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Russia

# Austerity Economics Russian Style: “The state never asked you to be born”

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**For two decades steadily rising living standards and high rates of economic growth have served as the standard explanations for Vladimir Putin’s overwhelming support among Russian voters while a key theme of Russian state propaganda has been the championing of Putin-style “stability” (as opposed to the chaos and poverty of the 1990s) and the unfettered consumption that has been made possible in Russia today. The effectiveness of such propaganda never really depended on the extent to which its depictions of reality were true, as much as it did on confidence in its promise for the future: your salary might hardly make ends meet today, but it will grow tomorrow, this way you can keep your job while inflation stays in check.**

If in the political arena aspirations for a certain kind of stability expressed themselves in votes for Putin, at the level of economic behavior it led to a massive increase in consumer loans. Even obscene 10-12% interest rates did not deter the majority of Russians from taking out credit to buy cars, apartments, refrigerators, furniture, clothes, or simply to spend on drinking and eating. Official “stability” propaganda merged into one with endless barrages of advertising, creating a situation in which the actual drop in incomes over recent years was doing nothing to slow consumption, while consumer debt was constantly rising. So much so that by the beginning of 2019 almost 80% of all Russians in debt earned less than 50,000 Rubles (680 Euros) per month, a quarter of whom faced monthly loan repayments higher than their salary. Poverty multiplied by growing debt is the root formula for social reality in modern Russia.

Putin’s campaign for re-election in March 2018, in addition to calls for national unity in the face of the threat posed by the West, was likely the last time state propaganda made active use of the “stability” motif. Immediately after the elections, the government began to carry out “structural reforms,” at the heart of which were a series of measures to cut the state budget and increase taxation. The key and most painful policy, to raise the retirement age to 65 for men and 60 for women, was approved by the president in September 2018. No longer was the state promising good things to come in the future. Quite the opposite, this was an attempt to bring the population face to face with the harsh reality. The year 2018 saw a new theme in Russian propaganda, not previously characteristic of Putin’s regime, but well-known in the countries of the European Unionâ€”the rhetoric of “austerity”.

The defining characteristic of this new style of politics is that, whereas in the past, cuts in social spending and lowering of incomes in real terms were accompanied by elites’ attempts to make excuses or offer consoling promises of prosperity in the future, now budget cuts, falling incomes, and tax increases are presented as the “naked truth” that must simply be accepted. There is no choice between a range of solutions, one simply needs to come to terms withâ€”or, as Putin put it in his address to the nation on the need for pension reform, “have some understanding for”â€”what is being presented as the only feasible course of action. In this case, the call for “understanding” is more akin to a formality at the end of a train cancellation announcement than a politician addressing the nation.

This austerity rhetoric isn’t just about such robotic ultimatums. Amazingly, it has also incorporated appeals to Russians’ morality as well as aggressive attacks on so-called “losers” who have become accustomed to living on state handouts. These messages appear designed to be simultaneously depressing and shocking, to make people feel personally responsible for the state of the country, and to cultivate a set of expectations that one can only rely on oneself.

While President Putin mechanically reported that raising the retirement age was unavoidable, like the laws of nature, numerous officials and deputies from the ruling party United Russia subjected the public to some shocking moral preaching. Over the past year, such performances have often racked up millions of Youtube views, accompanied by a flurry of angry comments. In November 2018, the whole of Russia was atwitter over a speech by the head of the

Yekaterinburg Youth Policy Department Olga Glatskikh, where Glatskikh complained that “the younger generation believes that the state still owes them.” On the contrary, according to Glatskikh as she addressed Russia’s mistaken youth, “It’s your parents who owe you. They gave birth to you. The state never asked them to.” Following Glatskikh’s lead, the governor of Lipetsk Region Igor Artamonov declared, “if young people think things are expensive it’s because they’re not making any money, not because prices are high.” Condemning “professional whiners” with higher educations who will only work for high wages, Sergey Vostretsov, a deputy from United Russia, suggested that some Russians “can look for work that suits them for ten years and still never find it, while those who want work will always find what they’re looking for.”

Far from stopping these political elites, the streams of public condemnation that their retorts have met have only seemed to intensify production of this new Russian austerity rhetoric. Its distinguishing feature is its appeal to the moral sensibilities of a population that it simultaneously asserts has been corrupted by consumption gone wild, overinflated salaries, and the state’s social safety net. As such, Russian ballet dancer and socialite Anastasia Volochkova recently called on less well-off Russians to “get up and ask your conscience a question: if each one of them and every one of us for that matter worked and thought about it, what could we do for the good of our country?” The call to consume less and work more in these types of statement organically becomes tied to norms surrounding patriotic duty and personal modesty. For example, Senator Ekaterina Lakhova drew a stark contrast between today’s supposedly irresponsible generation and “those who went through the war, who survived such horrors and hunger,” admiring that, “having gone through so much, they still display such wisdom, such clear-headedness!” suggesting finally that, “Maybe it’s precisely the stress and deprivation they suffered that made them that way?”

Analyzing the British government rhetoric that ushered in budget cuts in the late 2000s, Owen Hatherley has written about what he calls “austerity nostalgia.” Then, the representatives of the political mainstream also called on people to recall times during the Second World War, when the British had to sacrifice their freedom of consumption to something “more important.” According to the canon of austerity rhetoric, economic crisis and cost-cutting policies present challenging circumstances that help to strengthen character and teach people to make responsible decisions. Comparisons to the sufferings and shortages that fell to the lot of past generations help the current one to realize the scale of their responsibility before the country and their own children. In order to accept this challenge, the population needs, as one of the deputies of the Russian parliament put it during the discussion of the pension reform, to “get out of their comfort zone” and grow up at last.

The majority of the Russian authorities’ liberal critics have explained away this avalanche of aggression as a symptom of the extent to which the political class is out of touch with popular sentiment. According to them, the absence of democratic turnovers of power and a lack of full-fledged public debate have led to a situation in Russia where officials have simply forgotten how to talk to the public. However, the scale and frequency with which austerity rhetoric is being generated in Russia clearly show that this is not just a matter of the political insensitivity of individual representatives of the authorities. Moreover, the content and logic of these statements differs little from similar rhetoric found in countries considered liberal democracies.

These moral teachings of the rich addressed to the poor not only clearly indicate the presence of a class consciousness among the Russian elite, they also have a specific political goal. These shocking and aggressive statements are being used to remind Russians of the rules of the game that they have come to internalize passively in their everyday lives: only rely on yourself and don’t be fooled by the mirage of collective interests. This is the truth of neoliberalism in Russia that over the twenty years of Putin’s rule has penetrated much deeper into the pores of Russian society than in Western Europe. A spirit of competition and mutual distrust has formed the foundation for mass depoliticization and submissiveness, allowing for the dominance of the Putin regime, even under conditions of economic stagnation. In order to challenge this, the Russian opposition must question the very logic of neoliberalism that rejects the very idea of society as a phenomenon.

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