

Russian General Elections 2018

March 15, 2018

For 18 years, Putin impacted Russia, his victory on the up-coming elections on March the 18th is basically sure. In fact, it will be certainly the last mandate for the man who will be the president of this country for 24 years, he manages a whole generation. The future of Russia will depend on what he will do during his last moment at the Kremlin.

Despite the likelihood on the victory, the government still has a competition and the goal of this paper will be to analyse conditions of this elections in order to understand all issues, which will be faced by Vladimir Putin. In fact, we can notice that the third mandate has been marked by an important number of events, on the international sphere but also within the country. These situations will have an impact on the elections but also the next mandate. Putin wants to keep what he built but he also continues the reformation of the country, particularly the modernization of the economy. What he feared the most is the Russian “colour revolution” like in Ukraine or in Georgia that could destabilize the regime and the entire country, in that way he created a national guard controlled by his bodyguard and judo partner. With 40,000 men alongside with the police and the army, that permit to him to have loyal troops toward him or at least the regime he created.

The current situation of the country and what actions he will take during the next mandate will have important consequences on the country.

Context of these elections.

Since 2012, date of the last election, Russia faced several problems both internationally and nationally. In 2014 the country was in front of a political crisis which brought an economic crisis.

On the international field, 2014 has been marked by the crisis in Ukraine followed by two referendums, the independence of Crimea and one on the attachment on this new republic to the Russian federation. This manoeuvre has been welcomed by the Russian population in a large sense. This part of land, gave by Krutshev to Ukraine, has been considered as a return of a normal situation.

Following this situation, and the war in Ukraine, sanctions were imposed on the Russian federation. Coupled with these sanctions, the oil price has fallen by 40% between June and December. This double situation impacted the country, notably the population.

This crisis, even without sanctions, is the evidence of the limit of the Russian model toward the economy: an important presence of the State in the economic sphere. According to Vedemosti (Russian newspaper) on 29 September 2016, the State controlled 70% of the economy. The State monopoly is not viable and leads to a lack of investment. This is the structural problem of the economy; the liberalization has been limited and this situation is not friendly toward investment particularly for foreign investors. This will of the Kremlin to control the economy is perfectly understandable at the middle of the 90's because of the chaos at this time but the Federation did not try to change anything and the head of the State continued to use finance from the exportation of oil and gas in order to sustain the federal budget.

This crisis of the system brought an important inflation of the currency, to fight this situation, the Russian Central Bank tried to sell his petro-dollars. Despite this attempt, the inflation brought a decrease of the general consumption, the real income did not increase a lot as planned. According to the OECD, the household consumption dropped to 9.5 points in 2015, in 2016 around 4 points. The decrease led to a slackness of the growth of the GDP.

With a crisis of a system, sanctions cut foreign investments in Russia, even if a lot of foreign companies stayed in Russia, as an example, the head of the French chamber of commerce in Russia said that no French companies moved from the country (MGIMO University, November the 9th 2017). Nevertheless, sanctions cut an important amount of Foreign investments particularly in the bank sector. On the energetic side, sanctions on the capital seem to stop some projects like the North Stream II. This project aims to double the capacity of gas pipelines for Europe, the second interest is to route gas directly in Germany without passing by Ukraine. Pipelines are welcomed by the West of Europe but not by Eastern Europe, particularly Poland because such countries wanted to be less dependent toward Russian gas but still have profit of taxation of the pipeline. The main concerning problems are American sanctions. In fact, US sanctions targeted European companies with the shadow of penalties and inability to participate at the US call for tenders in case of the collaboration with Gazprom for the construction of the North Stream 2. On the other side, sanctions from Russia toward Europe on agricultural products, increased the cost of import, so the price of some foods increase. This augmentation is very important for the population, because the growth of income did not follow prices.

This crisis affected all classes of the Russian society, 78 % of Russians declared to have been touched by this event¹. Because of this situation many Russians restrain their consumption, beginning the vicious circle of crisis, a decrease of consumption led to a reduction of the production, which are the cause of the lack of growth. However, the country cannot recover with foreign investments and exports because of sanctions.

¹ <http://www.rosbalt.ru/russia/2017/01/31/1587622.html>

The international sphere has been also marked by the intervention in Syria considered as a military success for the army, and it was a moment of pride for many Russians people to see their country come back in international affairs. This event has been a strategic victory for the country. Saving the Al-Assad regime, the Russian expeditionary forces have also shown to the rest of the world Russia has the capacity to deploy its army abroad. This military operation permitted also to Russia to be seen as a serious and pragmatic partner by many countries of the Middle-East. Russia does not have allies everywhere, but the Kremlin is open to talk with everybody in the region. The intervention in Syria demonstrated the liability of Russian ultimatums. The threat on Al-Assad regime was considered as the red line for Moscow and decided to intervene. Such red lines have not been crossed when many European capitals warn Damascus when some chemical weapons have been released during the civil war by the regime.

On Vladimir Putin, the economic situation did not impact his popularity, according to the interview of Marina in the French Journal La Croix, "With him (Putin) we live better, we cannot forget what he has done"². The image of Vladimir Putin increased particularly after the annexation of Crimea and the intervention in Syria, a feeling of pride was present in Russia, according to the Levada center of Russia, on February 2018, 83% of people were proud of their country (42% proud and 41% fairly proud). This situation shows some kind of "loyalty pact" with Vladimir Putin, they are not angry against him but against other countries.

Despite this favourable situation for Vladimir Putin, Russians still want some changes. According to the Moscow Carnegie Centre, 53% of the population wants a radical change, particularly on the quality of life. People are tired of a corrupted system at a high level. They want a reform of the justice and the respect of the private property which is still lacking in Russia. But because of the crisis, today, Russians want, first, a rise of their quality of life.

This economic atmosphere focused the population on survival not on problem on democracy, concept which is not totally understood by the population. Most of Russians think about quality of life and their country, political liberties came after. Despite this feeling, we have still an election in March, the popularity of Putin (69.5 % intention of votes in February 2018 according to BSOM-Sputnik for Argumenti I Fakti) permit to show us that the victory is assured. Even without that, the opposition is very poor, and more or less in concordance with the actual president.

²<https://www.la-croix.com/Economie/Monde/En-Russie-classe-moyenne-touchee-crise-economique-2016-11-28-1200806293>

What is it important for Putin is to legitimize his last mandate, by the total of vote, but also by the total of people. He needs people to vote for him, therefore the percentage of participation will be very important.

What next for the fourth mandate?

The fourth mandate will be very different from the previous ones, as the journal INOSMI said³, the Russian élite preparing itself for the succession. The final mandate could be problematic for the administration because we could have a conflict among elites, that could undermine the policy of the State. This conflict already began with the sentence against former minister of economy Alexei Ulyukaev, who warned that no people among the Kremlin is protected. They already start to blackmail each other. In fact, with the end of Vladimir Putin as the President, former militant from the KGB, the first circle of Putin, will try to conserve their positions as key actors of the regime. But in front of them we have new actors, younger, not from the KGB or security services who seek their places.

This mandate will be also the moment where Putin will maybe choose his successor, successor that could be declared as a Prime minister during this mandate. Dmitri Medvedev, current prime minister, seems to be out of the political system because of his corruption affairs. To replace him, several candidates can enter in competition for this chair. The minister of Defence is in good position, he appeared as a good candidate because of his actions as the minister. He is 62 years, general, former minister of emergency (MЧC) situations till 2012. At this date, he was nominated by Dimitri Medvedev to be the minister of Defence. He had the heavy responsibility to accelerate and manage the reform of military forces, according to Victor Zavarzin, vice-president of the defence committee of the Duma, he enhanced the army. He improved the quality of life of soldiers, changing many buildings with the access to showers, better bed, better quality and choice of meals, thanks to him he seems that people did not fear anymore to go in military. Coupled to this, at a strategical level, he created a commandment for special operation forces; working like United Kingdom Special forces or the special operations commandant in France, the role of such centre is to have an effective use of special forces around the world. Also, the management of the crisis in Syria, has shown to the world the capacity of the Russian army.

Nevertheless, Putin will try to have a new generation, focused more on economy than security sector, former members of the KGB or close to it will not have an important power. The man that could have an important could be Maxim Oreshkin (35 years old) minister of economic development, he represents this new generation of politicians and he is very closed to Putin. Several other candidates have been mentioned by the Russian press like the

³ <https://inosmi.ru/politic/20171208/240958221.html>

Director of the Central bank of Russia, Elvira Nabiullina or the president of Sberbank. It is very difficult to foresee the future with Putin who likes to not do what it was expected.

The last period at the Kremlin will be also the period of important reform despite it could be not the best moment to achieve those reforms. As a matter of fact, the population doesn't seem ready to endure reforms, due to this current time of economic crisis and a common fear for liberal reforms. In fact, the Russian economic model is out of breath, and Boris Titov has presented a plan for the growth to Putin. As we said Titov, seems to win his bet, presented his plan for the liberalization of the country in order to not depend only on the export of oil and gas. The liberalization of the country is a necessity, Russia needs to open the doors for internal and external investments, a necessity for the future development of Russia.

Putin also declared that the next president will need to take particular care of the education and new technologies⁴. We can suppose that it will be one the important policy for next years. Education is a necessity, since the collapse of USSR, the quality of education is decreasing according to many experts. The modern Russia replaced quantity by quality, in fact according to the OECD, 54% percent of active people between 25-64 years old hold an university degrees, if the level increased compared to the Soviet Union it is the consequence of the rise of number of universities, during the Soviet Union, only 600 universities existed for a population of 300 millions of inhabitants, today we have 3000 universities for 140 million, which of course brought a decrease of the quality, and coupled with the money problem, which is you pay your diploma you have it. This concern has been highlighted by the minister of the education who wants to reduce the number of university in order to improve the quality⁵. Particularly in mathematics, where USSR was the champion in this category. In Russia, many students have a diploma but still lacking a good education, and this is a real problem for the credibility of the country.

The second important project concerns new technologies and robotization. Russia needs to decrease the gap about this subject and they need to invest in this sector, also in order to found others dices for foreign investment. It is one of the priority, the general modernization of Russia but also the modernization of the industry. The country is still between two models, very anchored with the raw industry. This is a necessity for Russia to make its own industrial revolution. Innovations come with investment, but with the lack of financial resources from the State, the private sector is needed, particularly foreign investment.

⁴ <https://www.kp.ru/online/news/2904762/>

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https://www.rbth.com/articles/2012/09/26/the_worlds_most_educated_country_lacks_quality_education_18581.html

On the international affairs, the objective of Putin is to calm the situation in Ukraine, the will of some people to ask for a peacekeeping mission could be an important factor in order to stop this situation of conflict. The will for a peacekeeping mission appeared during the second semester of 2017, when several head of States call for the necessity for blue helmets on the ground. Ukraine already wanted such mission and the country followed Putin declaration in September 2017, supported by many capitals like Berlin for example and Finland is ready to participate at this peacekeeping mission.

The second important topic that will need to be addressed is Syria, because despite the military victory, the issue is not settled yet. If the Russia had a military victory with the Russian intervention, it has not been followed by a political victory. In fact, Russia bounded itself with Assad, because of this intervention. At the beginning of the civil war, the defence of Bachar-Al Assad was not a necessity, the Kremlin needed a strong capable to take care of the country and a friend toward Russian interests in the country. However, with the Russian intervention, the signal sent was Moscow is here to protect the regime. The peace settlement appeared with the *Resolution 2254 of the UN Security Council*, which called for the organization of credible transitional government which will organize free elections. Moscow feared the apparition of un-friendly groups and decided with Ankara and Teheran to take care of the peace process, but because of this policy Damascus decided to not recognize political opponents brought by the UN. Assad recovered a self-confidence with the support of Russia and Iran. Consequences of this were important because all major opponents decided to boycott the national dialogue wanted by Putin, following this, the victory of Assad is now a necessity for the Russia head of State, in order to not have at the head of Syria an un-friendly partner. Despite this, the Russian intervention might be welcomed by States in the Middle-East, because the policy of support of the legitim government permit for countries in the region to have a pragmatic partner, less evasive on these question than Western capitals.

On the Pacific Ocean, despite the decrease of tensions thanks to the initiative of common team for both Koreas for the Olympic games, the future meeting between Kim-Jong Un and Trump the situation is still problematic. The goal of Russia is here to avoid a military escalation, appear as a mediator but also avoid a reinforcement of the American presence in the peninsula.

What next?

This is the huge question, according to the Constitution this should be the final election for Vladimir Putin.



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Many of his opponents warn that he will try to change the constitution in order to stay in power, this is hardly a scenario that could exist. Nevertheless, Putin wants to save the image of a democracy according to Lilia Shevssova⁶.

Of course, he can create a council, where he could be the president and gives some “advices” for the new elected president”. Such situation could permit to him to control every act of the new president.

Putin will be 71 years old in 2024, and it seems difficult for him to repeat the events of 2008: stay in power as the prime minister. Even if a large part of the population supports him, he would be better to appear as “Father of the Nation”, always present for Russians, rather than staying in power as an autocratic man.

The successor will be known during this mandate he will place him. The prime minister for 2018-2024 should be the next president of Russia. The candidates will be the same, but we suggest it will be a younger personality around 40-45 years old in order to represent the new generation.

In any case, Putin impacted Russia, his name is associated with Russia, and for all this century maybe, for good or bad reasons.

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⁶ <http://www.slate.fr/story/155726/qui-apres-poutine>