

GROWTH OF PROTEST ACTIVITY IN RUSSIA: CAUSES AND PROSPECTS OF SITUATION DEVELOPMENT

This paper was prepared by the Centre for Economic and Political Reforms (CEPR - <http://cepr.su>). The CEPR was established in 2015 as an independent socio-political and expert platform to develop a program for reforming the Russian economic and political system and combining social forces oriented toward changes. In 2015-2017 the CEPR has issued a series of reports on its activities in constitutional reform, electoral reform, local government reform and solutions to social problems such as collapsed living standards, disrupted healthcare system and insufficiently developed social lifts for young people. CEPR also monitors social actions, including labour ones, and other protest actions within the Russian Federation and assists in the restoration of violated labour and other social rights of citizens.

On March 26, 2017 anti-corruption protest actions took place across 82 cities throughout the country. According to the current Russian legislation, each public event must be agreed with the authorities, and participation in unauthorized activities entails administrative responsibility in the form of a fine, compulsory community services or an arrest for up to 15 days. In many cities the actions on March 26 had not been agreed upon, however, despite this, they were unexpectedly numerous.

*The Centre for Economic and Political Reforms conducts a regular **monitoring of protest actions which** take place in all regions of Russia. According to our observations, the protest explosion that occurred on March 26 was natural in the current conditions of high social tension.*

This situation is caused by a number of factors: a drop in the standard of living, a large number of unresolved local problems, a gradual politicization of public mood (see below an example of the truckers' protest demanding the resignation of the Government of the Russian Federation). If no radical measures are taken to correct the situation, we can expect an increasing number of people to engage in political protests. At the same time, the Russian authorities currently show no readiness to respond to changing circumstances, they are acting in the usual way: no significant changes or concessions, intimidation and harassment of protesters, active propaganda. Such tactics runs the risk of further growth of public discontent, including the fact that in the coming years a change of the political system can be provoked under the pressure of the masses.

Over the last few years **the socio-economic situation in Russia has sharply deteriorated**. The economy of the country is extremely dependent on external conditions, which manifested itself against the backdrop of falling oil prices and the sanctions imposed against Russia. In 2015-2016, there was a decline in GDP, a decline in industrial production. The economic decline was especially acute in manufacturing industries.

According to the Federal State Statistics Service (the authority responsible for forming official statistics), the decline in the production index for the manufacturing industries in 2015 was 5.4% compared to 2014, in 2016 a slight increase in the index by 0.5% was registered, but in the first quarter of 2017 a decrease by 0.8% was noted against the corresponding period of the previous year.

The consequences of the crisis and stagnation in the economy affect the people heavily. Over the last two years there has been a constant deterioration in living standards and a rise in prices and tariffs. Real disposable money incomes of the population are falling. According to official statistics, in 2014, they fell by 0.7%, in 2015 - by 3.2%, in 2016 - by 5.9%. In the first quarter of 2017, a reduction was registered again - by 0.2% compared to the corresponding period of the previous year.

The number of people with incomes below the subsistence level is constantly growing. In 2014, there were 16.1 million such Russians, which is 0.6 million more than in 2013; in 2015 - 19.5 million people; in 2016 - 19.8 million people. At the same time, the established subsistence minimum is a statistic value, a conditional income minimum that is considered necessary to meet the person's priority needs. At the end of 2016, the CEPR conducted a price and tariff study on the essential consumer goods and services, and it was revealed that, in reality, the subsistence level is underestimated, and in order to afford the essentials, including normal food, non-food items, travel by public transport, its size is not sufficient. Thus, a real number of poor Russians - not only those whose incomes are below the subsistence minimum, but also those who live below this line - is much higher.

Low standards of living and its deterioration have an inevitable effect on social tension in the country provoking protest moods. Throughout 2016 and early 2017 protest activity in the country was high.

At the same time, most protest actions are not protests that have an explicitly political nature (i.e. with demands for changing the political system, changing the country's leadership etc.), but rather the actions related to a wide range of specific problems affecting local communities.

Most often, protest actions are caused by the following problems: unpaid salaries, demands by defrauded depositors and co-investors to fulfil obligations or return their invested money, dissatisfaction with the construction activities not

approved by local residents. A separate type of protest comes from entrepreneurs who are dissatisfied with the regulations of their businesses.

The CEPR has counted the number of protest actions that took place in the country in the first three months of 2017: during this period **284 protests were registered**. Protest actions were detected in almost every region of the country (more than 90% of the regions).

Of the 284 actions:

- **21 were labour protests** (related to delayed salaries, threats of mass layoffs, discontent with working conditions at enterprises);
- **167 were caused by other social and economic problems** (entrepreneurs' protests, protests of defrauded investors and co-investors, actions against tariff increases, closure of schools and hospitals, bad urban development, etc.);
- **96 were actual political protests** (including anti-corruption protests on March 26).

Labour protests

The CEPR has been dealing with labour protests since the beginning of 2016. Violation of labour rights is one of the serious problems of modern Russia.

According to our monitoring, in 2016 labour protests were detected in almost half of the country's regions, and resonant labour conflicts (i.e., when there was a serious conflict between the employer and employees due to delay or decline in wages, mass layoffs or violated working conditions) took place almost in all regions.

During the first three months of 2017, the CEPR registered resonant labour conflicts in more than 70% of the country's regions - a total of 177 such cases. About 80% of the cases are related to delayed and unpaid wages. **21 out of 177 cases turned into labour protests, most of which also related to workers' demands to pay their salaries.**

According to Rosstat, the total of wage arrears in the country has been growing steadily since the beginning of 2017 and as of April 1 it was 3.635 billion roubles. Most of the debt attributes to manufacturing and construction enterprises.

But, it should be noted that official statistics, in fact, does not take into account a large number of cases. Specifically, there is a recent example of the discrepancy between the figures published by Rosstat and the real situation. In January 2017, in an official letter, the Ministry of Labour and Social Protection of the Russian Federation confirmed the wage arrears of over 300 million roubles payable to employees of the Kingcoal group (coal mining industry) in the Rostov region. At the same time, according to official statistics, the total wage arrears in

the Rostov region as of January 1, 2017 amounted to 36.7 million roubles, although the payables to the employees of Kingcoal alone at that time exceeded this amount eight-fold.

In many cases, the employees have been unable to achieve the payment of wage arrears for several years. A major problem is the actual insecurity of employees in the event the employer goes bankrupt. According to official statistics, one third of wage arrears are debts of the companies that are on the verge of bankruptcy.

By their protest actions, employees try to force the employer to pay their salaries, and also to draw the authorities' attention to their problems. But, as practice shows, the actions of the authorities to regulate labour conflicts are not always effective. Moreover, employees often turn to the authorities as a potential defender of their labour rights, but they encounter rather resistance than help.

For example, in the above-mentioned situation with Kingcoal, the regional authorities turned a blind eye to the growing wage arrears for a long time, which enabled the owner to withdraw the capital into an offshore company and bankrupt the company without paying the employees. After the workers' protest went into an active phase, local and regional authorities, instead of seeking ways to resolve the conflict in an expedient manner, began to put pressure on activists from the workers. Moreover, at the end of 2016, when some of the employees planned to travel to Moscow to hold a rally and draw federal attention to their problem, local and regional authorities used tough methods of counteraction (threats, spreading false information, setting cordons at city exits, detaining transports) and de facto physically prevented the protesters from going to Moscow (video - <https://www.youtube.com/watch?v=V-n8mFP0y5A>).

Socio-economic protests

In early 2017 **the main type of protests was a grassroots protest associated with specific social and economic problems.** As mentioned above, those problems include a wide range of issues: abolition of social benefits, growing tariffs, deterioration of social infrastructure (closure of schools, hospitals, maternity homes), protection of defrauded depositors and co-investors, discontent of entrepreneurs, bad urban policies and insufficient attention to environmental situation, etc.

Due to weakness of local self-governments in Russia because they actually deprived of real powers, participation in protest actions is often the only way for residents to express their opinion about local problems, as well as the chance to influence the situation. But even totally non-political protest actions sometimes meet really harsh opposition from the authorities. Activists risk being prosecuted or even attacked by the "unknowns" (in most cases, such attacks remain undiscovered crimes).

For example, in Moscow in 2016 there were several scandalous stories related to the protests against urban development. For example, the residents of the Ramenki district protested against the construction of a roadway in close proximity to residential buildings, schools and kindergartens. Once, to disperse the protesters the authorities dispatched construction machines, backed with the police convoy and security firm's employees, to a site where the protesters gathered. The protesters tried to stop the machines, and some people got injured. The media also reported that the security firm's employees used force against the protesters, and the police did not interfere with the conflict, and even went on to detain several protesters (video - https://www.youtube.com/watch?v=OM_UJgL2EMY, <https://www.youtube.com/watch?v=AnggE8aQk5Q>).

Another example is a protest against the building work at the metropolitan park Dubki, which resulted in a criminal case against one of the activists. He had already had an injury during the previous protest action (the police broke his leg during the detention) and now he got a second fracture in the clash with the employees of a private security agency. He is charged with hooliganism (it should be noted that the activist walked on crutches during this protest). Video – <https://www.youtube.com/watch?v=ctrCMIDQspQ>, <https://www.youtube.com/watch?v=z7zUIwWWR7w>.

We should discuss separately the most significant protests related to the governmental regulation of businesses. In March-April 2017 resonant speeches were made by farmers from the Krasnodar region, and truckers' protests flared up all across Russia.

Krasnodar region is an area in the south of Russia with a focus on agriculture. Over the last year, farmers from this region actively opposed the raider seizure of land by large agro holdings. They blame the regional authorities for defending the interests of large agricultural producers, while ignoring the small and medium businesses.

To draw the attention of the federal authorities to their problem, the farmers tried to conduct the so-called "tractor march" to Moscow - a peaceful convoy of tractors and cars moving from the Krasnodar Region to Moscow. However, the farmers were not allowed to carry out this action. Some time before its start, the activists were pressured to appear before the Investigative Committee and the police. Immediately before the protest action, its organizers were arrested, the access to the starting point of the "tractor march" was blocked, and cars going towards the starting point were screened.

Moreover, there was an attack on a film crew of journalists who came to the Krasnodar region to cover the protest of farmers, and one of the journalists was then hospitalized. The police could not detain the attackers (the video story by RBC - <https://www.youtube.com/watch?v=6iY5PSe6qDI>).

Another resonant story is the protests by truckers. The fact is that since November 2015 additional fees are levied on extra-heavy trucks that use the federal roads. The situation is even more conflictual because the tolling system called "Plato" belongs to an operator, mainly owned by Igor Rotenberg, a member of an oligarchic family close to the country's leaders. Initially, it was announced that the tolls would be transferred to road funds and spent on road construction and repair, but the first year of system operation showed that the most of the collected tolls went to the operator.

In early 2017, it was announced that tariffs will be raised from April 15. The end of March saw the start of the all-Russian protest action of truckers, covering a wide range of regions throughout the country (video - <https://www.facebook.com/vicenews/videos/784371715056114>). The truckers demand to completely abolish the Plato system and to revise transport taxes. The action participants in different cities were detained and fined. During the most massive action in Dagestan the authorities' reaction was particularly sharp: the protesters were surrounded by the troops of Rosgvardia and OMON (video - https://www.youtube.com/watch?v=7YPr2R8c_2Q).

Considering labour protests and the ones related to specific socio-economic problems, one must bear in mind that, over time, they often become **politicized** and **oriented towards more general demands**. This is so because the authorities disregard the problems and/or oppose the protesters.

People involved in protest actions over a particular issue often conclude that their problem is generated by systemic contradictions (corruption, abuse of power, etc.). As a consequence, they begin to put forward more general demands, often of a political nature. At first, they demand the resignation of local and regional officials, then they begin to call for a fight against corruption at all government levels and make claims even to the federal authorities.

For example, the truckers' protests call not only for the abolition of the Plato system, but also for the resignation of the RF Government.

All these factors—a drop in the standard of living, a number of unresolved local problems, a gradual politicization of the dissatisfied population—taken together, led to today's rather high social tension, which manifested in a large number of protest actions in the first quarter of 2017 and, particularly, in the successful mobilization of protesters on March 26.

In the future, if no cardinal measures to correct the situation would be taken, we can expect a further **increase in social tension and politicization of protest moods**. It will cause **more and more people to engage in the actual political protest** and re-enact mass demonstrations with general demands for changes in the socio-political system.

At present, the government does not take measures to solve social and economic problems and resolve social and political contradictions. It still takes **limited point-like palliative measures**: for example, to mitigate the situation, deputies of all levels were instructed to pay more attention to local problems and handle citizens' appeals with care.

At the same time, the **propaganda becomes more intensive**. Thus, the report published in early May 2017 by the Civil Society Development Fund, which is close to the Kremlin, says that the country has a stable and numerous group of people, the so-called "Putin's majority." This construct is actively used by propaganda to form public opinion. Moreover, the report includes the data of sociological research conducted among all age groups to reveal that the highest electoral support of the president comes from the young people. Obviously, this information will be actively disseminated in order to keep the public mind from thinking that a "youth protest" has matured (this idea arose after the March 26's rally, in which, according to some observers, more young people participated than in any previous political protest action).

In general, **the authorities currently do not demonstrate readiness to respond to changing circumstances**, they act in their usual way and follow the same principles as before: no significant changes or concessions, intimidation and harassment of the dissatisfied people, and active efforts in the propaganda field. However, such tactics runs the risk of further growth of public discontent up to the point that in the coming years a change of the political system can be provoked under the pressure of the masses.

Our contacts:

E-mail: ceprsu@gmail.com

Tel.: +7 916 187 6948

Facebook: <https://www.facebook.com/ceprsu.eng>