyond national borders occupies a central role in Russian policy. Russia would be prepared to take responsibility for defending millions of Russians in different parts of the world, some of which once belonged to it, including through the use of armed force (pursuant to the defense law of 2009 and the new version of the military doctrine of 2014). This concept—which, in the eyes of Russia's neighbors, has a whiff of imperialism—has turned out to be a very stirring one in the Ukraine crisis: it goes a long way to explaining the population's support for the annexation of Crimea and for Russia's policy in eastern Ukraine.

The Great Patriotic War (1941-1945) has become the “pivotal point of Russia's construction of memory”<sup>47</sup>: the victory over the absolute evil of fascism and the sacrifices it demanded touches the deepest parts of Russia's collective consciousness and its vision of itself and its role in European history. Under Vladimir Putin, an active effort to work on historical memory is being carried out from a particular perspective. It helps to feed the idea of Russian grandeur, to boost patriotism and to anchor Russian society, whilst reinforcing

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<sup>46</sup> With regard to the renaissance of the Russian Orthodox Church and its links with the political authorities, see J. Garrard & C. Garrard, *Russian Orthodoxy Resurgent: Faith and Power in the New Russia*, Oxford, Princeton University Press, 2008, 326 p.

<sup>47</sup> E. Koustova, “A la recherche d’une guerre perdue : la Première Guerre mondiale dans la mémoire et les politiques de l’histoire russes”, *Note de l’Observatoire franco-russe*, No. 7, October 2014.

the legitimacy of the current regime by positioning it within a long-term view of history. The desire to protect this memory by dismissing any interpretation that differs from the official reading resulted in the creation of the Commission to Counter Attempts to Falsify History to the Detriment of Russia's Interests (which existed from 2009 to 2012) and the adoption of a "memory law," which penalizes criticism of the USSR's actions during the Great Patriotic War.<sup>48</sup>

Within Russia, protecting this memory also means protecting the memory of the Stalin regime and increasing the popularity of Stalin himself, relegating his repression of society to a status of secondary importance. In the wider world, we saw in the Ukraine crisis how a direct reference to the dangers of fascism in Europe following the events of the Maidan served as a tool with which to legitimize political decisions, mobilize society and stigmatize both domestic and foreign adversaries.

This post-Soviet identity mix remains very backward-looking. No coherent national vision has been able to emerge to bring the country together and help it look to the future. Both individuals and society as a whole are lost in a sea of historic symbols and imperial, Soviet, nationalist, religious, messianic, conservative, and consumerist discourses, which the authorities are eager to manipulate to suit their own ends. As surprising as it may seem, young people also subscribe to the "poor power" choice made by Russia.<sup>49</sup>

This combination of factors results in the exacerbation of Russian nationalism and anti-Western sentiment, which is at its highest level since the collapse of the USSR. As in Soviet times, the United States is the target of most criticism from the Russian authorities: Vladimir Putin's speech to the Valdai Club in October 2014 denounced the United States' hegemonizing tendencies, its lack of responsibility and its failure to obey international law. Russia is seeking to embody an alternative to the West based on the traditional values of Christian civilization, as opposed to a Western world that it sees as amoral and decadent.

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<sup>48</sup> "Unlike memory laws in Europe, which criminalize violations against the memory of the victims of crimes committed by states, the memory that Russian legislators proposed to protect was that of the Soviet state..." N. Kossopov, "Une loi pour faire la guerre : La Russie et sa mémoire", *Le Débat*, September-October 2014, No. 181, p. 103-115.

<sup>49</sup> With regard to Russia's young people, see T. Kastouéva-Jean, "Les jeunes Russes, 'lost in stability'" [Young Russians: lost in stability], Ramses 2014, Ifri/Dunod, Paris, 2014.



## A society under strict surveillance

The Russian authorities, haunted by the specter of an “orange revolution,” have gradually placed their country's society under the strictest control. “A form of surveillance has been carried out as a ‘special operation’ on the whole of society since the social protests of 2011-2012. Nothing is left to chance—no sector, no segment of society,”<sup>50</sup> according to a sociologist close to the Kremlin. The aim is to consolidate the support of the conservative majority while marginalizing the minority that have democratic and liberal tendencies. This policy relies on the use of carrots (salary and pension increases for the public sector and pensioners, access to funding, administrative support, various other privileges, etc.) for those faithful to the regime and sticks (legal proceedings, arrests, repressive laws, etc.) for the recalcitrant. Foreign influence and finance are restricted by laws on NGOs and the media.

Representative institutions and democratic mechanisms such as elections play little more than a symbolic role. “Municipal filters,”<sup>51</sup> strict rules on the registration of candidates and lists, and the draft law to scrap mayoral elections in cities seek to exclude candidates deemed not loyal enough from the electoral system. The elites are now restricted: in addition to a ban on holding bank accounts and assets abroad, certain categories of civil servants are believed to have been instructed to stop traveling abroad. The most liberal groups in the president's entourage seem to have been marginalized. The oligarchs are gripped by a fear of being stripped of their assets: the idea of re-examining the results of the privatizations of the 1990s, which is very popular among Russians, is hanging over them like the sword of Damocles, not to mention the *otzhim* (taking back by force) of assets by far more brutal means. In the absence of democratic oversight and the possibility to punish the regime through elections, the country serves as fertile ground for abuses. The recent arrest of the oligarch Vladimir Yevtushenkov presaged the loss of his oil company, Bashneft, and proved that nobody is untouchable.<sup>52</sup> Lastly, social ties in Russia have undergone profound changes, with corruption, informal practices in place of institutions,<sup>53</sup> and the absence of independent justice all eating away at what remains of lively society.

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<sup>50</sup> Interview with a sociologist in Moscow, June 2014.

<sup>51</sup> The need to collect signatures from members of municipal entities in order to stand in mayoral elections.

<sup>52</sup> Sergei Pugachev, a Russian former banker in exile, has said in no uncertain terms that there is no private property in Russia and that oligarchs are nothing more than the “serfs” of Vladimir Putin. *Financial Times*, 8 October 2014.

<sup>53</sup> With regard to corruption and informal practices, see the following works by A. Ledeneva: *How Russia Really Works: The Informal Practices that Shaped Post-Soviet Politics and Business*, Cornell University Press, Ithaca and London, 2007, and *Can Russia Modernise? Sistema, Power Networks and Informal Governance*, Cambridge University Press, 2013.

“Purged” of any counterweight, the Russian political system is becoming increasingly authoritarian, centralized and personalized. The president is positioning himself as the only mediator capable of handling problems and obstacles, which poses the problem of the personal evolution of Vladimir Putin: the personalization of power multiplies the risk of making errors of judgment and rash decisions. The asymmetry between the decision-making mechanisms used in Moscow and those of democratic countries is becoming increasingly evident.



## The Ukraine Crisis: a Reflection of these Tendencies

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All of these tendencies linked to the nature of the Russian regime crystallized during the conflict in Ukraine. From a security perspective, this crisis is seen as embodying a three-fold danger: the loss of Russia's naval base in Crimea and the advance of NATO towards Russia's borders, a threat to the security of Russian-speaking populations, and, lastly, the potentially contagious example of a social revolution overthrowing a corrupt regime.

Just before the crisis broke out, Russia attempted to convince Ukraine to refuse to sign the Association Agreement with the EU. In exchange for this refusal, it offered the Yanukovich government credit and favorable gas tariffs. It is likely that "this heightened priority given to subversion can be explained ... by the fact that Moscow no longer believes that the Eurasian Economic Union is economically attractive".<sup>54</sup> In September 2014, Russia established itself as a third party in negotiations between Ukraine and the EU, and obtained a right to monitor the implementation procedures for the free-trade zone. Russia's insistence can be partially explained by a fear of economic marginalization linked to the loss of the Ukrainian market, the prospect of the failure of the Eurasian Economic Union project, and the destabilization of its means of transporting energy to western Europe.

Lastly, the overwhelming majority of Russian society has subscribed to the interpretation of the Ukraine crisis seen through the prism of a "return to fascism" in Europe and risks to the Russian-speaking population. Russia's policy in Ukraine has never been questioned by a society gripped by a wave of patriotism and subjected to a fierce propaganda campaign.

The prospect of seeing the "Russia question" resolved quickly seems unrealistic. Firstly, the tendencies we have described that were at play prior to the Ukrainian crisis suggested that a confrontation between Russia and the West was inevitable, given their vastly different development trajectories and interpretations of several international issues. The Ukrainian crisis, a sensitive and emotionally charged issue, proved particularly divisive. Secondly, the crisis has given these tendencies renewed vigor. Having been hit with

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<sup>54</sup> F. Thom, "Poutine – l'heure de vérité", *Commentaire*, No. 147, autumn 2014.

sanctions, the regime feels less and less secure, and risks ramping up tensions both at home and internationally. Thirdly, there is nothing to suggest a reversal of these tendencies in the foreseeable future. Even the departure of Vladimir Putin would not guarantee that his successor would not be tempted or forced to pursue the same policy of confrontation with the West in order to achieve his domestic-policy objectives and mobilize society. This confrontation "provides the arguments necessary to justify the regime's authoritarianism, the increased bureaucratic control over the economy, and the restriction of civic rights and political freedoms".<sup>55</sup> Until Russia manages to secure its future thanks to a genuinely competitive economy, modern and effective political institutions, and a responsible civil society, it will be guided by instincts of self-defense and preoccupied with opposing the West. Expect the "Russia question" to top the agenda at both European and international level for a long time to come.

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<sup>55</sup> D. Trenin, "*Integraciã i identičnost'. Rossiã kak "novyj Zapad"*" [Integration and Identity: Russia as the "New West"], Moscow, ed. Evropa, 2006, p. 336.