

The autocrat's dilemma

History is littered with autocrats whose time may have passed but whose ability to exit has been stymied. The consequence has been a clinging to power or, in some instances, a rude ejection. The optimal time to quit for an autocrat remains a secret yet to be discovered – or so it would seem.

The latest example of this conundrum comes from Russia where Putin's two-decade long dominance of politics seems set to be perpetuated, mainly through some changes to institutional arrangements. Although the exact configuration by which Putin continues to exert pre-eminence has yet to play out fully, the broad shape or strategy has already come into view. A weakened Presidency, an enhanced role for the Parliament and the creation of a stronger agency (State Council) providing oversight – and possibly a future and central role for Putin himself – potentially solves the problem of constitutional limits on him simply staying in the Presidency. It also serves to weaken possible loci of opposition who might be tempted to revise – or even challenge – the last 20 years. In short, it is a variant of divide and rule. It mimics to some extent the approach that Putin's elderly neighbour – Nazarbayev – has already adopted in Kazakhstan, albeit with one important difference. The latter appears to have familial, dynastic ambitions whereas Putin seems not to favour his children (at least, as yet).

Putin himself never challenged head-on the legacy or indeed most (but not all) of the players that he inherited from his predecessor, Yeltsin. But he certainly set policy on a radically different track, even if he left largely intact the fortunes of those who had benefitted from the prior regime. Only those who wilfully challenged him – such as Khodorkovsky and Berezovsky – were punished. But Putin has been quite unusual in mainly choosing co-optation and suasion rather than jail and/or assassination as the principal method of dealing with opponents. Most successions – including in systems where some element of democracy is in play (Angola is a current case in point) – are less neat. Indeed, the autocrat's nightmare is that on stepping down from a protracted period of rule when duly enriched – often massively – their successor(s) will choose to pursue them. This risk is particularly great if the putatively retiring autocrat maintains strong allegiances and interests that threaten the ability of his or her successor to implement policies of their choosing, including for their own enrichment.

What might those policies be? A hand-selected successor rarely turns out to be a democrat in tooth and claw. Revision of the system of political governance is also rarely a priority, even if selective changes – including partial liberalization – may be initiated. But control over economic rents and resources can be quite another issue. In Putin's case, this is the rub of the matter. The question is not so much the preservation of his monetary and asset fortune, but the protection of the tribe of connected persons and entities that have facilitated and burgeoned along with this fortune. Autocracies for the most part don't live by only taxing persons or companies. They live by forming alliances with – including creating – companies and activities that grow – sometimes exponentially – on the backs of the autocrat's support and sanction. The sanctions regime that was set up

after the invasion of Crimea details well the persons and companies benefitting from close links to Putin. The instruments are various. They include public contracts as well as preferential access to finance, land and other resources. The recipients are various too – private companies or business groups, but also state owned or state invested companies. In Russia, in fact, all these instruments and all these recipients have been in play and the gains that connected persons and entities have made have often been stupendous. Moreover, those benefits have continued to grow, whether in finance, construction, natural resources or in other branches of the economy.

What this means in effect is that the autocrat is rarely the lonely dictator. He or she is rather the hub of a network of friends, clients and sycophants all of whom, over time, will have acquired massive vested interests in perpetuating the autocrat's rule. Indeed, it is the strength of those interests – and the tenacity with which they are defended – that ensures that few autocrats cut 'exit deals' that allow them, for example, to retain their wealth unmolested in exile or even, conceivably at home. (Assad in Syria before the decisive Russian intervention in 2015 may have been a case in point).

In sum, autocracy can have many formats but all tend to be based on systems of power, reward and retribution where divide and rule is the dominant strategic play. In Putin's case, decades of incumbency have been built around an expanded state sector - flagrantly used for political and strategic ends - but also the consolidation – and even creation – of companies controlled by his circle feeding off state contracts and connections and to whom large benefits have flowed and can be expected to continue to flow. It is precisely those beneficiaries that have the keenest interest in ensuring that the autocrat somehow remains in the saddle. What is also striking is the apparent unwillingness – perhaps a sign of underlying dissent - among Putin and his coterie to select a future leader or even a *primus inter pares* from among their ranks. The current equilibrium of interests is fairly fragile with multiple tensions only damped by the arbitrating force that is Putin. This ensures that no individual or company has – as yet – gained the upper hand. So, while, of course, the beneficiaries of the current system – like everyone else - have no reliable way of dealing with the autocrat's future mortality (when it comes), by ensuring that the autocrat's political mortality is postponed, they gamble that more time provides more space for entrenchment and for closing down some of the space for revising policy.

Finally, with these considerations in mind, what options await Xi Jinping in China? The consolidation of power and effective doing away of term limits brings with it – ultimately – the autocrat's dilemma. Doubtless what will play out in Russia will be keenly watched.

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