

# Ukraine Crisis Has Strengthened Kremlin

By [Mark Adomanis](#)

October 05, 2014



I'm about to commit intellectual heresy, but before I do so I want to make a few stipulations. I don't much care for Russia's policy in Ukraine. I called the annexation of Crimea a "blunder of historic proportions" and have been harshly critical of the effort to spark unrest and discord in eastern Ukraine.

Some of the criticism of Russia, as always, is selective and hypocritical, but much of the condemnation that the country has received over the past few months is richly justified. The idea that international borders should not be changed through the use of violence and that countries should be free to conduct their internal affairs without external interference are not radical positions. Rather, these are positions that the Kremlin itself supported until quite recently.

But there's a big difference between a policy being bad and being ineffective. Many people, including a number of Russia analysts, have convinced themselves that the past six months have been nothing but an extended string of disasters for President Vladimir Putin. I'm not trying to be overly critical of this position, since I have written quite a lot that would be classified in this vein. Russia's self-imposed ban on foreign food, for example, still strikes me

as an outstandingly poor idea.

But there's a degree of certainty in many of these pronouncements that is beginning to strike me as unwarranted. Writing in the Financial Times, for example, Lilia Shevtsova from Moscow's Carnegie Center, said that Putin has "unleashed a process that he cannot stop" and "made himself hostage to suicidal statecraft."

It's not just that Putin might have miscalculated or that he likely miscalculated; it's that he has absolutely done so, that he has committed the political equivalent of suicide. Suicide, of course, is an act that ends not in mild inconvenience but certain death: There's no coming back from suicide, no second acts, and no chance at recovery.

All things being equal, I think that Putin probably has miscalculated, and that many of the policies implemented over the past few months are unlikely to achieve their stated goals. But there isn't absolute certainty that this is the case. It is possible that, whether we like it or not, the Russian government will accomplish its goals in Ukraine at a cost that is considered acceptable by the majority of Russian society.

The crisis in Ukraine has been going on for about six months. This is, in today's media environment, something approximating an eternity. Despite what seems like clear evidence of the involvement, and death, of Russian troops, and despite a sharp slowdown in already-low economic growth in Russia, the political damage that I and many others expected Putin to suffer is not appearing.

According to the Levada Center pollster, Putin's approval rating in September was a stratospheric 86 percent, within two points of the all-time high it reached in the fall of 2008. This might not be the most deep-rooted popularity in the entire world, but Putin is as popular now as he has ever been.

Is it possible that this will continue or, as Shevtsova and others have argued, is this guaranteed to end in tears? I want to lay out a theory that, while not the most likely outcome, seems plausible, or at least plausible enough to warrant serious consideration. It involves my favorite subject — demography — and its impact on the Russian labor market.

One of the main reasons that the sharp decrease in Russian economic growth has not caused much pain for the average Russian is because unemployment has continued to fall. Unemployment is currently below 5 percent, the lowest it has been in Russia's entire post-Soviet history. Things are as close to full employment as they are likely to get.

But how on earth could unemployment fall with such a paltry level of overall economic growth? It is mostly because Russia's active labor force is now shrinking: The older generation is starting to retire, and the younger one that is taking its place is much smaller.

What all this means is that, over the next several years, Russia will face a serious labor crunch and there is likely to be sustained upward pressure on wages even with little or no growth in total output. In such an environment, the Kremlin is unlikely to be "punished" for the worsening economic situation because, for the average Russian, it simply won't feel like the economy is performing all that badly.

So, should Putin rest easy at night? Not necessarily. The scenario I've outlined is certainly a possibility, but it still seems as if the most likely outcome is a sharper and more protracted economic contraction than was initially anticipated and, therefore, a more significant political crisis further down the line.

But we shouldn't simply assume that everything will blow up in the Kremlin's face: The Ukraine crisis has already spiraled far beyond what anyone expected, and all of the early indications are that this has strengthened, not weakened, Putin's hold on power.

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*The views expressed in opinion pieces do not necessarily reflect the position of The Moscow Times.*

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