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FORUM Q&A: LILIA SHEVTSOVA ON RUSSIA AS A GLOBAL CHALLENGE



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In March 2018, Vladimir Putin was credited with an electoral victory, giving him a fourth term as Russian president and making him Russia's paramount leader for nearly two decades. The Kremlin's growing internationalism, including election interference in the democracies, has caught the democracies off-guard. An important part of this internationalism is Russian transnational kleptocracy, which has the effect of corroding

democratic institutions as a recent cluster of articles in the *Journal of Democracy* pointed out.

Melissa Aten of the International Forum for Democratic Studies spoke with Lilia Shevtsova about these and other implications of Russia's domestic and international policies. (This interview has been condensed and edited for clarity. The views and opinions expressed here do not necessarily reflect those of the National Endowment for Democracy.)

Melissa Aten: Now that Vladimir Putin will serve as president for a fourth term, what do you think Russia's trajectory will be, both domestically and internationally?

Lilia Shevtsova: It seems to me that that Russia is entering a kind of historic pause. Let's call it the interregnum. Which means that the old system—and everybody understands this, at least in Russia—the old system is obsolete; it's so archaic. It doesn't work at all. It cannot promote any kind of growth and development, and it cannot secure stability as well. And in a sense, President Putin is presiding over his own last chapter, over his political agony, which is kind of a bitter, ironic paradise.

The Kremlin is trying to preserve the status quo by portraying Russia as a “besieged fortress” with an outside enemy to blame for its problems, and to some degree this has brought some results. It gave the president a kind of legitimacy, but this approach will only work for a short time. We should ask to what extent Russians, both the elite and the population, are ready to live inside this fortress, especially when you take into account that the Russian elite—the oligarchs and the ruling class and the members of the government—would love to be in Londongrad to become personally integrated into the West. Will they be ready to leave the besieged fortress? What about the population? There is a lot of misunderstanding about its patience to be subjects of this repressive power.

The polls tell us the real story. **Fifty-seven to 60 percent of Russians** would agree that Russia is a superpower, but they would prefer the superpower not be an arrogant, predatory power—rather a power that would guarantee them well-being and a peaceful life. Only **19 percent of Russians** believe that Russia should fight and contradict the U.S., and only 14 percent would like Russia to be an aggressive power in the territory of the post-Soviet space.

Putin could use another gimmick: the anti-corruption struggle, just like his predecessors including Stalin did. This would mean that he would address two problems: cleansing

the rotten, demoralized, high-echelon of the elite and responding to the demands of society for justice. The trouble is that the demoralized, corrupted elite cannot produce this change.

Internationally, I would say that Putin has brought Russia into a kind of a trap, and he doesn't know where the exit is. What kind of trap? He brought Russia into confrontation with the West, but this contradicts the very essence of the traditional Russian model of survival—by using the West, by integrating the Russian elite into the West. Both sides, Russia and the West, will be trying to look for a new balance between deterrence on the one hand and dialogue on the other, without knowing where the exit to much more normal relations will be. Hence, we could make an analogy: the international situation as an Alfred Hitchcock movie, where everybody feels that there is a kind of threat looming ahead, not knowing where it will come from and when. Unless there is some formidable shock—a geopolitical catastrophe, for example—that will force both sides to really look for an exit from this confrontation, it is difficult to see how it will end.

For the time being, the West and Russia are playing the game of who winks first. Neither side knows how to de-escalate, and this is the problem. The West should know how to de-escalate, because the West has a tradition and culture of consensus, of compromise-seeking, of negotiations. In the Russian system, the ruling elite does not know how to backtrack because backtracking for them would mean suicide. They cannot lose the image of being a great power without also losing power.

In previous conversations, I have heard you describe what you call the “Russian survival triad”: the desire to be inside the West, with the West, and against the West. Can you elaborate on that, and discuss how it relates to Western strategy toward Russia?

The collapse of the Soviet Union brought postmodernity with globalization, which means the borders between fair and unfair, truth and fake, war and peace have become fuzzy. This has become the best environment for this Russian triad of being with the West, outside of the West, and inside of the West—to incorporate personally into Western political and economic systems and to insulate Russian society from Western impact. This was effective until Putin made this absolutely disastrous decision for himself, kicking over the global chess board with the 2014 annexation of Crimea, and the story of happiness ended.

This model isn't totally new for Russia, because Peter the Great and Stalin also pursued modernization at the expense of the West—using Western means, Western ideas. Probably the most elaborate example of this triad has been German Ostpolitik. Ostpolitik was formed by the West German and Soviet elite in the 1970's, built around

the “Red Bargain” with West Germany and the Soviet Union. The essence of this bargain was gas in exchange for a pipeline. This is when West Germany became a promoter of Soviet interests within the NATO alliance. The whole idea was based on the illusion that the more the West embraced the Soviet elite and the Soviet Union, the closer you came to the Western dream of transforming the Soviet Union. Well, the Soviet Union collapsed before it was transformed, which, by the way, didn’t erase the new edition of Ostpolitik—they still are dreaming about that. Germany is still partially accommodating the Kremlin and the Russian elite in the hopes this will change their politics. Well, good luck.

Ostpolitik, and this policy of accommodation, was a very important element of the survival of the Russian system. At the same time, this triad has helped create something that we could call the “Manafort Machine,” where one part of the lobbyist machine of the United States allegedly promotes the interests of the corrupted Ukrainian regime. The same machine exists in all major European countries: in the UK, Germany, and France. This machine has become an element that, in fact, undermines liberal democracy, discredits liberal ideas, and undermines the whole idea that the West could be a role model in other transitional countries or autocratic societies. You cannot be a role model if we in fact can seduce and bribe you.

So the problem is to what extent the West will be ready after this confrontation to return to its normative principles, to what extent can the Western establishment again become the role model for the rest. Unless we have this answer, we cannot answer the question of why liberal democracy is collapsing and fading around the world.

I have also heard you say that the Russian political elite are eliminating the state, as a method of survival. What do you mean by that?

We currently have a very cynical and smart political regime that in fact has survived by demolishing not only the Russian liberal minority and modernist part of society, but, unexpectedly for themselves, the pillars of the Russian traditional state as well.

There are three elements of this terminator machine. First, by holding fake elections, they discredit this very important means of legitimacy. The Kremlin leaves society without any means of legitimating authority. The second element of this terminator machine is the fact that the current regime, by confronting the West, is leaving Russia without financial resources to refinance the Russian corporate and state debt, and without technological ammunition for the oil and gas industry, and this is the source of Russia’s existence. Third, by breaking international rules (the war in Ukraine, interference in Syria, meddling in American, German, and French political life), they are bringing on the country’s demise. In the end, not only does the current regime

undermine and bury the modernist minority, the law of unintended consequences undermines the traditional pattern of the state's existence.

Russia has been active in many of the world's hotspots: Syria, Venezuela, North Korea. What motivates Russia's involvement? Does it have the strength to continue to be so active in these types of conflicts in the near and long term?

For starters, Russia is involved in two wars— in Ukraine and Syria—and the Kremlin has no clue as to how get out of them without losing face. Indeed, Moscow tries to keep its presence in other parts of the world, including Venezuela, North Korea and even South Africa. The Kremlin tries to preserve the Great Power status that it needs for domestic legitimacy, but one should not exaggerate Russia's global impact. Expansion has become a heavy burden for the Russian budget and Russian citizens do not want to sacrifice their living standards for the sake of great power ambitions. The need to limit its global ambitions due to shrinking resources, combined with its inability to find other proof of Russia's greatness, will be a tough challenge for the Kremlin in the future.

You have said that Western pundits struggle to understand Russia. What are the main sources of their misunderstandings?

The history of fallacies is long, starting with the beginning of the post-communist period, when many people believed Yeltsin was a liberal reformer. In the recent past, prevailing fallacies include the idea common in 2010 and 2011 that the war in Ukraine is the result of European Union pressure on Ukraine and the desire of Europeans to play in the Russian area of interest. In Germany and in Washington, they were arguing that the war in Ukraine is just a civil war between different factions, with no kind of impact on the part of Russia.

Another new myth is the collective campaign by pundits to find an equilibrium between Russia and the West. The key hope is that if the West stops NATO enlargement, then equilibrium can be reached.

How has kleptocracy affected the trajectory of democratic development in Russia since the 1990s?

It seems to me that there are two important points. First, we have to distinguish between corruption and **kleptocracy**. Corruption presupposes the existence of a more or less independent bureaucracy and state apparatus on the one hand, and the business

class on the other, which allows the business class to bribe representatives of the elite. This is not a kleptocracy. This is simple and primitive corruption.

Kleptocracy is the merger of power and property. Those who rule the country own it. This is a phenomenon that has emerged in the societies that have failed to transform themselves. The Eastern European communist countries that experienced successful anti-communist revolutions were lucky because they did so before this merger occurred. Anti-kleptocratic revolutions are much more complicated, and I don't know whether they are possible everywhere.

The poisoning of Sergei Skripal and his daughter in Salisbury has brought renewed scrutiny of Russian investment, through real estate and other channels, in the U.K. Why does so much illicit Russian money end up in London, and what do you think can be done to address this?

Well, it seems to me it's understandable why the U.K. is so attractive for Russians. A very important factor is that the U.K. provides secure guarantees of private property, and it has a fair justice system. If you have something in Britain, it's just safe. On the other hand, when the British allowed the penetration of dirty money and the U.K.'s transformation into a laundromat, they helped to create a very powerful machine that serviced the needs of authoritarian kleptocracies and made "Londongrad" part of their kleptocratic establishment.

We should mention that the British have started to become quite concerned about this dirty money. They recently passed a law on **unexplained wealth orders** that allows British law enforcement to investigate the origins of dirty money, and at least two cases from Central Asia have been investigated. They are also scrutinizing their "**golden visa**" regime, which allows people to purchase visas in exchange for one or two million pounds.

The British have become concerned, not only about the corruption of their financial system and real estate market, but about the pillars of their political system. The question is to what extent they will be concerned enough to start a serious investigation.

According to some estimates, **125 billion pounds of Russian money**, not only dirty but all types of money, came into the U.K. Altogether, according to experts, a major portion of between 800 billion and 1 trillion pounds of Russian money that left the country went through the U.K. and its affiliated islands.

The problem is that the Brits cannot fight this war alone. And the success of the British anti-kleptocracy campaign depends on the unity of the European Union, and to what extent the whole European community understands that Europe and the West have

powerful instruments of influencing not only authoritarian countries, but also reforming their own societies. So, the ball is in the Western court.

Two things to end with. The current global situation could be more pervasive, more cynical, more unpredictable, and more dangerous than the previous Cold War. The Cold War was waged according to certain rules of the game that both sides respected. The current confrontation is being waged at a time when there is no clear world order, when the old paradigm has collapsed, and when at least some actors do not respect any kind of taboos. These regimes are gaining legitimacy by breaking the rules and by breaking taboos. That's why we have the Hitchcock effect all the time.

Secondly, we shouldn't ignore one very important element of Russia's recklessness. Despite the fact that Russia is a country in decay, Russia in fact creates a shadow. And there is another power, China, calmly standing in the shadow, watching the whole phenomenon and waiting for the final results of this game. In a much more astute, much more strategic way, it is trying to fill the void, trying to use this desperate struggle between reckless, adventurous Russia and the West for its own gain. And waiting for the moment when the two elephants will defeat each other.