

Russian PM Mishustin Tightens Grip on Domestic Policy in Mini Reshuffle

Putin's divide-and-conquer approach is also on display.

By Jake Cordell

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Prime Minister Mikhail Mishustin has been given more scope to choose his cabinet members than his predecessors, analysts say. **State Duma Press Service**

The Russian government is pushing ahead with a long-rumored mini-reshuffle this week in what analysts see as a mark of both newly installed prime minister Mikhail Mishustin's growing influence and President Vladimir Putin's divide-and-conquer approach to keeping his underlings in check.

A handful of mid-ranking cabinet members have been shuffled out and replaced by <u>new faces</u>, mostly hailing from the industries which they will now be responsible for overseeing. The CEO of Russia's state-owned airline Aeroflot, <u>Vitaly Savelyev</u>, for instance, will be the new Transport Minister, and the boss of state electricity giant RusHydro <u>Nikolay Shulginov</u> is to be the new Energy Minister.

The new members — all men — have themselves failed to excite political commentators, who see the appointments as largely technocratic. But many pointed to the mechanics of the reshuffle as a sign that Mikhail Mishustin, who was appointed prime minister in a <u>surprise</u> <u>move</u> at the start of the year, is gradually exerting his authority over the cabinet.

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"I wouldn't say this is a revolution, but it's important in the context of Mishustin's position," said Tatiana Stanovaya, founder of the R.Politik political analysis outfit. "He is fine-tuning his cabinet and getting rid of those he doesn't want to work with. It means he's reinforcing his political position."

Tom Adshead, director of research at Macro Advisory also said the reshuffle was "a win for Mishustin."

"He did not get all the people he wanted when he was <u>first appointed</u> prime minister, but now he's moving to stamp his authority — within the bounds of the political forces that constrain all activity in Russia."

Putin's last hope

By appointing a new cohort of technocrats — or "interchangeable functionaries," as Andrei Kolesnikov, chair of the Russian domestic politics and political institutions program at the Carnegie Moscow Center said — Mishustin is preparing to refocus the government on delivering its socio-economic agenda following a year of fire-fighting the coronavirus pandemic.

"Mishustin is Putin's real hope — his last hope in some ways — to boost the economy and secure a growth breakthrough," Stanovaya said.

That makes him personally more important to Putin than perhaps any of his previous prime ministers, she added, who "were always the result of some compromise" and were often not tasked with a "special mission or project" that Putin particularly cared about.

"Of course [Mishustin's predecessor] Dmitry Medvedev was a special figure, but Putin never really liked him. Especially after the presidency and <u>tandemocracy</u>. It was just a deal."

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In Mishustin's case, that special mission is the \$400-billion National Projects program — a sweeping and ambitious package of investments covering everything from infrastructure and housing to culture and health.

"Mishustin was brought in to bring new life to the National Projects," Adshead said. "Actually he seemed to get things done in January to March. Government spending was up. Then the pandemic hit."

Over the summer, Putin pushed the deadline for the program back from 2024 to 2030 and

stripped out some of the targets. Even Kremlin-friendly analysts were sceptical as to whether the initial plan could have been achieved by 2024 without the coronavirus outbreak, which is set to wipe out years of economic growth, investment and living standards. Mishustin is now using the pandemic to recalibrate the program in line with his priorities and what he thinks is achievable, Adshead said, in another sign of his growing influence over domestic policy.

The reshuffle comes just weeks after Mishustin dished out a mid-term report on his cabinet members' performance, designed to showcase his ruthless focus on bureaucratic efficiency, the Baza news site <u>reported</u>. It involved analyzing more than 2,800 individual government orders, and giving each official a numerical score for the number of tasks they had successfully implemented and whether they were on time.

Free hand, limited scope

However, Mishustin's growing influence should not be overstated. It is tightly constrained to domestic policy, Nikolai Petrov, a Chatham House senior research fellow told The Moscow Times — an area many commentators say Putin's <u>interest has dwindled</u> in over his 20 years in power.

"Mishustin has got a more narrow sphere of responsibility, but almost a free hand within that sphere of responsibility," he said.

Instead of focusing just on the reshuffle, Petrov argues, it should be seen within the context of Putin's other maneuvers to tinker with Russia's decision-making structures. Last Friday, for instance, he <u>established</u> a new 50-strong commission to deal with international development — the latest part in the establishment of a de facto "parallel government" dealing with foreign policy outside of Mishustin's purview.

"It's not by chance that this reshuffle comes simultaneously with the establishment of this new commission. It demonstrates that Mishustin's responsibility is more narrow, but in compensation he has a free hand to form his team as he wants."

That is part of Putin's <u>divide-and-conquer strategy</u>, where decision-making power is split into three camps, Petrov argues. Mishustin is influential among the domestic socio-economic policymakers, but has little to no influence in the other two areas: foreign policy in a broad sense, and the security bloc controlled by the siloviki.

"It's a sophisticated mechanism so no one person can be seen as a successor. Everybody reports directly to Putin. It's a division of responsibility, because you have several people in top positions where nobody is subordinate to another one, but instead all directly subordinate to Putin," he explained.

Weak government

For that reason, the shake-up should not be seen as evidence that Putin is grooming a successor, Kolesnikov believes.

"This is not about politics. Mishustin is not a politician or a successor, he's simply a functionary. The real prime minister in this system is Putin, and right now Putin is the

successor of Putin," he said, referencing the new constitutional changes which will allow him to stay in office until 2036, should he decide to.

Another sign of what Kolesnikov calls the "political weakness of the government" is the promotion of Energy Minister Alexander Novak, to deputy prime minister — <u>one of ten</u> such positions.

"Putin doesn't like to have too many deputy prime ministers, he used to say that there should only be one," Adshead said. When Putin first started working with his predecessor Boris Yeltsin, Russia had <u>as many as 13</u> — up to three of which were designated "first" deputy prime minister at any one time.

The more in the role, the less political clout they each carry, Kolesnikov said.

While many commentators pointed to <u>Novak's success</u> as Energy Minister — overseeing such a politically sensitive and important sphere, controlling Russia's most lucrative resource and <u>managing relations</u> with Saudi Arabia through the OPEC+ deal — Stanovaya doubts the move into the ranks of deputy prime ministers is really a promotion.

"Formally, yes. But in fact, it's a demotion. He loses a ministry. And if you compare the status of a deputy prime minister and a minister, the former is weaker, they have a very narrow apparatus and actually depend on the ministers they are supposed to oversee."

Petrov also questioned whether the move should be seen as a vote of confidence in Novak. "His position closer to the top will make his status higher, but he won't have the same level of power and control that he had when he was a minister."

Duma vote

Beyond the intrigue around the winners and losers of the mini-reshuffle, few see any signs the new faces will result in a significant shift in policy.

"The core <u>economic bloc</u> is not affected — either in terms of changes within it or the line up of forces against it. That in itself suggests no big policy shifts." said Stephen Fortescue, a Russian studies professor at the University of New South Wales in Australia who specializes on Moscow's decision-making process.

He added: "While this is not quite shuffling the deck chairs on the Titanic — since Russia doesn't face an imminent disaster of Titanic proportions — it isn't much to be excited about."

The reshuffle does, however, provide the Russian parliament with the first chance to exercise its new powers, granted under the <u>constitutional changes</u> waved through in the summer, to vote on the new cabinet appointments.

"It'll just be a formality," said Stanovaya, speaking before lawmakers <u>officially approved</u> the appointment of the five new ministers and Novak. "But we shouldn't underestimate formal procedures. It will be very interesting from now on to watch how the MPs adapt, and whether they will try to use it to gain some political dividends."

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