

Putin begins his fourth term as Russia's president

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On Monday, May 7, Vladimir Putin was inaugurated for his fourth term as president of Russia. His presidency will be shaped by growing encirclement and pressure by US imperialism and by social struggles at home as the new government prepares to launch far-reaching attacks on the working class.

A pompous inauguration ceremony on Monday was preceded on Saturday by mass arrests of anti-Putin protesters, including supporters of the nationalist, right-wing, pro-Western opposition politician Alexei Navalny. More than 1,600 people were arrested, including Navalny himself. He was released on Sunday. Putin was reelected in the presidential elections of March 18 with over 76 percent of the vote. He is set to remain president until 2024.

In his inaugural speech, Putin, echoed his last address on the state of the nation, combining the whipping up of nationalism with phony promises of social reforms and an announcement of far-reaching economic changes.

Putin began his inaugural speech by saying that he acknowledged “the responsibility before you,...before Russia, a country of grandiose victories and achievements” and “before the 1,000-year-old history of Russian statehood.” He declared his commitment to a “holy relationship toward our native soil” and stated: “I consider it the goal and sense of my entire life to do everything for Russia.” He went on praising the Russian Constitution which was passed 25 years ago, in 1993, to solidify the new capitalist property relations that had been introduced by the Stalinist bureaucracy with its dissolution of the Soviet Union.

Putin argued that the past quarter century had shown that “all beauty and power lies in our autonomy [samobytnost'] and unity” and that Russia had learned “to defend our interests.” He declared that Russia was willing to collaborate with all states in the world “to our mutual benefit” and “in the interests of stability on the

planet.” However, Putin stressed, the focus of his next term in office would be on “domestic” issues and major changes in the Russian economy.

Under conditions where the US Navy just launched a new fleet to escalate war preparations against Russia, Putin made little to no mention of the growing imperialist encirclement, stating only that the country was able to defend itself and that its defense capabilities would be secured in the future as well. As in his speech on the state of the nation in early March, Putin made no mention of the US and EU sanctions that have had a devastating effect on the Russian economy.

Putin formulated a series of goals for his presidency until 2024. In exceedingly vague terms, he promised to make Russia one of the top five economic powerhouses in the world, and one with particular success in cutting-edge technologies (where Russia is now hopelessly lagging behind); turn it into one of the top 10 countries with the best education; reduce the official poverty rate by half; introduce full coverage of child support for working mothers and assure a “better quality of life” for the elderly; etc.

The proposals, totaling more than four pages and encompassing virtually every sphere of social and economic life, essentially suggest that Russia, 25 years after the restoration of capitalism and amid a deepening crisis of the world capitalist system, could become within the next few years the most successful capitalist economy that has ever existed, combining an almost unrestrained free market with near-perfect provision of health care, education and ideal working conditions for the population.

This is, of course, sheer demagoguery. No such proposals are realizable under the rule of the criminal oligarchy that Putin represents. His demagoguery served a definite purpose of covering up what he and the new cabinet that is now being put in place are actually preparing: a whole-scale

attack on working class living standards and privatizations as part of a marked shift toward making major concessions to both the liberal opposition and the demands of international finance capital.

Much of the speech by Putin and his proposals were almost literal quotations from the report “A Strategy for the Development of the Country, 2018-2024,” which he had earlier commissioned from the Center for Strategic Research (CSR). The CSR is headed by the former finance minister and close Putin ally Alexei Kudrin, who is generally considered to be the greatest darling of both the liberal opposition and the world financial elite among Putin’s inner circle.

Apart from similar demagogic and vague promises for a better social future, the report was more open about the actual direction in which the Kremlin should head: “Until 2024 entrepreneurial freedom will be guaranteed in Russia on a new level, real competition in the economy will be secured. ... State policy will be aimed at a partnership with private business and a reduction of the direct involvement of the state in the economy.” Key proposals—not mentioned by Putin on Monday—include:

- The reduction of control and overseeing functions of the state in the business sector by half.
- The selling of state assets that are not “essential” to the functioning of the company.
- An increased role for non-profit organizations (NGOs) in providing social services, while state involvement in providing them is to be cut.
- An increase in labor productivity by a third.
- Raising the retirement age to 63 for men and 65 for women. The Russian government has already announced in late April that it is actively working on realizing this demand.
- The facilitation of rules for customs and tariffs and lowering of taxes for both domestic and foreign companies.
- Salaries for state employees should be tied to their work performance.
- A number of measures toward granting cities and regions more autonomy, such as the creation of city police forces, as opposed to the current police acting on a federal level, as well as more control by cities and regions over local taxes.
- The creation of professional army with all members of the armed forces to be working on a contractual basis.
- A further reduction of military spending.

The “expert team” of Kudrin’s center has characteristics of a parallel government. It includes

multiple members of the Putin’s cabinet as well as of various presidential councils, the Finance Ministry and other government agencies. Included among its members, to name but a few, are German Gref, the head of the Sberbank, the largest bank in Russia, a regional governor, and Vladimir Mau, a member of the President’s Economic Council and the board of Gazprom, who is also a former co-worker of Yegor Gaidar, one of the heads of the notorious “shock therapy” with which capitalism was restored in Russia.

The fact that the Kremlin is now determined to enact these proposals is also shown by his proposed new government. Putin has nominated Dmitry Medvedev to continue as prime minister. Medvedev, in turn, nominated a number of people close to Kudrin for ministerial positions.

The most significant nomination was that of Anton Siluanov, who as first vice prime minister would be in charge of the Ministry of Finance. Siluanov started his career in the finance ministry of what was then the Russian Soviet Federative Socialist Republic (RSFSR) during the early stages of perestroika, in 1985-1987, and continued it in the ministry of finance during capitalist restoration until 1992. He has worked as the vice-finance minister under Kudrin for several years. Tatiana Golikova, the proposed new minister for social and labor issues, has also worked closely with Kudrin in the past. The nominated ministers still must be confirmed by both the parliament and the president.

The attempts by the Kremlin to appease discontented factions within the oligarchy and the demands of international finance capital through privatizations and attacks on the working class will inevitably lead to a growth of social struggles in Russia. Meanwhile, the concessions in the realm of the economy will by no means ease the aggression of imperialism. On the contrary, they will encourage further pressure and military provocations aimed at isolating Russia and preparing for war to achieve its complete subordination to imperialism.



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