

CENTRE FOR EASTERN STUDIES

NUMBER 543 6.10.2023

www.osw.waw.pl

A tactical pause. The Kremlin's regional policy in the shadow of the war

Miłosz Bartosiewicz

On 8–10 September, elections at various levels were held in most Russian federal subjects. The Kremlin used them to gain more political control over the regions and their capitals. At the same time, Russia's centralisation process has slowed since it became engaged in the armed conflict in Ukraine, and a tactical pause seems to have been made. In conditions of war, Moscow is avoiding making any radical moves, while gradually tightening its control at the local and regional level. However, the Russian government is set to intensify its efforts to super-centralise the state in the near future.

Regional pseudo-elections

During the so-called 'single voting day' (8–10 September), several thousand elections were held at various levels: these included by-elections to the State Duma, direct gubernatorial elections in 21 federal subjects, to 16 regional legislative assemblies, and to 12 city councils of regional capitals. Voting was also held in the occupied Ukrainian territories.

The unfairness of the regional and local elections (like all other elections in Russia) is primarily the effect of the existing system. Although cases of fraud and pressure (both on voters and commission members) were reported, the ruling group mainly owes its favourable result to the use of mechanisms that are legal under Russian law, such as regulations restricting the participation of observers, increasing the number of seats from majority voting at the expense of those from proportional voting, and wide use of the remote voting system. The latter is non-transparent and lacks external monitoring, so it offers the simplest path to falsifying results, and is most difficult to verify.¹

The elections have become noticeably less competitive (for example in 2018, on average eight people ran for the position of governor, while now the figure is only five, including *pro forma* candidates whose participation in the election was prearranged with the authorities). There were practically no independent candidates at the higher levels of public administration: none ran for governorships. Even the clearly favoured parliamentary parties were cautious in their campaigning, and did not engage in rivalry with the ruling United Russia; hence the modest campaign funds and limited campaigns, as well

¹ Заявление по итогам наблюдения за выборами в единый день голосования 10 сентября 2023 года, Голос, 11 September 2023, golosinfo.org.



Centre for Eastern Studies ul. Koszykowa 6a, 00-564 Warsaw, Poland tel.: (+48) 22 525 80 00, info@osw.waw.pl EDITORS: Wojciech Konończuk, Marek Menkiszak, Katarzyna Kazimierska, Szymon Sztyk TRANSLATION: Ilona Duchnowicz CO-OPERATION: Jim Todd DTP: Wojciech Mańkowski

The views expressed by the authors of the papers do not necessarily reflect the opinion of Polish authorities.

as the decision not to field any potentially strong candidates. The regional and local elections were, in fact, a plebiscite of support for the government and a kind of test before the presidential election scheduled for March 2024. It is also worth noting that the Ukraine war was rarely mentioned during the campaign, as this topic is of little appeal and potentially dangerous; the ruling party fielded only about 100 veterans at all levels, half of whom were already active politicians and officials.

The results revealed that the Russian political system is stagnant, and that the recent elections were held just for form's sake. For the first time, not a single governor will be replaced: all the incumbent governors, only two of whom do not represent United Russia, will retain their positions. All of them won in the first round, and according to official data all garnered over 70% of the votes (except for the governor of the Republic of Khakassia from the Communist Party of the Russian Federation [CPRF], who received 64%). United Russia improved its results everywhere and won a qualified majority (two-thirds) in all the legislative assemblies. This contrasts with the situation in 2018, when it failed to win simple majorities in a third of regions throughout the country, for reasons including the public dissatisfaction caused by the national pension reform. The ruling party also won all the elections to city councils in the regional capitals. The CPRF, which is viewed as a competitor to United Russia, was weakened in the federal subjects: the Communists lost their status as the runner-up in half of them.

Khakassia was the only problematic region for the government. The Communist Valentin Konovalov retained his position as governor

II The results revealed that the Russian political system is stagnant and that the recent elections were held just for form's sake.

there, even though Moscow had wanted to replace him with Sergei Sokol, the candidate for United Russia. Since Sokol's chances of winning the race were slim, he ultimately withdrew from the campaign, and the CPRF won against United Russia in the proportional elections to the local parliament. Regard-less of this, the ruling party won a total of 34 out of 50 seats thanks to single-member constituencies. Despite the Kremlin's disfavour, Konovalov will most likely keep his position until the presidential election, as his dismissal could have a negative impact on Vladimir Putin's ratings in Khakassia.

The Kremlin used the vote to consolidate and strengthen its political control over the federal subjects. At the same time, during the war Moscow has slowed down the previously intense process of centralisation without taking any significant steps to further strengthen its institutional subordination of the regions.

Elections in the occupied territories

The illegal elections in the occupied territories of Ukraine were a total fiction. Some laws were amended so that voting could be conducted in the areas under martial law, and at the same time, some of the electoral regulations adopted ran contrary to the rules of martial law. Not only were the names of the voters unknown, but even their approximate numbers were a mystery. Neither the actual boundaries of the areas where voting took place nor the territories where the elected bodies would perform their functions were specified. Extraterritorial polling stations were established (over 300 throughout Russia). Anyone who showed any document containing personal data received a ballot. Voters could only choose from party lists (issued by the parties represented in the Russian parliament), not individual candidates. The electoral commissions did not even publish the lists containing the names of candidates for deputies to legislative assemblies (allegedly due to security concerns). External contenders played an important role: United Russia's lists in the Kherson and Zaporizhzhia regions contained fewer than 30% local candidates, which proved not only that few people were willing to cooperate, but also that the Kremlin distrusted those who did. The ruling party allegedly achieved its best results in those territories that had been illegally incorporated into the Russian Federation.



Centralisation at the regional level

The war in Ukraine and the stricter domestic policy adopted due to it have not caused a qualitative change in relations between the centre and the regions, mainly because Moscow already had sufficiently tight control over its federal subjects. Although the Kremlin had been implementing its policy of centralisation since 2000,² it became particularly intense in the years immediately preceding the invasion of Ukraine, which shaped the current model of relations between the federal government and the regions. In December 2021, a year and a half after the constitutional reform that enabled Putin to hold office until 2036 and strengthened the president's position in the political system of the Russian Federation, the Kremlin once again revised the relationship between the centre and the regions. The law 'On the General Principles of Organisation of Public Power in the Subjects of the Russian Federation'³ effectively merged the federal, regional and local government authorities into one hierarchical division controlled by the head of state. The regions became even more subordinated to Moscow, and its executive power was strengthened in comparison to the other powers.

The position of the President of the Russian Federation was strengthened in relation to regional legislative bodies and the heads of

The policy of centralisation became particularly intense in the years immediately preceding the invasion of Ukraine.

federal subjects. For example, he was granted the right to arbitrarily dismiss them due to loss of trust, which is tantamount to a formal right to veto the will of the voters (governors are elected in direct elections, with the exception of the five North Caucasus autonomous republics, three autonomous *okrugs*, and Crimea & other illegally annexed Ukrainian territories, except for Sevastopol, which is a city with special status). Subordination to Putin was emphasised by the standardisation of the names of the positions of the heads of regions (Tatarstan, which used to have a president, was forced to change its constitution in order to conform to this).⁴ Meanwhile governors gained disproportionately high prerogatives as compared to the local administrations, which had already been deprived of any major competences. Moreover, since the Kremlin has gained sufficiently strong control over the governors, they are no longer nominated for a definite tenure.

The reform fitted in with the logic of the uniformisation of the gubernatorial corps⁵ that had started a few years earlier; this process had been coordinated by Sergey Kiriyenko, the head of the domestic politics bloc of the Administration of the President of the Russian Federation. The consistent staffing policy implemented through special programmes, such as the so-called 'school of governors',⁶ contributed to the standardisation of personnel (in terms of political loyalty, biography, profile, etc.). As a result, a group of professional political 'managers' obedient to the Kremlin was appointed, effectively replacing the local clans and personal pacts that had ruled the regions (with the exception of some national republics and other areas).

The vast majority of the governors are in fact the Kremlin's placemen (only seven are not affiliated with the ruling party); they have hardly any independence, and often little (or no) connection with the places they manage. Consequently, it is not in their interest to seek greater autonomy for the

⁶ The Personnel Reserve Programme coordinated by the Russian Academy of National Economy and Public Administration under the President of the Russian Federation.



 ² J. Rogoża, Federation without federalism. Relations between Moscow and the regions, OSW, Warsaw 2014, osw.waw.pl.
³ Федеральный закон от 21.12.2021 г. № 414-ФЗ. Об общих принципах организации публичной власти в субъектах Российской Федерации, Администрация Президента России, 21 December 2021, kremlin.ru.

 ⁴ 'Без президента и суверенитета. Из Конституции Татарстана вычеркнули атрибуты самостоятельного государства', Idel.Реалии, 27 January 2023, idelreal.org.

⁵ M. Domańska, 'The Kremlin's regional policy – a year of dismissing governors', *OSW Commentary*, no. 257, 15 December 2017, osw.waw.pl.

regions they govern. Moreover, their rotation (the president can decide to dismiss any of them at his discretion) and the fact that this position is usually treated as a step on the ladder to a career at the federal level prevent the development of horizontal ties between the governors, as these are undesirable from the Kremlin's point of view. In exchange for loyalty and the effective implementation of the central leadership's political goals (for example, during elections), they can expect personal security and stability in their careers (the number of arrests of governors and the frequency of rotations have decreased in recent years), as well as support from Moscow in any fights against their local political opponents.

opments that required engagement mainly at the regional level,

In recent years, even those devel- **II** The vast majority of the governors are in fact the Kremlin's placemen, and have little independence.

such as the COVID-19 pandemic (since 2020) or 'partial' military mobilisation (September 2022), have not led to more political independence for the governors. Although on those occasions the Kremlin did decentralise the administration to a certain extent, the additional duties imposed on the governors were not coupled with increased competences.⁷ The federal government's intention was to shift responsibility for unpopular decisions to the heads of the regions. Additionally, during the pandemic, Moscow began to restrict the governors' independence as regards staffing policy.8

Although the Russian invasion of Ukraine did not lead to a re-evaluation of the Kremlin's relations with the regions, the war has tied them even closer to the centre and has imposed new burdens on them, primarily financial.

The impact of the war on regional finances

The invasion of Ukraine has not made any major difference when it comes to the regions' financial independence, as it is still limited. In 2022, the share of transfers from the centre (grants and subsidies) taken together accounted for around 20% of their revenues (similarly to 2021), and the total amount increased by nearly 9% to 3.94 trillion roubles (around \$58 billion) compared to the previous year of peacetime (in 2021 it was 3.68 trillion roubles or around \$48 billion). In 2023, only 23 federal subjects have not received subsidies to strengthen their budget security, while as many as 22 regions are less than 50% financially self-sufficient.⁹ Despite the decline in Russian GDP and the imposition of economic sanctions by the West, regional and local budgets generated a surplus of 50 billion roubles (around \$730 million) at the end of 2022.¹⁰ However, two-thirds of the surplus came from only five regions: St. Petersburg, Sakhalin oblast, Moscow, Kemerovo oblast and the Yamalo-Nenets autonomous okrug. Up to 50 out of 85 Russian regions (excluding the new territories taken from Ukraine) closed the year in the red. The share of commercial loans in the debt structure of the federal subjects is gradually decreasing (in the first half of 2023 it was only 2%); these are being replaced with cheaper budget loans (76%). Regional finances are therefore tending to rely more and more on political loyalty to the central authorities rather than on efficiency of governance.

The war and the resulting annexation of Ukrainian territories are a burden for the regions, as they have to pay both the direct and indirect costs of their incorporation. One-third of the funds transferred to highly subsidised regions goes to the occupied Donetsk and Luhansk 'People's Republics' as well as

¹⁰ Revenues stood at 19.668 trillion roubles (a 12% increase compared to 2021) and expenses at 19.618 trillion roubles (a 16% increase). The surplus was smaller than in 2021 (661 billion roubles), but it was still a much better balance than in 2020, when the country had to deal with the COVID-19 pandemic and the deficit reached RUB 677 billion.



⁷ J. Rogoża, 'Zakażony Dagestan. Pandemia w rosyjskich regionach', OSW Commentary, no. 336, 1 June 2020, osw.waw.pl.

⁸ Since 2020, the governors have been obliged to consult their candidacies for regional health ministers with Moscow. In 2021, this requirement was extended to other ministries.

⁹ The regions with the highest share of financial assistance from the centre in their revenues are Ingushetia (83%), Chechnya (81%), Tuva (81%), Dagestan (75%) and Karachay-Cherkessia (72%).

the Kherson and Zaporizhzhia oblasts (transfers from the federal centre account for almost 90% of their budget revenues). Moreover, several dozen regions have pledged to provide patronage to the Russian-occupied Ukrainian territories and help them rebuild their infrastructure, which requires at least partial financing from regional budgets. The Russian government, in turn, has decided to cut spending on the state programme for the modernisation of primary healthcare in 61 regions of the Russian Federation.¹¹ The government will spend part of the funds thus saved on the construction and renovation of hospitals in the 'new regions'.

gional spending on healthcare (3.9% in 2022 and 3.4% in the first half of 2023), the Ukraine war has

In addition to the decline in re- **II** The war and the annexation of Ukrainian territories are a burden for the regions, as they have to pay the costs of their incorporation.

also led to a record increase in federal subjects' spending on national security and law enforcement (53.4%; however, these expenses are still small shares of the regional budgets), as well as 'nationwide issues' (29.2%), including remuneration for officials. Military operations covered several regions (primarily the frontier Belgorod oblast).¹² One sign of the militarisation of regional policy is the law passed in July which allows governors (based on the president's decision) to create and supervise specialised armed enterprises (de facto regional military companies) that will perform auxiliary functions to law enforcement structures.

Centralisation at the local level

Since the Kremlin is unable to exercise full control at the micro scale, politics at the local level in Russia remains more competitive and independent, one proof of which is the makeup of local government bodies. However, these local authorities do not have most of the powers that are normally vested in their counterparts in democratic states, and face numerous systemic restrictions resulting from the highly hierarchical organisation of the public governance system. For example, they have even less financial independence than the regions: the share of transfers from higher levels of public administration in local budget revenues is close to 70%.¹³ This became so problematic for the government in Moscow that, contrary to its centralisation logic, it ordered mechanisms to improve the financial independence of local governments to be developed.¹⁴ Mayors of large cities have no adequate control over fiscal issues, nor do they have much real power. A vast part of the tax revenues generated by the regional capitals go to the budgets of the federal subjects (resulting in a high level of subsidies for cities), and decisions regarding urban social policy and infrastructure are taken by regional governments. Since the Kremlin has destroyed horizontal ties in Russian society, cooperation between local government units is guite poor, which significantly hinders the development of urban agglomerations and regions as a whole.

Moscow intends to continue to limit self-government; one symbolic manifestation of this was Russia's withdrawal from the European Charter of Local Self-Government in February 2023. Due to increased control at the local level, the federal government can manipulate the gubernatorial elections using

¹⁴ Е. Мухаметшина, 'Владимир Путин поручил разработать механизмы отчислений в местные бюджеты от налогов и сборов', Ведомости, 8 June 2023, vedomosti.ru.



¹¹ А. Киселева, П. Ольшевер, 'Правительство направило дополнительные средства на модернизацию поликлиник новых регионов', Ведомости, 7 August 2023, vedomosti.ru.

¹² P. Żochowski, K. Chawryło, 'The Belgorod syndrome: the Ukrainian incursion reveals the weakness of the Russian regime', OSW, 9 June 2023, osw.waw.pl.

¹³ МАТЕРИАЛЫ к заседанию на тему "Актуальные вопросы финансового обеспечения реализации полномочий органов местного самоуправления", Совет по местному самоуправлению при Совете Федерации Федерального Собрания Российской Федерации, Москва 2022, council.gov.ru.

the so-called municipal filters,¹⁵ and also relieve local social and political tensions in this way. The consistent abolition of direct elections to executive bodies, especially to the mayoralties of large cities (they are nominated from among members of city councils or through competition), is an essential element of the policy of centralising local administration. Direct mayoral elections are still held in only five regional capitals: Abakan, Khabarovsk, Yakutsk, Anadyr and Ulan-Ude. Over the last year they have been liquidated in Novosibirsk and Tomsk. At the same time, the Presidential Administration is striving to standardise the personnel at the local level as well. Work is underway to create a 'school of mayors' analogous to the aforementioned 'school of governors'.¹⁶

In parallel to the reform of the administration system launched in 2021, a complementary bill 'On the general principles of the

The reality of wartime has discouraged the Kremlin from carrying out a nationwide reform which could provoke strain and conflicts at the local level.

organisation of the public power in the subjects of the Russian Federation' was presented. In addition to the redistribution of competences between different levels of public administration, it envisages a transition from a two-tier system of local government to a single-tier one by abolishing the lower one.¹⁷ This change would mean a drastic restriction of self-government at the level of smaller towns; this would marginalise them and deprive their residents of influence on local politics. Furthermore, governors could participate in nominating and dismissing local government heads, and thus the central government would gain much more control. Although the number of local government units in Russia is gradually decreasing as a result of their merger, and the actual liquidation of lower-level local government has already begun in Pskov oblast,¹⁸ the reality of war has discouraged the Kremlin from carrying out a nationwide reform which could provoke strain and conflicts at the local level. Most probably it will be implemented after the 2024 presidential elections at the earliest.

Centralisation at the local level may also be supported by the system of Regional Management Centres established in 2020. These centres receive complaints and monitor social moods, and their development would allow the federal government to marginalise the role of those local government bodies that are closest to the citizens.

The government has used the repressive legislation introduced in connection with the invasion of Ukraine¹⁹ to intensify the persecution of local opposition politicians. For example, the Moscow city councillors Ilya Yashin and Alexei Gorinov were sentenced to eight and a half years and seven years in penal colonies respectively on charges of "knowingly disseminating false information about the Russian Armed Forces"). Meanwhile the city council in Novosibirsk revoked the mandates of its members Sergei Boyko and Helga Pirogova, who are now permanently resident outside Russia due to the threat of repression (like several hundred other Russian local government officials); other independent city councillors have been placed under surveillance.²⁰

²⁰ 'Еще один новосибирский депутат нашел следы прослушки в приемной', Сибирь.Реалии, 22 August 2023, sibreal.org.



¹⁵ A candidate wishing to take part in the gubernatorial race must collect signatures from 5–10% of deputies of local representative bodies representing at least three-quarters of the local government units in a given region.

¹⁶ Е. Мухаметшина, М. Иванов, 'Вслед за «школой губернаторов» появится «школа мэров»', Ведомости, 20 April 2023, vedomosti.ru.

¹⁷ The bill envisages the merger of all urban and rural settlements (lower-level units) with municipal areas into municipal and urban *okrugs* by 2028, as well as the liquidation of their councils and administrations.

¹⁸ '«Идет уничтожение изнутри". Как в России добивают местное самоуправление', Север Реалии, 7 March 2023, severreal.org.

¹⁹ M. Domańska, 'Putin's neo-totalitarian project: the current political situation in Russia', *OSW Commentary*, no. 489, 17 February 2023, osw.waw.pl.

Signs of local insubordination

Acts of opposition to the Kremlin's centralisation policy are rare; they usually happen at the local level and are linked to specific local circumstances. The poorly developed horizontal ties between local government units and regions, as well as the federal government's control and intensified repression, prevent the emergence of a broader movement that could represent growing public dissatisfaction with shrinking autonomy.

Initiatives taken by the central government that directly restrict residents' rights have met with grassroots resistance. In 2023, local government representatives and activists in Novosibirsk & Tomsk oblasts and the Komi Republic demanded that the direct elections of mayors of administrative centres (Novosibirsk, Tomsk) and heads of cities & *raions* (Komi) be reintroduced. Local leaders of the licensed opposition (such as the CPRF) have declared support for these aspirations, which is a manifestation of their competition with United Russia at the local level. However, regional parliaments dominated by the ruling party have rejected the idea of changes. In the near future, local governments may take similar action, especially in regions that are opposed to the ruling party and are geographically distant from Moscow. However, since the regional parliaments and heads of federal subjects are so strongly subordinated to the Kremlin, such initiatives will have little chance of success.

Another manifestation of civic dissatisfaction is seen in the quite frequent occurrence of public protests, usually over poor living

Acts of opposition to the Kremlin's centralisation policy are rare; they usually happen at the local level and are linked to specific local circumstances.

standards or environmental issues; they are rarely openly anti-governmental in nature. In May this year, people took to the streets in Bashkortostan to protest against industrial gold mining in violation of environmental standards, while in August, Dagestan saw rallies and roadblocks due to interruptions in water and electricity supplies. Moreover, in September 2022, the population of this North Caucasian republic also demonstrated against the mobilisation which had disproportionately affected the national republics (protests over this issue were also seen in Kabardino-Balkaria and Yakutia, among other places).

Cases of insubordination towards Moscow at a higher level are most often linked to the specificity of the political scene in a given region. One example was the split in the structures of United Russia in Khakassia, where the speaker of the local parliament from the ruling party switched to the Communists and supported the governor representing the CPRF in the elections.²¹

The governors remain loyal to the central government which they actually represent, and obediently implement its policies at the regional level. Nevertheless, some of them have publicly expressed dissatisfaction, for example, with the unequal distribution of tax revenues between the centre and the regions.²² However, the continuing standardisation of the gubernatorial corps is heading towards reducing the function of the governor to that of a manager delegated from Moscow. This will probably translate into further curbs to the governors' independence, and contribute to the elimination of any voices critical of the federal government.

²² Д. Бердникова, 'Томская область вновь просит Москву оставлять в бюджете региона больше налогов', vtomske.ru, 2 June 2023.



²¹ А. Перцев, '«Сокол стал черным лебедем» Кажется, «ветеран CBO» Сергей Сокол не сможет побороться за пост главы Хакасии — из-за болезни. У Кремля остается все меньше способов установить в республике контроль «Единой России»', Meduza, 1 September 2023, meduza.io.

A tactical pause in the Kremlin's regional policy

The invasion of Ukraine has not brought any qualitative change in the Kremlin's regional and local policy, although the war has tied the regional and local administration more closely to the central government and has forced them to increase their burdens.

The course towards super-centralisation is invariably embedded in the logic of Putin's regime. However, it seems that for now Moscow does not want to completely deprive the federal subjects of whatever has remained of their autonomy, or to liquidate the local government institutions; it is content with gradually tightening overall control (for example, through elections). This is due to both the Kremlin's inability to micromanage effectively and its limited financial capabilities (the process of super-centralisation entails increased transfers to local budgets), as well as the desire to avoid conflicts and strains at lower levels of administration in wartime conditions. Any major moves – above all political, such as the already mentioned reform of local government – should not be expected before the presidential elections in 2024 which will consolidate Putin's position in the system.

The temporary slowdown in centralisation is therefore just a tactical pause. The Kremlin has many instruments ready to be implemented. The Ministry of Economy has recently been vested with the competence to coordinate the foreign economic relations of the regions of the Russian Federation.²³ It is possible that a new category of administrative units known as federal territories, which will report directly to the centre, bypassing regional and local authorities, will be used on a larger scale.²⁴

In the future, the Kremlin's efforts at centralisation may clash with emancipatory tendencies, especially at the local level. However, there is little chance that a grassroots movement opposed to the federal government will develop. The weak horizontal integration of the local governments, their limited financial independence and the tightening political control from Moscow make it much more difficult to effectively resist centralisation processes.

²⁴ Currently, there is only one federal territory in the Russian Federation: Sirius, which was established in 2020 in the Sochi Olympic Park.



²³ Указ Президента Российской Федерации от 25.08.2023 г. № 642. Об усилении координации внешнеэкономических связей субъектов Российской Федерации, Администрация Президента России, 25 August 2023, kremlin.ru.