Neoliberalism and the Putin Government: A Discourse on the Contemporary Relationship Between Russia and the West

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Abstract

The overall goal of this research is to produce an original, analytical, ethnographic critique of the relationship between two technologies of government, neoliberalism and that of the Putin presidency. Emphasis will be placed on historic and cultural elements which helped to produce and sustain the Putin government; the conception of neoliberalism in the west, its dissemination through particular financial institutions and its effects; the relationship between the Putin government and western neoliberalism. My research is made up of ethnographic interviews and participant observation, this is supplemented with and analysed against background literature listed in the bibliography. The thesis explores in detail the various cultural and historical elements which produced the Putin government at the turn of the millennium and have since been harnessed by it. It further details the current situation of western neoliberalism and the transnational class it has produced, blurring the lines between business and politics. The thesis finally investigates why the fundamental characteristics of the respective technologies of governments must produce an abrasive relationship.
Neoliberalism and the Putin Government: A Discourse on the Contemporary Relationship Between Russia and the West

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Masters by Research, Department of Anthropology, Durham University
2016

Declaration

The content of this thesis are the original work of the author and has not previously been submitted for a degree at this or any other university. The work of other people is acknowledged by reference.

All names of informants have been changed in order to respect their privacy. Each informant was represented to the best of my abilities and any faults reside with the author alone.
Acknowledgements

I would like to thank my parents for being supportive of me, particularly during my data collection period, this thesis could not have been completed without their help and encouragement.

I would like to thank Professor C. Alexander and Professor S. M. Lyon for the support they have given to me throughout my time at Durham University. I would like to express my sincere thanks to all of those who provided me with information during my data collection especially those who provided me with interviews in London; it was very gracious to give me some of your time.

Finally, I would like to give particular thanks to Professor Elisabeth Kirtsoglou. Dr. Kirtsoglou has been inspirational to me over the past few years not only in helping me develop my thesis but in awakening my interest in the topic as an undergraduate; I would not have pursued a Masters or any future study had we not met.
List of Abbreviations

NTV – Russian T.V. channel, launched as a subsidiary of Media-Most, now part of Gazprom Media.

USSR – Union of Soviet Socialist Republics

IMF – International Monetary Fund

EAEU – Eurasian Economic Union

EU – European Union

USD – United States Dollar

U.S. – United States

EBRD – European Bank of Reconstruction and Development

GDP – Gross Domestic Product

G7 – Group of 7, consisting of Canada, France, Germany, Italy, Japan, the United Kingdom, the United States

GATT – General Agreement on Tariffs and Trade, multilateral agreement regulating international trade

CEEC – Central and Eastern European Countries

FEC – Federal Election Committee, independent regulatory committee, United States

NATO – The North Atlantic Treaty Organisation
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1.0 Introduction

Vladimir Putin became acting President of Russia on December 31st 1999 and was inaugurated in May 2000 following almost ten years of crisis (Zigon 2001, Sakwa 2002). His presidency quickly became popular, appealing to the widespread nationalist sentiment (Suspectsina 1999, Sakwa 2002, Gaidar 2012), which had risen out of the ‘barbaric capitalism’ that 1990’s Shock Therapy was accused of producing. This new premiership coincided with a period of almost ten years of income growth at 10% (Gaidar, 2012) and a monopolisation of force and authority which replaced the widespread chaotic violence of the 1990’s (Volkov, 2002). However, the Putin government has come into increasing conflict with the West (Fotopoulos, 2014) (by this and for the rest of this thesis, the ‘West’ refers to transnational neoliberalism centred in the west, chiefly the United States). This thesis primarily explores why such friction exits between the respective technologies of government. The thesis comes at a time of particular tension between Russia and the West, with recent flashpoints including the Ukraine and Syrian crises producing tension increasingly close to a boiling point not seen since the Cold War (Munoz, 2016). Furthermore, this comes together with a questioning of the other key theme of the thesis, neoliberalism, as never before and perhaps a revising of the great economic success it purported to bring (Ostry et al, 2016).

The thesis is broken into several chapters exploring my methodology and data collection, the background of Russian culture relevant to the topic, a review of neoliberalism from its inception to the present, the characteristics of the Putin government and its relationships with neoliberalism, analyses of my ethnography and interviews in Moscow and London and a final
conclusion. The second chapter explores my methods of data collection. I spent ten months living in Moscow in order to construct the majority of my ethnographic data. I had only been to Moscow once four years before for two days and as a result the initial ethnography constructed myself and my truths as much as it sought to represent the truths of those I spoke to (Clifford, 1986). My methodology details how I better incorporated my informants as co-authors over time in (Geertz, 1973), which was done by learning the language, constructing close social groups and through critical self reflection. The chapter further explores what methods worked well and where my methodology was weak and might be improved in future study.

The third chapter critically evaluates key themes in Russian cultural history crucial for this thesis including; authoritarianism and questions of ideal governance, religion and ethnogenesis, a recurrent cultural and ideological clash between Slavophilism/Westernism, socio-economic turmoil after the collapse of the USSR. The themes collectively provide not only an informative analysis of historical relations between Russia and the West but give context to the current ambivalence of the Russian government towards the West (Rzhevsky, 2002). The chapter further examines what social circumstances historically and more recently produced and cemented the Putin government. This is of great importance as it provides insight as to why attitudes towards the West have soured and how far the West might have misjudged the Russian population, both in attitudes towards the benefits of westernisation and in how far they are willing to support the Kremlin during hardship (Wyman 2000, Borger 2016). Chapter four evaluates neoliberalism including; contemporary theories of neoliberalism, how it is implemented both internally and externally, what a neoliberal system achieves, various effects of implementing its policies and finally contemporary neoliberalism. Neoliberalism has undergone intense and varied evaluation in academia over the past decade (Harvey 2005, Ong
2006, Graeber 2011, Makovicky 2013, Makovicky 2014). Contemporary neoliberalism is characterised in terms of class discourse (Makovicky, 2013), a transnational elite class embedded in various local elites presiding over organised labour producing class based exceptions internationally (Ong, 2006).

2.0 Methodology

My study was predisposed to the political nature of ethnography, more so than many other studies might be, due to its specific subject content. In light of this, the question of how reality is constructed in my ethnography was of great importance (Atkinson, 1990). Reflexivity, maintaining an awareness of how the self and the process of knowledge affect knowledge collection, as well as how reality is constructed in the ethnography (Davies, 2002), is essential to keep an account reflexive and analytical. Thus an acknowledgement of the self in my ethnography will be conducive to an interpretive approach as opposed to a naïve objectivity. It will further allow the reader to ascertain ‘truths’ of the study (as opposed to biases) more clearly (Barrett, 1997). Exploring the consciousness of informants as well as their system and spatial awareness gives added context to the ethnography in terms of reflexivity of informants (Coleman et al, 2007). The combination of clearly identified concepts of the observer as well as those of the informant allows the reader to better evaluate theoretical framework (Barrett, 1997).

My naivety influenced my early ethnography in Moscow and on reflection there was a risk of my voice, as the writer, being louder than those I intended to represent (Clifford, 1986).
However, I was aware my own cultural bias and perception of ‘norms’ might misrepresent my informants; by constructing an ‘other’ I was also constructing a myself. To remedy this, better pursuit of objectivity and to represent my informants as co-authors I gathered my key interviews and information near to the end of my stay in Moscow. Once my paperwork was finally in order, I began the first stretch of my nine month stay in Moscow. My first impression was of exclusion, being the sole person on my side of the membrane of existence, which produced a feeling in me not dissimilar to mild claustrophobia. Even when surrounded by other individuals I felt disconnected from ‘real life’ and the usual vessels of connection for an ‘outsider’- taxi drivers, waitresses and other common ‘fleeting friends’ provided no usual social link of easy conversation (instead behaving as indicated above) which only served to heighten the feeling. Certainly the language barrier contributed enormously to this at the beginning of my stay and when coupled with a culture so strikingly different to what I had ever experienced I was left feeling trapped in my own head. I even felt like I was treated with an unduly curtness by those I had been in contact with for a few weeks (one of my two flatmates and landlord, and my contact at Moscow State University), with little specific help regarding directions, instead just timings and buildings, “Be at the university at 10. We start at 10.” As stated above, I reflected at the time on this feeling as much as a construction of self and of my voice as a reflection of the field. It was important to remember that just as my informants would not be a representation of the whole of Moscow or indeed Russia, merely a representation of a portion of their own beliefs, my own impressions certainly at the beginning were more a representation of myself than the subject at hand (Clifford, 1986). It was important to remember and to remember again when constructing my thesis that “culture is a context” (Geertz, 1973; 14). The context and understanding is interpreted by the participant and reinterpreted by the ethnographer; certainly more interpretive and less observational than one would like to think (Geertz, 1973). With this in mind, I attempted to best represent the perceptions of my informants, incorporating them as
co-authors and sought to draw my information from a diverse cross section of Muscovites but I adopted an interpretive approach, in the knowledge that I could not be fully representational of them as they could not be of Russia.

My flat was on the intersection of Novinskiy Bulvar and Novvy Arbat, Новинский бульвар, 16, Москва, a central part of the city and traditionally ‘good’ neighbourhood, though the tower block architecture may initially leave a west European novice feeling they are in a rougher area. I rented a room from a young married couple, fluent in English and very cosmopolitan. This proved very helpful during my data collection as they provided insight into the minds of young Russians; well travelled, tech savvy and connected to the globalised world outside Russia, with a further keen interest in business and politics. They helped me better understand the broad cultural context in a way that would have not been possible had I stayed on my own. Culture has been described as “winks upon winks upon winks” (Geertz, 1973; 9), it is public as the meanings are public – sending signals to others and one must have some understanding of the webs of significance, the public signals or winks, so as to construct a meaningful frame (Geertz, 1973). The couple I lived with were crucial into providing a window of understanding, however small, averting my ethnography from pursuing erroneous interpretations and representing my voice and self mores than the subjects’. The Russian language class I had joined at Moscow State University was located on site, roughly an hour’s journey by foot, train and then bus from the flat. The majority of students lived at or near the university but I found certainly for the purposes of my research my location was far more advantageous. Had I lived at the university I believe I would have run a risk of being absorbed into a student bubble due to the location of the university on the periphery of the city and the homogenous student atmosphere. The couple I lived with and the Russian language class both helped me gain an initial rapport with my ‘would be informants’ and provided the beginnings of a broad social base. Both groups also
provided the beginning of a construction of meaningful relationships from a cross section of society which grew broader during my stay. The close relationships developed with both groups aided me in ethnographic reflexivity, although it was of course not possible to represent their truth fully (Clifford, 1986), the relationships did help me recognise my own voice in my interpretations (Davies, 2002). Going back to previous conversations and exploring a topic further, later on in my stay exposed instances where I had interpreted subjects through my own cultural lens. Reassessment of subjects such as authoritarianism aided my ethnography in providing not only my own reflexivity but that of my informants – exposing not only a fuller version of my truths but those of my co-authors also (Barrett 1997, Clifford 1983).

It appeared that in Moscow people exhibited a kind of ambivalence to Westerners. On the one hand there was a certain degree of discontent with the ‘West’. At the local pub near my flat I was approached one evening at the beginning of my stay by a large Russian man who, in very broken English began telling me how he disliked British people but that Americans were sometimes “Ok”. Upon realisation that I was British later on in the evening he changed tact, instead professing to dislike all Americans but not to mind the British. I believed this illustrated well a generalisation of dislike for westerners, as an initial reaction, which readily thawed as personal interaction evolved. However, such an impression might well say more about my own self, than it does about Muscovites (Atkinson, 1990), this was after all just one interaction with a local at the beginning of my stay. On the other had, a very different to me as a stranger and foreigner, more frequent when interacting with younger locals at weekends etc., was of immediately being held in a degree of reverence, particularly when I revealed I was British. It was not unusual to be introduced to an individual’s wider social network or to have someone try to impress you for the simple merit of being British. I found this was mostly to the perception of ‘Britishness’ as ‘cool’. Culture and pop culture, from James Bond to the notion of traditional
afternoon tea, were viewed positively with British musicians held in highest regard; two of the most popular nightclubs were RollingStone and Jagger. Over my nine months I also found there to be a noticeable presence of British Union flags as a fashion statement on a wide variety of things from shoes and handbags to car bonnets. Concerning my research, I was aware of the possibility of how being western might impact upon my ethnography. It introduced questions of subjectivity and objectivity on my part and made me aware of this possibility in my informants. As mentioned, certainly during the initial few weeks of my stay naivety and cultural bias heightened the subjectivity of my early ethnography. It was also important to be mindful of the subjectivity of my informants and that objectivity on both my part and theirs was particularly difficult not only because of cultural differences but because of the sensitive nature of subject matter (Clifford, 1986). Thus, my ethnography attempted to interpret their truths with knowledge that such truths are not whole truths or representations of society in its entirety. It was important to remember that not only would my informants not give me their whole truths (Clifford, 1986), but that there exited a possibility of my informants ‘performing’ a standardised perception of their culture in the eyes of a westerner. Thus an idealised or at least distorted account of Russian culture, and more importantly for this thesis the Russian government, might have been given; how things ought to be rather than how things are (Bourdieu, 1977). In order to circumvent this, I would sometimes try to build a relationship with one person and use them to ask questions to a wider group, thereby getting locals to give answers to a local they were comfortable with and who I had known a while, rather than to me directly. I would also try to begin conversations very generally and find mutual point of interest before trying to steer it to more sensitive issues. I felt that this would give a fairer representation of what locals thought and allow me to give a voice to them rather than something more biased to my personal views.
Arriving in winter played a further part in my view of the city. The dull grey added to the low temperatures (-5/-8 in the day -12/-15 at night in November and December) certainly gave a harsher impression than had I arrived midsummer. This might seem a trivial point but the weather was a strong feature of conversation with locals who readily admitted the city and its inhabitants became decidedly gloomier in winter months; some even tempted by it to leave for good, before completely changing their opinion in spring and summer. I certainly noticed this change in me and in the wider population during my stay, feeling that the city went from a harsh to vibrant atmosphere during my stay. Wider data collection such as informal conversations and participant observation was easier to conduct in the summer as not only was the mood better, as well as me being more comfortable with the city and the language, but the weather wasn’t the active barrier it was in the winter. Initially, one couldn’t stay outside for prolonged periods and this precipitated a more hurried and self-interested mood as opposed to the relaxed openness of the summer where interviews and observation could be conducted anywhere from cafes to parks. However, it is important to remember the fallacy of ‘crude environmentalism’. My fieldwork became easier during my stay chiefly due to my increasing comfort with surroundings, grasp of the language and improvement of social ties. The weather did improve over my stay but its impact on data collection was certainly not of chief importance.

I felt much more settled in the city after the first month. I had grown used to my living arrangements, my general surroundings and cultural differences with the locals. It is important to remember here that ‘growing used’ to the city over time is a possible indication of a degree of subjectivity in my early ethnography and ethnography as a whole. I sought to develop a broad social platform, which had certainly begun to take place by the end of the month, in order to reduce my own subjectivity in the ethnography. I moved slowly away from spending time with other English students and expats and socialising more with the two local groups I developed
best relationships with: a close knit group of Tatars who offered valuable insight into what it was like socially and politically for an ethnic and religious minority group, and a group of young local entrepreneurs and professionals who gave me more of a window into the current business and economic situation. Of course I drew my data from a far wider pool than these two groups but they provided much of the groundwork and initial information of my project. They also provided different social settings: I spent time with the Tatars at cultural events and in more intimate settings with more of a homogenous feel, whereas cafes, bars and nightclubs were frequented more with the local professionals, in turn allowing me to meet more people and become part of an extended network. Most of my participant observation and informal extended interviews took place between these two groups which provided particularly good insight into current views of the government. Building a meaningful relationship with the two groups and further individuals by extension gave me a much better insight into local opinions of the Putin governance than had I routinely interviewed strangers or acquaintances. A degree of trust built over time allowed me to gain opinions (and more importantly explanations for opinions) a stranger, particularly a western outsider, might not normally have received and it became easier to find out an individual’s personal convictions rather than receiving a parroted extension of a news bulletin. However, it is important to remember that exclusion and rhetoric will have played a large part in my data, even if it appeared that I was gaining information not privy to most outsiders (Clifford, 1986). Even in gaining a degree of trust with my informants, it must be remembered that only a portion of their knowledge will have been given. In addition, the informal setting of most of this data collection in local cafes, bars and parks, was more conducive to the interviewee revealing their personal opinions than the formal setting of my London interviews. An environment where not only the interviewee but I felt relaxed, allowed conversations about more serious topics to feel less formal and flow freely. The benefit of collecting data in this way from the said groups was that, as mentioned, opinions were personal
to them and reasons for opinions could be explored and understood. A drawback was that I could not be as bullish in moving the conversation on to multiple areas as I was in my formal interviews due to the personal nature of them. This restricted the expanse of information that could be drawn out of a single conversation which, although very detailed, usually only covered a few areas of interest. Had this been the sole source of primary data it would thus have been very problematic in not providing enough breadth of information. Combined with more formal and pointed interviews however it certainly provided a good foundation of information to build upon.

I took a similar approach in collecting data from a third group, western expats. This group was largely made up of lawyers and oil industry workers. It was interesting to find that by and large the opinions of expats reflected my own concerning initial observations of Moscow and Muscovites, particularly concerning obvious cultural differences. They were also far more willing as a group to give their opinions of the government, both currently and the future prospects for it. An added bonus was that there was obviously no language barrier with this group as there was with the aforementioned groups. I was initially mindful of the fact that generally the members of the group had actively chosen to come to Moscow and that this might affect their assessment of the government producing a possible bias towards it, however I think this was offset to some degree by the fact that they weren’t local and were thus more willing to lambast what they saw as negatives. Furthermore, they usually had a personal interest in Russia; Russian culture and history were active pursuits in ways which they often weren’t for many of the locals I interviewed. This gave them an informed approach to the current government in more academic sense whereas local perspectives were more personal. However, one must remember that none of this really constitutes a ‘better’ truth in their assessments or greater gravity in their words. Even in reflecting on my reasons for drawing information from this
group it becomes very apparent that my own preconceived biases and subjectivities drew me to interview them. The fact that they were not local did not necessitate that their opinions were more objective and their interest in Russian history and culture did not mean that this interest was free of biases and viewed through their own cultural lenses. What the group did provide was more voices to help construct my ethnography and a different perspective from that of my Muscovite informants, local businessmen etc. not a better or more objective perspective (Geertz, 1973). The expats who had lived there for a number of years were also valuable to discuss the current economic situation as they gave an international perspective on Russian business, as opposed to most of the Russians I spoke to who were involved chiefly in internal business.

Further to informal interviews and participant observation, I conducted several official interviews in Moscow with small and medium sized business owners as well as local workers. In these instances, I prepared questions beforehand covering their business, their thoughts about the current economic state in Russia and their views of the current government. The interviews were far more formal with the structure of the interview provided by the questions and not deviating from them. The settings were also more formal taking place where the interviewee worked or in hotel lobbies. The professional atmosphere of the interviews allowed me to get clear concise information on a number of different topics in a much shorter period of time than the less formal participant observation. Moreover, as it was a professional setting the worry of maintaining a personal relationship was removed allowing me to be more direct and adventurous with my preliminary and follow up questions, without having to be as wary of personal sensitivities. This allowed me to gain more specific information as opposed to general opinions with the participant observation. The interviews also allowed me to receive first had accounts of how society and business had changed in recent years, as opposed to reading about
it, and how it had affected them personally. The depth the interviews also allowed me to move away from attempts to be objective and to merely record the truths of others. In doing so, I was not trying to provide an answer or introduce any ill founded objectivity, but instead making available answers that others had given, co-authoring my ethnography with them (Geertz, 1973). I of course had my own pre conceived biases cultivated as part of a ‘Western’ attitude to the Soviet Union as part of the Cold War. The formal interviews as well as the close relationships I formed with locals, such as my flat mates allowed me to view such biases and my ethnography in a more reflexive manner. Although one of course can’t ever be certain another has revealed their knowledge, the close relationships and interviews helped me enlarge the discourse and context, moving away from an ethnography of my truths, to my truth of their truths (Clifford, 1986). Finally, the interviews were conducted in English which allowed me to expand upon themes and question the interviewee more closely. The less formal conversations were often in broken English or Russian which restricted access to information and ease of conversation. However, the less formal discussions often allowed for follow up conversations as they were connected to various groups I had personal relationships with. Questions which arose after formal interviews, often when reviewing the data, could not be pursued as secondary interviews concerning only a handful of questions were difficult to arrange. To overcome this in the future I would perhaps begin formal interviews with an email exchange – first requesting brief answers to my questions, reviewing them before a personal interview.

My final set of interviews took place in central London and Canary Warf. They were all formal interviews with senior figures in their posts; financial sector workers and a cross bench British diplomat with business experience in Russia. The interviews gave a good international perspective to both the current state of finance in Russia and the Putin government, as well as the relationship between the two. As with the formal interviews in Moscow I prepared questions
beforehand which structured each interview. Collier suggests a Foucauldian approach, studying neoliberals themselves, is the optimal way to approach contemporary neoliberalism. Collier declares neoliberalism a “form of critical reflection on governmental practice by an attempt to reorientate the principles of classic liberalism in light of new circumstances”, chiefly the rise of the welfare state (Collier, 2011: 2). As a result, neoliberalism should be analysed within biopolitics; the attempt to govern a population’s health, welfare and conditions of existence in the framework of political sovereignty. My thesis explores the current situation of neoliberalism as well as its relationship with the Putin government, because of this it was helpful for a portion of my data to focus on neoliberal actors in order to present a critical and contemporary account of neoliberalism. It also helped provide a portion of some attitudes of workers within neoliberal systems towards contemporary Russia and the Putin government. On reflection, I believe it provided valuable balance to much of my data from Moscow as well as the background literature. I think the data from London was similarly essential to scrutinise Russia’s current approach to business and politics in an international setting and whether it is viable for the long term, especially when examined closely by professionals with considerable international experience. Likewise, when juxtaposed with my Russian material it allowed informed questioning of certain western standard practices in my final analysis concerning both business and politics.

Overall I think the spread of my data was good in terms of gathering many different points of view in multiple locations as well as diversifying my data collection between; participant observation, unofficial conversations, formal interviews, professional and personal relationships. To improve in the future, I would conduct more formal interviews; informal data was certainly useful in providing an overall impression of what a large swathe of people think, but it is harder to draw tangible, meaningful conclusions from it. It would be most useful to
collect a very large quantity of informal data from as many locations and points of view as possible and then improve and refine it with corresponding formal interviews. For a more comprehensive project in the future, particularly when looking at the political sections, I would like to gain a wider array of informal data; for the purposes of this dissertation collecting the informal data in Moscow was absolutely adequate but to improve upon it I think perceptions of the wider population who are not immediately involved in politics, of a number of different western countries, concerning both their own political systems as well as Russia’s would be helpful.

I constructed my ethnography by recording my observations of the field and Muscovites during my stay and by writing up my off-the-record meetings and formal interviews. Noting my observations progressively rather than in periodic blocks or in a summative fashion at the end of my investigation, allowed me to not only capture my feelings when they were most palpable, but allowed me to assess the evolution of my thoughts over time and the reasons for changes. A problem in constructing my ethnography was the actual recording of my data. I was able to record formal interviews on the spot as doing so fit with the professional environment. Immediate recording was far more difficult with participant observation and informal conversations. Oftentimes I did not have any means to record data on the spot in such situations. More importantly, much of the information was received from long term social relationships making mercenary recording of personal views the informant had agreed to share with me seem awkward at best, at worst possibly hampering future access to information.

The chief cause for the majority of changes in my personal impressions of the field was certainly me becoming more used to the city and accustomed to life there. Things which had contributed to initial discomfort such as the language barrier, cultural differences and lack of
familiarity with my surroundings were dispelled naturally over time while my social ties to the city grew. My formal interviews took place towards the end of my stay and I think this was vital as it meant the preconceived notions I had, although not dissipated had been diminished to a degree. Things which might have distanced the city and the opinions of inhabitants to me at the beginning of my stay, producing a greater imbalance in my interpretations had been contextualised for me to some extent allowing me to better incorporate them into my ethnography (Geertz, 1973). I also believe this greatly helped me with issues of representation of the ‘other’ (Clifford, 1986). At the beginning of my time in the field my sentiments will certainly have been influenced by; being in an alien environment, having been immersed to a degree in western media rhetoric about the current Russian government, as well as perhaps being tinted to a degree by the perspective of a British education and western perspective with regard to the Cold War and recent Russian history (as opposed to an objective one), even though I was conscious of these facts. This certainly served to characterise Moscow and Muscovites to me as ‘other’ before my investigation and crucially, I to them for similar reasons. This created a problem when attempting to represent opinions of locals from their personal perspectives. Some of this was overcome simply through time spent in the field and I actively tried to help this process by garnering meaningful relationships with locals, studying local media and engaging myself in local culture as best I could. I believe this better allowed me to see issues discussed from their perspective (allowing for better representation) whilst also helping my informants see me as less of an outsider and more as an extension of their group. In order to build upon this in future study I would try spend more time in the field, building upon the relationships I have already made as well as creating new ones and perusing more local interests.
Chapter five explores the Putin government and its relationship with neoliberalism. Russia practiced extreme ‘Shock Therapy’ during the 1990’s on the advice. As stated the decontextualized neoliberal approach to a decentralizing Russia in the 1990’s (Zigon, 2001) has been credited with producing barbaric capitalism (Worth, 2005) resulting in widespread violence (Myant et al, 2008) and social anomie throughout Russia (Bourdieu, 1999). A societal loss of faith in western democracy has precipitated the search for an alternate system to benefit Russians (Zigon 2001, Sakwa 2002). The result has been the rise of the Putin government which has subordinated neoliberal business and enacted a form of state capitalism which is argued to constitute a new and competing model government technology (Sakwa, 2011). The oligarch influenced government of the 1990’s was replaced by one made up of Putin’s Siloviki made up of the old security services and military persecuted under the Yeltsin government (Myant et al, 2008). The new model employs a ‘Dual State’, employing “dominant power politics” (Sakwa, 2011; 8), ultimately overseen by the president in a suprapresidential system (Sakwa, 2011). The success of this new model has produced in a renewed disconnect in West/Russia relations resulting in sanctions and hardening of internal attitudes and prejudices (Fotopoulos 2014, Levada-Center 2015).

For the purposes of my thesis I collected data in Moscow and London. I spent the majority of time collecting my data in Moscow using participant observation and interviews, both formal and informal to construct my ethnography. This allowed me to assess the effects of government and authoritarianism, contemporary globalised business, the influence of neoliberalism and western culture on contemporary culture and society in Moscow. It also afforded me some representational truths (Geertz 1973, Clifford 1986) concerning the attitude of some Muscovites towards the West. I conducted further interviews in London in order to provide an in-depth account of some of those who work directly for the disseminators of Western neoliberalism.
Although few in number, the interviews were intended to provide a condensed first hand account of current neoliberal practice and the attitudes of the practitioners toward the Putin system and neoliberalism itself. The sixth and seventh chapters detail my ethnography in Moscow as well as my interviews in London and analyse them with the background material. The final chapter explores the various conclusions which can be drawn from the thesis.

3.0 Background of Russian Culture

This thesis broadly investigates two opposing systems as discussed in the introduction. In order to better understand the relationship between western neoliberalism and the Putin governmental system I will first illustrate how the respective systems came into being and thus better contextualise their present relationship and their respective feasibilities. This chapter will assess why the present dichotomy exists between Russia and the west, what factors specific to Russia were most conducive to occurrence and consolidation of the Putin system and why it stands at odds with western neoliberalism. An array of religions, ethnicities and cultural influences were brought together over time to create the Russia of today. Governmentally this was achieved largely through various authoritarian systems, whilst social unification was aided by rigid, hierarchical narratives concerning religion and ethnogenesis (Rzhevsky, 2002). For the purposes of this section, I will evaluate several themes including: authoritarianism and questions of ideal governance, religion and ethnogenesis, a recurrent cultural and ideological clash between Slavophilism/Westernism, socio-economic turmoil after the collapse of the USSR. Collectively these themes provide historical context, an evaluation of the received and shared cultural fabric of nation and a contextualisation of contemporary issues which produce the ambivalence of the current Russian system to Western neoliberalism. The particular themes are intrinsically important for contemporary Russia as they have been shown to appear
generation after generation, dressed up in new disguises displaying an “extraordinary longevity” of such issues (Gleason, 2002; 111).

Internally the government has had and continues to do well to manage such an array of ethnicities and historical influences ranging from Byzantium, C 12th – C 14th Tartar rule, Mongolian political structures and central taxes (producing an early distrust of politics by the Russian people), to shared boarders with many different cultures, an introduction of Islam and an increased connection to Western Europe, which allowed the nation to share in the Renaissance, Enlightenment and Marxism (Rzhevsky, 2002). As a result, the government has had to adapt a system adept at managing such a mix of influences and this has produced a system, and a tendency amongst observers, “to see centrifugal and authoritarian tendencies as dominants” (Rzhevsky, 2002; 2). The current Russian system has been described, particularly in the west, as an increasingly authoritarian, even “mafia-style” state (Kasparov, 2007). While the most extensive of such criticisms might be dismissed as media hyperbole, scholarship has characterised the present Russian state as one steeped in “elitist authoritarianism” as a direct policy of government (Klimina 2011, Sakwa 2011). This feature of the current system will be examined in greater detail in chapter 5. However, authoritarianism is not a feature peculiar to the Putin regime and when instead one assesses the history of Russian rule, authoritarianism represents an integral pillar of governance whether during the Soviet Union or pre 1917 Tzardom (Figues 1997, Sakwa 2002). To understand the dominance of the present regime one must therefore examine the fundamental presence of authoritarianism throughout previous systems of Russian governance and in doing so assess how it has become naturalised.
The permeation of hierarchical authority into daily Russian life is displayed historically in the Domostroi, a traditional handbook covering social matters which made up the wider orthodox patriarchal system (Rzhevsky, 2002). Domestically women were instructed to be obedient, chaste and modest. Junior men in families were to be subordinate to older males who in turn were subordinate to more powerful men in wider society (Kay 2006). This system formed a rigid structure within Russian society, largely unbothered until Peter the Great initiated multiple western inspired reforms whilst also consolidating supreme autonomous rule for the head of state by limiting monastery resources, abolishing the patriarchate and generally subjugating religion to political concerns (Likhachev, 2002). In this sense one might argue that Russian state authoritarianism has been influenced by the west where the separation of Church and state has cemented the power of the state which was once checked by the equally powerful Church. However, Russian governmental authority differs to that of the west, and has exceeded it historically, in the supremacy of the head of state. Such ultimate authority was retained even in the face of multiple systemic upheavals, passing from Tsar, to General Secretary of the Central Committee of the Communist Party and finally to president under the Putin government. The tendency towards fundamental autonomy for the head of state was illustrated by the current regime’s approach to the oligarchs who had grown in power comparable to the state during the 1990’s resulting in ten oligarchs controlling over 50 percent of the economy and only 80 percent of all television controlled by 7 (Myant et al, 2008). As Peter the Great had done more than three hundred years before, Putin reasserted state dominance by limiting their resources through taxes and repossession, abolishing their involvement in politics and subjugating them as a class.
Previously in academia a view was held of Russia as eternally autocratic (Rzhevsky, 2002). Now prevalent is the belief that before Peter the Great there were constraints to autocratic rule. Certainly there was no Tsarist absolutism before Peter and perhaps consequently there has been a tendency amongst conservatives to exalt an idealised Slavic utopia existing in pre-Petrine Russia (Gleason, 2002); a time where autocratic governance was constrained by religion, national tradition an obligation to serve the will of the people (Sakwa, 2002). However, one might take issue with this idea of the history of ruling in Russia by pointing out that there was absolute rule in Russia before Peter, just not Russian absolutism. The Mongol invasion resulting in subjugation under the Tatar Yoke in the C 12th – 14th is such an example (Rzhevsky, 2002). It has been further suggested that the supposed ideal governance was returning under Tsarist concessions in the period prior to 1917 and that this therefore challenges the notion of authoritarian continuity from the pre-Soviet period until present (Sakwa, 2002). This however is debateable; it could be argued to be a pining (and false) nostalgia amongst post-Soviet intelligentsia for a burgeoning fair, cultured and reformed rule before the USSR, which in reality was nothing more than the protracted surrendering of one authoritarian system to another. In any case it must be stated that the absolute authority of government was re-stamped after the Revolution and that crucially, perhaps this period of extreme autocracy within recent memory might give the current regime greater scope for authoritarianism particularly after the exhaustive socio-economic chaos of the 1990’s (Gaidar, 2012). What has been observable is a tactic of the contemporary elite to increasingly use Soviet style autocratic governance; increased centralisation of control, regulation of the media etc., coupled with an appeal to revive the things lost after 1917 in an emotively populist description by Yeltsin “made Russia Rusia”, including changing street names back to the old pre Revolution names (Myant et al 2008, Sakwa 2002, Barker 1999).
During the Soviet Union government authority extended even as far as direct manipulation of moral codes of sacrifice and humility, for purposes of socio-political control. This was combined with a high dependence on association with past traditions as well as mastery of the arts and technology which were both influenced and controlled (Rzhevsky, 2002). Totalitarianism during the Soviet Union produced an array of negative consequences at once greatly diminishing personal freedom and autonomy whilst increasing security (Sakwa, 2002). Art, music and literature were required to conform to “socialist realism” disseminating politically correct depictions that could speak to ordinary people, ranging from mundane pop culture to exclusive high culture (Gleason, 2002, 118). Economic growth was initially very successful; GDP rose from 34.1% to 47% between 1928 and 1940 (Myant et al, 2008). However, the rigidity of the system hugely constricted potential for further economic growth once industrial capacity was reached (Myant et al, 2008). Top down control and a lack of free markets diminished the ability of the state to adapt its economy and compete when the west began to move to a more service based economy restricting growth (Myant et al, 2008). Critics have suggested that this early Soviet period and later periods of Soviet growth in Siberia, bear a cautionary resemblance to the boom years under the current governmental system, heavily reliant on commodity based industry (Gaddy et al, 2003). The government has slowly increased its influence over culture banning television programmes critical or even satirising of government such as ‘Kukly’. Technology is also closely guided by government; the Skolkovo business park being an example. One might point out that in this way Russia is no different to the US for example where government takes an influential position in technology (Chomsky, 1995). The most damning parallel is between the boom in growth for the first few years of the USSR based on raw materials and a mirrored economic boom in the first few years of the Putin government during years of high oil and gas prices. The Soviet Union was incapable of transferring this success into other areas of the economy and the current recession has called
some to question if a similar thing is not being witnessed again, this will be discussed further in chapters six and seven.

Soviet Party authority also influenced science and technology. T. D. Lysenko persuaded Stalin of the validity of acquired characteristics, beneficial for party ideology as opposed to genetic inheritance (Hart, 2002). Additionally, the Academy of Sciences as well as many universities faced serious persecution following labels of being anti-Marxist and therefore anti-scientific (Likhachev, 2002). Discoveries which did not fit with the official ideology were disregarded and scientific positions were largely based on “political considerations rather than experimental data” (Hart, 2002). It has been argued that scientific research was impeded for over 30 years because of this (Hart, 2002). However, it must be remembered that the Soviet Union excelled in some scientific areas particularly during its most authoritarian period under Stalin, space technology being a prime example. It could be argued that rather than authoritarianism in itself, it was the rigidity of party ideology which promoted some areas and vilified others that resulted in a restriction of invention. This crippling subservience to bureaucratic ideology is displayed in post-Stalin official discourse where the main problem became to avoid committing a political mistake by saying or writing something which could be construed as inappropriate. Yurchak points out that even Kruschev made a speech he would always read it directly from a written text, evidencing the constriction of free thought and discourse (Yurchak, 2006).

Top down, party control was also applied to language and philosophy. Initially the Stalinist model produced a system wherein printed word was strictly controlled and disseminated from the top of the party resulting in sentiment such as, “if you asked me who knows Russian language better than anyone else, I would say Stalin” (Yurchak, 2006). This was replaced by various models ending with the Late-Socialist pragmatic model involving block writing and
actively reproduced ideological forms copied from earlier prefabricated blocks. Commenters and theorists in the west took this to be an indication of an acutely authoritarian society with a duplicitous population, who would at once inform on each other for transgressing Socialist values whilst transgressing state norms themselves. A serious problem with this is that much of western scholarship has viewed the Soviet Union through a western lens producing a biased view. In reality when one assesses how Soviet citizens lived, it is identifiable that the values and ideas of socialism were supported but that this was separate from the state’s official ideology which was reinterpreted to create an independent system of values (Wyman 2000, Yurchak 2006). An example of this is of public voting in Komsomol meetings: the raising of one’s hand was not the literal meaning of a preferred vote as in the west, but the recognition of how one must behave in a ritualistic context in order to reproduce one’s status as a social actor; part of a much larger system of power and previous contexts upheld by the current ritual (Yurchak, 2006). The ignoring of cultural specificities linked to regimes of knowledge during the Cold War facilitated the production of the ‘West’, the Second and the Third World. Unsurprisingly this was used by western government to produce the image of a duplicitous socialist system, obviously dishonest when calibrated against moral western democracy.

The result has been a misrepresentation of the truth; Russian state authoritarianism has been portrayed some kind of isolated phenomena and although there was extreme authoritarianism which did severely impact society it is by no means confined to the USSR. One might trace this distortion to construction of language and ideology by western authority; one never hears about the ‘American regime’ for example (Yurchak, 2006). In contrast to much prevailing scholarship, it has been argued in fact the Soviet Union was no more ideologically totalitarian than the United States:
“There’s only two countries in the world I know of where the concept of anti x, x being the name of the country, is taken seriously. One is Stalinist Russia, where anti Sovietism was absolutely the worst crime…the other is the United States… Scientific methods of strike ratings…created a picture of harmony and Americanism on the one side, which is classless of course, and disruption anarchism and bolshevism on the other side, which was going to disrupt all of this nice stuff. America is a class dictatorship run by the business community…that is Americanism” (Chomsky, 1993).

At the beginning of the 1990’s the totalitarian system collapsed and Moscow, one of the safest cities in the world, overtook New York in homicide rates (Bowker et al, 2000). Collapse of police saw crime rates double between 1988-1992 and a propagation of ‘violent entrepreneurs’ and organised crime (Myant et al, 2008). At the same time however, the lack of central authority proliferated a “more open, pluralistic and free society” (Sakwa, 2002; 331). In addition to crime, the power void gave rise to a number of ‘utopian’ public spaces such as 10 Pushkinskaya and 145 Fontanka – temporary autonomous zones free from central control often converted into huge dance clubs by local artists (Yurchak, 1999). The voids were quickly filled however, domestically the mafia and new ‘businessmen’ began sponsoring the new nightlife and subculture. The result was an institutionalisation of informal subculture, comprising trendy symbols and people which eventually became easily monitored once more by the police and the state (Yurchak, 1999). A parallel might be drawn here to the environment of collapsing Tsardom and the supposed brief moment of ideal rule, before the imposition of the Soviet Union.
On a national level western economic intervention replaced the old Soviet authoritarianism. The World Bank unilaterally employed universal patterns of decentralisation rather than adapting decentralization programmes to the idiosyncrasies of a particular country (Zigon, 2001). Stiglitz commented that western economists had no knowledge of Russian social or economic history, and instead spoke of universal conditions in all decentralising countries, disregarding the relevance of context. Zigon argues that the ‘universal lessons’ of the World Bank in the 1990’s led to the instability of Russian government and though it might not have been causatively responsible, following misguided ‘universal principles’ most likely led to the crisis (Zigon, 2001). One might go further and argue reasonably that if the binaried authoritarian approach of the west to Russia during the 1990’s produced ongoing crisis and economic collapse, then it might be seen to be partly responsible for the rise of the authoritarian populism and nationalist sentiments which produced the Putin government. Nationalist sentiment and a posturing to build once more the might of Russia helped increase governmental popularity and authority at the beginning of the new millennium (Sakwa, 2002). The insecurity of the 1990’s produced a situation where “many yearned for the old days” (Sakwa, 2002; 329). Different areas across the political spectrum from Communist to nationalists called for a more authorititative system to secure the state (Bowker et al, 2000). This desire toward the end of the last century is evocative of the call of Nikolai Karamzin, arguing that after such profound change, in his case the reforms of Peter the Great, autocracy was the only means of keeping control (Hart, 2002). The current government has increased autocracy once more as a means to keep control. Authoritative executive power presiding over competing governmental factions (explored in chapter five) has strived to create autocratic rule without it being obvious; Putin’s use of suprapresidential authority far more so than Yeltsin is indicative of the current top down authority (Sakwa, 2011).
As mentioned above, an array of religions, ethnicities and cultural influences were brought together over time to create the Russia of today. Governmentally this was achieved largely through various authoritarian systems as discussed. I will now explore social unification through religion and ethnogenesis. Religion, as mentioned, was essential for the historic union of Russia and creating an early sense of nation. It grew to be an integral part of Russian society and culture and the original reason for adopting Orthodoxy – its sheer spectacle and beauty beyond intellectual justification, have allowed the sanctity of the Church and its doctrine to be preserved. Dostoevsky’s line from The Idiot, “Beauty will save the world” is a summation of this (Likhachev, 2002; 40). The history of the Church and state in Russia is a tumultuous one, with much of the friction emanating from the enduring relationship with figures at the top of society and its proximity with the heart of political power. Though church obedience to the state was established in C 14th and compounded under Peter the Great, traditions remained, espoused particularly by traditionalists and the Old Believers, that implied the ideal relationship between Church and state was a ‘symphony’ – displayed in the customary role reversal on Palm Sunday whereupon the Tsar on foot led the Patriarch on horse through Red Square, something Peter abolished (Likhachev, 2002). The Old Believers maintained this idealised ‘symphony’ underpinned Russian culture; it is after all the chronicles of monks that recorded and shaped the earliest homogenous Russian history and culture (Rzhevsky, 2002), and this might be why there is such an ingrained relationship between the nation and the Church.

The closeness of the Church to state authority precipitated an often held negative attitude toward it amongst some parts of the intelligentsia and most predominantly typical of the semi intelligentsia, historically culminating in its destruction under the Bolsheviks (Likhachev, 2002). Orthodoxy’s resounding return to prominence in the new Russia, vigorously promoted under the current regime, displays its ever entwined nature with politics. If any one symbol can
best represent this entwining and that of the church’s enduring centrality in the Russian consciousness it must be the physical destruction of the Cathedral of Christ the Saviour in 1931 and its complete rebuilding overseen and completed by the new government in 2000.

The connection of religion to the intelligentsia, particularly literary circles, was illustrated well by Alexander Pushkin’s journey from non belief to faith, repeated by most of the major Russian philosophers in the first half of the C 20th (Likhachev, 2002). Interestingly the transitional journeys of Pushkin and the Silver Age philosophers, ending nearly a century later seem to exhibit a wider Russian cultural pattern of trying to better oneself through belief before putting the resulting betterment of the self to good use in wider society. One could link Nikolai Karamzin’s personal journey from liberal, revolution enthusiast to advocator of slavophile autocracy to protect Russia from westernisation (Hart, 2002) to this cultural pattern. In such examples not only is there a theme of self becoming, but the personal journeys are about becoming increasingly attached to the ideal of traditional Russia through the Church and through politics and culture. The reinvigoration of religion in a society officially atheist for almost a century mirrors this ideal of Russian self becoming after a struggle on a national level and thus connects current society and the government that has overseen it, to nostalgic sentiment of traditional Russia. Not only does this present a general sense of unity with the past and parts of Russia which were felt to be lost under Communism (Sakwa, 2002), but it gives great legitimacy to the government, associating it with the restoration of Orthodoxy and the Golden Age of Russia and a true national identity (Suspitsina, 1999).

At the other end of the societal spectrum, religious tradition in the Domostroi ensured religion was disseminated to the peasantry who made up the majority of Russia for most of its history
and because of this religion became embedded in basic Russian culture. Atheism was most
typical of the revolutionary and terrorist inclined semi intelligentsia (Likhachev, 2002). The
most negative attitudes towards the Church were found amongst the service workers; postal
clersks, railroad workers, accountants, technicians and petty merchants. In the collective mind
of the semi intelligentsia, historical interweaving of Church and state made the Church a target
as co-conspirator in a plot to keep them down. Likhachev asserts that the negative attitude of
the “semi-educated classes toward theology and higher culture was further reinforced by a
general suspicion of everything which one way or another was incomprehensible to them”
(Likhachev, 2002; 55). This paints a rather damning and perhaps one sided view of those
seeking to topple Church and Tsarist power. The reality was that by the time of the Revolution
there was mutual dependence between Church and Tsar (Figues, 1997). Priests were required
to denounce opposition to Tsardom in their sermons and through 41,000 parish schools the
clergy taught peasant children to be loyal and obedient to to the Tsarist order (Figues, 1997). In
a section of school catechism prepared by the Holy Synod children learned:

Q. What should we think of those who violate their duty towards the sovereign?
A. They are guilty not only before the Sovereign, but also before God. The Word of God says,
“Whomever therefore resisteth the power, resisteth the ordinance of God.”

(Figues, 1997; 63).

From the above one is able to begin to ascertain why the revolutionary tended toward atheism
while seeking destruction of the Church and it is perhaps unfair of Likhachev to denigrate their
position as based entirely around a lack of theological understanding. However, it was not only
the Church and state who were attacked by the Bolsheviks; the intelligentsia and anything
connected to traditional Russian culture underwent a form of persecution seldom seen world
history (Likhachev, 2002). The fact that the Church, intelligentsia and anything questioning Party ideology, even science as mentioned above, underwent similar persecution does lead credence to Likhachev’s position that much of the Bolshevik Revolution was an attack of the semi intelligentsia on Russian cultural tradition and the intelligentsia (Likhachev, 2002).

Ethnogenesis was not seriously pursued until Soviet Union when it became a facilitator of Soviet ideology in academic study. This is likely due to the need to replace the old social collective based around Orthodoxy and social station with new cultural ideology based on the Party and in doing so, creating a new cultural identity for the populous. Indeed, it has been pointed out that anthropology and other social sciences became a party tool for nation building particularly during the 1930’s where folklore and state ethnographies were incorporated to disseminate the message that those under Soviet rule were harmonious as opposed to the suffering masses of colonialism (Baiburin et al, 2012). State ethnographers were required to research the genesis of a given ‘etnosy’ in order to demonstrate the primary nationalities of Soviet Republics and fitting them into a traceable single and harmonious Soviet culture. By the 1970’s and 1980’s ethnic identity was argued to be culturally determined, supporting Soviet dominance of various peoples (Baiburin, 2012). During the early Soviet period there was a clear and rigid belief all writing ought to depict the emergence of new pan Soviet social forms and practices. Emphasis on national details led to boom in particularist work centring on the past leading state ethnography to focus on peasant life, including: folk belief, world view, material and spiritual culture (Baiburin et al, 2012). This helped the Party to associate its newly constructed Soviet Russian culture with the past, thus validating it historically.

In 1991 the dissolution of the USSR resulted saw a collapse in hegemony of state ethnography and a renewed preoccupation with national self identity. The key difference as opposed to the
1930’s, was that the renewed interest was not state driven and this, coupled with the new influence of foreign scholarship for the first time, allowed free pursuit of anthropology for the first time. The new official term for Russians ‘Rossiikii’ denoted all those with Russian citizenship, standing in contrast to nationalist views that Russia should be for ‘the Russians’ (Baiburin et al, 2012). However, one could argue that rather than a thawing of nationalism at a state level and an opening up to western multiculturalism, the collective term was instead a calculated move to keep the country together. Various regions within Russia were calling for sovereignty during the period including Chechnya and Tartarstan (Zigon, 2001) and the dividing of Russia into various states has been a mooted point by some in Washington such as Zbigniew Brzezinski. Promotion of inclusive terminology by the state sent a message of unity to help quell a possible Balkanization.

Whilst the state perused collectivism, nationalist sentiment grew even in academia as funding disappeared and traditional methods were disregarded. Applied research; for example, fitting one’s chosen niche such as C15th pottery with an overall theme of current development and law in post Socialist Eastern Europe, caused widespread academic resentment and a belief of a policy of deskilling, loss of status and diversion from genuine scholarship (Baiburin et al, 2012). Intriguingly, one can argue the current regime has sought to embody and appeal to both the nationalist element whilst maintaining an advocacy of collectivism. The term Rossiiskii has been applied by the government not only to help integrate migrants from the central Asian republics and continue to pacify domestic regions, but also to both the people of Crimea and Donbass as a way of harnessing nationalism and supposed shared past and identity in order to justify state ‘protection’ of the inhabitants. The government has effectively used collective experience and self perception for this. It has been noted that after Stalin there was a shift in the nature of parades marking public holidays to emphasize them as a way of spending an enjoyable
day with the family. Children in particular were shown as participating in a juvenile collective resulting in them being left as adults with enjoyable memories of national parades though the meaning may have evaded them (Kelly, 2012). This and other elements have created a nostalgia for the Soviet Union which the current administration has played upon; restoring the Soviet anthem, creating new national holidays to remember the greatness of the past and celebrate the new (Sakwa, 2002), in order to link itself to past glory and the promise of new greatness.

The post soviet period has also seen a renewal of religion as mentioned above, in part as a result of the new government playing to the desire of many intellectuals to return to the cultural world as it was before 1917 with its religious tinged philosophy, literacy and modernism (Gleason, 2002). A politically astute move as they would at once distance themselves from the failed regime and connect themselves to great historical Russia. However, one might also argue the return to religion was so readily made not because of government policy taken from contemporary intellectuals but from the wider population who for centuries were brought up to respect tradition and preserve the faith and rituals of Orthodoxy (Likhachev, 2002). The connection of Orthodoxy to the perceived ‘Golden Age’ of Russia made it very popular amongst the nationalist movement, providing a ‘usable past’ to be exploited. Orthodoxy was conflated with being Russian and publications such as Zaftbra promoted the notion that Russia was a ‘Third Rome’ and would rescue the Christian religion and restore its own pride (Suspitsina, 1999). Moreover, beyond Orthodoxy a more intangible connection has historically existed between wider society and mysticism. Orthodox priests often had to bridge the world of the official Church with paganism of the peasants and Sufi mysticism as well as the spiritual side of Orthodoxy (Figues 1996, Rzhevsky 2002). One might argue this has added a mystical and spiritual core to the wider population of Russia which when not displayed systematically
through Orthodoxy is displayed spiritually and has facilitated a formal return to the Church, something the current government has exploited. Spiritualism was overtly present even during the USSR when formal religion was not permitted. This has been nurtured in the depiction of the ‘long-suffering Russian’ (Wyman, 2000) allowing achievement of intense spiritual enlightenment through their suffering as espoused by Aleksandr Solzhenitsyn in his Harvard address in 1975 (Hart, 2002). Solzhenitsyn commented that such spiritualism was missing from the “soulless and smooth place of legalism” he found in the West (Hart, 2002), exhibiting a traditionally Slavophile attitude which has been promoted by the current government and renewed the age old internal ideological battle between Slavophilism and Westernism.

Cultural ideology in Russia has traditionally been shaped by questions of national identity, how the nation should be developed and what its relationship with Europe should be. This discourse historically influenced the topics of the last section, religion and ethnogenesis, and such issues have themselves been shaped and continue to be fought over by traditional Slavophiles and Westernisers (Gleason, 2002). During the 1820’s and 30’s Slavophiles such as Ivan Kireevsky and Aleksei Khomiakov created the aforesaid concept of ‘conservative utopia’; conservative in exalting tradition and greatness of Russian history and utopian in projecting an ideal Russia, superior and distinct from the west, existing in pre-Petrine Russia which they intended to influence future generations (Gleason, 2002). In this sense, in its most basic inception, one might argue Slavophilism employs similar principals to nationalism in Europe, promoting a perceived high culture drawn from real or imagined folk culture and a homogenous shared history (Banks, 1996). In terms of identity, nationalist Slavophilism is chiefly about re-energising the Golden age of Orthodox empire; a search for Russia’s true identity economically and politically independent from the west (Suspitsina, 1999). Slavophilism applied a well established Christian view that the individualism, secularism and rationalism of Europe was
leading the continent in a direction of Armageddon, of national and class conflict fuelled by rapacious industrialisation (Gleason, 2002). One might argue that they were not entirely wrong, only roughly a century too early in their pronouncements. A counter argument might be that the secularism and rationalism have aided Europe in avoiding war for a nigh on a century since the ‘Armageddon’ predicted by the Slavophiles came to fruition. Such notions along with the promotion of individualism, at least when associated with individual rights, one might argue have been of great ‘progressive’ benefit to European culture, and currently represents a societal division between the west and the new Russia.

On the other side of the debate, a real leaning towards the west began in earnest in the C 16th when Ivan IV tried to gain practical systemic advantages such as the introduction of the printing press (Hart, 2002). This grew through the C18th culminating in the building of Saint Petersburg in European baroque architecture; a new city calculated to provide a new national inclination to the west (Hart, 2002). Nikolai Novikov a leading C 18th writer typified the attitude to Europe at the time: Russia was not a world sufficient unto herself and could not live exclusively by her own cultural and intellectual heritage. He called for a more discriminating borrowing from the west rather than its rejection (Hart, 2002). The westernising reformist sentiment grew into the C19th leading to the The Decembrist Revolution, which attempted to thwart the ascension of Nicholas I resulting in death or exile for the advocates of reform. During the mid C 19th Russian Hegelians became convinced that revolution would be an inevitable process in Russian historical progression. The Growing battle between pro-western reformers and traditionalists led Mikhail Bakunin, one of the founders of anarchism, to comment in 1840 that “the dark storm clouds were gathering” (Hart, 2002; 95). Ivan Turgenev’s Fathers and Children explored western ideas emanating from the capital to the countryside. The younger generation were
depicted as increasingly nihilistic, earlier used to denote prioritising materialism as opposed to idealism, but increasingly to condemn all institutions lacking in objective, scientific validation; ultimately a rejection of the village commune, the staple of the traditional Russian system (Hart, 2002). The association of anti-traditionalism in a country where identity and nostalgia is very strong as discussed, continues to provide a serious stumbling block for contemporary westernisers.

Intellectual Westernisers in Russia historically saw themselves as performing a heroic task and by the 1890’s the had cemented an enduring base (Gleason, 2002). Radical Jacobins believed more fundamentalist intellectuals would have a key role to play in internal systemic change. They heightened the importance of secrecy, careful organisation and toughened their attitudes to certain positions – ruling out no means of revolution including; lying, deception and even calculated sacrifice of comrades (Gleason, 2002). However, it could be argued that these underhand tactics, though intrinsic to their cause (being ‘at all costs’), left all those who seek governmental reform fundamentally weakened; the state, have used knowledge of the cited tactics to label and stigmatize reformists as extremists and traitors to the nation and Russian culture, irrespective of truth. In this way there has been an increase in the reach of authority to crush dissent early. Contemporarily for example, the current regime uses a perceived threat from oligarchic Jacobites within Russian society and abroad to paint Russian society as under attack and enable it to increase its authority (Sakwa, 2011). In a Parliament address on March 18th 2014 Putin spoke of “a fifth column” of “national traitors” and it has been suggested by Andrei Kolesnikov of the Moscow Carnegie Centre that far from dampening popular support, the downing of the Metrojet flight 9268 in Egypt on October 31st 2015 might be used as grounds to attack the ‘Fifth Column’ even more vigorously (Yaffa 2014, Hille 2015).
The accelerated growth of Westernism did not however arrest Slavophilism and towards the end of the C 18th resentment of western culture began to spread amongst the Russian nobility. The west was seen as intrinsically flawed whatever its superficial attractions. This sentiment was repeated again during the Silver Age of Russian philosophy, during the Soviet Union and one could argue, again now. The constant inability to tear themselves away from the west resulted in instead a resolve to build an ideal image of Russia in direct opposition beginning (Hart, 2002). A crucial tenant of this feeling was expressed in Denis Fonvizin’s play The Minor, stating that ultimately there was “insufficiency of reason in the absence of a soul” (Hart, 2002; 92). Nikolai Karamzin as mentioned earlier moved from liberalism to become a leading sceptic of westernisation as he wrote his history of Russia and faulted Peter the Great and Catherine II for their western reforms and architecture. Dostoevsky later provided a further example of this in his Summer Impressions after travelling to Europe in 1862. He reacted negatively to the “moral complacency and hypocrisy” (Hart, 2002; 96), as Fonvizin had done a century before and was further troubled by a “terrible force”, uniting all the peoples of the world into an awful herd that would “deify Baal” (Hart, 2002; 97). Crime and Punishment discusses such issues – the fantastic European façade of Saint Petersburg’s architecture, masking a squalid, cheerless environment, wherein the hero is only liberated when he is exiled to Siberia and gains spiritual rebirth (Hart, 2002). Karamzin’s philosophical journey is particularly interesting for the evolution of the Slavophilism/Westernism debate as it could be seen as an early precursor to Soviet ideology, moving from Westernism to Slavophilism based on disdain for supposed moral complacency, hypocrisy and materialism.
The Slavophile vs Westerniser debate at the turn of the last century produced a feeling that politics in Russia was more principled than elsewhere in Europe. Bluntly, “compromise was understood as betrayal” (Gleason, 2002; 113) and eventually such political extremism resulted in the Revolution of 1917 changing the Russian cultural landscape entirely. Interestingly, although the Bolshevik viewpoint was in many ways simply a variant of the classic Westerniser ethos and those such as Lenin and Maxim Gorky regarded the patriarchal Russian village with loathing (and a degree of fear due to the dark possibility therein lied counter-revolution), one is able to identify that the Soviet Union became increasingly nationalistic and anti-west. Thus, it could be argued, the revolution was not a triumph for C19\(^\text{th}\) Westernism as some argue (Gleeson, 2002) as although it removed traditional Slavophile symbols of aristocracy and traditional folk culture it also turned away from the west by permanently moving the powerbase to the Slavic symbol of Moscow, a move Hart emphasises “mirrors the society’s retreat into Great Russian nationalism and a xenophobic attitude to the west” (Hart, 2002; 100). Rather than subscribing to either Slavophilism or Westernism the USSR became an ideology unto itself; employing both but ultimately pushing the Party ideology. It used old victories of Dimitry Donskoy over the Mongols and generals Kutusov and Suvonov in the C 18\(^\text{th}\) and 19\(^\text{th}\) to rouse the people, later adding the myth of the Great Patriotic War to replace the cult of Lenin (Gleason, 2002). The USSR during Stalin’s time “ground out culture unrivalled by anyone to this date but Disney” (Barker, 1999; 36). This displays a possible continuation of the old aristocratic approach during the C 18\(^\text{th}\) of appropriating western culture in a Russian way, this time using modern film and other techniques to produce Soviet culture. It also demonstrates the historically Russian characteristic of re-enacting the same issues and approaches again generation after generation (Gleason, 2002). Increasingly, despite a highly regulated cultural life at an official level, village prose and a strong traditional Slavophilism emerged at a basic level of society saturated with an acute sense of loss of Russian culture – the high price of Soviet
modernity (Gleason, 2002). During the C 19th Slavophilism had been very much connected to Russian nationalism hostile toward the ‘other’ “who had led Russian innocence away with their internationalism, secularism, hostility to tradition, devotion to technology, orientation to material power etc.” (Gleason, 2002; 121). This same sentiment was retained particularly after the first few decades of Soviet ideology and after Soviet collapse helped Slavophilism to grow once more during the 1990’s.

Russian capitalism was particularly marked by banditry, bribery, fraud and intimidation (Gleason, 2002). Many believed the same elite were still in power, only having abandoned their social contract with the population (Gleason, 2002). After initial popularity Yeltsin’s increasingly public drunkenness was perceived to be a humiliation for the country (Bowker et al, 2000). Graffiti became nationalistic and anti-American whilst Yeltsin was depicted as a hellish monster and a nationalistic Slavophile view of politics was promoted with slogans depicting Russian folk as heroic, sold out by foreigners; “I see my motherland on its knees, I see my motherland rising from the ashes” (Bushnell, 1999; 407). Media publications reflected and promoted the nationalist Slavophile resurgence; one Zaftra journalist remarked how they were moved to tears by the beauty and greatness of the restored Orthodox cathedral in Moscow, a symbol of a Russian foundation and imperial greatness renewed (Suspitsina, 1999). The sentiment was further reflected in Russian rock music as musicians tried to distance themselves from the music’s origins in the USA. Grebenshchikov viewed the west with great suspicion in his songs whilst Bashlachev appealed to the traditional Pushkin-esq notion of a Russian coupling of religion and politics in order to save Russian culture (Weiner et al, 1999). This displays perennial problem for Slavophile ideology is that so much of Russian culture, from language and philosophy to music and architecture, is connected to the west and this attachment produces a constant state of flux. Russian culture can be seen at once as imitative and original,
torn between its own heritage and that of Europe (Barker, 1999). An example can be found at the heart of Slavophilism; on one hand Orthodoxy has been taken from the west, from Byzantium, and at the same time was appropriated as more mystical, spiritual, more ‘Russian’ than its origins. It is important to note that Byzantium was and is still seen by many as not a ‘purely’ western empire, rather an ‘intermediate’, and in that way perhaps not dissimilar from Russia, upon whom Byzantium arguably has had its most powerful affect; it too maintained a large, conservatively religious single state society, comprised of heterogeneous peoples (Treadgold, 1988). A more refined example of western influence is of Russian Freemasonry. The same masonic structure was adopted but was appropriated in a Russian manner making it more about spirituality; coming to resemble something like the esoteric Rosicrucian Order, comprising mystical rites, rather than the superfluous geniality of the English version (Hart, 2002). Russian rock music in the 1990’s can be seen as a more recent example of this phenomena, departing from the sex, drugs and rock n’ roll of the west, to give a more spiritually cerebral message. This summates Russia’s cultural relationship with the west; connected through heritage and alienable structures, yet differing in meaningful practice.

Renewed internal Slavophilism, though perhaps culturally connected to the west in some respects has, in addition to nostalgia and a growth in sovereign strength, produced well-defined political consequences at an international level. Samuel Huntington argued that post Cold War clashes would be based on cultural rather than the ideological differences of the previous century and that, concerning Russia specifically, there would be a major cleavage between the Orthodox Church based in Moscow and the West (Huntington, 1996). Some might be quick to criticise this, reasoning key clashes since the Cold War have centred on global terror disregarding Russia’s significance. However, from another perspective the ‘war’ on global
terror has allowed the west to move into key strategic zones under the guise of defence of liberty, which has in turn dealt several huge strategic blows to Russian influence in the Middle East and South America. The first Gulf War and the US invasion of Panama as the USSR crumbled could be taken as two such examples (Chomsky, 1993). This has come into increasing conflict with a strengthened Russia under the Putin government. Recent geopolitical events have seen more evenly matched political clashes over Ukraine and Syria, something which would not have been possible ten years ago and suggest Huntington’s predictions of a major cleavage may yet prove correct.

As specified in the introduction this chapter has illustrated how the Putin government has consolidated its power in the ‘new Russia’; incorporating breakaway regions, emulating past nostalgia and reasserting government supremacy. In doing so it has moved to assume a return to global prominence in a ‘traditionally Russian’ manner, comprising an autocratic government and traditional social consensus, jarring with the globalised neoliberalism promoted by western governments. Much of this was made possible through the use of circumstance, seizing upon present national ills and sentiment and alleviating them in part with familiarities of the past. The best recent example of Russia’s view of and relationship with the west can be found in the internal society and culture during the 1990’s which directly produced the present situation. Both popular and high culture were objects of ideological insistence for the Soviets. Narodnost, Socialist realism, had been used to promote government agenda in order to create one culture. This allowed the population to access their own cultural bearings in relation to the official culture in a series of counter values (Gleason 2002, Sakwa 2002). Thus a coherent system of values and culture had emerged under the Soviet system and when this collapsed, being a human society there was much denial, anger and depression (Wyman, 2000). Induced psychological stress was displayed by a huge increase in crime, suicide, divorce, alcoholism and general poor
health at the beginning of the 1990’s. This was particularly acute amongst men who saw their life expectancy drop to that of India (Sakwa, 2002).

A general suspicion of authority aided the rise of the mafia as the state lost control breeding further crime and corruption (Galeotti, 2000). An investigation into large corporations in 1996 found that almost 30% had not paid their tax bill and another survey the following year found that 40% of new entrepreneurs had been threatened with violence (Myant et al, 2008). The societal collapse led to a challenging of the male identity which went from guaranteed lifelong employment to immediate instability and a loss of breadwinner status. Those who were affected worst of all were dubbed “insufficiently adaptable” (Kay, 2006; 3) by the new neoliberally inspired ministers. Dual pressure to be a traditional male and adapt to the new environment resulted in widespread suicide and depression as men saw themselves as failed providers (Kay, 2006). Poor diet and health became widespread indicators of self esteem issues. During the early 1990’s suicide accounted for 25% of all male deaths between the ages of 18-35 and it was estimated that full employment would have saved 2,500 lives a year, 85% of them male. Between the mid 1980’s and 2002 life expectancy of both men and women dropped by 5 and 2 years respectively and it was estimated that there was an average of 100,000 deaths a year attributable to either murder or suicide (Kay, 2006). It is important to remember in analysis of the situation that the poor economy was not the only cause. The other Former Soviet state had economies in similarly poor and perhaps worse states but the political transformation was bigger within Russia and marred by ethnic conflict and general violence amongst men (Kay, 2006). In light of this, it is not difficult to see the popular appeal of a strong male identity, financial success, outwardly exuberant nationalism and a steady authoritative hand embodied by the Putin system, particularly as it presided over huge early growth contrast to the exhaustive 90’s chaos (Gaidar, 2012).
Gender relations in Russia have historically been an issue for debate. Patriarchal tradition instructed in the Domostroi created a different nature of male/female relations from the liberal individualistic tradition in Europe. From the mid C19th the position of women in society was elevated. Dostoevsky and later Gorky were repulsed by proverbs common in peasant villages encouraging the beating of wives. Pushkin remarked in 1836, “there is no doubt that Russian women are better educated, read more and think more than men” and later Dostoevsky went further commenting that “women will save Russia” (Kay, 2006; 10). The Bolsheviks experimented with the male/female role, emancipating women and then driving a recruitment of them to wage labour. Some have argued this led from patriarchal to state sponsored exploitation (Kay, 2006) but one might retort this is a rather ill-considered and overly cynical conclusion given the extent of subordination and constriction women faced under the patriarchal village system as opposed to Communism. Later in the 1970’s gender discourse took a rather different turn as women were encouraged to see themselves primarily as mothers. Blurring of differences between the sexes was denounced as primitive and there was a drive to bring sons up as ‘real men’ and daughters up as ‘real women’. A general fear pervaded that men had become feminised and infantilised and that emancipation had made women overly masculine (Kay, 2006).

By the time of the collapse of the USSR men and women had had more than 15 years of being told what was ‘natural’. A reemphasis of rigid notions of gender in Russian society occurred during the 1990’s, again as with other cultural themes possibly as an attempt to salvage some normalcy amidst the crumbling system. Kay notes that there was high frequency of public assertions by the media and politicians that men and women were natural opposites and roles should be divided (Kay 2006). Suspitsina argues that when combined with the more extreme
end of 90’s nationalism this produced very negative attitudes towards women. Old misogynistic stereotypes resurfaced; the female imagery associated with ‘Mother Russia’ and the Orthodox promotion of Mary the Mother provided a façade of female glorification whilst masking underlying negative stereotypes. In 1998 the nationalist publication Zaftra included only five photos of women in six months and only one was allowed to speak for herself to echo her husband’s view that “broads are stupid” (Suspitsina, 1999; 117). It promoted traditional imagery of women as only whores (pop stars), saints (street beggars) or men in skirts (female politicians), depersonalising and delegitimising the female voice. Politically, the publication promoted the association of the homeland with the female body, as something for men to protect. The Duma, a feminised noun, was usually presented as being raped by pro-west democrats and in its fiction section stories were written in village prose relishing in domestic violence against women and again polarizing them into virtuous or immoral (Suspitsina, 1999)

However, one might take issue with Suspitsina’s analysis. Not in the detail of the material she analyses but in the choice of material itself. Zaftra is an extreme nationalist publication with a circulation of only 100,000 readers – less than 1% of Moscow. Suspitsina’s account cannot therefore be taken as representative of Russian society at large during the period. Other evidence suggests that the 1990’s were in fact a time when gender stereotypes were challenged. The novels of Aleksandra Marinina crossed gender and class boundaries whilst also questioning long held assumptions of the self, proving widely popular within Russian society. Rife and often unsolved violence against women in wider society was mirrored in her novels, yet the heroine, police Lieutenant Colonel Kemenskaia did not fall into the same pattern. She instead defeated multiple male adversaries, refused to go through with the full marriage ritual in ‘Death and a Little Love’ and identified more with the male murderer than the female victim in the same novel (Theimer-Nepomnyashchy, 1999). This might be a symptom, inspiration or perhaps both
for a rise of women in traditionally male jobs such as Anna Politkovskaya (investigative journalist), Yelena Baturina (construction magnate) and Elvira Nabiullina (head of the Russian Central Bank) during the late 1990’s to present.

Kay notes that although issues of alcohol, domestic abuse and male mortality did increase in the 1990’s, her evidence implied that certainly by the early 2000’s that the societal situation was not all pervasive doom that the Russian and international media suggested and men were not all “dying of drink and despair” (Traynor, 2000). Many local articles often instanced men providing very positive examples, overcoming situations “insurmountable to most people in the west” (Kay, 2006; 207). Kay found a softer side, the love of children and a desire to be family men, as well as duty to one’s country and community socially and professionally, in stark contrast to the greedy, self serving media depiction. Kay emphasised this did not however challenge the stereotype of gender roles. Men still dominated in public and women overwhelmingly possessed power privately by assumption (Kay, 2006). The Altai regional centre for men was instanced in her work as indicative of contemporary efforts within Russian culture to overcome male issues and promote gender relations and rights.

The societal crisis of the 1990’s the and the desire for positive change at the beginning of the new millennium is displayed clearly in the culture and attitudes found at the time. A crisis of values resulting from the removal of the old, forced ideology led initially to unparalleled freedoms of speech for the press (Sakwa, 2002). However, this soon gave way to perusal of profit as paramount. In reviewing this one is able to evaluate the impact of neoliberalism on both popular and high culture and understand how the culturally malnourished population it produced aided anti western sentiment already present in a bad economy and contributed to the Putin government. The principled asceticism of the Soviet press (though hypocritical) was
dropped as press narrative moved to low brow populism resulting in a loss of prestige. The media “sought to entertain as much as enlighten” (Sakwa, 2002; 333), the economics magazine Ogonek for example began to use pornographic images to sell copies, irrespective of a juxtaposition with its own content (Barker, 1999). Media was further seen as a tool of power for early oligarchs such as Berezovsky and later by the current elite as evidenced by Putin taking a controlling interest in Gussinsky’s NTV. Fears for the loss of the once supposed ‘high brow’ press to quick profit was mirrored in other areas of Russian culture. By 1991 some critics began to talk of the death of Russian literature. The fall of Communism was accompanied by a devaluation of the writer’s community and intelligentsia at large. The narrative moved from would the next generation read Tolstoy or Sydney Sheldon? To would the next generation read at all? (Barker, 1999).

It is important here to examine contemporary popular culture as it is inseparable from social change it provides a barometer for the masses. The fact that it is also connected to the elite, often manipulated by them for the masses, means it can give an idea of the situation of the government too (Rzhevsky, 2002). Commercialisation of children’s pop culture increasingly shattered traditional visions of a Russian childhood, blurring of the boundaries between the irreverent adult world and the sacred world of children (Zelensky, 1999). A dumbing down was reflected further in 90’s Russian humour which shifted from political and social themes to a focus on sexual, familial and material issues. Tat’yana Pukhova, former editor of the satirical Soviet T.V programme Vokruy Smekha lamented that the art of comedy had been replaced with “a little bit of vulgarity, a drop of humour and an ocean of ambition” (Krylova, 1999; 263).

Barker further reports that amongst adults the worst forms of Americanised pop culture were consumed creating a gulf between low and high culture not seen for the previous 80 years.
Specifically, she notes that it seemed as if Russia was viewed as “a vast toxic waste dump on which we are pouring the absolute worst our culture has to offer” (Barker, 1999; 37) it is important to remember here that as John Fiske pointed out culture is consumed and not always in the way that the producer intends (Barker, 1999). The low culture, trashy American T.V. that Barker notes was so readily consumed in Russia during the 1990’s might hold a different meaning based on the wider context. In a stable, ordered America ‘Babylon 5’ was looked down upon in terms of television but in the dark chaos of Russia it was avidly consumed. Although western culture was eagerly consumed in Russia over the last century; Sherlock Holmes and American jazz are two such examples exposure to the ‘Tinsel Town’ ideology was a new phenomenon (Barker, 1999). One might however point to the argument of Alexei Levinson, which Barker does briefly touch on, that as Fiske noted, consumers consume in a different manner to what a producer might have intended. In this case Russians might not have been consuming western soaps as something to naively aspire to but instead because it allowed an idyllic escapism from the gloomy reality around them (Barker, 1999). Though they were schooled in a system where art was “meant to be a model for real life” (Barker, 1999; 37), the backlash which ensued from an over exposure to western consumerism suggests they did not watch the soaps with eyes as wide as Barker suggested (Sakwa, 2002). In addition, one might point out that in comedy, mentioned in the previously, although a certain desire to be like the New Russians was expressed, they were nevertheless castigated for their vulgarity. The wanting to be part of it was wanting to be an educated ‘deserving’ part as opposed to conforming utterly (Krylova, 1999) A reason for the overwhelmingly negative assessment of Barker could be the simple explanation of hindsight. Barker was writing very close to the situation as a westerner in Russia during the troubled period, the new regime and nationalism that has arisen from it was yet to emerge.
The quick fix and vulgarity of modern entertainment, replacing traditional standards of excellence (Zelensky, 1999) caused a growing concern from intelligentsia and literary circles to rock music as mentioned above. The magazine Kontinent began asking if there was not a “special path for Russia”, where it could avoid the dangers of westernisation (Sakwa, 2002; 335). Nationalists argued that the only thing worse than slavery was surrendering to the slavery of others. Fears began to grow once more as they had done centuries before concerning increasing globalisation and integration that Russia would lose its uniqueness, a fear shared with China and Japan, under a tide of Americanisation, paving the way for a government appealing to nationalist and nostalgically Russian individualities (Sakwa, 2002). Nationalism grew rapidly in the 1990’s promising the belief in a better tomorrow (Suspitsina, 1999) and was aided by celebration of new holidays and commemorative days – Russia Day (12 June) and independence Day 12 December (no longer celebrated) were the first national holidays created after the USSR. More recently holidays with an overtly nationalist theme have been created such as Day of Special Forces of the Armed Forces on 24th October and Day of the Russian Language on 6th of June, formerly to celebrate Alexander Pushkin and now used to honour Russian language as a unifying whole. This new rise in nationalist sentiment and widespread support for Putin to rebuild the might of Russia, coupled with the widespread feeling that the west failed to help in the 1990’s very much tempered a desire to integrate with the west (Sakwa, 2002).

The aversion to western integration, as mentioned, is nothing new. Rzhevsky comments that “An obvious lesson of Soviet cultural history, then, lies in the dangers of forcing utopias upon reality…or at least excessively trusting in those who promote them” (Rzhevsky, 2002). It seems that this same notion can be applied broadly to Russia’s history with the west, most obviously and recently in the 1990’s, when trusting those who promised capitalist utopia failed them. The
saturation of western economics and culture fuelled a reactionary sentiment which actively produced the Putin system. As B.A. Upensky stated that “Russian culture has always appealed to ‘the old ways’ when it was making its most radical and definitive breaks with the preceding world” (Gleason, 2002; 109) and it seems the Putin system has been a particularly potent example. The sense that something darker lies beneath western facades (from smiles to buildings) is still very much present from my data as it was with Dostoevsky and Fonvizin. Both Sakwa and Gleason suggest that intrinsic societal values in Russia antithetical to the west make it impossible for democratic institutions and contemporary western ideas to take root (Gleason 2002, Sakwa 2002). And observed, enduring Russian opinion is that Russian culture values humility, responsibility, intransigence before life’s imperfections, reflection on their place in history and even a “naive persistence in the face of disquieting odds” (Rzhevsky, 2002; 14) loath to reducing the human to economic status, race, gender, or body parts as many believe the west does (Rzhevsky, 2002). Russia for the past 20 years has once again felt a concerted challenge from another culture operating across its boundaries. Traditionally the response has been positive production: Dostoevsky integrated male/female differences without exclusionary gender reductions, Alexander Borodin used Orientalism as a vehicle to enrich rather than change Russian music and Einstein whilst acknowledging the importance of ideology for film, did not bind his creativity with Stalinist demands (Rzhevsky, 2002). Symbols linked to destroyed vocabularies continue to be painful for many Russians and they have helped shape politics and culture since the end of the USSR (Sabonis-Chafee, 1999). How to rebuild Russia, culturally, politically and socially has been, and continues to be a principal area of political battleground which has moved from reformist politics at the beginning of the 1990’s through centrum to a more conservative nationalistic position presently (Berryman, 2000).
This chapter assessed how an array of religions, ethnicities and cultural influences were brought together over time to create the Russia of today and how in doing so, the power of the Putin government has been consolidated and dichotomy with the west renewed. The next chapter will assess systemic neoliberalism in the west and what about it causes conflict with competing governmental systems, specifically that of contemporary Russia.

4.0 A Review of Contemporary Economic Anthropology and Neoliberalism

In the previous chapter I explored several essential themes in Russian culture which have been most conducive to the occurrence and consolidation of the Putin system, including overt and extensive western influence. In this chapter I will evaluate the contemporary system of government in the west. I will explore what characteristics of neoliberalism produce conflict between it, and competing systems, and why it is not particularly symbiotic with the present Russian system of government. In order to do this I will analyse neoliberalism, the principal technology of government in west since the end of the 1970’s, exploring how it has come to be viewed by current scholarship, how it is practically implemented and the political and economic consequences of its implementation. It must be emphasised here that the West is not an undifferentiated entity and that multiple internal differences and complexities exist within western society. However, for the purposes of this dissertation the term ‘west’ signifies current neoliberal system of governance, adopted primarily in the US and northern Europe. The chapter is divided into sections reviewing; contemporary theories of neoliberalism, how it is implemented internally and internationally, the mechanisms by which neoliberalism is implemented, what it purports to do and what it actually does, and finally the current
international governing class it has produced, antithetical to strong sovereign and cultural identity. In doing so, this chapter will thoroughly assess contemporary neoliberalism as a hegemonic technology of government, the resultant ramifications when such a hegemon interacts with competing systems, will be discussed in the subsequent chapters. Thus, this chapter will detail neoliberalism as a technology of government and its current situation, as part of the overall theme of the dissertation: the current situation of neoliberalism and its relationship with the Putin government.

4.1 Contemporary theories of Neoliberalism

David Harvey in *A Brief History of Neoliberalism* defines neoliberalism as a theory of political and economic practices averring that all human wellbeing can be best advanced by:

“Liberating the individual entrepreneurial freedoms and skills within an institutional framework characterised by strong private property rights, free markets and free trade” (Harvey, 2005; 2).

The role of the state is to guarantee the integrity of money; fund military, police, judiciary etc. in order to secure property rights; ensure (by force if necessary) the proper functioning of markets and create them where they don’t exist (Harvey, 2005; 2). The overarching aim is to condense all human action to the domain of the market, achieved through creative destruction (Schumpeter, 1942) and creation of new ideological discourse. Removal of prior power structures, divisions of labour and state functions (such as welfare programmes) is needed in order to implement new social thought and relations disseminated through education; universities and think tanks, media and integral structural institutions; multinational banks,
government bodies etc. (Harvey, 2005). Harvey emphasises that neoliberalism has become so hegemonic within public discourse that it is now thought of as common sense evoking a Gramscian reading of neoliberalism. Gramsci made five key hypotheses with regard to education:

(1) insofar as hegemony is founded on coercion and consensus, it is an educative relationship; (2) despite the fact that hegemony is exerted by the ruling class, it is organised in capitalist society by a particular social category: the intellectuals; (3) education is the process of formation of ‘social conformism’; (4) the state, as an ‘ethical state’ or, indeed, as an educator, assumes the function of building a new ‘type’ or ‘level’ of civilisation; thus, it constitutes an instrument of rationalisation; and (5) the establishment of a classless society and the building of a collective must be achieved through intellectual and moral reform. (Gramsci 1975–1977, Torres 2013; 98)

Each of these points can be applied equally to neoliberalism. Gramsci outlines that a historical bloc as a “unity of opposites” amalgamating a new historical fusion giving dialogue between elites and the wider populous, between the structure and the superstructure (Torres, 2013; 99). Neoliberalism has tried to create a new historical bloc. Hegemony for Gramsci involves the ideological domination though new social systems such as values and beliefs rather than direct oppression (Boggs, 1975). Neoliberalism has tried to impose its own hegemony through public opinion and education as detailed below. In terms of governance the imperative is for the wellbeing of business to take priority over that of citizens as poverty can be best eliminated through free trade and trickledown of profits. As an aid to this, private enterprise and entrepreneurial spirit are vigorously promoted and resulting economic success or failure is further yoked to the individual, absolving the system of any possible structural inequalities or ideological shortcomings (Harvey, 2005).
David Graeber added to this general framework highlighting the importance of debt. Neoliberalism he attests, presides over an unwritten law that debt must be paid to the big international creditors as an absolute and non-negotiable priority (Graeber, 2011; 3). He further asserted that the notion of debt has cynically disguised real global relations founded on violence. Moore is blunter still in his assessment alleging that neoliberalism disseminates a lie of “magically emerging and merging markets”, when in reality military might is needed to impose them and make them serve the will of the world’s larges imperial power (Moore, 2007; 9). Graeber argues that history suggests that ‘virtual’ money as, we have now, should see the system which uses it move away from war, empire and debt peonage toward global institutions that protect vulnerable debtors. In fact, what we have seen is the opposite including a military rooting of currency deeper than ever and an increasing tendency to use the global system to recruit workers, paying them lower wages, often thousands of miles from legal protection. Reframing these relations around debt has made this possible; effectively making the victim, or debtor, appear morally wrong (Graeber, 2011; 4).

Such tenants of neoliberalism have, in various stages and through various measures been exported, resulting in a global system of economic and political control seeking a collective reduction of barriers to ‘free’ trade and pooling of elites (Harvey, 2005). Whereas the consent of governments is achieved economically and politically, social consent has been achieved through a hijacking of democracy. At its inception, intellectuals such as Irving Krsitol and Norman Podhoretz appealed to conservative Americans promoting traditional values and economic merits of neoliberalism, while social benefits of neoliberalism were promoted in order to appeal to liberals. Harvey instances 1970’s New York as an example of initial neoliberal theory enacted and as a blueprint for later implementation on a wider scale.
Following fiscal crisis in the early 1970’s financial institutions took control of the city’s budget. Unions were curbed, wages frozen, employment was cut as was social provision. In essence Harvey attests that “corporate welfare substituted for people welfare” and in the midst of a financial crisis, wealth was redistributed by the ruling elite to the upper classes (Harvey, 2005; 46). Socially elite institutions promoted a narcissistic exploitation of the self, sexuality and identity. Artistic freedoms were promoted and the ruling class promoted the city as a blossoming cultural and progressive centre (Harvey, 2005; 47). This was done to mask the removal of worker’s rights, social welfare and power of the working class. Importantly, Graeber notes, the framing of neoliberal actions as moral legitimises a system in which “the usurers themselves are the ultimate moral authority” (Graeber, 2011; 9). The result meant that the meaning of democracy was changed; deconstructing collective democratic memory and rebuilding it around the individual; removing the power of democracy. Harvey notes that it is this democracy that has been packaged and exported around the world; socioeconomic disenfranchisement presented as liberal freedom (Harvey, 2005). The results of the exportation of this central and ingrained ideology of neoliberalism; the practise of capitalism for the poor and socialism for corporations, as in 1970’s New York, was displayed on a much broader level in 2008 (Chomsky, 2014), resulting in record profits and societal stagnation. The definitive move from liberalism to neoliberalism (one of he three key elements resulting from the 1982 debt crisis along with structural change and a fusing of the IMF to the US Treasury Department) is stressed as crucial as it meant a reversal in responsibility. No longer would lenders lose money or even make bad investments; now the citizens, often the poorest, would be forced to compensate them in the form of debt repayment both on a national and an international scale (Harvey, 2005; Graeber, 2011).
However, it has been argued that established neoliberal theory, as explored above, has come to represent, and been applied, to far too much (Collier, 2012). It could be stated that Moore is too frank in his assessment that neoliberal markets are undoubtedly underpinned by military in the interests of “the world’s largest imperial power” (Moore, 2007; 9). One would assume that the imperial power is America and as others have commented, it seems that American hegemony has palpably declined over the past 15 years (Clark, 2011). Yet it will be highlighted that Moore’s argument is not irreconcilable even with the bleakest prognosis of American hegemony as the nature of hegemony in a globalised world has changed (Moore, 2007).

Furthermore, the allegation that bad investments can’t be made under neoliberal hegemony is somewhat extreme. Investors continue to lose money; the above point comes dangerously close to suggesting investors take no care at all. From my own evidence (chapters six and seven) this was not the case although it was acknowledged public bail outs are too frequent. Moreover, if Graeber’s notion of debt slaver is to hold then the right sort of investments must be made to ensure a continuum of that relationship, the idea of reckless investment, ‘no bad investments’ might harm this theory.

One could argue that the neoliberalism outlined above is dangerously close to the onerous notion of blaming all societal injustice on neoliberalism whilst also reducing the numerous and complex global systems of power to one ubiquitous structure. Ferguson comments on this pointing out that neoliberalism has been used as a poor synonym for capitalism; an acronym for inequalities in the world, a pervasive force coming to destroy local livelihoods and a catchword for current global meta-culture characteristic of the speculative, deregulated 2000’s (Ferguson, 2009). Collier is also fiercely critical of the obfuscation of capitalism and neoliberalism, as well as of the array of characteristics attributed to neoliberalism. He attacks Harvey specifically for having a dated approach, suggesting a ‘Beijing Consensus’ (an
alternative to the Washington Consensus based on China’s development model, legitimising particularity as opposed to universality in economic development) is more relevant than the Washington Consensus (the standardized economic reform package promoted for crisis-wrecked developing countries by the IMF, World Bank and US Treasury Department, beginning in 1989) (Hoffman, et al. 2006). Furthermore, in the ethnographies of Collier, Hoffman and DeHart it is contended that Harvey’s neoliberalism has no real empirical foundations and that Harvey’s impression of structural adjustment has been profoundly critiqued by the same institutions he attacks for it. Moreover, the rise of many leaders (they instance Putin) replacing old neoliberals with new policies renders Harvey’s reading of neoliberalism irrelevant. What would be more beneficial to current academic discourse would be tracing lines of diffusion and causes of neoliberalism; where they originate, the causes of them and the effects (Hoffman et al, 2006). They argue too little is done in terms of studying the anthropology of neoliberalism and its practical effects as opposed to being concerned with neoliberalism.

Their criticism of Harvey is not without issue however. It cannot be enough to say that the institutions Harvey attacks for structural adjustment have provided their own profound critiques. The adequacy of such critiques must be questioned not least due to the amount spent by them on what amounts to propaganda, double standards and blaming of victims, discussed in greater detail below (Fine 2012, Pithouse 2007). Although there has been a pivot to the east some argue that this is only the latest renewal of ongoing American influence in the Asia-Pacific region. Though a large portion of political and economic history in the coming century will take place there, world politics will likely centre around American interests for the foreseeable future (Campbell et al 2013, Fukuyama 2009). Furthermore, although it is true that in the case of Russia a neoliberal government in the early 1990’s has been replaced by something quite
different, it does not render Harvey fatally flawed. Harvey’s assessment of a western led globalised neoliberalism does not argue there is an omnipresent neoliberal structure functioning similarly smoothly everywhere. Harvey himself notes there is much resistance in the core and emerging nations and potential for huge labour unrest in China and South East Asia (Harvey, 2005). Thus the Putin government could be seen as resistance to the neoliberal hegemony of Harvey rather than a refuting of his theory. The integral argument of Hoffman, DeHart and Collier; the merit in anthropological study residing in the anthropology of neoliberalism as opposed to neoliberalism itself has however been an increased focus of recent anthropological discourse.

Ong argues neoliberalism should be assessed in what it actually does; its economic and social effects on individuals and systems of governance, rather than through theoretical or ideological lenses. As a governing technology; it reconfigures relationships between the governed and governing, power and knowledge and sovereignty and territoriality. In examining neoliberalism in action as a technology of governing, Ong argues that as a whole neoliberalism can be viewed as exception (Ong, 2006). Exceptions take many forms where neoliberalism has been incorporated rather than become the pervasive power force of Harvey and Graeber. This can be: sovereign exception, giving/denying value to particular workers and the politics of inclusion/exclusion; territorial exception - Neoliberalism at once embeds sovereignty through NGO’s and companies like Facebook (noted as an American company), yet at the same time promotes overlapping spaces; in doing so, encroaching on sovereignty. An example of governing exception in Russia would be the Soviet-influenced subsidised housing which exists alongside neoliberal policies for urban budgetary planning (Collier, 2011). Labour as exception becomes obvious in the case of work mobility: some workers have rights in multiple locales while others have none at all. All are contradictions or ‘exceptions’ as neoliberal policies are
applied to a varying degree (Ong, 2006). Ong further argues that an issue with Harvey’s uniform neoliberal structure is that he invokes the neoliberal state as an ideal type, an entity of singularity. This becomes problematic when observing the most dynamic economic region on earth; Asia. Ong claims it is impossible for Harvey to reconcile the case of China (socialist formations with capitalist activity) in his conception of neoliberalism and thus labels it a strange case (Ong, 2006). Collier makes a similar point with regard to Russia and conventional definition of neoliberalism. He criticises scholars who have generally argued that neoliberalism is opposed to social welfare and public ends of government, as in Russia neoliberal thinkers are well aware of the need for social protection and calculative choice has not wiped away present forms of Soviet social welfare (Collier, 2011). Rather than one system, Collier argues neoliberalism is composed of multiple versions with extended influences. This provides another contradiction in neoliberal theory as although conceptualised on the rights and freedoms of individuals (Harvey, 2005) it actually produces an exploitative and varied labour regime with little regard for labour rights across distant zones (Ong, 2006). Though multiple versions of neoliberalism might exist, there is an issue in including Russia in this for reasons discussed in the next chapter.

Collier further suggests a Foucauldian approach to neoliberalism - studying neoliberals themselves would further aid in its analysis. A methodological approach based on this would be more effective as it would examine what neoliberalism actually is, rather than casting it as an all-powerful doctrine. For Collier neoliberalism is a “form of critical reflection on governmental practice by an attempt to reorientate the principles of classic liberalism in light of new circumstances”, chiefly the rise of the welfare state (Collier, 2011; 2). His study in Russia concluded neoliberalism had not produced a market acting government, wiping away all Soviet era welfare; instead here neoliberalism takes the form of ways of programming the
government through the state to retain social norms of socialism. As a result, neoliberalism should be analysed within biopolitics; the attempt to govern a population’s health, welfare and conditions of existence in the framework of political sovereignty. Though multiple versions of neoliberalism might exist, there is an issue with Collier’s inclusion of Russia in this for reasons discussed in the next chapter.

However, Harvey himself acknowledged that in practice neoliberalism departs from theory almost immediately and further points out the differences in application of it by the original founders, Britain and the USA (Harvey, 2005). He further lists various contradictions of neoliberalism: its profession of freedom and democracy but preference of executive rule by elites, its creation of monopolies whilst encouraging competition, the presentation of a level playing field in the market but the reality of differing access to knowledge, the constant interference by ‘experts’ in what is meant to be a free market, the existence of patent holder and fetishisation of technology to the point of inventing illnesses for drugs already manufactured, false protection against extremes such as fascism and communism by endorsing undemocratic unaccountable institutions such as the Federal Reserve and the IMF, and the authoritarian restriction of debate of wider issues set outside of designated debate parameters banning certain political movement whilst preaching free speech and individualism (Harvey, 2005). Harvey uses the contradictions not as means of attributing lack of power or coherence to neoliberalism but as fundamental flawed characteristics of it to be attacked. One could further pose that neoliberalism by exception discussed above might lay further credence to Harvey as it embeds neoliberal ideals into countries that otherwise might dismiss it out of hand such as China, giving it a global reach. Harvey is perhaps too western centric in his assessment; if he viewed neoliberalism as a mechanism for establishing a global elite class, analogous to the one he
Globalisation became an increasingly used term during the ascent of neoliberalism, but what it actually constitutes has been much debated. Anthony Giddens defines it as:

“The intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa.” (Giddens, 1991; 64).

Scholte corroborates this asserting that globalisation is largely concerned with deterritorialization and “suprateritorial connections between people” (Schote, 2005; 59). Kiely is far more pointed in his assessment linking globalisation inseparably with neoliberalism. Transformalism, argues globalization is a long term process, the driving force behind social and political change and governments must now adjust to a world where lines between domestic and global politics are blurred. A crucial flaw noted by Kiely with this position and that of hyper globalists (we are witnessing the rendering of governments and nations to little more than transmission belts for global capital) is that both rely on spatial explanations severing the link between actors and process; effectively proclaiming globalization as a natural, inevitable process. This fails to note the promotion of globalization by hugely influential agents of neoliberalism. It could be argued that globalization is the socio-political mantra of neoliberal economics using faux moralism to depoliticize and conceal the promotion of its ideology, making often unpalatable policies palatable. An obvious example of this was Tony Blair declaring, “Globalization is not just economic. It is also a political and security
phenomenon…we cannot turn our backs on conflicts and the violation of human rights.” (Kiely, 2007; 103). One might link the Gramcian reading of neoliberalism covered above to this in the sense of a coercive consensus from the ruling class in order to produce a new social consensus and historic bloc (Torres, 2013). Globalisation can thus be seen as a concerted attempt by elites to universalise neoliberalism in the minds of people and governments. A resulting environment has been produced in recent years where national sovereignty has often appeared non-existent, or at least applied sporadically and national boundaries have been restructured according to the desires of globalization (Payne, 2005).

It may be somewhat simplistic but it has been argued that the invasion of Kosovo for example was not a humanitarian intervention but primarily an economic and political expansion into the old Soviet Bloc. Usually this boundary blurring has largely applied to developing or ‘tier two’ nations whilst core nations, primarily the US, have retained hegemony. An opening of Japan’s domestic financial system to liberalisation for example has served to undermine the reliability of the corporate system and decreased the influence of the Japanese government (Beeson et al, 2005), this occurring in a nation conventionally viewed as ‘advanced’. It has led to the view of some that wherever you live, the World Bank and institutions like it, “will take your money – and if you are a taxpayer in almost any country in the world it already has.” (Caulfield, 1997;1).

4.2 How Neoliberalism is implemented externally

For such a statement to be made as the one above the question must be asked how such as system has been implemented. The Cold War allowed America to present itself as leader of the ‘free world’ against Communism and encourage the adoption of its economic system
The foundations of this came after the Second World War when ascendant liberalism in American foreign policy feared full domestic productivity could not be maintained without free trade overseas (Lobell, 2007). The Marshall Plan encouraged Pan-European economic cooperation and a degree of ideological acceptance and embedding of the American economic system (Bronstone, 1999). The Bretton Woods Agreement and resulting institutions dramatically increased American influence in the post-war capitalist world (Kiely, 2007). The intention was initially to make the US more competitive. This was achieved by: moving from floating to fixed exchange rates, elimination of capital controls and a liberalization of trade and investment rules. In addition, the low interest rates in the States attracted capital from all over the world including (and crucially) from developing nations with high debt levels. This resulted in a situation wherein bankers from core nations no longer needed to beg developing nations to borrow their ample capital, but instead developing nations had to beg core bankers to grant them access to capital required to stay afloat in an “increasingly integrated, competitive and shrinking world market” (Arrighi, 1994; 323). When President Nixon removed the gold standard in 1972 all countries that held their reserves in USD (as most Third World nations did) were plunged into economic disaster as the interest increased exponentially, resulting in a wealth transfer on a global scale (Graeber, 2011; 364). In 1982 Mexico defaulted on its debt and neoliberalism was aggressively introduced as economic policy to the developing world in order to prevent further crisis. The IMF initiated ‘structural adjustment’ which limited access to loans based on economic and political compliance. Core nations were protected whilst the developing world was forced to enact huge policy changes whereby ideas born in developed countries were disseminated throughout less developed countries, interrupting local interchange of combinations (Gramsci, 1971; 182). Moore highlights Gramsci could have been talking about late 20th Century with regard to the hypocrisy of neoliberalism; foisted upon developing nations by the developed world, who had used tried and tested means of protectionism “on its
way to the top of the ladder, which it then kicks down” (Moore, 2007; 42). Importantly, the specialization developing nations were encouraged to peruse usually involved lower-value activities, combined with encouragement to import high value goods which accrued significant rents from core nations, as well as creating a complex of cultural superiority and authority acceptance based on technology. It is argued that trickledown profits will bring an overall benefit to such nations but examples of nations such as Mexico suggest the opposite (Caulfield, 1997). This was made possible through the acceptance of local elites, eager to buy into US led neoliberalism in order to solidify their own power, embedding neoliberalism globally (Harvey, 2005).

4.3 How Neoliberalism is implemented internally

Socially, the civil rights movement and promotion of individual freedoms in many fields; ranging from sexuality to economics, embedded liberal ideals in the United States, while the student movement; promoting an idea of individual liberty in a climate of generalised distrust of politicians, did so in the UK (Harvey, 2005). Positive moral framing of neoliberalism was essential for it to be implemented and accepted socially. Harvey highlights the almost religious notion of freedom for Americans as a crucial component of neoliberal ascendancy in the US (Harvey, 2005). The idea of personal freedom was actively taken up by the neoliberal movement and used to attack the state and power structure. In a memo to the US Chamber of Commerce in 1971 Lewis Powell professed the need to “change how individuals think” (Harvey, 2005; 40). A manufacturing of consent agitated for by a neoliberal class of business leaders, civil society institutions, corporate backed think tanks, economic theorists and
eventually the American and British governments under Reagan and Thatcher (Harvey, 2005), changed what was held as common sense, the ‘sense held in common’ as defined by Gramsci (Gramsci, 1971). This new common sense allowed liberalism and promotion of the individual to be associated with freedom and the basic rights of citizens, pervading the social, political and imperatively the economic. An extremely skilful manufacturing of consent is needed; at once making a new order seem natural, whilst at the same time presenting themselves as the “motor force of global expansion” (Moore, 2007; 31). Core institutions are essential for this; World Bank for example spend “two to three times as much money on public relations as on research” (Fine, 2002; 212).

As a result, when technologies of governing are exposed - such as sweatshops - public reaction is less than expected due to a structured system of social relations of dominance masking desired behaviour as the will of the ‘autonomous’ individual (Makovicky, 2014). This however, is not a total dominance as might be suggested by general theorists of neoliberalism. Makovicky points out that not all social relations everywhere can be monopolised, so surplus value becomes the imperative. Dominators try any bureaucratic means necessary to make people obey the accumulation imperative, which attempts to manage cognitive and ideological processes in society. The effect of this is channelling public anger into manageable forms of protest and resistance (Makovicky, 2014). Returning to the manufacturing consent of Harvey, Makovicky perhaps goes a step further arguing that it is not a culture that produces a particular personhood, but a hegemony that sets certain limits on “possible paths of personal becoming” (Makovicky, 2014; 198). An example of this is of Liviu Chelcea’s ethnography of the first international bank in Romania and the utter transformation of the workforce and workplace during privatisation. Chelcea emphasizes how monopolization of personal time by the bank (long hours, weekend courses, compulsory training etc.) engineered a new discipline (or perhaps ‘sense of
commons’?) and even changed the employees’ experience of time itself (Chelcea, 2014). Although this might make the bank more efficient in a business it becomes a problem as neoliberalism is as much a governing method as economic and the result is an aggressive economisation of wider society and culture which produces widespread desolation (Bourdieu, 1999). At a global level propaganda is used to mask these policies; Structural Adjustment programmes renamed Poverty Reduction Strategy Papers; educational tools for children such as online quizzes and textbooks are constructed in a way to make sure the answers to almost any question is a confirmation of market over state; deliberate misconstruction of narratives linking the economic rise of particular Asian nations to that of neoliberalism and wider liberal narrative (Berger et al 2007, Caulfield 1997).

4.4 Mechanisms of Institutional Implementation

Ideas of great importance in policymaking and can include: worldviews, principal beliefs and causal beliefs. Furthermore, these beliefs derive authority from recognized elites, engendering acceptance amongst the populace (Bronstone 1999). A neoliberal social purpose and worldview purveys the Bretton Woods institutions and newer lending banks such as the EBRD (Ruggie, 1982). Caulfield declares the World Bank a “capitalist tool, a friend of big government…a coordinator of the world economy” (Caulfield, 1997; 2), possessing a ‘massive influence’ on government policies, through the taxpayer guaranteed repayments. It is both a cultural and an economic institution with the aim of making “capitalist economic transformation in the Third World seem natural” (Moore, 2007; 2). Instead of ‘sending in the Marines’ the World Bank advises a country how to govern, if it ostracises a borrower all over major international and private lender will follow its lead (Caulfield, 1997). During the Debt Crisis,
Alden Clausen (former head of Bank of America, the world’s largest commercial bank) was made head of the World Bank and was “convinced that the only constituency that mattered was the United States” (Caulfield, 1997; 145). A neoliberal ‘total immersion’ approach became the unilateral policy towards all countries it was involved with regardless of differing individual history and characteristics.

The ideas of good governance in exchange for loans and ‘market friendly intervention’ accompanied the neoliberal globalization mantra and promotion of institutional change of the 1990’s (Kiely, 2007). The tying of aid to political ideology was crucial for embedding neoliberalism as it takes Graeber’s point of making the debtor appear morally wrong to an international scale, resulting in a political ideological shift without incurring public criticism. It also reinforces Ong’s assessment that neoliberalism is a technology of governance rather than simply economic policy (Ong, 2006). Peter Bauer damns aid a mechanism that “increases the power, resources, and Patronage of Governments compared with the rest of society and therefore their power over it” (Bauer, 1981; 104); perhaps best shown in the direct policy of the EBRD. The EBRD, officially set up to assist Central and Eastern European nations in transfer from Communism to Capitalism, was announced as the “first institution of the New World Order” (Bronstone, 1999; 43) and its structure and mandate show political designs further than mere economic growth. Initially the USA was granted the largest single shareholding of 10 per cent whilst the EU and EIB shared 51 per cent. Further to this, it is the only major financial institution with a political mandate aiming to “foster the transition towards open market-orientated economies… [in nations] committed to and applying the principals of multiparty democracy, pluralism and market economies” (Newburg, 1994; 434). Funds are terminated, as they were recently with Russia, if members fail to willingly implement the bank’s ideology and the USA has been particularly vigorous in encouraging the EBRD to sanction those who fail to
meet ‘tests’ of democracy (Bronstone, 1999). Indeed, it was noted not long after its inception that, “American involvement in the EBRD…is indicative of the close U.S interests in the reconstruction of Eastern Europe” (Newburg, 1994; 434). For Gramsci, hegemony involved “the permeation throughout civil society…of an entire system of values, attitudes, beliefs, morality”, resulting in the construction of a new order through “ideological domination rather than direct political coercion” (Boggs, 1976; 39), something the EBRD actively pursues.

4.5 What Neoliberalism Does

As a result of the various techniques and institutions discussed, neoliberal local elites have been embedded globally in order to solidify their own power with the backing of the west (Harvey, 2005). Risse-Kappen argues the neoliberal promotion of democratic capitalism is a good thing as nations who share in it are less likely to go to war, a point corroborated by Thomas Friedman who suggests this is because of mutual interests over global inter-sourcing of goods (Friedman, 2005). Their points are reinforced by the arguments that liberal democracy prevents war as leaders are beholden to an electorate who know the consequences (Kiely, 2007). Furthermore, the institutions which promote it also promote free trade and behavioural norms such as human rights (Bronstone, 1999). When conflict does arise, that too can be a positive opportunity for free markets; American policing of ‘failed’ or ‘rogue’ states should thus be deemed as ‘state reconstruction’ (Kiely, 2007). More generally, at a basic level it has been argued neoliberalism produces: quality, efficiency and cheaper commodities for the people (Harvey 2005). In addition, the WTO argue that smooth, free flowing trade, “helps people all over the world to become better off” (Kiely, 2007; 175).
There are, however, a number of problems with the arguments above. Most problematic is the notion that neoliberalism promotes democratic capitalism. Harvey argues bluntly that theorists of neoliberalism are “profoundly suspicious of democracy”; for them democracy is only possible under conditions of relative prosperity supported by a strong middle class. The perceived threat to majority rule poses to individual rights means that neoliberals favour rule by elites and “experts” (Harvey, 2005; 66). Theorists might retort that such allegations are heavy handed, bordering on the conspiratorial, but evidence seems to support Harvey. Once neoliberalism has been accepted by local elites, expert core institutions such as the World Bank find themselves performing state like functions; presiding over fiscal policy and use of taxes. Nations soon find themselves “hollowed out” as funds are used for debt repayment rather than social services (Moore, 2007; 33). An example is of Mexico wherein, following neoliberal intervention of the World Bank real wages were half of the value in 1992 that they were ten years before and aid to the poor, as well as spending on education and infrastructure were halved (Caulfield, 1997).

The argument that liberal democracies prevent war as the leaders are beholden to the populous who, knowing the consequences, disallow it is thus bogus as unelected bodies preside over the government. Even instances where this is not the case ‘democratic’ governments have acted against the will of the people specifically to go to war such as the 2003 Iraq War decision in Britain, in the face of nearly two million protesters, the most ever seen in the country (Barkham, 2013). This point, when viewed in relation to state reconstruction of a ‘rogue’ state as was desired, leads further credence to the theory that ‘free’ markets are a false idealism, underpinned not by acknowledged positives but by the military (Harvey 2005, Moore 2007). Though it is often said that democratic capitalist states do not make war with each other, the same could be argued for communist states. Furthermore, the promotion of ‘democratic capitalism’ has seen
its chief promoter, the United States, at war in almost every year since 1945 and every year since the collapse of what it identified as the threat to international peace and security, the Soviet Union. When compared with each other, the USA was not only involved in more conflicts than the Soviet Union but the local of conflict was far more globalised. In this way it might be argued that removing the deterrent to ‘democratic capitalism’ has in fact encouraged what is a totalitarian system to aggressively expand (Chomsky, 1992). More simply it could be argued that being part of a systemic empire averts war rather than virtue of democratic capitalism. When a country attempts to break with the neoliberal system then it is labelled as outside the ‘international community’ and exclusionary tactics are practised against it (Kiely 2007; Caulfield 1997). Britain too tried to paint revolutionary Americans as terrorists during the revolution and then fought democratic America in the War of 1812. This questions the mantra of peace between democracies and suggests peace between those within a system is the reality.

Furthermore, the attempt to replace invasion with state ‘reconstruction’ educes Caulfield’s earlier point concerning propaganda, on an international level. Reframing an invasion as reconstruction does not make it so, just as calling a bank loan aid or structural adjustment programmes ‘Poverty Reduction Papers’ does not change reality. There is further evidence to suggest neoliberalism has taken this to particularly insidious levels: The World Bank commissioned *Voices of the Poor* labels a woman “in a village” who defended a neighbour from domestic violence as a “development entrepreneur” and a Malian family who chose to go hungry rather than sell the family bike as “diversifying investments” (Narayan et al, 2000; 281; 52). Pithouse lambasts the publication for its brazenly ideological approach, culminating in its description of migrant sex workers in Tanzania as a growth opportunity, something Pithouse likens to classifying a Gulag as a re-education camp (Pithouse, 2007). Importantly, he points
out that when opinions of interviewees reflect those of the World Bank they are presented as declarative statements of fact, yet when they differ, qualifying words are used and the answers are presented as pathological or illusory, distancing the reader from the interviewee. Blame was transferred to victims wherever possible – stating that allegations of social injustice and job losses in the former USSR were ways for respondents to externalise their responsibility for lack of adaption. Such a blatant and unacknowledged double standard means the book and much material published by the bank amounts to what Noam Chomsky would brand Propaganda (Pithouse, 2007; 444). Such propaganda, one might argue is taken to a global level when foreign students from core nation universities return home. Though some argue a labour arbitrage might occur divesting investment from the core (Gilnavos), a greater effect is the embedding of neoliberalism in the minds of future leaders, economists and teachers globally (Moore, 2007).

Although it is true that there are some important positives to be drawn such as a promotion of equality, human rights and workplace safety (Harvey, 2005), it is at best questionable how much these benefits are enforced, particularly with a global workforce which leaves many workers without a stable identity and associated rights (Ong, 2006). In addition, even a small portion of neoliberal success often means abandonment of traditional values and ways of life. The problem with this is that it is dangerous for human survival to promote a monoculture as they lack depth and resilience finding it difficult to adapt to new social, psychological and environmental challenges. Caulfield argues it is better to have thousands of cultures with varied experience and perspective (Caulfield, 1997). Further benefits listed of quality, cheap products for mass consumption as the result of neoliberalism are also questionable. Though prices may come down initially quality is often sacrificed for this and prices are raised as competition is eliminated (Harvey, 2005).
4.6 The Effects of Neoliberal Policies Implemented

A damning assessment of neoliberal techniques employed globally is that although it is not without some plausible benefits, there are some serious, perhaps irreconcilable issues.

Specialisation means that whole nations are condemned to a particular strut on the global economic ladder. This usually consigns developing nations to a subservient position forced to accept ‘sound economics’ and shun the protectionism that produced success for the industrialised world (Chomsky, 1992). Encouraged to peruse lower-value activities whilst importing high value goods which accrue significant rents from core nations the developing world cultivate a complex of cultural superiority and authority acceptance based on technology (Kiely, 2007). This has resulted in an unprecedented global wealth transfer from poor to rich nations with $1.7 billion transferred in 1994 alone (Caulfield 1997, Graeber 2011). Though some argue that debt is needed in order to expand and that paying core nations for ‘expertise’ is hugely beneficial, neoliberalism has seen this taken to such levels that in 1996 Uganda were spending $3 per capita on health and $17 on debt repayment (Caulfield, 1997). This is not an isolated example, instead appearing a repeated feature of the involvement of neoliberal financial institutions in developing nations.

In 1977 after a $200 million loan the Turkish GDP steadily grew but real wages fell by 15% whilst foreign debt and overall deficit swelled. These issues, as well as a drain of productivity in industry and finance as a direct result of implemented policies were not mentioned in the World Bank’s report; the vague wording of the goals meant admissions of failure and accusations of dictation to Turkey could be skirted (Caulfield, 1997). A similar outcome occurred in the aforementioned example of Mexico. So close was the relationship to the World
Bank that it was explicitly stated “The World Bank does not need to force Mexico to do anything…World Bank economists and Mexican officials often spend weekends together brainstorming issues” (Caulfield, 1997; 151). By 1994 a quarter of the Mexican stock market and half of government bonds were in foreign hands. By 1995 Mexico faced bankruptcy for a second time in 12 years. Both the IMF and the World Bank rushed to give further loans of $1 billion (the largest the Bank had given at the time) and the US treasury gave a further $20 billion accompanied by Treasury Secretary (former Goldman Sachs employee) Robert Rubin’s comments the loan “would give it far reaching control over the running of the Mexican economy” (Caulfield, 1997; 156). Government spending on essential services was cut in half and more than 75,000 people lost their jobs proliferating widespread violence; armed robberies increased 35% and a peasant army the ‘Zapatistas’ seized towns in the south resulting in heavy fighting with government forces (Caulfield, 1997).

Such violence seems to a common resultant feature of neoliberal intervention, indeed Polanyi argued that eventually the only way neoliberalism could keep control was through authoritarianism, perhaps the neoconservative turn is indicative of this (Harvey, 2005). Protestations have often been met with lethal violence as the deaths of Ken Saro-Wiva, objecting to the environmental costs of further Nigerian oil extraction, and the murders in Papua New Guinea of demonstrators against Freeport McMoran Copper and Gold and many others display (Caulfield, 1997). A similar situation arose out of the ‘Shock Therapy’ used in Russia to promote neoliberalism This resulted in widespread violence in the form of ‘barbaric capitalism’ (Worth, 2005); wherein outwardly attractive values such as individual freedom and economic growth are promoted, yet mask what may be seen as a replacement of community by individualism. The frequency of problems such as depression, suicide, alcoholism and domestic
violence increase as a result (Bourdieu, 1999). It has been suggested that such issues occur because neoliberalism contributes directly to anomie within the population. The promise of personal prosperity for all, is only for the very few and when this is realised, personal unrest, anxiety and alienation produce a wider social instability and loss of values (Harvey, 2005). Paul Collier corroborates this view, explicitly stating that the increase in violence in Russia during the years of ‘Shock Therapy’ “resulted from inequitable distribution of wealth, rapid privatisation, [and] a fall in real income” (Collier, 2005; 111).

4.7 Contemporary Neoliberal Hegemony: Toward a Transnational Elite

The ‘War on Terror’ has allowed a new aggressive element difficult to criticise to accompany the increased economic integration and has been seen as a new Cold War not only allowing aid to be tied to political allegiance, side-lining solutions to poverty and human rights violations but producing a sentiment of ‘us’ against the other (Duffield et al, 2004). It has also reinvigorated academic debate concerning neoliberalism and hegemony. It has been asserted that the great power America asserted in the mid C 20th has dwindled leaving a situation where no single state can dominate (if indeed this ever existed in practise) (Clark, 2011). There has been a re-emergence of the long held Asian sentiment of moral superiority to “decedent” individualism, and shapeless multiculturalism of the US” and important elements of traditional American soft power such as free market cultural and ideological appeal and the perception of the world’s technological leader do not evoke the same response they did fifty years ago (Harvey 2005; 86, Clark 2011; 3). Others point out however that American military spending accounts for 50% of the global total (Conetta, 2008;), there are over 800 military bases around the world and some 65 % of all global currency reserves are held in US dollars, something “historically unprecedented” (Graeber 2011, Jervis 2006; 7). For the reasons covered Kiely
argues that the internationalisation of states represents a firm increase in US hegemony as elites are willing to accept and promote neoliberalism. Importantly he asserts that potential regional challengers presently have “too much at stake in the current international order” for a comprehensive alternative to be perused (Kiely, 2007; 263).

The reason for such a polarized opinion has been put down to an archaic definition of hegemony wherein one state “enjoys exceptional material predominance” (Clark, 2011; 1). Clark argues the debate and definition should be widened to make it more relevant. However, this runs the risk of diluting the definition of hegemony simply to fit our current circumstances and more importantly, a different approach appears to reconcile the seemingly opposite sides of the debate. Moore argues that the United States is merely the façade and instrument of preference to exact the will of a transnational entity, explicitly stating, “The US is playing a leadership role on behalf of a transnational ‘elite’” (Moore, 2007; 37). Moore goes on to explain that if, as Robert Wade suggests, American hegemony is largely derived from the US Treasury, and because the Treasury is partial to transnational capital more so than domestic, the force the US expends globally might be as much in favour of a transnational entity as that of a state in more traditional terms. Even if the Treasury acts in American interests and the World Bank, IMF etc. follow suit as they often do, it is not incompatible with the interest of global capital. This is largely because of the globalised nature of the contemporary world, American capital is at the forefront of this globalisation (Moore, 2007). Some maintain that there is no global state as there is not effective monopoly on global violence (Block, 2001), and that there still remain multiple cultures and modes of production, rendering a unified global state unintelligible. Moore retorts that this does not detract from a hegemonic transnational state as national states often mediate a mix of cultures and modes of production internally; Canada for example must mould its internal economics and politics to the North American Free Trade Agreement and
contains multiple languages and cultures within its borders, yet is a recognized state nevertheless (Moore, 2007). Moore asks why not consider the World Bank, UN High Commission for Refugees, UN Security Council and other such institutions, functions of a newly emerging transnational state?

There is however a way of framing the debate that if valid would leave criticisms such as Block’s meaningless. The more intriguing question might be; is a new form of hegemony emerging in a newly globalised world giving the appearance of a transnational entity? Viewing hegemony from a perspective of class allows us to see it in terms of classes formed in multiple states and in doing so transcends the view of the state, with its traditional structures, borders and institutions as hegemony. ‘Transnational state’ evokes the image of unity under one banner or custom, whereas class is slightly more intangible and thus more applicable. This rectifies the problem of there being no formal transnational state and renders criticism based on such a concept irrelevant. Systems of control and governance are not sovereign states; sovereign states are a form of systems of control. To get bogged down on whether a globalised state exists misses the point. Instead, the global elite can be argued to be the latest system or technology of power and governance and a contemporary illustration of centuries old class dichotomy. Rather than tenuous models of an illusory international state based on officially independent institutions, we are left with the more intelligible budding hegemony of a transnational class (Moore, 2007), displacing sovereign states as the primary system of governance for the ruling class, just as tribes and kingdoms were themselves displaced. The process has been global, “unprecedented throughout millennia”, and undermines traditional institutional sources of legitimacy, instead assuming the elite is capable of instituting change to the norms and functions of society (Gaidar, 2012). An increasingly coherent network of supranational political and economic institutions perhaps misconstrues the new hegemony as a transnational state.
However, closer examination reveals such institutions are made up of a portion of the national elite from most countries in the world – a transnational class – serving global rather than national interests (Robinson, 2003). Doug Hellinger contends global financial institutions function to provide cheap labour, deregulation and export incentives, not as a development strategy but a corporate strategy for the global class. Furthermore, this is not something critics are warning against in order to avert but something that has been implemented over decades above the knowledge of the populous or “bewildered herd”, as pointed out by the most cited living author:

“A major feature of all this is a raising of planning to a level where its completely invisible to people so there is what the financial press is sometimes calling a new imperial age developing, in which the major policies are not taken by government institutions but by transnational institutions, either transnational corporations or the G7 meetings – the big industrial powers, or the GATT negotiations, or the IMF or the World Bank. That’s where the big global decisions are made which are then just translated down to policy in the individual countries. Now in the Third World they just follow orders, but this is supposed to apply even to the industrial countries and the so called free trade arrangements, which are not that, are devised to a significant extent to subordinate national planning, which has the danger that governments however repressive they may be, have the defect that they may come under popular pressure, that defect is never eliminated. Corporations don’t have that problem, GATT doesn’t have that problem, the IMF doesn’t have that problem, so that’s where decisions ought to be vested…this is a move toward the harsher end of the democratic spectrum, the end that says that people, the spectators, should not even be allowed to know what's happening…[the decisions] are out of any threat of democratic control and you will simply have to adhere to them because they are being made by
the people who own the world, not just the countries and that’s the way its supposed to run” (Chomsky, 1992).

A small example of the entwining of business and government and the primacy of corporate authority is of Freeport McMoran Copper and Gold in South East Asia, whose board members include Henry Kissinger and William Cunningham (former chancellor of the University of Texas). Widespread ecological disaster in Indonesia was caused and the corporation was blamed for the murders of local protestors. Yet when their insurance was cancelled by the Overseas Private Investment Corporation even Indonesia’s President Suharto complained and appealed to President Clinton to have the decision reversed.

Lobell defines a hegemon as:

“a state that simultaneously dominates several regions of the globe and that as a unit comprises its informal and/or formal empire…hegemony means that the state creates and enforces the rules of the game over each region it dominates.” (Lobell, 2007; 8).

If one replaces the word state with class in this analysis, then the definition fits very well with the new model hegemony of a transnational class with a universal economic, political and social ideology, where old state functions such as monopoly on legitimate violence have been outsourced and at the same time bolstered by local governments and crucial to this has been the removal of all barriers to the free movement of capital internationally (Harvey, 2005). Indeed, neoliberalism has been increasingly assessed specifically in terms of class discourse; a transnational class of elite entrepreneurs and organised labour (Mackovicky, 2013). The extent
to the aggressive imposition of this international neoliberal class system was demonstrated by the involvement of thirty nations in the invasion of Afghanistan in 2001, from El Salvador to New Zealand, more than involved in the entirety of the Second World War. Such a system is obviously incompatible with contemporary Russia outlined in the previous chapter; in which a system exists largely produced by a particular cultural history and recent mass sentiment, which actively rejected its position in globalised neoliberalism. Though similar features of the Putin governmental system exist including multiple transnational deals particularly in central Asia, a reliance on nationalism and nostalgia of a shared history and culture of Russians has intelligibly produced conflict when faced with the internationally authoritarian system of global neoliberalism illustrated in this chapter.

This chapter has assessed what neoliberalism is, how it is implemented, what the effects of its implementation are and the contemporary situation of neoliberalism. It has resulted in a contemporary government technology in which business and politics are coalescent and perusal of profit overrides sovereignty, traditional culture and the populace. It has produced a transnational elite antithetical to the contemporary Putin government, itself reliant upon nationalism, perceived shared culture, history and its nostalgia detailed in the previous chapter. As a result, contemporary neoliberalism is necessarily opposed by the Kremlin, not only because of contemporary geopolitics, but because the principles which produced current government (and enhanced under Putin) are contrary to the globalised neoliberalism rejected at the end of the 1990’s.

5.0 Russia and Neoliberalism
The previous chapter evaluated contemporary governmentality in the west, reviewing current scholarship concerning neoliberalism, the effects of its imposition and ultimately the global class it has created. It has been mentioned in the prior two chapters that the current Russian system is in opposition to this, however, although the discussion of the background of Russian culture went some way to explaining why this is the case, there has been little evaluation of how the current system came to exist independently of western neoliberalism and what the characteristics and mechanisms of this new governmentality are that have, and continue to allow it to do so. This chapter will evaluate these subjects in order to determine what this Russian governmentality consist of and its sustainability as an alternate model to that of neoliberalism. In order to do this, I will evaluate; neoliberal penetration of Russia, how the Putin system came to dominate, what the mechanisms of this governmentality are and begin to assess whether it might represent a sustainable model technology of government.

5.1 Russian Neoliberalism? How far has neoliberalism penetrated Russia

Active resistance to neoliberalism was cited towards the end of the previous chapter and David Harvey theorizes that not only do many different alternatives to neoliberalism exist but that the situation is ripe for many more to grow. He instances that potential for huge labour unrest in China and Indonesia and questions whether the people will continue to vote against their own material interests in the USA (Harvey, 2005). Furthermore, variants of Buddhism and Confucism now preach specifically against neoliberalism, this is corroborated in the Middle East with the growth of fundamental Islam and its opposition to neoliberalism (Grabber, 2011). None of these however have provided a cohesive viable alternative. One might argue China is not neoliberal at least not in Harvey’s definition. It seems to subscribe more to neoliberal
by exception (Ong, 2006), or a version of authoritarian capitalism in a way that is not dissimilar from Russia. Harvey is perhaps too western centric in his prognosis of attitudes in the Chinese workforce. Its recent history might have normalised authoritarianism to a degree and thus lessen the chance of labour unrest that Harvey talks of. This is something that was highlighted in chapter 1 as an integral feature of government in Russia and crucial to the inception of the Putin system (Sakwa 2002, Gaidar 2012). One might hypothesise an authoritarian history has contributed to the production of a state influenced authoritarian capitalism, allowing not only resistance to global neoliberalism but the growth of a viable and alternative model technology of government.

Collier argued that in Russia that neoliberal policies have been absorbed to an extent into the old Soviet system: state economics were replaced with market allocation and citizens were ‘responsibilized’ as sovereign consumers; but at the same time, heating systems were not unbundled as the World Bank requested and the state still presided over wealth transfer from rich to poor regions (Collier, 2011). Worth argued this lack of coherence in Russian neoliberalism opens up a gap for a counter hegemony to develop. He drew on the ideas of Gramsci to conclude that this counter hegemony will likely come from civil society challenging the current neoliberal variant (Worth, 2005).

However, there are a number of issues with Worth’s assessment. Russia has regained its strength; against neoliberal economic predictions, it went from total economic collapse twice in fewer than ten years, including a default in 1998 (Machold, 1998), to until recently, the lowest national deficit of any G8 nation. Furthermore, Russia used this economic turnaround, contrarily to the Gramscian model, against neoliberals. Putin’s Siloviki (covered later in detail) are in charge, not the political liberals or economic elite. The state role in economy has been
expanded and foreign capital limited as well as renationalising privatised firms. Finally, the civil society Worth talks of in providing an upheaval, simply does not exist and ironically its main advocates are not from within Russia but the West (Newman, 2007). This critique of Worth by Newman is damaging to Collier also as it paints Russia as somewhat of a new beast, rejecting neoliberalism by large (though adopting a few things) rather than accommodating it in a reflective manner. It could even be seen as an endorsement of the pervasive hegemonic neoliberalism of Harvey in the sense that it depicts a nation trying to resist its total dominance. This and the rise of other adversaries namely China, employing an authoritarian state capitalism, has produced a new and increasing threat to neoliberal hegemony.

Examination must therefore be given to selective implementation of neoliberal policies by an authoritative government, whilst resisting becoming an integrated part of the neoliberal system. In the case of Russia, immense natural resources have given it a degree of ‘independent’ wealth and freedom and the ability to not rely on the global neoliberal system as much as another developing or core nation might. In this sense, not least when combined with its military power, Russia provides somewhat of a unique example in resistance to neoliberal hegemony. This is an important area for contemporary and future anthropological discourse as it questions previous assertions that a challenge to neoliberalism would come from a new social consensus of civil society, as well as the current hegemonic state of neoliberalism itself (Worth, 2005). A challenge to the status quo might be instead provided by a robust, autocratic system strong enough to preside over and control all sectors of society including business, rather than becoming beholden to it, as opposed to rejection of neoliberalism by society at a base level as has been attempted by some in the West (Graeber, 2011).
5.2 The Development of the Putin government

It has been suggested by some that for economic and political democratisation to occur in Russia it must be instituted from above rather than below (in congruous to many anti-Capitalist movements in the West) using market democratisation to bring about a similar change politically (Graeber 2011, Klimina 2011). The argument follows this is due to a “particularly Russian type of neoliberal state, characterised by elitist authoritarianism” discussed in chapter one (Klimina, 2011; 417). However, this begs further questions concerning neoliberalism and hybridisation, namely; can the combination of traditional policies, authoritarian government and neoliberal economic policy still be called neoliberalism, even when framing it as ‘exception’ (Ong, 2006)? Instead, are we witnessing with regard to Russia, a new technology of governance? If so this had until recently proved a successful model (Gaidar, 2012). More significantly, in terms of providing a unilateral alternative to neoliberalism, it might be posited that this new Russian model is in fact part of a larger global phenomenon of authoritarian governance fuelled by an abundance of natural resources (Walker et al, 2008). Current sanctions against Russia might be thus seen as a consequence of competition between neoliberalism and what many see as a new model of technology of government (Fotopoulos, 2014).

During the 1990’s aggressive neoliberal reforms led to a severe weakening of the state in all nations of the former USSR. The Washington consensus emphasised a reduction in the role of the state and privatisation and increase in business was seen as more important for reducing crime than a strong government. Crime thrived as a result on all levels from petty violence to state capture as the Yeltsin administration made a concerted effort to “destroy the state security services” (Siloviki) (Myant et al, 2008; 152). Within Russia crime doubled between 1988-92,
GDP halved between 1990 and 1997 and an investigation of large corporate enterprises in 1996 found at least 29% of their tax bills were not paid at all with 63% paid in offsets and bartered goods. A survey the following year found some 76% of Russian firms were forced to make unofficial payments (as opposed to only 7% in the rest of the world) and 40% of entrepreneurs had been threatened with violence. Business in general became dependent on ‘violent entrepreneurs’ and services of criminal organisers in order to function (Myant et al, 2008). The lack of government control gave exceptional political power to select groups within the state resulting in policies reflecting the strategic concerns and ideology of a powerful few rather than civil society. Banks run by the ‘Kids of Komsomol’ (the Communist Union of Youth) transferred billions of dollars into foreign accounts (Hoffman, 2006). By the end of the 1990’s 80% of television was controlled by 7 oligarchs and more than 50% of the economy’s output by only 10 oligarchs. Such capital flight and immediate self interest of the few is characteristic of post revolution environment (Gaidar, 2012). However, one might argue that this behaviour is not peculiar to Russia. The assumed beacon of contemporary democracy, the United States, was founded on a constitution designed to protect the wealthy few and keep power in the hands of ‘capable’ men (Chomsky, 1997). Chomsky states that the principal on which the U.S. was founded was “to reduce the threat of democracy, maintain inequality and assure power remains in the senate…the wealthy part of society”. This closed system has now been taken to a global level with the liberalisation of capital creating what has been termed a ‘global senate’ ensuring that no country can enact policies which strike at the interests of the wealthy or capital will be removed and the country will collapse (Chomsky, 1997). When viewed in this way, corruption, nepotism and totalitarianism were not (only) the result of a leftover Soviet approach, but the adoption of neoliberalism, something the premier oligarchs readily ascribed to.
The societal results were typical of the ‘Shock Therapy’ promoted by neoliberal ministers on the advice of Jeffry Sachs which became ‘barbaric capitalism’ (Worth, 2005). Having promoted it, the inadequacy of the west’s response to many of the disastrous consequences severely undermined public faith in not only the west and neoliberalism but in democracy (Sakwa, 2002). It was added to an environment in which the constructed values of the Soviet Union as cultural markers had been removed proliferating not only a feeling of loss of identity and vulnerability but brutality (Sakwa, 2002). One could argue that this was the key reason for the return to authoritarianism in Russia; reawakening a collective belief that the west was to blame and that Russian methods were best, as opposed to other parts of the former Soviet Union such as the Baltic States who faced far less upheaval and became members of the EU (Rzhevsky, 2002).

Furthermore, it demonstrates the fallacy pointed out by Moore and of transferring an economic model from nations advanced in one form of economy onto a culture alien to it and expecting it to be enacted with relative ease. It becomes especially misconceived and myopic when considered that it too core nations hundreds of years to develop such a system (Moore, 2007).

The active disregard World Bank analysts had for context in terms of Russia’s historical path, preferring instead to implement ‘universal’ patterns of decentralisation (Zigon, 2001), might even be takes as a predisposition to authoritarianism in imposing a single value belief system with no room for any alternative. Zigon compares the World Bank mentality to that of Stalin, eschewing any possibilities contrary to its economic model. He further highlights, “any remotely remotely appropriate historical experience – such as Europe after World War I or World War II – points in a quite different direction than decentralisation in Russia” (Zinon, 2001; 88). This lends credence to theories that such institutions are mechanisms to subordinate the rest of the world and Russia was to be condemned to ‘Third World’ status, as opposed to Europe which was needed as a strong ally against Communism previously.
A further issue, at state level, was an increase in ‘parasitic banking’, draining capital from the economy and diverting money away from economic modernisation. The new Russian Central Bank was run by insiders and purveyed with a lack of clarity. In general, within the finance sector no clear rules for business were set and very little credit was given to small and even large enterprises (Myant et al, 2008). Much of the corruption was avoided in other former Soviet states for differing reasons: in Belarus and Uzbekistan the apparatus of state authority remained strongly intact averting much theft; in fact, there is a U-shaped curve in corruption between authoritarian levels of government and free democracies (Myant et al, 2008); in the Baltic Republics, Soviet banks were sold off to western business and the new Bank of Latvia for example was free from state control; the CEEC’s (Central and Eastern European Countries) had the best contacts with Western Europe and the possibility of joining the EU and NATO provided the political economic framework for post USSR transition (Gaidar, 2012). With membership of the EU as incentive Poland for example reached 1989 levels of productivity by only 1996 (Myant et al, 2008). Zigon stated in 2001 that to solve the internal crisis, “what was needed and what is needed today is a strong central government that can establish the necessary institutions by which a stable state can be maintained.” (Zigon, 2001; 88). This sentiment corroborates the hypothesis touched upon in the previous chapter that the results of western intervention helped produce the authoritarian system of today.

The Putin government was thus presented with the task of reasserting state power, security, tax enforcement, subordinating the oligarchic class and restoring economic prosperity. The superpresidential system allowed Putin to peruse virtually any policy unopposed and he did so; creating a close-knit network which relied on support from those with backgrounds in the military, security services and power ministries – the Siloviki. The Siloviki, and to an extent
the oligarchs before them, are characteristic of a ‘redistribution coalition’ in a post revolutionary context, illustrating how small groups united in self interest are more capable of self-organisation than broad nebulous groups (such as big political parties or movements) united by wider interests (Olson, 1965). Coupled with increased popularity from the second Chechen war, Putin also enjoyed greater freedom from business than Yeltsin and therefore could apply sweeping reforms rather than yielding to individual business interests (Fish, 2005). This coupled with other reasons explored in chapter 1 meant the government was not as reliant on neoliberal economics as the previous administration or other developing nations might be and could peruse alternative modes of governance more easily. However, one might argue once more that this enclosed system protecting and benefitting the few is not very different to neoliberalism in the west. American presidential campaign funding for example is a ‘remarkably’ good indicator of policy, policy can almost be predicted from looking at where the funding comes from. Furthermore, the same big companies donate generously to both Republicans and Democrats and the *Citizens United v. FEC* ruling, amidst mass public criticism, allowed unlimited election spending by individuals and corporations based on the First Amendment. Chomsky argues that in effect this amounts to a situation wherein “corporations can buy elections directly instead of indirectly” (Chomsky, 2009). When viewed in this way one can assert both systems not only protect their respective elites, but both are also undemocratic – the Putin system for reasons which will be discussed and are largely obvious, and neoliberalism as the system is presided over by unaccountable, unelected and largely opaque corporations. The difference between the systems of governance amounts to differing governmentalities and mechanisms of control.

In Russia the strategy for state reconstruction involved prosecution of those who resisted state building and supporters of political opposition, in order to re-establish state authority. Perhaps
somewhat paradoxically, although such attacks by the state on business are directly opposed to western democratic neoliberalism, it is a similar tactic neoliberalism uses to quell opposition and quash dissenters internationally, evidenced through labelling and often intervening in those outside the ‘international community’ – Lybia, Iran, Russia etc. (Kiely, 2007). This prosecution included the inner circle of oligarchs; Putin co-opted local strongmen to pacify the regions whilst actively perusing the most powerful dissenters (and businessmen) such as Vladimir Gusinsky, Boris Berezovsky and Mikhail Khordorkovsky (Myant et al, 2008). The Former two were forced into exile and stripped of assets while Khordorkovsky was jailed on charges of fraud, contract killings and tax evasion after trying to sell a minority stake in Yukos (Russia’s largest commodities giant) to Exxon Mobil.

A shift was therefore achieved within the clientistic relationship of business and politics and a new system conceived: State power and Kremlin control was re-established, direct challengers were excluded, while the property of those who remained loyal was guaranteed (Myant et al, 2008). This has brought about a period of stabilization, as well as the formation of a new elite and the emergence of new institutional norms along with the growth of state power, replacing the chaos of the 90’s (Gaidar, 2012). The coming of the Putin regime can thus be viewed as the final phase of the most recent Russian revolution and, in part therefore, a production of events and western influence rather than the seizing of control against the internal current (Zigon 2001, Rzhevsky 2002, Gaidar, 2012).

5.3 Contemporary Russian Technologies of Government

Although not a participatory democracy as with Venezuela, Putin has developed a counter system of “dominant power politics” as an alternative to Western-led neoliberalism (Sakwa,
A ‘Dual State’ has evolved, where the legal-normative state, based on the constitution is challenged by the more shadowy administrative regime. These two pillars of rule provide a rough balance of power wherein the constitutional state prevents the administrative regime encroaching too far on civil liberties and becoming too authoritative. Putin’s structural aim according to Sakwa is to produce authoritarianism without an authoritative state, defending the approach as ‘rationalism’ (Sakwa, 2011). The strong presidency undermines incentives to affiliate with a political party arresting their power and the building of a more democratic system, and two decades after the collapse of Communism it is still very hard to map the western political system onto Russia. For example, the political left/right division exists but distinctive lines are blurred within parties; the CPRF espouses right wing nationalism whilst also promoting more left leaning social justice. Sakwa suggests political parties are in part created as a surface power, a public platform for the more clandestine power structure. This is certainly a different system to neoliberalism which discourages state power beyond setting the conditions for business (Harvey, 2005).

Encouragement to vote and participate in the system, as well as the requirement of all parties to participate is used to legitimise the process. This sentiment is also expressed by Gaidar who asserts that authoritarian regimes are not compatible with society once it has moved past industrialisation; once an urban population has a mid to high level of education it becomes “impossible to convince people that an unelected person can decide how they should live” and thus support for authoritarianism will collapse (Gaidar, 2012; 363). He goes on to define the current system as moving towards a managed or closed democracy for the coming decades in which; the opposition are in parliament not prison, no mass arrests occur, free press is allowed (alongside state mass media), the government may be publically criticised and there is no dictator for life. Importantly free elections, or the pretence to them, must be held to give the
outward appearance of legality. Even though they might always be won by the same party this is all that is required for a stable system (Gaidar, 2012). This is perhaps not too dissimilar from Turkey under Ataturk (Sakwa, 2011) in terms of strong presidency, single party rule and controlled or from a number of Asian nations (see Ogushi, below).

It can be argued that the recentralisation of state power and promotion of nationalist ideals have been essential for the growth of Russia since 2000. This is because in a post revolution situation, a country eventually needs unified agreement on fundamental values in order to produce professional ethics and ensure that bureaucrats put concern for the state above themselves, without which order and prosperity cannot return (Gaidar, 2012). A similar pattern of strong authoritative tendencies to in differing degrees can be similarly discerned in the wake of other particularly turbulent revolutions and the governments that followed such as the aforementioned Ataturk government, Cromwell’s Commonwealth, the First Republic in France and most relevant in its historical context, the Russian Revolution (Rzhevsky, 2002). Furthermore, it is worth stating that the incidences where subsequent authoritarianism is most prevalent are usually preceded by bloodier revolutions and more fraught attempts at removing the old order, evidenced by the Russian and Chinese Revolutions (Gaidar, 2012). The collapse of the USSR did not produce a particularly bloody revolution by the standards of the early 20th but what it did generate was a total loss of authority and growth of societal chaos, perhaps the result of a particularly authoritative regime collapsing, not simply the old order. The collective exhaustion this produced as well as Soviet nostalgia and the desire for a firm guiding hand sewed the seeds for the authoritative Putin system.

The new system played upon the characteristic retreat into ‘Great Russian nationalism’ (Hart, 2002) during crises, mentioned in the previous chapter, in order to foment the values and ethics
needed for a prosperous new society. The government did this by generating a unified national society, for example by establishing new national holidays and promoting the idea of ‘Rossiikii’ - all citizens of Russia rather than simply ethnic Russians, and then linking this society (and its government) to the nostalgic glory of the past. The reinstating of the Soviet national anthem (Sakwa, 2002) and promotion of military parades are two such examples. The close association of the government with Russian history and culture can be argued to be a crucial tenant to current government power; the promotion of nationalism and association of government with traditions means that to attack the government is to attack the Russian nation and traditions, making criticism of government power very difficult. On a side note, one might argue a similar approach is taken currently in western Europe where to attack government policy is sometimes labelled as an attack on the principles modern Europe was founded; seizing the narrative to tie current governmentality inseparably to perceived high European values such as freedom of speech and democracy, making an attack on government an attack on such values. Such tactics have for example recently been used to attack Hungary’s and Poland’s criticisms of the EU, painting both elected governments as “hostile to the principles on which the European Union was founded” (Soros, 2016). Importantly the government also used its authority to firmly re-affirm central control; averting breakaway regions and take control of key industries. In doing so it deterred rampant capital flight and increased state power (Gaidar, 2012). The result was a strong new state and society, certainly when compared with the 1990’s, intended to produce stable growth in the new millennium. Tactical control of key industry by the state and other recent measures concerning food stuffs has made Russia the most protectionist nation in the world. This not only mirrors similar measures by India and China, but it mirrors policies taken by powerful core nations in the C19th, going against current neoliberal globalism (Chomsky, 1997). This suggests that the recentralisation of state power and promotion of nationalist ideals have been successful at least to the extent of enabling Russia to pursue a combative, alternate
model to globalised neoliberalism. This has led to increasing conflict between neoliberalism and what might be seen as a successful new model technology of government (Fotopoulos, 2014).

5.4 Toward a Sustainable Russian Alternative?

The system has however been met with increasing opposition, vigorously promoted by the West. This has taken the form of direct criticism and attempts to discredit the government. Thomas Carothers for example alleged that nearly one hundred countries have been considered ‘transitional in recent years, yet very few are on course to become democratic and Russia is not one of them (Carothers, 2002). Further to this Russia’s ‘democracy score’ has declined from a 4.58 in 1999 to 6 in 2015 on a scale of 1-7, 7 being the worst (Sakwa 2011, Freedom House 2015). Even more explicitly Gary Kasparov suggested that, “today the Kremlin is a mafia-style operation” (Kasparov, 2007; 115). However, his “close links with American neo-conservatives” and positions on the board of the Wall Street Journal and a council member of the Centre for Security Policy suggest a western influence in the criticism. The other criticisms also seem somewhat western centric. The above section on Russian culture suggests that politically the Russian system is different from the west and criticism of it by the west might only serve to intensify Slavophilism and further rejection of the west. A better form of criticism might be to compare it to other forms of Russian governance historically, critiquing it in a culturally relative manner. Far from legitimising it one could evaluate it in relation to the prosperous reigns of Peter I and Catherine the Great which were reformist and more pro-west (Hart, 2002).

Sakwa attributes the overbearing nature of the system to a siege mentality, the result of a fear of the insurgency in Chechnya spreading throughout the Caucuses, oligarchic Jacobites abroad
and the possibility of colour a revolution. This has resulted in Russian-Western relations reaching a low and mistrust not seen since the Cold War. The blame for recent tension could be levelled at the feat of the Russian administration after attacks on western business and annexation of Crimea. However, former Untied States Defence Secretary William Perry recently pointed out that this is might be founded on the West’s approach to Russia since the Cold War where promises regarding NATO were routinely broken and the general attitude to Russia was “who cares what they think? They’re a third-rate power.” (Borger, 2016). Perry went onto state that this approach and the supporting of ‘colour revolutions’ in former Soviet Republics made Putin believe the United States “had an active and robust programme to overthrow him” causing him to reject a close relationship with the West (Borger, 2016). A “soft conquest of Russia” (Sakwa, 2011; 24), by the west, it is claimed, is not desired internally by the people. Instead, it is suggested that attempts at deliberate market construction and promoting constructivist neoliberalism, both by the west and internal movements, may lead to further entrenchment of the elite rather than any real alternative (Klimina, 2011). Moreover, the last time this was attempted it led to a wholesale societal rejection of the West culturally and economically in the 1990’s as discussed in chapter 1, ensuring a popular backing for the current regime. In order to avert criticism Surkov and other commentators have tried to paint the system as a ’sovereign democracy’ in which the regime has “claimed a tutelary role over the process of democratic development” (Sakwa, 2011; 30). The goal of democracy is not repudiated but the regime remains more or less removed from the process. Atsushi Ogushi points out that this is similar to a host of Asian nations including; Japan, Indonesia, Malaysia, Singapore and Taiwan in which the ruling party is adjacent to the state allowing privileges and administrative resources of the state to keep the party in power (Ogushi, 2007). This approach to governance, though not fair or democratic, combined with abundance of wealth derived from natural resources, has “certainly fuelled greater resistance to western hegemony” (Sakwa, 2011; 36). It
has further been suggested that this trend is not confined to Russia either but is “part of a larger, global phenomenon of oil-fuelled authoritarian influence” (Walker et al, 2008; 26).

Furthermore, the corruption Russia is criticised so heavily for externally may not be such an issue internally. Gaidar points out that widespread corruption has been a “tradition for many centuries”, and that if one recalls Peter I’s unsuccessful attempts to combat it within the administration then “it is easy to understand the trajectory Russian statehood will take for decades ahead” (Gaidar, 2012; 364). As highlighted above, although a form of corruption might be ingrained in the Russian system, another form has been written into the U.S. constitution and is used to protect and enrich private corporate capital at the expense of the the citizens (Chomsky, 1997).

Arguably crucial for the ‘rebirth’ and stabilising of Russia has been an arresting, though perhaps as some say institutionalising of corruption and a reassertion of government control (Gaidar 2012, Myant et al 2008). Importantly, competition which existed amongst various ‘violence-managing companies’, criminal gangs and private security firms (Volkov, 2002) has been largely monopolised by the regime reaffirming its power over business as the Yukos affair showed (Sakwa, 2011). One could argue here that corruption is systemically subjective. For reasons discussed in chapter Russia is an explicitly authoritative system; the government presides supremely over business and other areas of society. In the West, as highlighted above, business largely rules the government, much of it funded by the tax payer (Chomsky, 2009). In this sense one can argue that both systems are corrupt and have merely institutionalised corruption in their own respective ways; in Russia the government dictates to business and the elite enrich themselves through the system, and in the West business influences the government and uses the system to protect and enrich itself at the expense of the populous. Although corruption does occur, often elites merely change laws when necessary in order to do this.
‘legally’ in each system. However serious questions have arisen largely from the 2008 market collapse namely, did an economy built on commodity prices (susceptible boom and bust economics) mask a lack of development and real growth within the Russian economy. As mentioned, corruption is still a key issue and it has been increasingly stated that the economy is not diversified enough (although the government have been aware of this problem for some time).

Alexander Pogorelsky suggests that a problem with the current regime is that it is widely accepted that Mao Zedong’s Cultural Revolution allowed China’s reforms to develop successfully as it destroyed the political power of the bureaucracy (Sakwa, 2011). The same bureaucracy has not been done away with in Russia but has been penetrated and rejuvenated by business interests thriving on monopolistic and rent-seeking practices. The ‘adaptive potential’ (the flexible mechanism for adjusting to new challenges and social conditions), the precondition for stable development, is a weak area of the present system as it can lead to the pursuit of self interest by the ruling class for decades at the expense of the country (Gaidar, 2012). One might suggest here that a similar situation exists in the west, currently based around hi-tech industry and the military whereby public funds are used to develop industry through military spending, the offshoots of which become private companies, which are funded indirectly without ever paying it back (Chomsky, 1997). Although acknowledged by the government, the economy is not diversified enough and excess funds gained in the boom years of 10 years of income growth at 10% (Gaidar, 2012), have not been invested well enough for development. In addition, the nature of a closed democracy makes it very inflexible as opposed to dictatorships or democracies – as shown with the governments of Pinochet in Chille and Thatcher in Britain. Policies may be put in place in the interest of a few, lasting for decades, to the serious detriment of the country. Gaidar suggests that the nature of the globalised world of information and
character of current Russian society will not permit the re-emergence of a stable non-democratic regime and democracy must develop (Gaidar, 2012). The Siloviki, did however attack and remove Russia’s wealthiest and most influential business leader during the Yukos affair, signalling a subordination of the business class to the regime (Sakwa, 2011). This is directly opposed to Harvey’s image of neoliberalism and is still present today. It remains to be seen how and if it can continue in its current state.

6.0 Ethnographic section: data from Moscow

Thus far my thesis has evaluated: fundamental cultural elements providing context for contemporary Russian government and society, theory and practice of neoliberalism, the conception and solidification of the Putin system. This chapter will explore the data I collected in Moscow including; interviews, participant observation and informal conversations with locals and western expats, and evaluate my data in connection with the various themes already discussed. To do this most effectively I have broken the chapter into several sections; government and authoritarianism, the nature of contemporary business, the influence of neoliberalism and the Putin system on contemporary culture and society, current attitudes to the west. Evaluation of my data according to the themes of these sections will allow me to relate it to the overall topic by providing contemporary local insight concerning the rise of the Putin system as a functional and viable alternative model technology of governance to neoliberalism.
Governement

On first impression it is difficult to determine whether the historical tendency toward authoritarianism has been carried through to today as is often suggested in western media (Likhachev 2002, Rezhevsky 2002). Authoritarianism is particularly difficult to clarify as it is not the obvious, active authoritarianism of the Soviet Union or earlier Tsardom, involving gulags for critics, and overbearing government control of daily life. As discussed in chapter five the present government has sought to produce authoritarianism without such an obviously authoritative state (Sakwa, 2011). My personal impression was that this has created a certain authoritative mystique; government power is largely no more apparent than in Britain, yet a feeling that it is lurking behind every corner Moscow exists in a way it does not in London. Sentiment amongst expats corroborated that of my Russian flatmates: there was a general, subconscious feeling of authority but it was not something you could put your finger on or readily identify it. There was an obvious presence of the state – police are far more common than I have been used to in Britain, but their presence seemed normal and thus not directly oppressive. The zenith of this occurred when I witnessed tanks and missile launchers moving en masse through the centre of the city, eerily quiet only moments before, at 10pm during the practices for the Victory Day parade. What made it all the more surreal was how alien it was to me and how normal this show of force seemed to be; Aleksandr, one of my flatmates, told me, “you can go for a walk later, you might see some tanks”, without looking up form his laptop displaying a normalisation of what would be exceptional displays of government authority in Britain. On reflection, one might assert the government has achieved this in no small part through connecting itself to the past and thereby to past autocracy (Sakwa, 2002). An example of this was of huge promotion of the May 9th parade and decoration of government buildings and the metro with the colours of the St. George ribbon. Officially this commemorated those
who fought in the Great Patriotic War, but the subtext is largely about the current government – the ribbon is also used to show allegiance to the Kremlin and thus its presence on the majority of rear-view car mirrors for example, or all over public infrastructure obviously, yet unofficially, promoted the state’s authority whilst tying it to the greatness of the past. This suggests a presently successful implementation of the type of authority Sakwa highlights as a governmental desire (Sakwa, 2011). It further points to not only a successful association with idealised notions of the past (Sakwa, 2002) but maybe to a transfer of the regulation of authority from the state to the individual. Again a collective social history of immense regulation, even in language (Yurchak, 2006) has been important for this.

Not all representations of government authority were subtle however. The victory parade itself was one of the few examples I witnessed of direct state power. Furthermore, it represented the continuation of an age old authoritative practise in Russia of the promotion of state authority through visual awe (Gleason, 2002). Orthodoxy, as discussed in chapter three was chosen essentially for this reason one thousand years ago and the Red Square parades centuries later at the height of the USSR were not much different from what I witnessed (Likhachev, 2002). It implies an enduring character of Russian governmental culture and one could say that perhaps rather than simply functioning as a show renewed strength, or even a boorish and insecure bid to show a return to global prominence, it is also a continuation of a mainstay of governmental practise, one of many Russian cultural themes passed from one generation to the next (Gleason, 2002).

The government were also represented in a very kitsch manner; Putin winking on a mug or printed on a t-shirt riding a bear. Kitschy representations of what were once the most powerful
symbols in the country swelled during capitalist turn of the 1990’s (Sabonis-Chafee, 1999), and one might wonder if the same representations of the current government actually serve to enhance its power rather than mock it, as might be the immediate assumption. Not only does it provide an understated link between the current regime and the most authoritative (and in many people’s eyes the mightiest period in Russian history during the Soviet Union), making the current government its direct heir through like representation, but it also plays upon the emotions of vast swathes of the population who hold pained memories of past glory lost, seeking to fill the void with a new power (Sabonis-Chafee 1999, Gaidar 2012). Although the other end of the authoritarian scale to tanks in the street, I think this trivial representation of authority is no less important. It combines the social archetype of the he-man Russian male who can ‘ride bears’ and rid the country of treacherous oligarchs, with an affable rascal winking at you while you drink your tea (Kay, 2006). This combination is important as it marries ethereally superior power with a person more appealing on a social level producing an authority you want to support. I was told in no uncertain terms, by Lyudmila - one of my Russian language teachers, that Putin had saved Russia from enemies both foreign and domestic and that he had turned out to be a very pleasant surprise for those who feared he would be another Boris Yeltsin. She finished her explanation with a personal touch; her husband was also called Vladimir and with a wry simile, she pointed out that she shared the same name with Putin’s former wife, Lyudmila. Most importantly, she stressed this Vladimir, Putin, was rebuilding and uniting Russia, just as Vladimir the Great had done a thousand years before. On reflection, this conversation encapsulated the designs of current government authoritarianism. It has sought not only to connect itself with former glories and what made Russia Russia, continuing the tradition of appealing to the past at times of change, but it has also tried to connect with the populous on a personal level in a way that the state culture of the Soviet Union did not (Gleason 2002, Sakwa 2002). It has achieved this in a seemingly more successful way than the American government
for example and one might argue it marries a level of government authority not seen in the west (it is known, though not acknowledged, who will win every election for example), with a level of popularity not experienced either; almost as if the Queen of England also ran parliament.

Obvious representation of government has also seeped into the more mundane as well as cultural life. Metro carriages were decorated with banners and flags and some even turned into mini moving exhibitions for a month after the Victory Day celebrations. The City Day concert, including an open air performance by Aerosmith in the centre of Moscow, was policed like a military operation, and a journey normally taking me twenty minutes took two hours. The Tsaritsyno Palace and park on the outskirts of Moscow has been completely restored by the government and opened to the public linking the government to present and past culture. In addition, extreme bureaucracy of small things carried the everyday authoritarianism of the USSR to the present; the need to bring registration of my arrival to any new place I stayed to be copied and stored during my stay, needing state documentation to fix my laptop in a backstreet shop and even specifically needing a passport to buy cigarettes. This combined with metal detectors at the entrance to shopping centres, the metro and accompanied by state security at the university, created a naggingly conscious though not overbearing atmosphere of authority which has crept back in since the end of the 1990’s ‘utopian’ spaces (Yurchak, 1999) and is something academic theory, as stated above, has asserted was a specific governmental tactic; the creation of authoritarianism without an obviously authoritative state (Sakwa, 2011).

My first interview in Moscow was with a young businessman called Kyril in a café on Novvy Arbat, one of the main streets of the city. He told me that there was certainly less menace now in daily life as opposed to the 1990’s but that the transition was not finished. He emphasised a noticeable increase in the authoritarian tendencies of the government, particularly following the
2011-13 White Protests; the government had clamped down increasingly in terms of arresting dissenting figures and increasing propaganda. His assertions supported the supposition in chapter five, that a Jacobin fifth column paranoia exists amongst the governing elite or that at least they use this alleged threat to Russia for political means (Sakwa 2011, Yaffa 2014). Kyril believed that government tactics increasingly resembled those of the USSR, not only in tying the hopes of individuals to the nation but dramatically increasing governmental propaganda including encouraging informing on one’s peers, even for petty law breaking such as parking offences, undeclared renting of apartment etc. He felt that this represented an internal policy of divide and rule; stoking anger and division between groups and then presiding over the situation, aiding each side in turn in order to reduce anti government sentiment. Propaganda and official state values were pillars of the Soviet system but then such tactics are characteristic of many governments, essential to nationalism and perceived homogenous identity (Gellner, 2006). and does not necessarily suggest Russia is regressing to that point in its history, though as his interview suggests that fear exists. Stoking division is a further technique employed by nationalistic regimes to unite the majority behind the government against the ‘other’ and as five suggests the regime uses these tactics to secure power in the Kremlin over conflicting groups, as Kyril suggested this also occurs within the wider population (Loizos 1988, Sakwa 2011). The suggestion of stoking division contrasts with the unifying representation of the government suggested in chapter three. A reason for the difference might be tactics used to combat political dissent. Kyril was more pro western democracy than the majority of people I met and may have been more receptive of divisive tactics as a result.

A later interview with Anna, a professor at Moscow State University suggested that some of Kyril’s grievances about government might be generational, particularly when compared further with Lyudmila’s sentiment. Anna and Lyudmila had been part of the generation most
exhausted by the chaos of the 1990’s and did not see the government authority as a bad thing, something that corroborates Gaidar’s theory of post revolution society (Gaidar 2012). One could argue that they had also lived, at least partly, during the USSR and were thus more used to government control and how to live independently of it – societal counter values were discussed in chapter three for example (Gleason 2002, Sakwa 2002). Anna was far keener to criticise Yeltsin someone she considered a great leader for America but terrible for Russia, kept in power by criminal businessmen; a view that was seemingly popular with many Muscovites (Bushnell, 1999). Kyril was part of a younger generation who had experienced the utopian atmosphere in a positive way as a student during the end of the 1990’s (Yurchak, 1999). It might be suggested therefore that he conflated the freedom of his student years and the lack of adult responsibility with wider society and government of the time. This point is emphasised by my conversations with Maria a concierge at the Metropol. She was in her mid twenties and thus neither she, nor her wider social group had experienced the utopian spaces at the end of the 1990’s described by Yurchak. The current system was all they had known and had been beneficial for them both socially and financially and they were happy with it as a result, suggesting older assertions that new young professionals are the most supportive of the Putin system might still be the case (Sakwa, 2002).

Kyril noted that the government had become increasingly cunning in its policies since the new millennium. Corruption had decreased and he had never had to pay any government officials bribes even though he was involved in imports and exports. However, he stated that now most people wanted to become government workers as opposed to fifteen years ago when they wanted to become businessmen as it was seen as an easier way to make money. He reasoned this was because the policy was to continually ‘move the goal posts’ legalising what was once
illegal; police no longer harassed drivers for bribes all the time but a law had been passed that all drivers needed a fluorescent tringle in their cars in case they broke down. This particular law was not common knowledge and he thought it was legalised a way for the police to ‘fine’ people at will for laws they did not know about. His description of such practices directly corroborate wider theory discussed in its assertion that an institutionalising of corruption has occurred during the ‘rebirth’ of Russia (Myant 2008, Gaidar 2012). These types of policies, though petty, give some validity to the notion of ‘mafia state’ alleged by some commentators (Kasparov, 2007) However, as Kyril pointed out much of the crime, rife in the 1990’s has been diminished by the government and thus the label of mafia state, and the imagery of hard crime it evokes, might be more appropriately applied to the governing class of the 1990’s. Furthermore, John - the American editor of political economy at Forbes Magazine and RealClearMarkets.com, who I interviewed in a hotel in central Moscow, argued that the notion of a supremely authoritative state was greatly overstated as the prolific rise from the ashes of the USSR would not have been possible under such an oppressive regime. One could counter this however by arguing that during the Soviet GDP rose from 31% to 47% during its most dictatorial period between 1928 and 1940 (Myant et al, 2008). Then as now the boom was based on government oversight of industrial raw materials and so the post 90’s boom is not incompatible with an authoritative state.

Kyril spoke of an underlying relationship with the government that he believed many Russians felt, likening this relationship to religion: either you believe or you don’t. In the 1990’s the people did not believe in the government but now they do. Recently the government had actively tried to engineer more love for the country (and by definition for itself) by reinvigorating the feeling amongst the general population of ‘even if I do not have much, my country is great. What the country has, ‘I have’ and he noted there has been a sharp rise in
nationalism from this technique. Love of the country, engineered or otherwise, has historically been a force for unity in Russia as discussed in chapter three and it is likely the current government has made a concerted effort to appeal to this particularly on the back of the sentiment that existed in the 90’s (Bushnell 1999, Sakwa 2002). Kyril was keen to state however that this had by no means been solely negative. Ten years ago he would never have tried to start a business. Bureaucracy has been greatly reduced from where it was and it was more simple now to build and follow a business plan without worrying about underhand government tactics and low level corruption. It was internationally where he believed the government had excelled. Although he was not a fan of Putin he credited him with bringing Russia back to international prominence. Certainly the change since Communism had been very positive though he did prefer the unregulated freedom at the beginning of the millennium; his shoulder length hair and laid back approach accentuated this.

My final structured interview was at the dacha (country house) of my landlady Julia. Her family had been very important among the cultural elite during the early Soviet Union and her house was in the centre of the famous Peredelinko dacha colony 20km south of Moscow. She, like Kyril, was not supportive of the current government’s increasing authoritarianism, fearing it was becoming more like the Soviet Union and was thinking about moving to the United States. However, she did point out that the 1990’s and especially the situation in the 1990’s had been much worse than the present social environment. Even though the interview took place only a few days after the murder of Boris Nemtsov, of whom she and her family were great fans, she credited the current government with bringing a stable end to endemic crime and violence. This was put into perspective when they showed me the scorched beams still visible inside their dacha where it had been burnt down in the twenty years before when they had refused to sell it to local ‘businessmen’. Other material discusses in detail the violence that was born out of the
introduction of capitalism but the effects of such an environment on everyday citizens is discussed less often (Myant et al, 2008). In light of this, one is able to see why, even after a politician is murdered in front of the Kremlin on an evening stroll with his girlfriend, that the government is still credited with bringing back security to the country. It is worth pointing out that this sentiment was likely even stronger with Anna and Lyudmila as they were older than Kyril and Julia (who were both in their early thirties) and thus would have been more used to the stability of the USSR and more positive to a government that represented that familiarity, as the current one does. One might further ponder that although there is cynicism towards the current government, (during the evening just discussed it was lamented that there wasn’t enough), it does exist in other countries also and could be argued to be part of a growing trend in the west. Moreover, in Russia it might be unsurprising if there wasn’t cynicism towards government given that it was standard cultural practise to produce counter values during the Soviet Union (Gleason, 2002).

It was more difficult to gain an opinion about the current government from the wider population. Bringing up such a dry and detailed topic in a bar or nightclub was not really possible circumstantially and if I tried to raise it in other situations; on day trips, in cafes or over meals with new social groups it would run the risk of ruining the conversation. This happened one of the very first times I went out with a group of ethnic Tatars who proved to be one of the social groups I spent most of my time with. I was introduced to the group by Alina, a friend at the Moscow State University and would spend a lot of time with them either at cultural events, restaurants, museums etc. The group was comprised of about twelve old friends ranging from 25 to 30 years old, all of whom worked in Moscow and would meet to socialise a number of times a week. They did not like to speak much about the government or politics and usually non-committal. What was generally thought was that the government did try to put
Russian people first and do what was best for Russia rather than deferring to other countries. However, it is worth remembering that it was cultural practise to deliver such sentiment publically for generations whilst reserving your personal feelings for those closest to you (Yurchak, 2006). There is no reason to believe that this practise would disappear just because the USSR did, particularly so as the current government tries to associate itself with the past as discussed. The data I collected concerning the government in some cases might therefore not necessarily be represented of true feelings of the informants. Another group I spent some time with at the beginning of my stay was an extended group of mainly British, American and European expats, made up largely of lawyers and students. Quite a number of them liked the ‘idea’ of a strong government in favour of Russian interests, though it was married with a cynicism as to how much it would actually help Russian people and whether this projected image was really the case in reality. There was a sentiment amongst those who had lived there longer that the general atmosphere was becoming stricter and more ‘Russian’ but that currently this seemed to work within society. It is worth mentioning that though it was suggested that the government did feel more present none of the group had experienced any severity personally. This might further point to the success of engineering this atmosphere without an obviously authoritative state (Sakwa, 2011).

**Business**

The rouble collapse happened as I arrived in Moscow. It had declined quite poorly from a relatively stable mid 40’s to the pound sterling in 2011 to around 65 roubles to the pound a
month before I arrived. During the first month of my stay it collapsed first to 108, during the
first month and then down to 112 to the pound after six months (xe.com/currencycharts). From
my personal experience the negative effects of this were most present in the media, both Russian
and western. I did not personally notice any business closures or empty shelves in supermarkets
as was reported (Antonova, 2014). Kyril suggested this could be because there was a time lag
between the economic crisis and the effects which might not be seen for a couple of years. I
suspected that the further I travelled from Moscow the more likely I would be to see early
effects of this; but when I visited Murmansk in spring there were no visible issues. Restaurants
and bars were full as was the hotel I stayed in. However, it must be remembered that it had still
been only a few months since the sanctions had been announced and Murmansk is not
particularly remote when compared to some Siberian cities.

On reflection, a lot of the effects of an economic crisis in the west that would be familiar to
westerners would not be visible due to the nature of Russia. Winter fuel cuts have been a
common headline in British media since the 2008 financial crisis but a noticeable difference in
Russia was an almost uncomfortable heat when one was inside, a result of Soviet systems of
infrastructure noted in chapter three (Collier, 2011). Socially for Muscovites things did appear
to be perhaps a little more expensive, a couple of times the increased costs were mentioned
amongst the Tatar group when planning new trips but this did not put a stop to their holidays
even though they were by no means part of the financial elite. The rouble devaluation had raised
the costs of production initially for Kyril. His business, making natural nut butter spreads, had
been effected as it was no longer possible to import the nuts he used from America and
additionally his employees had asked for an increase in wages to meet price rises. However, by
the time I interviewed him, western sanctions had actually proved indirectly beneficial; the
retaliatory counter-sanctions meant people were turning more to Russian foods and his product
had become so popular he was struggling to fulfil orders. One might point out here that as an
unintended result of the sanctions the west might be creating a protectionism in Russia which
might put it in a better postion in the long term. Although the world capital and markets are far
more interconnected than during the C19th, it has been argued that successful protectionist
policies allowed the core nations to develop into the global power houses they now are and that
far from helping nations develop, neoliberal globalisation merely serves to keep the developing
world in a subordinate positon (Chomsky 1996, Chomsky 1997). In this respect current
sanctions might inadvertently aid Russian business.

A bleaker picture was painted by the expat community. Emma, one of the British girls, worked
for Euromoney organising financial conferences involving big international banks and other
companies. She told me that she was under a great deal of pressure professionally when I spoke
to her in March whilst she was trying to organise a conference; there was “just no business.”

Emma suggested that everyone in the financial world wanted to stay away from Russia as the
crisis played out. Conversely Maria, the concierge at the Metropol hotel, was planning on
starting her own business at the same time; providing a personal concierge service to private
clients internally in Russia. Thus, there might have been somewhat of a split between the
Russian view of current business and that of westerners. This might be the result of the constant
state of crisis in Russia over its history (Rzhevesky, 2002), particularly its immediate history
following the collapse of the Soviet Union. In addition, their own self-perception of being “long
suffering” might go some way to absorbing the current financial crisis as a usual event (Wyman,
2000, 115). Furthermore, the effect on everyday life may have been somewhat exaggerated by
western media who have a track record of hyperbole with regard to Russia; “Is Vladimir Putin
Another Adolf Hitler?” (Johnson, 2014) and “Russia Dying of Drink and Despair” (Traynor,
2000), the latter proving wholly unfounded according to Rebecca Kay (Kay, 2006). It also suggests again that western sanctions might be aiding at least some Russian industries.

Rather than the financial crisis Kyril, preferred to focus on business in terms of its relationship with government. He believed that politics and the shadow of government became more of an issue the more successful a business became. When I asked if this was because of direct involvement of government in business he said that that was maybe the wrong question to ask because one cannot talk about ‘business’ in a general Russian context as one might in the west due to the varied nature of Russian companies. Huge commodities businesses, the most successful in the country, such as Gazprom are integrated into government, in a sense they are the government and in such cases there is a lot of what would be termed corruption in the west. This is greatly diminished however with small and medium sized business. It is perhaps the chief reason why the state has been referred to as undemocratic and mafia like, rather than just moving laws to legalise bribery as mentioned above (Carothers 2002, Kasparov 2007). At the same time though, one must remember it is a state growing out of total collapse only twenty-five years ago and financial disaster again in 1998, a lot of the lawlessness and corruption surrounding business has been amended (Myant, 2008). He commented that the government believed that if they invited global investment they would lose their big companies and by derivation their power, a sentiment echoed in my London interviews chapter seven and by other commentators (Sakwa, 2011). In general, he thought that business and government should be separate but that government, or at least Russian nationals, should control a significant portion of the largest companies in order to maintain power of Russian sovereignty. This example at least suggests local support for the Putin system as opposed to neoliberalism. It jarred strongly with John’s opinion that that any growth of the state over business merely shrinks gains and
that resources should be allocated freely according to the market not government policy. He stressed that “with government control of an economy’s resources, bad ideas never die.” It must be noted that in a world dominated by American transnational business bolstering American national power it is not surprising that the opinion of an American economist differs to that of a Russian businessman who was pro sovereignty. What ought to be highlighted is that the two systems are not that different in government protection of key industry. In Russia the government has integrated itself with what it deems essential industry, primarily in natural commodities in America one could argue a similar thing occurs with technology and finance based industries (Chomsky, 2014)

In terms of capital provided to private businesses, Kyril believed there was too much government involvement and that private capital was needed more often, though foreign capital should be limited if it risked the Russian ownership. One could argue such sentiment displays in a contemporary version of Russian appropriation of western culture, in this case capitalism (Gleason, 2002). Rather than simply acquiescing to western capitalism as in the 1990’s Kyril’s opinion demonstrates an appropriation of it in a Russian way; using some useful benefits such as private as opposed to government finance for business, but limiting foreign capital to ensure sovereign protection. Further to this it illustrates an enduring slavophilism even amongst liberal Russians like Kyril; he was well travelled, fluent in English and a fan of US television but still preferred Russian domination of Russian business. One might further wonder whether the delayed adoption of capitalism in Russia, as opposed to its slow organic growth in the west, has allowed a detached evaluation of where the real power lies in a capitalist system, namely in private business (Chomsky, 2009). Thus in order to rebuild and retain state sovereign power the government has taken a dominant stake in private business with the approval of the population on the back of the rejection of ‘Barbaric Capitalism’ (Worth, 2005).
Kyril believed the Putin government had generally been good for business, displayed obviously by the growth of international retail and culinary chains in Moscow. When I suggested that this might have something to do with record oil prices during the 2000’s rather than finesse of government he responded that such growth had not been the case for all oil or gas based economies during the period. Kyrgyzstan and Azerbaijan were instanced as evidence that the “spill over” or trickle down had been better managed in Moscow. He believed there were two key ways the regime had affected business: safety had greatly improved; there was now much better protection from criminals and though investors might be ex-gangsters (he had met with a prospective investor two weeks before with prison tattoos on his hands and an unspecified ‘real estate’ business, who offered a million-dollar investment), they no longer threaten violence during deals corroborating what was stated in the background material (Myant et al, 2008). Second, there had been until recently far more stability in the economy and thus a better environment for business, government handling of exchange rates was credited for this. Concerning Russian banks, it appeared there was general uncertainty. However, he personally did not feel particularly safe banking with Russian banks and had considered loans from western banks to expand his business and believed this was likely true for many people who valued western consistency and know-how. His opinion concerning banks represents a recurrent conundrum for Russia explored in chapter three. Though it desires to be self sufficient and exalts Russian culture it is not a world unto itself and cannot live exclusively by her own heritage as so much of it is inseparably tied to Europe (Hart, 2002). It also displays the enduring hegemony of western finance and the technological superiority complex exported to the periphery by the core; although he felt the Putin system had effectively restored economic order and managed the economic boom well, he still felt his business would be safer tied to western finance.
John, the economist I interviewed, as touched on above firmly felt no strictures should be placed on business by government and in that sense Russia was moving in the right direction in comparison with the last century. He emphasised that even in cases of monopolies government “meddling” could only be construed as negative as they were simply an indicator of entrepreneurial success. This view becomes problematic with regard to Russia in the 1990’s when oligarchs acquired state assets at cut prices, labelled state capture (Myant et al, 2008). In such extreme cases governmental oversight is perhaps important. However, his main problem was not with government policing of business but overregulation, as you “are asking the untalented, as in those who couldn’t get jobs in the regulated industry to oversee those who could.” He emphasised this was made worse when governments ask those people to to see things more talented experts cannot, market consumer choice is preferable to this. This sentiment was shared by Kyril when I asked him about current problems with Russian business. He highlighted a key problem was administrative inflexibility, contributing to needless bureaucratic oversight such as dictating the minimum size (in terms of physical area) a business had to take up in a building to legally be a business, obstructing new start ups through extra costs. Kyril believed such bureaucracy was possibly why the Skolkovo business park had not been the success the government had intended. One could argue that Skolkovo further suggests a neoliberal influence within the current government, fetishizing technology by creating a technological hub for technology’s sake and without any real need (Harvey, 2005).

John believed another issue for Russia was also its perceived strength; its commodity based economy because “wealth of minds is better than wealth of the earth.” He reasoned that minds innovate and can move to new areas, growing an economy in terms of new technology. Oil and
gas arrests Russia’s development economically as it relies on it in a similar way a failing business might rely on government intervention and that only “rewards failure”. This assessment might be unduly harsh as although presently not a great success, the Skolkovo park does represent an active perusal of economic diversification. The winning of the Winter Olympics in Sochi and the World Cup in 2018 further suggests a desire to attract investment and expand the economy beyond simply being a commodity powerhouse, in a way Saudi Arabia for example does not. However, it might be suggested that together, both of these sentiments, concerning Skolkovo and an overreliance on a natural resource based economy, are indicative of a low ‘adaptive potential’ (as discussed in chapter three) within the current administration (Gaidar, 2012). It has been argued that this has been exposed recently; President Obama suggested that a Cold War mentality has meant Russia has missed opportunities to diversify and that as a result a combination of low oil prices and the Ukraine Crisis have left its economy “in tatters” (Engel 2015, Obama 2015). Though the economic situation might not be as bleak as western commentators have suggested; “Putin is steering Russia to collapse…the ‘new czar’, who has failed as a leader and pushed Russia to the brink of disaster…may soon be the final czar” (Motyl, 2015), it remains to be seen whether the government will be able to effectively pursue new industries and bring about a return to the boom years it began with.

More generally amongst Russians, attitude to business was positive. Anna, the professor I spoke to was pleased that her son had a very good job and had a better future to look forward to than she did at a similar age and credited this situation wholly to the Putin government. I further found that a difference in culture was instanced as a reason for difficulty in Russian business with the west – something also found in my London interviews chapter seven. The problem stemmed from systemic or cultural attitudes to what was fair business or corruption. The example was given by Nargiza, a managing director at a Russian telecoms business I spoke
with who told me about a recent incident where a deal between a European and Russian telecoms business fell through because of a ‘bribe’. What was seen as a customary business gift on the Russian side was seen as an unquestionable bribe by the westerners and the deal collapsed as a result. She thought that this was indicative of many of the problems relating to Russian business with the west. Corruption was specifically instanced by Gaidar in chapter three as a practised, centuries old tradition. The unsuccessful attempts to battle it by one of Russia’s greatest ever westerniser reformists, Peter the Great, suggests that it is a cultural feature too ingrained to change in the coming years (Gaidar, 2012). Such cultural difference has been a constant feature of Russian/European relations from the time of Fonvizin in the C18th and before, through to Solzhenitsyn’s address to Harvard in 1975 and beyond (Hart, 2002). It does not suggest a closer relationship cannot be had with the west but does show that divisions which exist now are only the most recent in a centuries old divide and that a cleft in business and government practise regarding attitudes to corruption may not be surmounted in the near future. What might change however is the approach and finesse of corrupt actions. One must remember that the current Russian system is only decades old as opposed to centuries old systems in the west. One might assert corruption exists as part of both governmentalities but is operated more crudely in Russia wherein the new elite had to act brashly in order to secure power and could afford to based on cultural history. In the west a changing of law and government favour of certain industry achieves similar ends in a subtler way as discussed in chapter five (Chomsky, 2009).
Culture

The most obvious and immediate difference for a western visitor is the language. As one of my friends who came to visit me commented on trying to get a bus from the airport, “I came through arrivals, saw they had a number three as one of their letters and gave up!” The language barrier is one of the things that stops the cultural relationship with the west from becoming closer. As mentioned in chapter one it is very unusual to find even a taxi driver or a waiter who speaks more than a few words of English. From my experience this was not to do with poor education. I was told that traditionally one had to learn a language at university but not necessarily English because none of Russia’s vast boarders are close to England. It did not seem to be split by age either; the two oldest people I spoke with both happened to speak English, one perfectly, whereas I met many young people who had I-Phones, Facebook and listened to western music but could barely speak English. To an extent one could say that the language is illustrative of the culture, when it comes to writing some of it is borrowed from the west and has been appropriated for Russia. Some letters and words from romance languages have become part of Russian culture but only serve as weak ties to the west (Rzhevsky, 2002).

A further historic connection to the west has been provided by military conflict; the Second World War being the most apparent and important example I came across. Once more however this event seemed to have taken on a very Russian narrative, the victory a Russian victory. This was most evident during the aforementioned Victory Day, which united the present population tangibly with the past even in clothing; children and adults wore Red Army costumes and hats and almost everyone had the orange and black ribbon of Saint George mentioned above. These ribbons were on all the trains and metro stations as well as public buildings for a month after the celebrations and are visible on rear-view mirrors of cars for the whole year. This again
corroborates theory concerning nationalism, creating one homogenous group holding the same values in esteem and thereby heightening state power (Gellner, 1983). Importantly, the imagined collectivity created by events like the parade goes beyond the present, uniting the spectators with those in the past, “forging a unique path throughout time” (Chapman, 1992; 18); a particularly receptive notion in Russian nationalism which insisted on a special path for Russia and Russian culture as recently as the 1990’s (Sakwa, 2002). Furthermore, presiding over such an event not only gives the present government immense authority, but validates it historically in the eyes of the collective by lining itself to past glory, rooting a new governmentality in the legitimacy of nostalgia. The parade was also important in terms of ethnogenesis. It celebrated the glory of the USSR, a collective far beyond Russia’s current borders and in this sense one might wonder whether such an event is promoted by the current government, at least in part, as an attempt to unite nationalist sentiments - Russia for the ‘Russians’ (Baiburin et al, 2012), with new migrant arrivals from the Caucuses and Asia, and create a new USSR made up of ‘Rossiikii’ or legal citizens of Russia. My experience suggested that in comparison with the Russia of 15 years ago this policy had been successful. The Tatar group I socialised with were very conscious of conserving their culture and took me to a number of cultural events with traditional songs, dances and performances to experience it. At the end of my stay they bought me a traditional Tatar hat so that I could be an “honorary Tatar” and would always remember them. At the same time they were proud to be Russians and Alina, whom I spoke with most out of the group, used Russian and Tatar interchangeably to describe herself. Moreover, though they referred to ‘Tartarstan’ as a Tatar region there was no desire for it to be independent as in the 1990’s (Zigon, 2001).
My flatmate Aleksandr expressed cynicism towards this governmental strategy on the day of the parade. He found it amusing but somewhat distressing that I had bought one of the Red Army Pilotka hats as a souvenir; amusing as I was being caught up in the spirit of the occasion even as a foreigner but distressing as, in his opinion, it was all part of the government’s propaganda drive and increasing hold on culture and society. Aleksandr, Julia and Kyril both believed that this illustrated a shift in society by design from the one they had grown up with in the 1990’s: away from the open environment of the latter 1990’s, towards the installation of a new USSR where official narrative was increasingly the only, unquestionable, truth. One might remember however that if such sentiments do point towards a growing reality, that such a reality might not be poorly received by all Russians. It has already been argued that a population may readily desire a strong hand after post-revolution chaos (Gaidar, 2012) and in Russia’s particular case this desire might be boosted by a socio-historical familiarity with the characteristics of an authoritative government such as military parades (Kelly, 2012) This might be part of the reason for Putin’s enduringly high approval ratings and certainly was in Anna’s case. She described the 1990’s as, “bad, very bad. Terrible.”, but was keen to state that things had improved a great deal since 2000, the bright prospects for her son were central to her attitude. Indeed, although he was unhappy with some aspects of current society, Kyril did emphasise that living standards and crime rates had dramatically improved. The middle class now drive European cars whereas previously Ladas had been the norm. Social services and wages had also improved and there had been a concerted approach to build parks and redevelop cultural buildings to create a better communal atmosphere. In my personal experience there were positive examples of this new civil society; during the summer there were numerous communal table tennis tables and giant sofas in the parks or by restaurants which were always treated with great respect, as if they were private. As an outsider this enhanced the sense of society and community of Muscovites the government has tried to cultivate, a sense of unity
through shared improvement. Though, Kyril did caution that the further one was from Moscow the worse the living standards were (his family were from Siberia near Japan), he again added that they were much better than they had been and joked now they could drive Ladas whereas before they had no cars.

Women featured prominently during the parade both as official personnel and spectators illustrating the reach in appeal of the day far beyond a masculine display of national strength as might be suggested. Furthermore, there were a number of little girls with their families dressed in female Soviet uniforms. The women and girls still tried to appear traditionally feminine with long plaited hair, earrings etc. but they were also dressed in military clothing, suggesting that perhaps the gender division was subtler than suggested in some of the background literature (Suspitsina 1999, Kay 2006); the girls still wanted to be feminine but they wanted to represent the military in fighting costume, as opposed to wanting to be feminine and that meaning they should have a feminine role also. A reason for the difference in the background literature might be that the accounts were written closer to the period of chaos after the collapse of the Soviet Union producing distorted examples; the pronounced gender divide noted in Kay’s ethnography and the extreme misogyny detailed by Suspitsina. An historical element of gender roles was evidenced by the most heavily promoted film during my time in Moscow, ‘Batalon’, about Maria Bochkareva the commander of the First Female Battalion of Death in 1917. This emphasises present nationalist sentiment used as part of a unifying message by the government is directed to appeal as much to women as to men and has effectively penetrated into everyday culture. It is worth studying this point further in relation to current femininity. The female battalions were, on closer inspection, mostly a method of propaganda by the Bolshevik government (as opposed to an essential element of combat), outwardly blurring gender roles by shaving their heads etc. (Figues, 1997). As noted in chapter, this policy was reversed towards
the end of the Soviet Union and traditional gender roles were instead promoted. What this has produced, as evidenced at the parade is women who feel they ought to be traditionally feminine and at the same time fulfil any professional role open to men. This would be an interesting point for future study with regard to present feminist discourse in the west and the successful acceptance of a female appearance into the ‘male’ workplace.

Tradition was a fundamental part of contemporary culture I noticed during my stay. There were numerous festivals on and around Red Square and Old Arbat throughout the year and the food stalls which normally accompanied the festivals were almost always in the design of old Russian villages serving traditional Russian food. Aerosmith played in the centre of the city on Moscow Day but all the other music and the food was Russian. The same was true of the Maslenitsa festival I saw in Murmansk; the centre of the city was decorated with numerous festive attractions to celebrate chasing away winter. At one stall winter was represented by a witch who was chased away by other performers in traditional costumes helped by local children. The involvement of children interactively in a traditional event was something noted by Kelly in chapter three as a way to ensure the next generation would support military parades as adults partly due to fond childhood memories associated with them (Kelly, 2012). In this case it was observable a similar thing occurred with traditional cultural events in which children, accompanied by their parents, were active and enjoying participants. Importantly there was a government association and influence at most of the cultural events I witnessed. In Murmansk for example there was a strong military presence including tanks and missile launchers open to the public which proved a popular attraction amongst children and teenagers. In this way the government associated itself with the event and therefore the deep traditions of Russia in a positive, entertaining manner. Validation through association was something the Soviet government also practiced, but in my experience it was presently achieved without the
direct and overbearing manipulation of traditional culture as was done under the early Soviet government (Rzhevsky, 2002). This can be argued to be a crucial tenant to current government power; the promotion of nationalism and association of government with traditions means that to attack the government is to attack the nation and traditions, making criticism of government power very difficult. As stated in the previous chapter one might argue a similar approach is taken currently in western Europe where to attack government policy is often labelled as an attack on the principles modern Europe was founded; seizing the narrative to tie current government authority inseparably to perceived high European values such as freedom of speech and democracy, making an attack on government an attack on such values. Such tactics have for example recently been used to attack Hungary’s and Poland’s criticisms of the EU, painting both elected governments as “hostile to the principles on which the European Union was founded” (Soros, 2016). Furthermore, the association of the government with such festivals provides a connection of the current government to Slavophilism and desires of nationalist sentiment which rose in the 1990’s expressed in chapter three, to rebuild a mighty Russian Russia (Sakwa, 2002). Shows of state power such as the Victory Day parade and military presence at the City Day or Maslenita festivals appeal to such sentiments whilst also displaying government power and authority.

Tradition also seemed to play a part in gendered appearance. Men certainly appeared to make more of a concerted effort to appear masculine, sporting short hair and bulky clothes. Women generally seemed to try to enhance their femininity; waist length hair was not uncommon and grooming seemed extremely important. Kay chapter three spoke of the same divide between the sexes ingrained at a societal level in her ethnography and the promotion of traditional male/female archetypes towards the end of the Soviet Union (Kay, 2006). The Putin government has actively embraced such archetypes. Images of Putin riding topless, flying jets
and submarines have been widely promoted and when he visited the Nashi’s Seliger (Nashi is a large political youth movement) gathering in 2011 he arm-wrestled male campers and took part competitions to bend frying pans (Sperling, 2015). The public declaration of affection by female campers further reinforced perception Putin’s masculinity. The pointed use of attractive women in the promotional material for that year’s Seliger event also corresponded with attitudes towards feminity and correlated with what I found to be the aspirational archetype. This existed even more strongly amongst the Tatar group in which traditional gender archetypes were very strong. Most of the women in the group stated that their fathers would be disappointed if they did not marry Tatar men and that they wanted their children to be Tartars and on one occasion when Alina needed to call her father she refused to borrow my phone in case it made her father angry. However, this is not to say that professional roles were divided; Alina had two degrees and was a qualified lawyer and another of the girls worked closely with the military in an aeronautics company.

Continuing on the theme of traditional attitudes to social gender roles, it was not unusual to see men carrying bouquets of flowers, especially in the evening before meeting a date and I was told a number of times that being part of a traditional couple was a chief desire, particularly amongst young women; something the Seliger promotional video from 2014 on YouTube appeals to showing on site weddings. These examples strongly correspond with the government’s promotion of traditional family values. Indeed, further relating to the above concerning the Victory Day parade and Maslenitsa festival, current government policy focuses on children as the future promoters of traditional values, something suggested by their active inclusion in festivals and directly visible in the act of 2012 for Federal standards in schools (Muraveya, 2014). The standard declares leaver of secondary education should love their Motherland, respect spiritual values, be conscious of and accept traditional family and live and
promote a safe and ecologically friendly lifestyle (Muraveya, 2014). The mixture of traditional and new (ecological friendly) policies not only reflects the elite’s opinions on contemporary but also their influence on social culture; protecting tradition whilst modernising and developing society. Current government policy can be viewed as traditional modernism: a concept allowing the combination of a call for tradition and development at the same time (Muraveya, 2014). Kyril believed that the policies which made up the overall socio-cultural change had been very positive; trust and security had replaced insecurity in government and society.

It was also noticeable that there was more of a religious presence than I have seen in the west. Seeing Orthodox priests was far more usual than it is seeing a religious figure in London. In addition, I saw a number of times babushkas stop in front of churches to bless themselves before going about their business. The atmosphere inside churches and cathedrals I found to be more reverential, the women almost uniformly whatever their age, covered their hair and tombs or idols, often functioning as interesting tourist attractions in the west were actively worshipped in many of the churches in Moscow. Aside from Orthodoxy, religion was very important amongst the Tatar group. They would visit local mosques during periodic group trips to the regions or abroad and bought me a small painting of the Qolsarif Mosque in Kazan when I was unable to go with them.

From a number of conversations, I had as well as in two of my interviews it was made apparent to me that although religion was very prevalent within society, especially after Communism, official religion was more like an extension of politics. The government promote Orthodoxy as a tool for political power and there was alleged to be a lot of corruption at the top of the Church including buying land through consortiums. The intimacy of state and church relationship was
underlined to me when I was told that the ‘real’ Muscovites do not attend services at the Christ the Saviour Cathedral, one of the most iconic in the city, as there are government parties and meetings held in the vaults below. The close relationship of the church and state as well as the promotion of the church by the state to unite the people and reinforce its own power is nothing new as evidenced in chapter three (Hart, 2002). But it is interesting that such an obvious association and relationship is not better disguised after fatally tainting the church before the 1917 Revolution (Figues, 1997).

Attitudes to the west

There was no obvious anti-western sentiment, instead I noticed a subconscious attachment to Britain in particular. As stated in chapter one I saw a great number of Union flags printed on gloves, bags, shoes, t-shirts and even on a car bonnet. James Bond and the “Queen of England” were excitedly brought up a number of times when people realised I was British, most memorably in a communal cabin in Murmansk: three couples had rented a converted shed used for private parties and spotted my friends and I walking into the town. James Bond, the Queen of England and hello were the three English words they spoke during what was a fantastic evening. Harry Potter, British bands and the archetype of an ‘English gentleman’ were also popular themes, Lyudmila told me a number of times how much she adored Colin Firth, a “real gentleman”, much to the annoyance of her husband. There seemed to be a perception of erudition regarding the west in terms of youth culture. On the same trip to Murmansk my friends and I were asked by some local teenagers jovially yet with a smattering of concern if we thought they were “cool” and a similar thing occurred in a nightclub in Moscow when a Muscovite asked a friend and I to join him and his friends on their table when he heard us speaking English. A broad attachment to western culture has been discussed above and chapter one explored how
western culture was avidly consumed increasingly during the last century, especially during the 1990’s (Hart 2002, Barker 1999). However, it did not seem like there was the same idealisation of western culture as possibly existed in the 1990’s. Maria the concierge at the Metropol hotel was constantly involved in events all over Moscow from hip hop to tech festivals which seemingly promoted western culture, but she was keen to point out that a degree of cosmopolitanism was good for society, especially the youth, it was most important for Russia to “remain Russia.” Not only does this suggest a less naïve societal viewpoint than previously described (Barker, 1999), but a development of older ideas in that Russia can’t be isolationist, a nation unto herself (Hart, 2002), but can and should have a strong Russian identity. One might wonder whether this approach has been influenced by the government. It certainly drew on nationalist sentiment in the 1990’s whilst realising severe economic faults from the previous century that a prosperous nation can’t be isolated from the rest of the world, particularly in such a globalised world. The interests in cosmopolitanism whilst maintaining the desire for an overarching Russian Russia expressed by Maria, reflects governmental policy of embracing migrants and protecting regional cultures (such as Tartarstan) whilst emphasising patriotism and the supremacy of the Russian state.

The measured cosmopolitanism of Maria and her wider social group was juxtaposed with the incident mentioned in chapter one in the bar when the man I spoke with lambasted first the British and then the Americans. Importantly, his issue was not with me personally (in fact he was very friendly), but towards a perceived western masse, and in that sense not dissimilar to the sentiment of Dostoevsky as discussed (Hart, 2002). This vague aversion manifested most often during my stay towards western governments rather than the populous; Anna constantly bemoaned that the war in Ukraine was the fault of western governments because in her opinion the people should be natural allies as we share a European heritage. One might point out that
there has actually been a long historical cleft between Europe and Russia, based on perceived notions and desires of a unique Slavic path for Russia, independent from Europe, as illustrated in chapter three. However, it could be retorted that discord has most often been driven by state politics whether during the USSR or earlier and does not mean that a present desire for harmony does not exist on a societal level. Although one of the expats who had lived in Moscow for four years said there had been a noticeable rise in anti-western xenophobia, I never really witnessed any personally. If I spoke English at the beginning of my trip to ticket office officials or supermarket workers, I was sometimes treated coolly but it is difficult to know if this was because I was foreign or because they just didn’t understand me. The same thing often produced the opposite reaction; I was even stopped on the metro a couple of times just to speak English when people saw me reading English books. In addition, a number of people I met in bars had the Houses of Parliament or a red phone box as their background and the majority of the Tartar group wanted to visit London more than anywhere else. I did not however experience the exodus sentiment described in Kay’s ethnography that there was nothing worth staying in Russia for (Kay, 2006), this suggests that internally social as well as economic conditions have improved a great deal since the end of the 1990’s and perhaps there has been some over exposure to western consumer culture as was feared (Barker, 1999).

Kyril thought that any rise in recent anti-western sentiment was largely the result of the Ukraine situation and sanctions against Russia for annexing Crimea which most Russians saw as very unjust. He understood that action was taken more to defend Russian interests rather than ‘liberate’ ethnic Russians but said that was as good a reason to intervene, especially, as he stated, that the US had initiated an aggressive destabilisation. This last point was also brought up with me as an intolerable double standard by Anna whose father was living in Donetsk. She was bitterly upset a number of times in our lessons at what she saw as the west helping
Ukrainian Fascists to shell Russian civilians in a country that was for her, essentially Russian. As stated above, her overriding notion though was one that I encountered a few times: the problem was with governments and that Russian and western people should be friends because they have shared history, the fault was with western leaders. Kyril thought that this had produced an illogical “hate” for America and a fuelling of Russian nationalism; his own brother was of the opinion that his Chevrolet truck was Russian because it was built in Russia by Russians and America had nothing to do with it. The strong dislike for perceived western dealing in Russian affairs is only the latest representation of such opinion; as strong in the C15th as it was during the Soviet Union (Rzhevsky, 2002), and whereas background literature focuses on its expression in government circles I found it present amongst the wider population. Critics might argue that the majority of the antipathy is the result of state influenced media, but it must be remembered that even greater state control existed during the Soviet Union and that the populous became practised at seeing through much of the propaganda creating a counter value system (Gleason, 2002). Thus it is reasonable to argue that along with substantial pro-state propaganda in the media, such sentiments could also partly be the result of broken promises regarding NATO and capitalist democracy in the 1990’s (Borger, 2016). It calls into question the assertion that western capital flows will unite the globe and that western democracy will be avidly taken up in Russia because it will appeal to the people (Gaidar, 2012). I found that instead the average person feels just as put upon by western political actions when questioned about it as the Russian government often claim to be (Sakwa, 2011) and whether through Kremlin propaganda or personally conceived beliefs many people have reacted negatively to what is thought of as western imperialism on Russia’s doorstep. John felt very much that the world was now global and only moving towards further integration. Liberalism had allowed the poorest to gain access to what would have been impossible only a few decades ago and has helped close the lifestyle gap. He stated that “freedom works” and would avert creeping
authoritarian regimes as the populous would not stand for it. However, according to the literature covered in chapter this is not the case with Russia which has rejected western liberalism a number of times under radically different authoritarian systems (Rzhevsky, 2002). The impression I got from my time was not of hostility to the west, but hostility to foreign interfering in Russia. This was the key reason instanced by Lyudmila for her dislike of Yeltsin. It is important to remember that as stated, in my evidence at least this did not create a dislike for western individuals, only for western governance. It does however create a problem with regard as to how best to move forwards with Russian/western political relations when official western suggestions may be met with cynicism and even hostility, not just by the political class but by the population.

This chapter evaluated the ethnography I conducted in Moscow focussing on attitudes concerning the degree of authoritarianism of the Putin government, its impact on business, contemporary social culture and attitudes to the west. Generally, it might be drawn that there has been a slow retreat back into traditional ‘Rus’ during the Putin presidency, something the wider literature discussed suggested the government was predicated upon. This has meant an increase in authoritarianism, a proliferation of traditional culture and personification of nostalgia (even a reconnection of government and Orthodoxy) and a reinstating of paradoxical attitudes to the west; a mix of positive fascination and suspicion, something documented over the centuries in the assessed literature (Rzhevsky, 2002). The reflective attitudes to such phenomena were mixed. An increase in government authoritarianism was believed to have had some positive effects, particularly when placed against the more chaotic 1990’s but was also thought to have gone too far. The economy has done very well since Putin came to power and this was largely attributed to his government; even the sanctions against Russia had produced
some positive internal outcomes. Yet currently it was also acknowledged that finance is in dire straits and Russian banks were not wholly trusted. A promotion of Russian culture and tradition has occurred but it was also stated that they are now a more cosmopolitan outward looking nation. These changes have impacted upon the relationship between the Putin government and western neoliberalism, lending weight to the Kremlin whilst tying Russian to the globalised world. My concluding chapter will assess the impact of such sentiment on the thesis topic in greater detail and will discuss possible future implications.

7.0 London based interviews

The previous Chapter explored the data I collected in Moscow focussing on government and authoritarianism, the nature of contemporary business, the influence of neoliberalism and the Putin system on contemporary culture and society, current attitudes to the west. In doing so it provided insight regarding the rise of the Putin system and its viability as a functional alternative model technology of governance to neoliberalism. This chapter will analyse the data I collected from London comprising four formal interviews with three bankers and one British diplomat which took place at the Morgan Stanley head office in Canary Wharf, Fleet Street and a private residence in Hampstead. The reason for collecting the data in London was in order to provide an in-depth account concerning the overall theme from the perspectives of contemporary disseminators of neoliberalism; western government and financial institutions. The interviews broadly discussed current western economic and political practice, the relationship of such intuitions with Russia and their views of contemporary economic and political practise in Russia. Thus, my London data intended to provide a condensed first hand account of current neoliberal practice and the attitudes of the practitioners toward the Putin
system. In this way I hoped it would provide insight into the situation of current neoliberalism and the Putin system as a viable challenger and alternative model technology of government.

My first interview was with Ekaterina, a Russian managing director and specialist in Russian and Eastern European loans at Goldman Sachs. The interview took place in a restaurant on Fleet Street across the road from the Goldman Sachs offices and lasted for 1 hour 30 minutes. Not only did she have twenty years of experience in western banks but she could still strip and reassemble an AK47 assault rifle as she had been taught to at school during the days of the Soviet Union. This mix of influences meant that the information was concisely informative regarding international markets but also with a keen awareness of Russia in this setting, from a Russian perspective. This was important as much of the other data as well as perspectives in wider literature was of outsiders looking at a particular society, Russians at the west or vice versa, or reflecting on their own society from within. If they had visited the corresponding system, whether Dostoevsky or one of my interviewees in Moscow it was usually only for short periods (Hart, 2002). Ekaterina had extensive life experience of both and more importantly was reflective enough to identify differences objectively. This meant that Ekaterina’s opinions carried a certain gravitas in terms of overarching context; she fully understood how modern global financial systems work and importantly was able to assess the current Putin system and Russia’s historical and cultural background within this framework. The resultant contextual understanding she had of the subject matter was something highlighted in literature as crucially missing from earlier attitudes and recommendations of western policy makers towards Russia (Zigon, 2001).

We began by discussing Russia and the various systemic changes since Communism. Ekaterina believed that the Soviet system was beneficial in that people worked to their ability and earned
what they were owed. Furthermore, social standing was derived from intellectual ability rather than from familial or personal wealth. It could be retorted here that this was not strictly true for all; even in my own data, Julia, the daughter of a renowned artist, benefitted hugely from family connections with a dacha in the Peredelinko district. However, though there might have been exceptions, the system was generally the same for the vast majority and Ekaterina pointed out that this produced a crucial problem - such a system is not sustainable if everyone receives more or less the same rewards and so the country had to be closed to stop outside economic influence, ideas and competition. This correlates with the reservations of Von Mises and Hayek and the damning indictment of central planning or interference in markets outlined by the economist I interviewed in the previous section (Myant et al, 2008). It also hints slightly at the problems that Russia might continue to face culturally due to the integration of global markets and the difficulty the administration will have in trying to remain part of such markets whilst also insulating and promoting homogenous Russian culture (Sakwa 2002, Sakwa 2011). However, one might argue that it was not the closing off of the economy to trade but to ideas that proved to be fatal to the Soviet economy. As covered in chapter three party ideology dominated culture, science and restricted innovation (Likhachev 2002, Hart 2002). The result was an inability of economic adaption once industrial capacity was reached (Myant et al, 2008). Some have argued that on the contrary, protectionism and isolation aided economic growth of core nation whilst liberalisation of trade and market capitalism has in fact been used as a useful weapon to arrest growth in potential rivals (Chomsky 1996, Chomsky, 1997). Though the current globalised world might draw a poor comparison with the early industrial world of the 19th evidence from my data in Moscow suggested that resultant isolation from western sanctions has proved beneficial to some Russian industries. One might argue that if not directly causatively beneficial, the combination of a globalised world of information and ideas, and the internalisation of many industries in Russia because of sanctions, could be seized upon to create
hugely successful Russian businesses and brands where they did not exist before. The Russian government has been criticised for an overreliance on a natural resource based economy, neglecting other sectors. One wonders whether current sanctions might indirectly force the growth of other areas, benefitting Russia in the long term.

After the state collapse there was a marked change from intellectual promotion to aggressive capitalism, coupled with an increase in power of organised crime as the mafia already had an appropriate structure in place. Ekaterina stated that in response to this the Putin system has tried to build ‘fair’ society whilst fighting corruption. The turn to aggressive capitalism has been well documented and resulting battle with the oligarchs was discussed in chapter five, as was the devaluation of circles of the intelligentsia during Shock Therapy (Barker, 1999). Nationalist propaganda has aided the production of a sense of a fair society (Berryman, 2000), but society has become fairer in reality also since the 1990’s. This was documented in Kay’s account of regional centres for men and women promoting gender equality, the promotion of of the term ‘Rossiikii’ inclusive to all ethnicities in the Russian Federation (Bairurin et al, 2012) and economically in the tackling of crime and rapacious oligarchy (Myant et al, 2008). Such improvements were also discussed in my Moscow ethnography. It might be argued that one oligarchy has just passed to the next, the barbaric capitalists of the 90’s to Putin’s Siloviki (Kasparov, 2007) and though this might be true to an extent, general quality of life and professional prospects have improved as corruption has been reduced (Myant et al, 2008). Furthermore, she argued that corruption was essentially the same in Russia and the west only differing in its practise. She reasoned that centuries of systemic layers without any disturbance have masked in Britain what has been exposed by systemic turmoil in Russia; Ekaterina argued that one could achieve the same sort of corruption in Britain as in Russia but the ‘right’ methods had to be taken, hiring lawyers to pick out loop holes and speaking to the ‘right’ people etc.
This is supported to an extent by Hellinger’s assertion that global financial institutions function as tools of corporate strategy, not development strategy, for the global class assisted by local governments (Harvey 2005, Moore 2007). Moreover, Chomsky as stated in chapter five has gone further, suggesting that presently in the United States “corporations can buy elections directly instead of indirectly” (Chomsky, 2009) thereby controlling government policy in an officially ‘legal’ manner and that in addition, the liberalisation of capital has created a ‘global senate’ (Chomsky, 1997) ensuring this system is transmitted internationally. A key difference between various ‘corruptions’ seems to amount to no more than what ‘we’ do is right and legal because we do it and what they do is wrong because they do it; it was business as usual when Russia was run by a handful of pro-west oligarchs in the 1990’s, with objections only seriously raised when the elite became more combatively independent under Putin. Certainly embezzlement and corruption was far more obvious in Russia during the 1990’s; funds were transferred into foreign accounts, state assets were bought at knock down prices and taxes were simply not paid (Hoffman 2002, Myant et al, 2008). One might argue that presently the Russian state has just become better adept at hiding corruption as suggested above, as it has become more secure. Thus the difference in political sentiment might be more as a result of the policies of the Putin government rather than any ethical aversion to corruption.

It was argued that the Putin system has a greater degree of control over business than western governments but that it was largely the result of circumstance; history of authoritarianism, abundance of natural resources, etc. rather than Putin’s design alone. Wider literature corroborates the assertion that circumstance has benefitted the current government (Rzhevsky 2002, Gaidar 2012). The state has more or less been supreme over all other essential areas of Russian society for the entirety of its existence and immense natural resource wealth not only aided an economic boom during years of high prices at the beginning of the Putin government,
but have also allowed greater autonomy for the regime and resistance to western hegemony (Rzhevsky 2002, Sakwa 2011). Significantly Ekaterina stressed in terms of business with the west there has been a marked increase in apprehension on both sides especially since 2008. The Russian government has for example comprised a list of key business the government must protect in order not to lose them to western investors and this makes business with certain companies difficult. Although distrust exists there is no deliberate obstruction to business, however, it was noted that Russian borrowers prefer German law and practice for business as it is felt it is closer to Russian custom. History has also shown that persistent opposition to encroaching western culture whether during periods of increased Slavophilism or during the USSR (when many thought westernism would be vindicated) means that it is unsurprising that German law, closer to Russian, should be preferred to more distant British or American approaches (Hart 2002).

When we specifically discussed current sanctions against Russia, I was told that internally it is felt the policy is very unfair and moreover, Ekaterina noted that the aim of the sanctions is not being met as the traditional Russian mind-set ‘we will survive’ persists. This was a theme in my data from Moscow and has also been highlighted by commentators in the west as a theme which the Kremlin has seized upon, martyring itself and scapegoating the sanctions as the reason for economic downturn (Khodorkovsky, 2015). Such tactics might be particularly potent given the long held notion of the ‘long-suffering Russian’, mentioned in chapter, attaining enlightenment after struggle (Wyman, 2000). This concept has been taken to a national level in the past when violently oppressed by the west during the Napoleonic invasion, both World Wars and in perceived cultural imperialism after the collapse of the Soviet Union. It is therefore a ready narrative to turn to in order to bind the nation and strengthen the elite under yet more apparently unjust western attacks. Furthermore, it was supposed that the principal of fairness
was deemed more important to the populous than material goods. This final point is debateable. There is an historic president for the pursuit of spiritualism over materialism, something the west has been much criticised for (Rzhevsky, 2002), and recent collective memory is further influenced by the Soviet period and the desperately deprived 1990’s; the populous are used to a lot worse than the current situation. However, more recent economic success has created a wealthy and powerful class who might not be enamoured with an interruption of the good times. One could argue any danger to the Putin government resulting from sanctions comes from this immediately powerful sector of society rather than a lower level popular uprising. It is this group who might have the means and will to enact change, irrespective of a possible preference for fairness amongst wider society; a popular uprising is not the threat as much as an oligarchic coup, rendering the importance of fairness over materialism to the populous irrelevant and perhaps that is why the government are paranoid about oligarchic Jacobites (Sakwa, 2011). However, such a scenario is for the moment supposition and Ekaterina suggested that immediate effects of sanctions might prove contrary to intention. She maintained that American tactics in general are pushing Russia and China closer together (there is a list of Russian businesses they are not allowed to do business with) and are thus not beneficial for the United States. A tradition of the feeling of moral and certainly spiritual superiority might play its part in these current feelings as will the internally ascribed archetype of the ‘long-suffering Russian’ (Wyman 2000, Fonvizin 2002). Moreover, concerning global geo-political relations, similar feelings of moral and spiritual superiority to the ‘decadent west’ are a feature in China as in Russia (Fonvizin 2002, Harvey 2005) and western actions might be seen to be proliferating this belief. Ekaterina believed that encouraging solidarity in such sentiment between rising challengers to America is an inadvisable if inadvertent strategy in the west.
In terms of global business, it was emphasised the most important thing was that the rules should be the same for all. Somewhat of a contradiction in the system was drawn out from this in commenting that the USD is the world’s reserve currency and so the US “can’t go bankrupt.” International capital markets were noted as essentially US markets, yet she pressed that there is no ‘conspiracy’ for US supremacy – there are just more US participants in international markets and nobody is forced to use USD. Although on the immediate surface this is true, in order to become part of the international market system one has historically had to partake in a USD backed market system, criticised as enforced by violence masked as debt (Harvey 2005, Graeber 2011). In addition, it has been argued (chapter four) that the liberalisation of capital has effected a ‘global senate’, as mentioned above, meaning no nation can peruse policies contrary to the interests of a globalised wealthy elite. If such policies are attempted, capital is removed resulting in economic collapse (Chomsky, 1997). Current actions taken towards Russia can be seen as a direct example of this wherein the Putin government has perused a geopolitical course contrary to western desires and has been economically punished for it, as has happened to a string of other nations previously including, Cuba, Iran, Venezuela etc. Chomsky’s argument and the accompanying examples suggest that coercion underscores participation in Dollar markets even if explicit force is not always used. Further to this the policy of tying aid to political ideology has ‘forced’ nations to partake in what is acknowledged above to be an unfair system, albeit circumstantially as opposed to by design (Kiely, 2007). It could be argued that Ekaterina was discussing markets in terms of private companies as opposed to coercion at a sovereign level. Yet even in this case it it argued the rules are not the same for all as there is a president in some cases for technology funded by public money being later privatised resulting in unfair competition as discussed in chapter (Chomsky, 1997).
It was perhaps suggested that there is a systemic problem with the current system and that it is hard to do the right thing professionally because of shareholder consensus. The general attitude, which makes crises like 2008 much worse, is “if I get out now I will be fired for losing $6 million, if we all stay in and there is a total collapse then it is nobody’s loss in terms of balance sheet.” This very point has been highlighted by Chomsky as a fundamental flaw of the current financial system. It is argued the role of CEO’s, and by derivation workers beneath them, is to increase short term profit, not only is this required by Anglo-American Law, but if one doesn’t do it then they are fired (Chomsky, 2011). Ekaterina emphasised that this was a systemic issue; problems were not caused by banks breaking regulation but by some of the overarching principals of the system. Increased dominance of shareholder value has been directly identified as the cause for diminishing social consensus in developing nations and core nations alike and as a practice which, if unchecked, will ultimately lead to irreversible and even catastrophic environmental damage (Harvey 2005, Chomsky2011). The fact shareholder consensus has been instanced as one of the causes for the 2008 crash displays it as a key weakness within neoliberal economics effecting all nations not just developing ones.

Further issue was taken with current regulators who were seen as bureaucrats, a self created mechanism and an undesirable growth in all countries, who don’t understand what they are doing. Ekaterina believed this produces unintended consequences which are detrimental for business. Ekaterina emphasised that opining without real knowledge is obstructive to business, something echoed by John in my Moscow ethnography. Rules are essential but should be applied in the correct manner by experts, currently they are applied in a negative manner rather than with a positive attitude for business. This has been a constant feature of issues surrounding the World Bank and other international aid banks where huge loans are given with little supervision or understanding of the subsequent use of them in a developing country with
particular needs and culture (Moore, 2007). However, a retrospective follow up question might have been good for who’s business? The deregulation of finance has produced a greater frequency of crises with exponentially worse effects for the general population; in 2011 real unemployment reached levels not experienced since the 1930’s in the United States (Chomsky, 2011). At the same time and in the years since, corporation profits have grown to record peaks. When viewed in this way it is difficult to argue that bureaucratic regulation has been bad for business.

It was explicitly stated that bail outs are essential as the effects of not doing so would be too severe; Ekaterina’s reasoning was that society is too domesticated and used to being dependent, allowing the whole system to collapse, as opposed to one or two institutions, would be disastrous. This very point has produced much debate and it has been suggested that financial firms have lobbied governments so successfully to engineer the perception of being too big to fail. As a result, they can perform very risky transactions, carrying greater profit, knowing that “when the system inevitably crashes, which they know it will, they can run to the nanny state that they nurture, clutching their copies of Hayek and Friedman and Ayn Rand and they can ask for their regular bail out. That has been a regular process since the Raegan years.” (Chomsky, 2011). However, Ekaterina reasoned that bail outs do not send that message (that there can be no bad investments) in her experience as nobody wants to be in Greece’s shoes, thus lending is not reckless. In her view any recklessness which existed was based on improper ratings which meant people didn’t do enough research.

Ekaterina was concurrent with much of the background material with regard to the nature of development institutions such as the EBRD and IMF. It was felt such institutions are certainly political tools; going where commercial banks wont, attaching new economies to the western
system. Multi lateral development institutions were considered, essentially, western government institutions whose aim was to take business out of the hands of the state and put it in the control of private (western) shareholders, something which was discussed in chapter four and has been suggested in an array of scholarship (Harvey 2005, Chomsky 1997). She believed Russia are firmly resisting this as there is a fear of ending up like Greece. This final point corroborates more contentious arguments that suggest current sanctions against Russia are the result of competition between and an aggressive move to undermine burgeoning systems competing with neoliberalism (Fotopoulos, 2014).

Ekaterina felt there is a conscious attempt to westernise local markets which comes from the US where the ideology of ‘our way is the best way’ is very much prevalent and that life will be better for all if that is adhered to. Goldman Sachs firmly believe ‘the way we do business is the best way of doing business’ and a westernisation of local workers generally occurs everywhere they do businesses as a result. Furthermore, she felt the nearer one was to being American in attitude and in reality, the more likely promotion was. Embedding neoliberal economic practice with local elites was highlighted in chapter four as a key western policy since the beginning of the1980’s (Harvey, 2005), and coupled with technological expertise has created a complex of cultural superiority, ensuring neoliberalism is more readily adopted. However, Ekaterina stated that though they do try to take the best local workers and ‘Goldmanize’ them, the reason for this is that rather than a concerted agenda of global westernisation, it was in order to better compete with other banks; just as international business was more likely to go with international banks for ease of business rather than because of a strategic shadowy policy. Furthermore, she maintained that the process of westernisation was natural and occurs largely through TV, internet, travel etc. rather than a concerted plot by Goldman Sachs. One might argue that a concerted effort to neoliberalise would be crude and ineffective and that monopolisation of
attitude to business within the bank and culture though internet and TV is a more effective method anyway as was done in the first international Romanian bank discussed in chapter four and attempted at a state level in Russian in the 1990’s (Chelcea 2014, Worth 2005). By highlighting, as Ekaterina did, that this was done to better compete with other international banks doing a similar thing, it suggests that the neoliberalisation or in her case ‘Goldmanisation’ of workers internationally is a systemic characteristic. It creates an obvious problem for Russia and other rising challengers who seek to preserve their own distinct culture, as discussed above, as it represents a competing belief system and resultant technology of government. Though the phenomenon was only mentioned in direct relation with big international banks it might be hard to insulate it from passing on as a business tactic throughout the rest of the economies which do business with them as such institutions are the epicentre of finance.

Ekaterina felt that working for Goldman Sachs certainly imbues one with command and respect as people are likely to think you have better knowledge and connections. It was stressed this would not be the case if she worked at a Russian bank. It might be argued here that this is indicative of an issue with globalised neoliberal markets in that instead of creating a level playing field, they create a complex of cultural superiority and acceptance of authority based on technology mentioned above. This makes it more likely workers and businesses will choose western companies to work with, resulting in loss of talent and thus the ability to innovate independently, and consequently, effects subordination of developing nations to a neoliberal system (Kiely, 2007). However, it was also stated that though in international deals, international banks like Goldman Sachs would be preferred over local ones due to better expertise and experience, local deals saw better business for local banks for the same reasons, and they were also closing the gap internationally. For some a closing of the gap might signal the end of American supremacy (Clark, 2011), however, as discussed in chapter, this might be
the wrong approach to take when viewing contemporary international systems of power (Moore, 2007). Instead, one could argue the closing of the competition gap merely indicates the successful embedding of neoliberalism internationally; after all, competing institutions do not advocate different approach to business or government policy but merely provide competition within the same context bolstering the transnational elite.

Ekaterina stated that although there are no internal policies which obstruct business, there are policies requiring declaration of political party membership (and discouragement of individuals to be political) and strict regulations of business, even buying something small, from individuals connected with foreign governments; in such cases approval is needed even for a cup of tea. One could take the view that this is a very controlled and intensive way to ensure western hegemony through business and within individual businesses producing preferably Americanised bankers, as universities or multinational development banks do with future leaders and economists (Caulfield 1997, Moore 2007). However, it could be argued that, as stated above, Goldman Sachs is doing business in international markets which largely are American markets. It makes sense therefore to lean both in policy and internally towards American culture as it ought to lessen the risk of something going wrong through lack of cultural understanding in business. Furthermore, remaining apolitical is much better for business. The problem with such an argument is that this policy is selective and very political in its execution; Ekaterina highlighted that all business must be approved from the top and since the sanctions against Russia for example, approval is rarely given to business in Russia, in fact, it was the lowest she had ever seen it. Again this might be to do with risk in a purely business sense but one might wonder, as the policy is decided at the top, just how closely it is made in conjunction with western political policy.
Contemporary neoliberalism might take the narrative that it is apolitical and that business ought to be separate from politics, as is suggested in the interviews in this chapter. Practised reality however seems to suggest the opposite is true and that in fact there is close collusion between business and politics as a matter of unsaid policy. As stated Ekaterina noted that business with Russia had to be first approved from the top, and a cursory look at former heads of Goldman Sachs displays the intimate relationship between it and the core of American politics. Hank Paulson was chief executive of Goldman Sachs before becoming U.S. Secretary of the Treasury in 2006, whilst Robert Rubin served as co-chairman of Goldman Sachs before he too became Secretary of the Treasury. Rubin’s comments about U.S. government involvement in a foreign economy, never mind domestic, were highlighted in chapter four (Caulfield, 1997). Although officially it might be stated that such institutions are not political, in reality it appears the opposite is true, especially when actor goes against neoliberal narratives as in the case of Russia. When this happens one can argue such institutions become important political tools. Such a relationship is not inconspicuous or conspiratorial but merely the operative policy of neoliberal governance as detailed in chapter four. By automatic derivation it becomes ‘naturally’ causative that what is good for business is also good for politics and only something conducive to neoliberal politics can be good for business (Harvey, 2005). The result of the dominance of narrative highlighted in chapter is the insurance of a circular reality whereby declaring policy to be apolitical and only about business means it is also naturally and inseparably political.

My second interview was with Mark, a managing director in capital markets who specialised in emerging markets, particularly Russia, and took place at Canary Wharf in the Morgan Stanley head office lasting for 45 minutes. He first went to Russia in 1995 to advise on debt financing and restructuring through capital markets and was involved in the first capital markets deal in
1996 involving Mikhail Kasyanov. He remarked that increasingly markets in Russia feel artificial and this is a direct result of government involvement; he instanced Elvira Nabiullina who now runs the central bank having previously been in government. Similar accusations could be levelled at the west however: board members and directors are often ex politicians, Hank Paulson was Treasury Secretary after being CEO of Goldman Sachs and, in relation to the overall theme of Russia and the west, Hunter Biden the son of American Vice President Joe, was appointed as a director of Burisma oil and gas a few months after the overthrow of the government in Ukraine. Robert’s sentiment was perhaps understandable given his experience of business in Russia. When he first went to Russia it was the midst of reformist western orientated government. Since then it has increasingly become more authoritarian and conservatively Russian, integrating business into government (Berryman, 2000).

He believed he had seen attitudes in Russia ‘thaw’ but that now it was more of a Cold War mentality once more manifesting itself in a number of ways. He highlighted that this had occurred governmentally; such as media laws restricting foreign ownership, as well as socially; even colleagues of his at SperBank now wear the orange and black Saint George ribbons (marking an active rise in nationalism and loyalty to the Kremlin as discussed in chapter three).

It worth highlighting here that nothing is thought of when American flag lapel pins are worn, hinting at the subconscious power that belief systems have in constructing perceptions of ‘normal’. Mark thought there had been a negative impact on business instancing that Skolkovo business park not grown into the success that was planned. Economically Russia has not been able to diversify and has been far to dependent on oil, with the removal of blocks on Iranian oil and the Chinese slowdown this will only get worse. This presents a negative outlook for the current administration, possibly suggesting a mismanaging of the economy in order to increase their own interests, a fatal pitfall Gaidar warned of as typical in a closed democracy (Gaidar,
2012). Mark supposed neoliberal policies could be blamed to an extent for this through a pushing of specialisation which has resulted on an overreliance on natural commodities, something neoliberalism has been criticised for (Caulfield 1997, Kiely 2007). However, the focusing on natural resources began under neoliberal influence in the 1990’s and produced a local and pro-west oligarchic elite, something identified as characteristic of neoliberalism (Harvey, 2005). The seizing of this industry could be seen as a protectionist policy and strengthening tactic of the Putin government – a traditional Russian governmental tactic, as argued in my data from Moscow and in chapter six, rather than the actions of a closed democracy out for themselves. The truth is likely somewhere in between, but it might be argued more assuredly that the mistake of the government was not in perusing their own interests but in not diversifying once once control of a key strategic industry had been achieved. Mark believed a ‘Tsarist era mentality’ still pervades the population where people will follow the mantra through fear or desire to line their pockets. This, he assessed, allows a greater degree of autonomy for the Putin system as generally the thought is “how would we cope without them?”

As a result, “Putin controls the ball.” Although this sentiment does exist there is also genuine widespread support for Putin as my ethnographic data from Moscow and background material suggests (Fish, 2005). It is the case currently that as my interviewee stated, Putin is firmly in control and the mixture of traditional deference to authority, fear and genuine love of Putin looks to have created a situation where there is greater room for autonomy for the current government as discussed in chapter five (Likhachev 2002, Sakwa 2002).

Mark stated that within Russian business they try to adhere to the international standard in markets but problems still exist with government interference; the government stripped Bill Bromer (of the Hermitage Fund) of his assets and this affected the investment climate – corruption “turns investors off.” An issue is that though this may be the case in international
markets, it is not seen as corruption in Russia; not only has government control been a historical constant, but integrating what is seen in the west as corruption into the government has been suggested, as seen in chapter as essential to the ‘rebirth’ of Russia (Rzhevsky, Gaidar 2012). Furthermore, no issue is made of the seizing of private assets in America, as has occurred as part of current sanctions, under the guise of national security (as was the stated reason in the Bromer case), again suggesting at an inequality and unfairness in markets. Mark believed that internally in Russia had been “a bit” of a public reaction to the 2008 crisis but the sanctions are more important now as the effects are beginning to be felt. At first the feeling was ‘we can withstand it’ but now the reality has set in problems are starting. However as discussed, crisis is nothing new for the people and though business is evidently suffering as this interview and the previous one highlight, it does not necessarily mean that the government will also (Rzhevsky, 2002). In general, though, believed government regulation of markets should only be used when rules are abused.

Within emerging markets in general there was historically a general attitude of ‘we must do what western experts say’ as discussed with reference to western exportation of a superiority complex and promotion of ‘experts’ (Harvey 2005, Kiely 2007). Now however there is a growing belief local business can do it for themselves. Increasingly workers are choosing to work for local banks with the belief they can do what western banks do for themselves, particularly in Russia and the Middle East local players want a piece of the action. As a result, local banks are now more powerful than they were and there are a lot of joint equities and deals providing local and global advice as well as equity all at once. In Russia BTB were an example of this but have been seriously affected by the sanctions and left with far too much ‘overhead’. As noted above, a point for discussion in relation to these issues is whether the rise of local banks represents an embedding of neoliberalism in Russia and the Middle East (Moore, 2007),
or whether it represents a labour arbitrage from the west and a growth of new competing
economic systems (Gilnavos 2008, Wlaker et al, 2008). Concerning this and in relation to a
wider BRICS threat to US primacy, he did not believe there would be fundamental change in
the near future. By derivation therefore this suggests there will be no change for the
transnational elite neoliberalism supports. Mark outlined that Russia are restricted with
sanctions, Brazil and South Africa are both in increasing economic difficulty, India is still a
very unequal society and China are slowing down. China threaten to dominate the BRICS as
the BRICS Bank in Shanghai showed and this wont be good for Russia. This viewpoint is in
accordance with other commentators with a traditional reading of contemporary American
hegemony as discussed in chapter (Jervis 2006, Conetta 2008, Fukuyama 2009). Mark
highlighted that US are further helped by global financial institutions who will “not move
aggressively against American tide.” He went further than Ekaterina in his assessment of the
political nature of international lending banks. He evidenced the that EBRD for example have
stopped lending to Russia, commented that he was “sure they agree these things at the top.”
The locations of the IMF and US Treasury, just a few hundred metres apart on Pennsylvania
Avenue, were suggested as evidence “these things are always done in collusion.” Though
perhaps publically controversial this impression appears to be underlined by reality;
international lending banks such as the EBRD have political mandates tying the aid to the
concept of ‘good governance’ and a cursory glance at the dominant shareholders indicates that
good governance is neoliberal governance  (Newburg 1994, Caulfield 1997) Moreover,
historical examples touched upon in chapter four demonstrate the closeness of collusion
between the core nations, specifically the U.S and international lending aid banks, Mexico in
the 1990’s being an obvious example (Caulfield, 1997).
Mark believed Morgan Stanley do spend a lot of time developing a ‘Morgan Stanley culture’ and there is a different ‘DNA’ of a Morgan Stanley worker to a BTB worker for example. There is also a conscious effort to hire local workers, whilst maintaining the feel of an American organisation. Such a statement might be pointed to as contentious; there are many American organisations with varied internal cultures and thus to argue there is an ‘Americanisation’ of local workers comes close to being meaningless. However, if one takes Americanisation to mean neoliberalisation of business policy and internal culture then the statement becomes clearer and identifiable in reality. This became intelligible when Mark stated that ‘trustworthy’ locals are a preferable approach to implanting foreigners which was done previously; the best balance is to embrace the local and bring western business standards. This corroborated what was said in the previous interview as well as the background literature which suggests a local embedding of neoliberalism takes place (Moore 2007, Chelcea 2014). However, as with the previous interview, Mark maintained that it is done specifically for ease of business rather than to intentionally change the culture of wider society, though one might argue that the results might be the same.

In business relations, it was felt that more westernised businesses are more likely to be aided by the bank, who chiefly provide expertise on transactions. Politically they have to follow the consensus and the first reaction is usually to see what Goldman Sachs are doing. This suggests that though there is no collusion to act in a certain way, there is a collective mentality among the prime facilitators of market capital. Consequently, if a political situation becomes troubled, or contrary to the status quo, capital investment is likely to move away quickly. Mark commented that there is little business with any western banks and Russia at the moment because of the political situation and as a result, the order has to come “right from the top” to restrict any deals there. It might be argued business is not doe there at the moment as there
would be too much risk from a point of view of good business sense – the incident with the Hermitage fund is an example of lack of reliability and consistency. However, one could take the view that the collective approach and stated policy to restrict deals is illustrative of neoliberalism as a governing tool and the tools (western banks) are currently being used against Russia economically. The removal of capital investment on the basis of a proclaimed lack of ‘good governance’ as a result of the Ukraine crisis does not imply direct collusion between political forces and private banks to attack Russia, but it could be argued to be an illustration of the nature of the neoliberal systemic hegemony and transnational elite. As discussed in chapter four and above, some suggest the internationalisation of capital has created a ‘global senate’ (Chomsky, 1997). To go against the will of this senate is to break the rules of neoliberal ‘good governance’ and one is thus automatically blacklisted as too volatile by international capital markets, neoliberal markets, and its institutions as a result. Mark stated that sanctions against Russia have been had further negative repercussions for business by creating a siege mentality which may result in a long term turning away from the west. This statement is certainly in accordance with much of the background material; not only has there been a fraught relationship between ever present Slavophilism and the west but the very certain cleft between the Soviet Union and the west and perceived betrayal during the 1990’s has produced a serious lack of trust and an antipathy to integration (Rzhevsy 2002, Sakwa 2002, Sakwa 2011, Borger 2016).

My third interview was in the same location as the second, lasting for 1 hour and fifteen minutes with Robert, head of the Policy Development and Review Department at the IMF under Dominique Straus Kahn and later head of the European Department under Christine Lagarde. The interview was somewhat different to the first two due to the interviewee’s professional background, resulting in more intermediary information between politics and business. Concerning Russia, he felt the biggest change he had witnessed professionally over the past 20
years was the impression one must now be on the right side of the state to do business. This had gone away after the fall of the USSR but has returned as part of the Putin government. His account thus provided personal experience of the reassertion of state power over business discussed in chapter five from an international perspective. However, Robert was keen to declare that was just an impression and in practise was only sometimes the case. This point is interesting as it again suggests success in the regime’s attempts to create authoritarianism without a directly authoritative state (Sakwa, 2011). Even with regard to multinational financial institutions the Russian government acts in an indirectly authoritarian manner. However, Robert pointed out that playing the role of a facilitator of wealth or intermediary (as banks do), means they are not as affected as commodity based companies. This suggests a form of state selective capitalism operated by the government in contrast to wholesale neoliberalism.

Overall, he asserted that one must understand the ‘big players’ internally and the political context for business, which suggests that though the state might not be in total command of all business its presence is certainly felt and might not be as overstated as John believed it to be in the previous chapter. The problem for international business is that this has created an environment where one is not sure if there are rules as the perception is that the rule of law can be interpreted by the state, resulting in institutionalised corruption. Lack of consistency in rule of law is in congruous to the conditions under which neoliberalism professes business should take place wherein the government sets clear rules and steps back (Harvey, 2005). Consistency was something not only highlighted by Robert but by Mark and Ekaterina also suggesting that the lack of it could prove damaging for business in Russia in the future. Some might argue that rules are picked and chosen inconsistently in the west too. The 2008 bailouts and subsidising of certain industries have been argued as examples of inconsistent rules and unfair competition (Chomsky 1997, Chomsky 2011). However, when viewed in terms of governmental systems
one can assert that such examples are characteristic of neoliberal governmentality, using government and law to protect and enhance private business, particularly business that is profitable for and essential to elite power; banks and technology. The problem with Russia is that its behaviour is not in keeping with the rules of neoliberal technology of government; growth of government power over private business, even if government domination is consistent in application, is antithetical to neoliberalism and thus incompatible for business with neoliberal corporations.

Robert commented that presently somewhat of a “strange system” existed in Russia where a company is not necessarily state owned, but is very connected to it. This was something mentioned in some of my Moscow ethnography and evokes Ong’s neoliberalism by exception or a version of authoritarian capitalism discussed in chapter five (Ong, 2006). One is again reminded of similar assertions about business in the west, particularly hi tech industry as mentioned in chapter five (Chomsky, 1997), and of the apparent closeness of the U.S government and some international banks as mentioned above. Robert noted, as in the previous interview, that national pride is increasingly important, and was thought to be particularly potent because the USSR had been a superpower, something certainly supported by my other data and in literature and has been played upon by the current government (Bushnell 1999, Sakwa 2002). Again this is slightly different to China where policy is more about showing the population how they are benefitting and developing right now rather than obviously linking to the past. Further to this it was felt that in Russia, elites try to use the state monopoly for power with a degree of impunity whereas in China this is being addressed. Gaidar touched on this as a possibly very damaging attribute of current closed democracy (Gaidar, 2012). In terms of corruption in government and business, Robert believed it was more or less similar in most places corroborating Ekaterina’s sentiment.
On the subject of business in general Robert felt governments should not attempt to guide, merely set the rules of what is allowed and most importantly protect the consumer and act in their interests, including discouraging abuse by monopolies. Regulation is needed in banking to an extent in order to protect them in the long run but also to placate the public, especially after 2008, without who’s consent banking would not be possible. He emphasised that banks cannot complain too much about regulation considering the amount of public money used in the industry. The issue of public money was linked further to bailouts perhaps producing somewhat of a contradiction; when the situation arises banks should be allowed to collapse but if the public have put their savings in a bank it must be protected. Companies should be allowed to go bust if possible so as not to risk unfair competition, but it does become more complicated the bigger they are. The key problem is if they are “playing with other people’s money”, in this case deposit takers should be protected. Depositors do not have a clear choice and because banking is systemic to society it needs to be made safe. It was acknowledged it is hard to erect walls within business however. Since 2008 investors and regulators are warier of unconventional policies and there has been an increased focus on debt and balance sheets, sustainability going forwards is more of a focus. Ultimately profit is for the company – it is about what the company makes more than an individual, though one might wonder whether this might cause a similar problem with regard to balance sheets and fear of being fired as discussed in the first interview. However, it was asserted that now there is a more cognisant understanding of how things go wrong, more caution is used and less risk is taken. Using public money to bail out institutions has been criticised as a key issue with neoliberal economics for producing wealth transfer to the rich (Harvey 2005, Graeber 2011). Though the above suggests these criticisms are being dealt with it remains to be seen how effective measures taken will be.
The IMF was considered to be essentially economic, not political, with a purpose to develop the private side of economies. The concept of ‘good governance’ is in order to improve economic outcomes. Nonetheless, Robert did state that because the USA are the largest shareholder that they are influential but that this influence has decreased in recent years. The USA were key players during the Asian debt crisis but not during the European crisis for example. However, improving economic outcomes has been criticised as just producing beneficial outcomes for core nations and arresting development for in the periphery and more importantly the concept of ‘good governance’ has meant neoliberal western approved governance, while differing systems are labelled pariahs as discussed above (Harvey 2005, Kiely 2007, Moore 2007)

Robert maintained that US is still viewed primarily as a safe haven economically and that this is not only good for the US but good for global investors and the global economy in general. Investors choose to have assets in the US and so are choosing to keep the system as it is. Robert clarified his view in terms of safe investment; perception is crucial and currently it is that you don’t lose your money if you put it in the US and that American debt is sustainable. The position of the USD does not make the system unfair as people can choose to put trust and pricing elsewhere. It was instanced that people can choose to denominate oil in other currencies but they do not and nobody is threatened keep the dollar. This stands in direct opposition to a variety of scholarship as highlighted when the same points were made in the first interview above. In contrast to opinions expressed in both of the previous interviews however, Robert believed that Morgan Stanley was too small to influence various local populations in their practices. To be successful in a region local staff must be employed who understand the locality– adapting to the environment is essential. Though true, this does not necessarily mean that these local staff are not moulded into westernised employees as they were in the Romanian
There are no internal quotas within the bank but diversification is an important component of business success. This may in turn adapt local culture to an extent but not consciously. Similarly, to the previous interviews it was stated that being associated with what is viewed as an American Bank does carry with it authority and credibility – success in business is all about expertise. On a global level it will be harder for a Brazilian investment bank, for instance, to compete on a local level this is not the case. It could be argued that this in itself will transform local populations, at least in terms of business, as they look to western institutions for expertise and adopt their practises as a consequence. Furthermore, he described Morgan Stanley as more of a ‘family’ than Goldman Sachs which might suggest more of a collective culture and mentality amongst its employees.

Robert agreed with the sentiment expressed in the first two interviews in that it was now more difficult to do deals in Eastern Europe as opposed to the west and that deals must be approved to be done in Russia. However, he stressed that this was again more about good business investment than a political strategy as the prior two interviews also suggested. Russia and western banks involved with it must find a way to navigate business through the sanctions. Equities need optionality and it is important to try to do business still as Russia will remember those who pull out of the country. Currently employees have to navigate a cold view of the US towards Russia, European banks are much closer to Russia with Dresner Bank and Putin. The example supports not only prior interviews but background literature that Russia is not necessarily averse to western culture and often embraces it, but the more alien western culture becomes the less appealing it is (Rzhevsky, 2002).
My Final interview was with James, an eminent British diplomat; former British Ambassador to the United State and British Representative to the European Union. In addition, he is a Senior Independent Director of Royal Dutch Shell and was a Director of Rio Tinto until this year. The interview took place in Hampstead and lasted for 2 hours, adding more of a political quality to my data. It was also invaluable to gain the perspective of someone who had lived in Moscow in the 1960’s and been involved with Russia ever since.

In Russia during the 1960’s the economy, prices, and business was all controlled by the state. However, he made it clear that nobody starved and generally people were not unhappy. It was noted that the powers of the state and crucially those of the KGB, may have distorted the real picture somewhat as there were very few informants, of those few, dissention rested chiefly in cynicism towards the government something corroborated in section as a way for citizens to access their own cultural values (Gleason, 2002). James believed important contrast is that now Russian propaganda is far more effective (previously noted as very poor; nobody believed the reason for the Prague regime change in 1968 for example) and much of the cynicism toward the government is gone. This phenomenon was also highlighted by some of those I spoke with in my Moscow ethnography. When reviewing background material, it becomes clear that this is largely due to the terrible crisis of the 1990’s and the successful depiction of the Putin government as the reason for the change in national fortunes as stated in chapter three. James corroborated this noting that in the 1960’s and 70’s the people knew they were better off than their parents, now they know they are better off than in the 1990’s and Putin is accepted because of this. He further stated that perceived lies of the west (capitalist prosperity for all, international wars etc.) and broken promises concerning NATO expansion in the Balkans have also resulted in mass distrust of the west as discussed in the background material (Borger, 2016), and the Putin government has drawn further strength from this. However, my data suggests that there
is genuine widespread support for Putin, though propaganda is also prevalent. One might argue though that as a result of broken promises of the west the propaganda offensive does not even need to be that effective, particularly when added to a history of scepticism towards the west (Gleason 2002, Likhachev 2002).

James told me that state influence in business is prevalent once again, obvious in some instances such as Gazprom and less identifiable in others. He had been personally involved in the early 2000’s when the Russian government moved aggressively against Shell and the Sakhalin Energy consortium alleging environmental violations, eventually forcing a major stake to be sold to Gazprom. It was pointed out however that this was not as clear cut as wanting to take the project away from foreigners. Cultural business practice played a big part, they wanted to stop loss of face and be seen to be in charge of their own industry, something explicitly stated as a Russian desire in my first Moscow interview and suggested as a traditional practise regarding essential Russian affairs going back to the preservation of Russian Orthodoxy (Rzhevsky, 2002). When viewed this way, such actions appear to be far more about power than xenophobia. An £11 billion payment was given to Shell (the biggest Russia had ever given in a private deal) and foreign experts were used to run the business. A contemporary example of perhaps a traditional characteristic of a subconscious inferiority complex with the west, as a result of so much high culture, science and philosophy being adopted from Europe and the feeling of not being sufficient in herself (Hart, 2002).

He believed that currently the prudent western response to Russian growth and especially in the Ukraine crisis should be similar to the Austrian model from 1952, remaining perpetually neutral whilst guaranteeing the rights of minorities. It was added the conflict was not to do with EU expansion as the EU do not want Ukraine as a member because they are not nearly ready.
However, some may point to the Ukraine-European Union Association Agreement being a move in the direction of membership and many have argued that Romania and Bulgaria have been admitted in order to boost cheap labour, amongst other things, even though they are not ready (House of Lords 2013, Dempsey 2014). It was further asserted that multinational lending banks such as the EBRD and IMF are not political and certainly not in relation to Russia. Though they may not be directly political and have become even less so, focusing more on private lending, the political involvement of such organisations has been commented upon above, operating usually in an indirectly political manner, demanding good governance, withholding loans etc. One could retort that such actions are economic and born out of the desire to improve economies, but this often becomes political as discussed above and in chapter four (Caulfield, 1997). A reason for the stark difference in James’s opinion as opposed to the first two interviews might be that he assessed such organisations in terms of their primary function which is economic. James further argued any business problems that exist currently originated on the Russian side, although if business is in part a matter of trust and consistency as suggested in the above interviews, then the west is at least partly responsible for a breakdown in trust by breaking previous promises regarding economic aid and NATO (Borger, 2016).

James believed that neoliberalism has gone too far in its dominance of economy and social culture and because of this a new dangerous populism has grown in Europe threatening cohesion. One might wonder whether Russia is an example of a precursor to this, having rejected neoliberalism and turned to a more nationalistic populism in the 1990’s as discussed in chapter (Sakwa, 2002). He pointed out that the response seems to be a move to the right as the UK and other governments on the continent have at least in policy if not in party. The rise of what could be seen as competing systems in Russia and Asia as discussed in chapter five might be seen as a further signal of the beginning of a system change (Clark, 2011). It was further
contended that neoliberalism also produces too much individualism which is bad for collective society. However, people “don’t seem quite done with it yet”, as certainly in the UK, neoliberal governments are still in charge. James highlighted that the current Tory government in the UK for example are delivering policies akin to hard neoliberalism rather than traditional conservatism and policies of many governments and parties are now becoming blurred in order to sustain the neoliberal model. This is a completely different approach to what Ong observes in Asia where it is neoliberalism that is blurred and selectively implemented in order to keep with cultural tradition and maybe suggests that neoliberalism in the west (Ong, 2006). He believed that a move in opinion back towards community values will occur but not yet, parties which offer this are still too old fashioned in their approach to the economy. One might argue that growing populist parties such as Podemos, UKIP, PVV, Front etc. National and the campaigns of Trump and Sanders in the U.S all share in their fostering of distrust and dislike of the establishment. In this overarching sentiment one could argue they share more in common than the details of their politics suggests and together display a viable challenge of neoliberalism by civil society highlighted previously as important for a successful challenge (Worth, 2005).

James believed that there are some benefits which have been derived from neoliberalism; the housing market for workers works better in the US for example as it keeps houses within the reach of people by allowing one to move to a different state when a factory closes and buy a new house within 24 hours; a result of the integrated free flowing market allowing quick access to consumer desires. He believed that social housing in the UK obstructs this as the worker would risk losing their home by moving to a new job. France was instanced as an example that works better with social housing, the US with free markets. British neoliberalism is in between. It was stated that the economy worked better in the 80’s when the civil service was more powerful. Ministers were told if policies were possible by expert officials, a similar expertise
in policy making was advocated by the first two interviewees. The loss of bureaucratic power and confidence to advise ministers was lamented. In addition to this, officials previously had more ‘real’ experience of work and lives before politics allowing expertise and a different perspective. One could argue this is a negative knock on effect of neoliberalism which has streamlined politics to the point of a continual PR campaign for private business, Barack Obama won Advertising Age’s marketer of the year beating Apple into second place, unable to challenge its power (Chomsky, 2011).

Concerning developing countries, in the 20th Century James outlined how western governments worried about starvation and neo-colonialism, now the worry is corruption. Free trade is good for developing countries; the South East Asian countries, were instanced for this, although the wider literature shows World Bank were crucial in the association of neoliberalism with the ‘East Asian miracle’ and it is a very questionable association (Berger, 2007). Furthermore, it has been argued that free trade actually condemns developing nations to remain underdeveloped and though there have been strides in terms of poverty, it has been reasoned that improving conditions is not a good argument for retention of a grossly unfair system; slaves had better conditions in 1800 as opposed to 1700 but that is no argument to keep slavery, the system was still wrong (Chomsky, 1997). Though this argument is somewhat extreme and it must be acknowledged that living standards of the global population have improved, this does not dispel the notion of free trade as a tool of subordination of the periphery by the core. James argued that corruption is a bigger danger to the economies of emerging nations than aggressive neoliberalism, wider literature upholds this sentiment as it suggests citizens do not see the benefits of aid while local elites prosper (Caulfield 1997, Harvey 2005). However, the definition of corruption is very important when discussing the benefits of global trade as definitions are liable to be politicised as discussed above.
In terms of business in general it was again stated as in the other interviews that the state should more or less only ‘set the rules of the game’. It is needed to remain as a stabiliser as an utter withdrawal would make markets too volatile. The state is also important for enforcing the rules it has set and multinational corporations must be forced to pay tax. It might be pointed out here that neoliberalism has made it increasingly difficult enforce corporation tax, at once diminishing the power of the state, increasing the power of private corporations and deconstructing sovereign borders allowing capital to flow more freely. James stated government ought to also limit monopolies but should not own business itself. International rules are a good idea, though as mentioned above, who makes the rules presents a problem. Thus a broadly neoliberal sentiment was displayed in dealing with the economy but as mentioned above, the interviewee believed bureaucratic power ought to be more powerful in other areas, the problem being that neoliberalism has become a controlling mode of operation of all areas of government. What might be implied in his sentiment although not stated is similar to a version neoliberalism by exception, where it is used with regard to business but ring fenced from other governing functions. A central change in western business since the 1960’s has been the destruction of union power with a mirrored increase in in the power of the private sector. He suggested that in many ways this has been good as a reduction of state owned enterprises is a good thing, although one could argue that privatisation produces a situation dominated by unaccountable private corporate power and thus seriously endangers democracy (Chomsky, 2011).

Finally, James stated that problems existed currently in the UK economy and that the government are not building what is needed because it is trying to set the prices and banks are overregulated. The best areas of the economy are where the state is not involved, “there is a
This chapter was successful in providing informed opinions of significant actors within neoliberal industries directly regarding both the situation of the Putin government and of current neoliberalism. Three of the interviewees had extensive experience of both living and doing business in Russia and the west allowing an extended analysis of changing government in Russia and its consequences. A broad agreement was expressed concerning the level of influence the Russian government has in business, particularly when juxtaposed with that of the 1990’s. It is worth highlighting however that Russia was upheld as the pejorative example of government influence in business. All agreed that business and politics should be separate and that this wasn’t the case in Russia. No arguments were made that the close relationship between government and business was very similar in America. Mark highlighted Elvira Nabiullina as an example of this, yet the same was not said of Hank Paulson or Robert Rubin. Furthermore, the proximity of the Kremlin to major corporations like Gazprom was highlighted by James but similar conclusions were not made about a host of U.S. corporations such as Lockheed Martin, Freeport-McMoran or indeed Google recently described as a ‘revolving door’ between private corporate and government jobs (Doward, 2016). The feeling of an ‘artificial’ markets in Russia because of Kremlin influence was not felt about western markets.
suggesting somewhat of a systemic bias. Somewhat of a contradiction appeared in the sentiment expressed by Robert and Ekaterina in that corruption was generally similar everywhere. This was a valuable perspective to record, especially as the two interviewees offering it were themselves not western and thus might be argued to be not as partial to western systemic bias and able to view multiple systems of government and business more generally.

A further general consensus was that the Putin government did have a greater degree of independent power over the people and over business that governments in the west through a combination of history and circumstance. A key point concerning this was highlighted by James in that historic circumstance imbuing the Putin government with power was not solely internal to Russia and that ‘broken promises’ from the west had also aided Kremlin autonomy, something suggested in chapter three (Borger, 2016). The interviews were of further use as they provided a degree of self-analysis; a broad consensus was reached in that there are multiple systemic issues with neoliberalism which reproduce problems. However, no alternative was offered and all maintained that the market should be left to self-govern. A further contradiction could be found here in that government involvement was presented as essential when things go as wrong as they did in 2008 because of the public money involved. In a sense this presented neoliberalism and neoliberal attitudes starkly: such a confluence of business and politics has occurred that the public has been welded to the private ‘ring fencing’ one from the other under the current system is now very difficult. This is furthered by the globalisation of market systems and use of the USD, acknowledged in the interviews as an inbuilt bias in the system that is ‘fair’ as nobody is ‘forced’ to use it. The problem with this argument was the acknowledgement by Mark and Ekaterina that banks are political and ‘take orders from the top’, whilst generally looking to each other for action consensus. To reject the dollar or the neoliberalisation of culture favoured by western banks as highlighted would risk investment being withheld or moved
away, compelling one to use the dollar and acquiesce to neoliberalism without ‘force’. As pointed out by Ekaterina, this has and will continue to make it difficult for Russia to maintain a distinct cultural identity and concerning this theme of this dissertation, one might argue further that as a result, the Putin governmental system might find it increasingly difficult to survive in its present state and that there will be continued friction between it and western neoliberalism.

8.0 Conclusion

The future for a neoliberal system in its recent form is uncertain. Harvey acknowledged that in practice neoliberalism departs from theory almost immediately and further points out the differences in application of it by the original founders, Britain and the USA (Harvey, 2005). He further lists various contradictions of neoliberalism discussed (section 2.3, Harvey, 2005). Harvey uses the contradictions not as means of attributing lack of power or coherence to neoliberalism but as fundamental flawed characteristics of it to be attacked. Though there may be growing resentment towards it as well as beginnings of alternate systems, both displayed in the wider literature and my ethnography, those whom I interviewed in London generally did not believe changes would be immediately forthcoming; something explicitly stated in my interview with James. My results show that systemically neoliberalism is still very much ingrained and the viability of possible alternatives is undeterminable due to systemic infancy. Too much of the literature criticises without providing an alternate system that would be widely accepted and immediately workable. With regard to the finance industry, there was some accordance with my data and the wider literature in the belief that a positive new banking system would benefit most from a domestic deposit base, a cautious lending to business and aversion to short term speculation (Myant et al, 2008). However, problems arise in trying to
bureaucratically change the system and create further unforeseen issues. Ring fencing public money whilst deregulating private business doesn’t seem workable but leaving the public open to disaster through free unregulated markets is equally problematic.

A consistent theme in my interviews was keeping government out of business to allow professional experts to do what they do best and that problems in markets arise usually from government involvement. This is somewhat supports a traditional free market approach as opposed to administratively interfering neoliberalism. The problem is that this view, presently, is idealistic. Governments are involved not only in markets but increasingly in the lives of society. This was expressed in both the literature; instancing biopolitics and the accumulation imperative (Collier 2011, Mahovichy 2014) academically, and in their application – the Putin government getting under one’s skin (Moscow interview 2). In the current western neoliberalism, the line between government and business is increasingly blurred as has been discussed (Chomsky 1997, Chomsky 1999, Chomsky 2007). Such themes are important when discussing the theory of a possibly emerging transnational state or class. In an increasingly small world, especially when the rate of globalisation and technology have been so great, one might expect power systems to alter also.

Attempting to trace textbook notions onto the current changing economic and political environment, as Block attempts in his notion of hegemony (Block, 2001), is both pointless and unfulfilling. As much of the neoliberal literature has shown, outsourcing is a primary policy, those in charge do not seek hegemony by direct control but by imparting ideology to groups around the world who then exact the same ideas (Robinson 2004, Harvey 2005). This is displayed in the “Goldmanizing” and recruitment of locals discussed in my interviews. Thus Block’s argument of monopolies on violence by a single state being needed to constitute a
hegemony are problematic. Such monopolies are outsourced to various governments around the world to ensure that the current economic system is upheld and un molested. Governments are more than happy to do this because they are, as individuals, not only invested but reliant on the system; they and the vast private wealth holders living around the globe, are the very class Moore speaks of. In a sense, violence has been outsourced and monopolised certainly within boundaries of transnational neoliberalism. If one acquiesces to the view that America merely fulfils the role of vehicle of choice for this peripatetic class, then it is possible to assert that there is more or less a global monopoly on violence, with the exception of certain states, until very recently (Moore, 2007). If this argument is adhered to then arguments concerning Imperial Rome’s or Britain’s or such other empires possible monopoly on violence are not needed. Moore asserts it is quite clear on who’s behalf transnational institutions are constructing consent and that post conflict states display an example of a new ‘state’ whose administrative systems are made up of both internal and international policy makers – a physical representation of a transnational class (Moore, 2007). However, one can argue that although Moore might be correct in his assessment of neoliberal hegemony and the transnational class it has produced, it must be remembered that events are not static. If such a class did enjoy a monopoly of sorts on global aggression, one might argue recent events in Syria where the Russian military have taken a leading role demonstrate this is no longer the case (Chomsky, 2016). When this is coupled with the recent IMF assessment regarding the economic benefits of neoliberalism or lack of attributable benefits in 1980’s Chile (Ostry, 2016), historically acclaimed as a shining example of neoliberal success, one might begin to ask whether neoliberalism as a technology of government and class hegemony is not in a serious state of crisis.
Little depth has been given to the study of subordinating neoliberalism (rather than being subordinated by it) and selective use of neoliberal policies to create a new model of government technology. Although Russia’s leaders did embrace radical reforms opening up international trade and currency flows, the actual reforms have diverged a great deal from prevailing neoliberalism of the Washington Consensus and one could argue that there has been a movement from one centralisation, under Socialism, to a new centralisation under the political elite (Rutland, 2013). Many positive changes have taken place in the country both economically and socially and a number of reasons ranging from advantage of current circumstance, (building from the bottom and co-opting tried and tested technology and forms of government into its system) to historical context mean that certainly for the near future the Putin system will continue (Gaidar, 2011). My ethnography in Moscow expressed some negative attitudes with the current government, largely due to perceived authoritarian tendencies. On balance however, a favourable attitude was expressed towards the Putin government, especially when compared to what there had existed previously. This was particularly so of the oldest and youngest informants. The most negative sentiments were expressed from those a decade or so older than me, they had been the generation who experienced extreme liberalism in their early twenties or late teens. Kyril himself reflected that he was beginning to question whether he in fact romanticised that time and went on to say that he was beginning to see the benefits of the Putin government, particularly internationally. The older people I interviewed such as Anna and Lyudmila, as well as those of my age were, at least on the surface, far more positive in their feelings towards the current government.

One key message to take away from my dissertation is the importance of context. Context in terms of cultural and historical background has and continues to provide great legitimacy for the Putin government. In a sense the government is circumstantial, having been born on the
back of national collapse twice in ten years. Those in charge seized upon the circumstance but it might be more difficult to argue that they seized control or really forced the situation. Mass popular sentiment aided in the production of the government which was founded on a mixture of history and culture, both recent and traditional (Sakwa 2002, Kelly 2012). The same mix can be said to afford them room for manoeuvre and a population willing to take more hardship than one might in the west (Wyman, 2000).

The importance of context can also be referenced with regard to Slavophilism, discussed in section 3, and Eurasianism, its “direct descendent” (Clover, 1999; 11), continuing the idea of a unique perspective and culture, sculpting Russian geopolitics with the West. In its milder form Eurasianism has come to denote the belief in a particular heartland and identity for Russia, drawing on its geographical connection to Asia and the east, rejecting Westernized shackles of a European categorization (Clover, 1999). Historically the Eurasianist movement successfully reconciled Communism, Orthodoxy and nationalist fundamentalism, making it imperialistic without being nationalistic. The quality of an umbrella philosophy has allowed it to constitute a ‘Third Way’ compromise between left and right and cement itself in the Russian psyche (Clover, 1999).

It has been argued the rise in Russian nationalism in the wake of the Soviet Union has influenced Eurasianist discourse producing Neo-Eurasiamism and a more Russia-centric tone, spearheaded by Alexander Dugin, currently the most influential Eurasianist thinker (Laruelle, 2008). Dugin has argued a fundamentally different psychological outlook exists between Atlantic and Continental Civilisations, the former being based on liberal commerce, the latter on strong, conservative autocracy (Laurelle, 2008). Although it has been pointed out that contemporary Russian governance and foreign policy are not necessarily influenced by Dugin’s Eurasianism,
the idea that Russia is a great power and should be treated as such across its geography has been both increasingly central to Dugin’s Eurasiamsim and criticised by Turkish and Kazakh Eurasianists (Laurell, 2008). One might argue that while, wanting a role in the Middle East, supporting Iran, the idea of Russia as a ‘great power’ are not necessarily synonymous with Eurasianism they do appeal to Neo-Eurasianist ideals of commitment to national identity and hostility to “Atlantacist domination” (Laruelle, 2008; 204). One might further argue that the Neo-Eurasianist idea of perceived cultural unity and common history of the peoples of former Soviet Union, under Russian domination, has been influential in the creation and governance of the Eurasian Economic Union.

The Eurasian Economic Union is an economic union of states (Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia) located primarily in northern Eurasia and it can be said that, “like the customs union before it, the Eurasian Economic Union was built with one goal in mind: to cement Russia’s hold over the states in its periphery” (Stratfor, 2016). As with the customs union and Soviet Union, the EAEU has sought to continue the history of Russia pulling smaller countries under its control, resting on the principle of a shared history belonging neither to Asia nor Europe. However, it has been argued that the EAEU has not reached the global promise it might have been hoped it would. Instead the weight of Russia within the Union has proved a weakness due to its recent economic fortunes, damaging the blossoming of the EAEU at the outset (Stratfor, 2016). Nevertheless, from a Eurasiansit/Neo-Eurasiansit perspective the short-term economic success of the EAEU must be viewed as secondary to its greater purpose as a justification and realization of Russia as a ‘Great Power’. In this way it can might be seen as part of growing success in Kremlin geopolitics; fostering a realization of Russia’s derzhavnost (‘great powerness’) and influence on the world stage, particularly at a time when its immediate rival, the EU, appears weak (Rangsimaporn, 2006). In light of this it might be prudent for future
study to review the EAEU and any successor organisation and its success. It would be prudent for scholarship to assess this in a multifaceted manner, reviewing not only the immediately measurable success of such an organisation (economically, politically etc.) but its effectiveness at promoting and sustaining Russia and Russian influence on the world stage.

The contradictory feelings expressed in my research; positivity towards the government’s achievements as well as negative attitudes towards some present policies and the future, might further be attributed to historical context and a post revolution mind-set (Gaidar, 2011). Aside from authoritarianism and what goes with it, including corruption and propaganda, being more ingrained in the Russian psyche, the recent history of 1990’s chaos has produced something un-relatable to in the west. Chaos was an awful norm not for lower levels of society but for all. As a result, incidents like the recent shooting of Boris Nemtsov (whoever the perpetrators) does not produce the same outcome it might in the west. The couple I lived with for my year of study were great fans of Nemtsov and had seen him only the day before. They were also anti Putin and the government, yet even they did not believe the government was responsible or blame it for the death. Thus incidents which would produce the serious questioning and possible removal of such a government in the west do not produce nearly such reactions in Russia. It might be argued the autocratic nature and authority of the Putin government was not only needed for the country after the 1990’s and forecasts of its downfall may well be overblown as a result.

Readdresses have been made in some areas economically and must continue. Some believe this is needed politically also to produce more of a democratic system compatible with the 21st Century to avert collapse (Gaidar, 2011). Ten years of positive growth at 10% might be largely responsible for the positive internal attitudes in my data and a prolonged recession might change this, it is worth making the comparison between the early growth of the industry based Stalinist government and the commodity based one of Putin.
Certainly expressed in both the literature and universally in my data, expertise, context and a mindfulness of culture are essential to economic policies. When applied to multinational aid banks such criteria provide a damaging prognosis. The wider literature largely argued such institutions were cynically designed to cement western hegemony and subvert developing nations producing widespread poverty. My research focused more on the political nature of the institutions and, on balance, it seems they are too close to and to being governmental organisations (and thus too bureaucratic) to provide sound economic support. This is not to say they are the hegemonic villains of some of the literature but more issues seem to be drawn as a result of their actions than positives. Bond comments that the ‘global South’ do not need a USD denominated World Bank, IMF and the same can be applied to the ECB and EBRD. For genuine growth it was expressed in the literature and in certain interviews that less focus needs to be on GNP and capital and more on stimulating ingenuity, creativity and freeing up private money allowing people and experts to exercise their intelligence (Caulfield, 1997).

It can be argued that both the popularity and acceptance of government authority are results of the social anomie which resulted from western advised Shock Therapy in the 1990’s and a history of authoritarianism making it more familiar and acceptable (Rzhevsky 2002 Collier, 2005). But this does not explain the continued popularity nearly two decades after the current government came to power. Certainly pressure from the west has been the supreme cause of a societal retreat into ‘Great Russian nationalism’ traditionally (Hart, 2002). In light of this it might be prudent for western policy makers to reduce criticism and aggressive methods such as sanctions if they wish to see future change in government.
It is perhaps still too early to judge the success of the Putin government. It can be argued to have been hugely successful up until the turn of the present decade, presently there seems to be a crisis however large or small. What might be said with more assurance is that there will be a continued friction between it and western neoliberalism. It stands in opposition to international neoliberalism, whether personally or through the systemic situation it fostered and encouraged in order to cement its power. Much of the most vehement opposition to the current government can be found in the west (Carothers 2002, Kasparov 2007). This does not mean there is no internal pressure on the government, but Jacobite oligarchs and their supporters (Sakwa, 2011) are certainly not as popular as the government. As has been argued, much of the popularity the government enjoys can be drawn from the social anomie which resulted from western advised Shock Therapy in the 1990’s and a history of authoritarianism making it more familiar and acceptable (Rzhevsky 2002 Collier, 2005). But this does not explain the continued popularity nearly two decades after the current government came to power (Sperling, 2015). The government has also been very successful in incorporating the youth support and promoting Russian social media, perhaps offsetting arguments that globalisation will turn Russia towards to the west eventually (Sperling, 2015). Certainly pressure from the west has been the supreme cause of a societal retreat into ‘Great Russian nationalism’ traditionally which has largely resisted westernisation in favour of ‘Russofication’ of western influences (Hart 2002, Rzhevsky 2002). In light of this it might be prudent for western policy makers to reduce criticism and aggressive methods such as sanctions if they wish to see future change in government.

My work has looked at a post-socialist, post-imperial state forging a new identity in a ‘capitalist’ but increasingly volatile world. My work highlights the importance of cultural and historical context in the geo-politics and governance of post-socialist settings. My work has
highlighted the importance of cultural, political and economic history, both near and long term, in fermenting the environment in which a contemporary system of governance can arise and act. My work further examined the state of neoliberalism as a system of governance and its influence in producing alternative and competing systems, as well as its reaction to such systems. Future anthropological work in Russia and post-socialist states might view my findings useful in assessing the importance and influence of systems of power and governance in Russia and in the West on their own work.

Russia undoubtedly provides an alternative model to neoliberal hegemony, what that system is: neoliberalism by exception, authoritarian capitalism or sovereign democracy is hard to say (Sakwa, 2011). It also produces a very rare ‘Wizard of Oz’ glimpse into the running of nations in a simple sense. The curtain of systemic control was pulled aside in the 1990’s revealing the obvious corruption and brutal violence which have been incorporated into the system. Yet it was alleged in a number of my interviews that such things are no different around the world, the only difference being centuries of systemic layers concealing it. Whether the current government manages to start arranging those layers in a manner producing an effective, specific, long-term system is remains to be seen. What seems more clear is that there will continue to be an inherent friction between two competing class systems (Makovicky, 2013); one, a technology of government based in sovereignty and national tradition, the other transnational neoliberalism seeking increasing dissolution of boarders and obstructions to capital, labour flows and the authority of its own elite. One might wonder how the potential for deepening crisis in each system; a prolonged economic downturn in Russia and an increasing rejection of neoliberalism in the west as discussed above, might affect the relationship between the competing technologies in the future.
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