Age of Putin: Global Implications of Russia’s Domestic Policy

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THE AGE OF PUTIN: GLOBAL IMPLICATIONS OF RUSSIA’S DOMESTIC POLICY

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Vladimir Putin, a little known name when he was first appointed Prime Minister by his superior and later, predecessor, Boris Yeltsin in 1999 has embarked on an aggressive campaign to restore Russia to prominence.¹ Many have noted that he seeks to rebuild Soviet Russia – a fair assessment given his youth the Soviet golden era, and with statements such as “[t]he collapse of the Soviet Union was a major geopolitical disaster of the century.”² Some of his recent actions, such as restoring Soviet symbols including the iconic Soviet five-pointed star and hammer & sickle, are further signs of his affections.³ President Putin has created a “strongman” image for himself that inspires the trust, respect and pride


² Ibid.

³ Ibid.
Russians have in themselves and in their country. Confidence in leadership and pride in country at home is arguably what Putin is seeking, but he certainly wishes to undermine the U.S.-led global order and reframe it so Russia is respected and treated as an equal to other great powers. Projecting power abroad solidifies President Putin’s position at home, and creates a sense of patriotism and pride among the “remasculinized” Russian people. President Putin’s assertive actions and rhetoric in Foreign Policy are certainly calculated for his domestic audience with the end-goal of Russian prominence. Thus it becomes apparent that Russia’s Foreign Policy is an extension of her Domestic Policy.

Many commentators – especially western, seem to see Putin as a mysterious figure who is somewhat unpredictable. This however is a foolish and lazy profiling, because Putin is very clear in what he wants, states it plainly and follows through with what he says. Much of the mystery around him will disappear if commentators pay notice to what he says and follow his actions. Putin reveals a lot of insight into his thinking in a speech he gave before the State Duma (Russia’s Parliament) in August, 1999 while being appointed Prime Minister by Yeltsin. In that speech, he laid out the groundwork for his entire tenure in office by saying, “[w]e need to put an end to revolutions, revolutions, revolutions.”

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7 *Op. Cit.*, fn. 5


9 *Op. Cit.*, fn. 1


11 *Op. Cit.*, fn. 1

12 *Op. Cit.*, fn. 6

13 *Op. Cit.*, fn. 1
these are staged so that nobody can be rich. But at the moment the country needs reforms so that nobody can be poor. Although this task, unfortunately, is becoming harder by the day. There is no such thing as a thriving state with an impoverished population… Russia’s Territorial integrity is not subject to negotiation. Or, especially to horse trading or blackmail. We will take tough action against anyone who infringes upon our territorial integrity, using all the legal means available to us. Russia has been a great power for centuries, and remains so. It has always had and still has legitimate zones of interest abroad in both the former Soviet lands and elsewhere. We should not drop our guard in this respect, neither should we allow our opinion to be ignored.”

This makes it clear that he was aiming to launch a two-prong campaign to rebuild and reestablish Russia as a global power and one to be reckoned with. This campaign has had two clear fronts (prongs): the first of which, is a domestic policy to restore stability to the country to end “revolutions” that had previously diminished Russia’s capabilities while the second, is his foreign policy where he seeks to regain Russia’s place as a dominate world power that has a seat the highest levels in the international order and commands respect. On both of these fronts, Putin has proven to be rather successful, and in doing so has become immensely popular with his own people. He has been so successful at this that he is even admired by some abroad – particularly among Americans who are critical of President Obama.

For three years in a row – 2013-2015, Vladimir Putin was ranked by Forbes as the most powerful man in the world, a statement that is as understandable as it is controversial. This may come as a surprise given the dire economic situation Russia is in – largely at the hands of Putin, as well the widespread reporting of corruption and incompetence of the country’s political system, shrinking and stagnating work force due to the falling oil prices, and

14 Ibid.
15 Ibid.
16 Op. Cit., fn. 5
17 Ibid.
crumbling infrastructure, namely in the periphery. On the flipside however, it may seem like common sense given his successful consolidation of power, impeccable military record, soaring popularity, and a foreign policy that has inspired admiration at home and awe abroad. Immediately upon taking power, Putin sought to reverse Yeltsin’s policy of autonomy towards the regional governments in favor of a strong centralized state. Putin has relentlessly pursued these goals, effectively gaining this power consolidation that he has strived for. This accomplishment is impressive given the opposition he receives, much of which is predictably from the periphery (regional governments) whom feel they are either being neglected, having their toes stepped on, or both. Russia’s corruption level is unusually high for a developed, wealthy country and ranks similarly to notoriously corrupt states such as Mali and Madagascar, coming in at 127th in 2013 on the Corruption Perception Index. This and the economic difficulties faced by Russia due to economic sanctions that were brought on by Putin’s aggressive foreign policy may make it seem odd to rank him the most powerful man in the world, when he is seemingly undoing his country that is already crumbling. Nevertheless, this may be masked by Putin’s impressive popularity that has been consistently floating between 60-90% for his entire 15-year career - considerably higher than that of many western leaders, especially American Presidents.

21 Ibid.
22 Ibid.
23 Ibid.
24 Op. Cit., fn. 1
26 Op. Cit., fn. 4
more important is how Putin has consolidated power in this dysfunctional system, and how much influence he exerts today, which as will be shown, knows few limits.

Immediately upon taking office, Putin sought to launch his assertive campaign to rebuild Russia to its former glory, seizing every opportunity afforded him and never backing down from a challenge that served his interests. If Sulla, Rome’s first unlawful Dictator had the cunning of a fox and courage of a lion, then Putin has the cunning of a fox and formidability of a bear. He proved this immediately by launching the Second Chechen War in the same month he took office, in response to the separatist movement and humiliating defeat (stalemate) those ill-equip and poorly trained Chechen insurgents had inflicted on the once proud Russia, several years prior under the leadership of Yeltsin. In less than a year Chechnya was subjugated, restoring Russian pride, and Putin set a red line forever forbidding compromise over the small republics place in the Russian Federation. This made Putin a household name in Russia, whereas when he took office very few members of the State Duma had even heard of him, with some even pronouncing his name wrong.

The next focus of his campaign, now that he attained gravitas, was crushing the Oligarchs, which he saw as parasitic towards Russia’s economy and social vibrancy. A week before being elected President, Putin warned the Oligarchs that their reign was coming to an end – a threat he followed through with - and is one of his lasting legacies. Putin, in spirit of the gangsterism that had gripped Russia during the 1990’s, gave the Oligarchs an offer they couldn’t refuse – surrender power and a portion of your wealth in exchange for security and prosperity, or lose everything - most of whom refused. Thus the wrath of Putin was inspired, and the first targets he had in mind, were the media moguls, starting with Vladimir Gusinsky, owner of NTV the only independent national television station and the richest, most powerful man in

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28 Op. Cit., fn. 1
29 Ibid.
30 Ibid.
Russian media.\textsuperscript{33} He was forced into exile, and later arrested in Spain under charges of Fraud.\textsuperscript{34} Then Putin proceeded to eviscerate his media empire, or rather reorganized to fit the needs of the State.\textsuperscript{35} After this, non-state media at the federal level was effectively eradicated, and continuing to this day, all federal media outlets in Russia are either state owned or sponsored.\textsuperscript{36} The next major sacking, was that of Mikhail Khodorkovsky, the head of the oil group Yukos and one of the world’s richest men.\textsuperscript{37} Thrown in jail under charges of tax evasion in 2004, his empire was seized by the state or more appropriately by Putin in a move that was seen by many as a war declared on the so called Oligarchs.\textsuperscript{38} This view was not unrealistic, as Putin would in fact seek to continue eradicating the Oligarchs, until they were essentially either of no concern to him, or firmly in his pocket.\textsuperscript{39}

Putin’s calculations have proven to be impeccable, he knew that in order to achieve his objectives he must first uproot corruption and consolidate sources of power.\textsuperscript{40} The sources of power he needed were in the grip of the Oligarchs, who would make his agenda difficult if it didn’t suit their interests.\textsuperscript{41} Presumably then, this is the real reason that Putin declared “war” on them, a “war” which he has clearly won.\textsuperscript{42} This is significant, given that conventional wisdom in the West that Putin may be shooting himself in the foot by continuing aggressive foreign policies that get Russia slapped with more western-formed sanctions, because a slumping economy would surely provoke the Oligarchs.\textsuperscript{43} The problem with this analysis however, is that the “Oligarchs” being spoken of in popular consciousness have been

\begin{itemize}
\item \textsuperscript{33} Ibid.
\item \textsuperscript{34} Ibid.
\item \textsuperscript{35} Ibid.
\item \textsuperscript{36} Ibid.
\item \textsuperscript{38} Ibid.
\item \textsuperscript{39} \textit{Op. Cit.}, fn. 32
\item \textsuperscript{40} Ibid.
\item \textsuperscript{41} Ibid.
\item \textsuperscript{42} Ibid.
\item \textsuperscript{43} Ibid.
\end{itemize}
all but snuffed out by Putin already.\textsuperscript{44} It’s been years since Putin has ended the Oligarchy, and since 2004 he has consolidated power to a remarkable degree.\textsuperscript{45} Political Scientist Karen Dawisha calls the product of this consolidation “Kleptocratic Authoritarianism,” an all-encompassing system of interlocking dependencies between various Russian elites and the Russian State.\textsuperscript{46} In this system there are three conditions for the new elite; first - they must pay to get into political office, second – they can use their office to accumulate greater wealth (as long as they stay in the good graces of Putin) and third – they may not use their offices to acquire greater political power.\textsuperscript{47} Thus the highest and most important positions in Russian society are little more than puppets to Putin, who essentially can exercise no independent political power outside the parameters he sets. In 2011, Mikhail Prokhorov, a billionaire tried to test the boundary of these new conditions by reshaping a pro-Kremlin political party and was immediately smacked down by Putin. When Prokhorov was threatened with having all his assets seized, he fell back in line and still remains loyal through this new economic hardship.\textsuperscript{48} In setting up this system, Putin has created a relationship where the new elite vies for power amongst each other, by kicking each other out or swallowing up smaller members, instead of pursuing independent political agendas.\textsuperscript{49} This creates a safeguard for Putin himself, where he no longer has to worry about the elites trying to undo his power, as they don’t have the means to challenge him without being eradicated and are too busy squabbling over each other.\textsuperscript{50} Thus Putin is the only one in this equation who is secure, and has created for himself a self-serving system that enables him to watch over his newly consolidated power, and keep his thumb on those who try to break out of it.

However, Putin’s consolidation of power is not completely secure and is garnering resistance from different fronts—social and political resistance and an

\textsuperscript{44} Ibid.
\textsuperscript{46} \textit{Op. Cit.}, fn. 32
\textsuperscript{47} Ibid.
\textsuperscript{48} Ibid.
\textsuperscript{49} Ibid.
\textsuperscript{50} Ibid.
overall lack of social cohesion. The most famous examples of the resistance Putin faces are from the pro-LGBT community, spearheaded by the all-female punk band, “Pussy Riot.” These critics assert that Putin is setting up witch-hunts of gays to distract the population and turn them against themselves. This criticism is not unfounded - historically this type of scapegoating has been used in such a manner, as a mask to cover failing polices. Even more troubling to these proponents is the inhumane treatment jailed activists and innocent gays have been receiving. In response to this, Pussy Riot has set up a new organization to investigate and bring these troubles to light. Such investigations and corresponding activism have raised much awareness to the issue and has put immense pressure on Putin from outside sources, namely international humanitarian organizations. Before this, as late as 2013 most outsiders were more or less silent on the issue, or simply unaware. This has undoubtedly acted as a speed bump for Putin who wants a smooth sailing path to reform, and only further ads to the lack of trust in the government as a whole among the Russian population.

Putin’s arrangement with the new elites has sparked dismay from non-connected professionals and businessmen, as well as much of the domestic working class that is not in the immediate sphere of Moscow. Many have had enough of it, and are fleeing the country in great numbers. In some segments of the private sector, as much as 50% of professionals are either leaving or seeking to leave Russia in hopes of finding a better life, along with their fellow professionals and businessmen.

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54 Ibid.  
55 Op. Cit., fn. 52  
56 Ibid.  
57 Op. Cit., fn. 53  
58 Op. Cit., fn. 51  
59 Ibid.  
60 Ibid.
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disenfranchised homosexual citizens.\textsuperscript{61} This leads to a “brain drain” that not only drives away talent, but also inhibits the country’s ability to attract foreign talent.\textsuperscript{62} Putin faces other problems with the workforce among those who choose to stay – he cannot afford to pay all his public employees and they are starting to protest his policies openly- placing direct blame on Moscow, if not Putin himself.\textsuperscript{63} These are problems that Putin is struggling with, and whether or not he has calculated for this particular development is unknown, but it certainly seems that he has no real plan to deal with it.\textsuperscript{64} Similar to these issues, Putin displays a lack of action in another weak area of Russian Society – corruption and incompetent political institutions on the periphery.

One of the most visible issues that is affecting the prosperity of Russia, is the rampant corruption that is extreme by the standards of developed countries, and a major hindrance towards stability and growth.\textsuperscript{65} Russia today is in a dire economic situation for the third time since the collapse of the Soviet Union – yet Putin is able to confidently address his people and say not to worry about the tough times ahead, out of a sense of patriotism – while scapegoating the West.\textsuperscript{66} Few leaders have the gal or ability to take this position or carry it out\textsuperscript{67} – but Putin remains steadfast, living up to his reputation of a “strongman President.”\textsuperscript{68} Putin conveniently blames western sanctions placed on Russia, in retaliation to his forceful annexation of Crimea, but this is really a symptom of a larger problem; Russia’s status as a “rentier state” who’s economy is almost entirely dependent on its oil exports.\textsuperscript{69} Putin has understood this for a very long time and it is an issue he

\textsuperscript{61} \textit{Ibid.}
\textsuperscript{62} \textit{Ibid.}
\textsuperscript{64} \textit{Ibid.}
\textsuperscript{65} \textit{Op. Cit.}, fn. 1
\textsuperscript{66} \textit{Op. Cit.}, fn. 63
\textsuperscript{67} \textit{Ibid.}
\textsuperscript{68} \textit{Op. Cit.}, fn. 5
\textsuperscript{69} \textit{Op. Cit.}, fn. 63
has attempted to address for many years, however this stifling corruption is an underlying hick-up and road block he continues to run into.\textsuperscript{70}

The problem rests with an immensely large and complicated, if not contradictory set of business laws and regulations that enables courts, prosecutors and tax officials to pick and choose which regulations they uphold.\textsuperscript{71} This allows them great amounts of freedom in helping or hurting business – whichever is to their advantage.\textsuperscript{72} Natalya Volchkova of Moscow’s New Economic School states that, “Regulation is about punishing business, not helping business to behave properly,” and continues to insist that it is very easy for government officials to imprison business owners for the smallest infractions.\textsuperscript{73} She states that the tax inspector today is as feared as the KGB once was – they come regularly to inspect businesses and can easily spot “wrong doings” then slap the owner with a fine - which can be appealed in court, but in the meantime if that option is chosen, their accounts may be seized.\textsuperscript{74} This kind of regulatory practice is essentially a new kind of extortion reminiscent of the Russian Mafia’s free reign in the 1990’s.\textsuperscript{75} Putin has tried to address this issue (to what extent is unknown) but he faces resistance from tax officials across the board, and they promise to resist even more firmly if he persists, because they see reform as a threat to their livelihood.\textsuperscript{76} It would appear that this is one of the few areas where Putin’s consolidated powers have been checked. Why exactly that is remains unclear, but one can deduce that Putin simply cannot afford to alienate these allies, as he already goes through great pains to ensure the loyalty of many other state officials that make such consolidations of power possible in the first place.\textsuperscript{77} The fact that Putin seemingly cannot address this issue is a challenge to his “strong man presidency” so he is therefore forced to cover it up.\textsuperscript{78} He does

\textsuperscript{70} Ibid.
\textsuperscript{71} Ibid.
\textsuperscript{72} Ibid.
\textsuperscript{73} Ibid.
\textsuperscript{74} Ibid.
\textsuperscript{75} Ibid.
\textsuperscript{76} Ibid.
\textsuperscript{77} Ibid.
\textsuperscript{78} Op. Cit., fn. 78
this by ensuring these issues are not brought to light in the media and by using the West as a scapegoat, in order to mask his own inability to address the issue.\textsuperscript{79} To this end, Putin’s initiatives are a flying success, part of his genius, and partially why he has proven to be so successful in accomplishing his broader agendas.

To further add to the complication, Putin has sought to divert attention from domestic affairs altogether through his actions in Ukraine\textsuperscript{80}, thus his foreign policy becomes an extension of his domestic policy.\textsuperscript{81} He attempts to snuff out dissidence at home by stoking patriotism from actions abroad, and by successfully framing such actions as defensive against western inroads.\textsuperscript{82} With this understood, it’s easier to understand his persistent actions in the Ukraine despite the hardships the entire country faces because of his seemingly selfish actions. The annexation of Crimea and barring Ukraine from entering the EU can partially be understood at the systemic level of analysis, as a matter of power given that Russia’s “sphere of influence” has been gradually shrinking as the EU has been growing eastward since the end of the Cold War.\textsuperscript{83} This is problematic to Russian power because it limits the number of states who are in her sphere of influence.\textsuperscript{84} Further, it poses a challenge to Russia’s preferred diplomatic and economic relations with Eastern European countries, especially Ukraine given its deep historic ties, strategic trade value and access to warm water in the Black Sea.\textsuperscript{85} At the State level, EU expansion can be seen as an encroachment on intangible power, as Ukraine is the homeland of the Russian people, giving it symbolic and

\textsuperscript{79} Ibid.
\textsuperscript{80} Op. Cit., fn. 19
\textsuperscript{81} Op. Cit., fn. 10
\textsuperscript{82} Op. Cit., fn. 5.
\textsuperscript{84} Ibid.
social importance to Russians. This is significant given that the majority of those in eastern parts of Ukraine, who are ethnic Russians, support Putin and want closer ties with Russia, while the Russians themselves overwhelmingly support the actions of Putin and his image. Such actions, completely in defiance of the West, have increased Russian power in the eyes of Russians themselves, and created a sense of “Russian Machoism” that centers on Putin himself. The Russian Bear has convinced his countrymen at home that his actions abroad are for the preservation, power and security of the Russian Federation itself, quieting concerns over the troubled economy and stifling corruption. Putin has ingeniously gone about this campaign in a way that benefits both the state and himself, largely by stoking a stronger sense of patriotism – echoing the iconic phrase, “For the Motherland!”

In Syria we again see both systemic and individual level actions, where both the Russian Government and Putin himself benefits. Thanks to Putin, Russia benefits by embarrassing the United States, undermining her authority in the Middle East, and taking a larger seat at the negotiating table. Thus Russia now has a larger say in International Affairs, where it seems few issues concerning Europe and the Middle East can be addressed without her input. Putin benefits in that it is he himself who effectively wields this influence – where he continually stumps Washington, increases gravitas in the International Community, and improves his image at home. It is clear that the conduct of this crisis is dictated by, and done on behalf of Putin. It is his goals that are being sought, his power consolidation at home which makes it possible, and his diplomacy that routinely outfoxes the West.

In adopting this course of action, Putin has engineered a unique unitary autocracy that is centered on one person, rather than a series of institutions

86 Ibid.
87 Op. Cit., fn. 1
88 Op. Cit., fn. 5
89 Ibid.
90 Op. Cit., fn. 6
91 Ibid.
92 Ibid.
93 Op. Cit., fn. 19
as in Iran, or a political party such as in China.\textsuperscript{94} His hybrid Presidential-Parliamentary Government has become unrecognizable and incomparable to its model, the French Government.\textsuperscript{95} While he has enjoyed the power of vast consolidation, and a State Duma that essentially does as he orders, he faces an insurmountable problem of corruption and failing institutions that he cannot personally supervise on the periphery.\textsuperscript{96} The leaders of these institutions don’t have the free range of movement in order to increase efficiency, and even if they did – corruption and bribery seems to hinder those efforts.\textsuperscript{97} His inability to diversify the economy is starting to sting badly, although his puppets and he seem to be detached from these economic hardships due to their plundering of the economy and amassing wealth for themselves, much of which is stored in foreign bank accounts.\textsuperscript{98}

While the policies, actions and successes of the mighty Russian bear are impressive, they are not absolute and not without consequence. For all its promises, Putin’s reforms have created some major kinks that need addressing. While his foreign policy has created an immensely popular image of himself domestically, globally his image is shaky at best. The same can be said of the Russian Federation which is indeed, respected, feared and powerful, but seemingly heading towards a weaker position. Despite his shaky image, Putin is arguably the most powerful man in the world – certainly the most dangerous, therefore he ought to be \textit{feared}, not respected. His policies at home and actions abroad have far reaching consequences that affect the globe and the entire American-led international order. His interests dominate conversations on International Affairs, and have implications for us all, which is precisely what he wants and why we are living in the Age of Putin.

\textsuperscript{95} \textit{Ibid.}
\textsuperscript{96} \textit{Op. Cit.}, fn. 19
\textsuperscript{97} \textit{Op. Cit.}, fn. 63
\textsuperscript{98} \textit{Op. Cit.}, fn. 78