

## Medvedev and the Governors

By Darrell Slider, Tampa

### Abstract

Medvedev's removal of important governors, culminating with Moscow's Yuri Luzhkov, marks a departure from the more incumbent-friendly policies of Putin. This new cadre policy suggests a confidence that Moscow can pick regional leaders that will be just as effective as their predecessors. However, the new leaders are managers rather than politicians and it remains unclear that they will have the necessary skills to deal with the challenges they face.

### A Turning Point in Center–Periphery Relations

The replacement of Moscow mayor Yuri Luzhkov with Sergei Sobianin marks a watershed in Russian politics. While it was unlikely that Luzhkov would have been reappointed when his term expired in July 2011, his early departure changes much in the political dynamics of the country. It sent a message that even the most powerful regional leader could be removed from power in short order, and Dmitry Medvedev made this point explicitly in Shanghai when answering questions about his decision.

The legal framework allowing the president to dismiss regional leaders dates back to the 2004 decision by Vladimir Putin to end popular elections to that post. Yet Putin was reluctant to exercise this power, preferring a Brezhnev-like principle of “stability in cadres,” especially for the leaders of critical or problematic regions. In fact, it could be argued that the decision to eliminate elections of governors was in part designed to allow key regional leaders to remain in place in spite of approaching term limits. (Under those provisions, adopted in 1999, regional executives could serve only two terms in office, not counting terms served prior to the law being passed. Once the post became an appointed one, term limits were eliminated.)

Putin's much vaunted “vertical of authority” subjected regional leaders to increased controls over their activity from the center, especially in the financial/budgetary sphere. But the nature of the arrangement in fact granted significant freedom of action to at least some regional leaders. The ad hoc nature of the Kremlin's dealings with the regions, often described in positive terms as the application of “manual controls” (as in driving with a stick shift rather than an automatic transmission), was based on a bargain that gave the greatest privileges to the strongest regional leaders. For their part, powerful governors were expected to show political support and personal loyalty to Putin and the Kremlin. In federal and regional elections they delivered overwhelming majorities to United Russia. In return, they were allowed to preside over their well-entrenched networks

of allies in key administrative and economic positions. Questions were rarely raised about corruption or violations of federal laws in these regions, which made a mockery of justifications sometimes given for the imposition of Putin's “vertical.”

### Medvedev's New Direction

What is new about the Medvedev presidency is that he has been willing to abrogate Putin's deals with regional “heavyweights”. The new approach debuted in February 2009 with the forced resignation of Orel province's Yegor Stroev, the oldest and one of the most honored of Russia's regional leaders. He had been in charge of the oblast since 1985 when he became communist party first secretary, and he also served as speaker of the Federation Council prior to Putin's overhaul of that body in 2000. Stroev was replaced, not with a member of his team, but an outsider—Alexander Kozlov, a deputy minister of agriculture at the federal level who had no ties to the region. Several of Stroev's top associates were subsequently charged with abuse of office.

In the past year Medvedev demanded the resignation of several other, more powerful regional politicians who had been elected in the early or mid-1990s. These were Sverdlovsk's Eduard Rossel' (forced out in November 2009), Tatarstan's Mintimer Shaimiev (December 2009), and Bashkortostan's Murtaz Rakhimov (July 2010). Unlike Luzhkov, all of them accepted the “voluntary” path of resignation in exchange for modest symbolic compensation in the form of appointments to the Federation Council or other token positions. These decisions were often preceded by a brief campaign in the national media “exposing” corruption and shady deals in the target regions. Negotiations between regional leaders and the Kremlin may have included grants of immunity from prosecution (there were reports of this in Rakhimov's case).

Medvedev announced at the beginning of the year that he would, as a general rule, seek to replace any regional leader who had completed three or more terms in office. This pattern of forced retirement demonstrates that the Kremlin under Medvedev has much greater con-

fidence that it is capable of finding replacements who could manage the regions at least as well as the incumbents. The only leader of those mentioned above who was influential enough to dictate his successor was Shaimiev; he was able to get his right-hand man appointed, then Prime Minister Rustam Minnikhanov. In the other cases, the replacements were brought in from outside the entourage of the ex-leader. Rakhimov was replaced by Rustem Khamitov, a manager of RusHydro, the largest producer of hydroelectrical power in Russia. Alexander Misharin, successor to Eduard Rossel', had worked in as a railroad official in Sverdlovsk at various points in his career, but since 2004 had held transportation and infrastructure-related posts in the Russian government.

### The Luzhkov Decision

The decision to fire Yuri Luzhkov is of a different order of magnitude, given the importance of Moscow in Russian political life. The city is home to over 10 million residents (that is the official tabulation, many more live there in reality), which constitutes a significant percentage of the total Russian electorate. Economically, Moscow contributes roughly 20% of the national GDP. It is second only to New York in having the largest concentration of billionaires—50 in 2010 according to the Forbes' list—and tens of thousands of millionaires. As the site for the headquarters of most of Russia's major companies, Moscow benefits from profits earned in other parts of the country where the mineral resources and factories are actually located. The prosperity of the city is reflected in the prices of housing and office space, which are among the highest in the world. In spite of the high cost of living, the city attracts countless young and ambitious migrants from all of Russia, creating an internal "brain drain" that hinders the development of other regions.

Much of the city's development can be credited to the energetic leadership of Yuri Luzhkov. He took over the city government in 1992 with the endorsement of President Boris Yeltsin, who, as first secretary of the Moscow party committee, had promoted Luzhkov to his first important post in the city administration in 1987. While Luzhkov's education and background were in the chemical and plastics industry, he quickly became known for his large-scale construction projects. Many of these were controversial: they were expensive, sometimes he destroyed historic buildings in the process, and the projects were often of questionable aesthetic value. He added to Moscow's transportation infrastructure through major new road construction, though even this was criticized since the city's traffic only got worse over time. Construction and development was controversial for another reason: the role of nepotism and corrup-

tion in the awarding of permits and construction contracts. It soon became known that one of the billionaires living in the city was none other than Luzhkov's wife, Yelena Baturina, who headed what came to be the largest construction company in Russia, Inteko. Her business benefited from favorable treatment from city officials supervising construction under the control of her husband. Meanwhile, other businesses, large and small and in all spheres of activity, suffered from oppressive bureaucratic obstacles and accompanying corruption that were among the worst in all of Russia.

Despite the controversies, Luzhkov was always in the national political limelight and made a serious run for the presidency in the closing months of the Yeltsin era. The party he organized in 1999 became one of the founding components of Putin's party, United Russia, and he served at least nominally as one of the triumvirate of party leaders until his resignation. Putin had a particular logic for retaining Luzhkov as mayor. Luzhkov remained popular with Muscovites, especially senior citizens for whom he created a series of material benefits including a "Moscow supplement" that was added to residents' pensions. With this reservoir of support behind him, Luzhkov has championed the cause of popular elections for regional leaders—even before he was dismissed. He was also adept at using his administrative levers to achieve victories for Putin's party, United Russia, that went far beyond the actual distribution of political preferences in the city. The culmination came in October 2009, when Luzhkov managed to achieve total dominance for United Russia in the city duma—32 of 35 seats. For Putin and his chief ideologue Vladislav Surkov, maintaining stability and control in the capital was an obsession; it was an essential component of a strategy to prevent a "colored revolution" in Russia. This also explains the zeal with which Luzhkov sought to prevent opposition demonstrations in the city and his willingness to call in OMON special forces on a massive scale to break up even small "unauthorized" rallies.

The extent of Moscow's "special status" was certainly known to federal authorities, but they spoke openly of it only when Luzhkov was gone. Russian Finance Minister Aleksei Kudrin revealed that the Moscow leadership, in violation of Russian law, adopted one in four decisions in secret. It is estimated that between 1998 and 2009 Luzhkov's government illegally classified "for internal use only" over 14,000 decrees and resolutions. Moscow, like other "donor" regions such as Tatarstan and St. Petersburg, has had additional flexibility in the use of city revenues. Kudrin, again only after the resignation, revealed that Moscow had invested "billions of dollars" in private businesses such as an airline, banks, and construction companies—all the while claiming

that the city lacked the funds needed to deal with its transportation problems.

Ultimately it appears that it was not corruption, mis-spending, human rights abuses, destruction of Moscow's architectural legacy, traffic nightmares, etc. that led Medvedev to move against Luzhkov. It is also unlikely that charges will be brought against him or his wife, though the threat of such action could well be used to dissuade Luzhkov from attempting to resurrect his political career. The motive for the mayor's dismissal was the appearance of disloyalty caused by his public questioning of Medvedev's judgment in several recent appearances and newspaper articles. This turned Luzhkov's continuation in office into an embarrassing symbol of political impotence for Medvedev, and Medvedev succeeded in convincing Putin that this was an intolerable threat to the current system of political authority in Russia.

### Managers Not Politicians

Sergei Sobianin, a deputy prime minister with a low public profile and close political ties to Vladimir Putin, was chosen to take on the Moscow portfolio. He differs from almost all of Medvedev's appointees in that he has successfully run for office three times: mayor of a small town, then deputy to the Khanty-Mansi regional

assembly, and then governor of Tiumen' oblast. In other respects, though, the choice is typical. Usually the new governors represent a younger generation, born about 20 years later than their predecessors. Like other new governors, Sobianin has no reputation as a reformer or an anticorruption crusader, and even before taking office he announced that he would make no radical personnel changes in the Moscow city government. The main selection criterion for regional leaders appears to be experience in *gospravlenie*—state management. This results in appointees who are often unknown to the region's population, but who demonstrate administrative skills and loyalty to the Kremlin.

Thus, newly named governors are bureaucrats rather than politicians. This would seem to be a perfect match for a political system in which governors are simply an intermediary link in a chain of decision-making. In fact, though, governors face political challenges and need to possess political skills, even if they don't need to run for reelection. Successful regional government still requires governors who can take the initiative, convince other officials and the public to support a political program, and reach an accommodation with opponents. Eliminating elections at such a high level of political responsibility invites a catastrophic mismatch between capabilities and job requirements.

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## ANALYSIS

# State-Building and Political Integration in Ingushetia and Chechnya (1991–2009)

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### Abstract

In explaining the different state-building outcomes in Chechnya and Ingushetia, the author argues that clan (*teip*) ties do not play the defining role. Instead, state-building has an impact on factors which shape the composition of the elite by dictating criteria for their recruitment. It also has an impact on the system of checks and balances and the strength of the opposition. The factors influencing the nature of ties within government include five patterns of integration: descent (clanship), kinship, territory, religion, and ideology. Additionally, integrative patterns such as acquaintances, colleagues, friends and professionals are important. The prominence of each factor depends on elite choices and the demands of the state-building project.

### Two Different Outcomes

The Northern Caucasus has become infamous as the most tumultuous area in the Russian Federation. The

political and economic changes that took place in the late 1980s had extremely disruptive effects on this part of the country and the most recent decade has seen a