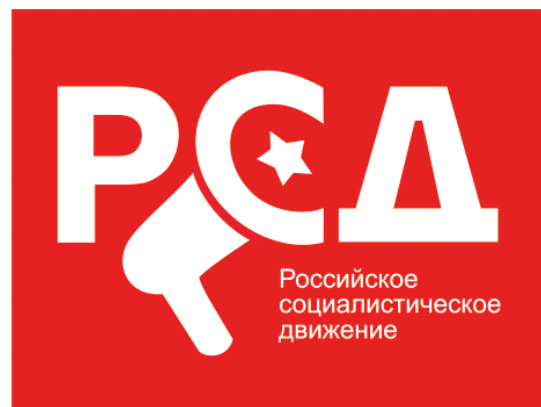


The Left Face of the Putin Regime

September 7, 2016



We reproduce here the political resolution of the Sixth Congress of the Russian Socialist Movement (RSD), which was held in Moscow on May 8 and 9, published on May 12 on the RSD website [1] with the following statement: "This is our analysis of current trends in the evolving political system of Putinism (the "patriotic consensus"), its socio-economic course, its growing militarization, its fears in the face of social revolt, as well as the state of the forces opposed to the regime."

For nearly a quarter of a century, Russia has been in a historical impasse. The impossibility of a harmonious development of the former socio-economic forms of society led to the rupture of constitutional order in 1993. The perspectives which were imposed as a result over the following decades consisted of social regression and the destruction of institutions which organized the lives of millions of people. In the late 1990s, in order to preserve the new architecture of society and at the same time prevent social upheaval in Russia, the Putin regime imposed itself as a compromise between deepening the transformations under the reign of the market and strengthening the role of the state.

1. The victory of Vladimir Putin in the presidential election in March 2012 marked a conservative turn of the regime, redefining the content of the consensus around the figure of the president. The aggressive reaction against the Maidan in Kiev, the annexation of Crimea and the "hybrid" interference in eastern Ukraine aimed to transform the relationships between the regime and society. In this sense the events of 2014 have confirmed the old motto of Clausewitz: "War is the continuation of politics [by other means]." Since then, support for the existing regime is no longer presented as a rational choice, but as a civic duty, similar to the patriotic devotion to one's country. This new ideological content was succinctly formulated by Vyacheslav Volodin: "With Putin Russia exists, without Putin there is no Russia." Such a personification effectively means that the figure of Putin as symbolic "father" rises above day-to-day politics. You can be liberal or nationalist, in favour of state control of the economy or a supporter of the free market, demand the resignation of the government, of certain ministers or governors, but the "Putin-Crimea-Russia" link cannot be questioned or discussed. Those who do not fundamentally agree with that simply put themselves outside the boundaries of the Russian political spectrum and become "traitors to the nation".

In this logic, the responsibility for the sharp decline in living standards and the adverse consequences of neoliberal "anti-crisis" measures is borne by everyone, by whoever you like – except by the President. Even now, while the effect of the propaganda about the "return of Crimea" is obviously starting to wane, the personal rating of Putin remains high. Support for the existing

regime is not a subject for discussion and becomes a civic duty. And the question of the status of Crimea completely replaces the question of who owns our country.

2. It is in this context of ideological changes in the structure of the regime that the preparation of the legislative elections in September is unfolding. Throughout the Putin era, legislative and presidential elections were part of the same political cycle, played out according to a single scenario: the triumphal success of the "United Russia" party was to anticipate and ensure the even greater success of Vladimir Putin. In December 2011, this mechanism failed: the large-scale fraud in favour of "United Russia" sparked mass demonstrations, whose participants expressed their rejection of the political system as a whole.

Today, the new political logic of Putin's "third term" aims to break this cycle. In the context of a sharp decline in confidence in the government, the Kremlin took in the summer of 2015 the decision to bring forward the legislative elections from December to September 2016, and to postpone the presidential election to March 2018 - thus prolonging the president's term to six years. The meaning of such a manoeuvre is obvious: from now on the presidential and legislative elections must no longer be the two sides of the same scenario, but two totally different political enterprises. In the first stage, the limited number of parties that make up the "patriotic consensus" symphony will criticize the government and its opponents, thus competing with each other to win the sympathy of the discontented part of the population. In a second stage, support for Putin as candidate for president should flow from an organic patriotic instinct.

Already today, the parties of the "official opposition" - the Communist Party of the Russian Federation (KPRF) and "Fair Russia" - focus their campaign on harsh criticism of the government and even demand its resignation. These two parties, controlled by the Kremlin administration, serve as a barometer of tolerable criticism. Gennady Zyuganov and Sergei Mironov have supported all the important political initiatives of the Kremlin, from the new repressive laws against "foreign agents" to the military support for the regime of Bashar al-Assad in Syria. At the same time, speaking as the left flank of the political spectrum, they spread out a wide range of views within the Putin consensus, which authorizes the criticism of some unpopular decisions. In conditions of rising social discontent (still mostly passive) "United Russia", which not only leads the government but holds a majority of regional governors, may become the ritual "scapegoat".

However, this predictable scenario, developed in the Kremlin, could be supplanted by another, connected with the strengthening of military and police structures and their increasingly active interdepartmental competition. This process, which started with the creation of the National Guard, is growing in importance: each power structure is engaged in self-promotion, not only to remind people of its existence but also to demonstrate to its rival ministries its fighting capacity, unique and unsurpassable, against the potential threat.

For example, Alexander Bastrykin, in a recent programmatic article, proposes cancelling the election, because they might be too dangerous. He bluntly calls to stop "playing the farce of democracy" and to give enemies a "serious, adequate and symmetrical response (...) in the perspective of the forthcoming elections." With the appointment of Tatiana Moskalkova, even the apparatus of the mediator for human rights, hitherto neutral, seems to be turning into a new bastion of the struggle against conspiracies.

Obviously, this gesticulation is related to the fact that the deepening economic and social crisis does not for the moment have visible political consequences: there are no spontaneous mass uprisings, no strikes on the level of an industry (whereas the total volume of isolated labour disputes is increasing).

The diminution of the role of the elected bodies of the administrative entities of the Federation, to the benefit of appointed officials who represent the interests of the executive, is an integral part of the degradation of the entire political system. The local government reform of 2014, which abolished the direct election of mayors in some megacities and deprived municipal assemblies of their power to define how heads of towns and districts are elected, is part of the logic aiming to take away the powers of local governments over the population and install local political elites in harmony with the business community. In the context of the allocation of budgets by the federal centre and the concentration of power in the hands of unremovable local leaders (“princelings”), who are in no way accountable to the public, the model of Putin’s repressive government is becoming more widespread.

3. The social consequences of the economic crisis are now affecting the majority of the population. The propaganda that justifies this situation by the machinations of the West is perceived as being less and less convincing. The introduction of international sanctions and falling oil prices that began in 2014 have intensified the decline in production which began from 2012. In addition, in late 2014, when the collapse of the rouble on the exchange rate market peaked, Prime Minister Medvedev admitted that Russia “was not coming out of the 2008 crisis.” The global crisis is not only reflected in the weakness of the Russian economy, but has caused the slow collapse of the whole system of post-Soviet capitalism, which has led to a further strengthening of military activity and to the strengthening of the regime in the country. Similarly, over the past two years, a sharp decline in oil revenues, combined with the stopping of the possibilities for Russian banks to refinance themselves in the West, has reduced the room for manoeuvre of the government. The previous strategy –plugging the holes in the economy with the help of the huge government reserve fund – is now almost exhausted. Yet the scale of the current crisis makes more real the perspective of a catastrophe.

Thus, at the end of 2015, the slowdown of the Russian economy was marked by a decline of 3.7 per cent of GDP; inflation reached 15.5 per cent (with a maximum of 16.9 per cent in March 2015). During this short period, the poverty rate is impressive: the number of people with incomes below the poverty line increased from 16,100,000 to 19,200,000 (13.4 per cent of the population). It should be noted that at the end of last year, the poverty line was officially set by the government in 9,452 roubles (around 123 euros) per month. And how many people have incomes only slightly higher than this paltry amount, just exceeding the official poverty line? Moreover, according to a recent survey, 73 per cent of Russians have no reserves “for a rainy day” and spend all their salary for the bare necessities.

In this context, the unemployment figures are at first glance not so bad: the official statistics indicate a rate of 5.8 per cent (4.4 million people). This number also includes those actively seeking employment without being registered at the labour exchange. At the same time, during the first three months of 2016, the number of those who declared themselves as unemployed increased by 70,000, thus amounting to 6 per cent of the active population, according to the statistics office Rosstat. The persistence of relatively low growth of unemployment in a situation of a very rapid decline in living standards is explained by government measures to preserve formal employment (with lower wages and reduced working hours). For example, the practice of unpaid long-term leave is common in large industrial enterprises. The “maintenance of social stability” is an important reason, not in large cities, where in case of layoffs it is possible to find another badly paid job, but in the so-called “mono-industrial towns” built in Soviet times around key industries. If there was a drastic reduction of jobs in such enterprises, a significant part of the population of the city would automatically come into the category of long-term unemployed, and those cities would become potential places for social explosions.

The contradiction – between maintaining employment (to avoid a sudden drop in income of the

population) and the use of austerity recipes against the effects of the crisis - has been the basis for the fiscal policy of Russia over the past two years. During the adoption of the 2016 budget, Prime Minister Medvedev announced: "We cannot achieve this without a rationalization of expenditure, and it should be done not just, as we have done too often, by increasing the tax burden on businesses, but by reducing inefficient expenses." Among such expenses, Medvedev ranks for example the indexation of pensions on the cost of living. Thus it is proposed to completely remove indexation for working pensioners (14.9 million) and to cap the overall index at 4 per cent (whereas inflation is officially expected to beat least 10 per cent). The increase of the retirement age to 65 remains one of the most important ways indicated to fight against the budget deficit. Yet the practical implementation of this measure has been postponed for obvious reasons until after the parliamentary elections, or indeed the presidential election (the total number of pensioners in Russia today stands at 41.4 million, almost one-third of the total population).

The indexation mechanism for wages in the private sector is not really developed in labour law in Russia and in fact has the character of a "recommendation" (it must be decided in collective bargaining agreements, which exist only in the largest enterprises). Over the past two years public sector workers have not benefited from the indexation of wages. It is significant that the increase in wages for this sector (which cannot even compensate simply the loss caused by inflation) is planned by the government for autumn 2016, and will obviously be used for propaganda purposes on the eve of parliamentary elections.

Although it was austerity that guided the 2016 budget, with significant spending cuts in education and health, a few months after its adoption it was further reduced by 10 per cent. The very structure of government revenues - in which profits from the export of oil and gas are essential (up to 70 per cent) - means that there will be continual cuts in the future.

4. Apparently the Putin elite has no long-term plan to rescue the national economy. The "anti-crisis measures" that are taken aim rather to preserve the social status quo until there is a natural increase in oil prices, for example. The boundless cynicism of the Russian elite is accompanied in a spectacular fashion by an almost mystical faith in "the invisible hand of the market" which will save it, more or less as in the early 2000s, when soaring oil prices appeared to be a real gift of fate. In December 2014, just after "Black Tuesday" (when the rouble plunged by 15 points), Vladimir Putin was therefore quite sincere in stating that "growth is inevitable, in particular because the external economic environment will change."

The logic of "megaprojects" - priority programmes with personal responsibility and a limited time limits, focusing the resources and the efforts of the bureaucratic apparatus (for example the Sochi Winter Olympics, the integration of annexed Crimea, the construction of the Vostochny [Eastern] cosmodrome, etc.) - is a characteristic feature of Putinism. Huge building projects, launched regularly since the mid-2000s and demanding huge budget investments, were presented as the way to orient socially excess oil profits: every project involves the creation of jobs and investment in infrastructure, which should mean a positive economic effect. In fact, the benefits of such large-scale works accrue to big companies, which receive state orders and bank guarantees; as for the "jobs" created, they have quickly proved to be a trap for the workers, who, under pressure from their employers and the bureaucratic machinery of the state, cannot defend their rights (which has been seen in a particularly glaring fashion with workers being cheated during the construction of facilities for the Sochi Games and the Vostochny cosmodrome).

In short, the concept of megaprojects, presented by the Russian state as a means of redistributing oil revenues for the benefit of the people, turns out to be actually a tool to quickly enrich a microscopic elite at the expense of the population. Yet propagandists still manage to focus attention on the "success" of these projects (thanks to the authority of their main sponsor, the President of the

Russian Federation) and to ignore their catastrophic perversity. Thus the “anti-crisis” actions of the government are determined mainly by the desire to ensure at all costs the re-election of Vladimir Putin in 2018. But what then? For the moment, few people care.

At the same time, another logic, neoliberal, appears clearly behind all this: use the economic recession and the impoverishment of the population to promote “structural reforms” that radically reduce social norms and the cost of labour. Thus, according to estimates by experts of the state bank Vnesheconombank, incomplete indexing and continued falling incomes of the population will mean that in 2017-2018, the share of gross profits will exceed the total share of wages and the country will again become attractive to investors.

To this are related the discussions about the possible privatization of large public state assets, such as the railways or Sberbank, the largest bank in Russia. It is no coincidence that, with the continuation of sanctions, the combined mission of the IMF and World Bank, meeting in Moscow in March of this year, greatly appreciated the “anti-crisis” course of the Russian government. The recent appointment of Alexei Kudrin to the President’s Economic Council is part of this trend.

5. It is important to stress that the search for new sources of state revenue in the context of the deepening crisis and of the fall in hydrocarbon prices will lead to an even further militarization of the economy, and, consequently, to an aggressive foreign policy. Over the last few years, large-scale investments in the production of weapons have been one of the major priorities of the government, while in 2016 the military budget has reached 4 per cent of GDP (0.8 per cent more than the year before). Over and above its foreign policy goals, the intervention in Syria has clearly fulfilled the task of publicizing the latest military innovations. Thus, one of its results has been the order by India, Algeria and other countries, for a total of \$7 billion, of Russian bombers and military helicopters.

Both the “hybrid” aggression in Ukraine and military operations in Syria are not related solely to geopolitical games and the fight to assert Russia’s position against the West. They are directly linked to the crisis, ever deeper, of the entire political and economic system of Russian capitalism. The militaristic choices that are made make it possible to reinforce the legitimacy of the government within the country - in the general population as well as within the elite.

6. One of the principal components of the “patriotic consensus”, until recently, has been the criminalization of any political or social discontent. The massive anti-Ukrainian propaganda that has filled the governmental media since early 2014, has consistently emphasized the link between large-scale protest and the inevitability of chaos and impoverishment. The classic conservative argument of “futility” [2], according to which to satisfy the desires of the masses would at the end of the day only lead to worsening the social situation, has been employed from the start. The other side of the same argument is to denounce the external character of all social conflicts: behind each of them lies concealed the ambition of foreign forces to destabilise the situation and lead, ultimately, to a change of regime that would have catastrophic consequences for the national independence of the country. Every strike or local social movement was immediately called an attempt to “organize a new Maidan”. In addition, the new “post-Crimea” rhetoric of the Kremlin has cemented the position of the local state-business bosses. To retain power, they have only needed to denounce any political competitor as an agent of subversive revolutionary forces. We can observe that it is only towards the end of 2015 that these propaganda formulas began to lose their strength.

Protests, related to different manifestations of the crisis and the government’s “anti-crisis” course, are becoming more numerous, although they are still very far removed not only from the formulation of their own alternative programme, but also from coordinating actions at the national level.

The most significant was the protest action of lorry drivers which started in November 2015 [3].

From the beginning, the government took an unequivocal position: no concessions will be made on the question and the level of taxation will not be revised in any way. Strong political pressure, but also the absence of a strong organization of lorry drivers capable of coordinating their protest in a difficult situation, led to the gradual extinction of their movement.

Since 2015, the number of protests by workers has increased – spontaneous actions or those organized by independent unions against the suppression of jobs, cuts in wages or delays in payment. Thus, last year the number of protests increased by 40 per cent compared to 2014. Among those who take part in strikes (one-day strikes or slowdowns), there are workers in big enterprises of the productive sector, public sector workers (hospitals, municipal employees), those who work in the service sector and even armament factories.

The opposition parties belonging to the “patriotic consensus”, the KPRF and “Fair Russia”, play an ever greater role in the disorientation of the participants in these up to now disparate actions. There does not exist any powerful organization determined to engage in the combat of those who struggle; they therefore seek political intermediaries, those who have resources and are therefore obviously integrated into the system, who are able to make their demands known. It can already be seen that this function of being a “safety valve”, which was habitual for Russian “communists” in the 1990s, is increasingly sought after by the Kremlin and is organically embedded in the logic of the electoral campaign for the comic-opera parliament.

For its part, the liberal opposition, which is normally situated outside the institutional political system and which emphasizes the need for its radical democratization, remains isolated from the rising social anger. In the first place this stems from its political tradition and its social nature. In the wake of the “liberal reformers” of the Yeltsin era, leaders such as Mikhail Kasyanov and Alexei Navalny consider that the key to change lies in is the growing discontent of a number of sectors of medium-sized and big capital. In addition, Kasyanov – like the political émigré Khodorkovsky – recognizes the possibility of joint work in a future “free Russia” with representatives of the “liberal wing” of the Putin establishment, such as the former Finance Minister Alexei Kudrin, the current head of the Central Bank, Elvira Nabiullina and the director of the Sberbank state bank, German Gref. The demands for “lustration” of corrupt officials and for democratization of the system are closely combined, for the radical liberal opposition, with the recognition of the need for “structural reforms” and for a “stop to confrontation with the West.” It seems to them that the dismantling of the personal regime [of Putin] should rather take the form of a transformation at the top in collaboration with the present elite, whereas they consider the extra-parliamentary street movement as a secondary factor of pressure.

7. The radical left, which is not part of either the “patriotic consensus” opposition or the liberal one, must find a connection with this growing movement of social protest, which is not yet structured organizationally or politically. The problem, however, is that this radical left is today itself in a state of decline. Some of its well-known spokespersons, such as Sergei Udaltsov and Alexei Gaskarov, are still in prison. The events in Ukraine have also led to a deep split in the left, part of which has effectively supported the Russian intervention.

In this situation, we must begin to develop a broad programme for change, based on the demand for a revision of existing property relations, whose origin lies in the privatizations of Yeltsin and Putin. The natural consequence of this revision is the demand to dismantle the entire political system engendered by the ultra-presidential Constitution of 1993, which should be replaced by a parliamentary republic. Such a programme should ensure the recognition of the value of political democracy not as an instrument, but as a fundamental principle of people’s power, essential for the consistent realization of the aspirations for social equality.

The deepening crisis and the constant weakening of the magic of the “patriotic consensus” offer new opportunities to promote democratic and socialist policies. The tactics for the action of the left in the evolution of the present situation will have to be built on the basis of the analysis and the designated strategic objectives presented here.

Russian Socialist Movement (RSD)
Moscow, 8-9 May 2016

P.S.

* <http://www.internationalviewpoint.org/spip.php?article4666>

Footnotes

[1] http://anticapitalist.ru/%20Documents/%20rezolyuczii%20/politicheskaya_rezolyucziya_vi_sezda_rsd.html

[2] his argument is based on the selective observation of the effects of social upheaval: for example, because after the revolution in Ukraine, power was again taken by a handful of members of the anti-popular elite, this would be repeated in all future uprisings: in this way all attempts at social transformation are declared meaningless and even harmful. To demonstrate the futility of change, the examples are always taken from those revolutions that end in restoration. The positive effects of social change are thus never mentioned. (Note accompanying the text of the resolution published by the RSD.)

[3] This was a movement against the mileage tax, set at 3.73 roubles per kilometre, imposed on vehicles over 12 tons from 15 November 2015. Known as “Plato”, an abbreviation of the Russian “Platit za Tonu” (paid per ton), this tax is collected by RT-Invest transportnye Systemy, created for this purpose by Igor Rotenberg, son of a friend of Putin, and the Russian national corporation Rostec (which employs 900,000 people). RT invest transportnye Systemy invested 29 billion roubles, of which 27 billion are a loan granted by the public bank Gazprombank, run by people close to Putin.

Previously posted here.