

• Author: [Tatiana Stanovaya](#)

## **Liberals in the toils of power: servants or revolutionaries?**



The term 'systemic liberals' is often used in political analysis and political journalism to define those who are close to power, but are also staunch advocates of the market economy. This seemingly contradictory arrangement - being part of the system while advocating that which is at odds with political reality - gives rise to a confrontation between reformers and the defenders of the status quo. The tension between 'systemic liberals' and the 'conservators' of the present regime will only grow as the crisis in the Russian economy worsens. This leads us to the question of whether real opposition can emerge from the ranks of the systemic liberals under the present regime. That is, are the liberals ready to revolt?

'Systemic liberals' are people of 'the system' who do not criticize the political regime. They are not the opposition, but those entrenched in the decision-making system and constitute a part of it. Vladimir Putin's associates Herman Gref and Alexei Kudrin, as well as Anatoly Chubais are described as 'systemic liberals'. Ministers of the economic bloc of the government, Alexei Ulyukayev and Anton Siluanov, are also often referred to as liberals. 'Systemic liberals' almost always refers to economics and rarely to politics. This is understandable - as once explained by Dmitry Peskov, criticism of the authorities must be 'constructive'. That is, criticism should never rock the boat, undermine the fundamentals of the system or destabilize it. To be in 'the system' in the current Russian regime - whether as a liberal or as opposition - means one cannot be against Putin. All the 'systemic liberals' are pro-Putin. The same is true of the 'systemic opposition' for whom

Putin and his position in power remain outside the scope of their agendas. One may criticize housing, the utilities sector, roads, nanotechnologies and small business, but nothing foundational to the system.

In 2012, the former head of the presidential administration Alexander Voloshin told the magazine 'Vlast' about the etiquette of communications between liberals and the authorities: 'A group of experts convene at either the minister's or the deputy prime minister's place about once a week, drink tea and toss ideas around'. According to participants of these informal meetings, during quiet months Kudrin and Nabiullina, the Minister of Economic Development, met with them every two weeks. Meetings at Shuvalov's place were convened less often. Meetings with top officials were the least frequent, although 'Vlast' interlocutors did indicate that such meetings had been held more often: with Putin - because of the work on 'the 2020 Strategy' and with Medvedev - due to the launch of 'the open government'. Nearly all such meetings were held behind closed doors, sometimes in suburban residences. Yaroslav Kuzminov, Vladimir Mau, Oleg Vyugin, Sergei Sinelnikov-Murylev, Evsey Gurvich, Sergei Guriev, Ksenia Yudaeva and Evgeny Gavrilin were among those who participated most regularly in consultations on macro-economics and finance. It was in 2012 when conservative restoration began together with the persecution of liberals and critics of the regime. This was also the year of 'the case of experts'. In September 2014, 'Vedomosti' informers from among the influential liberals complained that there had been no meetings with Putin since the Crimean campaign began. The economy no longer featured in his list of priorities.

'Systemic liberals' who were politically important actors during Putin's first term in office have gradually become 'experts': Putin listened to them but didn't really trust them. Not because he considered their advice to be dangerous, but because reforms themselves, in his opinion, are a tool which should be employed minimally and with great caution. Moreover, judging by his speeches, Putin truly believes that Russia is on its way towards building a fully-fledged market economy, so why should it be reformed? Besides, the economy is abstract, dubious, and whereas structural economic reform is mysterious and unpredictable, decisions to expand the right of the Federal Security Service (FSB) to use weapons, for example, are specific and concrete.

That said, the year of 2015 rehabilitated liberals. The Western policy of containment and sanctions, Russia's counter-sanctions, a significant weakening of energy potential (the loss of markets in Europe, abandonment of energy infrastructural projects like 'South Stream', and 'Turkish Stream', the loss of Ukraine as a market), economic deceleration in China, and sustained deep and utterly surprising slides in global energy prices, all led to a situation which required the systemic liberals to actively advise Putin once again. For Putin, this was, at the very least, an opportunity to study an alternative point of view.

It is important to note here that Putin's interest in the ideas and suggestions of 'systemic liberals' is based solely on his desire to maintain the status quo. Reforms are permitted insofar as they strengthen the current management system. Anything which does not strengthen or maintain this system will be perceived as negative and met with hostility.

'Systemic liberals' have a number of levers at hand, including access to mass media outlets. Critics of the regime have no such access. Unlike non-systemic liberals and reformists, 'systemic liberals' are invited to speak on national TV channels, and their speeches get actively circulated by the mass media. Their messages can reach business circles and other relevant reference groups, as well as the Kremlin. Putin finds this satisfactory to a certain extent: he is not personally criticized, investors find Gref's and Kudrin's opinions appealing (they see glimmers of hope in them), and there are no calls for a political coup. Besides, they use language far from comprehensible for the people. 'Downshifting' or 'crowdsourcing' are not nearly as accessible to the ordinary citizen as statements like 'we will waste [terrorists] in the outhouse', or stories about stolen fur coats.

'Systemic liberals' have always been the most outspoken, expressing views which are in stark contrast with the views of the ruling elite. This is indicative of both their political estrangement and their privilege. Alexei Ulyukayev is permitted to call attempts to rescue the Vnesheconombank (VEB) 'nonsense'. Anton Siluanov is free to demand an increase in retirement age. Alexei Kudrin is almost a revolutionary in his views: at his Civil Initiatives Committee, he discusses elections, protest potential, law enforcement agency reforms, and even the extent of political freedoms. (This agenda is not vastly different to that of the non-systemic opposition, the only difference being that the criticism is institutional, rather than personal, in its nature.) Herman Gref enjoys the right to amaze with cantor - his every speech at economic fora goes viral online. 'You cannot motivate people

through the Gulag', he said in 2014, and this year, he almost handed down a death sentence to the country by labeling it a 'downshifter'. 'You yourself are a loser', the 'conservators' immediately replied.

But is there no (hidden) hatred for what is going on in the current regime? One of the most popular and eternal questions of the Putin period are whether 'systemic liberals' are ready to revolt against Putin, and what is their real attitude towards the regime? Are criticisms of the current situation attacks on Putin's decisions, the inaction of the authorities, or the lack of political decisions? Can the systemic liberals organize a coup d'état, leave the president in the lurch, and shift sides to another camp if the current regime weakens? 'Conservators' of the status quo give clear answers to these questions: in their opinion, 'systemic liberals' are 'fifth column', oriented towards the West and willing to betray Putin at any moment.

However, there is a fundamental difference between 'systemic' and 'non-systemic' liberals: the former are convinced that Russia can be changed under Putin. In the summer of 2015, Alexei Kudrin suggested early presidential elections should be held in order to bolster Putin's legitimacy, and open up possibilities to introduce reforms. Reforms under Putin! Herman Gref has repeatedly called for structural reforms of governance: in his interview for 'Vedomosti' in May 2105, he said that transformation of state governance would automatically lead to changes in the political sphere. Reforms first, politics next. The non-systemic opposition is convinced that politics comes first and reforms come second. No matter how critical Kudrin's or Gref's speeches are, none of them call for political change. Anatoly Chubais is not so different: in his famous debates with Alexei Navalny shown on TV 'Dozhd', he stated frankly that he believed in the possibility of reforms under Putin, under the existing government.

'Systemic liberals' are 'the sovereign's own people' - they play by the rules and observe political correctness to the extent required in a given situation.

However, questions arise: Will the thin line between service and rebellion be crossed? How tolerant are 'systemic liberals' of the latest developments? Is their patience limited? Systemic liberals are prevented from crossing this thin line for one crucial reason - they enjoy the privilege of access to Putin's ear and the possibility of face-to-face interaction with him. The closer Putin allows them to be, the greater the agenda of joint work between them, the less potential for actual opposition. The further they stray from Putin, the freer and more radical their expression of discontent with the latest developments will be. Recall how in 2011, Alexei Kudrin was even considering creating his own party against the backdrop of protests. No one speaks of this today: it is far more interesting to speculate about the post he might occupy should he return to power.

Rapprochement between 'systemic liberals' and the power elite, *and* a cooling of relations could be observed in 2015. This is the paradox: the power elite appears to be engaged in consultation, but they are involved in dialogue of which is in vain. Not only are there no reforms, they are not even cited as reference points. This leads to tensions, irritability and creates an implicit divide. This is undoubtedly the source of the rift in relations between the power elite and 'systemic liberals'. However, no matter what the discordances between Putin and reform advocates are, the reformers will oppose the regime in only one case: if the regime itself repudiates them. Putin himself has been, and still is, the guarantor of the systemic nature of liberals and their existence in their present form. No real opposition can emerge from their ranks under the present regime.

Tags

[Kremlin](#)

[Кремль](#)

[либералы](#)

[liberals](#)

[protest](#)

[vertical](#)

Category

[Politics](#)

© Intersection - for republishing rights, please contact the editorial team at [intersection@intersectionproject.eu](mailto:intersection@intersectionproject.eu)