

A Way Out of the Crisis

By [Nikolai Petrov](#)

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The flood of projections and plans for Russia through 2020 and beyond indicates that the country is entering a new political era.

In just two weeks, two studies were released: “Attaining the Future” from the Institute for Contemporary Development intended as a program for the next president; and “Real Federalism, Local Government and Inter-Budget Policy” by Public Chamber member Vyacheslav Glazychev and economist Irina Starodubrovskaya, whose working group, along with 20 others, are trying to formulate Russia’s socio-economic strategy through 2020.

Glazychev and Starodubrovskaya state that the current system is in deep crisis not so much because of excessive centralization, but mostly because of the disorganization of institutional mechanisms needed for society to function effectively, prohibitive under-the-table costs for any form of business activity and the degradation of the elite. The authors effectively reject the status quo and any increased centralization scenarios, suggesting that if the current political course continues, the system will continue to deteriorate, protests and nationalism will grow, and even more of Russia’s most talented and innovative citizens will emigrate.

Of the five scenarios in the studies, there are two main ones: immediate and real democratization and gradual democratization coupled with administrative decentralization. The initial stage of democratization would be implemented at the municipal level with a transition later to a comprehensive democratization to include a real multiparty system, direct gubernatorial elections and fiscal autonomy for intermediate levels of federal government.

That version proposes initially restoring democratic processes at the local level because elections are still intact there, whereas higher levels of the power vertical are less stable. But both versions call for first restoring the direct election of mayors and canceling the requirements of the proportional electoral system. Incidentally, last week President Dmitry Medvedev signed a law on implementing this proportional system at the municipal level.

In deference to the current leadership, the experts also offer a fifth scenario in which some form of development coalition would improve the functioning of societal institutions without usurping their authority. This option would introduce some democratic elements at the municipal level, expand the public sphere as well as the authority of Public Chamber, and propose the appointment of regional governors on a competitive basis.

Not surprisingly, United Russia expressed the most support for this scenario. But what is surprising is that one of the ruling party's mainstream discussion clubs has also shown support for many of the proposals included in the report, which was commissioned by Prime Minister Vladimir Putin. It was billed as the "first serious piece of analysis concerning Strategy 2020" and became the focus of wide coverage by the media. All of this can be regarded as the triumph of the new glasnost and the initial debate over plans for a new perestroika.

What's more, after starting out as a purely economic initiative, Strategy 2020 has come to include a more progressive political aspect that reflects the work of numerous experts Putin has turned to for input. The report by Glazychev and Starodubrovskaya is not the only evidence that changes are afoot. Many other experts also believe that economic reform is impossible without the implementation of large-scale political modernization.

Nikolai Petrov is a scholar in residence at the Carnegie Moscow Center.

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