

CURRENT HISTORY

October 2006

"What will it take for Russia's political class and society to realize that the current paradigm of development leads to a dead end?"

Russia's Ersatz Democracy

LILIA SHEVTSOVA

Russia's political evolution has entered a strange stage. The ruling elite is trying to use popular elections to legitimize a regime that is based on personified power and bureaucratic authority. It is trying to buttress the social order by restoring Russia's great power status while invoking nostalgia for a past that the elite itself rejects and fears. In all of these endeavors, Russia's leaders are experimenting with a model of national transformation that attempts a unique fusion of conflicting elements: of tradition and postmodernity; of autocracy and democracy; of the market and state control; of partnership with the West and a rejection of Western values.

This experiment will not work. The hybrid is not sustainable. And yet, in part because high energy prices continue to prop up the regime, because an effective opposition has yet to emerge, and because the Kremlin seems determined to avoid a succession crisis, a kind of stagnant stability likely will persist beyond the 2008 presidential election. Apparently, Russia will have to pass through a period of disenchantment—and it must realize the impossibility of existing simultaneously in several different civilizational dimensions—before it can begin the search for a more effective system of social management.

THE HYBRID REGIME

Russia's second president, Vladimir Putin, has finished construction of the postcommunist hybrid system begun by his predecessor, Boris Yeltsin. The regime that has taken shape in Russia, like most hybrid regimes, fits into the category of pseudo-democracy. The building blocks of Russia's system are a bureaucratic-authoritarian political regime,

state capitalism, selective social paternalism, and a foreign policy aimed at restoring Russia's role as a world power.

In order to stabilize the situation and shore up the position of the ruling elite, Putin instituted several changes on entering office. He reformatting the political regime, weakening the influence of the oligarchs (the businessmen who amassed vast wealth from the privatization of state assets in the 1990s). He initiated a redistribution of assets to the bureaucracy. He increased the assertiveness of Russia's foreign policy. And he retained the electoral mechanism for legitimizing personified power while reducing its risks to a minimum. In short, by abandoning certain aspects of Yeltsin's legacy, Putin was able to strengthen its core.

Today, in the middle of Putin's second term, the system of governance has acquired a new logic. Its main operating principles are: the subjugation of all branches of government to the executive; the merger of political power and corporate ownership; the combination and incorporation of incompatible governing principles, thus preventing the formation of political alternatives to the regime; consensus among the political class and a portion of society on the need to maintain the status quo; political expediency as the driving force behind the regime's actions; and aspirations to great power status as a substitute for ideology.

The Russian ruling elite has also managed to develop effective survival mechanisms. Unlike its predecessors, the present regime has avoided the widespread use of force, tending instead toward a patron-client relationship with society and a reliance on purchasing the loyalty of the political class with specific concessions and rewards. An example is the Public Chamber, which includes representatives of various social groups and well-known personalities picked by the president and

LILIA SHEVTSOVA is a senior associate at the Carnegie Moscow Center. She is the author of *Putin's Russia* (Carnegie, 2005).

his administration. Touted as a kind of civil-society sounding board, it was in fact created to broaden support for the regime by cultivating a spirit of servility among the elite. It shows that the system of purchased loyalty is becoming institutionalized.

Meanwhile, by co-opting advocates of great power status—liberals and populists alike—the regime has preempted a meaningful opposition from arising on either the left or the right. Thus, the Kremlin has deterred the formation of a robust liberalism by retaining liberal icons like Anatoly Chubais, German Gref, and Alexei Kudrin in positions of power. Yet the regime's appropriation of patriotic slogans neutralizes the conservative, nationalist opposition. Loyal youth organizations such as Nashi and Mestnye occupy a niche that might otherwise be filled by a grass-roots youth movement.

THE BUREAUCRATS IN CHARGE

One might conclude that the concentration of power in the hands of the president is movement in the direction of authoritarianism. In fact, we are witnessing the expansion of the state bureaucratic corporation, which has assumed certain powers that the president formally, but no longer really, controls. As a result, the institution of personified power has become an ideal mechanism to realize the interests of the bureaucracy. In this context it makes no sense to ask who is in charge in the Kremlin or who is more influential—Putin or his inner circle. While it is true that only the leader can legitimize government decisions in a bureaucratic-authoritarian regime, the leader is also dependent on the bureaucracy, and this dependence only increases over time.

Conventional wisdom has it that Russia is ruled by the so-called *siloviki*—former officials of the intelligence and military agencies. In fact, Putin has prevented the *siloviki* from gaining a monopoly on power or the reproduction of power. In so doing, the president has preserved a measure of pluralism within the ruling elite. (Putin's efforts to maintain a balance among various factions in the Kremlin help to explain the unexpected removal in June 2006 of Prosecutor General Vladimir Ustinov, who represented a powerful group of *siloviki*.) Still, there is little reason to hope that this pluralism can stimulate a spirit of competition or expand mass participation like that seen in the 1960s and 1970s in other hybrid societies in Latin America and South Europe that chose a gradualist path to democracy.

In the Yeltsin years and early in Putin's first term, the ruling bureaucratic corporation showed clear

signs of reformist impulses, but these impulses have now ground to a halt. Today, the liberal-technocratic element in the bureaucracy strives no less than the *siloviki* to preserve the status quo.

Indeed, it comes as no surprise that those who have secured a place in the halls of power should now concentrate on defending their position. This is a natural symptom of the postrevolutionary syndrome—one that also affects the opposition. The current opposition is becoming a defensive, conservative force. It cannot move beyond its own stale political ideas, yet its continued presence stifles the emergence of fresh political alternatives. Any real opposition can form only as a challenge to the current political system. Such a challenge could easily attract support in a severe crisis, since bureaucratic authoritarianism is still in the process of consolidation. But the crisis has yet to occur.

Inevitably, the state's role in the economy expands as power is centralized. Under Putin, this principle has been proved by the emergence of a new layer of apparatchik oligarchs that controls assets without owning or bearing any responsibility for them—in effect, a parasitic rentier class. A common thread running through recent mega-acquisitions by Russian energy companies has been the influence of officials who serve in high positions in both the Kremlin and the energy firms. As demonstrated by Rosneft's takeover of Yuganskneftegaz and Gazprom's acquisition of Sibneft, the fusion of power and business in Russia erases the line between nationalization and privatization: regardless of who happens to own a particular asset, the bureaucrat-oligarch controls it. Since the logic of nationalization requires the redistribution of resources to the advantage of the ruling bureaucracy, we can expect the state in the future to continue taking over private companies and re-privatizing them according to the whims of the next ruling team.

THE RUSSIAN BACKLASH

In its efforts to maintain control of society, Russia's elite until recently was torn between neo-imperialism (taking its cues from US hegemonism) and nationalism. Today a portion of the ruling class is turning increasingly to the so-called Russian national idea: adopting nationalist and populist slogans and an anti-Western stance. Thus, Defense Minister Sergei Ivanov, one of the candidates for Putin's heir, has offered the formula of a "triad of Russian national values," describing them as a "sovereign democracy, strong economy, and military might." Another portion of the elite advocates Rus-

sia's great power status to justify the country's role as an "energy superpower" and a full-fledged member of the club of developed industrial countries.

This mixture of great power ambitions (containing traces of imperial nostalgia) with nationalism could imperil the mental health of a nation that has scarcely begun to recover from the shock caused by the collapse of the Soviet Union. In Weimar Germany the attempt to boost the nation's self-esteem by reviving old superpower dreams ended with a worldwide catastrophe. The pragmatism of a major part of the Russian elite might allow Russia to escape a disastrous repetition of this history. But the conflict between artificially provoked aspirations and a lack of resources to achieve them could trigger new shocks for a nation that seeks its revival by turning to the past.

It would be a mistake, nevertheless, to regard the restoration of traditionalism as a return to the Soviet party-state. Russia today is a bureaucratic state, in which the dominant party, United Russia, is an appendage of the executive branch. Even when the government and the president are drawn from it, the party cannot compel the executive to honor his responsibility to the party; nor is the party compelled to honor its responsibility to its members. The regime is obliged to play at party politics for one reason only: to conceal the essence of bureaucratic authoritarianism. The regime is not prepared to emasculate itself by allowing United Russia to assume the role of an intermediary between itself and society.

We are witnessing rather the formation of a pragmatic state that hews to no firm principles, taking instead a utilitarian approach to ideology. The Soviet state was a complex edifice built on the ideas of communism and messianism. Today, the state actually is less stable because it depends entirely on the leader and the ruling caste without any backup. The state and the system itself are in essence intermediary. They are the means of survival for a regime and a society that do not want to return to the past, but are not prepared to break with it entirely.

Was a Russian backlash—a slide toward traditionalism—inevitable? And what role did Putin play in it? In my view, the present backsliding is a logical consequence of the country's evolution in the 1990s: the liquidation of the Soviet Union

by nondemocratic means (essentially a conspiracy of three leaders—Yeltsin, Leonid Kravchuk, and Stanislav Shushkevich) in 1991; the storming of parliament in 1993; and the rigging of the 1996 presidential election, when voters elected an ailing, incapacitated Yeltsin to a second term. The refusal of the political class, including the democrats, to play by the rules of democracy in the 1990s made the centralization of power undertaken by Putin practically inevitable. Putin merely set in motion the machinery that Yeltsin had created.

POTEMKIN POLITICS

There is hardly any doubt that the Russian system will survive the 2007–2008 election cycle, complete the current redistribution of resources to the bureaucracy, and keep society under control. The system is for now durable and could even expand. The Kremlin has no cause for concern about its

position as long as two conditions remain in place: high oil prices and the lack of a political alternative to the ruling team. The regime can continue working to maintain the status

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quo, taking advantage not of society's hopefulness, as was the case early in Putin's first term, but of its hopelessness. To be sure, the pursuit of stability will require further adjustments in policy, but it likely will be enough to exploit the possibilities of Potemkin politics.

A number of factors facilitate a stagnant type of stability in Russia. The price of oil provides the regime with a crucial safety net. The economy continues to grow, contributing to the positive mood of a portion of society. The people are disenchanted with the opposition on both the right and the left, and they will withhold their support until new opposition leaders begin to appear, but they are still too weary from previous upheavals to take to the streets. The current regime is busy appropriating the ideas of its various opponents, thereby discrediting them. The regime is also relatively humane, in that it allows those who disagree with it to survive. Finally, the Kremlin's political operatives have managed to manipulate public consciousness and the political scene, making it nearly impossible for a real political movement to emerge and creating the impression there is no alternative to the regime.

The Russian hybrid system excludes competition and uncertainty in the formation and execution of

power, and it attempts to imitate or control any remnants of spontaneity. The sort of power struggles we saw in Ukraine could only occur in Russia if four developments were to emerge: popular discontent, a rift in the political class, an active youth movement, and independent television stations. But the Kremlin has studied the crises in Ukraine, Georgia, and Kyrgyzstan and taken measures to guard against the contagion of the “orange virus.”

One cannot entirely exclude the possibility of Putin’s staying in office beyond his presidential term, perhaps in response to a national emergency. But both he and other pragmatists in the elite seem determined to avoid that prospect. The most likely succession scenario is a transfer of power to the Kremlin’s designated heir. Who this will be in the end—presidential chief of staff and Gazprom chairman Dmitry Medvedev; Defense Minister Ivanov; someone promoted from the reserves, such as State Duma Speaker Boris Gryzlov; or some totally unknown or unexpected figure—is far less important than the question of whether or not the Kremlin will manage to reach a consensus on the choice, as well as on the succession procedure itself.

There is reason to assume that a succession battle will be avoided, because everyone understands the risks, and the political class has no tolerance for risks. Although the Russian people are disenchanted with politics, it is highly unlikely that voters will reject the Kremlin’s appointee for fear of ending up with someone even worse.

THE CRISIS AHEAD

Does all this mean that there is a future for the Russian hybrid system, and that it is capable of responding to the challenges facing the country? No. The political order contains four sources of structural conflict, all of which threaten to tear it apart from within.

The first source is the tension between personalized power and the need to hold elections. The regime attempts to eliminate this tension by manipulating the electoral process to guarantee election

results. The techniques are various: electoral laws and official harassment that prevent real opposition from appearing on the ballot, intimidation of businesses to deter them from sponsoring opposition, state control of national television channels and their conversion into a propaganda machine for the regime’s candidates. These techniques are working for now, but similar manipulations have led to revolutions in former Soviet republics.

The second source of structural conflict is the regime’s attempt to ensure stability while simultaneously redistributing resources—that is, expanding the state in the economic arena by squeezing

out the 1990s oligarchs in favor of Kremlin loyalists and bureaucrat-oligarchs who are granted control over major corporations. However much loyalty this trend may build among the new ruling elite, it destabilizes markets, deters private initiative, and destroys the institution of ownership.

The third source of tension in the system is the logic of political

self-preservation. This demands regular “purges,” whereby each successive leader is obliged to break abruptly with his predecessor to create his own political base and avoid responsibility for past failures. Even if the most loyal heir to the current ruling elite becomes president, at some point he will have to identify those responsible (guilty?) for failures to reform pensions, government administration, the military, housing and utilities, and local government—all reforms that Putin announced but then placed on the back burner. If a successor fails to change the furniture, he will be looked on as a weakling and a puppet. Either way, the risk of instability will increase.

The fourth threat to the current order is the destruction of political pluralism. This creates the risk that society at some point will turn against the system or will try to circumvent it in pursuit of its own interests, leading to a radicalization of social protest.

One should also keep in mind that the conditions that promote stability today could do the opposite in the future. Consider oil revenues. Rus-



Putin at Ease

sia has already endured two political upheavals as a result of declining oil prices on world markets. A price collapse in 1986 helped trigger the disintegration of the Soviet Union five years later. An oil price collapse in 1998, together with a financial meltdown, caused a breakdown in the Russian economy. It would be naïve to assume that China's and India's demand for energy, combined with conflict in Iraq and in the Middle East generally, will keep oil prices high and guarantee economic and social stability in Russia indefinitely.

One should be mindful, too, of the law of unintended consequences, evident for example in Russian-Ukrainian relations. Moscow's actions in Ukraine have twice contributed to the very results it was trying to forestall. In 2004, the Kremlin's aggressive backing of Viktor Yanukovich for the presidency helped

propel his opponent, Viktor Yushchenko, to power. A year later, Moscow's dispute with Ukraine over natural gas supplies

not only strengthened the anti-Russian mood in Ukraine—it also undermined Putin's dream of turning Russia into an energy superpower that the West accepts as a responsible partner with legitimate ambitions and a right to set out its own rules of the game. Alarmed by Russia's ultimatums over natural gas, Europe has begun more aggressively to seek alternative sources of energy, including nuclear power, as we have already seen in Finland and will likely see in France, too.

The law of unintended consequences affects the domestic arena as much as it does foreign policy. In particular, the more the Kremlin wants to stabilize the situation by centralizing power, the more it ultimately undermines itself. One of the primary sources of stability in any society is a political opposition that is built into the system. When the opposition is excluded from the political process, that process always becomes unpredictable.

The Russian people understand this: a recent poll showed that 61 percent of Russians think the country needs a genuine opposition, while just 25 percent oppose the idea. Forty-seven percent of Russians say the country has no genuine opposition at present, and just 30 percent say that it has. The people are looking for influential alternatives to the current regime. Protest acts recently staged

by Eduard Limonov's National Bolshevik Party are the first indication of a period of nonsystemic politics born from groups of young people dissatisfied with the current order.

Although the Kremlin appears to have done everything in its power to ensure a smooth succession in 2008, it would be senseless to speculate about the extent to which the ruling team will maintain stability in a closed system that has begun to serve only itself. At present, Russia's situation appears to be secure. But consider the following combination of events: housing reform that includes a substantial hike in rents and utilities, a rise in energy prices, gridlock in major cities, nonpayment of wages to government employees in the regions, student unrest, and another infrastructure breakdown similar to the blackout in Moscow last year.

Such an accumulation of events could spur even the most patient society to radical action.

Indeed, how certain can we be of continued stability when just 34 per-

cent of respondents in a recent poll said that Russia was on the right track, while 47 percent held the opposite view? When half of all Russians describe the situation in the country as tense (another 9 percent say it is explosive), and just 28 percent describe it as calm? When, of the 76 percent of Russians who approve of Putin's job performance, 49 percent say that he has failed to establish order in the country, 57 percent say his economic policy has not been successful, and 50 percent believe that he has failed in the government's conflict with Chechen separatists?

The tensions in Russian society that result from the lack of an influential liberal-democratic party, and the fact that liberal democracy itself is associated in Russia with a declining standard of living, could fuel the rise of nationalism. This fear plays into the hands of those in the Kremlin who warn that the current regime is a model of civilized governance compared to the sort of regime that might replace it. But it was the current regime that established the logic of returning to the past (traditionalism)—a past that the regime itself fears, and in the context of which Putin appears to be the only European in the ruling elite.

The further this logic develops, the greater the threat that the next battle for power in Russia will

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be fought in the name of nationalism, isolationism, or populism, as the Kremlin itself has warned.

RUSSIA AND THE WEST

Russia's return to a conservative, defensive vector has had a clear impact on its foreign policy. The regime no longer talks about integration with the West, and instead positions Russia as both its partner and its rival. This partner-rival relationship means that Russia will cooperate with the West to tackle a range of international issues, even as it combats Western influence both at home and in what Moscow considers its sphere of influence.

Russia's growing assertiveness in the former Soviet republics; its decision to become the defender of Iran and Syria in their relations with the West; its friendly overtures toward the militant Palestinian group Hamas; its difference of opinion with the West on how to deal with Iran's nuclear program; and its sale of arms to countries that are in conflict with the United States (Venezuela, for example)—all of these demonstrate the Russian elite's attempt to restore Russia's role as a geopolitical force and a check on Western ambitions. Some analysts have even spoken of Russia's intention to reestablish itself as an independent geopolitical pole.

At least four factors complicate attempts to make Russia into a consistent partner with the West. First, the Russian political class is not prepared to accept US hegemonism, which would relegate Russia to the role of junior partner. Second, Russia strives to dominate the former Soviet republics. This is only natural when one considers that this is part of Russia's identity. Third, Moscow has resorted increasingly to anti-Westernism, and especially anti-Americanism, in domestic politics. And fourth, Russia rejects the European plan for integration, instead stressing territory, might, and sovereignty. It regards the turn toward Europe by several former Soviet republics—now members of the Commonwealth of Independent States (CIS)—as a threat to Russia's interests.

It does not follow, however, that Russia has adopted a hostile stance toward the West and is ready for a confrontation with Western civilization. The truth is far more complicated. The ambiguity of the Russian hybrid system is reflected in its

simultaneous movement in several directions, both in its domestic policies and on the world stage. The Russian elite talks tough in its dealings with the West, but it seeks to avoid conflicts that would compromise its own interests as well as the integration of the elite—both on an individual basis and as a group—into Western society.

The ruling elite also understands that its dream of turning Russia into an energy superpower is impossible without the cooperation of the West, and even a certain attachment to it. The elite dreams of expanding into Western markets and entering Western redistribution networks. It recognizes that, in order to guarantee its role as energy supplier, Russia will need constructive relations with energy buyers. Russia also will need Western technology and investment to explore oil and gas fields in the Siberian and Arctic hinterlands and to

build and repair pipeline infrastructure.

Russia's attempts to improve its image in the West, and its presidency of the Group of Eight (G-8), demonstrate the Kremlin team's efforts to become

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a full-fledged member of the elite club of leading Western industrialized countries. Yet Moscow intends to participate in this club on its own terms. It reserves the right to disagree with the West and even to oppose it on issues that affect its vital interests. And disagreement with the West becomes an important instrument for Russian elite consolidation and revival of its spirits.

The Russian political class no longer stops to think how absurd its actions appear at times. If Moscow has drawn up a "road map" for developing closer ties with Europe, why should it regard Ukraine's turn toward Europe as a hostile act? Russia holds the presidency of the G-8, so why in the world does it accuse the West of threatening Russia's territorial integrity? If the United States is Russia's partner in a coalition against Islamic terrorism, why does Moscow insist that Washington pull out of Central Asia? The list of such contradictions goes on and on.

Indeed, while the friend-foe strategy that defines Russia's relations with the West seems useful for achieving the regime's current goals, it also indicates that the regime is incapable of formulating a long-term plan and vision. The current strategy is economically disadvantageous in that it obliges

Russia to spend its limited resources to restrain the West in the security sphere, while at the same time it willingly becomes a raw materials warehouse for the West. These contradictory policies can only aggravate the schizophrenic split in the political consciousness of the Russian elite between nationalist and Western leanings. Sooner or later, the elite will have to resolve these contradictions and settle on a single coherent program for the country's development and foreign interactions.

AGREEING TO DISAGREE

Russia's CIS policy—intervention in Ukraine's political battles, support for the regime of Alexander Lukashenko in Belarus, the economic blockade of Moldova, the alliance with Uzbek President Islam Karimov, and the attempt to prevent Georgia from becoming a stronger state—makes it clear that Moscow continues to regard these countries as within the sphere of its domestic concerns. The Kremlin sees its influence on the former Soviet republics as an instrument for strengthening the Russian state. Whenever the West cultivates relations with one of the new independent states without going through Russia, it contributes to the political elite's sense of Russia as a "fortress under siege."

Russia must position itself anew, however, because the CIS as an organization seems bound to collapse now that Ukraine has begun to turn toward the West. Russia's transition to charging its neighbors market prices for its products, although aggressive, could prove beneficial in the future. It could force the Russian elite to consider the consequences of its sticks-and-carrots policy with regard to the new independent states, as well as spur these states to modernize their economies in the absence of Russian subsidies. Before Russia embraces pragmatism, however, it may well attempt to unite neighboring nondemocratic regimes around itself, which could only complicate its relations with the West. Ironically, the more Moscow supports corrupt leaders and foundering regimes in these countries in an attempt to draw them in, the more it gives rise to anti-Russian sentiment in them.

Despite the obvious cooling of relations between Russia and Europe, the two have reached agreement on at least one important issue: they agree to disagree while maintaining the semblance of partnership. This suggests that neither side wishes the distance between them to become unbridgeable. Russia has little affection for the European Union, but it has developed healthy bilateral relations with individual EU member states. Russia's relationship

with Germany remains crucial, especially for the Kremlin's ambitions in the energy sector, and German Chancellor Angela Merkel holds the key to Russia's partnership with Europe.

Russia may try to avoid open conflict with the EU, but it has problems with the so-called New Europe. The most obvious source of friction is with Poland, which has attempted to play the role of missionary to Ukraine and Belarus. Brussels regards Poland's diplomatic maneuvering with caution, while Washington bolsters Warsaw's self-confidence. The Kremlin has met Poland's efforts to promote democracy on Russia's borders with outrage, as reflected by the anti-Polish hysteria during the summer of 2005, which included assaults on several Polish citizens in Moscow. If Russia is serious about maintaining a good working relationship with Europe, however, sooner or later the Kremlin will have to accept that the road to Brussels will lead not only through Berlin and Paris, but also through Warsaw and other capitals of the old Warsaw Pact nations.

If Moscow's relations with Europe have cooled, its relations with Washington are downright cold. The polite smiles of the two countries' leaders hardly make up for growing mutual suspicion and differences of opinion even on the issues that once brought the two sides together: international terrorism, nuclear nonproliferation, and energy security. Washington has been caught unawares by Moscow's aggressive stance, and by all accounts the White House is struggling to chart a new course in its relations with Russia. Washington does not want to legitimize Moscow's growing ambitions, but it also appreciates the need to cooperate with Russia to address pressing global problems.

For its part, the Russian elite is trying to combine the incompatible, just as it does in its domestic policy. The Kremlin makes a point of opposing the White House's initiatives while seeking US legitimization of its chosen model of development, particularly its ambition to become an energy superpower. In general, the Russian political class continues to see the world through the prism of Russian-US relations, which it regards as the guarantor of its status in the world community.

CLINGING TO ILLUSIONS

The Kremlin has made no secret over the past two years of its desire to drive the United States out of the post-Soviet space, a policy that could be described as the Russian version of the Monroe Doctrine. In attempting to restore its hegemonic

influence, Moscow could well find itself in the role of junior partner, though not vis-à-vis Washington. As Zbigniew Brzezinski has warned, Russia's "rivalry with America is senseless, and an alliance with China would [mean] subordination." Moscow seems not to have heeded his warning, as it has begun—most likely unwittingly—to participate in the furtherance of Chinese interests, specifically the strengthening of the Shanghai Cooperation Organization, which the Chinese use to promote their interests and to confront the United States, particularly in Central Asia.

It appears that Russia and the West are forming new illusions about one another. The West, immersed in its own problems, hopes that Russia will not cross a dangerous line beyond which its relations with the West would deteriorate dramatically. It hopes that Moscow will back down when tensions rise, as it did during the eastward expansion of NATO, the conflict in Yugoslavia, and the Orange Revolution in Ukraine. In fact, the Russian elite wants to avoid not just conflict with the West, but excessive distance as well. In its drive to restore Russia's status on the world stage, however, the Kremlin could lose control of events, particularly if more conservative or nationalist groups replace the current pragmatists in the ruling team. The West by the same token could lose control over the consequences of the growing distance between Russia and the West.

Moscow, meanwhile, has fostered the illusion that its vast energy reserves will allow it to play the role of spoiler. It is inevitable, however, that the ruling class eventually will realize that power based on raw materials is itself an illusion. We must also not lose sight of the fact that the fear of appearing unpatriotic has trapped all of Russia's political forces, including the liberals. So long as Russia tries to achieve political and social consolidation through a return to the idea of great power status, its ambition itself will continue to reproduce a traditional regime and traditional phobias, myths, and illusions.

There is a positive element in all this: the mood of Russian society. Seventy-three percent of Russians think that the country should cultivate a mutually beneficial relationship with the West, while just 16 percent think Russia should distance itself. Fifty-three percent have a good opinion of the United States (against 34 percent who have a negative opinion), and 67 percent have a good opinion of the EU. If Russian society can avoid plunging into nationalism, the country may just manage to break out of this closed circle. But for

that to happen, the political class must recognize that clinging to the past is suicide.

THE LAW OF FAILURES

There are currently no viable alternatives to the Russian hybrid system. But the system is patently incapable of resolving domestic conflicts, and it contains no impulse to modernize. In this respect it is similar to the Chinese system, which, as Carnegie Endowment scholar Minxin Pei put it, is "stagnating in its trapped transition." Russia's system cannot adequately respond to the challenges the country faces in searching for a sustainable political order. These challenges include the need to find a replacement for the militarist approach to modernization; a means of renouncing the leading role of the state in favor of individual rights and freedoms; and a way to foster the formation of a ruling class that is capable of rising above its own corporate interests.

For the foreseeable future, Russia apparently will operate according to the "law of failures." According to this law, when a society has no structured political alternative, it must continue down its present path until it reaches the logical dead end. Only then can it begin to see a more constructive strategy for development.

What will it take for Russia's political class and society to realize that the current paradigm of development leads to a dead end? Systemic crisis and collapse of the sort that brought down the Soviet Union? Even in this case, there is no guarantee that Russia would embrace true liberal democracy, because the current ersatz democracy has not begun to foster political competition. On the contrary, the current system is more likely to create disenchantment with democratic institutions, spurring the country to seek alternative outlets that may mean an even tougher authoritarian regime.

Another risk is that stagnation will allow rot to set in, because it robs people of the impulse to change things for the better. That could end with the slow degradation of Russian society and even the fragmentation of the country.

History does contain examples of authoritarian regimes with varying degrees of competition that have evolved peacefully toward democracy—Mexico and Taiwan, for example. It remains to be seen whether the Russian elite is capable of understanding that its attempt to preserve traditionalism is dangerous not just for Russia, but for itself. And it remains to be seen what price the country will have to pay for their leaders to achieve this realization. ■