Putin’s Virus Moment

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Covid-19 pandemic in Russia

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The current situation in Russia has reached a perfect storm: the pandemic here coincided with the collapse of the national currency, as well as the political crisis caused by Vladimir Putin's proposals to change the Constitution. At a time when every world political leader seeks to show himself as a sovereign capable of declaring a state of emergency and winning the war against the virus, Putin demonstrates a complete unwillingness to take responsibility for what is happening. At the national level, the danger of the coronavirus was recognized only a week ago, on March 25, when the president addressed the nation. By that time, the number of officially infected people in the country was close to one thousand, but it was clear that with the current deplorable state of the Russian health care system, the burden on it could become catastrophic.

Against this background, the measures announced were striking in their ambiguity: the following week was declared non-working which in fact meant that the State refused to reimburse private enterprises. Instead of a countrywide state of emergency, local authorities were given the opportunity to determine the threat and impose restrictive measures themselves. Measures aimed at helping those affected by the loss of income and employment also seemed negligible (especially when compared to public expenditures in Europe and the United States). For example, small businesses were offered tax exemptions for the quarantine period (which meant that they would have to pay after the end of the pandemic), and unemployment benefits were raised to an officially established minimum subsistence level of 12,000 roubles (approximately 150 euros), which does not correspond to the real cost of living. All this happens in a situation where, according to official data, the majority of the country's citizens have no savings at all and live from salary to salary.

At the same time, local authorities in megacities such as Moscow, St. Petersburg and Nizhny Novgorod have introduced a system of restrictions on any exit from the house, including high fines for breach of quarantine (never announced at the national level).

The state of emergency was not declared by the sovereign, but actually became a state of reality. This represents not only an interesting casus of political philosophy but also means that the state is completely unwilling to assume the social and economic costs of expanding its sovereignty.

On April 2, the president appealed to the nation again, saying that the regime of non-working days will continue until the end of April. There were still no one-time payments that could support the lives of people who had lost at least one month's salary and without receiving exemption from rent or loans. Employees of state enterprises, who are guaranteed to keep their salaries for this period, seem to be in a more protected position than those employed in small and medium-sized enterprises (which account for about 40% of all hired workers in the country).

Nevertheless, the collapse of oil prices, on which the Russian budget is fully dependent, and the subsequent depreciation of the ruble by 20% will inevitably lead to higher inflation and corresponding losses in revenues, which the government also does not intend to compensate. Even in the extraordinary conditions of the threat of a pandemic and the current standard of living, the Russian authorities are probably determined not to spend the so-called National Welfare Fund, which over the years has accumulated excessive income from oil exports and which currently stands at $123 billion.

Thousands of negative comments on youtube at the last speech of the president show that people have understood
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the meaning of the strategy correctly during the pandemic: the state takes a step back, relying on the instinct of minimalist survival in Russia during the crisis. At the same time, the costs of unpopular police control measures and restrictions should be borne by local authorities, without putting Putin’s still high personal popularity at risk.

Surprisingly, the state’s strategy during the pandemic has focused primarily on returning to the issue of constitutional change proposed by Putin earlier in the year, as if nothing had happened after. The most important point of these changes was the so-called ‘reset’ of the presidential term, which would have enabled Putin to hold office for another 12 consecutive years after the end of his current term, initiating a de facto lifetime rule. The proposed amendments have already been adopted by Parliament and were to be approved by a special plebiscite to be held on 22 April, until at least its postponement owing to the pandemic. Nevertheless, at the end of March polls showed that less than half of Russian voters supported the nullification of presidential term limits. How these figures will change is difficult to say, but it is already clear that Putin’s current position is unlikely to increase his support.

Instead of celebrating its twentieth anniversary, his political and economic system is entering one of the worst crises in its history.

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Source LeftEast

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