



CENTRO STUDI
INTERNAZIONALI



PUTIN INFINITY WAR

Coronavirus, recession,
internal tensions and
international challenges
for the last (perhaps) waltz
of the “Zar”

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“Putin has established itself as a necessary and indispensable reference point both at home and abroad”

Few politicians have cut through the internal and international scene as the President of the Russian Federation Vladimir Putin. In the first decades of the globalized world, born after the dissolution of the USSR and the end of the opposing blocs era, Putin was one of the most influential and globally recognized leaders. A symbol of power also built with the help of the massive State propaganda machine. Despite his political career has alternated great successes with inability to reform and innovate, excellent tactical skills and gaps in strategic thinking, international openings and unilateral and assertive actions, Putin has established itself as a necessary and indispensable reference point both at home and abroad.

Putin reached power in 1999 and has ruled Russia continuously for over 20 years. He alternated the 4 presidential mandates with a brief period as “Richelieu” Prime Minister during Medvedev presidency. **This very long political season, which makes the current President the longest-serving national leader after the Tsar and even more than Joseph Stalin, appears destined to extend theoretically until 2036, when Putin will be over 80 years old.** In fact, on March 16, the Russian Constitutional Court positively evaluated the draft of constitutional reform that, among other things, will allow the Kremlin main resident to reapply for presidency and compete for two more terms.

Specifically, the reform includes numerous amendments. Firstly, **more powers are granted to the Federal Assembly**, which will have to approve the appointment of the Cabinet of Government, including that of the Prime Minister. Moreover, the Federal Assembly will contribute to the appointment of the directors and commanders of the security agencies. Secondly, **the Council of State will be constitutionalised**. Today, the Council is a consultative body composed of the President of the Federation and the governors of the federal entities. Thirdly, **the minimum wage and the indexation of pensions in respect to inflation rates will be introduced**.



However, the most relevant amendment concerns the presidential figure. The reform modifies the maximum limit of the presidential mandates, which become two throughout life and not two in succession. **Furthermore, with its entry into force, the new law resets the count of previous mandates and allows Putin to apply again and remain in the Kremlin for other 12 years starting from 2024.** The constitutional reform contains some elements throughout which it is possible to better understand the current Russian internal political situation and analyse future scenarios. First of all, with the "reset" of the mandates and the probable extension of the Putinian season of power, it is possible that the foundations were laid for the long-standing issue of the **succession to the Kremlin leader might**. In fact, since the 2018 elections, the ruling class and the electorate had begun to wonder about the future of the country and its leadership and, among the various options, they had considered a change at the top. Initially, a "Kazakh" solution had been evaluated, namely the creation of a new *ad hoc* role for Putin after his withdrawal from the presidency. A role of *super partes* father of the Nation, similar to the one designed to the former Kazakh President Nazarbayev, who became the President of the State Security Council after 2019. However, this option was not viable in Russia, where Putin still has too many political adversaries who would threaten him after his eventual transfer of power. In addition, the Kremlin leader still has a decisive role in the management of conflicts and balances between rival siloviki, oligarchs and members of the apparatus clans. All this without the essential personalistic imprint in Russian foreign policy, a field in which Moscow has recovered positions mainly thanks to the weaves woven by Putin and the charisma he exercised in certain parts of the world.

With the "Kazakh" project aborted, Putin and his circle of loyalists had nothing left but to turn on the **Chinese model of the lifetime leadership of President Xi Jinping**. However, there is a fundamental difference between the two models. In Beijing, the presidency for life represents the culmination of a process that has also given Xi the titles of "leaders of primary importance" (a privilege reserved to Mao and Deng) and "the



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heart of leadership" and that represents the political recognition for the global growth achieved by China in the last decade. On the contrary, in Moscow, the life presidency is configured as a defensive measure by an establishment characterized by strong internal tensions and which aims at survival and self-preservation. For this reason, today's Russian political mechanisms are very similar to the recent ones in Algeria, a country in which the internal struggles in the *pouvoir* postponed the succession to President Bouteflika until the outbreak of street protests.

For these reasons, the passage of the Kremlin sceptre has been postponed and Putin's next two mandates will probably mark the path of succession and, above all, **the transition to a more collegial and less personalistic system**. This is not a new tale in the country's recent history, as well evidenced by the passage from the personalistic excesses of Stalin and Khrushchev to the Soviet era of real socialism and stagnation inaugurated by Brezhnev's secretariat. Russia could move in that direction, as underlined by the increase in power of the Duma (and United Russia party) and the reduction of presidential mandates. A higher rate of elitist collegiality would also be the theoretical response to the creeping discontent of the Russian people. Although they are fond of their leader and recognize his merit of having returned international pride and prestige to the nation, Russians do not forgive him for not having found an adequate recipe for economic recovery, fighting corruption and the monopolization of the public scene. In summary, for the Russian establishment, **there should be no new Putin after the original**.

In this sense, just to try to control an increasingly restless square, the new Russian Constitution will contain the indexation of pensions and the minimum wage. This is an attempt by the apparatus to reformulate the social pact with citizens, offering subsidies and assistance in exchange for accepting the authoritarian dirigisme. All this within an ideological framework that touches the sensitive strings of the most conservative part of the Russian people. It reaffirms the superiority of the national law on international law and the founding value of tradition, religion and country, against the globalist and liberalist spectres.



What Putin and the backbone of Muscovite power fear more than anything else.

To avoid instability and the risk of palace conspiracies, Putin has always carefully balanced the influence of the different national power clans (heavy industry, Armed Forces, intelligence and security services, his Petersburg lieutenants). With the imminent arrival of the next two terms, the President has carried out an important institutional clean-up, getting rid of old *apparatchiks* who have become too influential and favouring the rise of a new generation of administrators, the so-called “technocrats”. These are the young offspring of the national middle class, educated in the most prestigious institutes and universities and carefully selected and indoctrinated by Anton Vaino and Sergey Kiriyenko, respectively Chief and Vice-Chief of the Presidential Cabinet. They are responsible for the rise of an authentic “**Putinist enlistment**” of new political and managerial cadres destined to take the place of the generation that has accompanied Putin from the beginning in St. Petersburg until today.

Therefore, the constitutional reform represents the institutional response to an atavistic need for stability that both the Russian apparatuses and citizenship perceive as a primary goal. Putin reiterated it in a recent speech to the Duma, underlining how much the country needs strong and stable leadership in a historical moment so uncertain and full of unknowns.

In fact, what could be the last act of Putin's political adventure in leading Russia is announced as one of the most difficult, marked by the presumed internal and international impacts of the coronavirus pandemic and the collapse in the price of oil. **The volatility of the oil market and the war on COVID-19 constitute a double-edged sword.** They could both strengthen the Putinist leadership, capitalizing on the feeling of uncertainty and the need for stability of the population, and, on the contrary, deprive him of public support in case of worsening of the crisis and lack of adequate institutional responses.



For what concerns the health risks, to date there are about 500 infected in Russia, concentrated in the Moscow region. The authorities have invited the population to remain calm and have declared themselves able to manage the emergency without further worries. But the opposition movements showed no optimism. Indeed, according to the parties and the most critical personalities towards the establishment, Russian institutions may have lied about the real data of the infection. According to them, the Kremlin has classified many of the symptomatic patients as simply suffering from normal pneumonia and labelling coronavirus deaths as deaths due to other pre-existing or concurrent diseases. For example, a cardiopathic who died from coronavirus complications is placed on the list of victims of cardiovascular disease, and not on the one of COVID-19. In addition, the number and reliability of the swabs available in Russia would be lower than in some Western European countries, making the estimates of the infections less truthful. Again according to the opposition, as a partial testimony to this cover-up of real data on coronavirus infection, there would be a suspected increase in pneumonia cases in the country, equal to 3%, compared to last year. **In any case, if the contagion reaches worrying numbers, also due to the high average age of the Russian people, the national health system would be severely tested and popular discontent would dramatically grow, especially in front of the hypothesis of initial censure.**

“Putin has tried to transform a hotbed of a national crisis into a political opportunity”

As it has often happened in the past, Putin has tried to transform a hotbed of a national crisis into a political opportunity both at home and abroad. In Russia, the Head of State visited the Kommunarka hospital in Moscow, dedicated to the treatment of coronavirus patients. He encouraged the patients, wearing overalls, glasses and ordinance masks, spectacularizing, in his own way, the message of closeness to citizens. As if that was not enough, the Kremlin resident said he was ready to take extraordinary measures for the production of disposable kits and masks in the country, using students, detainees and members of the National Guard as low-cost supplementary workforce.



However, sending military vehicles and personnel to Italy to support the efforts of Rome in fighting contagion, has received the greatest international echo. Beyond the undisputed generosity of this action, intended to underline the special relationship that unites the Kremlin and Palazzo Chigi, we must never forget that, in the international arena, donations are also one of the most refined tools of soft power. Therefore, Putin's decision had an immediate return of image both in Italy and Russia, especially at a time when part of the Italian electorate shows distrust towards the historical allies, Europe and the United States, and criticizes the European Union's methods of intervention.

Presenting Russia as a generous country, ready to reach out to Italy during its worst crisis since the Second World War, is functional both to fuel the already widespread Italian Euro-scepticism and to accumulate political capital that can be reinvested in other dossiers: the removal of sanctions and the long-standing Ukrainian issue. All this, without forgetting other international arenas where the possible strengthening of the Italian-Russian dialogue could act as an incentive for stabilization, or protection of mutual strategic interests, for example in Libya or Africa.

This argumentation is valuable also for the so-called "vaccine race" against COVID-19. Even the elite of Russian scientists has begun researching a cure for the new coronavirus, in the hope of getting it before foreign counterparts. If Moscow will be the first one to discover a medicine able of treating or stopping the epidemic, Putin could use it as a strategic and top-level propaganda weapon. Indeed, it would be difficult to continue sanctioning or attacking the country that stopped the pandemic, regardless of its past conduct in foreign policy.

In addition to the pandemic, Putin's second major challenge is the collapse of oil prices and the future of the global energy market. The honeymoon with Saudi Arabia, within the OPEC + format, had so far guaranteed a price stabilization, which has allowed keeping US shale oil producers under control without unduly compromising the revenues of Moscow and Riyadh. The



Russian-Saudi pact had kept crude oil at a value of around 50 dollars per barrel. This was enough to strangle the US shale and to guarantee sufficient liquidity to the state coffers of the two producing countries. In this regard, it is well known that Saudi Arabia has its own fiscal breakeven point set at around \$80 a barrel and strategic reserves of \$ 500 trillion, while Russia at \$ 51 a barrel and reserves for 570 trillions of dollars. In addition, Russian tax flexibility allows indexing taxes on oil production based on the global price in order not to exert excessive pressure on large state-owned enterprises.

With the outbreak of the pandemic and the contraction in demand for crude oil, Saudi Arabia had proposed cutting oil production to stabilize prices and prevent losses from unused warehouse stocks. However, the Kremlin had to refuse due to pressure coming from the hydrocarbon industry oligarchs. It was authentic blackmail against Putin who renounced to the agreement with the Saudis, in exchange for support in the constitutional reform. In reaction, Riyadh started flooding the market with its crude oil, until the price dropped to around \$ 30 a barrel and trying to steal market share from the Russians by further customer discounts.

With crude oil around \$30 a barrel and stalled demand, Russian finances could likely go into great pain, forcing the Kremlin to continue with policies of austerity and the reduction of public spending at all levels, from healthcare to pensions, from defence to structural investment in economic diversification. Oil revenues make up 16% of GDP and contribute to 52% of the state budget. Consequently, with the price of crude oil at historic lows since the 1991 Gulf War, Moscow's financial resources appear to be significantly reduced, as witnessed by the 1% decrease in GDP estimated for 2020. Furthermore, we must not forget that the oil crisis coincides with the devaluation of the rouble and, consequently, the decrease in purchasing power by the population.

The contraction in public spending is a risk that should not be underestimated in a country with over 5 million people living below the poverty line, where the state is still one of the largest



national employers and, above all, where the Armed Forces are engaged in numerous cross-border activities, from Ukraine to Syria, from Libya to Georgia, from Africa to Central Asia and the Arctic.

Therefore, the combination of emergencies related to the virus and the collapse of the price of crude oil could have deleterious effects on Putin's ambitions. They will test the harshness of a political system built on leadership and on the promise of stability and state services, where the political and civil rights of the population are still limited and violated and corruption continues to degrade the State machine.

If the wellbeing of the Russian people declines further, the protest and opposition movements would have more arguments to criticize Putin, and they could get the support of those political opponents determined to take his place or change the balance of power. **To overcome the risk of a much-feared "Colored Revolution" on Red Square, Putin will once again have to balance authoritarianism and investments, concessions and repression, as well as carefully rationalize resources between foreign policy needs and domestic policy ones.** Although generous, the strategic reserves are not eternal and cannot fill all the gaps of an obsolete economy still enslaved of the oil industry.

“The elevation of the hybrid war to strategic doctrine”

In the era of low-priced oil, Putin's foreign policy instruments will have to adapt and presumably continue to orient themselves along the direction that emerged in the aftermath of the annexation of Crimea, namely the elevation of the hybrid war to strategic doctrine. The weighted use of the Armed Forces (or private military companies) in the theatres of interest, the use of the energy lever as a geopolitical pick for Europe and China and the continuation of the disinformation campaigns abroad will continue to represent the trademark of the Russian action outside national borders.

In this context of great uncertainty, the long-term impacts of the coronavirus pandemic could be an unexpected assist to Putin. The global spread of the virus has begun to question the



development model of globalization and has highlighted the risks of an industrial, commercial and financial chain on a global scale. Any rethinking of economic and political globalism would favour Moscow's conservative and revisionist international vision. A partial return to the closure of the borders, a reduction in international mobility and a revival of autarchic systems with regional hegemonic projections would benefit Moscow, its idea of a world divided into spheres of influence and its ancestral desire to close the ranks of the "besieged fortress ". **In such a world, cured of the coronavirus, perhaps there would be space for Putin even after 2036.**