

## **Who Really Runs Russia?**

**How the country's informal power networks undermine formal institutions.**

**Interview with Alena Ledeneva; by Robert Coalson for The Atlantic**

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In her 2006 book "How Russia Really Works" and its sequel "Can Russia Modernize?" political scientist Alena Ledeneva of University College London looks at the informal governing system that characterizes Vladimir Putin's Russia.

Robert Coalson spoke with Ledeneva about how this method of governance works and what it means for Russia's development.

***In your books you describe Russia as governed by informal rules you call "sistema." What does this term mean?***

**Alena Ledeneva:** I picked on the term "sistema" (meaning "system" in Russian) because it was the third most-used word in Russia when they did a content analysis of elite interviews. It turned out sistema is a very commonly used word.

I went to meet with President [Vladimir] Putin in 2005 as part of the Valdai Discussion Club and there was an opportunity for everyone to ask a question. And I asked a question about corruption. I asked whether he could tell us about his anticorruption business plan against corruption in the Kremlin. And he smiled and said there is no corruption in the Kremlin and why should there be when the budget is distributed elsewhere.

And then he was detailed in his answer and he said an interesting thing. He said, "You know, it is no good to punish people individually. You need a whole change of sistema in order to get rid of corruption."

And that is where I picked it up and I thought it was fascinating to learn what that sistema actually is. And when I started to study, I realized it is a very elusive term. It is a shorthand term for a system of governance that usually refers to things that are not to be named. It is like the open secrets of governance. That's where we talk about "the sistema way of doing things" or "sistema pressure" on people. We never explicitly refer to what they are, but we assume we all understand what we are talking about.

***Can you tell us more specifically how the term applies in Putin's Russia?***

**Ledeneva:** I call it in the book "methods of informal governance." It is a situation when institutions do not work and the leadership has to do something. And what they do then, they use things that do work in that region: networks, relationships, informal power, informal negotiations, and bargaining. That's what works. And that is exactly what's been used as these forms of informal governance to achieve targets that otherwise could have been achieved through formal channels, but those do not work.

So, Putin always steps in and personally makes sure there is a Sochi Olympic village that is built on time. If he needs to get something, he puts his best friend in charge. He always makes sure he uses reliable people in different positions. And that is a kind of -- [as] I call it in the book - "the modernization trap." Because you do use informal networks to get things done and you think you are pursuing the targets of modernization through the use of the tools which seem to you, as a leader, effective. But you cannot escape the long-term consequences.

Those informal-governance instruments actually come back and hit you by undermining the workings of formal institutions, which remain weak [and] unoperational. And you then suck yourself into the whirl of informality that is very much personalized and cannot be used in a controlled way.

Checks and balances become a problem, although they exist in informal governance as well. But it is that the scale of it is really not manageable, and that is a danger. That's what I call "the modernization trap" of informality. That you do use the potential of informal networks, but you cannot escape from the long-term detrimental consequences.

***If this leads to the "modernization trap," isn't it a dead end? Where is the attraction of sistema?***

**Ledeneva:** In the book, I call that "the ambivalence of sistema." In the sense that sistema is not something very simple. It is an outcome of complex, anonymous, unpredictable, seemingly irrational forces. But it also glues society together. It distributes resources. It mobilizes people. It contributes to stability in people's minds. It ensures its own reproduction.

The people's view -- I suppose they might be criticizing sistema, but they also assume its legitimacy in some way. And that is why, once Putin brought that order to the system, he has been supported. He is still supported for that because you could see that what he is getting or what his government is getting is trickling down in ways that are understandable to people. That's why 62 percent vote for Putin, even for a third term, even if that negates the [spirit of the] constitution (i.e., the Russian Constitution limits presidents to two consecutive terms).

And that says something that one should understand. We can preach the power of institutions or the rule of law as much as we want, but if people don't see the effects of those things for themselves, they would always opt for something that works. And what works in Russia is informal governance.

***Does sistema in Russia pose a danger to other former Soviet states that want to move toward a rule-of-law system? Does Russia hold them back by exporting sistema through its contacts with them?***

**Ledeneva:** Putin's leadership has been very popular in the former Soviet Union -- in some countries -- [though] not Georgia, of course.

He's been viewed as a powerful leader, someone who could actually stand up for the country and consolidate its strength, project Russia strongly on the international agenda. And to be a powerful broker, say, in matters concerning Syria or Cyprus. Russia has restored its role internationally under Putin and I think that is what the smaller countries of the region are looking up to. This is something that is appealing to them.

Having said that, when you have a big neighbor like Russia, it brings a lot of discomfort as well. If politics goes wrong or if you want to do something that goes against the will of Russia, that is difficult for the small countries. Like with Ukraine -- it is a love-hate type of relationship. Very close, but also quite dangerous. The countries you are asking about are all known for their own sistemas, if only because they also have Soviet roots and that kind of Soviet sistema has grown into the network-based system of governance that Putin has perfected during his rule.

***And finally, Dmitry Medvedev has said in the past and said again last week that he thinks it will take 100 years before Russia has a functioning democracy that respects the rule of law. It seems to me that you are equally pessimistic.***

**Ledeneva:** One of my respondents said 300! Medvedev is a very different man than Putin. He said that Putin actually solved problems -- he finds instruments that works and uses them to get things sorted and to fix things. Whereas Medvedev is very legalistic and he actually saw for himself that things are very hard to change in Russia.

This is something that [former Soviet President] Mikhail Gorbachev said. When I was researching my book, I found this very nice citation where Gorbachev said -- "you know, I changed my region in Stavropol [Krai] and I was so pleased with that and I thought I knew how to do it, so when I came to Moscow, I just thought I'd do the same, but on a bigger stage. Then, what I realized, you cannot move even one single person in terms of appointments and personnel because everything is so tightly knit and co-dependent and working in these kinds of sistema dependencies that I was really in despair." Gorbachev said -- "you cannot change sistema at all."

And that, I think, is what Medvedev has found himself during his time in office I suppose his pessimistic view is very understandable. It's just hard for those guys on the top.

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