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'CONSOLIDATION' AND 'SECURITISATION' OF THE RUSSIAN STATE. IMPLICATIONS FOR POWER PROJECTION.

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1. Introduction

In the study of Russia modernisation, the role of agency in the structuration of social processes has intrigued researchers in the past 20 plus years. The construction of a credible picture of the multiple processes and levels of change in Russian society are needed for an informed analysis of how Russia is really changing, what might be the main obstacles in front of this change, what have been unintended consequences and what are definite choices. In order to give an informed opinion on power projection of the Russia state inside and outside of its borders, comprehensive attention must be given to change in Russia.

The Finnish Centre of Excellence in Russia studies launched a multidisciplinary six year project in 2012 to examine the multiple processes at various levels of the Russian society to understand how modernisation is understood and implemented. Some of the most recent results of this project by Vladimir Gel'man (2014) and Meri Kulmala, Markus Kainu, Jouko Nikula and Markku Kivinen (2014) in the Special Issue of *Demokratizatsiya* will be presented here. The goals of the Centre are based on the idea that previous research has not sufficiently considered all relevant dimensions of Russian modernisation, their mutual interrelationships and more generic theoretical possibilities. Despite some interesting theorisations concerning the various paths and forms of modernity, and a near-consensual understanding that modern development can no longer be encapsulated in the traditional 'West and the rest' formula, Russian modernity has remained an enigma that social scientists have approached from various perspectives with somewhat atomistic results. The most widespread approach in Russia sees Russia as a unique civilisation. For example, Eurasian theory is problematic

because it tends to be abstract and totalising in an essentialist vein. In the context of major Western theories, totalising approaches are also widespread. One such influential interpretation is the concept of the 'patrimonial model'. This perspective sees Russia as being determined to stay on its path of state-dependent authoritarianism. Empirical studies, however, have shown that development is more hybrid in nature, connecting global and local influences in both formal and informal rules of the game. The contradictory and complicated relationship between the reality and the rhetoric prevalent in Russian discourses has been a major obstacle for researchers in their attempt to understand current Russian society and state. In the Soviet period, the lack of reliable information was used to explain this difficulty. Information is much more freely available in post-Soviet Russia, and analysis which draws from Russian history and culture, must be placed alongside social science models in order to fully grasp the significance of official discourses and their reception in Russian society. (The Finnish Centre of Excellence in Russia studies 2012)

The Centre of Excellence in Russia studies approach emphasises choice and agency, intended and unintended results and the social constitution of culture. In this regard, Russia faces five major challenges which are diversification of its economy, managing an authoritarian market society, developing its welfare regime, creating a credible foreign policy, and cultural and philosophical interpretations of modernisation. The Centre of Excellence maintains that Russia should not be seen only as an empirical case; we view it as a challenge for our understanding of basic social processes of modernisation in general. (The Finnish Centre of Excellence in Russia studies 2012) At the same time, the question of whether Russia is indeed modernised is left open. Russian developments include notions of competition between ideas, hybrid forms of implementation, and also processes which could be called de-modernisation. It is in this framework that 'consolidation' and 'securitisation' of the Russia state and implications for its power projection are approached here.

2. The logic of consolidation since 1991

In the past 20 years, the Russian state has been the object of massive structural reforms, which have led to the establishing and re-organising of institutions, re-divided authority of the state, and produced new legislation. The global paradigmatic turn of *New Public Management* (NPM) has been visible in political, legal and organisational changes in Russia. States – including Russia - have de-centralised, de-regulated and delegated resource using powers. At the same time, Russian reforms have continued to be targets of critical analyses across different disciplines, which see the current institutional development falling short of the original goals of political democratisation, genuine economic liberalisation and even many of the more technical goals of reforms. The Russian state administration is criticised for recycling institutional characteristics of informal Soviet administrative culture which compromises real modernisation of practices. The legacy of strict top-down political forces is seen as prevalent in Russian society. (e.g. Barabashev and Straussman 2005; Brovkin 2002; Oleinik 2009; Goncharov and Shirikov 2013; Obolonsky 2009) At the same time, many researchers have argued that historically based path dependency and legacy explanations (Hindrik-Mayer 2009) can offer only partial explanations for Russia's administrative developments. Analyses of specific policy sectors and institutions suggest a complex picture of public sector changes in Russia. (e.g. Hendley 2012; Gelman 2012; Romanov 2008; Gelman and Strarodubtsev 2014.)

A now widely shared understanding is that examination of current Russian politics and the rise to the power of Vladimir Putin, requires taking into account the development of the 1990s. Russia has undergone at least three major reform periods since the start of the *perestroika* period which have included various kinds of sub-programs and legislative changes. The most significant, politically, have included the first post-socialist reforms of shock therapy and subsequent privatisation of state assets in 1995-1996. Shock therapy and the delegation of power to the regions were basically attempts to get rid of the influence of former bureaucratic elites (Heusala 2005) and to curb the possibility of a second coup at the time of intense competition between the Duma and the

government. In 1995-1996, the government faced an acute budget a crisis which it tried to curtail through the issuing of government bonds and with IMF loans. The intension was to keep the rouble stable and to get reserves for the so called stabilisation fund. In addition to the birth of the oligarchs in the state assets privatisation, the events led to the collapse of the Russian economy and rouble devaluation in 1998 (Brovkin 2003; Kivinen and Chunling 2012).

Since then, the efforts of the Russian leadership have been directed at getting Russia back on its feet in macro-economic terms. The primacy of economic interests and the huge societal challenges after the collapse of the Soviet Union have a significant effect on the way that state building has progressed. Contrary to common wisdom, Russia has adopted many World Bank recommended measures in its state reforms more effectively during Putin's regime (Collier 2011) than during the highly turbulent and politically chaotic post-Soviet years in the beginning of the 1990s. In Russian economic policy, the choice of modernisation seems to be connected to both the global technical-rational managerial views on the creation of innovation economies and on the Soviet legacy of technological change. These are evident, for instance, in such projects as *Skolkovo*. At same time Russian public administration change has included elements of *New Public Management*, which uses outsourcing, public-private partnerships, competition and generally putting a price tag on services (Hood 1991; Romanov 2008). Many of Russian developments in the past 20 years and its long term goals deserve to be examined against this background.

The main objectives in state consolidation in the previous framework have been the following: first, balancing of budgets in order to avoid debt and to collect reserve funds for societally important sectors; second, changing the negative demographic situation to increase the proportion of working age persons in the country. Russian macro-economy was indeed a success story for years with regard to many key indicators. Living standards in Russia rose in a steady manner. The average salary rose from 475€/month to 695€/month between 2008 and 2013. Inflation diminished from 13.3% to 6.5%, and unemployment from 7.6% to 5.4% during the same time period. Population was finally on the

rise from 142.8 million in 2008 to 143.3 million in 2013. On the other hand, there were structural problems which were manifested in the slower GDP growth from 5.2 yearly percentage-growth to 1.3% in 2013. Industrial production fell from the 8.2 % high in 2010 to -1.3% in 2013. (Bank of Finland 2014)

During the 2000s Russia became a 'money-based market economy with a reasonable degree of economic stability' as Sutela (2012) has pointed out. This can be seen as a great achievement or a disappointing 'half-way' result from the point of view of complete market liberalisation. Russia has remained a resource-dependent economy with state dominance, but the prices of its main commodities – oil and gas – have multiplied. (Sutela 2012) Because of the positive GDP and stabilisation fund growth from the post-financial crises low of 113.9 billion USD in 2010 to 175 billion USD in 2013(Bank of Finland 2014) the Russian government has finally been able to concentrate on reforming the state administration. A key sector has been the social services.

Kulmala et al (2014) show how the 2005 National Priority Programs for improving the quality of life were introduced with high political and practical expectations. In 2000, President Putin identified the demographic situation as a serious threat to 'Russia's survival as a nation, as a people…' In the same year, the government issued the Concept of Demographic Development for the Russian Federation through 2015, and the most prominent measures were introduced in Putin's annual address to the nation in May 2006. In this speech, the president named demographic development as 'the most acute problem facing our country today.' 'Love for one's country starts from love for one's family,' the president continued, setting family policy as the major priority through which the demographic crisis was to be solved. Ever since, pronatalist policies have been a top priority of the Russian government. Promotion of traditional values, and support for Russian families in order to reconcile work and family obligations have been addressed (Kulmala et al 2014). The internationally highly controversial law on the prohibition of 'gay-propaganda' in 2013 can be seen as a continuation of the emphasis on traditional family values.

The macro level effect of the National Priority Programs has been positive. Kulmala et al (2014) show that poverty rates have declined considerably and inequality has stabilised. Yet, an important societal problem has remained as high male mortality has not diminished. Russian life expectancy has remained only slightly higher than what it was in 1990, although GDP per capita has improved substantially. Compared to Brazil and Poland, which have similar levels of per capita GDP and starting conditions in the 1990s, life expectancy for Russian men is five to seven years lower. According to the authors the overall picture is paradoxical: 'Still, most Russians want the state to be the main agent in terms of organising these services. People believe that state-organised services better guarantee social equality, even if the quality of public services is mediocre.' Consolidation, according to Kulmala et al (2014) has meant rising living standards – experienced by people in real terms – and creating order out of the chaos of the 1990s have helped to legitimise the contemporary political elite even if the major welfare policies have only benefitted selected groups of people. Positive welfare developments and agency at the level of the Russian regions can be seen. Local activists can create alternative forms of services with the political support from the regional centre which now has the legal power to restructure social service systems. Thus, in the Kulmala et al (2014) study, federalism and regional variation are indeed significant factors and involve a role for NGOs and local initiatives as the implementation of state policies is defined at that level.

3. 'Securitisation' in globalized conditions

In the past 20 plus years, globalisation itself has made modernisation in Russia a complex undertaking. In the governmental decision making, reactions to risks caused by the changes in the 1990s have been dealt with a re-assessment of Russia's national interests. The answer has been found in centralisation of structures and securitisation of decision making at various levels and sectors of the government. The underlying logic of the Russian leadership is that Russia's interests are secured through comprehensive development of the Russian society in politically controlled environment. The emulation of both globalised public sector managerialism and ideas which to some extent resemble the Chinese-like

incremental and politically controlled development seems to be the aim here. To what extent this is a planned situation or an unintended consequence, needs more specific research attention.

'Securitisation' of state administration has historically taken place in situations where the Russian authorities have estimated the risks of societal and political changes to overwhelm the original goals. Risks have been understood as security concerns, often related to the concept of national security. This has led to 'corrective' administrative measures which have relied on centralisation and strict legalistic decision making, and hierarchical command systems. The intention has been to reduce ambiguity and strengthen control of decision making. (Heusala 2013).

Vladimir Gel´man (2014) has concluded that the electoral nature of authoritarianism, the low level of repressiveness, the efficient use of institutional foundations (superpresidentialism, centralised subnational authoritarianism, and the dominant party), the winning combination of major political pillars (economic well-being, fear of political disequilibration, and the 'lies of virtual politics') and a changing supply-demand balance on the political market became major features of Russia's current political regime. These features contributed to the rise of electoral authoritarianism. To the regime's advantage, popular demand for political changes long remained only latent.

According to Gel´man Russia's political leaders invested heavily in building their political monopoly, by placing both the state apparatus and United Russia under hierarchical subordination to central authority, and by insulating domestic politics from direct Western influence. Two interconnected reforms in the 2000s helped to consolidate this process: (1) co-optation of the local politics controlled by regional governors and city mayors into a nation-wide Kremlin-driven echelon; and (2) reformatting the party system into a highly controlled hierarchy under the dominance of United Russia. Key institutional changes, such as the elimination of popular gubernatorial elections and the reframing of electoral and party legislation also served the same purpose. As a result, United Russia became the only available choice for all significant national and subnational political actors.

Gel´man has contended that in the Russian developments, the attractiveness and availability of alternatives to the existing political order has remained low. The economic growth allowed the leaders to 'rely upon carrots rather than sticks as the major tools of their dominance; systematic repressions of their opposition rivals were not necessary. Rather than cracking down, Russia's regime guaranteed its subjects (at least, on paper) a wide array of individual and, to some extent, civil freedoms, although they severely constrained their political rights.' (Gel´man 2014). Gel´man points out that political repressions of the regime's opponents were limited. The list of political prisoners in Russia complied by human rights activists in November 2013 included just seventy names, which the author considers as a low number on the world map of authoritarian regimes. These facts lead Gel´man to state that' the fear that the regime would repress an individual due to political disloyalty, quite probably, was overestimated. But in a broader sense, the fear felt among various social groups that implementing political change would be costly (especially after the traumatic experience of turbulent reforms during the 1990s) contributed to the preservation of the status quo.' The status quo has been consolidated via media control which has given independent media a small corner in Russia. (Gel´man 2014).

The underlying 'modernisation logic' of the previous developments has so far been manifested in the policy documents and subsequent laws which have defined the future goals of the Russian state. The most significant ones include the 2009 Security Strategy and 2010 federal law on Security which stress the coordination of reforms from the centre. Although the Security Strategy reads almost like a comprehensive welfare state declaration, the accent will most likely to continue to be on the technocratic changes of the state. Political risks, even before the current Ukraine related international crisis, have resulted in a development which has made national security once again the focal point of attention. One could argue that all other laws of the state, including the Constitution of RF are viewed in the national security context at the moment.

The internal consolidation is based on the idea that Russia's national interests are best served by a comprehensive development of the society, which requires most of all diversification of the economy and

further capacity building of the state. At the same time, these interests and the security of the Russian state and society are challenged by the dominant, USA led Western power system. In the 'securitisation' framework then, one can see that Russia seeks to consolidate its great power position – in real terms, the most important of which are connected to its economic interests in the Eurasian region. In the building of the Eurasian security complex and with relations to EU and USA, Russian thinking underlines three elements: first, sovereign democracy as it is defined in the current national security framework; second, equal position in international systems and treaties (Sakwa 2011); third, realism which sees politics as tactical game where the primary goal is to advance economic interest and hegemony. It is thus within this complex framework binding the internal and external goals of Russian state, that Russia seeks to find balance in the global context.

4. Conclusions

Modernisation in Russia during the past 20 plus years has produced a hybrid system both politically and economically. Russia has emulated best practices and ideas of other societies in its own development plans and implementation. For the past 20 years, structural changes of the state have dominated the development. This has consolidated Russian economic independence and its ability to carry out societal changes, many of which have been greatly needed after the collapse of the Soviet Union. Research of the Finnish Centre of Excellence which was presented here shows that internally Russian society has its own 'multiple modernities'. Agency at the local and regional levels matters, even as the political scene is controlled by the dominant role of one party and authoritarian type of economic decision making. The answer to challenges, some of which are by-products of globalisation, while other are born internally, has produced a 'securitisation' process which underlines the importance of national security consideration above other factors, such as electoral freedom or even the Constitution of the Russia Federation. It remains to be seen whether this choice is a political adjustment in an economic and political crisis, and as such a recurring phenomenon in Russian history, or a more long term reassessment of Russian way.

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