

# New Challenges to Russian Federalism

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The alleged success of former president (and current prime minister) Vladimir Putin in recentralizing the Russian Federation requires critical appraisal. A number of limitations to the reunification project, as Putin initially conceived it almost a decade ago, are emerging. A growing number of Russian and international scholars assert that center-regional relations did not change all that much during Putin's presidency and that the mono-polar system of power within most regions remains intact, which not only impedes democratic accountability in the federation but also makes the federal center's supervision over regional elites problematic. Publicly, those elites express almost ritual loyalty to the Kremlin, yet informal room for bargaining between Moscow and the provinces still exists, as does financial asymmetry within the federation, just as in the 1990s.

Meanwhile, a growing trend of regional self-assertiveness is becoming an important issue on the policy agenda of President Dmitri Medvedev. This tendency manifests itself in three spheres and has three different effects: issues of cultural identity foster regional diversity, economic protectionism leads to regional fragmentation, and the security situation in Russia's North Caucasus heightens regional asymmetry.

## **Cultural Identity and Regional Diversity**

Issues of cultural identity continue to gain momentum across Russia. While some attempts to construct regional identities are fanciful (for example, the imagined territory of "Smirnovia," where the majority of people with the Smirnov family name allegedly reside), others have the potential to make a real impact. Moreover, the identity-sharpening agenda can lead to conflict between regions, as demonstrated by the contest between Nizhny Novgorod and Kazan in 2008 for the semi-formal title of "Russia's

third capital.”

Most regional elites are keen to reinvent historical identities through the reactivation of collective memories. In ethnically Russian regions, this trend can take different forms: the promotion of exceptional status through the rediscovery of a mythical ancestry allegedly meaningful for all Russia (as in some regions in the Urals); the articulation of distinct cultural hotbeds (like the Makariev monastery in Nizhny Novgorod, which many believe could be damaged by neighboring Chuvashia’s efforts to raise the level of an adjacent reservoir); the glorification of certain historical personalities (like Alexander Nevsky); or the portrayal of a region’s mission in geopolitical or geo-economic terms (Novgorod).

In regions with different ethnic and religious backgrounds, issues of identity are even more salient. Buddhism is an important cultural marker in Kalmykia and Buryatia. In other republics, the issue of protecting local ethnic identities has re-entered the public policy agenda. Just as in the 1990s, Tatarstan is at the forefront, as local groups have campaigned this year for the recognition of Tatar as Russia’s second official language and for the right of local graduates to pass the Single State higher education aptitude examination in Tatar. Neither campaign was successful, but they were indicative of the kind of demands for more cultural diversity and regional autonomy that are being revived.

## **Economic Protectionism and Regional Fragmentation**

Economic tensions between regions are also becoming more pronounced. When the financial crisis erupted, regions reacted differently to the policies of the federal government. For example, Moscow’s decision to raise import duties for foreign cars – part of the anti-crisis program to support Russian producers – was vehemently challenged in the Far East, where most of the cars are imported, but garnered much support in car-producing regions like Nizhny Novgorod, home of the GAZ Group’s Gorky Automobile Plant.

By the same token, certain signs of revived inter-regional economic conflict, common across Russia in the 1990s, have reappeared. In the economic sphere, the global financial crisis has inspired new regional protectionist strategies to not only support local producers but to close regional markets to merchandise coming from other regions. According to representatives of the GAZ automobile plant, GAZ dealers in Tatarstan, Bashkortostan, and St. Petersburg occasionally find themselves under pressure from local authorities seeking to prevent the domination of these Nizhny Novgorod-produced cars in regional markets. In the food industry, local protectionism has also been on the rise.

Sometimes economic issues, too, are interwoven with territorial disputes. In 2008-2009, a number of old land disputes between regions were revived, including the conflict between the city of Moscow and the larger Moscow region, as well as between Ingushetia, on the one hand, and North Ossetia and Chechnya, on the other.

## Security and Asymmetry

Russia's security situation fosters asymmetry between regions. Externally, only one region, the city of Moscow, is a notable foreign policy actor. Like in the 1990s, Moscow is allowed, and even encouraged, to run educational and humanitarian projects in Crimea, which are harshly criticized by Ukrainian President Viktor Yushchenko and ardently supported by the Kremlin.

Domestically, the security dynamics in the North Caucasus distinguish its regions from those in the rest of Russia both culturally and administratively. Republics like Dagestan, Ingushetia, Kabardino-Balkaria, and Karachaevo-Cherkessia have always been relatively immune to the fluctuations of the federal center's policies. Governance in these regions is largely shaped locally, determined by the distribution of power resources among indigenous clan-like groups. The sharpening of security concerns – partially stemming from the complication of the geopolitical situation in the aftermath of the August 2008 Georgia war – only adds new constraints to Moscow's policies in these peripheral regions. Regions, aware of their importance for the security situation throughout the Caucasus, redouble their claims for exceptional treatment by federal authorities. Moreover, the perpetual speculation of South Ossetian president Eduard Kokoiti that his region will be able to enter the Russian Federation adds further volatility to the regional constellation in the North Caucasus.

This was the backdrop for Moscow's termination of the "counterterrorist operation regime" in Chechnya in April 2009. In this case, the federal center found itself in the unusual situation of "de-securitizing" a region for the sake of broader security rather than imposing some kind of exceptional security regime. This policy was the result of successful regional pressure, as it was a decision for which Chechen president Ramzan Kadyrov strongly lobbied. Grozny now tries (if not always convincingly) to present Chechnya as a type of "model region" for adjacent territories, an example of a successful resolution to rampant security problems.

At the same time, Chechnya fancies itself a region uniquely capable of helping its North Caucasus neighbors. Immediately after the June 2009 assassination attempt against Ingushetian president Yunus-Bek Yevkurov, Kadyrov expressed a willingness to investigate the incident and severely punish the criminals. In this, he received the support of Medvedev, who overtly referred to Chechen authorities while demanding the capture of terrorists operating in Ingushetia. In the Kremlin's eyes, Kadyrov appears to be the key figure for "pacifying" not only Chechnya but all of the North Caucasus. In fact, when offering to apprehend the would-be assassins, Kadyrov implied that he would do so whether they were in Russia or abroad, acknowledging that his security service has the capacity to pursue criminals beyond Russian territory. In the meantime, the August 2009 assassination of Ingushetia's minister of construction in his own office, as well as an increasing number of killings in Dagestan, has demonstrated the profundity of the problem of terrorism in the North Caucasus. By the same token, Kadyrov's regional security role was strongly challenged in August 2009 by a series of high-profile murders of civil society activists in Chechnya, revealing the inability of the Chechen president to effectively tackle terrorism in his own republic.

## Medvedev's Regional Policy

President Medvedev has to manage increasing levels of regional diversity, fragmentation, and asymmetry in Russia, manifested in spheres of identity, economics, and security. It is quite feasible that, under certain circumstances, claims for greater autonomy and diversification will be formulated in ways that more directly challenge the existing balance of power between federal and regional governments. In times of crisis, regional publics will likely increase pressure on the federal center, demanding more managerial efficiency and economic justice. Even so-called donor regions – the wealthiest of the regions – have started to tacitly complain about their deteriorating financial conditions.

The Kremlin does not oppose the recognition of a variety of regional identities and interests. For instance, the three most recent Russia–EU summits were held outside of Moscow: in Samara, which could have been interpreted as a confirmation of this region's importance in terms of promoting its European credentials; Khanty-Mansiisk, a city representative of Russia's vast energy resources and one of the country's strongest bargaining cards in its relations with Europe; and Khabarovsk, an overt allusion to Russia's potential to position itself within the Asia-Pacific and Far Eastern context. In some cases, Moscow even seems to be favorably disposed to the geo-cultural ambitions of certain regions. Ekaterinburg, a city promoting itself as Russia's "Eurasian capital," hosted both the BRIC (Brazil-Russia-India-China) and Shanghai Cooperation Organization (SCO) summits. Moscow is equally supportive of regional participation in Finno-Ugrian networking projects (linking some Russian regions to Finland and Hungary) as a possible pathway for Russian integration with Europe.

As Medvedev puts his own stamp on regional policy, it is difficult to say whether a more decentralized type of federalism will emerge. He has disavowed the importance of merging smaller regions into wider federal units, a strategy that was a meaningful element of Putin's concept of effective federalism. He has also questioned the practicality of transferring certain administrative functions from Moscow to other large cities, an idea that has been bandied about for more than a decade.

In the nearest future, it is conceivable that the Kremlin will have to rely upon the regions with the strongest potential, basically measured in terms of managerial efficiency, and thus look for the best practices and models of regional governance. This could mean sending a message to regions, compelling them to acknowledge that the Kremlin is not the only source of development assistance in Russia and that strong local leadership is necessary for the country's modernization.

It is clear that Medvedev wishes to keep open as many administrative channels as possible in order to influence the appointment of new chief executives in the regions. These include the party mechanisms of United Russia, the ruling party; the so-called "presidential reserve" of reliable regional managers; and political nominations based upon informal bargaining rather than administrative procedures. What is less certain is how the inevitable regional diversification of the country can be reconciled with the still unified style of governance practiced by the "party of power" in the Kremlin.

As for the regions themselves, the key problem is that most of them are investing

heavily in forging singular identities at the expense of promoting collective regional action and coalition-building. The resulting disjointed regionalism is as vulnerable to the assertion of central hegemony as it was a decade ago. Only regional collective action could truly challenge the re-centralization policies of the Kremlin, yet this perspective remains as remote as it was when Russian federalism made its first steps almost twenty years ago.

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