

EDITORIAL

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Revisiting the Issue Concerning the Future of Russian Statehood



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Abstract. National and regional surveys show that the expert community is dominated by pessimistic assessments concerning the prospects of Russia's future. The paper discusses the reasons for such a situation. We provide the data on the results of the gubernatorial elections that were held September 9, 2018 and showed that the support for candidates from the United Russia, the current ruling party, has decreased. In addition, we analyze the open data of official reporting of major corporations from five Russian regions; it allows us to draw a conclusion about the existence of legislative conditions in Russia that make it possible for major taxpayers to minimize the tax base, which leads to significant losses of the budgets of constituent entities of the Russian Federation. The paper concludes that it is necessary for the President to make tough decisions aimed at improving the efficiency of the public administration system.

Key words: forecast, expert evaluation, public administration efficiency, regional elections, budget.

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In recent years the Russian expert community has been widely discussing issues related to the quality of administration and the legitimacy of government decisions. It also pays much attention to scandalous facts of corruption and many other manifestations of “capitalism for the elite” in the political system of post-Soviet Russia, to the flaws in statistics and in organizing electoral procedures, to the increasing socio-economic stratification of society, which leads to negative changes in the dynamics of people’s psychological state, including various forms of social discontent with regard to the situation in the country. All these topics reflect the degree of public administration efficiency; and a significant number of scientific publications by specialists from different fields (economists, sociologists, public figures, etc.)¹, are the evidence of their relevance in modern Russia.

However, the above problems are united not only by their representativeness in terms of assessing public administration efficiency, but also by the fact that all of them together lead, perhaps, to the main issue – the prospects for the future of

the Russian statehood, which becomes especially relevant against the background of Vladimir Putin’s last presidential term (according to the current Constitution of the Russian Federation). It should be noted that this issue is important not only from the point of view of such important aspects as the achievement/non-achievement of the targets set out in the May 2018 decree, or with regard to the condition in which Putin will hand the country over to his successor (and in what situation the presidential election of 2024 will be held), but also from a broader perspective, which includes current trends in public attitudes, dynamics of the standard of living and quality of life, global struggle of capitalist and socialist development paradigms, globalization processes and the role of nation states; and the national interests of the country, which is one of the leading participants in geopolitical competition and potentially one of the centers of a multipolar world, which in the coming decades, and maybe centuries will determine the response of the entire human civilization to the global socio-economic and natural-climatic challenges of tomorrow.

¹ See for example: A.R. Belousov’s speech at the Eastern Economic Forum (Vladivostok, September 11–13);

Glazyev S.Yu. *Why the Russian economy is not growing (September 29, 2017)*. Official website of S.Yu. Glazyev. Available at: <https://www.glazev.ru/articles/6-jekonomika/54326-pochemu-ne-rastet-rossi-skaja-jekonomika>;

Gontmakher E.Sh. Russian social inequality as a factor of socio-political stability. *Voprosy ekonomiki*, 2013, no. 4, pp. 68-82.

Grinberg R.S. Pension reform as self-discreditation of Russian liberalism. *Nezavisimaya gazeta*, 2018, September 24. Available at: http://www.ng.ru/scenario/2018-09-24/10_7317_pensii.html;

Gubanov S.S. Notes on the system foundations of Russia’s economic security. *Ekonomist*, 2017, no. 6, pp. 3-12;

Dobren’kov V.I., Ispravnikova N.R. The Russian version of “capitalism for the few”: is there a way out of the impasse? *Vestnik Moskovskogo universiteta. Seriya 18: Sotsiologiya i politologiya*, 2013, no. 3, pp. 26-55;

Sulakshin S.S., Bagdasaryan V.E. et al. Is Russia to Expect a Revolution? Issues of Transition to the Post-Liberal Model of Russia (Algorithm and Scenarios). Moscow: Nauka i politika, 2016. 712 p.;

Starikov N.V. From the Belovezha consensus to the Crimean consensus. *Official blog of N. Starikov*. Available at: <https://nstarikov.ru/blog/80284>;

Titov B.Yu., Shirov A.A. Strategy of growth for Russia. *Voprosy ekonomiki*, 2017, no. 12, pp. 24-39;

Toschenko Zh. T. *Phantoms of Russian Society*. Moscow: Center for Social Forecasting and Marketing, 2015. 668 p.;

Polterovich V.M. Reformers of science lack the necessary qualifications to cope with the task. *Ekonomicheskie i sotsial’nye peremeny: fakty, tendentsii, prognoz*, 2015, no. 3, pp. 28-31.

Data of large-scale Russian², and regional³ surveys conducted (we emphasize) not among “ordinary” Russians, but among the expert community, that is, among the authoritative experts with specialized knowledge, experience and with a more balanced position, allow us to make one very important conclusion that reflects the prospects of our country in this difficult historical period, which (and here we cannot but agree with V. Putin) is truly of a “landmark nature”⁴.

In a five-year term, according to experts, the essential factors **for the desirable development of the situation in Russia** include “rotation of the political elite in the center and in regions”, “stability of legislation and the rules of the game”, “transparent (with public control) and legitimate elections at all levels of government”, “changing the attitude of the state toward the sphere of culture, education and science, abandonment of the plans to commercialize this sector”, “strengthening the role of representative bodies, and developing a multiparty system”. All

² The expert survey was conducted by the Institute of Sociology of the Russian Academy of Sciences with participation of ZIRCON Research Group in July – October 2015; 154 experts took part in the survey: 94 from Moscow and 64 from different regions of the country. Five types of specialists were involved in the survey: 1) state and municipal employees, officials, top managers, heads of state universities, 2) representatives (heads) of business structures and business associations, commercial consulting centers, 3) representatives (heads) of public associations, NPOs, independent intellectual organizations, clubs, etc., 4) journalists, publicists, actively speaking in the media with materials on the subject of research, 5) researchers, scientists, specialists from analytical centers, professionally engaged in the study of problems and prospects of development of the country (Source: Gorshkov M.K., Petukhov V.V. (Eds.). *Russian Society and the Challenges of the Time. Book Four*. Moscow: Ves’ Mir, 2016. 400 p.).

³ The survey was conducted by VolRC RAS in the Vologda Oblast in February – March 2018. The sample included established specialists in their fields (heads, their deputies, persons with considerable working experience, candidates and doctors of sciences, etc.), representing those fields that, in our opinion, fully reflect the situation in Russian society: the government, business, third sector (nonprofit organizations), media, and science. From five to seven people were interviewed in each of the five key fields. The total sample size was 30 people.

⁴ The President’s Address to the Federal Assembly on March 1, 2018. *Official Website of the RF President*. Available at: <http://www.kremlin.ru/events/president/news/56957>

these factors scored more than seven points on a 10-point scale according to the opinions of both national and regional experts, which means that the degree of their “desirability” for the future of Russia is assessed as the highest (*Insert 1*).

At the same time, both national and regional experts named **the most likely negative factors, which will influence the future of our country**. They are as follows: “reduction in people’s incomes, rising prices, falling living standards, unemployment”, “prolongation of sanctions of Western countries against Russia; barriers to the imports of critical goods, resources, technologies, and ideas”; “sharp drop in oil and gas prices; crisis of the Russian oil and gas industry; reduction of budget revenues”; “collapse of social infrastructure (health, education, culture), professionals quitting their jobs, reduction of personnel and institutions, collapse of intra-sectoral communications”; “tightening of internal policy, reduction of rights and freedoms of citizens, introduction of formal and/or informal censorship in the media, etc.” (*Insert 2*)⁵.

We can draw an obvious conclusion based on the data presented above: the desired future of Russia and the actual forecasted situation in it in the medium term (for the next five years) are not just different, but in many ways opposite; and, unfortunately, experts see the situation in the country in the near future as obviously pessimistic.

We should point out that many of the events that had been forecasted by Russian experts in 2015 became a fact in 2018. In particular, this applies to “successful presidential elections”; “extension of sanctions”; “raising the retirement age” (Federal Law No. 350 On amending certain

⁵ All of these positions on a 10-point scale scored from 5 to 7 points (1 point – unlikely, 10 points – most likely). The divergence of opinions between Russian and regional experts manifested itself in relation to only one factor – “a sharp drop in oil and gas prices, the crisis of the Russian oil and gas industry, a reduction in budget revenues”. According to Russian experts, the average assessment of the probability of the impact of this factor on the future of Russia is 6.7 points, according to regional experts – 4.6 points.

legislative acts of the Russian Federation on the assignment and payment of pensions” was signed by the President of the Russian Federation on October 3, 2018); “raising taxes and excise duties”⁶... In other words, there is no reason to doubt either the authority of the interviewed experts or the fact that their other forecasts will be implemented with a high degree of probability.

...Since we clearly see the workings of the so-called “Anti-Russia Project”, the goal of which is geopolitical destruction of Russia, then the forecasting of the country’s development scenarios becomes more definite. **There have been no significant changes in the liberal model of the country for many years and even during the crisis of 2014–2015. The commitment to the liberal model becomes even more firm. Accordingly, degradation processes that turn into a crisis also become stable processes.** Personnel policy is extremely conservative. The system of reflection in the management is almost suppressed, the governing center found itself in its own trap of false information. Apparently, the system of initial values and goals has finally abandoned the interests of the country as a whole, the interests of the majority of the population, the goals of sustainable development, Russia’s political standing, and its achievements in the classical set of development goals... Thus, the modern historical process, in which Russia is immersed, has become more definite. Based on its qualitative vision, the conservative options that are most likely to happen according to the study cease to be surprising. **This is a scenario of prolongation of the liberal model, a scenario of balancing on the threshold of development sustainability...**⁷

What are the reasons for such pessimistic expert forecasts concerning the future of Russia? The answer to this question is very clear. Experts

⁶ Gorshkov M.K., Petukhov V.V. (Eds.). *Russian Society and the Challenges of the Time. Book Four*. Moscow: Ves’ Mir, 2016. P. 342.

⁷ Sulakshin S.S., Bagdasaryan V.E. et al. *Is Russia to Expect a Revolution? Issues of Transition to the Post-Liberal Model of Russia (Algorithm and Scenarios)*. Moscow: Nauka i politika, 2016. Pp. 669–670.

say that “in accordance with the libertarian attitude, Yeltsin’s team and then Putin’s team began to carry out unpopular reforms only in the interests of the minority”⁸. Thus, this pessimism is based on the following outcomes of this policy: lingering (for almost 20 years) urgent issues like an inefficient economy in which there are no innovative sources for growth, “manual control mode” of the political system, which instead of a mechanism designed to promote the implementation of national interests increasingly resembles a “boiling pot” in which the ingredients of personal interests of representatives of large capital are mixed with the remnants of the “Yeltsin” political elite; the crisis condition of science and education, depriving Russia of the opportunity to use human and intellectual potential – the main force that will determine the level of development of the country and its position in the international political arena; and to top it all – the increasing gap between government and society, due to the neglect of national interests on the part of the former; and fatigue from corruption, social inequality, social injustice and the inability to influence the current state of affairs in the country on the part of the latter.

In order to move forward and develop dynamically, we must expand the space of freedom in all spheres, strengthen the institutions of democracy, local self-government, civil society structures and courts, be a country open to the world, to new ideas and initiatives. It is necessary to implement long overdue, difficult, but extremely necessary decisions. It is necessary to eliminate everything that hinders our movement, prevents people from implementing their potential to the fullest extent... If we don’t do this, there will be no future neither for us, nor for our children or our country⁹.

⁸ Grinberg R.S. Pension reform as self-discreditation of Russian liberalism. *Nezavisimaya gazeta*, 2018, September 24. Available at: http://www.ng.ru/scenario/2018-09-24/10_7317_pensii.html

⁹ The President’s Address to the Federal Assembly on March 1, 2018. *Official Website of the RF President*. Available at: <http://www.kremlin.ru/events/president/news/56957>

Insert 1

Distribution of estimates of the need for different factors (conditions) to achieve the desired situation in Russian society by 2020
(average score on a scale from 1 – “no need” to 10 – “absolutely necessary”)*

Data of the all-Russian survey (IS RAS, 2015)		Data of the survey conducted on the territory of the Vologda Oblast (VoIRC RAS, 2018)	
1. Rotation of the political elite in the center and in regions	8.5	1. Changing the attitude of the state toward the sphere of culture, education and science, abandonment of commercialization of this sphere	9.8
2. Transparent (with public control) and legitimate elections at all levels of government	8.1	2. Stability of legislation and the “rules of the game”	9.5
3. Stability of legislation and the “rules of the game”	8.0	3. Transparent (with public control) and legitimate elections at all levels of government	9.3
4. Changing the attitude of the state toward the sphere of culture, education and science, abandonment of commercialization of this sphere	7.7	4. Preserving the foreign policy aimed to restore a strong role of Russia in world politics, independence, protection of national interests	9.2
5. Strengthening the role of representative bodies of power; development of a multi-party system	7.2	5. Rotation of the political elite in the center and in regions	8.5
6. Removal of sanctions by Western countries, restoration of dialogue and relations with the West	6.7	6. Strengthening the role of representative bodies of power; development of a multi-party system	7.8
7. Preserving the foreign policy aimed to restore a strong role of Russia in world politics, independence, protection of national interests	6.4	7. Removal of sanctions by Western countries, restoration of dialogue and relations with the West	7.7
8. Strengthening the influence of the Russian Orthodox Church, expanding the network of its parishes	3.6	8. Strengthening the influence of the Russian Orthodox Church, expanding the network of its parishes	4.8
9. Continuing the priority development of the resources sector of the economy, taking into account competitive advantages of Russia in the global division of labor; maintaining relatively low prices for labor and raw materials	3.0	9. Continuing the priority development of the resources sector of the economy, taking into account competitive advantages of Russia in the global division of labor; maintaining relatively low prices for labor and raw materials	4.3

* The factors that scored more than 5 points on a scale of 1 to 10, that is, that experts consider most necessary, are highlighted in green.

Insert 2

**Distribution of estimates of the probability of the factors (conditions),
in the context of which Russian society will develop in the next five years**
(average probability score on a scale from 1 – “unlikely” to 10 – “most likely”)*

Data of the all-Russian survey (IS RAS, 2015)	Data of the survey conducted on the territory of the Vologda Oblast (VoIRC RAS, 2018)
1. Reduction in people's incomes; rising prices; falling living standards; unemployment	1. Prolongation of sanctions of Western countries against Russia; loss of opportunity to import critical goods, resources, technologies, and ideas
2. Prolongation of sanctions of Western countries against Russia; loss of opportunity to import critical goods, resources, technologies, and ideas	2. Sharp increase in the demand for engineering professions and specialties; increase in the demand for engineering employees; reorientation of the labor market from the service sector toward the production sector
3. Sharp drop in oil and gas prices; crisis of the Russian oil and gas industry; reduction of budget revenues	3. Reduction in people's incomes; rising prices; falling living standards; unemployment
4. Collapse of social infrastructure (health, education, culture), professionals quitting their jobs, reduction of personnel and institutions, collapse of intra-sectoral communications	4. Collapse of social infrastructure (health, education, culture), professionals quitting their jobs, reduction of personnel and institutions, collapse of intra-sectoral communications
5. Tightening of internal policy, reduction of rights and freedoms of citizens, introduction of formal and/or informal censorship in the media, etc.	5. Tightening of internal policy, reduction of rights and freedoms of citizens, introduction of formal and/or informal censorship in the media, etc.
6. Mass distribution of technologies for tracking citizens' behavior, total loss of privacy	6. Successful import substitution; development of non-resource sectors; improvement of the investment climate
7. Man-made and other disasters, major accidents, including those caused by the human factor	7. Mass distribution of technologies for tracking citizens' behavior, total loss of privacy
8. Increased terrorist pressure on Russia (terrorist attacks, sabotage, intimidation)	8. Increased terrorist pressure on Russia (terrorist attacks, sabotage, intimidation)
9. Sharp increase in the demand for engineering professions and specialties; increase in the demand for engineering employees; reorientation of the labor market from the service sector toward the production sector	9. Sharp drop in oil and gas prices; crisis of the Russian oil and gas industry; reduction of budget revenues
10. Large-scale war in Ukraine with direct or indirect participation of Russia and NATO countries	10. Man-made and other disasters, major accidents, including those caused by the human factor
11. Reducing the inflow of migrants from Asia; increasing migration (workers, professionals) from Europe	11. Large-scale war in Ukraine with direct or indirect participation of Russia and NATO countries
12. Successful import substitution; development of non-resource sectors; improvement of the investment climate	12. Reducing the inflow of migrants from Asia; increasing migration (workers, professionals) from Europe

* The factors that scored more than 5 points on a scale of 1 to 10, that is, that experts consider most probable, are highlighted in green.

It should be noted that all subjects of social development have their own ideas about the future: the government, society, academia, business, etc. The ideas of the Russian President about the future (which can be judged by his public speeches) are supported by society, as evidenced by his receiving unconditional support during the election, as well as a significant gap in the level of trust in the President compared to all other governmental and non-governmental institutions.

However, political elites have completely different perceptions of the future (this fact shows the presence of a deep contradiction in the current system of public administration, which in modern conditions must consolidate its efforts in order to implement the prime goal – breakthrough development as the only way to overcome the backward, “vassal” position). These views are quite consistent with the statement that “the government is under no obligation to guarantee the working population any rights”¹⁰, and with the devaluation of human life. Suffice it to recall such statements as “there’s no money, but you hang in there!” (Dmitry Medvedev) or the suggestions to “send parents to assisted-living facilities” (German Gref).

If the country is preparing a radical change of economic and overall domestic policy, it should all start with a change of Prime Minister. But currently, there are no changes: everything goes along the way of preservation of the non-initiative work aimed only at maintaining the current life of the state¹¹.

According to experts, “in his Address to the Federal Assembly the President spoke about the development program, but it is remembered in many ways due to its second part related to foreign

¹⁰ Ivanov A. Meet the author of the pension reform. *Gazeta “Zavtra”*, 2018, June 24. Available at: http://zavtra.ru/events/avtor_pensionnoj_reformi_znakom_tes_

¹¹ Bashkatova A. The new Government becomes a Cabinet of one minister. *Nezavisimaya gazeta*, 2018, May 11. Available at: http://www.ng.ru/economics/2018-05-11/1_7222_siluanov.html (according to the Director of the Institute of Contemporary Economy N. Isaev).

policy. As a result, the society had expectations of a rapid socio-economic breakthrough, but had no understanding that it would be necessary to sacrifice something and rebuild everything to achieve the goal... The breakthrough and serious internal changes are promised; society is actually consolidated around the President and this agenda, and the government leadership has changed little, it is associated with the continuation of the existing policy (it is clear that some ministers and deputy prime ministers were changed, but people know them little)”¹².

We are dealing with a very serious and terrible geopolitical game that is directed against Putin. It involves supporters of the West, America, and the liberals in Russia. They proved much stronger, than many thought they were. It seemed that in recent years Putin thinned them out, shifted the fifth column, and that they represented a minority in the political establishment of Russia. But, as a matter of fact, they still keep their finger on the pulse, they are still in control and manage the main political processes... My forecast is pessimistic: Putin has been captured by a group of people who carry out the order of external centers to block him. He is disoriented and misinformed; he is being blackmailed (and it is a kind of geopolitical blackmail) by representatives of these global circles and their networks, who managed, in fact, to change radically the internal information policy of Russia¹³.

In this regard, a reasonable question arises: why at the beginning of his last six-year term in office did the President refrain from carrying out the corresponding personnel changes in the Government? And this question is asked not by experts, but by the broad strata of Russian society, because Putin gave the answer to it in the course of his direct live phone-in session with the nation: “If we cleaned up the entire Government and brought absolutely new people in it, even very competent and well-trained people, then at least

¹² Skorobogatyi P. Landmark-2021. *Ekspert*, 2018, no. 41, October 8–14. P. 53.

¹³ Dugin A.G. Liberal response to the Russian spring. Izborsk Club. 2014. October 27. Available at: <https://izborsk-club.ru/4129>

two years would be required to formulate the existing tasks, or set out new ones. We would lose at least two years. We don't have these two years to lose"¹⁴.

Against the background of these unfavorable conditions, the President faces the need to wage war on two fronts: against the relentless hybrid attacks of our “foreign partners” and against the Russian political elite. The rapid start of a new political season and the processes that are taking place around and inside Russia in 2018 suggest that at the beginning of V. Putin's last presidential term, a large-scale war is being launched **against him personally**, and its sole purpose is to ruin the Russian statehood and to try once again what could not be brought to a “victorious end” in 1991.

Let us recall that in early 2018, the President announced the main strategic goals and objectives of Russia's development for the next six years. According to these plans, by 2024, our country should be among the world's leaders on parameters such as life expectancy and economic growth rates. Specific deadlines and resources were identified, at the expense of which it was planned to achieve the goals.

We should also note that a significant part of the President's Address to the Federal Assembly on March 1, 2018 was devoted to the presentation of the latest achievements of the Russian Armed Forces; the fact obviously pursued only one goal – “long-term security”¹⁵. It is also important that by the beginning of 2018, there was a certain consensus between the government and Russian society, there was a common understanding of development goals and objectives, which was an important factor for achieving the strategic goals. We add to this the last (according to the current Constitution of the Russian Federation) presidential term of V. Putin, that is, the “final

¹⁴ “Direct Line” with Vladimir Putin. *Official Website of the RF President*. Available at: <http://www.kremlin.ru/events/president/news/57692>

¹⁵ The President's Address to the Federal Assembly on March 1, 2018. *Official Website of the RF President*. Available at: <http://www.kremlin.ru/events/president/news/56957>

The U.S. is not going to pit its nuclear strength against Russia's. The experience of the collapse of the USSR has shown that it is much more effective to act through the comprador elite and sanctions... Russia has two main threats:

- an external threat will come from the territory of Ukraine, which the United States turned into its own colony and military base. The Minsk agreements are a trap for Russia and a betrayal of the Russian world. There is no sense and there cannot be any, and the process of the U.S. capturing Ukraine and the division of peoples is actively going on. The U.S. and the West benefit from it. If we lose Ukraine, then we will lose Russia;
- an internal threat – the comprador elite which will sell Putin and Russia for the safety of its own capital and property (the fifth stage), and a short-sighted economic policy of the government, the impossibility of harmonious development of economy under this economic model¹⁶.

lap” in achieving the tasks that he voiced in 1999; and we get a virtually complete set **of readiness and ability of one of the world's leading powers to make a powerful leap forward in the next six years thus outpacing the United States in the framework of geopolitical competition.**

Due to obvious reasons, such a situation could not satisfy the collective West, which continues to pursue (or, we can say, desperately cling to) only one goal – domination in the world arena. At the same time, the experience of information attacks (such as the Skripal case), open armed hostilities (such as the situation in Ukraine) and even economic (sanctions) attacks showed that such measures are unable to become a really serious obstacle to the implementation of Russia's plans.

And then the most powerful weapon available in the arsenal of our “foreign partners” – the liberal part of the Russian political elite itself – was used, which proved its effectiveness twice in the 20th century (in 1917 and 1991).

¹⁶ Vasiliev A. Appeal to the Russian authorities. *Zavtra*, 2018, September 12. Available at: http://zavtra.ru/blogs/obrashenie_kvlasti_rossii

In July 2018, a meeting of the United States Senate Committee on Banking, Housing, and Urban Affairs was held in Washington; at the meeting, the senators unanimously supported the extension of sanctions against Russia. This event once again proved the limitations of U.S. President Donald Trump's ability to establish partnership relations with Russia¹⁷. However, it would not have attracted our attention (after all, the sanctions against Russia have been imposed before and, most likely, this time is not the last one), if not for the following two points.

First, the sanctions were once again imposed against not all the "close associates of Putin" but only against those who are in his "Patriotic camp". According to experts, "... So far, there are other oligarchs in Russia – from liberals and from the Yeltsin Family. Putin has no control over their money. Mamuts, Fridmans, Shokhins and others like them represent a group of old liberals, their money is not Putin's money and not Russia's money. It is they who refused to give 500 billion for national purposes at the time of the war between Russia and the United States. But it is they whom the U.S. leaves alone. And as for Timchenko, who is called Putin's wallet, and who sold an oil company in Switzerland and invested the money in the infrastructure of the Crimean bridge, is under the sanctions"¹⁸.

Second, Senator Michael McFaul at this meeting actually named the people who, according to experts, can be considered "the main supporting agents of U.S. influence in Russia": "I am well acquainted with Gref, Kostin, and Shuvalov – heads of the three largest state banks. We should involve them in the negotiation process

before the sanctions are imposed, and not after it has been done. When the sanctions are already in place, they cannot affect Putin"¹⁹.

Analyzing McFaul's speech, experts also came to the conclusion that he "counts on the decline of President Putin's popularity due to the "unpopular pension reform"²⁰. And, unfortunately, we cannot but admit that is quite a reasonable thought on McFaul's part.

"According to McFaul, the main goal of the United States is to oust Putin and his associates from power... To do this, it is not necessary to disconnect Russia and its key banks from the global payment and settlement system, says McFaul. It's pointless. The threat applied is losing its significance. Disconnection from the dollar system should act as a threat, as a tool of blackmail, rather than be implemented in practice. McFaul says it in plain text: it will be easier for Gref to put pressure on Putin if the threat is not implemented, but only possible. That is, Gref, Kostin, Nabiullina, Kudrin and Shuvalov are the main supporting agents of U.S. influence in Russia; through them, the U.S. intends to exert severe pressure on Putin"²¹.

The pension reform project (the most resonant of the Government's first steps in the new political season) required the personal intervention of the head of state, which in itself indicates that the current Government lacks people who have the trust and authority of the general public. However, even the President's direct TV address to the nation on August 29 broadcast on federal TV channels did not significantly affect the situation: according to

¹⁷ Let us recall that on July 16 in Helsinki, the first official meeting of Donald Trump with Russian President Vladimir Putin took place. According to the results of the meeting, experts noted that "the leaders have found common ground. The first step to start a dialogue has been taken" (source: The results of the meeting between Putin and Trump caused real rage in Washington. Vzglyad.ru. Available at: https://vz.ru/politics/2018/7/16/932798.html?utm_referrer=https%3A%2F%2Fzen.yandex.com)

¹⁸ Khaldei A. What are Putin's assets? *Zavtra*, 2018, September 10. Available at: <http://zavtra.ru/blogs/kak-amerikantci-protiv-vladimira-putina-sanktsii-vvodili>

¹⁹ Khaldei A. How Washington imposed sanctions against Vladimir Putin. Available at: <https://regnum.ru/news/2477932.html>

²⁰ Emelyanov E. Banks, energy and technology. The Congress discussed new sanctions against Russia. *Information portal Life*. 2018. September 7. Available at: https://life.ru/t/%D0%BF%D0%BE%D0%BB%D0%B8%D1%82%D0%B8%D0%BA%D0%B0/1149862/banki_enierghietika_i_tiekhnologhii_v_konghriessie_obsudili_novyie_sanktsii_protiv_rossii

²¹ Khaldei A. How Washington imposed sanctions against Vladimir Putin. Available at: <https://regnum.ru/news/2477932.html>

VTsIOM, the level of approval of V. Putin's work from January to May 2018 was about 81–82%; at the end of June (when discussions about raising the retirement age began), it fell to 73%; in July – August, it was 64%, as well as in the period from September 2 to 16 (that is, after V. Putin's TV address). According to the public opinion monitoring conducted by the VolRC RAS in the Vologda Oblast, the level of support for the head of state has been steadily declining since June 2018: in June, the share of those who support the President's activities was 70%, in August – 66%, in October – 64%.

... There are no guarantees that workers who have lived up to the newly established retirement age will receive decent pensions as government officials and individual experts assure. What are decent pensions? Today, as we know, Russians receive an average pension of 200 USD. And 1.5 million of our citizens receive only 100 USD. **So, when the President most seriously promises to increase the average pension by as much as 15 USD per year (!), not everyone rejoices at that.**

If we also recall the indisputable fact that the average Russian of pre-retirement age in the first year of its extension loses the right to receive benefits that had been previously agreed upon with the government in the amount of about 170 thousand rubles (14x12), then the surge of mass outrage over the unpopular, but supposedly imminent reform should not be surprising.

The pension reform by definition aggravates the already huge financial inequality in Russia, as the increase in the retirement age directly deprives low-income Russians of the income the amount of which is very significant for them²².

Regional elections held September 9 were no less revealing. Despite the assurances of United Russia leader and Prime Minister Dmitry Medvedev that “almost all of them (acting

²² Grinberg R.S. Pension reform as self-discreditation of Russian liberalism. *Nezavisimaya gazeta*, 2018, September 24. Available at: http://www.ng.ru/scenario/2018-09-24/10_7317_pensii.html

It is generally believed that at regional elections it is important to talk about the situation at the local level. But the discussion of the federal pension reform itself has led to a number of questions about the quality of life at the local level: **what is the situation concerning the availability of health care after its optimization, the conditions and the market of legal labor, social benefits, real incomes of households in rural areas, where the guaranteed pension of the older generation (even if the pension is not high) is an important source of cash and benefits** (it is no coincidence that banks talk about the increase in the number of loans taken by pensioners). **The advertising campaign on the pension law in the first month seemed to ignore these pressing issues.** From this point of view, it is clear why the discontent at the regional level exceeded the agenda of constructive changes for the regional infrastructure, which was traditionally offered by the United Russia party²³.

governors. *Gazeta.ru*) showed quite good results”, experts note that those elections “were held in a mode that the government was not used to”²⁴. We are talking not only about the fact that in the Republic of Khakassia, Khabarovsk and Primorsky krais, and in the Vladimir Oblast, a second round of voting was required. Above all, in general, those elections showed extremely low turnout. Thus, according to the official data of the Central Election Commission, the turnout (compared to the previous vote) decreased in 13 of the 21 regions. In general, the number of people who took part in the voting decreased by almost two million in all constituent entities of the Russian Federation, where the election was held in 2018 (*Insert 3*).

By the way, in August 2018, the Just Russia party proposed to postpone the single voting day from September to October, because “September

²³ Skorobogatyi P. Landmark-2021. *Ekspert*, 2018, no. 41, October 8–14. P. 53.

²⁴ Vinokurov A. A difficult choice: the United Russia is waiting for the second round. *Gazeta.ru*, 2018, September 10. Available at: https://www.gazeta.ru/politics/2018/09/10_a_11957329.shtml

Insert 3

Turnout at the gubernatorial election, people

Territory	2014*	2018	Dynamics +/–, 2018 to 2014.
Kemerovo Oblast	1882274	1337419	-544855
Nizhny Novgorod Oblast	1533021	1046586	-486435
Samara Oblast	1421746	1143198	-278548
Voronezh Oblast	1072796	831091	-241705
Tyumen Oblast	1467923	1241452	-226471
Primorsky Krai	605200	443199	-162001
Krasnoyarsk Krai	672300	593401	-78899
Ivanovo Oblast	311593	265768	-45825
Orel Oblast	410155	364850	-45305
Novosibirsk Oblast	653136	628945	-24191
Amur Oblast	214017	194752	-19265
Pskov Oblast	213248	195407	-17841
Chukotka Autonomous Okrug	19501	17987	-1514
<i>TOTAL sum of negative changes in regions</i>	<i>10476910</i>	<i>8304055</i>	<i>-2172855</i>
Khabarovsk Krai	350232	354084	+3852
Republic of Sakha (Yakutia)	317501	321536	+4035
Magadan Oblast	34391	38737	+4346
Republic of Khakassia	147279	160090	+12811
Altai Krai	658808	683339	+24531
Vladimir Oblast	339121	372616	+33495
Moscow oblast	2101697	2144961	+43264
Omsk Oblast	528167	666627	+138460
<i>TOTAL sum of positive changes in regions</i>	<i>4477196</i>	<i>4741990</i>	<i>+264794</i>
Total result in regions	14954106	13046045	-1908061

* Source: calculated with the use of data from the website of the Central Election Commission of the Russian Federation. Ranked by the dynamics in 2018 to 2014.

Results of the gubernatorial election, people

Territory	2014*					2018					Dynamics +/-, 2018 to 2014 (thousand people)					
	United Russia	KPRF	LDPR	Just Russia	United Russia	KPRF	LDPR	Just Russia	United Russia	KPRF	LDPR	Just Russia	United Russia	KPRF	LDPR	Just Russia
Kemerovo Oblast	1818087	9840	33411	6889	1084392	66005	66537	44853	-733.7	+56.2	+33.1	+38.0	-620.1	-	+27.9	-40.9
Nizhny Novgorod Oblast	1328867	-	40124	86429	708807	174037	68035	45559	-533.6	+55.1	+40.1	-	-	-	-	-
Samara Oblast	1362676	58963	25237	16833	829118	114090	65362	29900	-452.8	-	+70.00	-6.9	-	-	-	-
Tyumen Oblast	1269069	-	91093	78560	816253	159081	161068	71569	-349.6	+31.6	+39.9	-	-	-	-	-
Voronezh Oblast	952271	82030	12081	-	602638	113655	51953	18471	-317.5	+116.2	+70.6	-	-	-	-	-
Moscow Oblast	1655479	161969	52938	38315	1338029	278148	123542	98995	-260.4	+32.8	+12.3	-	-	-	-	-
Primorsky Krai**	466654	76345	28731	-	206300	109129	41066	21416	-118.0	+19.9	-	-	-	-	-	-
Amur Oblast	108363	31822	60545	-	108245	51715	-	15307	-117.7	-	+103.0	-	-	-	-	-
Vladimir Oblast**	253343	36063	13147	-	135633	-	116135	65105	-113.8	-	+76.7	+47.0	-	-	-	-
Altai Krai	480086	73808	33958	49577	366277	-	110694	96617	-97.5	+21.7	+59.8	+5.5	-	-	-	-
Khabarovsk Krai**	223542	34020	66920	13943	126018	55695	126693	19426	-75.6	+7.2	+5.1	-	-	-	-	-
Ivanovo Oblast	250048	24386	19951	8988	174449	31619	25086	13984	-68.2	-	+102.4	+61.6	-	-	-	-
Krasnoyarsk Krai	425017	94067	36011	11448	356820	-	138364	73037	-41.6	+58.9	-	+12.6	-	-	-	-
Republic of Khakassia**	93324	12740	14621	5321	51771	71553	-	17930	-28.6	+3.2	+4.9	-	-	-	-	-
Pskov Oblast	166613	23859	5637	11230	138020	27011	10525	-	-18.1	-	-13.7	-66.7	-	-	-	-
Novosibirsk Oblast	423855	-	122757	88000	405722	-	109076	21300	-5.2	-	+1.4	-0.157	-	-	-	-
Chukotka Autonomous Okrug	15563	-	1911	1449	10398	2200	3319	1292	+6.5	-1.2	-0.019	-	-	-	-	-
Magadan Oblast	25127	5101	1829	1569	31598	3915	1810	-	+42.8	+21.8	+9.9	-	-	-	-	-
Republic of Sakha (Yakutia)	186471	16850	10121	-	229314	38648	19962	21139	-	-	+37.3	-	-	-	-	-
Omsk Oblast****	316527	148501	19372	-	-	-	56659	-	-	-	-	-	-	-	-	-
Orel Oblast	-***	365392	15310	6661	-	304801	10609	17671	-4101.2	+345.6	+600.8	+268.4	-	-	-	-
Sum by regions (abs.)	11820982	1255756	705705	425212	7719802	1601302	1306495	693571								

Ranked by changes in votes cast for representatives of the United Russia party in 2018 as compared to 2014.

Methodological notes on Insert 1 and Table 1:

* The goal of Insert1 is to compare the results of the September 9, 2018 election with the results of the previous election. In most regions, it was held on September 14, 2014, but in the Republic of Khakassia, Khabarovsk Krai, Chukotka Autonomous Okrug and in the Vladimir, Magadan and Moscow oblasts, the last election was held on September 8, 2013; in the Kemerovo, Amur and Omsk oblasts – on September 13, 2015.

** According to the results of the election held on September 9, 2018 in the Republic of Khakassia, Primorsky and Khabarovsk krajs, as well as in the Vladimir Oblast, a second round of voting was required. This table presents the results of the first round, because we were interested in the primary expression of the will of the voters.

*** The “-” mark indicates the absence of a candidate from the relevant party.

**** KPRF and United Russia refused to nominate their candidates and stated their support for the acting Governor Burkov. He is a self-nominated candidate.

is an extremely inconvenient month for voting. Many Russians at this time have not yet returned from vacation. In addition, those who have private subsidiary plots are busy working there and just don't think about elections"²⁵. However, the Cabinet of Ministers rejected the proposal.

As for the results of the vote compared to the previous elections, the share of votes cast for the candidates from United Russia decreased in 16 out of 21 constituent entities of the Russian Federation. According to our calculations, in absolute terms, the party in power lost more than four million votes (*Insert 4*). According to experts, **“society is waiting for changes, but with an emphasis on social justice: on progressive taxation, and self-restraint of the elites, and in perception of the general public, this does not coincide with what was proposed by the Government and advocated by United Russia this summer... United Russia is responsible for the Government's decisions in the socio-economic sphere... but now United Russia itself is beginning to be perceived as a party that carries out unpopular economic transformations”**²⁶.

The reaction of society to the decisions made by the Government (especially in recent months) is understandable. Back in the 2000s, scientists noted that “non-involvement rather than protest vote is becoming the most common means by which citizens express their political discontent”²⁷. Describing the situation around the single voting day in September 2018, experts also say that “the protest did not stay on the street, but was brought to the election”, which, however, can be interpreted positively for the political system as

a whole, because “this means that the institution of elections performs the function of public feedback with the government. And the election results themselves should strengthen people's opinion that it is possible to change the local government through voting, rather than through protest actions”²⁸.

However, how can we characterize the reaction of officials to the decrease in turnout? E. Pamfilova commented on the situation with the turnout at a particular polling station in the Moscow region in Istra: “There is a certain amount of people who shall definitely come and vote. We will deal with that. It means these are active and responsible citizens who do care about what is happening in the country and the region”²⁹. Such a statement can be called at least strange; after all, when the opinion of 60% of citizens (who did not vote in the election on September 9) is ignored, then it is difficult to talk about any kind of orientation of the government toward national interests (the situation was the same when the opinion of 90% of Russians concerning the pension reform was ignored, too). However, on the other hand, everything becomes quite logical if we consider that “at a lower turnout, the share of the controlled electorate voting for the “party of power” and its candidates is greater”³⁰. Therefore, for example (as experts note), “the tactics of reducing the turnout was consciously used by the authorities in the elections to the State Duma of the sixth convocation”³¹ (we note that due to this fact the United Russia party obtained a constitutional majority in Parliament and eventually implemented the pension reform).

²⁵ Zayakin A. The Cabinet of Ministers did not approve the transfer of the single day of voting to October. *Ekspress gazeta*, 2018, August 1. Available at: <https://www.eg.ru/politics/588579-kabmin-ne-odobril-perenos-edinogo-dnya-golosovaniya-na-oktyabr-062299/>

²⁶ Skorobogatyi P. Landmark-2021. *Ekspert*, 2018, no. 41, October 8–14. P. 54.

²⁷ *Twenty Years of Reforms Through the Eyes of Russians (an Experience of Long-Term Sociological Measurements): Analytical Report of the Institute of Sociology of the Russian Academy of Sciences in Cooperation with Friedrich-Ebert-Stiftung in the Russian Federation*. Moscow, 2011. 304 p. Available at: http://www.isras.ru/files/File/Doklad/20_years_reform.pdf.

²⁸ Skorobogatyi P. Landmark-2021. *Ekspert*, 2018, no. 41, October 8–14. P. 56.

²⁹ Head of the CEC Ella Pamfilova voted in the gubernatorial election in the Moscow Region in Istra. *Nedelya v okruge*, 2018, September 9. Available at: <http://nedelya-v-okruge.ru/index.php/nedelya-v-okruge/4048-glava-tsika-ella-pamfilova-progolosovala-na-vyborakh-gubernatora-v-podmoskove-v-istre>

³⁰ Lyubarev A. (an expert at the Committee of Civil Initiatives): Low turnout saved the United Russia party. *Information portal “Gazeta.ru”*. 2016. October 16. Available at: https://www.gazeta.ru/comments/2012/10/16_x_4813741.shtml

³¹ *Ibidem*.

Thus, if there are American “agents in Russia”³² and if their goal is to destroy the “Putin regime” from within, then in this context the unpopular reforms of recent months that are lobbied by the liberal bloc of the Government and that go against national interests (VAT increase, the draft pension reform and at the same time – abolition of fines for non-return of foreign exchange earnings, and establishment of de facto offshore zones in Russia) are quite logical and understandable. **However, they have nothing in common with the officially declared goal of raising the standard of living and improving the quality of life.**

Along with specific representatives of political and economic elites, there is another actor whose actions, if not directly, then at least indirectly, increase the gap between the President and society, thus playing into the hands of Western strategists. We are talking about the influence that major corporations, which are the main taxpayers of the budget system, exert on the Government in order to create the most favorable conditions for themselves to evade paying taxes to the budgets of the regions and the country as a whole.

Ensuring the conditions necessary for the functioning of the system of social services and improving the quality of life are among the main tasks of the government, which are carried out with the help of the budget. However, on the basis of official statements of major corporations in five Russian regions, we can say that due to the fact that major taxpayers use all possible ways to minimize the size of the tax base, the endowment of the population of the subjects of the Russian Federation with their own income is significantly reduced: in the Vologda Oblast, for example, it is reduced by 102.1 thousand rubles per capita; in the Lipetsk Oblast – by 72 thousand rubles, etc. (*Tab. 1*).

³² Lyubarev A. (an expert at the Committee of Civil Initiatives): Low turnout saved the United Russia party. Information portal “*Gazeta.ru*”. 2016. October 16. Available at: https://www.gazeta.ru/comments/2012/10/16_x_4813741.shtml

Further calculations on the primary documentation of major corporations have shown that if an extensive list of tax benefits granted to them is limited, then **the per capita security of the budget with own revenues could be higher than the average Russian level, as it should be in regions where major taxpayers are situated.** In particular, in the Vologda Oblast – by 94.4 thousand rubles (or in 2.6 times), in the Lipetsk Oblast – by 58 thousand rubles (in 2 times), etc. (*Tab. 2*).

We should also note that over the past 10 years, the share of tax revenues from major metallurgical corporations has increased only by 8%, and the fortune of their owners – by 79% (*Tab. 3*). If in 2007, the fortune of corporate owners exceeded the share of taxes they paid to the budget in 19 times (which in itself is a very impressive indicator), then by 2016 this “gap” was 31 times.

All this “accounting” of major taxpayer corporations, despite its being in open access for anyone, in fact, says little to the vast majority of Russians, voters. It is the duty of the Government, the Federation Council and the State Duma to monitor these statistics and respond in time to negative changes in their dynamics. And it is extremely important that the reaction of responsible persons was adequate and timely, because it is a necessary condition that helps avoid negative changes in the quality of life as shown, for instance, by the following indicators of sociological surveys:

- ✓ about a third of the population (30–33%) negatively assess their material well-being and negatively characterize the situation in the Russian economy;

- ✓ about 40% of the population “has enough money at best to buy food”; 50% have enough money “to buy necessary goods”, and only 10% can afford “to buy various goods without any difficulties”;

- ✓ about 47–50% of the population subjectively identify themselves as “the poor and extremely poor” (and their number exceeds the number of people with “average income” – 43%).

Table 1. Sources for optimization of own revenues of the budgets of regions, in which metallurgical corporations are located, RUB per capita per year*

Sources	Vologda Oblast	Lipetsk Oblast	Krasnoyarsk Krai	Chelyabinsk Oblast	Irkutsk Oblast
Lost taxes on export earnings	1488	1479		1176	1031
Increase in commercial, administrative, interest expense	25780	25685	13490	6320	1921
Understated tax rate on income of top managers and owners of corporations	30392	25536	31026	17263	
Write-off as a loss the expenses on forming the provisions for impairment of financial investments in foreign companies and liquidation of these companies	28434	5907	4455	2822	
Netting of profits and losses of the participants of the CTG, with the aim of tax optimization	11974	3248			
Export VAT refund	4040	10118	4990	1875	966
Total amount of own revenues lost	102108	71973	53961	29456	3918

* Data as of 2017.

Table 2. Estimated provision with own budget revenues in the constituent entities of the Russian Federation, if tax incentives used by major metallurgical corporations were abolished, 2017

Indicator	Vologda Oblast	Lipetsk Oblast	Krasnoyarsk Krai	Chelyabinsk Oblast	Irkutsk Oblast
Average annual population for 2017, people	1180274	1153211	2875899	349767	2406548
Own budget revenues in 2017, million RUB	62522	54147	210964	151017	142100
Provision with own budget revenues, RUB per capita in 2017	52972	46953	73356	43176	59047
To the national average (60706 RUB for 2017), %	87.3	77.3	120.8	71.1	97.3
Estimated increase in the provision with own revenues taking into account the optimization of tax benefits provided to major metallurgical corporations, RUB per capita	155081	118746	127317	72632	62965
To the national average (60706 RUB for 2017), %	255.5	195.6	209.7	119.6	103.7

Table 3. Inflow of taxes from metallurgical production to the budget and the state of the owners of the largest metallurgical corporations in 2007-2016, billion rubles

Indicators	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2016 to 2007, %
Inflow of taxes	218	196	15	112	143	123	126	175	240	235	
Fortune of owners	4097	880	2817	4367	3300	3417	3373	3750	4737	7333	179.0
To the taxes received by the budget, times	19	4	188	39	23	28	27	21	20	31	+ 12

Federal Tax Service, *Forbes Magazine*. Available at: <http://www.forbes.ru/raiting/bogateishie>; VoIRC RAS calculations.

According to experts, for the period from 2012 to 2017 “average per capita income of citizens at the exchange rate of the ruble to the dollar decreased from 730 to 480; average monthly salary – from 860 to 600 USD. **In other words, over five years, citizens’ incomes, expressed in US dollars, decreased about 1.5-fold.** The drop in household consumption expenditure was comparable: in five years, it fell from 406 USD to 260 USD per household member per month”³³. At the same time, along with the decline in the standard of living of “ordinary Russians”, the number of billionaires continues to increase, as well as their personal fortune: for the period from 2006 to 2016, the number of billionaires increased by 60% (from 60 to 96 people), and their fortune increased by 50% (from 152.8 to 230 billion rubles)³⁴.

Taxation of income of individual entrepreneurs is arranged in such a way that when their income reaches 300 thousand rubles and more, they get a reduced tax rate; **that is, the more they earn, the smaller the share of their income transferred to the state treasury.** And if they manage to earn more than 18 million rubles a year, they will be fully exempt from participation in the replenishment of the Pension Fund. In general, as they say, the rich get richer. But **this is exactly the case when instead of social equalization there is an increase in the already existing and socially dangerous inequality**³⁵.

Thus, we are talking not only about the pension reform, which, although it caused a wide public response and a negative reaction from almost all major social groups (*Insert 5*), is still

³³ Bashkatova A. Russians lost their consumer potential. *Nezavisimaya gazeta*. Available at: http://www.ng.ru/economics/2018-01-31/1_7162_potencial.html

³⁴ Ilyin V.A., Morev M.V. Oligarchic capital and social injustice. *Vestnik Instituta ekonomiki Rossiiskoi akademii nauk*, 2018, no. 4, p. 50. (calculated with the use of Forbes Magazine data).

³⁵ Grinberg R.S. Pension reform as self-discreditation of Russian liberalism. *Nezavisimaya gazeta*, 2018, September 24. Available at: http://www.ng.ru/scenario/2018-09-24/10_7317_pensii.html

only the “tip of the iceberg”. In fact, we are talking about deeper, long-term trends of public discontent; first of all, about how fair the modern Russian society is. The latest data of long-term sociological studies conducted by VoIRC RAS show that **in three years (from 2015 to 2018) the proportion of people who believe that modern Russian society is unfair has increased in all socio-demographic groups. Today, this view is shared by more than 50% of representatives of all major social groups, and in half of them – by more than 60% (*Insert 6*).**

It is worth recalling our historical experience. It convincingly proves that each “comprador” reform, since the privatization of property and liberalization of prices, was accompanied by a deafening stream of empty words about universal values, freedom and democracy, prosperity, and concern about people’s welfare. In fact, each “reform” was a systemic war of the comprador clan against the people and the country, leaving behind devastation, poverty, backwardness, loss of social gains, bondage, and mass mortality.

Is the “pension reform” in its “milder” version that we see in the address of the Russian an exception? Or is it continuing the trend that can lead to a national catastrophe? Does the increase in the retirement age indicate a crisis of “the top management”? Does it indicate the fact that they cannot live in a new way, without comprador interests? The questions are worth to be considered³⁶.

We can assume that individual representatives of Russia’s political and economic elites act (as many experts note) directly in the interests and under the dictation of the West, or they have become accustomed to the irresponsibility and irremovability of managerial personnel that they have ceased to fear for their future; therefore, cases when Russians suffer from their actions are becoming more and more outrageous. One way or another, we can only say that the situation in

³⁶ Gubanov S.S. Aggravation of tension around pensions: what it means and what it can lead to. *Ekonomist*, 2018, no. 9, p. 24.

Insert 5

**What is your attitude toward the decision to raise the retirement age –
positive, negative or indifferent? (percentage of respondents)**

Population groups	Positive			Negative		
	Aug. 18	Oct. 18	Dynamics (+/-) Oct. 18 to Aug. 18	Aug. 18	Oct. 18	Dynamics (+/-) Oct. 18 to Aug. 18
Sex						
Men	8.8	10.2	+1	69.6	71.1	+2
Women	5.2	7.2	+2	75.7	76.9	+1
Age						
Under 30	8.4	9.0	+1	70.6	65.1	-6
30–55	6.2	7.1	+1	73.9	77.4	+4
Over 55	6.8	10.1	+3	72.8	74.8	+2
Education						
Secondary and incomplete secondary	5.4	5.8	0	68.7	78.0	+9
Secondary vocational	8.1	10.9	+3	72.6	73.7	+1
Higher and incomplete higher	6.4	8.4	+2	77.7	71.0	-7
Income groups						
Bottom 20%	4.7	7.4	+3	69.7	69.5	0
Middle 60%	7.3	9.7	+2	73.6	73.3	0
Top 20%	7.9	7.4	-1	71.8	77.6	+6
Territories						
Vologda	3.8	8.5	+5	82.2	71.0	-11
Cherepovets	4.7	5.2	+1	68.2	79.7	+11
Districts	9.7	10.5	+1	70.4	73.2	+3
<i>Vologda Oblast</i>	<i>6.8</i>	<i>8.5</i>	<i>+2</i>	<i>72.9</i>	<i>74.3</i>	<i>+1</i>

In your opinion, is Russian society fair or unfair in general? (percentage of respondents)

Population groups	Fair					Unfair				
	Dec. 15	Feb.16	Oct.18	Dynamics (+/-) Oct.18 to ...		Dec.15	Feb.16	Oct.18 Dec.15	Dynamics (+/-) Oct.18 to ...	
				Dec.15	Feb.16				Dec.15	Feb.16
Sex										
Men	18.2	11.9	14.7	-4	+3	49.4	59.2	56.7	+7	-3
Women	14.0	10.0	13.7	0	+4	52.3	55.8	62.7	+10	+7
Age										
Under 30	19.7	16.1	15.3	-4	-1	43.8	53.5	54.9	+11	+1
30–55	16.6	10.0	12.5	-4	+3	51.2	57.9	61.7	+11	+4
Over 55	12.6	9.0	15.7	+3	+7	55.0	58.7	60.4	+5	+2
Education										
Secondary and incomplete secondary	18.1	10.8	10.9	-7	0	45.1	52.9	61.2	+16	+8
Secondary vocational	13.9	9.5	14.4	+1	+5	51.0	57.8	59.3	+8	+2
Higher and incomplete higher	15.9	12.6	17.1	+1	+5	56.7	61.9	60.0	+3	-2
Income groups										
Bottom 20%	11.2	7.6	10.3	-1	+3	42.1	47.1	53.3	+11	+6
Middle 60%	15.8	10.5	12.3	-4	+2	54.8	59.1	62.9	+8	+4
Top 20%	16.6	13.7	25.7	+9	+12	53.3	63.5	57.7	+4	-6
Territories										
Vologda	15.9	9.5	15.5	0	+6	56.5	64.8	62.5	+6	-2
Cherepovets	14.1	11.9	7.2	-7	-5	68.5	68.9	74.9	+6	+6
Districts	16.8	11.0	17.4	+1	+6	37.7	46.4	50.1	+12	+4
<i>Vologda Oblast</i>	<i>15.9</i>	<i>10.9</i>	<i>14.1</i>	<i>-2</i>	<i>+3</i>	<i>51.0</i>	<i>57.3</i>	<i>60.1</i>	<i>+9</i>	<i>+3</i>

Russia in the first months of the new political season does not yet have the optimistic scenarios of the future, which the President outlined in his election speeches and which Russians have been waiting to see for many years.

Having adopted the pension reform, the government, firstly, aroused a very serious discontent in society. And second, the so-called “Crimean consensus”, which was formed in 2014–2015, was destroyed. People were told: “We must suffer, because we are surrounded by adversaries, we are living under the sanctions and so on, and we must use all the available resources to protect our homeland!”. And now people see that it is not so, that everything is done in the interests of the rich, and any consensus is out of the question³⁷.

Perhaps, therefore, against the background of the reforms lobbied by the liberal bloc of the Government in the first months of the new political season, we see an increasingly tough position of experts who focus on the priority implementation of national and social interests. A demonstrative example can be found in the fact that during the Fourth Eastern Economic Forum, held September 11–13 in Vladivostok, Presidential Advisor A. Belousov made an extremely tough and very clear statement (it obviously showed his emotional state, which can be described as “a cry from the heart”): “Indeed, we have created a cool system in which crooks and criminals feel comfortable. That is, we have created a system of control and supervisory activities, when people who are engaged in illegal business, which, in fact, is persecuted by the law, feel more comfortable, and nothing can be done to them”³⁸.

³⁷ Ushko: both the CEC and the left opposition supported the abolition of the municipal filter in the elections (D. Agranovsky’s opinion). *Zavtra*, 2018, September 28. Available at: http://zavtra.ru/word_of_day/ushko_2018-09-28

³⁸ Belousov A.R. Speech at the Eastern Economic Forum (Vladivostok, September 11–13). Source: RIA-novosti. 2018. September 12. Available at: <https://ria.ru/economy/20180912/1528347713.html>

I single out three categories of “stakeholders”. **The first category** is state-owned and large private banks. State-owned banks are fueled by the Central Bank and will always survive in any case. Large private banks are fueled from abroad, they get loans there and live in peace...

The second group of the beneficiaries of the monetary policy is currency speculators. When the Central Bank left the currency and financial market, large currency speculators came to dominate the market and began to swing the exchange rate of the ruble in order to make profit out of the destabilization the economy. We calculated that when the ruble fell to 80 rubles per US dollar in 2014, speculators gained up to 40 billion USD in profits on exchange rate fluctuations.

The third group of “bloodsuckers” includes exporters of raw materials, who take advantage of the lack of currency control and the devaluation of the ruble and receive excess profits, leaving them abroad. They have ensured that the non-return of foreign exchange earnings is no longer fined. This is despite the fact that the excess profits from the export of metals and hydrocarbons today exceed a reasonable rate of return very much.

These three groups of beneficiaries are extremely influential. They control the press, hold large-scale “economic” forums, force the economic expert community to dance to their tune. As an economist, I will honestly say that the main body of information that is issued on behalf of economic science is serving the interests of these groups of the ruling elite.

Presidential Advisor S. Glazyev in one of his articles specifies those beneficiaries who “support the most ridiculous dogmas imposed by Washington financial organizations on other countries to deprive them of opportunities for independent development”³⁹.

³⁹ Glazyev S.Yu. Beneficiaries of the current economic policy. Part 2. *Argumenty nedeli*, 2018, September 6. Available at: http://argumenti.ru/society/2018/09/584670?typelink=op_enlink

Finally, as experts note, the President himself holds meetings with the ministers in such a way that leads to the conclusion that “in the Kremlin, they are up to something. There is reason to believe that Putin, observing the balance of power and the consensus of the elites, is not content with what this risk-free group of smug unsinkable officials did in three months to the fruits of his many years of effort. If one believes that Putin will watch their actions dispassionately, one must be totally ignorant of who Putin is. The resignation of the government may occur earlier than planned ... The State Council is the structure in which Vladimir Putin exercises strategic leadership in achieving Russia’s global goals. If necessary, this structure can become the basis of the system of power in Russia, and the functions of the President can be changed in the direction of increasing the powers of the Chairman of the State Council”. At the same time, “Putin personally manages ministers and governors, bypassing the Administration of the President and Dmitry Medvedev” and shows that he knows “the details of the topic under discussion; he is attentive to details, informed more than any interlocutor, sees through the ministers at once when they are inaccurate, and there is no opportunity to hide from him one’s unreadiness to answer a question”⁴⁰.

...the only reasonable alternative to the current Russian ‘elected autocracy’ is a union of liberals, that is, people who care about freedom **for everyone and not just for themselves**, and socialists **who care about justice**, without sacrificing such a great value as freedom. But what awaits the country, if the former are confidently moving toward complete self-destruction, and the self-organization of the latter remains in embryonic state for a quarter of a century?⁴¹

⁴⁰ Khaldei A. Putin destroyed Siluanov. *Zavtra*, 2018, September 13. Available at: http://zavtra.ru/blogs/putin_unichtozhil_siluanova

⁴¹ Grinberg R.S. Pension reform as self-discreditation of Russian liberalism. *Nezavisimaya gazeta*, 2018, September 24. Available at: http://www.ng.ru/scenario/2018-09-24/10_7317_pensii.html

Thus, at the new round of the ongoing political season in Russia, we see how the struggle between the representatives of the patriotic and liberal blocs in the internal political elite of the country breaks out with new force. In fact, what is at stake is the sovereignty of the country and the possibility to implement an independent course of economic, social, foreign policy, etc. Unfortunately, we cannot but admit that in the first months of this “final lap” before the 2024 election the liberal bloc managed to do a lot of things it had in mind (implement unpopular reforms in society, “drive a wedge” between the people and the President). However, this “lost battle” does not mean “the end of the war”; it only makes the issue concerning the quality of the decisions taken by Putin more important. According to its major geopolitical advantages, the Russian Federation has been and remains one of the leading powers in the world, which means that the negative characteristics of the quality of life of the Russian population (as evidenced by the results of sociological surveys) do not depend on any losses in the available resources, but on the reduction in the efficiency of their management.

The President should listen to the opinion of the experts who are concerned about national interests, rather than their own welfare or the interests of our “foreign partners”. Because without appropriate tough management decisions it will be impossible to achieve a “decisive breakthrough in the preservation of the people of Russia and the well-being of our citizens”⁴², or ensure social stability in the country.

“It is obvious that the “bottom groups” do not want to live as they do now, in a hateful and hopeless economic system; it is evidenced by the accumulated protest potential. The question is whether the “top groups” can live in a new way, whether they are ready to decide in favor of establishing a new economic system instead of

⁴² The President’s Address to the Federal Assembly on March 1, 2018. *Official Website of the RF President*. Available at: <http://www.kremlin.ru/events/president/news/56957>

the old one. It is this issue that is now crucial for our country, which has once again found itself at a critical stage with an intricate balance of social forces and difficult social dynamics. The system crisis has reached its final phase, but it has not yet evolved into an internal political crisis. Therefore, the fate of the country now depends on whether the “top” allows the system crisis to shift from the economic to the political plane, brings the matter to a domestic political crisis or is able to show historical responsibility and yield to the highest state interests”⁴³.

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⁴³ Gubanov S.S. Aggravation of tension around pensions: what it means and what it can lead to. *Ekonomist*, 2018, no. 9, p. 24.