

An apparatchik president? Why Russia expects Putin to stay on at Medvedev's side

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For a man who spent his formative years in the murky world of espionage, Vladimir Putin has proved quite a political showman.

Just two months ago, the Russian president surprised everyone by announcing he would head the electoral candidate list for the pro-Kremlin United Russia party – turning what had promised to be tedious [parliamentary polls](#) last week into a popularity contest with himself as the only participant.

The heavy-handed way the Kremlin ensured the desired landslide for United Russia – even though the outcome never seemed in doubt – brought unusually tough opprobrium from both the west and the domestic pro-democracy opposition. But just as foreign leaders fretted that the polls – followed by presidential elections next March – might mark a lurch into deeper authoritarianism, Mr Putin backed Dmitry Medvedev, a man seen as relatively liberal and western-leaning, to succeed him as president.

Though Mr Medvedev had been marked out as a potential successor two years ago and for a while was favourite, his choice was ultimately a surprise. He was thought to have been overtaken by two more hardline figures – Sergei Ivanov, a fellow first deputy prime minister, and Viktor Zubkov, the near-unknown whom Mr Putin made prime minister in September in another coup de théâtre. “Putin loves to pull a rabbit out of the hat – and then it turns out to be a possum,” says one western political analyst.

Finally Mr Medvedev, in a broadcast that showed he had not yet lost his woodenness in front of the camera, on Tuesday [proposed](#) that Mr Putin should be his prime minister. Although the outgoing president did not immediately respond, that was exactly the role Mr Putin had hinted back in October he might play after he steps down next year as Russia's constitution dictates.

At the time, he set two conditions: United Russia had to win the parliamentary polls and a “decent, capable and contemporary figure ... with whom it would be possible for me to work” had to be elected president. In retrospect, those words fit Mr Medvedev exactly.

At a stroke, a rocky transition – only the second since the collapse of the Soviet Union – seems to have been solved. Barring further surprises, Russians now know the identity not only of their next president but also quite possibly that of their next prime minister. All that remains is for them to put crosses next to Mr Medvedev's name on March 2. Despite Mr Putin's undoubted popularity, the reaction among ordinary Russians on Tuesday seemed similar to that during the parliamentary elections – a kind of bemused resignation.

“Operation Successor”, as Moscow media have dubbed it, highlights the extent to which Russian democracy has become a process of rubber-stamping decisions made within a tiny circle inside the Kremlin. The questions now are whether the youthful, rock music-loving Mr Medvedev might be able to push Russia back towards a more western-style democracy, the extent to which he will be able to be his own man in a double-act with Mr Putin and indeed how stable that partnership will be. There are also questions over whether this grand political bargain can keep the lid, short-term and long-term, on the infighting between Kremlin hardliners and more liberal factions that has burst into the open in recent weeks.

One source of stability may be that Mr Putin is now poised to play a strong role in a Medvedev administration. Indeed, many see Mr Putin as continuing to hold true power at least in the initial years. Mr Medvedev has worked for the president for much of the past 17 years and is seen as his protégé and political creation; some analysts portray their relationship as father-son. In a collection of interviews with Mr Putin turned into a quasi-autobiography in 2000, Mr Medvedev is listed among the figures the president most trusts – and the only one referred to by a friendly diminutive, “Dima” Medvedev.

Some observers suggest Mr Medvedev’s loyalty and youth (he is 42) might even make him willing to make the ultimate political sacrifice and step down early should Mr Putin wish to return to office at the 2012 election or before. Others cast his youthfulness in a different light. “Conspiracy theories that Putin might step back into the presidential post after 2008 have been dealt a blow, given that Medvedev is the youngest of all the candidates ... and is unlikely to cut short his presidential term,” says Yaroslav Lissovolik, economist at [Deutsche Bank](#) in Moscow. But many political analysts say he is likely to remain malleable and obedient to Mr Putin, at least in the early stages.

His image as rather more of a liberal than either Mr Ivanov or Mr Zubkov, his closest rivals for the presidency, has also prompted hopes that he might bring a comparatively stronger pro-business and pro-western slant to the next administration. There have been suggestions that he could start to shift Russia towards a more open democracy, easing controls on the media and civil society and rolling back some of the hyper-centralisation of the Putin years. Mr Medvedev has, for example, questioned the idea of “sovereign democracy” invented by Vladislav Surkov, the Kremlin’s ideologist – the idea that Russia must follow its own course to democracy, free from outside pressure. He has echoed opposition critics by suggesting democracy is a concept that should have no qualifying adjective.

Pharos Financial Group, a Russian hedge fund manager, said in a note to investors this week the choice of Mr Medvedev would “help define Putin’s legacy, and reposition Russia’s perception in the west”.

“Although it continues to be a single-party state, Russia can now be seen more in the tradition of Japan, Mexico and Sweden, all of whom went through similar periods of political adjustment,” it said.

Yet interviews and speeches suggest Mr Medvedev’s views are very close to those of Mr Putin. Unsurprisingly for a man who also chairs [Gazprom](#), the state gas monopoly, he backs state control of energy resources and what Christopher Granville, of the consultancy Trusted Sources, calls “the shared responsibility of state and business for the wellbeing of Russia”.

Most investors see Mr Medvedev as above all promising continuity, with a focus on delivering the planned \$1,000bn (£488bn, €680bn) investment in modernising Russia’s transport, industrial and social infrastructure. Mr Granville suggests the most suitable label for the likely next Russian president is not liberal but “moderniser”.

Some insiders also reject the liberal tag for Mr Medvedev. Andrei Illarionov, who as Mr Putin’s former economic adviser knows Mr Medvedev well, says he is “not a liberal but from the civilian side” – in other words, not part of the siloviki clan of former security and military men. From the two wings of the regime – the silovik and the bureaucratic – Medvedev represents the bureaucratic,” says Mr Illarionov.

This may represent the biggest risk in a Medvedev presidency. If, as Winston Churchill described it, Russian politics is like “dogs fighting under a carpet”, then the carpet has been positively

writhing in recent months. Signs have emerged of feuding within the far-from-monolithic security services bloc as well as between siloviki and liberals. Many Moscow political analysts say what appeared to be a carefully unfolding succession plan may in fact have been rewritten several times as Mr Putin was buffeted by those developments.

One well-connected banker cites several sources as saying Mr Surkov, the Kremlin ideologist, did not know Mr Putin would announce in October he was heading the United Russia list – indeed, the president appeared to be writing his speech by hand during the party congress.

The infighting broke into the open on the day of that speech when a senior officer in Russia's Federal Anti-Drugs Service was arrested at gunpoint in a Moscow airport. General Alexander Bulbov was leading an investigation into a high-profile smuggling and money laundering case that has embroiled senior officials in Russia's law enforcement structures and led to a shake-up in the prosecutors' office last year.

Gen Bulbov's boss, Viktor Cherkesov, hit back with an unprecedented open letter in Kommersant, a business daily, warning that infighting over power and influence was threatening to tear apart a ruling "corporation" of secret police.

The battle was seen by analysts as jostling for position by rival siloviki factions – one led by Mr Cherkesov and seen as having the prosecutor-general's office on its side, the other by Nikolai Patrushev, chief of the FSB (the former KGB), and Igor Sechin, shadowy deputy head of the Kremlin administration. The latter faction is allied with another law enforcement wing, the newly created Investigations Committee.

Infighting flared again last month when a close associate of Alexei Kudrin, the liberal finance minister, was arrested on charges of attempted embezzlement of \$43.5m in state funds. Sergei Storchak, Mr Kudrin's deputy minister, was held just before he was due to depart for South Africa for debt negotiations along with Mr Kudrin, who was astonished when Mr Storchak did not make it to the aircraft.

Then, on the eve of the parliamentary elections, Kommersant published an interview with a fund manager who claimed to be leading a drive for a "velvet re-privatisation" of Russian assets with the backing of members of the presidential administration. The manager, Oleg Shvartsman, also claimed to be managing \$3.2bn in assets for unnamed political figures connected to the Kremlin administration and said he took orders indirectly from Mr Sechin. Mr Shvartsman later disowned part of the interview; Kommersant stuck by the story.

One former insider says the tussles looked as if the siloviki were paving the way for a takeover of power. The jousting certainly made it important for Mr Putin to win a convincing mandate in the parliamentary elections, to avoid the appearance of weakness. He will have to remain arbiter between the warring groups for a while, says Nikolai Petrov, a political analyst with the Carnegie Moscow Centre think tank. "Because of the way Putin has structured power, he is the only one able to make sure a balance is enforced," he says. "I think Dmitry Medvedev will be the object of serious attack from the siloviki."

But Alexei Kondaurov, a former KGB general, says the successful conclusion of Operation Successor will ultimately mean the further entrenchment of the Putin ruling group. "All these people are not independent. They are all connected to one team. Putin made them and they all depend on him."