

The Washington Times

www.washingtontimes.com

Putinism

By Richard W. Rahn

Published September 20, 2007

BUCHAREST, Romania.

Putinism (noun) — a Russian nationalistic authoritarian form of government that pretends to be a free market democracy. Month by month, President Putin of Russia has been erecting a new authoritarian model that owes more of its lineage to fascism than communism.

Unlike Soviet communism, the new Russian state does not seek to direct every aspect of political and economic life. Instead, through limited, direct control and intimidation, plus strategic investments in both institutions and people, not only in Russia but other nations as well, the Kremlin seeks to ensure favorable global press and decisions beneficial to its interests from political and business leaders around the world.

Here in Eastern Europe, it has been noticed some politicians who take a Kremlin-friendly line suddenly seem to have more campaign funds. Infrastructure projects, particularly in the energy sector, that are perceived to be most beneficial to Russia's long-term interest more easily find sources of funding. Media sources and companies that follow a more pro-Russian line seem to suddenly prosper. The Putinists are not so crude as to leave direct fingerprints of the true sources of these funds.

A Russian or even an American businessman may be led to understand that his profitable Russian related business will only continue if he invests in certain specified projects, advertises in specified media, or contributes to specified social or policy organizations. And much of it is perfectly legal. Occasionally, this Russian influence peddling is more transparent, as in Gazprom, the Russian state's gas monopoly, hiring former German Chancellor Gerhard Schroeder.

In many ways, it is much easier for the Russian authoritarians to gain power and influence now that they have been freed from having to defend the indefensible communist political and economist model. For the most part, the Putinists accept the price system as the best way to allocate resources and motivate production.

They have endorsed private ownership and private enterprise — no one is advocating the renationalization of restaurants. Yet, their desire to control has caused them to buy or seize sizable equity stakes in the major Russian export industries — oil and gas and

some metals — and virtually all of the mass media. Knowledgeable Europeans, and particularly Eastern Europeans, are increasingly concerned by the Kremlin's none-too-subtle attempts to influence or even control their political and economic decision making and undermine NATO.

Unlike the communists with their mass repression, killings, and gulags, the Putinists have been accused of selective murders and have imprisoned their media, business, and political critics, both inside and, in several instances, outside Russia. Putin apologists claim the murders are solely due to rogue elements, much like the prisoner abuse by a few American soldiers in Abu-Ghraib. The difference, of course, is that the Bush administration vigorously investigated and prosecuted the prisoner abuse cases, whereas not one of the Russian media and other suspected political assassinations has resulted in a conviction. However, recently a questionable arrest was made in the killing of well-known journalist and Putin critic, Anna Politkovskaya.

Putinism depends on the Russian economy growing rapidly enough that most people have rising standards of living and, in exchange, are willing to put up with the existing soft repression. But the Russian economy is still all too dependent on high, raw material prices — primarily energy — and when those prices come down, as they will at some point, the Kremlin's ability to control its own people and intimidate Europe will diminish.

As Putinism is increasingly recognized as undemocratic — the Kremlin already is in firm control of who can run for what office and who can win — it will be increasingly difficult for the Russian leader to be invited to summit meetings with the world's major democracies, let alone to Mr. Bush's or some future U.S. president's home.

Putinism cannot continue to exist as it now is. As Russia's economic fortunes change, Putinism is likely to become more repressive. Authoritarian regimes, unlike true free-market democracies, are inherently unstable and rarely end happily. All those politicians, media folk and business people outside Russia, who have been dining at the Kremlin trough, might also think about how history treats fellow travelers.

Richard W. Rahn is chairman of the Institute for Global Economic Growth.

<http://www.washingtontimes.com/article/20070920/COMMENTARY/109200002/1012/COMMENTARY>

Copyright © 2007 News World Communications, Inc. All rights reserved.