

The Fifth Political Cycle of Russian President Vladimir Putin: “Cosmetic Repairs” for Crony Capitalism or a Transition to “Social Capitalism”?



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Abstract. The new political cycle and Vladimir Putin’s fifth presidential term are beginning in rather difficult and contradictory conditions for Russia. On the one hand, there are more and more signs that NATO countries are preparing for a direct military conflict with our country; this fact leads to an escalation of the already tense international situation. On the other hand, there are still no signs in the domestic political arena that the elites (primarily in the public administration system, representatives of big business) are beginning to feel the essence of the historical moment and, accordingly, shift their motivation and their values from personal interests to the interests of national security. The reason lies in the fact that although the President is adopting important decisions necessary for the start of a new political cycle (formulation of national development goals until 2030, 2036, appointment of responsible executors for

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their implementation), he has not given an answer to the question of what kind of State we are building. The State of “social capitalism” or “crony capitalism”? The need for an answer to this question (and specifically from the President) has been maturing in society for many years and has now reached such a degree of relevance that it became the subject of a plenary discussion with the participation of the head of state at the Saint Petersburg International Economic Forum, held in Russia on June 5–8, 2024. However, at the Forum, there was still no response from the President to this question; so many experts (mostly reflecting the opinion of the majority of the country’s population) remain in a state of anxious expectation about where Russia is going; whether the country has a clear understanding of the image of the future, which is necessary for the successful achievement of all the goals of the special military operation and for building the contours of a new Social Contract that should replace what can be called the paradigm of semi-colonial dependence on the West... The article uses an extensive database in the form of expert opinions, facts, and monitoring sociological surveys results. Scientific novelty of the approach consists, first of all, in a combination of various aspects of the social and political life of the country, which become the subject of our analysis. Among them are specific administrative decisions of the head of state, assessments of public opinion, views of representatives of big business, opinions of State Duma deputies, political and public figures, historians, economists, etc. In particular, the article presents the results of the vote in the lower house of Parliament on the approval of candidates for new members of the Government of the Russian Federation, as well as data from the open accounts of a number of large metallurgical corporations, indicating that the priorities of their activities do not correspond to the challenges that Russia has faced after the beginning of the special military operation.

Key words: new political cycle, social capitalism, oligarchic capitalism, new Social Contract, 2024 “May decree”.

In May 2024, a new political cycle began in Russia, as Vladimir Putin assumed office as President for the fifth term. This period in the life of the country quite naturally brings to the fore some questions about the future. Moreover, it is connected not only with the course of the special military operation (SMO) (which, of course, poses major challenges to national security), but more broadly, it is about the future until 2030, 2036: will the country be able to overcome the set of problems accumulated during Vladimir Putin’s previous presidential terms and in general during the post-Soviet period? Will Russia be able to make a U-turn in the most difficult political and economic conditions, establish prerequisites for the development of a multipolar world and get done with a semi-colonial dependence on the United States, in which it has been all the previous 30 years? Will the goals and objectives of the national development of the coming political cycle be really achieved, and if so, how much will this allow Russia to get closer to achieving the main goal – gaining full national sovereignty?

A. Kolganov (Doctor of Sciences (Economics), Professor, head of laboratory at Lomonosov Moscow State University):

“We are in the situation that developed in the 1990s. The growth rate is low, the growth rate of welfare is minuscule... **The problem lies in the economic model that has developed in Russia. It is necessary to change the model. It should be about measures of an emergency nature. Because the problems are extreme...**

But no steps are being taken to fix the model. Many paradigms that led to extremely negative socio-economic consequences continue to function. This is evident in finances.

Why is this so and what needs to be done to fix the situation? What is wrong? **I am not satisfied that this model is capitalist, but leaping over capitalism is an extremely difficult task.**

Why is our model of capitalism ineffective?... Why is the Russian economic model stuck in such a condition? **Its spontaneous formation in the 1990s, when there were interests of the bureaucracy, when they thought about their private selfish interests; the situation remains...**"

There are many questions, and answers to them will have to be found in extremely difficult and ambiguous conditions inside the country (in the public administration system, society, business, culture) and, above all, in the foreign political arena – around Russia and in the world as a whole.

"The President of the Russian Federation considers his state activity **precisely in the historical context**, and this time is quite long. It would seem that there have been no troubles and internal upheavals in Russia for a long time. **But if you think in long time periods, then all the lessons, of course, can be considered recent and definitely relevant.** First of all, we are talking about the experience of political uncertainty and anarchy. **Or the experience of losing power by a responsible elite who was entrusted with running the country.**

The current president obviously does not want this experience to be repeated or reproduced. The next six years are an important period for him"².

At least, this is what the situation looks like today, at the beginning of a new political cycle. In particular, against the background of strengthening the BRICS, signing of a comprehensive strategic partnership agreement³ between Russia and North Korea, which has "far-reaching consequences for relations between Moscow and Pyongyang, for the situation in Northeast Asia, for security in the global dimension"⁴, and also against the background of the ongoing special military operation⁵, when European NATO member countries are increasingly involved in the conflict in Ukraine.

Vladimir Putin: "The share of the Big Seven in world GDP at purchasing power parity in 1992 was 45.7%, and the BRICS, even without expansion ... only 16.5; **and in 2022 the G7 has 30.3%, and the BRICS – 31.5%. By 2028, the situation will change even more in favor of the BRICS:** there will be 36.6%, for G7 the forecast for 2028 is 27.8"⁶.

Sergey Lavrov: over the year 2023, the BRICS **association doubled** (from 5 to 10 members); "about 30 countries have applied for rapprochement with the BRICS in one form or another"⁷.

June 18–19, 2024, Vladimir Putin paid a state visit to the Democratic People's Republic of Korea, during which the heads of state signed a comprehensive strategic partnership agreement, which is "**a geopolitical breakthrough radically changing the situation in East Asia and the world**"⁸.

¹ Russia is "stuck" in an inefficient model of capitalism of the 1990s. Available at: <https://newdaynews.ru/moscow/819535.html> (materials of the Fifth All-Russian Social Forum, held within the framework of the WSF-2024 World Social Forum on February 16–18, 2024).

² How to ensure the stability of the system in Russia. Available at: https://www.ng.ru/editorial/2024-05-08/100_08052024_red.html

³ On the signing of a comprehensive strategic partnership agreement between the Russian Federation and the Democratic People's Republic of Korea: Resolution of the President of the Russian Federation 182, dated June 17, 2024.

⁴ Tavorovsky Y. Korean response to the Ukraine and Taiwan crises. Available at: https://www.ng.ru/kartblansh/2024-06-19/3_9031_kb.html

⁵ "The Armed Forces of the Russian Federation have maintained the initiative on the fronts for more than six months: they do without major campaigns with the breakthrough of numerous formations to the depth of the front, but also without serious pauses with the division into seasonal operations. Pressure remains in almost all directions" (Source: Smirnov A. On the threshold of uncontrolled escalation. Available at: <https://monocle.ru/monocle/2024/24/na-poroge-neupravlyayemoy-eskalatsii/>).

⁶ Address of the President of the Russian Federation to the Federal Assembly on February 29, 2024. Available at: <http://www.kremlin.ru/events/president/news/73585>

⁷ Speech by RF Minister of Foreign Affairs Sergey Lavrov during the meeting of the BRICS Business Council, Moscow, May 31, 2024. Available at: https://www.mid.ru/ru/foreign_policy/news/1953913/

⁸ Shkolnikov A. Russian billiards, two balls in one pocket. Available at: https://zavtra.ru/blogs/russkij_bil_yard_dva_shara_v_odnu_luzu

Their actions⁹ and public statements¹⁰ increase the degree of international tension and provoke an escalation of the conflict. As an expert pointed out, **“it feels like the world has gone crazy, that someone is deliberately pushing it toward disaster”**¹¹.

“The self-centeredness and arrogance of Western countries have led us to a highly perilous situation today. **We are inching dangerously close to a point of no return.** Calls for a strategic defeat of Russia, which possesses the largest arsenals of nuclear weapons, demonstrate **the extreme recklessness of Western politicians. They either fail to comprehend the magnitude of the threat they are creating or are simply consumed by their notion of invincibility and exceptionalism**”¹².

“The increase in military spending ... of countries that are directly or covertly waging war against Russia amounted to 90.9 billion USD last year [2023]. And if we compare this total increase with the increase in Russian military spending, the latter turns out to be **more than four times less. In this military race, the West (including its satellite, Ukraine) is outstripping Russia dramatically**”¹³.

Moreover, we cannot but recognize two things.

✓ First, from the very beginning of the special military operation, the states of the Collective West, united by the NATO military bloc, have been acting harmoniously, purposefully and precisely against Russia. While the friendly states of the Russian Federation, which advocate the formation of a multipolar world, are not united in any military bloc; thus, our country de facto remains “one on one” with an enemy that is many times superior in military potential...

✓ Second, the Collective West acts quite openly and consistently. The goal of inflicting a “strategic defeat” on Russia was announced by NATO representatives from the very beginning of its operation (this was publicly stated by US Deputy Secretary of State V. Nuland on March 9, 2022¹⁴), and that goal has not changed since then. The tactical task

K. Sivkov: “The Western elites, in particular the American ones, **have made too great of a bid for Russia’s defeat in the zone of SMO...** Therefore, Washington has no choice but to start **fighting for its own survival.** They will try to achieve this by gradually expanding the combat zone... **Thus, we will be dealing with the slow and gradual involvement of individual European countries in the confrontation with Russia**”¹⁵.

⁹ In particular, the fact that the United States and at least 11 other European NATO countries (UK, Latvia, Lithuania, Canada, the Netherlands, Poland, Finland, France, Czech Republic, Sweden, Estonia) allowed Ukraine to use long-range weapons to strike deep into the territories of Russia.

¹⁰ First of all, we are talking about the statements of French President Emmanuel Macron to send a military contingent to the zone of SMO. In addition, according to retired colonel A. Koshkin, “the Baltic States and Poland can send their military to the zone of the special military operation in Ukraine” (Information portal News.ru. Available at: <https://dzen.ru/a/Zjnetp50uRIjaaBy?ysclid=lxg1gyonk6568011656/>)

¹¹ Vladimir Putin’s meeting with the heads of international news agencies on June 5, 2024 (quoting A. Kondrashov). Available at: <http://www.kremlin.ru/events/president/transcripts/74223>

¹² Vladimir Putin’s meeting with the leadership of the Russian Foreign Ministry on June 14, 2024. Available at: <http://www.kremlin.ru/events/president/news/74285>

¹³ Katasonov V. A new round of the arms race begins. Available at: https://zavtra.ru/blogs/o_voennih_rashodah_v_mire_nachinaetsya_novij_raund_gonki_vooruzhenij?ysclid=lxmtwzitm698795933

¹⁴ Nuland named the US goal in Ukraine. Available at: <https://ria.ru/20220309/tse1-1777205074.html?ysclid=lxmufvwhc157188618>

¹⁵ Military expert: The United States is trying to involve Russia in a European-scale conflict. Available at: <https://vz.ru/news/2024/3/7/1256953.html>

of “weakening” Russia by fighting “to the last Ukrainian” has also been quite explicit; according to this logic, as many experts note, to continue to fight with Russia “to the last European”¹⁶ satisfies the United States of America – the true instigator of the Ukrainian conflict.

As a result, the situation around Russia in the foreign political arena and in the world as a whole is still very alarming: “further raising the stakes is almost impossible without a military conflict outside Ukraine and without the use of nuclear weapons”¹⁷. **And perhaps, today no political or military observer can say with certainty how this situation will be resolved...**

However, despite the fact that the main issues on which the achievement of SMO goals and the outcome of the Ukrainian conflict depend are solved primarily on the battlefield, **“it will not work to win this confrontation only by military means” as A. Dugin points out**¹⁸. The future of Russia is depends in many ways on its internal life; on the ability of society as a whole and, above all, its elite groups (in politics, culture, business, public administration, etc.) to “get out” of the paradigm of Western thinking, values and lifestyle; to mentally adjust to the goals that our country defends in its foreign policy: the achievement of full national sovereignty, reliance on traditional values, a social (and not capitalist) state.

A. Dugin: “Now Russia is combating an ideological opponent, **and this is a battle not only of the army, but also of countries, ideas and civilizations... And therefore we need to very quickly determine this Russian worldview, the foundations of which are laid in the documents of the president, in speeches, in his decrees, in our doctrines**”¹⁹.

And, unfortunately, in this sense, the actual situation inside the country is no less contradictory than in the foreign political arena.

We should note that, in general, the state is taking many important system-wide steps to ensure the course of national development for the period of the next political cycle and for the longer term. Thus:

February 29, 2024, during his annual Address to the Federal Assembly of the Russian Federation, Vladimir Putin publicly announced the goals and objectives of national development **for the period up to 2030**, including the development prospects outlined in the report of the Agency for Strategic Initiatives (ASI) “Horizon 2040”²⁰;

March 17, 2024, the election of the President of the Russian Federation was held, at which Vladimir Putin’s “action program”²¹ **was**

¹⁶ Are they completely out of their minds? (quoting N. Patrushev). Available at: <https://rg.ru/2023/03/27/oni-sovsem-strah-poteriali.html>

¹⁷ Smirnov A. On the threshold of uncontrolled escalation. Available at: <https://monocle.ru/monocle/2024/24/na-poroge-nepravlyayemoy-eskalatsii/>

¹⁸ Dugin A. The battlefield is Ukraine, the main weapon for victory is available. Available at: https://tsargrad.tv/articles/aleksandr-dugin-pole-bitvy-ukraina-dlja-pobedy-est-glavnoe-oruzhie_653555?ysclid=lxmv2d79n1647799129

¹⁹ Dugin called for the formation of a sovereign Russian worldview as quickly as possible. Available at: <https://ren.tv/news/v-rossii/1189235-dugin-prizval-skoree-sformirovat-suverennoe-russkoe-mirovozzrenie>

²⁰ The Horizon 2040 report was prepared in November 2023 by the Agency for Strategic Initiatives, whose Supervisory Board is headed by the President of the Russian Federation Vladimir Putin. The project brought together “more than 130 leading Russian experts in the fields of demography, ecology, climate, energy, technology, space, healthcare, food, socioculture and economics”. A “vision of key challenges and trends that can occur with varying degrees of probability in key areas of socio-economic life of both the Russian and global communities is presented, as well as key opportunities and threats to development on the horizon of 2040 are identified” (Source: Horizon 2040. November 14, 2023. Pp. 3, 7. Official website of the Agency for Strategic Initiatives. December 29, 2023. Available at: <https://asi.ru/library/main/198226/>).

²¹ Address of the President of the Russian Federation to the Federal Assembly on February 29, 2024. Available at: <http://www.kremlin.ru/events/president/news/73585>

unconditionally supported by Russians: he won a landslide victory and got twice as many votes as during his first and second presidential elections (on March 26, 2000, 39.7 million voters supported Vladimir Putin; on March 17, 2024 – 76.3 million);

✓ May 7, 2024, issuing his first decree after the inauguration (by analogy with the May decrees of 2012 and 2018²²) the head of state **legislated** the plans announced during the Address and for the first time set medium-term indicators of national development **for the period up to 2036**.

Some key benchmarks of national development outlined in the May 2024 Decree²³:

- ✓ increase in the total fertility rate to 1.6 by 2030 and to 1.8 by 2036, including an annual increase in the total fertility rate of third and subsequent children;
- ✓ increase in life expectancy to 78 years by 2030 and to 81 years by 2036, including a faster increase in healthy life expectancy;
- ✓ reduction in the number of deaths due to road accidents by one and a half times by 2030 and by two times by 2036 compared to the indicator of 2023;
- ✓ reducing the poverty level below 7 percent by 2030 and below 5 percent by 2036, including the poverty level of large families to 12 percent by 2030 and to 8 percent by 2036;
- ✓ ensuring the promotion and protection of traditional Russian spiritual and moral values in the framework of at least 70 percent of projects in the field of culture, art and folk art funded by state development institutions by 2030 and at least 80 percent of such projects by 2036;
- ✓ reducing the Gini coefficient (income concentration index) to 0.37 by 2030 and to 0.33 by 2036;
- ✓ providing citizens with housing with a total area of at least 33 square meters per person by 2030 and at least 38 square meters by 2036.

²² On May 7, 2012, the day of the inauguration, the President signed 11 decrees containing instructions to the Government of the Russian Federation for implementation in the period up to 2020:

Decree 596 “On long-term state economic policy”;

Decree 597 “On measures to implement the state social policy”;

Decree 598 “On the improvement of state policy in the field of healthcare”;

Decree 599 “On measures to implement state policy in the field of education and science”;

Decree 600 “On measures to provide citizens of the Russian Federation with affordable and comfortable housing and improve the quality of housing and communal services”;

Decree 601 “On the main directions of improving the public administration system”;

Decree 602 “On ensuring interethnic harmony”;

Decree 603 “On the implementation of plans (programs) for the construction and development of the Armed Forces of the Russian Federation, other troops, military formations and bodies and the modernization of the military-industrial complex”;

Decree 604 “On further improvement of military service in the Russian Federation”;

Decree 605 “On measures to implement the foreign policy of the Russian Federation”;

Decree 606 “On measures to implement demographic policy in the Russian Federation”.

On May 7, 2018 (on the inauguration day), the President of the Russian Federation signed Decree 204 “On national goals and strategic objectives for the development of the Russian Federation for the period up to 2024”.

²³ On the national development goals of the Russian Federation for the period up to 2030 and for the perspective up to 2036: Presidential Decree 309, dated May 7, 2024. Available at: <http://www.kremlin.ru/events/president/news/73986>

✓ May 14, 2024, the President signed decrees on the appointment of members of the Government of the Russian Federation. Thus, specific executors were identified – **persons responsible for the practical implementation of the instructions of the head of state** and, importantly, they were mostly people who proved themselves and received a positive assessment for their previous work from the majority of experts and State Duma deputies. Responsibilities for the supervision of federal projects were distributed among the deputy prime ministers, which **“significantly improves executive discipline and, in general, the quality of public administration”**²⁴.

V. Volodin: “The times when **unexpected** people appearing in the Cabinet of Ministers are gone; M. Mishustin proposed those candidates **who do not need to study and do not need to start all over again**”²⁵.

Along with these comprehensive and consistent steps concerning the very foundations of the national development course for the next 12 years (until 2036), the government does not forget about the current state of affairs, continuing to make managerial decisions to improve people’s financial situation, regulate the information space, and implement priority tasks required for successful combat operations in the course of the SMO, as well as to strengthen the cultural sovereignty and national identity of Russian society (*Insert 1*).

In this regard we should note one of the first decrees adopted by the head of state after the inauguration – Decree 314 of May 8, 2024 “On approving the foundations of the state policy of the Russian Federation in the field of historical education”²⁶. We agree with the opinion of A. Dugin, who noted the “colossal importance” of this decree, describing it as “a radical breakthrough in our historical science, in historical education, which until the last moment was dominated by Westernism”²⁷.

“The decree signed by the President today is a **fundamental shift**. That is, we actually declare on behalf of the President, on behalf of the highest state authority, that our Russian people should be at the center of our historical consciousness...

This is a radical breakthrough in our historical science, in historical education, which was dominated by Westernism until the last moment... Putin’s decree on state policy in historical education puts an end to these destructive processes and begins a **new era, the era of national historical education...**

This decree is of great importance. A completely new stage of our historical journey begins... Today’s Decree, combined with Decree 809 “On traditional values” of 2022, actually form a **new ideology**, if you will, a **new state idea, a new Russian worldview, which is now documented by the highest authority**”²⁸.

²⁴ Delyagin M. Personal responsibility for the implementation of federal projects. Available at: https://zavtra.ru/blogs/personal_naya_otvetstvennost_za_realizatsiyu_federal_nih_proektov

²⁵ *Parlamentskaya gazeta*. May 13, 2024. Available at: <https://www.pnp.ru/politics/volodin-vse-kandidatury-na-dolzhnosti-vice-premerov-deputatam-khorosho-izvestny.html>

²⁶ On the approval of the foundations of the state policy of the Russian Federation in the field of historical education: Presidential Decree 314, dated May 8, 2024. Available at: <http://www.kremlin.ru/acts/bank/50534>

²⁷ Dugin A. The enlightenment of society through Russian history. Available at: <https://izborsk-club.ru/25700?ysclid=lxszl82bqx89409709>

²⁸ *Ibidem*.

Insert 1

**The monitoring of regulatory legal acts (laws, decrees) signed by the RF President
in the period from April 22 to June 18, 2024²⁹**

**MEASURES TO SUPPORT THE PARTICIPANTS OF THE SMO AND THEIR FAMILY MEMBERS,
TO DEVELOP THE MILITARY-INDUSTRIAL COMPLEX, MEASURES ON MOBILIZATION, ORGANIZATION
OF MARTIAL LAW, IMPROVEMENT OF ANTI-TERRORIST PROTECTION OF FACILITIES**

May 29 – Federal Law 117 “On amendments to the Law of the Russian Federation “On the status of Heroes of the Soviet Union, Heroes of the Russian Federation and Full Cavaliers of the Order of Glory””. The law provides for the expansion of benefits for family members of deceased Heroes of the Soviet Union, Heroes of the Russian Federation and Full Cavaliers of the Order of Glory.

May 29 – Federal Law 118 “On amendments to certain legislative acts of the Russian Federation”. Amendments have been made to certain legislative acts concerning additional payments to the Chevaliers of the Order of St. George and St. George’s Cross, as well as guarantees of pension provision for the spouses of deceased military personnel.

May 29 – Federal Law 125 “On amendments to the Federal Law “On the protection of the population and territories from natural and man-made emergencies” and Articles 16 and 18 of the Federal Law “On fire safety””. Amendments are being introduced providing for the empowerment of state authorities of constituent entities of the Russian Federation and local self-government bodies to carry out measures to prevent emergencies of an inter-municipal and regional nature and eliminate their consequences, implement measures aimed at saving lives and preserving people’s health in emergency situations.

**MEASURES TO PROTECT INFORMATION SECURITY AND REGULATE THE ACTIVITIES OF FOREIGN AGENTS,
MEASURES AIMED AT THE EDUCATION AND UPBRINGING OF THE YOUNGER GENERATION**

April 22 – Federal Law 93 “On amendments to the Federal Law “On the state language of the Russian Federation””. The National Dictionary Fund is being established, which is a federal state information system created in order to ensure access of citizens, organizations, public authorities, other state bodies and local self-government bodies to information about the norms of the modern Russian literary language using the Internet information and telecommunications network free of charge. The operator of the National Dictionary Fund is the Ministry of Education and Science of Russia.

May 8 – Decree 314 “On approval of the foundations of the state policy of the Russian Federation in the field of historical education”. The Decree defines the goals, basic principles, tasks and mechanisms for the implementation of state policy in the field of historical education. The goals of state policy in this area include the formation of an all-Russian civic identity and the strengthening of the community of the Russian world on the basis of traditional Russian spiritual, moral, cultural and historical values by preserving the memory of significant events in the history of Russia; popularization of the achievements of national science and culture; patriotic education, preservation of the memory of the defenders of the Fatherland and prevention of belittling the importance of the feat of the people in the defense of the Fatherland; formation of an active civic position regarding the importance of historical education and preservation of historical memory, etc.

²⁹ The insert is a continuation of the monitoring of the most important regulatory legal acts signed by the RF President; we have been conducting the monitoring since June 2022. Thus, it has been going on for 19 months; its results have been published in 10 articles (the first issue of the monitoring is presented in the article: Ilyin V.A., Morev M.V. (2022). A difficult road after the Rubicon. *Economic and Social Changes: Facts, Trends, Forecast*, 15(3), 9–41).

May 16 – Federal Law 99 “On amendments to the Federal Law “On basic guarantees of electoral rights and the right of citizens of the Russian Federation to participate in a referendum and certain legislative acts of the Russian Federation”. The Federal Law is aimed at improving the provisions of electoral legislation and provides, in particular, for the consolidation of additional guarantees aimed at preventing foreign interference in the electoral process in the Russian Federation. The obligation of a candidate to terminate the status of a foreign agent is established, which must be confirmed by a document that is submitted to the relevant election commission along with other documents necessary for the registration of a candidate, a list of candidates. At the same time, a registered candidate cannot be included in the register of foreign agents. It is envisaged to conduct checks on persons appointed by members of election commissions, referendum commissions, for the inclusion of information about them in the unified register of information about persons involved in the activities of an extremist or terrorist organization.

MEASURES TO PROVIDE SOCIO-ECONOMIC SUPPORT TO THE GENERAL POPULATION, STRENGTHEN THE NATIONAL ECONOMY, INCLUDING IN THE INTERNATIONAL ARENA

April 23 – Federal Law 97 “On amendments to the Federal Law “On the Central Bank of the Russian Federation (Bank of Russia)”. Amendments are envisaged to certain provisions of the Federal Law “On the Central Bank of the Russian Federation (Bank of Russia)” concerning the powers of the Bank of Russia to regulate and supervise the activities of credit institutions and banking groups in the field of compliance with credit risk indicators. Systemically important credit institutions are required to apply banking credit risk management techniques and quantitative credit risk assessment models in order to assess assets, calculate equity (capital) adequacy ratios and other mandatory standards.

May 7 – Decree 309 “On the national development goals of the Russian Federation for the period up to 2030 and for the future up to 2036”. The decree defines the national goals and development indicators of the Russian Federation for the period up to 2030 and for the future up to 2036. The main national goals include: a) preservation of the population, strengthening the health and well-being of people, family support; b) realization of the potential of each person, development of their talents, upbringing of a patriotic and socially responsible personality; c) comfortable and safe environment for life; d) environmental well-being; e) sustainable and dynamic economy; f) technological leadership; g) digital transformation of public and municipal administration, economy and social sphere.

May 29 – Federal Law 100 “On amendments to Parts One and Two of the Tax Code of the Russian Federation”. A mechanism is being established for the collection of value added tax by the country of destination of goods when goods are sold by organizations and individual entrepreneurs from the member states of the Eurasian Economic Union through electronic trading platforms to Russian buyers – individuals who are not individual entrepreneurs. According to the law, the territory of the Russian Federation is recognized as the place of sale of such goods if the goods are located on the territory of the Russian Federation at the time of receipt by the specified Russian buyer. Organizations and individual entrepreneurs from the member states of the Eurasian Economic Union selling goods through electronic trading platforms belonging to them, owners of electronic trading platforms selling goods as intermediaries, are subject to registration with the Russian tax authority in order to fulfill their obligations to calculate and pay value added tax to the budget.

End of Insert 1

May 29 – Federal Law 122 “On amendments to Article 7 of the Federal Law “On countering the legalization (laundering) of proceeds from crime and the financing of terrorism” and Article 10 of the Federal Law “On the national payment system”. It is envisaged to establish a maximum threshold for simplified identification when transferring funds on behalf of an individual client without opening a bank account, including electronic funds, in the amount of 100,000 rubles or a similar amount in foreign currency.

May 29 – Federal Law 123 “On amendments to Article 251 of Part Two of the Tax Code of the Russian Federation”. Income that is not taken into account when determining the corporate income tax base includes income in the form of grants provided by innovative development institutes and other organizations that support government programs and projects through subsidies allocated by federal executive bodies authorized by the Government of the Russian Federation.

June 12 – Federal Law 132 “On ratification of the Agreement on Free Trade in Services, Establishment, Activities and Investments”. The agreement is aimed at providing favorable conditions for the growth of the economies of the CIS member states, expanding mutual trade in services, increasing the level of its liberalization and investing by persons of one Party in the territories of other Parties, and will also stimulate an increase in the standard of living of the population of the Parties.

June 12 – Federal Law 137 “On amendments to certain legislative acts of the Russian Federation and invalidation of Paragraph Z3 of Part 4 of Article 2 of the Federal Law “On assistance to the development and improvement of management efficiency in the housing sector and on amendments to certain legislative acts of the Russian Federation”. The provisions of the Federal Law “On measures of state support for families with children in terms of repayment of obligations on mortgage housing loans and on amendments to Article 132 of the Federal Law “On acts of civil status”” are being extended. The right to receive state support measures in the form of full or partial repayment at the expense of the state (no more than 450 thousand rubles) of citizens’ obligations under a housing mortgage loan will be acquired by borrowers who had a third child or subsequent children born between January 1, 2019 and December 31, 2030. This support measure will be provided in respect of loan agreements concluded by borrowers before July 1, 2031.

June 12 – Federal Law 142 “On amendments to Article 2 of the Federal Law “On amendments to Article 241 of the Federal Law “On the development of small and medium-sized enterprises in the Russian Federation”. The term of the regulation providing for classifying small and medium-sized businesses as social enterprises engaged in the sale of book products for children and youth, educational, educational and reference literature, is extended until December 31, 2027.

June 13 – Decree 498 “On amendments to Presidential Decree 565 “On additional measures of state support for persons who have shown outstanding abilities” dated November 18, 2019. It has been established that starting from the 2024/25 academic year, recipients of Presidential grants studying in bachelor’s degree and specialty programs (starting from the third year of study), master’s degree programs and having scientific, engineering, technological, creative achievements in the priorities of scientific and technological development of the Russian Federation, based on the results of individual selection, receive Presidential grants in an increased amount 40,000 rubles each month until the completion of the established period of study for bachelor’s degree programs, specialty programs and master’s degree programs, subject to annual confirmation of their right to receive a grant.

Thus, the state is actively implementing key tasks of internal development: the goals and objectives of national development until 2030 and 2036 have been set, and responsible executors have been appointed... But at the same time, the plans outlined for implementation are so ambitious that **(according to some experts) it will take an “economic miracle” to fulfill them.**

However, there still remain key risks related to implementing national projects; in addition, there

K. Kostin, head of the Foundation for the Development of Civil Society: “...what has been announced is a kind of **formula for an economic miracle**. If all this is done, we will see **very impressive GDP growth rates, the solution of tasks related to the incomes of citizens, and tasks related to the development of the country’s infrastructure!** Despite the fact that all the plans that were outlined yesterday should be implemented by 2030, everyone understands that the result of what needs to be done **will determine life and politics in Russia for the entire first half of the 21st century**”³⁰.

“...the comprehensive transformations proposed in national projects can lay the foundation for national development, including beyond 2030. However, the implementation of such significant projects for the country requires a comprehensive, system-wide analysis and effective management of emerging risks, **a significant part of which are common to all national projects and have been preserved since the beginning of their implementation in 2019...**

The problems and risks of implementing national projects **are largely due to the insufficiently high quality of public administration**”³¹.

are at least two conditions that seriously complicate the implementation of the May 2024 decrees, and both of them are related to the circle of persons entrusted with the practical implementation of the President’s instructions.

First, in the coming years, we cannot expect any improvements in the external situation around Russia, which means that the **May 2024 decrees will have to be implemented in much more difficult conditions than the May 2018 decrees.** This is evidenced by one of the most significant personnel changes in the Government, namely, **the appointment of economist A. Belousov to the post of Minister of Defense of the Russian Federation.** This decision made by the head of state came as a surprise to many, but was generally supported by experts and regarded by them as a “long game”; “putting the economy on a war footing”, preparing the country for a long-term and protracted conflict with the West.

A. Dugin: “I believe that this person is in some sense **crucial for our economic, maybe even socio-economic strategy.** Therefore, it is very important that such an appointment took place. **It actually changes everything else...** the appointment of Belousov, in my opinion, is what, by and large, was the intrigue of all these appointments, because it really is a **vector toward the Government of Victory that we dreamed of, that we hoped for**”³².

“The decision to appoint Belousov proves that **Russia is preparing to “play the long game”** in Ukraine... Russia needs to use limited economic resources to pay for the military operation, the end of which is unknown; and it seems that the Kremlin believes that the conflict is unlikely to end this year”³³.

³⁰ Responsible for post-production. Available at: <https://www.kommersant.ru/doc/6550983>

³¹ Ilyin V.A. et al. (2024). National projects of Russia: Features, effectiveness of implementation: Monograph. Vologda: VolRC RAS. P. 410.

³² Dugin on Belousov’s appointment: “This thumping decision fundamentally changes everything”. Available at: <https://dzen.ru/a/ZkE83HyQ2AoRExHs>

³³ *RIA-novosti*. May 14, 2024. Available at: <https://ria.ru/20240514/belousov-1945838345.html?ysclid=lxefl72z1m149112794>

S. Mironov: “We were waiting for more decisive personnel appointments and proposals. But so far we have seen what we have seen”³⁴.

A. Dugin: “I couldn’t help but be pleased with the fundamental, principled appointment of Anton Alikhanov, perhaps our most outstanding governor, to the post of head of the Ministry of Industry and Trade. This is very serious. **But almost all the other changes were relatively technical**”³⁵.

Second, most of the personnel changes that took place in the public administration system in May 2024 are of a “relatively technical” nature, while many expected much more significant personnel changes, based on the systemic, historical challenges that the country faced after February 24, 2022.

We recall that after the start of the SMO, Russia witnessed at least two high-profile, symbolic events, which caused great alarm in the expert community regarding the state of affairs in the public administration system. We are talking about the rebellion of the Wagner PMC on June 23– 24, 2023 (which A. Dugin called “an accident of Russian statehood”, which must be “understood correctly so as not to make mistakes anymore”³⁶), and also about the arrest of the Deputy Minister of Defense of the Russian Federation T. Ivanov (in April 2024) and, subsequently, about the detention of the head of the Main Personnel Department of the Ministry

of Defense of the Russian Federation Yu. Kuznetsov (in May 2024)... **and this has happened in a country that has been waging war for two years.**

Yu. Sovetov (political scientist): “The detention of the Deputy Defense Minister is a serious blow to the “elites”. The man who was entrusted with such important tasks as restoration of Mariupol, construction of hospitals and so on, did not hesitate to steal at the same time. And, I’m sorry, but **this was happening in many ways in front of those who are obliged to control it...** He bought mansions on Rublevka in front of everyone. Just imagine: he did it openly. His wife traveled abroad, she and his children received Israeli citizenship. Everyone saw it. **Why did they turn a blind eye on it? Why did he get away with it?** It was believed that he was an effective manager, as they once said about Anatoly Chubais. **This very connivance has led to such a scandal**”³⁷.

In connection with the detention of the Deputy Minister of Defense of the Russian Federation, many experts quite reasonably focus on the “**connivance of those who were obliged to control**” his activities; but perhaps the most generalized assessment of the problem of corruption in the country was given by A. Prokhanov: **behind this “targeted arrest” there is a whole “underworld of Russian corruption”**:

³⁴ Mironov honestly said how the new ministers had been chosen: “You shouldn’t have any illusions”. Available at: https://tsargrad.tv/articles/mironov-chestno-skazal-kak-vybirali-novyh-ministrov-ne-nuzhno-pitat-illuzij_1000468?ysclid=lxszcqkm57600928220

³⁵ Dugin on Belousov’s appointment: “This thumping decision fundamentally changes everything”. Available at: <https://dzen.ru/a/ZkE83HyQ2AoRExHs>

³⁶ Dugin A. Putin – Prigozhin: the accents are set. Available at: https://zavtra.ru/blogs/putin-prigozhin_aktcenti_rasstavle ni?ysclid=lxszgeo4x3164181437

³⁷ How the arrest of Deputy Minister Ivanov and Putin’s message are connected: Experts are talking about the red line. Available at: https://tsargrad.tv/news/kak-svjazany-arest-zamministra-ivanova-i-poslanie-putina-jeksperty-zagovorili-pro-krasnuju-liniju_994120?ysclid=lxszhly2b8970336897

“Deputy Defense Minister Timur Ivanov was caught on a bribe... **And this targeted arrest evokes overwhelming horror.**

The targeted arrest of Timur Ivanov leads to the underworld of the Russian corruption system... Timur Ivanov is a beak, exploring which you can identify and draw **the whole giant mysterious bird of Russian corruption. The names of corrupt officials, corrupt connections, all branches of the Russian economy, individual ministries and enterprises, Russian and foreign banks, offshore companies, sums of money comparable to the state budget...** The bird of Russian corruption is terrible. Its beak is made of stainless steel. With this beak, it pecks out Russia’s eyes, gnaws at the liver, tears up the Russian heart.

The Russian leap into the future, the Russian path from great upheavals to greatness will include a great plan: “Purification”... The people are waiting for this purification. Russia in Donbass is being washed with tears and blood. The people look to the authorities and wait for purification. This is a great expectation”³⁸.

We should also note that the May 2024 decrees deal predominantly with socio-economic aspects. As Vladimir Putin noted, “the main thing is the assessment of people, how their lives are changing for the better”³⁹.

However, the socio-economic bloc of the Government has not actually changed after all the personnel appointments made in May 2024; this fact caused the greatest doubts in the expert community (Insert 2). And this is confirmed by the results of the vote of State Duma deputies during the approval of the candidacies of Government members: T. Golikova, A. Siluanov, M. Reshetnikov, A. Kotyakov, S. Kravtsov – these are the people who received the least support in the lower house of parliament (Insert 3).

Minimal (with some exceptions) changes in the Government quite reasonably raise the question: **where is the border between ensuring the stability of development and preserving the mistakes accumulated in previous years...?**

Can it be that the absence of changes in the Government that were expected by many experts (primarily in its socio-economic bloc) a consequence of the undeveloped “mechanism of elites renewal”, which once led to the collapse of the USSR?

“We know that the death of our Homeland, the Soviet Union, the monstrous consequences of which have not been eliminated so far, was caused primarily by **political, and not by economic reasons.** However, strangely enough, we know very little about the reasons themselves. The most common among them – and rightly so – **is the lack of a mechanism for renewal of the elites... And understanding the mistakes of the past is necessary to avoid them in the future**”⁴⁰.

³⁸ Prokhanov A. The great expectation. Available at: https://zavtra.ru/blogs/velikoe_ozhidanie?ysclid=lx4fuap3bl928027715

³⁹ Address of the President of the Russian Federation to the Federal Assembly on February 29, 2024. Available at: <http://www.kremlin.ru/events/president/news/73585>

⁴⁰ Delyagin M. To know and remember the political lessons of the collapse of the USSR! Available at: <https://izborsk-club.ru/25693?ysclid=lx4fiaia7u8963308>

Expert opinions on the new composition of the Government of the Russian Federation

S. Mironov: “We are absolutely dissatisfied that the financial and economic bloc remains as it has been. We are not satisfied with social policy. And here, of course, when voting for ministers, our faction expressed its position ... there is no need to have any illusions. But we had and still have very big claims, for example, against [Deputy Prime Minister Tatyana] Golikova. Because we do not believe that she will cope with the tasks that the President has set... Neither do we approve of Siluanov, [Minister of Economic Development Maxim] Reshetnikov, [Minister of Labor and Social Protection Anton] Kotyakov. God bless them, but these people will not cope with the tasks”⁴¹.

M. Delyagin: “The current composition of the Government means that its policy is recognized as correct and does not need drastic changes. However, resentment among the people is growing, and comprehensive modernization will require systemic changes....”

The social bloc is still the patrimony of the liberals. However, under the leadership of Tatyana Golikova, who retained her deputy prime minister post, there can be nothing else. The industrial bloc is technocrats, and the economic bloc is still the same liberals. No wonder the Ministry of Economic Development is sometimes called the Ministry of Economic Degradation.

Perhaps we can say that the head of the Ministry of Culture, Olga Lyubimova, is not a liberal, but, from my point of view, Ms. Lyubimova turned the supervised department into a kind of ministry of arts, which is hardly a meaningful approach.

I was aware that Anton Siluanov remained in the same positions, but hoped for some improvement in the social and economic blocs. In particular, I hoped that at least one real economist would come to work at the Ministry of Economy. But, probably, there are no more economists in power, except Andrey Belousov”⁴².

“Ordinary citizens and analysts were especially waiting for the resignation of the head of the Ministry of Finance Anton Siluanov. He has been in this position for 13 years, but he has retained the post anyway, despite his participation in the development of the pension reform, his contribution to the loss of 300 billion USD from foreign exchange reserves that were frozen in the West ...”⁴³

⁴¹ Mironov honestly said how the new ministers were chosen: “There should be no illusions”. Available at: https://tsargrad.tv/articles/mironov-chestno-skazal-kak-vybirali-novyh-ministrov-ne-nuzhno-pitat-iljuzij_1000468?ysclid=lxszcqm57600928220

⁴² Delyagin M. The change of the Minister of Defense is a reaction to people’s indignation. Available at: <https://www.business-gazeta.ru/article/633476>

⁴³ Mironov honestly said how the new ministers were chosen: “There should be no illusions”. Available at: https://tsargrad.tv/articles/mironov-chestno-skazal-kak-vybirali-novyh-ministrov-ne-nuzhno-pitat-iljuzij_1000468?ysclid=lxszcqm57600928220

End of Insert 2

A. Chadaev (journalist, political scientist): “Some outlines of the strategy are being drawn for the national goals stated in the decree on the occasion of the reassignment. Let us hope that a meaningful vector will emerge there... Because all this time I had a feeling, for example, that the entire social bloc was either not assigned tasks properly, or it was unclear how they were stated”⁴⁴.

R. Romanov (sociologist, political consultant): “The current social block resembles an octopus that clings to various stones with all its tentacles, and when one falls out from under them, it tries to cling to something else... But, of course, it is impossible to move anywhere in such a sprawling position... The educational sphere, in particular secondary education, requires attention most of all. On this occasion, there are a number of questions to the Minister of Science and Higher Education V. Falkov and the Minister of Education S. Kravtsov. I understand why they haven't been replaced. This is the very conservative style of Vladimir Putin... But if within ten years we do not change generations of teachers, scientific personnel, and so on, then there will simply be no one to win wars”⁴⁵.

M. Khazin: “...all the people who could not organize import substitution remained in their places, Manturov was even promoted. Whether Mishustin will be able to continue his work on increasing budget investments is a big question, there are no more resources under the current economic policy... Liberal pressure on the Russian economy in general and on entrepreneurs in particular will continue, most likely they will have a hard time.

The effectiveness of our bureaucrats, including in the external areas, is far from desirable. By the way, this was clearly seen under the old government, when something was done in most cases only when Mishustin was directly involved in it.... All of them [the various forces in the West] have their own support groups in Russia. By the way, we should note that it is for this reason that serious conflicts are inevitable within the power groups in our country, including those that support certain ministers”⁴⁶.

⁴⁴ An “octopus” in the new Russian government: Experts talk about weaknesses and strengths. Available at: https://tsargrad.tv/articles/osminog-v-novom-pravitelstve-rossii-o-slabyh-i-silnyh-mestah-govorjat-jeksperty_10011105

⁴⁵ Ibidem.

⁴⁶ Mikhail Khazin: Mishustin should continue his work, to which there are no special complaints, and everyone else should not harm too much. Available at: <https://dzen.ru/a/ZkDuLCs4gXy74ohZ>

Insert 3

Results of the vote of RF State Duma deputies on May 13, 15, 2024 on the issue of approving candidates for Government members*

Name / Post	For		Against		Abstained		Did not vote	
	pers.	%	pers.	%	pers.	%	pers.	%
<i>Prime Minister of the Russian Federation</i>								
M.V. Mishustin / Prime Minister of the Russian Federation	431	95.8	0	0.0	0	0.0	19	4.2
<i>Deputy Prime Ministers of the Russian Federation</i>								
D.N. Patrushev / Deputy Prime Minister of the Russian Federation	433	96.2	0	0.0	0	0.0	17	3.8
D.N. Chernyshenko / Deputy Prime Minister of the Russian Federation	432	96.0	0	0.0	0	0.0	18	4.0
D.V. Manturov / First Deputy Prime Minister of the Russian Federation	431	95.8	0	0.0	0	0.0	19	4.2
D.Yu. Grigorenko / Deputy Prime Minister of the Russian Federation – Chief of Staff of the Government of the Russian Federation	378	84.0	1	0.2	55	12.2	16	3.6
A.V. Novak / Deputy Prime Minister of the Russian Federation	378	84.0	0	0.0	57	12.7	15	3.3
A.L. Overchuk / Deputy Prime Minister of the Russian Federation	378	84.0	0	0.0	57	12.7	15	3.3
V.G. Savilev / Deputy Prime Minister of the Russian Federation	378	84.0	0	0.0	57	12.7	15	3.3
Yu.P. Trutnev / Deputy Prime Minister of the Russian Federation – Plenipotentiary Representative of the President of the Russian Federation in the Far Eastern Federal District	376	83.6	0	0.0	58	12.9	16	3.5
M.Sh. Khusnulilin / Deputy Prime Minister of the Russian Federation	374	83.1	0	0.0	61	13.6	15	3.3
T.A. Golikova / Deputy Prime Minister of the Russian Federation	362	80.4	1	0.2	66	14.7	21	4.7
<i>RF Ministers</i>								
A.A. Alikhanov / RF Minister of Industry and Trade	430	95.6	0	0.0	0	0.0	20	4.4
O.N. Lut / RF Minister of Agriculture	429	95.3	0	0.0	0	0.0	21	4.7
R.V. Starovoit / RF Minister of Transport	429	95.3	0	0.0	0	0.0	21	4.7
A.O. Chekunov / RF Minister for Development of the Russian Far East and Arctic	428	95.1	0	0.0	1	0.2	21	4.7
S.E. Tsvilev / Minister of Energy of the Russian Federation	375	83.3	0	0.0	57	12.7	18	4.0
M.A. Murashko / RF Minister of Healthcare	374	83.1	3	0.7	54	12.0	19	4.2
V.N. Falkov / RF Minister of Science and Higher Education	373	82.9	2	0.4	53	11.8	22	4.9
M.I. Shadaev / RF Minister of Digital Development, Communications and Mass Media	373	82.9	1	0.2	57	12.7	19	4.2
O.B. Lyubimova / RF Minister of Culture	357	79.3	61	13.6	13	2.9	19	4.2
I.E. Faizullin / RF Minister of Construction, Housing and Utilities	353	78.4	0	0.0	80	17.8	17	3.8
M.V. Degtyarev / RF Minister of Sport	350	77.8	0	0.0	79	17.5	21	4.7
A.A. Kozlov / RF Minister of Natural Resources and Environment	349	77.5	27	6.0	53	11.8	21	4.7
M.G. Reshetnikov / RF Minister of Economic Development	348	77.4	82	18.2	1	0.2	19	4.2
A.G. Siluanov / RF Minister of Finance	348	77.3	84	18.7	0	0.0	18	4.0
A.O. Kotlyakov / RF Minister of Labor and Social Protection	348	77.3	27	6.0	55	12.2	20	4.5
S.S. Kravtsov / RF Minister of Education	345	76.7	9	2.0	71	15.8	25	5.5

* Ranked in descending order of the share of votes cast in favor of the candidate (in %).

Source: official website of the RF State Duma. Available at: http://vote.duma.gov.ru/?convocation=AAAAAAA8&from=13.05.2024&to=13.05.2024&sort=date_desc

By and large, the reason for the relevance of these issues is that **the head of state has not yet given an answer to the main question – which state are we building: a truly sovereign social state or a state of oligarchic capitalism with a “sovereign” face?**

This question has been raised in the expert community, in the media, and in society for many years. However, even despite, for example, the emergence of an updated Constitution of the Russian Federation during Vladimir Putin’s

previous presidential term (2018–2024)⁴⁷, the Law on strengthening traditional values⁴⁸, a new Foreign Policy Concept⁴⁹ and many other important strategic documents contributing to the strengthening of national sovereignty, its relevance continues to grow, **and today it sounds not only as a search for a national idea and a development goal, but also as a necessary condition for survival and Victory.**

N. Morozova (2006): “When will we hear from the President the answer to the question: where is he leading Russia? There’s not much choice. This is either the final descent of the country into the swamp of colonial capitalism, or the construction of a social (albeit not yet socialist) state... So isn’t it time for the President to decide on his ideology?”⁵⁰

Zh.T. Toshchenko: “... for most Russians, it is still unclear what kind of society Russia is building. Words like the welfare state, modernization are not enough, because they are too abstract, similar to the all-encompassing promises inherent in almost every modern country... In other words, without programs that would serve as a powerful impetus for the elevation of man, it is impossible to imagine the further development of the country...”⁵¹

N. Starikov (2018): “What is our political course? What are we building? Here we come to the question of the national idea. And we see, unfortunately, the lack of formulation of this idea, the lack of setting a strategic task. While the strategic task “what kind of state, what kind of society we are building” has not been formulated, we can argue that we are educating high-quality consumers (as one of the ministers said)... Without the formulation of a political task, we cannot have a clearly formulated economic strategy”⁵².

The question of what kind of state we are building sounds so acute today that it could no longer be ignored by the President and therefore became a key one during the plenary discussion at the 27th Saint Petersburg International Economic Forum, held in Russia on June 5–8, 2024.

⁴⁷ On the official publication of the Constitution of the Russian Federation as amended: Presidential Decree dated July 3, 2020. Available at: <http://www.kremlin.ru/acts/constitution>

⁴⁸ On approval of the fundamentals of the state policy for the preservation and strengthening of traditional Russian spiritual and moral values: Presidential Decree 809, dated November 9, 2022. Available at: <http://www.kremlin.ru/acts/bank/48502>

⁴⁹ On approval of the Foreign Policy Concept of the Russian Federation: Presidential Decree 229, dated March 31, 2023. Available at: <http://www.kremlin.ru/events/president/news/70811>

⁵⁰ Morozova N. There are contradictions between Putin and... Putin. Available at: <https://kprf.ru/news/articles/politics/46592.html>

⁵¹ Toshchenko Zh.T. (2018). Precariat: From a proto-class to a new class: Monograph. Moscow: Nauka. P. 269.

⁵² N. Starikov’s interview on “Radio Rossii”, September 2, 2018. Available at: <https://nstarikov.ru/kakoe-gosudarstvo-mystroim-96339?ysclid=lxrl1x2tvg153584835>

Moderator at this discussion was S.A. Karaganov, Doctor of Sciences (Economics), political scientist, economist and public figure; we should emphasize that his choice for this role was not random, it was agreed with the Administration of the head of state. According to presidential press secretary Dmitry Peskov, “he [S. Karaganov] is a man of the widest horizons with his own point of view, **very authoritative in expert circles. This was the reason for choosing him**”⁵³.

“We are doing something, but we have not yet decided what we are doing ...; we are stuck in the old model and we do not know what model we are building”, this is what the moderator said to Vladimir Putin. At the same time, S. Karaganov himself proposed the name for the “ideal model for Russia” – “**authoritarian social capitalism**” (*Insert 4*).

“We are doing something – obviously, but it is quite clear that we have not yet decided what we are doing... I don’t think we have a master plan... economists, unfortunately, most of them – I know them, I’m a former economist myself, although there are no former economists, of course – **are stuck in the old model... do we know what model we are building?** I would call **authoritarian social capitalism** the ideal model for Russia, **to make it clear where we are going. Because we are supposedly going the right way, supposedly we used to go the liberal way – I don’t get it...**”⁵⁴

Perhaps we can agree that “social capitalism” as a name for the general course of national development looks quite reasonable. In confirmation of this, we note that many appreciated the importance and severity of the questions posed by S. Karaganov, which really confirms their acuteness...

D. Golubovsky: “In its purest form, planned social capitalism is the **direct opposite of liberal capitalism, practically its dialectical reflection**”⁵⁵.

D. Grigoryev: “Social capitalism is a cumulative name for those models of capitalist economy that include a **developed system of social protection**. For example, affordable mass education, health care, control of the labor market, opportunities for horizontal and vertical mobility, and the like. **This is closely intertwined with the notion of the social state**”⁵⁶.

A. Makarkin: “In the model of “authoritarian social capitalism” **the word “capitalism” does not contradict the Constitution**, because it mentions market economy. **The word “social” does not contradict the Constitution either**, because this document characterizes Russia as a social state. But the Constitution is clearly democratic in nature, and the rights and freedoms that are spelled out there **do not correspond to the principles of an authoritarian state**”⁵⁷.

⁵³ Peskov explained why Karaganov was chosen to moderate the plenary session with Putin at the SPIEF. Available at: <https://www.mk.ru/politics/2024/06/07/peskov-obyasnil-pochemu-karaganova-vybrali-moderatorom-plenarnoy-sessii-s-putinyem-na-pmef.html>

⁵⁴ The plenary session of the Saint Petersburg International Economic Forum (S. Karaganov’s statement) on June 7, 2024. Available at: <http://www.kremlin.ru/events/president/news/74234>

⁵⁵ Golubovsky D. Social capitalism – the future of the world economy (expert of Kalita-Finans company, analyst at finam.ru). Available at: <https://www.finam.ru/publications/item/social-kapitalizm-budushee-mirovoyi-ekonomiki-20090930-1212/>

⁵⁶ What is social capitalism? (words of D. Grigoryev, an expert in economics, an employee of the Center for Economic Research at the Institute of Globalization and Social Movements). Available at: https://yandex.ru/q/question/chto_takoe_sotsialnyi_kapitalizm_5eaa8c3d/

⁵⁷ Should Russians expect authoritarian capitalism? A political scientist explained what is wrong with this idea (opinion of A. Makarkin, political scientist, vice president of the HSE Center for Political Technologies. Available at: <https://dzen.ru/a/ZmMxXBgmbQup5YmC?ysclid=lx0fifxz5x539818871>

S. Karaganov's comments on the situation in Russia (SPIEF 2024)⁵⁸

1. We are doing something, obviously, but it is quite clear that **we have not yet decided what we are doing**. Moreover, we have started to develop the military-industrial complex in a big way, and **we are doing it by trial and error**. I don't think we have a master plan... economists, unfortunately, most of them — I know them, I'm a former economist myself, although there are no former economists, of course — **are stuck in the old model... do we know what model we are building?** I would call authoritarian social capitalism the ideal model for Russia, to make it clear where we are going. **Because we are supposedly going the right way, supposedly we used to go the liberal way — I don't get it...** Vladimir Vladimirovich, I turn to the eighth point of your program, although you did not say where we are going, nevertheless all the points are wonderful.

2. We, people like me and like you, are “fed up” with the single communist ideology, so, of course, we do not want a communist ideology. **But a state, a great state, cannot exist without a national ideology, without a great idea. States that lost their national idea, national ideology, inevitably fell. The world is strewn with graves or shadows of such states. By the way, we fell twice too: once when we lost faith in the Tsar and the Fatherland, and the second time when we lost faith in communism. And we are now resisting the introduction of a rigid state ideology.** It is clear that it is very easy to formulate such an ideology; you yourself have already formulated it in your speeches. It is clear that such an ideology may not be mandatory, but it should be, **must be mandatory for those people who want to be the leaders of the country, who want to be the elite of the country. It is a code of honor... this code can be formulated.**

Why are we not formulating a code for everyone? These people want to live an ordinary life — let them live it, and that is fine. **But if you want to lead, if you want to succeed in society, you must adhere to absolutely clear rules, and these rules must be formulated.** I'm not going to formulate them now, so as not to occupy the audience, because it's quite easy to do. **But why are we still afraid? We don't need to change an article of the Constitution. Why are we afraid to introduce a single state ideology, mandatory for all those who want and are ready to serve the state and society?...**

Because of the death of communist ideology, that country died because we had a vacuum. So we need to fill this vacuum with certain things. If you order it, we'll do it. But only then you have to offer it to society, to the elite, and make it more or less mandatory. Then it will work. This is how, by the way, the communist ideology worked for us, which was obligatory for everyone and which for many years, which had many wonderful things in it, moved our country forward and **allowed us to win that terrible war. Therefore, ideology is necessary.**

⁵⁸ The plenary session of the Saint Petersburg International Economic Forum (S. Karaganov's statement) on June 7, 2024. Available at: <http://www.kremlin.ru/events/president/news/74234>

But the problem is that it is not up to S. Karaganov to formulate the course for Russia’s national development. And the President in his answers (as the moderator of the discussion pointed out) **ultimately did not say where we were going** (citation: “*Vladimir Vladimirovich, I am referring to the eighth point of your program, although you did not say where we were going, nevertheless all the points are wonderful*”⁵⁹)...

Meanwhile, the real situation in the country leads many experts to conclude that not “social”, but “oligarchic” capitalism (or “capitalism for the few”) at least for today, continues to dominate in our country.

It is for a reason that A. Prokhanov writes: “**The Russian patriotic consciousness is afraid of liberal revenge ... it is restless, full of suspicions, expects treachery and betrayal**”.

G. Zyuganov: “I was very impressed by the discussion between Putin and Karaganov. Karaganov was at the forefront at all times. He knows how to adapt in time. However, **he asked Putin very tough questions that concern society. Are we on the right course? Where is our victory? Where is the national idea?**”⁶⁰

V. Katasonov: “**No one disputes that oligarchic capitalism has been established in Russia today.** Oligarchic capitalism is a socio-economic model of the development of society and the state, based on total control of the production of goods and services **by private owners of the means of production**, on legalized exploitation, that is, the **unfair appropriation of almost all the results of wage labor**”⁶¹.

“Patriotic philosophers, historians, literary critics, and metaphysicians create an ideal image of Russia in tune with the aspirations of the 21st century. But the Russian patriotic consciousness today is restless, **full of suspicion, and expects treachery and betrayal.** A Russian, going on a historical offensive, tightens his back, fears that the blade of a traitor will strike him in the back, and the process of great changes that began in Russia, the great Russian renaissance, **will be stopped, curtailed, and reversed. The Russian patriotic consciousness is afraid of liberal revenge...**”⁶²

⁵⁹ The plenary session of the Saint Petersburg International Economic Forum (S. Karaganov’s statement) on June 7, 2024. Available at: <http://www.kremlin.ru/events/president/news/74234>

⁶⁰ Official website of the Communist Party of the Russian Federation. News. June 11, 2024. Available at: <https://mkkprf.ru/29548-ga-zyuganov-s-tribuny-gosudarstvennoy-dumy-velikh-stran-i-narodov-ne-byvaet-bez-velikh-idey.html>

⁶¹ Katasonov V. “Oligarchic collectivism” from the novel “1984” and today’s world. Available at: <https://reosh.ru/valentin-katasonov-oligarxicheskij-kollektivizm-iz-romana-1984-i-segodnyashnij-mir.html>

⁶² Prokhanov A. The third toast. Available at: <https://izborsk-club.ru/25816?ysclid=ixt0kx4v2h78042209>

The dominance of “crony capitalism” in the country is indicated, first of all, by the quality of Russian elites; the commonality of their values and priorities, in which **“wealth, power and stability”** prevail.

“There are two parts of the elite that are different in origin and essence. Some of them, who seized property in the 1990s, have inherited assets and a high level of passive income. The second ones who are “feeding at the public trough”: officials of different levels, heads of state-owned companies. They (sometimes – on bribes and kickbacks) have accumulated huge amounts of capital (often – “black” and “gray”) and are trying to influence state policy. **They also want a stable, predictable future for themselves and their descendants.** One of the solutions is to transfer the position (place of feeding) by inheritance – seems to be already beginning to materialize. **The value priorities of these groups are similar: wealth, power and stability (security) of their use**”⁶³.

And this is fully confirmed by concrete facts. For example, the reaction of big business to some management decisions made by the state, the decisions that are unprofitable for the business and that are largely dictated by necessity due to growing threats to national security. This was clearly demonstrated by the discussion that unfolded at one

of the events (“Sber’s business breakfast”) within the framework of the Saint Petersburg International Economic Forum, during which the Head of the Board of Directors and the largest shareholder of PJSC Severstal A. Mordashov criticized the tax policy regarding the conditions created for running a large business. One of the major oligarchs of the country pointed out: “We see constant introduction of new levies... It has become fashionable to introduce turnover taxes – it’s a nightmare...”⁶⁴.

For reference: according to Forbes “A. Mordashov and family” rank **4th on the list of Russian billionaires.**

In the period from 2022 to 2024 his fortune has almost doubled: in 2022 – 13200 million USD, in 2023 – 20900 million, in 2024 – 25500 million⁶⁵.

It is noteworthy that official representatives of relevant ministries, when responding to the claims from the oligarch (*Insert 5*), clearly stated that all actions of the authorities regarding changes in the tax system were previously discussed with business; that they “were taken taking into account the financial and economic situation of companies”⁶⁶; moreover, the state met Severstal halfway in 2022, when, **upon proving its guilt** for overstating prices for metallurgical products⁶⁷ “fines for metallurgists have been reduced tenfold, becoming less than minimum”⁶⁸...

⁶³ Belkin S. Russian field of meanings. Available at: https://zavtra.ru/blogs/russkoe_pole_smislov?ysclid=lx0mbqh2n184974512

⁶⁴ Mordashov proposed to fix taxes and levies for a year. Available at: <https://www.rbc.ru/finances/07/06/2024/6662a5509a79479ec2e5b22a?ysclid=lx8uvr8n1n551349961>

⁶⁵ 125 billionaires of Russia. Forbes Rating – 2024. Available at: <https://www.forbes.ru/milliardery/510650-125-milliardero-vrossii-rejting-forbes-2024>

⁶⁶ The Ministry of Finance responded to Mordashov’s statement on tax stability (words of Deputy Finance Minister of the Russian Federation A. Sazanov). Available at: <https://www.finam.ru/publications/item/minfin-otvetil-na-zayavlenie-mordashova-o-nalogo-voy-stabilnosti-20240607-2123/>

⁶⁷ FAS found metallurgists guilty of overestimating the prices. Available at: <https://fas.gov.ru/publications/23531?ysclid=lxlepzgf797200485>

⁶⁸ The Ministry of Industry and Trade of the Russian Federation considers Mordashov’s statement about the tax burden on metallurgists strange (words of Deputy Head of the Ministry of Industry and Trade of the Russian Federation State Secretary V. Yevtukhov). Available at: <https://mfd.ru/news/view/?id=2636911>

We can only add that in today’s conditions and when, first of all, large businesses (even without any laws) are required to understand and implement the principle of “everything for the front, everything for the Victory”, the profits of PJSC Severstal are distributed mainly in the interests of key shareholders (dividends owners) against the background, for example, of a reduction in the share of charitable and social expenses, as well as lower tax revenues of the host region itself – the Vologda Region (which becomes obvious when analyzing the ‘open’ data of the company’s reporting; *Insert 6*) ... And it seems quite reasonable to ask the President,

the Government, the Federation Council: who created such conditions and why do they continue to persist in principle and especially against the background of the ongoing special military operation?

Perhaps no less resonant and even more revealing in terms of characterizing the real situation in the country was the scandal involving Herman Gref. A video spread on the Internet about the “meeting” of Sber Chairman with taxi drivers in Gorno-Altai⁶⁹ in June 2024 pointed out to many experts that “there is not even a gap, but a gulf between the elites and the common individual”...

D. Kobzev, Editor-in-chief of the Gorny Altai News information portal: “To say that the Gorny Altai rebelled against Gref would be a very big stretch. This is completely untrue. But I think that after this story, of course, order will be restored. **Whether the taxi drivers wanted it or not, but now it will be different, and it will be the way Gref wants it**”⁷⁰.

D. Drize (expert at the Kommersant newspaper): “Sberbank recently became the sole owner of the airport and intends to actually create a modern logistics center on its basis... in his [Gref’s] own words, the current Gorno-Altai airport will have to be demolished, and a new one built in its place... **But is it possible to build an ideal “City of the Sun” in a particular region of Russia as Herman Gref sees it? And is it possible to re-educate the Russian people so that they can properly comply with all this?** Will the population accept universal automation, digitalization, KPIs, personal efficiency plans, corporate governance, impeccable appearance? All that came to us in many ways from the unfriendly West... **Actually, everything that happens is called the gap between the elites and the very common individual. Moreover, it seems that this is no longer a gap, but an abyss... It seems that this gap between the different classes of Russian society needs to be bridged somehow. So far, this has not been possible for many years. There were attempts, but all of them somehow failed.** But you can try to impose the “City of the Sun” by force, although this also happened, and the effect was, again, ambiguous”⁷¹.

⁶⁹ A video appeared on the Internet, in which Herman Gref in a harsh form explains to Altai taxi drivers that they should look decent and not gather, as Gref put it, “in gangs” near the airport. The drivers, in turn, demanded that Gref arrange parking for them. The video caused a great resonance, including far beyond the borders of the republic... from the conversation it is heard that the chairman of the board of Sberbank, **who has recently become owner of the Gorno-Altai airport**, calls his last name, demands to disperse this gang and threatens that none of the drivers will work here anymore, because this is his airport: “**And you’re not going to work here anymore. If you open your mouth again, you’ll never be here again. I am the owner of this airport. And who are you? What’s your last name? My last name is Gref, what’s your last name?**”... After the publication of this video, two more videos appeared on the Internet. They show residents of Altai defiantly cutting the cards of Sber into pieces... (source: Business news portal of the radio station Business FM. June 10, 2024. Available at: <https://dzen.ru/a/ZmcXfxgmbQupq-yo?ysclid=ixfyss42mj756353268>)

⁷⁰ Ibidem.

⁷¹ That’s the kind of people we have. Available at: <https://www.kommersant.ru/doc/6760853>

Insert 5

Responses of representatives of ministries to A. Mordashov's claims regarding the introduction of new taxes

Response of the Ministry of Finance of the Russian Federation (Deputy Minister of Finance of the Russian Federation A. Sazanov): “Over the past six years, the basic parameters of corporate sector taxation have not changed”. At the same time, a number of decisions were made on the point adjustment of taxation in connection with the formation of raw materials and economic rents for companies associated **solely with changes in market conditions** (commodity quotation or exchange rate). “Such instruments as exchange rate export duties, as well as **additional** taxation of rental industries, including the introduction of an excise tax on liquid steel, provided for the redistribution of additional income between business and the state, which companies generated **only due to sharp fluctuations in the exchange rate and surges in prices for raw materials...**”

All previously proposed decisions were made taking into account the financial and economic situation of companies, so that even after an increase in the level of taxation, the profitability of companies exceeded 25%, which is more than twice the average economic indicators (10—12%)⁷².

“If we talk about exchange rate export duties, the design proposed last year made it possible to ensure that the introduction of duties did not affect the plans of companies; through them only 25—30% of the increase in ruble revenue was redistributed to the budget, **in excess of companies' expectations at the beginning of the year. That is, the companies received approximately the same amount of ruble revenue as they expected and on the basis of which they planned operational and investment activities**”.

The government discussed the introduction of all tax changes with business. In particular, the companies were provided with calculations analyzing the impact of adjustments on the financial and economic situation. Separately, we draw attention to the fact that the previously introduced excise tax on liquid steel **was initially provided for in the Tax Code on an indefinite basis. There were no restrictions on the period of its use.**

The proposed change in taxation of the corporate sector “provides for the replacement of export duties with **more profitable and understandable fiscal instruments for businesses** in the form of an increase in income tax and adjustments to rental taxes, in particular MET”⁷².

Response of the Ministry of Industry and Trade of the Russian Federation (Deputy Head of the Ministry of Industry and Trade of the Russian Federation State Secretary V. Yevtukhov): “Metallurgy is an industry that has always enjoyed special attention and support from the state...” Two years ago, prices for metallurgical products increased significantly, then the FAS opened an investigation against a number of companies, including Severstal. **The guilt of the companies was proved**, and large penalties were imposed for this. “**At the same time, the state met Severstal halfway**, taking into account the general global situation, the loss of export markets, sanctions pressure and the need to find new partners — fines for metallurgists have been reduced tenfold, becoming less than minimum” ... Also at SPIEF 2024, Severstal signed a SPIC [special investment contract], under which metallurgists will receive **over 40 billion rubles of tax benefits from the state...** After that, it is strange to hear Alexey Mordashov's statements that the government does not hear business, does not meet business halfway, and the state's fiscal policy lacks predictability”⁷³.

⁷² The Ministry of Finance responded to Mordashov's statement on tax stability. Available at: <https://www.finam.ru/publications/item/minfin-otvetil-na-zayavlenie-mordashova-o-nalogovoy-stabilnosti-20240607-2123/>

⁷³ The Ministry of Industry and Trade of the Russian Federation considers Mordashov's statement about the tax burden on metallurgists strange. Available at: <https://mfd.ru/news/view/?id=2636911>

Insert 6

Some financial results of PJSC Severstal’s activities for 2009–2023⁷⁴

When evaluating the distribution policy of PJSC Severstal, it is clear how the favorable result of the company was more directed to satisfying the interests of owners against the background of a reduction in the share of charitable and social expenses.

Thus, the average annual dividend payments of PJSC Severstal on average for 2009–2013 to 2019–2023 increased **18.3-fold (from 7.3 to 133.5 billion rubles)**, and the share of expenditures on charity and social needs increased **only 2-fold (from 0.8 to 2.2 billion rubles; Tab. 1)**.

Thus, on average, over the period from 2019 to 2023, the amount of dividends exceeded the amount of charitable and social expenses by **59 times**. The share of dividends in the net profit of the organization for this period **amounted to 92%**, the share of charitable and social expenses – **2%**.

Table 1. Priorities of Severstal’s distribution policy for 2009–2023

Period	Consolidated net profit	Dividend	Share of dividends in net profit	The ratio of dividends to the region’s own revenue	Fortune of the key shareholder (A. Mordashov)	Charity and social expenses	Share of charitable expenses in net profit	Remuneration to the Board of Directors	Share of remuneration in net profit
	million rubles	million rubles	3 = 2/1	4	billion USD	million rubles	%	million rubles	%
1		2			5	6	7 = 6/1	8	9 = 8/1
On average for 2009-2013	22252	7308	79.5	18.6	12.2	893	10.7	1059	13.4
On average for 2014-2018	71599	74203	85.9	123.3	14.1	1538	2.0	680	0.3
On average for 2019-2023	158174	133454	92.1	141	20.7	2243	1.6	700	0.5

Source: compiled according to the IFRS of PJSC Severstal and the website Forbes.ru

The volume of dividend payments of PJSC Severstal exceeds the tax revenues of the Vologda Region’s budget.

Thus, for 2017–2022, the average volume of dividend payments of PJSC Severstal amounted to 124 billion rubles per year, **which is 61% more than the tax revenues of the Vologda Region (77 billion rubles; Tab. 2)**.

For comparison, in the Irkutsk Region, the dividends of OK RUSAL (20.2 billion rubles per year) were significantly lower than the tax revenues of the region – about 11.2%, or 181 billion rubles. In the Krasnoyarsk Territory, the average annual dividends of PJSC MMC Norilsk Nickel for the same period amounted to 275 billion rubles per year, which is 3.5% less than the tax revenues of the region’s budget (285 billion rubles).

Table 2. Comparative analysis of tax revenues and dividends of metallurgical corporations of the Russian Federation on average for 2017–2022

Indicator	Vologda Region (PJSC Severstal)	Irkutsk Region (OK RUSAL)	Krasnoyarsk Territory (PJSC MMC Norilsk Nickel)
1. Average annual tax revenues of the budget of the home region, billion rubles	77	181	285
2. Average annual dividends, billion rubles	124	20.2	275
3. 5 to 4 ratio, %	161	11.2	96.5

Source: compiled according to the data from the Federal Treasury and corporate financial statements.

⁷⁴ Ilyin V.A., Pechenskaya-Polishchuk M.A., Malyshev M.K., Palkina D.S. (2024). Non-ferrous metallurgy in Russia: 30 years in search of a balance of private and public interests: Monograph. Vologda: VoIRC RAS.

Moreover, this conclusion of the expert is clearly confirmed by the results of sociological research, indicating that the contradictions between “the rich and the poor”, “government and people”, “officials and citizens” are among the top three most acute social contradictions in the opinion of the population (*Figure*).

The preservation of “crony capitalism”, which, in a sense, is “hiding” under the mask of “social” capitalism is proved by the inconsistency of the implementation of one of the first, important and long-awaited reforms of the tax system, **but carried out in such a way that does not affect many aspects of the daily life of oligarchs and top managers:** foreign

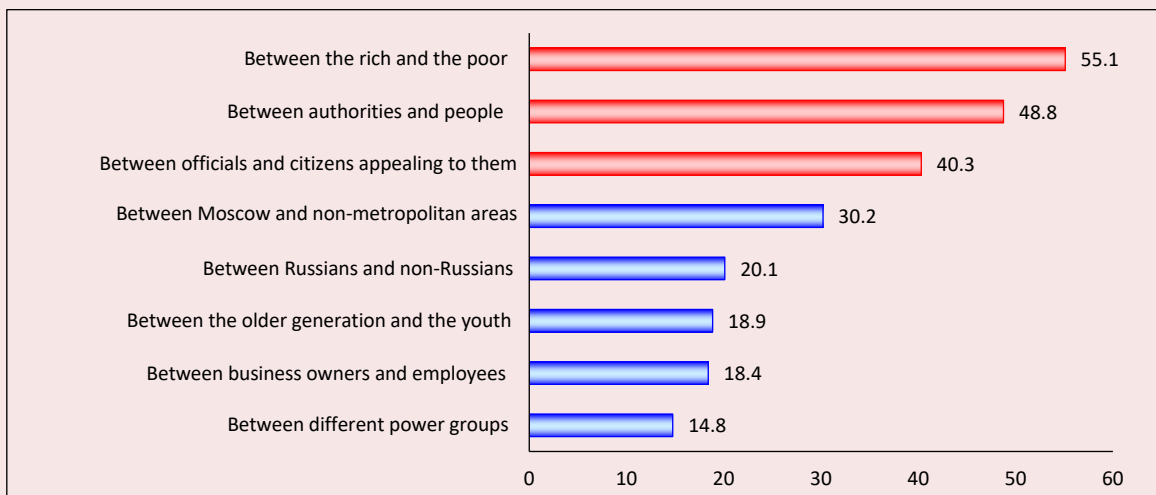
“The tax service’s access to personal data should be expanded to **foreign tourism and transfers**, data on which is collected when crossing the border, and also to the purchase of air tickets. **It is the middle class and top managers who most often travel to foreign countries; and these individuals fall under the personal income tax progression, and one trip now costs hundreds of thousands of rubles.**

Another decent area of spending by the middle class and especially the rich is **the entertainment sector**. It is quite necessary to bring under tax control the expenses of individuals, say, from 5 thousand rubles per account (with splitting criteria). Moreover, cash payments should be limited in such cases, or substantial fees should be introduced for such payments...

Why is it, for instance, that the public catering service “Vkusno i tochka” pays VAT, but the restaurants on Rublevka or Patriarshchie Prudy don’t?...

In addition to databases on purchases of real estate and vehicles, should we think about the potential of collecting information for the **repair of these objects of property?** Expensive repairs can amount to millions of rubles for an apartment and hundreds of thousands for a car. So far, collecting such personal data looks like a non-trivial task”⁷⁵.

“Between which groups of Russian society, in your opinion, there exist the most acute contradictions today?”, % of respondents



Data for the Vologda Region on average for December 2023 – June 2024.

Source: VoIRC RAS public opinion monitoring.

⁷⁵ Anureev S. Tax control of large expenditures of the rich, as declarations of officials. Otherwise, the answer to the progression of personal income tax will be the growth of shadow income. Available at: https://zavtra.ru/blogs/nalogovij_kontrol_krupnih_rashodov_bogatih_kak_deklaracii_chinovnikov?ysclid=ixt1dq62y5379479454

tourism and bank transfers; expensive restaurants, nightclubs, beauty salons and boutiques; repair of expensive real estate and cars...

In general, these facts, expert assessments, and public opinion polls indicate that the situation not only around, but also inside Russia is still quite alarming and contradictory, despite the fact that **threats to national security for our country, on the contrary, are quite concrete and understandable...**

According to experts, “the main result of the SMO, the main task within Russia is the renewal of elites, moving away from cronyism to service class people”⁷⁶... By and large, both the present and the future of Russia depend on solving this problem; as well as the result of the SMO, and the nature of a new Social Contract, the new “rules of the game” that will regulate life in the country after the end of the special military operation.

The fact that the President feels the urgency of the question “what kind of state are we building?” in society and was not afraid to bring it to the

“What are we fighting for? Is it only for the lands that were torn away from the Russian world and for our humiliated brothers? Of course, not only for this. **The front of the SMO, while it is operating, generates a second front inside Russia, the front of self-purification. And this battle, no less important for our fate, is taking place in the depths of Russia, in its capitals... The main result of the SMO, the main task within Russia is the renewal of elites, moving away from cronyism to service class people**”⁷⁷.

plenary discussion at the International Economic Forum gives hope that the head of state will give a clear and definite answer to it. But so far, it remains only a subject of discussion in the expert community and the subject of expectations of the general public...

So what will Vladimir Putin’s fifth political cycle be for Russia: a continuation of “crony capitalism” or, after all, the beginning of the construction of “social capitalism”?

⁷⁶ Averyanov A. What we are fighting for. On the 10th anniversary of the Russian Spring. Available at: <https://izborsk-club.ru/25702?ysclid=lx4fa2xie532116915>

⁷⁷ Ibidem.

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