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3. AUTHORITARIAN MODERNIZATION IN POST-SOVIET RUSSIA: STRUCTURES, AGENCIES, AND CHOICES

Vladimir Gel'man et al.

Abstract

Russia's is an electoral political system biased towards authoritarianism. This chapter analyses the structural conditions of the political system and the major choices made by Russia's political and economic elites over the last two decades. The Russian elite sees modernization narrowly as only improvement in economic and technological competitiveness. However, they avoid long-term commitment to modernization programmes because a concrete failure could lead to a crisis in the legitimacy. In this way, the elite is both a promoter of, and an obstacle to narrow modernization. Our analysis shows that Russian system combines the risks of both democratic institutional forms and those of authoritarianism. The most important constraints of Russian modernization stem from a combination of authoritarianism and informal administrative practices.

3.1 Introduction: Russia and the challenges of authoritarian modernization

Vladimir Gel'man

The concept of modernization recently developed with regard to analysis of the influence of social, economic, political, and cultural changes on the developmental trajectories of various countries in comparative and historical perspectives (Przeworski et al., 2000; Inglehart, Welzel 2005). This is why “modernization” is often associated with agency-driven changes and policy reforms that aim towards progress and development in human capital, economic prosperity, and political freedoms in one form or another. Scholars of different disciplines attempt to discover the causal mechanisms of developmental progress and regress in various countries and to understand why some of them, over time, tend to move towards an “open access order” (North et al., 2009) while others do not. The analytic emphasis of research on the primarily role of agency and choices in Russian modernization, as well as on the impact of formal and informal rules and on resources mobilized by various agencies of modernization (Kivinen and Cox 2016) has added new dimensions to these discussions.

One of the most contentious issues of modernization, which often arises in debates, relates to the question of: to what extent does the success and failure of modernization depend upon a given political regime and the changes it enacts? Can socio-economic development be successfully pursued simultaneously with political democratization (“broad” or democratic modernization), or should economic growth and development precede political opening (“narrow” or authoritarian modernization)? The political antinomy of these two models (democracy vs. authoritarianism) is long-standing: discussions of the advantages and disadvantages of both models of modernization, which date back to the 1960s (Huntington 1968), re-emerged within the context of post-Communist transitions. The idea of “narrow” authoritarian modernization without political democratization perceived modernization as such as an elite-led project – a set of technical policy measures intended to achieve a high level of socio-economic development through rapid economic growth, while the broad aspects of political modernization remain beyond the current agenda and/or postponed to a distant future. It was fueled by recent economic advancements in East Asia (especially in China), and the temptation to improve policy performance with a “free hand” amplified by the fact that

authoritarianism allows the government to successfully implement those policy reforms, which are so often blocked under democratic regimes.

While many examples of modernization in previous periods of the world history were undoubtedly authoritarian, present-day examples of “success stories” of authoritarian modernization and its policies are quite rare: “For every Lee Kwan Yew of Singapore, there are many like Mobutu Sese Seko of the Congo” (Rodrik 2010). The few cases of building effective modern states and prosperous economies in autocracies juxtaposed with numerous cases of dictators driving their countries into decay and deterioration. Yet there is no obvious answer to the question: to what extent do the diversity of outcomes of various authoritarian modernization projects result from structural conditions and constraints posed by an endowment of resources and historical legacies? (Beissinger, Kotkin 2014). Or, rather, is it produced by agencies that make choices due to their ideas and interests? At the same time, choices made by competing agencies of modernization often resulted in both intended and unintended consequences, thus adding to the complexity of understanding of patterns of modernization in various contexts.

Post-Soviet Russia may be considered as a “crucial case” of the use of recipes of authoritarian modernization: its current agenda fits certain interests and expectations of Russia’s elites and society-at-large. The Post-Communist changes in Russia in the 1990s underwent turbulent economic and political transformations amid deep and protracted recession, alongside major political conflicts (Gel’man 2015; Hellman 1998; Shleifer, Treisman 2000). Since 2000, the economic recovery and consolidation of the political regime paved the way for the major advancement of an authoritarian modernization project through a set of state policies and reforms (Alexeev, Weber 2013; Gaddy, Ickes 2013; Gel’man, Starodubtsev 2016). Since 2014, with increasingly authoritarian political trends, sluggish economic growth, and deepening international isolation, Russia’s current modernization project faced major challenges. Overall, authoritarian modernization in Russia until 2014 brought mixed results at best, thus reflecting multiple contradictions and tensions of various dimensions of its modernization. In which ways did both the structural conditions for the implementation of an authoritarian modernization project, and the major choices made by Russia’s actors (political and economic elites) contribute to the conduct of this project and its various consequences for political and economic development of post-Soviet Russia? Should we expect that Russia is “doomed” to fail with modernization because of its uneasy legacies of structure, culture and/or institutions (Pipes 1974; Beissinger, Kotkin 2014), or that the consequences of the authoritarian modernization project in Russia are dependent upon ideas and interests of agents, and policies, which are pursued by Russia’s leadership (Gel’man 2015, 2016; Khmel’nitskaya 2015; Shleifer, Treisman 2000)? These issues are the focus of this section.

The major arguments for the choice of authoritarian modernization is that the political and social empowerment of citizens in a modernizing country is as a source of major instability, conflicts and disorder, which put modernization itself in doubt (Huntington 1968). This sequence, which assumes the gradual construction of a strong and efficient state and long-term economic growth and development, and postponement of democratization for decades, is considered a desirable option. These considerations result in hope for reform-minded leaders, supported by teams of well-qualified experts, who are capable of modernizing their respective countries. Since the average economic growth in democratic and non-democratic regimes in the second half of the twentieth century was nearly the same (Przeworski et al. 2000), it is no wonder that some experts perceive the authoritarian modernization project as a plausible recipe for a number of countries, including post-Communist ones (Popov 2014).

By it is worth asking why is the evidence for authoritarian modernization so mixed in various countries? Their experience is different in terms of initial conditions, as well as international and historical trajectories, and institutional environment. These factors put high structural barriers on modernization projects, both democratic and authoritarian. Not so many countries combine the advantages of relative economic and technological underdevelopment and a strong potential for catching up on advanced states and societies (Gerschenkron 1962) with a “Weberian” quality of state bureaucracy (Evans, Rauch 1999). This combination cannot emerge spontaneously on its own, or be built by design, at least, not over the short term. Yet few of these countries are able to effectively conduct non-resource-based, export-oriented policies while maintaining deep international engagement and enjoying a favourable global economic and political climate. In terms of institutional environment, the problem is to identify the “rules of the game”, which laid the foundations of the state regulations and policy-making, and shape behaviour of major actors. While few “success stories” of authoritarian modernization built upon the strong rule of law, the mechanisms of governance in present-day Russia relied heavily upon the prevalence of informal practices, to a great degree inherited from the Soviet period (Ledeneva 2013), thus presenting the institutional antinomy.

These two antinomies, political and institutional – “democracy vs. authoritarianism” and “the rule of law vs. informal practices” – are the two major dimensions of modernization in various states and nations, including post-Communist Russia. The dilemmas, challenges, and constraints of modernization in Russia, both nowadays and in its past, in many ways relate to a difficult combination of authoritarianism and informal mechanisms of governance.

3.2 Dilemmas, challenges, and constraints of post-Soviet modernization

Vladimir Gel'man

Post-Soviet structures and agencies in various ways contributed to several dilemmas, challenges, and constraints of the authoritarian modernization project in Russia. In addition to dilemmas of the regime's responses to rising political demands in the wake of modernization (the “king's dilemma”), and the rulers' responses to the inefficiency of the state bureaucracy (the “politician's dilemma”), one may also consider the challenge of mediocrity: despite Russia's claims of greatness, its socio-economic profile is close to that of an average “normal country” (Shleifer, Treisman 2004). Finally, the capacity and vulnerability of agencies, which are deeply engaged in rent-seeking, as well as the poor quality of the state and lack of the rule of law (Ledeneva 2013; Gel'man 2016a) impose barriers to a successful implementation of authoritarian modernization in Russia.

The “king's dilemma”, outlined by Huntington (1968) as an analysis of the risks of modernization in traditional monarchies, remains very relevant in post-Soviet Russia. Economic growth and development, which lies at the heart of modernization, has contributed to the rise of mass demands for political freedoms (first and foremost, among the urban middle class) as an unintended consequence in terms of the degree of legitimacy of an authoritarian regime and its policies. The wave of political protests that swept Russia in 2011/12, was a typical instance of these demands (Gel'man 2015). Political leaders were faced with the tough choice between continuing the authoritarian modernization project and increasing the risks of further political disequilibrium, and preserving their rule at any cost. Classical “hegemonic” authoritarian regimes often accept the risks of modernization due to their reliance upon the legitimacy of embedded institutions such as a traditional monarchy or dominant party. However, electoral authoritarian regimes rely upon performance-based legitimacy. They build political institutions that mimic those of democracies (elections, political parties, and legislatures) but perform different functions (Gandhi 2008; Svoboda 2012) and are therefore more vulnerable to political disequilibrium. The short time horizon of electoral authoritarian regimes

caused by inherent “regime cycles” (Hale 2015) provides more incentives to curtail the authoritarian modernization project if rulers perceive major domestic and international threats to their political survival. In the 2010s, the “tightening of screws” that took place in Russian domestic politics, plus major international tensions with the West provided risks of disequilibrium other than those caused by economic growth and development. From the viewpoint of modernization, their consequences were even more devastating than attempts to preserve the political status quo (as would be more typical of a “king’s dilemma”). Policy reforms almost disappeared from the Russian leadership’s list of priorities, and it still seems unlikely that the agenda of growth and development that was advocated in the early 2000s (Rutland 2016) will be revitalized any time soon under the current regime’s auspices.

The “politician’s dilemma” was analyzed by Geddes (1994) in her study of policy reforms in Latin America; in brief, the top-down modernization efforts of political leadership encountered resistance from major interest groups, plus the notorious inefficiency of the bureaucracy. Policy reforms at best could be implemented through a partial solution, if rulers offered some special conditions for implementation of these reforms, known as “pockets of efficiency”. This dilemma has become acute in present-day Russia, and several failures of major policy reforms have clearly demonstrated its salience (Wengle, Rasell 2008; Taylor 2014; Gel’man, Starodubtsev 2016). Russia’s reformers have adjusted their proposals to compromise with the bureaucracy and/or interest groups and/or attempted to bypass standard procedures and find some alternative institutional solutions to implement certain policies. In both instances, policy successes were relative at best. Policy compromises with bureaucrats and with interest groups contributed to the emasculation of the proposed policies, and their unintended outcomes were far from the desires of the proponents of modernization. Policy implementation under such special conditions enabled its proponents to establish the new mechanisms of governance that may contribute to successful implementation of reforms. However, the price of this policy success is high: incentives within the bureaucracy did contribute to frequent misconduct and misuse of these mechanisms, and the very legitimacy of policy reforms remains dubious.

The challenge of unfulfilled promises has been an inherent feature of Russia’s modernization since the early Soviet period. Dating back to the Bolshevik revolution, Russia has failed to catch up to advanced countries in terms of economic development and its major components such as labour productivity or living standards, despite the positive effects of industrialization, urbanization, and education. The major flaws of Soviet modernization were unsurmountable and contributed to the collapse of Communism (Gaidar 2007). The attempt to reform the Soviet system under Gorbachev was ill prepared, based on many illusions and misunderstandings among the elites, and its failure was perceived as an unfulfilled promise by Russian society. That said, these disillusionments were partially compensated during the period of rapid economic growth, due to the absolute and relative income growth and other advancements of Russia in terms of well-being. Nevertheless, the end of this boom and the increasing troubles of the Russian economy after 2014 may aggravate perceptions of unfulfilled promises even further (Rutland 2016). The major danger of disillusionment boils down to the conviction that any modernization efforts in Russia will fail by definition, regardless of the contents and mode of policy reforms.

The challenge of mediocrity results from the belief, widespread among many Russians, that Russia is a great and unique country, and it deserves extraordinary first-rate treatment because of its major past achievements in various areas, ranging from military victories to its cultural blessings. However, this retrospective understanding of Russia’s place in the modern world is not useful for its modernization strategy. The combination of mediocrity and inadequate self-estimation affects Russia’s ideational agenda, as well as its actual institutions and policies. International agencies assess

Russia's institutional performance in terms of property rights and the rule of law as very poor, with a declining trend over time. While Russia is governed much worse than one might expect judging by the relatively high degree of its socio-economic development, at the same time the country does too little to improve its performance.

The issues of Russia's poor institutional performance are rooted in problems of bad governance, which puts major constraints on modernization. Rent-seeking is not just a side effect of corruption and inefficiency, but rather it is *the major goal and substantive purpose* of governing Russia, and formal institutions of the state are arranged to serve the private goals of insiders of the bureaucratic hierarchy (Gel'man, 2016). These developments may be regarded as the results of the purposeful strategies of political and economic actors, who aim to maximize their benefits and consolidate their power and wealth. Thus, some policies that infringed on the interests of influential rent-seekers, were curtailed (Taylor 2014). Even reform-oriented policies may lead to undesired consequences due to hierarchical mechanism of policy-making with its aggravation of principal-agent problems. This is why several policy reforms in various areas – especially with regard to social policies such as labour and pensions (Dekalchuk 2017; Grigoriev 2017) have often resulted in privatization of gains and socialization of losses without noticeably improving institutional performance. Although modernization efforts in Russia have not been in vain, but given its contradictions and tensions, there is no wonder that both top-down initiatives from the state leadership and bottom-up societal reactions from Russian citizens are often mixed, controversial, and short-lived. These initiatives and reactions in various ways affected the ideas, institutions, and policies of authoritarian modernization in Russia.

3.3 Strong state in Russia: material and symbolic demand and supply

Markku Kangaspuro

It is conventional wisdom that the strong and effective state is a major precondition for successful modernization (Mann 1984; Evans 1995; North et al., 2009). Apart from quality of the state as such, “strong state” is also a socially-constructed perception by the population. The question is not about the *de facto* existing state but about how people's symbolic and material demands on the strong state frame their perceptions, and how these two levels of expectations interact, interlink, but also contradict each other. For this approach, the core question of the strong state in Russia is; how does the regime use material and symbolic means to answer to the population's demands? Russians' political attitudes evolved over the past two decades and the popular perception of the necessity of a strong state has established a normative frame for political decision-making and for choices directing the development of society. The reason why this matters is that even the most authoritarian societies have to take into account public opinion and reproduce the consent of the people, at least among a reasonable proportion of the population (Rose et al., 2011). In this respect, the prevailing values and norms are important.

Russians' expectations of the strong state's role drawn from three major aspects: (1) demand for an overarching welfare state; (2) narration of a glorious state history; and (3) Russia's strong position in the international community. These aspects also establish part of the framework for constructing Russia's state identity. We can assume that citizens' material demands for a strong state will increasingly come into conflict with the state's capacity to meet them. (Kangaspuro 2017). This leads us to the question; to what extent, and how successfully, has the regime increased the symbolic supply of a strong state to compensate for its diminished capacity of material supply, and what has been (and is expected to be) the citizens' response to that?

3.3.1 Glorious state history

The narration of Russian history follows a universal model to emphasize state history and highlight the role of war heroes: it is a constructed narrative of the rebirth of the triumphalist state, made possible by the individual sufferings of citizens and the collective sacrifice of the nation. War narratives about the sacrifices of the nation to defend state borders, the nation's common culture, wealth, and leadership have been basic state-building and identity-construction instruments of all European nations.

The project of writing a common history textbook for Russia is a good example of the state's identity building. The lack of a consensus on state history has been one of the barriers that hindered Russia from constructing a state and national identity. In Russia's politics of history, the emphasis is inevitably on the Great Patriotic War (GPW) of 1941-45. The general narrative is a drama about how the weakness of the state caused utter devastation for the country, but which the state nonetheless overcame through national suffering. The catharsis ends up in triumph, with a powerful state with strong leadership. The lesson is either to keep Russia a strong state with strong leaders, or to become devastated by external foes. Victory Day on 9 May merges competing interpretations of the GPW and two dominant conflicting interpretations of the future of Russia. On the one hand, Russia's future is associated with other great European powers as a continuity of the anti-Hitler coalition and the liberation of Europe, on the other, Russia seen as a Eurasian imperial power continuing its unique historical form of state and political system. Within this frame, Stalin is understood as a historical necessity. The interpretation of Stalin's role in the GPW and in Soviet history is both crucial and deeply divided in Russia. Both Westernizers and Eurasianists attempt to distinguish themselves from the Stalinist socialist ideology and the terror, but echo – at least to some extent – the idea of the strong state as a synonym of strong leadership as a prerequisite of the victory in the GPW. (Kangaspuro 2017).

When asking about citizens' attitudes towards Stalin, surveys show that from 2001 to 2015, a significant share of respondents have had a positive attitude to Stalin. In 2001 they represented 38% and in 2015, 39% of respondents. When the questions concern Stalin's role beyond the war, the picture changes and the share of negative answers is much higher. However, between 2013 and 2015, a turn in perception occurred, and the share of those who see Stalin's role in a negative light decreased from 55% to 46% (Levada-Center 2015g). The change of attitude reflects the general atmosphere in contemporary Russia. The politics of history pursued by the state leadership have certainly influenced changes in public opinion. It is hard to say to what extent Putin's politics of history and the Ukrainian crisis have influenced this turn, but drawing on the general change of attitudes shown by surveys, it does seem that the Ukrainian crisis has been the decisive factor in recent changes.

3.3.2 Russia's position in the world: a Great Power

The development of Russia's international relations has significantly affected public opinion about the Russian state. The Ukrainian crisis is an illuminating example of how significantly and quickly changes in international relations affect Russia's domestic developments. As Andrei Tsygankov points out, 'the Ukrainian crisis increased the basis of internal support for the state and created conditions for a new consolidation of power'. According to him, 'a strong state is necessary in order to improve the quality of Russia's elite and its political system'. The strong state must have a strong role in planning the economy in order to develop Russia's international competitiveness (Tsygankov 2015b, 6). This claim is partly based on the assumption that Russia's has a distinct and unique development path to modernity (although the other part of the explanation draws from theories connected to Russia's semi-peripheral position in the world economy).

In recent years, and following the Crimea annexation, a prominent feature of Putin's policy has been endeavours to gain international recognition for Russia's great power status, its symbolic victories, and to gain respect. In this context, one of Russia's largest successes has been the Olympic Games in Sochi. Yet only a 5% of survey respondents in 2015 wanted to allocate budget money to symbolic mega-events (such as Sochi or the Football World Cup in 2018) that aim to increase the state's international reputation (Levada-Center 2015e). At the same time, the annexation of Crimea is seen as proof that Russia has returned to the superpower class. In twenty years, from 1994 to 2014, those who perceive Russia as a superpower have increased from 14% to 68%. Between 2008 and 2012, slightly less than 50% considered Russia a superpower, which means that the post-Crimea jump has been about 20% (Levada-Center 2014).

There is a clear contradiction between the fact that perceptions of Russia's drastically improved international position refers strongly to the Crimea effect, but the annexation of Crimea is still mainly perceived as a *symbolic* upgrade of superpower status. (Kangaspuro 2017). The most popular definitions of what characterizes a superpower do not meet reality in Russia. Approximately 60% of respondents attach superpower status to a high standard of living, social equality, and economic and industrial capacity. Military might (44%) comes closest to the Crimean case as a proof of traditional superpower status as defined in material means, but it is matched only weakly by people's readiness to improve military capacity (20%). It is *not* a priority for respondents, if the alternative is an improvement in living standards (73%). The only aspect arising from the surveys that supports Russia's superpower status must therefore be labelled more as symbolic than material. From 2000 to November 2014, approximately 65% of respondents have answered that they prefer to live in 'a large country that is respected and sometimes feared by other countries' rather than a 'small, comfortable and non-threatening country' (Levada-Center 2014).

3.3.3 Modernization thwarted

Markku Kangaspuro

In many respects, inconsistency is visible between citizens' essential *material expectations* of the strong state and the regime's tendency to rely on a *symbolic supply* of the strong state. The hitherto symbolic supply of the state has barely been substituted for a material supply; that is, the regime's diminished capacity to respond to the population's demands for better living standards. After the annexation of Crimea, about half of Russians hold Putin's biggest accomplishment to be to 'return Russia to its status as a great and respected world power'. Securing the country's stability comes behind that, and then raising salaries, pensions, stipends, and allowances is seen as only the fourth most important achievement by 29% (Levada-Center 2015b). Symbolic signifiers have played a big role after the Crimea: while 61% of respondents preferred order to democracy (Levada-Center 2015d) and by corollary were willing to trust in a strong hand, the trust in democratic institutions and law enforcement agencies is at a very low level (Levada-Center 2015c).

The simultaneous distrust of democratic institutions and law enforcement agencies and belief in the necessity of a strong state has significant consequences. The first is the conviction that it is necessary for the regime to draw its legitimacy from a strong leader rather than from a democratic system and organized collective interest groups. The second consequence is that Russia is apt to orientate towards narrow modernization, focusing on the material basis of the physical infrastructure and efficiency of institutions. Citizens' material demands, in particular concerning the welfare state, are responded to inadequately. For the public, the annexation of Crimea has been a real achievement, and symbolically

it has translated as Putin's manoeuvre to restore Russia's national pride internationally, its recognition as a great power, and as a defence of Russian culture and history. (Kangaspuro 2017).

It seems clear that catching up with the European route of broad modernization is out of the question in the near future. Support for the current electoral authoritarian regime is strong, at 60%. The Western type of democracy has never been much favoured, but in 2015 its support slumped to 11%, as compared to 32% in 1998 (Levada-Center 2015f). Since there is no public demand for broad modernization, the Russian leadership does not have any incentive to promote it, particularly if the conflict with the West continues. At the same time, however, popular dissatisfaction with the social and economic policies of the state, and the poor responses of the state to material demands does provide fertile grounds for the rise of populism in Russia.

Case study: what is rent-seeking?

Jouko Nikula

The Encyclopedia Britannica defines 'rent-seeking' as a *competition for politically protected transfers of wealth*. In rent-seeking there is an economic rent, and groups that compete for that rent by capturing or financing it. In a typical case, a public actor, or state, or municipality "creates" the rent through licenses, monopoly, or subsidies. As an example of the rent-seeking, imagine a license to build a shopping centre, or blocks of houses on a plot of land in the area that most likely will provide profits. In this case, a number of potential construction companies can use different methods in an effort to ensure their success; they can donate money for elections or to some public project, they can bribe officials, or just create beneficial PR-campaigns.

Anne O. Krueger, who coined the term rent-seeking in 1974 in her article on *The political economy of rent-seeking society*, made a distinction between perfectly legal and beneficial rent-seeking, and rent-seeking that is illegal and economically harmful. The example she uses is a job in a government office, which provides a higher income than a job in the private sector. The government job gives a chance to earn extra incomes from licenses or fees, which by increasing the budget of the office gives the possibility to pay better wages. A person needs to have certain qualifications to get a government job, and that in turn induces participation in higher education. In this case, the rent-seeking is perfectly legal, and has potentially beneficial effects in society, because it rises educational levels, and provides more possibilities for consumption by increasing income levels. However, some analysts, like David Marotta, argue that rent-seeking does not add any societal value, but it is merely coerced trade that benefits only one side, and rent-seeking never encourages productivity, because it is only redistribution of already existing value (Marotta 2013).

Russia's recent history offers a number of examples of rent-seeking, and probably one of the most striking examples is the loans-for-shares scheme of 1995ⁱ. In this scheme, many large industrial assets were leased through auctions to commercial banks for money that the banks lent to the Russian government. The enterprises were privatized at very low prices because the government did not pay back the loans, and the banks did not return the enterprises. The scheme was politically profitable for Yeltsin, because it guaranteed his victory in 1996 presidential election and ensured the defeat of the Communist Party. The process gave a lot of political power to a small number of oligarchs that were economically very strong through their control of key industries. As Becker and Vasileva (2017, 89) note: "Overall, contrary to the intentions of the reformers, Russia's privatization program did not create a full-fledged liberal market economy, but rather implied two waves of patrimonial asset appropriation by well-connected insiders in the context of a weak state".

The weak state was a major reason for state capture by a handful of oligarchs in early 1990s. The collapse of socialism considerably weakened many of the former institutional networks, which coordinated and regulated many spheres of societal life. As Yakovlev and Zhuravskaya (2004), note “The fragility of democratic institutions and the state’s poor accountability to the public made the governments in Russia easily susceptible to ‘capture’ by the new wealth”. The new capitalist class – even without capitalism (Eyal & al. 1998) – succeeded in accumulating huge properties, while the institutions of the society were undergoing huge structural changes, and many functions of a market economy were still to be created.

There are several ways to understand the significance of rent-seeking in Russia’s institutional development. For Åslund (1995) rent-seeking was a pathology in the post-Soviet Russian economy, obstructing its development and maintaining past legacies, especially inefficiency and waste. As Vercueil (2006) has rightly noted, the role of greedy capitalists and ‘red executives’ should not be overemphasized, since the root cause of rent-seeking was more in the under, and distorted, institutional development. It did not produce those qualities, such as stability, in institutions that would diminish the prevalence of informal practices, rent-seeking, or corruption. Reducing uncertainty concerning the future is of utmost importance for the long-term growth rate of private investment and consumption.

The second missing key feature with regard to institutions was the establishment of predictable and unequivocal rules and their implementation (i.e., the rule-of-law). In the 1990s, several thousand Presidential decrees were issued every year, and as a result, the complexity of the legal environment fostered the general weakness of public rules. Heusala (2005) has shown that the Russian transition in the 1990s generated an administrative culture that can be called ‘risk administration’. This type of an administration suffers from ineffective planning as a result of major and repetitive structural changes, formalistic laws, yet increasing severity of policy rules, weak political unity and leadership, and complicated client relations as a result of attempts to enforce the law. The delegation and diffusion of power to both new actors and to lower levels of the administration, merely recycled practices and ways of thought. At the central government level, the chosen mode of transition to market economy (‘shock therapy’) can be seen as an effort in creating conditions for ‘survivalist’ political strategies, where rent-seeking was still accepted.

The political stronghold of the oligarchs remained stable until Vladimir Putin changed political course in July 2000. The allegedly liberal and very tumultuous period of Russian capitalism transformed into a more coherent and predictable period of rapid economic growth. This was supported by necessary reforms, such as taxation (the introduction of a flat-rate 13% income taxation scale), land code, and electricity production reform, as well as reforms of the civil and criminal laws, and procedural laws. The 2000s included the strengthening of state capacities to coordinate government bodies and regulate different spheres of the society. Important milestones in this regard were the regional reforms (2000 and 2002) where the Yeltsin era federalism was transformed into a more centralized system of regional governance. (Melvin Neil 2005; see also Gelman & Starodubtsev 2016) In this particular reform, regional governors lost a significant part of their autonomy in many economically important matters.

Alekshasenko (2018) argues that, even if a number of important laws and reforms were issued during the early years of Putin’s presidency, the main feature of his administration has been continuity. The same bureaucrats have remained in place throughout his presidency, and institutional development

has stalled, resulting in the continuation of informal practices, supported by inconsistent and rigid laws, which are poorly implemented.

The state has gained a stronger position in the economy, especially in nationally-important, crucial branches, such as the oil and gas industry or military production. Some analysts have argued that this indicates a return to Soviet type economic system, and thus enhanced the possibilities for corruption (Åslund 2017). The strengthening position of security forces and the so-called “deep state”ⁱⁱ within the economy and society gives some support for such an argument.

Becker & Vasileva (2018, 86) note, referring to Weber’s definition, that the main feature of patrimonialism is private appropriation of resources by those who hold political power and enjoy corresponding economic rights. Pipes (1974, xxii) defined the patrimonial state in which “political authority is conceived and exercised as an extension of the rights of ownership, the ruler (or rulers) being both sovereigns of the realm and its proprietors”. In patrimonial capitalism, the core feature is the patron-client relationship between political and economic elites, in which the ruling elites regard society as their own private domain (Becker & Vasileva 2017, 86).

The patrimonialism of the Putin period has been a like this, in which the power holders have increasingly been the ones who regulate and coordinate both political and economic power. At this stage, the growing role of the state in the economy does not look like improving conditions for policies to promote economic development, but rather a “clientilistic re-distribution of property in favor of the incumbent bureaucratic elites – loyal members of the executive branch” (Becker and Vasileva 2017, 90).

A recent example of such rent-seeking activity was the case of Vladimir Yakunin and Russian railways. Yakunin was a close friend and loyal ally of President Putin, but who was suddenly dismissed in 2015. Under Yakunin, Russian railways became dependent on state subsidies as huge sums of money were lost through corruption. The company paid billions of dollars to private contractors with unknown owners through a variety of means, such as no-bid contracts, or documents without authorized signatures, or inflated bids and unauthorized private subcontractors using public resources (Khazov-Cassia 2016). In many bids, the “same two companies were the only bidders each time and these firms were set up on the same day, by the same person acting on behalf of undisclosed owners” (Reuters 2016). Busvine & al. note that even if these things would appear as corruption under Russian law, “it is not an offence for related companies to bid in state tenders. In these tenders, millions of dollars originating from Russian Railways ended up with companies that had nothing to do with railway work” (Busvine, Grey, Anin and Ojha 2014).

Obviously, Yakunin’s skills in managing the Russian railways were negligible, since during his 10-year tenure, the operating costs more than tripled but the rail network grew by just over 1%. Some sources argue that Yakunin’s son’s application for British citizenship would have been the ultimate crime in the eyes of Putin, but Yakunin’s blatant corruption and siphoning of state resources through many bogus companies probably played bigger role in his dismissal. Yakunin is a classic rent-seeker, redistributing wealth among different groups *without creating* new additional wealth, except for himself and his allies.

Russia’s dependency on oil and gas, which has provided abundant resources for the golden years – from the early 2000s until 2008, and again from 2010 until 2014 – created conditions for rent-seeking in this key economic sector. High returns from the oil and gas sector created no immediate incentives for structural reforms and the diversification of economy. Yasin (2018) argues bleakly that the raw

materials-based growth model has exhausted its potential, and therefore the Russian economy's "potential for recovery...seems largely exhausted". According to Aptekar (2018), the consequences of strong reliance on the energy sector include such problems as "underdevelopment of small and medium-sized businesses, the slow growth of IT companies, the low capitalization of scientific and educational potential, and the lack of focus on the needs of society and individuals." Aptekar argues that this state of affairs is due "to a conscious choice by Vladimir Putin and his ruling class who see it as a means of maintaining and strengthening their hold on power" (ibid, see also Aalto 2016). The report by Yasin hints that the adopted structural policy is in the interest of a current, narrow circle of political and economic elites. Despite recurrent statements about the need for stability and reducing poverty and corruption, the current policy is undermining the foundations of economic resilience by cutting investments in human capital or welfare, and postponing any real effort at diversification. Probably the current situation provides even better possibilities for rent-seeking, for both the business and political elites.

3.4 Populism from below and above

Jussi Lassila

The largest state of Europe and the historical core of the communist-era Europe, Russia has been absent in the flourishing literature of Europe's recent and current waves of populism. Yet, in the wealth of recent commentaries and analyses of the populist wave in Europe and the US, the link between Europe's populist challengers and the Kremlin has become a commonplace. Leaving aside Russia's well-known resentment of the Western world-order, especially since 2014 – which largely explains Russia's flirtation with various Eurosceptical parties – or supposedly pro-Russian figures, the obvious reasoning behind these assertions follows the idea of conflating populism with authoritarianism and illiberalism. This holds true in many respects. When it comes to populism's common tendency to explicate politically incorrect emotions, it is no wonder that various authoritarian rulers are labelled as populists, from the viewpoint of a more democratic polity. Putin is no exception in this regard. His numerous anti-Western statements, particularly after the Crimea's annexation in 2014, still speak to many Russians as a long-awaited remedy to the troubled 1990s, associated with poverty, crime, national meaninglessness, and lost superpower status. Within this common pejorative framework, and against the international condemnation of the annexation, Putin can be perceived as a national populist. His approach has broken, in a manner of speaking, 'the bad spell of the international (Western) norms which are not our sovereign norms' (Putin 2014a). In a similar vein, Putin's machismo (Sperling 2015) over the course of his rule has seemingly spoken to many Russians, presenting a populist image as the leader who does not care for the greyness of previous Russian rulers.

Seen in these terms, however, the term 'populism' hardly provides any analytical rigor if it is simply reduced to personal charisma, ideational flexibility, or an overall ability to please people, and particularly in Russia where ideological positions have not become fixed on the political map. Following the definition of populism as a discursive frame in which 'corrupt elites' have unjustly usurped the sovereign authority of the 'noble People' and therefore the righteous political mobilization of the latter is the solution in order to regain power (Aslanidis 2016), we can assert that Putin's authoritarian governance has not been based on populism. Putin hardly meets one criterion of 'thin' populism, that is, a more or less apparent reference to 'people' in the politician's vocabulary (Jagers, Walgrave 2007: 322-324). Putin also lacks the label of 'thick populist', in which the people are framed as morally superior, represented by the politician and contrasted against the immoral elite (ibid.). In both terms, Putin appears to be a non-populist in comparison to numerous political leaders

around the world, for instance, the authoritarian President of Belarus, Alexander Lukashenko (Hawkins 2009).

At first sight, it seems that the obvious elitist nature of the current Russian regime cannot create a sustainable populist position due to the extensive institutional power of the president (Gel'man 2015). The Kremlin has been reluctant to activate 'people' politically for the cause of national greatness, in particular after the annexation of the Crimea, regardless of its populist-like antagonism between the sovereign people of 'the great nation' and the immoral West. Indeed, numerous patriotic and nationalistic actors were authorized by the Kremlin during the short wave of political mobilization in 2014), which fits, according to Alexander Baunov, with Russia's long tradition of being a statist regime, but this brief mobilization was curtailed. In contrast to dynamic regimes in which authorities stimulate popular mobilization for the political support, statist regimes are 'hermetic'; 'the ruling bureaucracy is isolated from the loyal public and prefers to receive passive support in the form of submission and public order' (Baunov 2016).

While established parties and political institutions in Europe and US have been increasingly challenged by populist parties and politicians (Heinö 2016), Russia's weak parties and institutions create a major difference from the West in this respect. Yet, populism has lived and lives in other political contexts as well. In his essay on democracy and populism in Latin America, Kenneth Roberts argues that 'populism emerges in contexts where substantial sectors of the lower classes are available for political mobilization but are not effectively represented by established parties and do not possess institutionalized forms of political self-expression' (Roberts 2007, 2). In terms of weak or non-existent political parties, Russia certainly fits with this account of populism. However, in terms of political insiders and outsiders, Russia's authoritarian legacy has curtailed the electoral space for larger avenues for political outsiders, as we see in the post-Soviet period. While political outsidership is not a prerequisite of populism, it has been a recurrent feature in Latin American populism for decades (Mudde, Kaltwasser 2012).

Hence, Russia's legacy of political mobilization is overly thin, conditioned and strengthened by Russia's tradition of statist de-mobilization and 'hermetic' governance. One could suggest that while the weakness of democratic institutions in Latin America has been a continuous stimulus for populist popular representation, in Russia the very tradition of democracy appears to be too weak for broader popular mobilization. Weak parties and the lack of institutionalized forms of political self-expression in Russia, while similar to Latin America, has strengthened the absence of masses in Russia's politics, instead of facilitating popular political initiatives. Still, Russia's post-Soviet development has created highly productive soil for the emergence of a popular rupture. The regime has little chance to deny its responsibility for various demands if the people do not share the priority of societal stability against poor institutions anymore. Protests in 2011/12 were a momentum when the growing institutional incapability could no longer fulfil demands of the people under the motto 'stability under the secure leader'. Demand for fair elections as the main trigger created an effective chain of demands, such as political freedoms, residential costs, traffic reforms, checks on the elite's privileges, and failed immigration policies.

The political style and success of Alexei Navalny, the new front-man of the opposition since 2011, pinpoints that populism in Russia has intrinsically appeared as a *corrective* populism (following the 2016 categorization of Heinö, non-authoritarian populism with its principal focus on anti-corruption by revealing the corruption of the elite). What is essential for Navalny's populist challenge is the way he has restructured the Kremlin's official discourse into a classical populist frontier between the elite and the underdog, without abandoning the central signifiers of the official discourse: the rule of law, patriotism (or national dignity), and the law-abiding people (Lassila 2016). Moreover, he has not

invented any new signifiers. While Russia's liberal opposition has been apt to abandon the regime's political signifiers as a whole, Navalny has been emphatically more straightforward and simple. By highlighting the barrier between the rule of law and the people who seek national dignity – not forgetting to emphasize the growing demand for ethno-civic nationalism in Russian society – against the bad elite and ubiquitous corruption, Navalny has managed to conflate particular cleavages among the population into a simple moralistic assertion between the people and the elite. It is premature to discuss the potential outcomes of this populist ground for party politics in Russia since the real political competition between parties has not seen the light of day. In general, Navalny's radical democratic views the people's obvious will to resolve matters of their own well-being as a demand, as long as this right is violated. These are important and necessary demands. Russia's ideational paradox is that consistent ideological alternatives are missing, and they lack mobilization potential in terms of large-scale political inclusion. Consequently, populism as a logical alternative to the existing situation has not much to offer, if power achieved after a successful populist rupture, since populism hardly includes any consistent ideological alternative.

In line with this ideological absence and populism's order within it, it is perhaps unsurprising that the Kremlin's major political formation under Russia's growing authoritarian features has been the so-called Russian People's Front (*Obshherossiiskii narodnyi front*, ONF). Instead of providing any authoritarian populist ideas concerning the regime's supposed lack of political alternative, ONF has profiled itself as Putin's watchdog, whose own activities have become surprisingly close to Navalny's; i.e., the revelation of corruption of authorities, particularly in the regions. For instance, ONF's 'special report', published in April 2014, criticized state corporations' executives for taking holidays abroad (Lassila, 2017). Unsurprisingly, the backbone of the critique was Putin's appeal to holiday in the homeland – including the Crimea – instead of abroad. The most obvious reason for the report can be found in Navalny's numerous staggering revelations about political elite's and their relatives' luxurious lifestyles, both home and abroad. In this respect, while producing relatively cosmetic revelations with regard to the overall costs of the corruption, the front actually attacks its own foundations. Since denying the existence of corruption is out of question for anyone hoping to maintain credibility and legitimacy, the only way is to figure as a quick response to any civic and oppositional critique. This tactics has become particularly visible in ONF's engagement in the firing of regional governors. For instance, in Volgograd Sergey Bozhenov from United Russia was replaced by Andrei Bocharov, a key representative of ONF. ONF's has shown interest in the corruption among officials in the Sakhalin oblast. Furthermore, accusations of corruption, initiated by ONF, led to the arrest of the regional governor in Sakhalin, and prompted resignations of governors in Chelyabinsk, Bryansk, and Novosibirsk oblasts (Lassila 2017).

It is worth asking what can be done if ONF's substitutes appear to be as ineffective as the resigned United Russia governors? The gradual development of ONF from the attempt to be an interactive channel of citizens' interests to an explicit reliance on Putin's personality illustrates the general political trajectory of Russia's authoritarian modernization. As distinct from China, where the strong politico-ideological position of the Communist party allows extensive use of various semi-official organizations, GONGOs for instance, in politically-sensitive ecological issues without explicit symbolic reliance on the party (Xie, van der Heijden 2010), Russia's development in political legitimation seems to have taken a different direction. Since 2012, there has been a growing trend away from attempts to use supposedly independent organizations – for instance, the pro-governmental youth movement Nashi before the 2011/12 protests (Lassila 2014) – to the *explicit* use of Putin's personality in delegating presidential power.

Concerning the horizon for Russia's modernization, ONF can be seen as an ad hoc formation in sustaining the regime's initiative of political modernization across the country. Weak institutions and

ideas, conditioned by the weak legacy of popular mobilization, has eventually been compensated by the kind of virtual populism. The regime *does* acknowledge the civic pressure from below, and aims to instrumentalize it for its status-quo in populist terms. With this tactic, the regime shows its difficulty to provide clear authoritarian ideas for popular concerns, as well as reluctance to mobilize people in real political terms. At the same time, although authoritarian ideas *not* used for mobilizing masses, they dominate in the corridors of power and define the landscape of policy-making in Russia.

3.5 Globalized administrative change in Russia

Anna-Liisa Heusala

The influence of globalization, global economic institutions, and need for savings through public sector efficiency has had considerable effect on the way the structure, scope, autonomy, and accountability of bureaucracy has developed in various parts of the world – including the Russian Federation. Globalization forces societies to balance their domestic policy goals and the demands of international economic and political regimes in a new way suitable for the changing environment (Heusala, Aitamurto 2017).

Since the 1970s, attention in the public sector has been directed towards the changes in culture, core activities (mission), structure, and process (Worthley, Tsao 1999). New Public Management (NPM) has diluted the sharp division between public and private sectors, and has also shifted attention from the *control* of processes to the *evaluation* of service results (Aucoin 1990). The nature of bureaucratic responsibility has changed accordingly. NPM (often referred to as neoliberal style of government), is built in two dimensions, public choice theory and managerialism, which relate to deregulation, decentralization, delegation of power on the one hand, and centralization, coordination, and control of performance, on the other. These approaches were influenced by agency theory, which attempts to find out what type of control (behavioural or result-based) is suited for a situation where the principal (politician) has limited information and control over the agency (administration) (Eisenhardt 1989). The literature on NPM postulates that centralization may enhance the possibility of these changes, since coordination and control of political goals should happen from one centre that has a clear vision of government future. Thus, many aspects of NPM type of policy reforms, are better managed with a strong central agency making strategic decisions (Aucoin 1990), which justifies centralization and authoritarian political stability.

In Russia, this rationale has been partially used to facilitate the building of a “power vertical” and centralized state administration. Since the early 2000s, the central agency has been built around the president, his administration, and the Security Council, which has played an important role in the prioritization of Russia’s administrative goals. Attempts by the Russian leadership to contain institutional risks in the policy process have been translated into efforts to reduce goal ambiguity, increase control through further control and centralization, and the pursuit of policies in various arenas on a merely technocratic manner. The tradition of formalistic-legalistic and hierarchical practices and a lack of institutional trust (Heusala 2013), among other things, still influence the development of administrative culture. Russian legal developments, which underline sovereignty, reinforce the current centralization and power vertical (Antonov 2012). The Russian government has adopted a mixture of international- and nationally-emulated reform policies and more traditional statist thinking, which have reinforced the idea that a strong state is needed to provide basic services for the citizenry.

Centralization has been connected with administrative and economic reforms, such as the tax policies,

which aimed to facilitate federal tax collection and favoured the central government in the redistribution of federal tax revenues. An attempt to create significantly stronger central power came about in Putin's federal reforms of the 2000s. The ongoing budgetary reform has been one of the key areas of Russia's NPM-influenced policy changes. According to Zhavoronkova (2014), the reform was continued in 2004-2006 with new programme and function-oriented classification of budget funds, result-based orientation, delegation of decision-making powers, and increased transparency. This time, however, difficulties were found in the shift away from estimate-based budgeting to programmatic budgets, which postponed the realization of the reform. The ongoing budgetary reform attempts to alleviate at least some of these problems by integrating international accounting standards into the Russian budgetary system.

Social policy-making and implementation has been a key area in the adaptation of NPM-related techniques. NPM-influenced state-client relationships were formalized in a 2004 federal law on the reorganization of responsibilities between the levels of authorities, which introduced the monetization of social benefits (Wengle, Rasell 2008). A balance between centralization and decentralization was sought by delegating federal social obligations to the regional/municipal level, with central control over these processes being granted through new rules and strategic priorities. Regional administrators have had to allocate new resources and adapt to new models of social services, regional regulations, and standards. These changes were met with considerable public resistance.

Zhavoronkova (2014) has pointed out that among key positive results in Russia's recentralization have been the change to subsidies, which has increased decision-making autonomy at the organization level. Commercialization of activities has been viewed with mixed feelings, however. Use of economic-financial indicators is selective, thus making it difficult to assess them in a unified manner. Kalgin's study (2014) has shown that performance management (the focus of the government's public sector modernization since 2004) may be affected by data manipulation by regional officials who have the discretion to decide what to underline in reporting. Regions differed in their speed of development and in their forms and priorities of reforms, and monetization was only implemented thoroughly in a few rich regions of Russia (such as Tyumen and Tatarstan), while more than half of the regions only saw minor changes, and still others saw moderate changes (Kulmala et al., 2014).

The global reach of NPM-influenced thinking has been impressive, although its results have been much debated (Diefenbach 2009), and contested on the basis that emulation to the local context is often more important and political factors dominate these processes (Cejudo 2008). Studies on public administration in post-socialist contexts (Bouckart, Pollitt 2011; Drechsler 2005; Liebert et al., 2013; Cook 2007b) have shown that NPM type ideas have collided with old administrative environments. Westney (1987) points to the so-called "selective emulation" on political and cultural grounds, which affects the way that models everywhere are put into effect in new circumstances. Russian policy documents feature inconsistent policy objectives and incoherent or mutually-exclusive policy instruments, while the high level of state autonomy in the Russian policy process has indeed allowed the implementation of initially no-go projects. At the same time, NPM-influenced thinking may also hinder critical assessment of implemented policy measures.

Some of the most vulnerable citizens have no channels of interest representation in the current political system. An example of this is exclusion from the policy making process of the field of migration policy. Heusala and Aitamurto (2017) argue that the current exclusion of the objects of policy – the migrant workers – and the insufficient power and cooperation between trade unions and employee organizations on key policy questions slow down the strengthening of public interest or 'common good' (Vincent-Jones 2002, 33), which could increase responsiveness to law and regulations. As both an unintended consequence of the financial crises, and a consequence of the

integration process of the Eurasian Economic Union, there has been some activation of labour market institutions in recent years. As a result, attention has been directed to such questions as workers' qualifications, the quality of work and work safety, harmonized standards, and the integrity of employees as keys to the development of the Russian labour market and industry (Heusala 2017). Better policies, which routinely take into full account the professional and social concerns of Russian employers and trade union representatives, could considerably advance the modernization of Russian labour market conditions. Interest representation in the Russian labour market is affected by current policies: the Russian authorities have shown suspicious attitudes towards various kinds of bottom-up initiatives that NGOs are creating with the migrants. The current state policy underlines a 'securitised' control of civil society, and prefers the NGOs to work as part of official state programmes (Heusala, Aitamurto 2017).

The 'unintentionality' of the 'unintended consequences' of the policy decisions or inaction of the Russian government can also be questioned. In political rhetoric, illegal and irregular migration connected with large-scale shadow economy appears as a major social problem demanding a solution. However, the pace of policy changes and implementation has been slow and incomprehensive, which raises the question as to whether this has been due to unintended constraints, or to more intended political choices in which Russian decision-makers have vested interests. For years, developments on this issue in Russia have been characterized by new conflicts and unintended obstacles to the observance of legality in the implementation of migration rules. Institutional corruption has even intensified in some cases, via legal changes intended to facilitate better control (Heusala, Aitamurto 2017).

A critical view on the Russian reforms points out that rent-seeking is a key component of public administration: "it is not just a side effect of corruption and inefficiency, but rather the major goal and substantive purpose of governing the state, and formal institutions of the state are arranged to serve the private goals of insiders of the bureaucratic hierarchy" (Gel'man 2016a, 461). Yet Russian practices also reflect global trends. Johnston has earlier pointed out that, in addition to the seeing corruption [in any country] in terms of specific transgressions and individuals, we should pay more attention to its significant societal impact, which leads to a loss of government's ability to command loyalty and pursue a vision of the common good (Johnston, 2012, 332). Public discussion of corruption can continue to emphasize negative labels attached to individual actors (Sajó 2003, 177–8, 180), instead of paying more comprehensive attention to the political, legal, and economic structures that sustain the practice (Heusala, Aitamurto 2017). Thus, structural corruption essentially betrays public trust in the political system itself (Sajó 2003, 176) leading to a recycling of old administrative practices and ways of thinking.

3.6 Strategic policy plans of the Russian state: the "hollow paradigm" perspective

Marina Khmel'nitskaya

The non-democratic nature of Russia's political system, and the unaccountable and corrupt public administration with diverse departmental interests, and the unresponsiveness to the command of the central executive, all structure the process in which the Russian state produces its policy plans of socio-economic modernization and carries out policy-making. This section refers to the development of such strategic documents as Concept 2008, Strategy 2020, Strategy 2030, etc., which have all emerged since the early 2000s.

Russia's policy-making during the 2000s was marked by the proliferation of a great variety of strategic policy documents: "a plethora of new or updated concepts, strategies and doctrines"

(Monaghan 2013, 1222; Connolly 2013, Cooper 2012). These policy plans initially reflected social learning from the experience of the turbulent period marked by the unintended consequences of reforms in the 1990s, but soon went beyond these reflections. Monaghan (2013) argues that the power vertical created by Putin represents the central mechanism for the strategy implementation. In other words, the power vertical represents the essence of the strategy of the Russian regime, but failing in this task, it proves resistant to attempts at its “defibrillation”. This literature, however, omits an important aspect of the drawing up of strategic plans, namely the “politics of expertise” involved in this process. We demonstrate here an important rationale for, and features of, this process, as encapsulated in the concept of the “hollow paradigm”. In adopting this approach, we follow public policy and governance scholarship, and focus on two specific stages of the policy process: goal setting and policy formulation (Peters 2014, 302), with the emphasis on politician-expert relations.

Policy-making in Russia serves the interests of the state and of the ruling elite. A wide range of policies emanates from the team surrounding the Russian president and reflects policy ideas supported by this narrow group such as statist economic policies (Aslund 2013). In addition, policy also seeks to maintain the balance by distributing rents between different parts of the ruling coalition (Dawisha 2014; Hanson 2011). The literature also highlights that public support is a vital component of the survival of electoral authoritarian regimes (Hale 2015). An important dimension of public support in Russia relates to the government’s successes in policy, or *performance legitimacy*. Particularly important have been accomplishments in social policies (Kulmala et al., 2014). A number of studies argue that the policy elaboration in different areas has involved lengthy bureaucratic policy-making with different bureaucratic and non-bureaucratic participants in the process having a share of involvement (Gustafson 2012; Fortescue 2016). Khmel'nitskaya (2015) and Wengle (2015) also demonstrate that policies in different spheres have resulted from a complex interplay of actors’ interests and expert policy *ideas* set in a context of evolving institutions. The way ideas circulate is determined by the nature of the country’s institutional non-democratic settings, with weak formal institutions but strong informal interpersonal ties – these features determine the structure of the expert “policy sub-system” (Khmel'nitskaya 2015). Sub-systems in diverse policy domains feature closed cores and fuzzy peripheries of policy experts. The ideas of policy experts and state policy officials that comprise the core of the network guide policy and create ideational monopolies. Yet they block out other experts and ideas from policy-making, and this affects the quality of resulting policies.

Another important dimension of formulating policy in Russia can be described using the concept of a “hollow paradigm” (Khmel'nitskaya 2015). Such a paradigm, defined as a general policy idea devoid of the essential instruments and settings of policy (Hall 1993), emerged in the late-Soviet period under the conditions of the power struggle and uncertainty that led to increasing demands placed on the bureaucratic procedure of policy elaboration. We can examine the strategic plans for socio-economic development, especially in the 2000s and 2010s, through this analytical lens. The hollow paradigm associated with the elaboration of such documents should not be reduced to the “theater of Russian politics”, as described by Taylor (2014). Rather, it holds important substantive and procedural functions in policy and politics of the Russian regime.

A variety of strategic documents was developed during the period under consideration by different groups of experts in collaboration with various government departments and agencies. They include *Concept 2008* (Connolly 2013, Cooper 2012), *Strategy 2020*, a new version of the latter document, *Strategy 2030* (elaborated since 2015), and the new concept that was proposed as Vladimir Putin’s election programme in 2018. Writing these documents has involved collaboration between experts holding diverse and often opposing policy ideas – for instance, liberals and statist – working on the same strategic texts (Khmel'nitskaya 2018). The all-inclusive nature of policy documents, both in terms of actors involved, as well as the ideas put on paper, display the qualities of the hollow

paradigm. The need for internal coherence between the goals of policy and consistency means, is hard to sustain at the time when policy experts of opposing ideational strands participate in writing the same strategic text. The phenomenon of a hollow paradigm observed in the Russian practice represents a product of the institutional environment – with the strong state administrative tradition and the lack of partisan supervision over policy, which could push for greater coherence of policy plans (Rowney, Huskey 2009). Furthermore, it is a response to the external pressure and contested authority of the Russian regime: this pressure is put on policy-making both in terms of outcomes as well as of the process. For these reasons, the hollow paradigm emerges as a valuable device particularly from the viewpoint of the capacity of the Russian state. It is important to distinguish between its procedural and substantive functions.

Starting with its procedural function, the hollow paradigm can be considered as a *process*, rather than a strategic plan that aims to attract a large number of scientific experts into the strategy writing exercise, and thus create the “embeddedness” of this undertaking and policy-making more broadly. The policy process in Russia provides means for the binding of the expert community in an inclusive “policy sub-system” that is involved in policy elaboration. It has been argued that this is a process similar to the “enlisting” of the owners of large industrial conglomerates in the process of reforming the electricity sector (Wengle 2015). Similar trends were observed within Russian housing professional community, and the official government structures (Khmelnitskaya 2017). In this way, the participatory process of creating anything as a joint endeavor – the hollow paradigm approach – puts the emphasis on the process rather than the outcome of policy, thereby binding the community of experts, or other professional communities, to the state. This facilitates cooperation on other matters and attempts to create the sought-after infrastructural capacity of the state (Mann 1984) and its “embeddedness” in society (Evans 1995). In addition to the procedural function of the hollow paradigm, there is another, *substantive* aspect to it. This dimension is defined by the administrative and bureaucratic style of Russian policy-making. The hollow paradigm represents a communication device – an information tool of government – in the context of lengthy, non-transparent, and bureaucratic policy-making process, but in the *absence* of political parties capable of supplying policy coordination. As Russia’s top politicians and the opaque system of state administration come together to produce policies, the need to accommodate the competing departmental and economic interests should be balanced against the pressure for sustaining performance legitimacy in the eyes of the public. The hollow paradigm – this time as a *policy document/text* – represents a valuable device for communicating policy.

There is one more side to the hollow paradigm as a substantive informational tool. While containing expert policy options, the strategic policy documents also express the nation’s “discourse of the day” (Hall 2015). Moreover, being written by non-state experts, they can be useful for testing what may be palatable to the public before being endorsed by the government. While the Russian leadership takes opinion polls seriously, such surveys cannot fully express subtle changes of people’s views about the role of government or perceptions of social justice occurring over time. At the end of the day, mass protests should be avoided at all costs. The hollow paradigm emerges as a useful informational tool, aggregating acceptable policy options from different societal constituencies via scientific policy experts. Thus it expresses and transcribes the “national discourse of the day” in policy terms.

Yet, despite being a good match with the institutional context and its functionality in terms of procedure and substance, the hollow paradigm’s impact on the policy *process* is a less than happy one. As an outcome of a goal-setting stage of policy, it appears vague and all-inclusive. Policy documents feature inconsistent policy objectives and incoherent/or mutually-exclusive policy instruments. Having such strategic policy plan does not add clarity to the confused and drawn-out

subsequent stages of policy-making by the bureaucratic and non-bureaucratic agencies. Fortescue (2016) aptly describes the process, which represents an excellent illustration of the impact of the hollow paradigm in policy-making as follows:

...the problem is...an over-commitment to strategic planning to deal with a problem - or problems - that are resistant to such an approach, particularly when combined with a policymaking process, which is unable to cope. A strategic policy commitment is made before *the details are worked out*, with the commitment then taking on a life of its own *regardless of the details*; plans become overly complicated and ever more divorced from reality; and eventually any pretense of strategic coherence is lost (ibid: 440, italics added).

Yet the question is how did these ideas turn into policies in present-day Russia?

3.7 Policy implementation: dilemmas of unpopular reforms

Andrey Starodubtsev

The post-Communist modernization in Russia presents a sequence of reforms that has led to a decline of the population's well-being over the short-term, and radical changes in everyday life. As a result, faced with or expecting the unpleasant effects of such policy dynamics, many Russians became staunch allies of ideological opponents of reforms, as well as interest groups that protect their benefits from earlier policies (Hellman 1998). "Unpopular" reforms meet political constraints that are able to block such initiatives and even completely ruin them. How do reformers successfully implement policy programmes for them under such unfavourable circumstances?

The economic liberalization in the early 1990s faced resistance from the conservative majority in the parliament and a radical decrease of the ruler's popularity. It culminated in the 1993 constitutional crisis and Boris Yeltsin's authoritarian response in the form of forced dissolution of the parliament, rapid adoption of the new president-friendly constitution, and the election of more obedient and less powerful parliament. These conditions allowed the government to implement the market reforms relatively quickly. By the middle of the 1990s, the need to launch a new wave of reforms became obvious. The emerging market mechanisms faced the old Soviet practices in public administration, fiscal matters, and especially the social welfare system. Labour relations, pensions, social security, education, and health care were based upon universalistic model of welfare, although the government did not have enough funds to cover such obligations. The taxation system suffered from numerous tax exemptions and schemes of tax evasion, while the government's performance was very poor. New ideas of reform aimed to change state-society relations to reconcile them with the market economy. They included reforms of the welfare system (Kulmala et al., 2014), and unsurprisingly, Russians met these changes with hostility.

The policy window (Kingdon 2003) opened in the beginning of the 2000s, when the newly-elected president, Vladimir Putin consolidated both masses and elites around his team and the parliament became relatively loyal to his reforms. However, politics as usual still affected policymaking; electoral pressure on politicians, conflicts between proponents of different policy choices, and the active participation of experts and representatives of target and interest groups in policy-making still remain important features of policy process, and reformers have to deal with resistance to their proposals. Theda Skocpol analyzes this phenomenon through the lenses of "state autonomy" (Skocpol 1985), the governmental bureaucracy's ability to formulate and pursue policy goals even if they contradict some demands of interest groups and society-at-large. However, Skocpol underlines that the degree of state autonomy in a given state is not as a fixed parameter. The potential of politicians

and bureaucrats to mobilize their resources depends on the policy area and parameters of political process and institutional environment in a given moment (ibid., 14). In every policy subsystem, the degree of state autonomy is issue-specific, and reformers themselves develop it through institution building and reflexive monitoring.

The major recipe to increase the degree of autonomy during policy reforms is to provide their insulation, that is, to build political and economic institutions that allow reformers to implement the desired policy changes without considering political and institutional constraints. One of the well-known organizational devices for providing insulation is creating “pockets of efficiency”, special governmental agencies or state-controlled companies, which operate within deliberately designed political, legal, and economic environments different from most of the state agencies in a country (Geddes 1994). A similar strategy was adopted in Russia in the case of fiscal reform. It had had influential opponents – the Communist Party in the parliament, oil companies and their lobbyists, and representatives of the governmental agencies discontented by redistribution of financial flows. Despite this, tax reform was successfully implemented due to full-scale support from Vladimir Putin who trusted and endorsed respective ministers of finance and economic development, and protected them over time (Gel'man, Starodubtsev 2016).

However, the scope of this pattern of implementation of policy reforms is narrow. The strategy of insulation can only be applied by political leaders who prioritize certain policies as their developmental goals. Not all policies can attract the special attention of leaders to such a degree. For example, the administrative reform aimed at the de-bureaucratization of the Russian economy and increasing the performance of public administration faced resistance from governmental agencies, while the attention of the president was insufficient. Alternatively, the insulation of reformers from interest groups may cause social discontent. For instance, the reform of social benefits in 2004/05 failed at the stage of its implementation due to the improper design of the proposal and inefficient coordination of federal and regional government agencies and resulted in mass protests in several regions (Wengle, Rasell 2008). This failure undermined the president's incentives to support reforms at the cost of his popularity. This is why policy reformers often have to find other ways to push their proposals and overcome resistance to proposed changes.

As Russian experience has demonstrated, the first reformers' choice is co-optation of the most vocal opponents to elaborate on a common policy proposal. The goals and perspectives of such cooperation depend on the opponents' resources. Often, the reformers ignore proposals designed by their opponents. These proposals can be formally approved but then put onto the shelf and hence lose their importance over time. An example is the discussion of education reforms in 2000. To appease critics of reforms in Russian education, the government proposed that its opponents create the National Education Doctrine. It was even supported by Putin, but later emasculated in a series of negotiations carried out within the government (Starodubtsev 2017). Brian Taylor describes a similar scenario in the case of police reform; it was accompanied by both broad public and expert discussions, but then stakeholders of the law enforcement agencies could vitiate the alternative proposals and pursue their own interests (Taylor 2014).

Dealing with major opponents, the government prefers to buy their loyalty. Such a scenario was implemented in 2001 to eliminate opposition faced from the representatives of trade unions in the parliament during the adoption of the Labour Code (Grigoriev 2017). In that case, the reformers' project included minor revisions to demonstrate attention paid to opponents' ideas, but the core of reformers' proposal has been protected. Finally, facing most powerful critics, the reformers do have to make concession to opponents. The pension reform that aimed to develop the system of private pension institutions was implemented only after formation of the National Council of Pension

Reform, which included reformers, conservative bureaucrats, and representatives of the State Duma. However, the compromise was imperfect, “more radical ideas had to be included in more moderate reform package, not vice versa. This combination helped to overcome bureaucratic resistance, but also made a reform package less comprehensive and more midway in its nature” (Dekalchuk 2017, 176).

Another way to avoid fierce public discussions and the possible failure of reforms in the parliament is by using such bureaucratic tricks as social experimentation, which allows institutionalizing new policy practices without the legislative approval of policy changes. Such a strategy was used to introduce the Unified State Exam (2001–2008) and to launch the process of restructuring the school network in rural areas (2002–2004). The Ministry of Education declared the launch of experiments aimed at testing procedures and the effects of policy measures that had provoked resistance from parents, teachers, university rectors, and the opposition in the parliament. Instead of the real experiment (Berk at al., 1985), the ministry spread new measures across the country. The law on the introduction of the Unified State Exam was proposed to the parliament only in 2006, when the pro-governmental United Russia party had a firm majority and when the price of a rollback would be so high that the opponents would have had to approve them.

The most disputable and the least important policy measures for governmental officials could be sacrificed to the major interest groups in order to pursue the rest of the reforms. In the package of the education reforms, the introduction of the so-called “education vouchers” (which certified the government’s obligation to cover the costs of the university education for school graduates) failed due to the lack of influential supporters of these changes, even among the reformers themselves. However, the most important measures, such as introduction of the Unified State Exam, were approved (Starodubtsev 2017).

To sum up, there is no single recipe for the implementation of unpopular policies. The experience of the Russian reforms of the 2000s has demonstrated that the reform-oriented bureaucracy is able to increase its political autonomy even without direct support of political leaders. At the same time, the success of these reforms depends on the relative balance of resources and power in a policy subsystem. In essence, the advancement of reforms depends on the reformers’ bureaucratic skills and political influence at every stage of the policy cycle.

How does the high level of state autonomy influence the outcomes of policy reforms? On the one hand, it allows the implementation of initially no-go projects. On the other, it hinders the critical assessment of the implemented policy measures; often, alternative policy proposals are not taken into account by the government, while the most of social groups fall prey to creeping Russian authoritarianism – they lose their own policy influence, and have no channels of interest representation in the political system. As a result, the policy process almost lacked evaluation; it happens only if a policy suffers from the deepest problems that can fail the reforms. Finally, such patterns of implementation do not ensure the legitimacy of policies. This is why policy changes could be reversed if reformers lost their political influence, especially given the imperfect institutional design of public administration in Russia amid trajectories of ongoing administrative changes.

3.8 Ideas, institutions, and policies: lessons from the Russian experience

Vladimir Gel'man

As to institutional settings, one should take into account the variety of authoritarianisms, as the type of regime affects its ability to conduct successful long-term developmental policies. Electoral authoritarian regimes, which hold meaningful but still unfair elections, combine the worst features of

both democracies and autocracies with regard to modernization policies. They suffer from the same defects as democracies; political business cycles, and distributional coalitions of rent-seekers do not disappear. Conversely, these regimes also rely heavily on such mechanisms as a politicized, state-controlled economy, and the patronage and buying of loyalty of the elites and the masses alike. In addition, they faced with the risk of leadership change as their central challenge (Hale 2015). This is why modernization (even in a “narrow” format) is a risky project for electoral authoritarian regimes and their leaders, who tend to avoid long-term developmental goals (Gel'man, Starodubtsev 2016). Paradoxically, the interests of major actors may serve both as drivers and as obstacles of an authoritarian modernization project.

Ideational considerations and perceptions of leaders, who pursue modernization projects, greatly influence policy agendas in terms of priorities and choices. They may opt for different models and different strategies, but their intentions of policy reforms do not always lead to success. Determining policy directions is not only a technocratic matter of expertise, but also a political matter of the balance of interests and incentives among the powerful members of “winning coalitions” around rulers. The hidden but stiff competition among various segments of elites often explains why policy reforms are sacrificed in order to prevent possible elite breakdown (Bueno de Mesquita et al., 2003; Svoblik 2012).

To what extent might the recipe of authoritarian modernization be suitable for Russia? Is it relevant only in specific circumstances (such as in East Asia in the second half of the twentieth century), or could it be proposed as a more or less universal solution? Will this project reduce or increase the risk of falling into the “modernization trap” (Ledeneva 2013) as an outcome of flawed modernization for those countries that failed to establish efficient states and the rule of law in the long-term perspective? Answering these questions through reconsideration of post-Soviet authoritarian modernization in Russia may add some new arguments to this discussion.

Russia's experience of modernization is controversial. Russia was and still is in the second tier of countries in terms of socio-economic and human development (but well above the global average), and several attempts at modernization in the past and present (ranging from Peter the Great and Alexander II to Khrushchev and Gorbachev) were essentially intended to catch up with advanced states and societies. The poor quality of the Russian state, and especially of its bureaucracy, has remained the weakest link in Russian modernization (Pipes 1974), and aggravated by the negative effects of Communist legacies (Beissinger, Kotkin 2014), so the initial conditions of post-Soviet modernization were not at all promising. The semi-peripheral position of Russia in the global economy, alongside spatial misallocation of its human and material resources and the exceptionally large role of the natural resource sectors in its development, contributed to major “bear traps” for post-Soviet modernization (Gaddy, Ickes 2013). The relative economic isolation of Russia from the outside world, further aggravated by the agency-driven juxtaposition of Russia to the West in terms of international politics – limited foreign influences on Russia – were hardly productive for its agenda of growth and development. These legacies and their uses by elites would put major constraints on any modernization project, but especially on an authoritarian one.

As to the regime dimension, attempts to democratize Russia after the collapse of Communism in 1991 have failed. The post-Soviet authoritarian modernization project became a side effect of the unfulfilled promises of democratization and the economic reforms under Gorbachev. The effects of the market changes in the 1990s contributed to the steep rise of the Russian economy in the 2000s, but against the background of increasing authoritarian tendencies. Yet the nature of electoral authoritarianism with its “regime cycles” (Hale 2015) and increasingly rent-seeking nature of governance given the weakness of institutional barriers (Gel'man 2016a) has caused severe problems

for policy-making, and placed barriers in the way of rapid growth and development. The vested interests of major actors contributed to the formation of both formal and informal rules and greatly contributed to institutional bureaucratic pluralism within hierarchies of the state apparatus (“power vertical”). Bargaining between agencies (Remington 2011; Gel’man 2016a) is hardly compatible with the goals of authoritarian modernization, and it puts the modernization agenda into question.

Ideas and perceptions also affected the authoritarian modernization project in Russia. While Soviet modernization has been driven by the ideas of Communism and by the ambition of building a new international role model for other societies, the post-Soviet ideational agenda was very different. Ideas played a relatively negligible role vis-à-vis the material interests of elites, and of society at large (Hanson 2010). For the political leaders who came to power in Russia after the Soviet collapse, the negligible role of ideas contributed to the narrowly defined technocratic approach to modernization, built around the “hollow paradigm” of best practices and policies. In a way, ideas of modernization in post-Soviet Russia were substituted by elite-driven perceptions of a good Soviet Union – an update of the political, economic, and international system of the past. This would demonstrate good performance and avoid the risks associated with major changes. It served as the model that determined their ideational frame of reference (Gel’man 2017). Yet retrospectively-oriented worldviews are hardly conducive to any sort of modernization project, authoritarian or otherwise. The perception of existential threats to the political status quo also impeded modernization plans because of shortening time horizons for elites, and the reliance of information manipulations for maintaining an authoritarian regime (Gurieva, Treisman 2015) contributed to misperceptions among the elites, who often made ill-judged decisions because of the lack of independent sources of information, and from inaccurate feedback (Svolik 2012).

Even so, the “myth of authoritarian growth” (Rodrik 2010) remained part of the mainstream of Russia’s approach to socio-economic development and policy-making after the Soviet collapse. No democratic alternatives of conducting modernization with regard to the agenda of socio-economic development were seriously discussed, and these considerations have affected policies implemented since the 1990s. This approach found a certain level of success thanks to a positive combination of both structure-induced and agency-driven factors during the wave of major policy reforms launched in the early 2000s. These reforms were to a great degree based on social learning and reflexive monitoring from the complicated experience of the previous decade. The overcoming of the protracted transformation recession, the restoration of the capacity of the Russian state, major recentralization of governance, as well as prudent technocratic solutions in certain areas such as tax and fiscal reforms, resulted in Russia’s socio-economic development advancing in numerous fields, accompanied by rapid economic growth (Appel 2011; Alexeev, Weber 2013). Yet one cannot step twice into the same river; the widely proclaimed proposal on “modernization” made during Dmitry Medvedev’s presidency was just a brief campaign with an emphasis on technological advancements. This campaign faced major challenges, and during the turbulent political changes of the 2010s (Gel’man 2015) almost faded away. However, the economic boom of the 2000s is still perceived as a kind of modernization model in Russia, even though it was a distinctly context-bounded phenomenon.

Yet another feature of authoritarian modernization is its elite-driven nature; society-at-large and its agencies (such as civil society) played at best a secondary role in this process, if not completely alienated from state-directed developments. While the “insulation” of the government and its policies from public opinion and societal accountability is often regarded as a political strategy of authoritarian modernization (Geddes 1994; Gel’man, Starodubtsev 2016), it also may result in the dubious legitimacy of the modernization project and its policies in certain areas. On the one hand, narrow elite-led coalitions of “winners” of certain policies (Hellman 1998) may block further changes

or revise their priorities of modernization (as it happened in Russia after 2014). On the other, the weakness of the bottom-up societal efforts for modernization contributed to increasing disjuncture between the state and society – it may also contribute to the misconduct of some policies (Wengle, Rasell 2008) and to the widening gap between the expectations of a society and the actions taken by the state.

The attractiveness of authoritarian modernization for post-Soviet Russia also has deeper roots; the major obsession with status-seeking among Russian elites and society-at-large has provided fertile grounds for this approach. Furthermore, international ambitions often contribute to catch-up development among late-modernizing countries (Gerschenkron 1962). In Russia's case, they also coincided with a desire for great revenge against the West after the loss of "great power" status with the Soviet collapse. This is why economic development and related social changes (increases in income, improvement of education, public health and the like) are perceived by Russia's rulers as means rather than goals of modernization. These tendencies contributed not only to increasing international tensions, but also to the major shift on the domestic policy agenda. The authoritarian modernization project was not curtailed as such, but its developmental dimension, which dominated Russian policy agenda in the 2000s (Rutland 2016), lost salience: economic development priorities were supplanted by ambitious geopolitical goals. Yet it is too early to discuss whether the "myth of authoritarian growth" in Russia will be exposed any time soon: the attractiveness of authoritarian modernization is powerful because of the enduring legacies of ideas and institutions, and because of the interests of those actors who benefits from this project.

In essence, the post-Soviet authoritarian modernization project has brought partial and controversial results. They are an imperfect fit for the dream of catching up with the advanced countries through rapid and sustainable economic growth and development, regardless of limited political and civil freedoms. Both Russia's initial conditions in terms of its legacies, and the choices made by post-Soviet actors who set up formal and informal rules, were different from the "success stories" of authoritarian modernization in various ways, and brought about numerous contradictions and tensions, and often resulted in unintended consequences (Kivinen, Cox 2016). While the experience of authoritarian modernization in present-day Russia can hardly become a model, it is worth considering some lessons that might be learnt from the Russian experience.

Constraints to the authoritarian modernization project in post-Soviet Russia were both structure-induced and agency-driven. Structural conditions and *legacies* contributed to the fact that Russia's resources were not sufficiently developed for a quick jump into the global premier league of modernized states and nations, especially in terms of infrastructure and the sectoral disproportions of the economy (Gaddy, Ickes 2013). Yet, the institution-building and setting of ideational agendas in post-Soviet Russia are largely agency-driven phenomena. These development were initiated by Russia's ruling elites (Gel'man 2015), who aimed to diminish constraints for *rent-seeking*, offer *technocratic policy solutions* oriented to preservation of the political status quo on the basis of the hollow paradigm, and propose a "*good Soviet Union*" as a substitute for the major ideas of modernization. The post-Soviet modernization got public support as a lesser evil against the background of major disillusionments following the Soviet collapse. The building of the post-Soviet regime on the ruins of failed democratization contributed to several unintended consequences in terms of both politics and policy. With regard to politics, the emphasis of rulers on information manipulation and propaganda (Guriev, Treisman 2015) played an important role in the rise of public demands and the perceptions of Russia's greatness as a symbolic substitution for the material demands of well-being and welfare among ordinary Russians. At the same time, the regime was faced with the threat of losing control over the masses because of the rise of anti-authoritarian populism, and attempted to imitate a populist style (but not substance) for the sake of risk-aversion. In terms of policy, the pursuit

of rapid economic growth and catch-up development, vigorously advocated especially in the early 2000s, met major limitations due to the effects of both structure and agency.

At the same time, the interests and identities of Russia's agencies were hardly compatible with good governance and the rule of law amid the inherited (and unimproved) inefficiency of the Russian state. Agency-driven political conditions put constraints on policy choices; Russia's government opted for the crooked paths of implementing unpopular reforms in order to avoid public discontent, while policy planning remained a technocratic enterprise with a limited relevance to decision-making and implementation. This combination was not productive for authoritarian modernization in Russia – despite progress in some policy areas (Kulmala et al., 2014) the overall project became “mission impossible”. In these circumstances, social learning in terms of both politics and policy reorient the goals of elites and masses alike to preservation of the status quo, instead of the pursuit of modernization.

The ideas of authoritarian modernization in post-Soviet Russia emerged among the elites and spread among society at large as a reaction to the exhaustion of the Soviet modernization project, and became reinforced as a reaction to the multiple troubles Russia faced after the Soviet collapse. “Authoritarian modernization” was considered as a kind of magic bullet, which would allow Russia to overcome its problems without major changes in politics and society. Thus, “modernization” became merely a technological device in the hands of Russia's rulers, who sought to use it as a tool to legitimize the political status quo, as well as a reason to pursue policy changes for the sake of growth and development. However, ideas of modernization became replaced by the interests of power-holders engaged in rent-seeking, and by the interests of those Russians who had no incentives for major changes, and preferred the status quo of their relatively modest well-being. Thus, “modernization” was often perceived as nothing but a rhetorical campaign of superficial and short-lived discourses soon substituted by buzzwords such as Russia's “greatness”; aggressive anti-Westernism and militarism replaced “modernization”. Whether this shift will put an end to the authoritarian modernization project in Russia is unclear at best.

Institutions (as both formal and informal rules) became yet another weak link in the project. While initially poor, the quality of Russia's institutions worsened over time, and rulers increasingly relied upon various tools of manual control in both political and economic governance. In the economic arena, although the dismal state of major institutions – especially with regard to property rights and the rule of law – has been widely recognized, little effort been made, and the impact of that effort has been dubious at best. The post-Soviet experience of authoritarian modernization has demonstrated that the hope of building a successful combination of efficient authoritarian institutions was illusory: institution-building in Russia was an outcome of the prevalence of the rent-seeking interests of Russia's predatory rulers and their cronies. An institutional core aimed at the maximization of rents became entrenched in the wake of the political, economic, and social changes following the Soviet collapse. Attempts at reforms of these mechanisms of governance through the parallel creation of supposedly more efficient and transparent institutions conducted alongside this enduring institutional core could bring few positive results (Gel'man 2016a).

As for the policies proposed and developed in various policy areas and domains by the Russian government, they faced numerous structural, institutional, and political constraints. Policies were compromised in one way or another to please the bureaucracy and/or certain interest groups. Ambitious plans for modernization often faced shortages of resources and uneasy legacies of past Soviet policies, and room for improvements was limited, especially with the poor quality of governance in Russia. Given the government's efforts to avoid public discussions, policy changes in Russia often resulted in unintended and even undesired effects, especially with regard to certain social

policies (Wengle, Rasell 2008; Khmel'nitskaya 2015). Still, one should not deny the achievements of policy reforms conducted by the Russian government at the outset of the authoritarian modernization project, especially those launched in its “golden age” of the early 2000s (Appel 2011; Alexeev, Weber 2013). That said, only part of these policy changes had been successful. Several reforms stopped at the stage of discussing policy alternatives, and among those successfully implemented reforms, some have become partial and/or short-lived (Gel'man, Starodubtsev 2016). Furthermore, the question of whether these policy advancements were achieved because of the authoritarian modernization or, alternatively, irrespective of it, is still open.

The Russian experience demonstrates that political leaders, even those who are interested in growth and development, cannot repeat the experience of successful reform-minded dictators because of both structural constraints and agency-driven political choices. Russian structural conditions in terms of legacies, resources, and institutions were different from those of successful authoritarian modernizations such as South Korea (Zhuravskaya, Guriev 2010). Post-Soviet agency contributed to the choices towards electoral authoritarianism with its flawed rules (Gel'man 2015). This is why policy ideas (Khmel'nitskaya 2015) and reform strategies (Taylor 2014; Rutland 2016), led to imperfect outcomes and unintended consequences. Authoritarian modernization can result in a set of temporary and partial reforms, or even serve as a smokescreen for the maximization of power and rents by the rulers. This was the case with the post-2000 Russian experience; the initial efforts of the policy reforms were reduced to empty words amid aggravating authoritarian trends. Yet there are no guarantees that possible political regime changes in Russia (when they will occur) will create conditions favourable for major socio-economic changes. Rather, they will provide new challenges. However, there is no reason to believe that policy reforms under the conditions of an electoral authoritarian regime and poor quality of the state can bear much fruit.

In light of recent developments in Russia, one might argue that post-Soviet authoritarian modernization has little chance of continuing. Both antinomies of Russian modernization nowadays demonstrated unfavourable conditions; deepening authoritarianism increasingly based upon informal practices and the prospects for Russia's turn toward democratization and/or toward the establishment of the rule of law sounds very questionable, at least, in the foreseeable future. Analyzing the impact of these antinomies for Russia's modernization, it is worth considering some questions, essential for an understanding of its future developments. Whether the chances for a broad democratic modernization of Russia were missed during the process of Soviet collapse and subsequent changes, or they were unrealistic at all? Could post-Soviet agencies perform more effectively and provide more efficient institutions and policies in the wake of the implementation of an authoritarian modernization project? And to what extent will the inevitable shift in Russia's agencies in the future reputedly revive this project, or will Russia try to preserve status quo at any costs, regardless to transformation of its agencies? These questions will remain on the agenda for further research. Modernization will remain a necessary part of the agenda of Russia's development, even though now there are no signs of a new window of opportunity. One might learn certain lessons from the trial-and-error reforms and counter-reforms in Russia, accumulate knowledge about advances and setbacks, and thereby hopefully not repeat the same errors and/or fall into new “modernization traps”.

ⁱ See, for example, Daniel Treisman 2010.

ⁱⁱ See Lassila and Kangaspuro in this publication.