



Putin's New Russia Following Constitutional Reform

The View from Kyiv

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Russia's recent domestic political changes and the constitutional reform first proposed by President Vladimir Putin in January 2020 will not only have far-reaching implications for the Russian population. They will also have certain repercussions for Moscow's stance on foreign affairs, above all its attitude to Ukraine and other post-Soviet states. They have recently also acquired an additional international dimension in the light of the ongoing political upheaval in Belarus. Various new provisions in Russia's Constitution could become relevant in justifying this or that action by Russia against pro-Western tendencies not only in Kyiv, Chisinau and Tbilisi, but now also with regard to Minsk.

Russia's constitutional change has been accompanied by mounting socio-economic problems. The Russian economy had already entered a period of stagnation before the onset of the Corona virus pandemic in Eastern Europe in March 2020. The COVID-19 calamity has merely accelerated and compounded a number of existing structural problems. The Russia of mid-2020 is already significantly different from that of early 2020 and may change further by the end of the year. What does Russia's ongoing transmutation mean for Ukraine and for other post-Soviet states, including Belarus?

The Background

In the spring/summer of 2014, the swift military occupation of Crimea and parts of Ukraine's Donets Basin (Donbas) allowed the Kremlin to temporarily change the emotional temperature in Russia. As Putin experienced a steep surge in his popularity as a result of Russia's Crimean adventure, several deep socio-economic problems, such as Russia's dependency on oil exports and rampant corruption, retreated to the background for the time being. This luxury

was also facilitated by energy prices that remained high.

One year later, the grandiose celebration of the 70th anniversary of the Soviet victory in World War II reinforced the Putin regime's official maxim that Russia is strong and will always win in the end. The mythology of Russian invincibility has facilitated the rapid spread of a siege mentality among many ordinary Russians. The West's relatively united rejection of Moscow's increased assertiveness in the post-Soviet region since 2014 has been used by the Kremlin to claim that the country is surrounded by enemies.

The increasingly aggressive behavior of Putin and his backers was facilitated by the fact that the Western sanctions imposed on Russia in 2014 were relatively moderate. The various limitations that have been in force now for six years have touched only a narrow circle of individuals and a select range of economic activities. The sanctions were designed to have an impact over time, and thus took effect only gradually. Some of them limit the sale to Russia of specific extractive technologies that, following the decline in energy prices since 2014, are no longer needed by Russia.

In spite of their unimpressive record, the EU and US sanctions were a relatively big step for the West in 2014. Brussels and Washington did not repeat the mistake they had made after Russia's invasion of Georgia in 2008. Following Russia's annexation of Crimea and intrusion into eastern Ukraine, the European Union and the United States did not seek a rapid restoration of relations with Russia or a lowering of sanctions once the conflict's intensity had lessened. While the sanctions imposed have a circumscribed reach, they still work within the context of Russia's ineffective economic model that is largely based on the extraction of rents from the export of natural resources.



Approximately 40% of the Russian Government's budget is derived from revenues from the sale of oil and gas.

The Economy before the Pandemic

Mounting economic dislocations in the Russian Federation were becoming salient before the start of the COVID-19 pandemic. By the end of 2019, the Russian Federation's post-great recession economic record was already looking less than impressive. Over the previous 11 years, it had experienced the de facto stagnation of an average annual growth rate of 1.1% in the main sectors of the economy. At the end of 2019, investment was 7.1% below its 2013 peak. Real consumer spending was 6.6% below the peak of 2014, and purchases in retail trading 8.8% below their 2014 peak. These and similar developments had led to declining trust among foreign investors in Russia. Between April and December 2018, the proportion of Russian government bonds held by foreign investors fell from 34.5% to 24.4%.

The strategic goals of Russia's future development, as defined by Putin in his May 2018 Executive Order on National Goals and Strategic Objectives of the Russian Federation to 2024, were already looking unattainable before the pandemic hit Russia in the spring of 2020. The goals Putin set to be achieved before the next regular presidential elections in 2024 included sustainable population, pensions and wages growth; increasing the life expectancy to 78 years; halving poverty; improved housing conditions for at least 5 million households each year; an increase in the proportion of corporations engaged in technological innovation to 50 per cent; and to make Russia one of the five largest economies in the world.

In a democracy, if a government announced such aims and then failed to come even close to delivering any of them, voters would simply change the government. That is not possible in Russia, however, in spite of the level of grievances increasing at rapid speed. The June 2018 pension reform and its raising of the retirement age for men to 65 and women to 63 led to widespread protests throughout 2018. In 2019, there were over 300 significant protests. According to opinion polling, the proportion of Russians willing to entrust Putin with "important matters" had fallen to 34%.

From Semi- to Full Autocracy

Against this background, Putin decided – apparently early in 2019 – to reset the political system. In the summer of 2019, Vyacheslav Volodin – the Speaker of the State Duma, the lower house of the Russian parliament, and a close associate of Putin – addressed the issue of constitutional reform in an article called "The Living Constitution of Development". Volodin proposed amendments to the Russian Constitution that would "correct" what he labelled an "imbalance" between the legislative branch and executive power. The resulting constitutional changes, however, have not strengthened the legislature but instead further increased the already considerable powers of the executive branch. The recently enacted constitutional reform has replaced the existing semi-autocracy with a new more explicitly dictatorial regime characterized by even tighter presidential control over the bureaucracy, society and municipalities.

The Russian plebiscite on the new Constitution on 1 July 2020 was not a referendum, but a vote of confidence in Putin and a test of loyalty for the elites. The figure of 78% in favour of the constitutional reform had been determined in advance. It was set high intentionally to ensure the



involvement of as many regional authorities as possible in the vote-rigging. The regime is disciplining its own servants. The new constitution enables a cleansing of the elites for such aberrations as holding dual citizenship, or the possession of residence permits or private assets in other countries. Candidates for President of the Russian Federation are required to have lived in Russia continuously for 25 years – a new rule meant to keep away any candidates educated or with work experience in the West.

The reconfigured Putin regime is attempting to build a new socio-political reality with a tightly controlled bureaucracy, a nationalized Internet and an imperial historical mythology. The executive now has a de facto veto on any law adopted by the State Duma and Federation Council, by way of declaring it unconstitutional in a decision of the presidentially controlled Constitutional Court. As a result of these and similar new rules, the power awarded to the President of Russia is unprecedented.

Repercussions for the post-Soviet World

The constitutional reform and reset of Putin's system will also have grave implications for Moscow's foreign relations, most notably for the Russian-Ukrainian conflict. For instance, Article 79 of the new Constitution gives priority to Moscow's domestic interests over any obligations that stem from Russia's membership in international organizations. It states that: "Decisions of interstate bodies adopted on the basis of the provisions of international treaties by the Russian Federation that in their interpretation contradict the Constitution of the Russian Federation are not subject to execution in the Russian Federation". This new provision is in manifest conflict with Article 15 of the Fundamentals of the Russian Constitution,

which remains in place, and states that: "If an international treaty or agreement of the Russian Federation fixes other rules than those envisaged by law, the rules of the international agreement shall be applied".

Article 69 of the new Constitution says that: "The Russian Federation provides support to compatriots living abroad in exercising their rights, ensuring the protection of their interests and preserving the all-Russian cultural identity". This new provision creates an explicit constitutional basis for foreign meddling by Moscow under the pretext of humanitarian intervention and provides a framework for global promotion of the "Russian world" within a broadly defined "all-Russian cultural identity". This formulation could be used to refer to ethnic Russians abroad, and to other people identified as being affiliated with Russia's culture and thus in need of the Kremlin's support.

For Ukraine, Moldova and Georgia, as well as other post-Soviet states, the new provisions of the Russian Constitution such as those set out above are a matter of particular concern, against the background of the increased "passportization" of their occupied territories and partly even of their general populations. Moscow has liberally handed out Russian passports to citizens of the post-Soviet states, thereby acquiring "compatriots" who can be declared as in supposed need of its care. The Kremlin can now justify, even more easily than before, its active foreign interference on behalf of its newly minted Russian citizens abroad. Military aggression, territorial expansion and other interventions can be presented as flowing from the obligations in the Russian Constitution. The Russian state's new constitutional tasks could potentially even be used to justify military or hybrid interventions into NATO member states such as the Baltic states, on behalf of their Russian-speaking minorities.



Finally, Article 67 of Russia's new Constitution is of special interest for Ukraine. It states that: "The Russian Federation ensures the protection of its sovereignty and territorial integrity. Actions (...) aimed at alienating part of the territory of the Russian Federation, as well as calls for such actions, are not permitted". This seemingly innocent provision is explosive in so far as the Republic of Crimea and the City of Sevastopol are explicitly mentioned in the Russian Constitution as being part of Russia. Of course, the same territories are also mentioned in the Ukrainian Constitution as being part of Ukraine.

Conclusions

The new Russian Constitution – particularly in combination with Russia's increasing economic fragility – is a worrying development for states such as Ukraine. According to the text and the implications of its new basic law, Putin's regime has become even more authoritarian and revisionist than before. While it is not only the people of Ukraine that are hoping for some personnel changes in the Kremlin, Kyiv cannot proceed on the assumption that there will be positive future political scenarios in Moscow. Not only the Ukrainian people, but also Georgians, Moldovans, Belarusians and the people of other former-Soviet republics are currently facing a more consolidated, authoritarian regime that has shed the last vestiges of democratic control and widened the legal corridor for foreign revisionism.

At the same time, Putin's regime is more and more obviously unable to fulfill its implicit socio-economic contract with Russian society and the explicit goals set by the Russian President in his 2018 Executive Order on his aims for 2024. Under these circumstances, Kyiv above all, but also Tbilisi, Chisinau and Minsk, should prepare for the possibility of new escalations

designed to refocus the attention of the Russian public from socio-economic to foreign policy matters. Western states too may want to prepare themselves for considerable additional geopolitical challenges in the post-Soviet space. While Putin's regime could already be entering its final agony, its last convulsions are likely to be highly dangerous for Ukraine and the world.



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