2020 Constitutional Reform and Center-Region Relations in Russia

Ekaterina Kudryashova1 & Rustam Mirzaev1

1 Institute of Legislation and Comparative Law under Government of Russian Federation, Moscow, Russia

Correspondence: Rustam Mirzaev, Institute of Legislation and Comparative Law under Government of Russian Federation, 117218, Bolshaya Cheremushkinskaya Street, House 34, Moscow, Russia. Tel: 7-911-776-2998. E-mail: rusgood1987@gmail.com

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Abstract

This article examines 2020 constitutional reform in Russia. The amendments recently were approved on July, 1st by nation-vide vote. The purpose of the article is to analyze center-region trends in Russia and how they are reflected in the proposed constitutional amendments. The prospective changes in regional representation in the federal decision-making process shall also be discussed.

The article shows how chaotic decentralization during the 90-s was replaced by a trend of centralization. The 2020 constitutional reform reflects a further strengthening of this centralization trend. The problems faced by the Russian regions are left unresolved. It is becoming an overcentralized country.

The amended Russian Constitution envisages a reformed role for the Russian State Council. It is supposed to be defined in the Constitution as a consultative body by the President and is expected to be formed of regional leaders. At the same time, the Federal Council of the Federal Assembly (the upper chamber of the Russian parliament), which represents the different constituencies, is also set to be reformed. However, after the reform some of its powers shall be restricted. The changes to regional representation in the federal decision-making process has a controversial and inconsistent character and inevitably supports the general trend towards centralization.

Keywords: federalism, Russia, centralization, constitution, regional policy

1. Introduction

The beginning of 2020 has been marked for Russia by constitutional reform. Amendments to the Constitution of the Russian Federation have been announced. The text of amendments was submitted by the President to the Federal Assembly of Russia (Russian parliament) and approved by them. At the same time a nation-wide debate was initiated in order to accumulate the ideas and suggestions from the public on these constitutional changes. The debate was settled by a nation-wide vote on the final draft of the constitutional amendments on 1st of July, approving the amended Constitution.

Nearly all the current amendments to the Russian constitution are of great interest to the international academic community and its practitioners. Many of the recent amendments to the Russian Constitution will affect regional politics, but the discussion within the media and amongst academics is concerned solely with the redistribution of powers on a federal level, mostly related to the President and other institutions of central government.

The fact that Russia is a federal republic, incorporating numerous constituencies and municipalities, is often omitted from public thought. The nationwide discussion initiated by the President surrounding the constitutional reform was somewhat lively. However, in the course of the discussion amongst both professionals and citizens, the question of center-region relations was never touched upon. It could be said that the interests of the various regions are neither identified nor addressed within the constitutional reform. The general centralization trend is not widely recognized nor discussed within Russia. Amongst nationwide discourse, professionals appear mostly to commend the further stabilization of the political situation and integrity of the executive power. Citizens also appear more interested by the changes of the Constitution, relating to cultural and social values.

Therefore, it is timely and relevant to study and even foresee how the amendments will shape the further development of Russian federalism, and how this will shape communication between the center and its regions. This aspect has not been covered in publications.

The methodological grounds of this paper include the general methods: analysis, synthesis and generalization. The
subject of this study is of a complicated multidisciplinary nature and therefore in depth critical reasoning of this issue cannot be based on one single method. The synthesis of the law and politics, the formal sources and practice, rule of law and its implementation shall facilitate the understanding of the core issues and the logical evidence-based argumentation. This paper conceptually aims to generalize the trends in Russian regionalism and evaluate the impact of the recent constitutional reforms on the Russian constituencies.

There are a wide range of questions which arise from this reform, concerning the future of center-region relations. This study poses the question as to whether these constitutional changes support the trend of centralization in Russia.

2. Literature Overview

To date, there are few academic publications on the recent Russian constitutional reform (Shashkova, Verlaine & Kudryashova, 2020). There was a general opinion until 2020 that the Constitution was not a subject for reform. Still, some studies of constitutional law are used to aid our research, including Russian (Medushevksiy, 2019; Ryabova, 2019; Shakray & Yanik, 2018) and foreign (Elster, 2012; Henderson & Belykh, 2018; Landfied, 2019; Vogt, 1999) writers.

Far more literature relating to federalism and center-region relationships can be found. Issues of federalism are consistently the focus of academic research. Federalism is not only a legal, but also a political and economic matter as well and depends on our history as well as present trends. To analyze the influence of the constitutional amendments upon federalism and the powers of the different regions, the following texts were studied: for common issues on federalism (Benz & Broschek, 2013; Kembayev, 2018; Parker, 2015; Pogegeschi, 2009; Stahl, 2011), for fiscal federalism (Brueckner, 2004; Boadway & Shakh, 2009; Halaskova & Halaskowa, 2015; Komyagin, 2014; Rosefielde & Vennikova, 2004), for the powers of the different regions (Sakwa, 2011).

This study is the first examination of the regional interests’ representation on the federal level covering the recent decades. It is also reveals that the centralization shall be dominant trend following recent constitutional amendments.

3. Research

3.1 The Development of Federalism in Russia over Recent Decades

Russia has considerable experience in reconciling central and regional interests within its constitutional framework. Some academics argue that the attempts of formalization of center-region relations started even before the constitution appeared in Soviet Russia in written form. The concept of federalism in the Soviet Union has undergone a long process of development, which has witnessed both successes and failures. In recent publications, it has been suggested that the reform of federalism in the late Soviet Union was one of the reasons for the USSR’s collapse (Kembayev, 2018). Notwithstanding certain periods of relative decentralization, the predominant model of center-region relations in pre-soviet Russia and in the Soviet Union was one of over-centralization. This historical influence is identifiable in contemporary Russia.

The concept of federalism is mentioned in the first article of the Russian Constitution, leaving no doubt as to its importance to the Russian Federation. The relationship between the federal center and federal constituencies founded in the Russian Constitution of 1993 went through stages of total decentralization in the early period, to gradual centralization after the year 2000. As we shall see, there were a few signs of centralization before the year 2000, but these were rather sporadic and articulated in individual acts interpreting relevant legislation.

This spontaneous decentralization started right after the adoption of the Constitution in 1993. The Constitution of 1993 was a product of the collapse of the USSR and the need to override former ideology. This was in line with general constitution-making processes in many countries. Academic findings support the suggestion that most of the liberal constitutions were drafted in cataclysmic situations where strong opinions and acute disagreements are inevitable (Elster, 2012). The Russian regions revealed their desire for radical independence. Between 1994 and 1996 the Russian regions benefitted from, and sometimes even abused, the widest range of rights and autonomies. Both regional and local leaders were elected directly by the population of their relevant territory. They were extremely independent from the central authorities, politically speaking.

These extreme forms of decentralization in the early post-Soviet period included declarations of sovereignty and mass strikes. In fact, some of the constitutions and charters of the Russian regions intentionally expressed their sovereignty. Sometimes these regional declarations were declared null and void by federal legislation. Some regions went as far as issuing their own passports.

After the adoption of the constitution in 1993, fiscal decentralization went to its extreme. The economic rights of
the regions were broader than ever, including the right to impose regional and local taxes of any type, the right to manage their own budget and accounts as well as the right to choose any bank they liked to assist in budget related services (later only the treasury would be able to perform these functions). Sometimes the collected federal taxes were retained or transferred to the federal budget with a delay.

On a federal level, this spontaneous decentralization was coupled with politically driven redistributions from the center to the regions. The most discontented and politically unstable regions received more benefits and more generous offerings than those which stayed within the legal framework. The actual needs of the regions were ignored, and no system incorporating impartial economic criteria for fiscal redistribution as they are understood in theory was put in place.

During the initial periods of new Russia there were some documents shaping federalism other than the Constitution of 1993 and in a sense directly competed with the latter. As we are focusing on the constitutional aspect, we shall simply mention some of these competing documents. The Federal agreement of 31st March 1992, which preceded the Constitution, was devoted solely to the distribution of powers between the federal center and the constituencies of the federation (regions). The Checheno-Ingush republic (as it existed at the time) refused to sign the Federal agreement and concluded its own agreement on the distribution of powers with the center in 1994. Subsequently, a few other regions concluded separate agreements with the center. Besides these agreements there were special agreements on fiscal issues and other matters. All of these arrangements represented an asymmetric decentralization in Russia, whereas the Constitution of 1993 clearly stated that the treatment for all the regions was to be equal.

There were signposts pointing to a trend of centralization before 2000, expressed in the decisions of the Constitutional Court of Russia. Politically, these decisions carried a very important weight. The legitimacy of their most difficult decisions was derived not only from the rule of law and other procedural grounds, but also from the constitutional authority of the institution itself as well as extensive public trust in the body (Landfield, 2019; Henderson&Belykh, 2018). The political ratings of the Russian constitutional court were impressive and its decisions built a strong basis for further centralization.

The following resolutions of the Constitutional Court of Russia were the precursors to this centralization:

- The ruling of the Constitutional Court No. 5-P dated 21st March 1997 – concerning an exhaustive list of taxes for regions and the limitation of tax rates by federal law. This decision was grounded in the desire to secure a common economic space, freedom of movement of goods, services, and capital as well as the requirement of an equal tax burden upon all Russian citizens;
- The ruling of Constitutional Court No. 1-P dated 09th January 1998 relating to the exhaustive power of the Federal Assembly to legislate on matters of joint responsibility without the approval of the regions.

In the year 2000, the trend towards centralization entirely superseded that of decentralization. Indeed, when President Putin took office, a movement towards centralization was clearly established. This trend was observed in western publications (Baker, 2004) and discussed within the international academic community (Rosefielde &Vennikova, 2014).

In 2001 a special commission was devised to review the agreements between the center and the regions, all of which were revised. By 2003 most of the agreements on the distribution of powers between the center and its constituencies were cancelled. However, the discrepancies between the different budgets, resources and powers persisted for extended periods (Komyagin, 2014).

The Russian Constitutional Court supported this process of centralization and provided a legal and conceptual basis upon which to ground it. The following decision of the Constitutional Court already showed a different rhetoric and is clear evidence in favor of a federal center. This decision can be formally considered as the starting point of the new federalist phase.

- Ruling of Constitutional Court No. 10-P dated 07th June 2000 – concerning the question of sovereignty. There was a strong indication that the regions did not possess sovereign powers and that these rights entirely pertained to the Russian Federation. The federal and regional authorities effectively constituted a united system of governmental powers, where regions did not have any independent or supreme rights over federal powers.

The influence and powers of the regions regarding the federal decision-making process were effectively eliminated from this point onwards.

The regions were well represented on the federal level in the early period after the constitution was adopted in 1993. The Federation Council - the upper chamber of the Federal Assembly (Russian parliament) - was intended
to represent the interests of the different regions. Heads of the regions and chairmen of the regional legislative bodies were members of the Federal Council. The upper chair of the Federal assembly had a strong influence over Russian politics as well as the federal legislative process.

From the early 2000-s, the Federal Council was no longer composed of the heads of regions and chairmen of regional legislative bodies. Special representatives were appointed to the upper chamber. Regional representation in the federal decision-making process shrank dramatically. From 1st September 2000, the heads of the regions took up membership in a new institution on the federal level - the State Council - by the Decree of the President of the Russian Federation No. 1602. The President occupied the position of the State Council Chairman. The President was in a position to shape the scope and powers of the State Council. The Council was not within the legislative branch of powers and had no legislative initiative. The only influence over real politics was given to the President of the Russian Federation. This political change was legitimized through a string of federal laws.

As of 2002, the Russian President could dismiss leaders of the regions. The State Duma could dissolve the legislative bodies of different regions upon the sole request of the President. The Constitutional Court in its Ruling No.8-P dated 04th April 2002 confirmed the constitutional nature of such measures, basing them on the concept of subordination towards the executive and legislative hierarchy of authority they find themselves in. It should be mentioned that this subordination reasoning is widely used in justification of the current constitutional reform. Since 2004, no elections to appoint regional heads have been possible in Russia. The heads of regions began to be appointed by the legislative assembly of their respective region, upon the proposal of the President. If the President’s candidate is rejected more than twice, the regional legislative body may be dissolved by the President of Russia. This means that the President of Russia has a direct impact on both the nomination of the regional leaders and upon the State Council. The influence of the regions upon the federal decision-making process is questionable in this configuration. However, doubts over whether this was constitutional or not were dispelled in 2005, once the Constitutional Court issued Ruling No. 13-P dated 21st December 2005 reaffirming that the indirect influence of the President of Russia on the appointment of the regional leaders is fully legitimate. The heads of regions were effectively in a subordinate position, one caused by the hierarchical nature of power held by the executive. Later, in 2012 it was clarified that the regions still defined and followed their own procedures for the appointment of regional leaders’, and still had an option to leave the decision as to free electoral procedures to the people within the region.

These centralization trends were replicated in the development of fiscal federalism in Russia. Some researchers consider that the Russian Constitutional Court adopted a broad interpretation when considering the principle of uniformity of the economic space set in the Russian Constitution, and in doing so effectively created a new principle of uniformity of the budgetary and tax system (Ryabova, 2019).

2004 was marked by politically sensitive changes to fiscal federalism. The budget, be it federal, regional, or municipal began to be supervised and maintained solely by the Federal Treasury, and in exceptional cases by the Central Bank. The regions contested the relevant budgetary provisions of the legislation in the Russian Constitutional Court. The financial provisions were reviewed in the following decisions:

- Ruling No. 12-P dated 17th June 2004 – ruled that it was consistent with the Constitution that fiscal accounts were to be kept by the Central Bank alone. The constitutional court presumed that federal law may set special rules for the maintenance of budget and funds for public purposes;
- Ruling No. 10-P dated 15th December 2006 – ruled that any budgetary operations - be they with federal, regional or municipal funds – were to be processed exclusively by the Federal Treasury. The Constitutional Court assumed in their decision that federal law had to provide for a unified budgetary system, transparency of public finances as well as an effective and sustainable financial system.

It should be noted that, in the discussion over the development of Russian federalism between 1993 and 2020, there were no references made to the changes to the Russian Constitution. In respect of Russian federalist trends, it is true that the constitution - as it is understood today - is not what was initially intended in the draft, rather what political actors interpreted it to be later in time (Vogt 1999). The clue to understanding Russian federalism lays in political practice (Medushevskiy, 2019). The centralization trend essentially shaped the interpretation of the Constitution as opposed to the wording of the Constitution itself.

3.2 Representation of the Regions in the Federal Decision-Making Process before the Constitutional Amendments of 2020

The mechanism provided for regional participation in the central decision-making process was designed to be twofold. The regions send their representatives to the Federal Council, this constituted a representative power. In
essence, the State Council provides a platform for the immediate participation of regional leaders in any discussion with the President on decisive resolutions. The State Council is a consultative body. The legal framework underpinning the State Council was established by Decree No.1602 given by the Russian President on 01st September 2000.

The Federal Council has a constitutional status as it is the upper chamber of the Federal Assembly – the Russian parliament. Each region sends two representatives to the Federal Council – one of them is assigned by the executive branch, another by the regional legislative body. The Federal Council, being the upper chamber of the Federal Assembly, acts on the basis of constitutional provisions. It influences the legislative process in a very substantive manner. Most draft legislation has to pass through the upper chamber. The laws on the following issues inevitably pass through the Federal Council: federal taxes, federal budget, finance, currency, custom regulation, the monetary system, international treaties, national borders, war and peace. The Federal Council can return a draft law to the State Duma. The Federal Council or its members may challenge a federal or a regional law, as well as other acts in the Constitutional Court of Russia. Within the legislative process, the Federal Council has a power of veto. However, it can be overridden by the State Duma – the lower chamber of the Federal Assembly.

Certain powers of the Federal Council fall outside of the legislative process. It can approve changes to the territory of individual constituencies, approve decrees of the President relating to situations of emergency or declarations of martial law and approve the use of Russian armed forces abroad. The Federal Council sets the date of the Russian Presidential elections. It equally makes the following key appointments: Deputy Chairman of the Accounts Chamber and half of its auditors, Prosecutor General and judges of the Constitutional and Supreme Courts.

The Federal Council’s trigger in terms of power is the President’s impeachment. However, the impeachment process can be initiated by the State Duma and the indictment should be confirmed by both the Supreme and the Constitutional Court.

Unlike the State Duma, the Federal Council cannot be dissolved. The influence of the Federal Council could be illustrated by the events of 1999. The President requested to dismiss the Prosecutor-General as there was a corruption investigation under way initiated by latter’s office. The Federal Council had enough authority to reject all of the requests.

Notwithstanding the above-mentioned powers, any analysis of the current political situation and modern legal framework suggests that by 2019, the Federal Council was driven by Presidential policy. The Federal Council makes appointments only from the nominees presented by the President. As mentioned above, the Federal Council’s power of veto can be overridden by the State Duma – which almost always happens to include a presidential party majority.

As aforementioned, other than within the Federal Council of the Federal Assembly, the Russian regions are represented in the State Council. The actual influence of the State Council has declined in the recent decades. The State Council is set to be reformed within the framework of the recent constitutional change. The State Council was created to support the President in his endeavors and manage cooperation between the center and its regions. From its creation, the State Council has been chaired by the President and in fact any discussion within the Council results in an amalgamated resolution. Indeed, press releases relating to the activity of the President and the State Council are always merged (www.kremlin.ru – official web-site of the Russian President). The actual impact of the State Council in terms of legislation has always been unclear. The result of State Council meetings can be presented by the President or their Administration as new legislative initiatives or in another way.

The State Council was never part of the vertical hierarchy of authority and had no real powers: it is a consultative body only. As of 2020 the State Council has had the following range of tasks: supporting the President, dealing with issues of federalism, ensuring regional local laws are coherent with federal legislation, drafting of federal laws and supervising decrees, advising on the federal budget and any other issues put on the agenda by the President. The State Council was supposed to have meetings three times a year, however, between 2017-2020, meeting notes can only be found for less than three meetings per year.

By 2020 the State Council had 16 working groups focusing on public administration, medical care, communications and the digital economy, culture, small businesses, youth policy, education and science, industry, agriculture, social policy, construction and urbanization, transport, tourism and sport, ecology and natural resources, economy and finance, energy. The following topics were the most common in State Council meetings - investments, transport, strategic goals of the Russian Federation, the development of Far-Eastern territories and health care.

The regions have little influence in these decisions and nearly all fields are subject to the President’s supervision.
3.3 Amendments to the Constitution and Their Influence on Center-Regional Relations

The recent constitutional amendments are meant to ensure the stability of public governance and encourage a more effective cooperation between the relevant authorities.

The State Council is at the center of these constitutional amendments. Because of these constitutional changes, the State Council now has constitutional status. When introducing the constitutional amendments to the public, the Russian President explained that the reformed State Council should be able to provide more efficient expertise on the most important matters. The leaders of the Russian regions within the State Council would have more influence over the decision-making process. However, it is still unclear how the reformed State Council is to be formed and it has only been suggested that the leaders of the regions shall be included as members because of previous practice.

The right to form the new State Council resides solely in the Russian President. The State Council is briefly mentioned in the amended constitution, but exact details are supposed to be included in a special federal law covering the State Council of the Russian Federation.

The constitutional amendments discuss only the main issues falling within the scope of the State Council’s power: coordination and cooperation of public authorities, guidelines for external and internal policy and priorities of social and economic development.

Both advantages and disadvantages can be identified within the wording of the constitutional changes. The fact that the State Council shall be a permanent body, as mentioned in the Constitution, can be seen as a clear advantage in terms of the decision-making process. At the very least it will bring a more collegiate feel to its resolutions. The uncertainty surrounding the regulation of the State Council renders its position unpredictable and unstable at the same time. Although regional influence may increase in the reformed State Council, it remains under the control of the President. Up until this point, no real clear role for the State Council has been envisaged or discussed. It follows from this discourse around the reformed State Council that there is no political will to vest concrete power in the body. It works under the direct supervision of the President.

In developing federalism, the State Council may take the legislative initiative to translate the “voice of the regions” into the legislation.

The wording of the constitutional amendments demonstrates that the need for better center-region communication has been both recognized and accepted, but there is no willingness to allow their opinions to hold any sway. The Federal center is lacking an institution which can effectively transmit regional interests, however is reluctant to confer any reasonable powers to such a body.

The Federal Council of the Federal Assembly – the upper legislative chamber - shall undergo reform according to the 2020 constitutional changes as well. Thirty representatives of the chamber - assigned by the Russian President - shall form 15 % of the voices as federal representatives. There is to be two representatives from each of the 85 regions – the other 85 %. Representatives from the federal center shall incorporate former presidents and life-time appointees.

The Federal Council to make appointments to the Accounts Chamber shall be restricted. The auditor appointments shall be made solely from candidates submitted by the President. In fact, these restrictions are simply promoted from federal legislation to a constitutional level. The procedure of Accounts Chamber appointments is already included in Federal Law No. 41-FZ of 05th April 2013 entitled “On Accounts Chamber of Russian Federation”.

The amended version of the Russian Constitution removes the power to appoint General Prosecutor’s from the Federal Council. In effect, the General Prosecutor shall be appointed by the President.

The role of the Federal Council is substantially diminished. Having federal representatives in the upper legislative chamber is a rather unexpected step and it is quite difficult to justify from a conceptual point of view. Arguably, former presidents could be more efficient in the State Council, advising the President. It has also been suggested by experts that the role of the Federal Council as a constitutional legislative body representing the regions shall be increased by way of direct election (Dmitrieva, 2020).

It is suggested that the creation of ‘new’ federal territories, a change introduced by the 2020 constitutional amendments, may be a justification for the additional 30 federal representatives in the Federal Council. The details concerning the regulation of federal territories have been left to federal law. There have been no clear guidelines
issue until now about how certain territories are to become federal, or whether they are to amount to a significant piece of the puzzle. So, it is difficult to assess whether 15% representation is a justifiable figure.

The general trend of further centralization in Russia is reflected in the particulars of the constitutional amendments. The hierarchy of executive powers has been strengthened. The need for better communication between the regions and the center has been identified in the legislative process. Still the scope of Federal Council activity is shrinking rather than giving wider opportunities to regionalism. Moreover, federal representation will become more noticeable in the Federal Council of the Federal Assembly.

Local governance also fell within the scope of this centralization trend. In 2009, the power of regulating local self-government was attributed to the constituencies of the federation and the practices regarding the municipalities were diversified, sometimes even breaking the rights of the municipalities (Wollmann & Gritsenko, 2009). Following the 2020 amendments, local governance shall be much more centralized.

The constitutional reform 2020 in Russia has some common features with the constitutional reforms in the recent decades in Asia. To certain extent Russia followed the algorithms of Kazakhstan (Shashkova A.V., Verlaine M. & Kudryashova E.V., 2020). The Kazakh constitutional reform was announced in March 2017, when Nursultan Nazarbayev addressed the nation and proposed the transfer of certain powers of the President to the Parliament and the government. The Security Council in Kazakhstan became special constitutional powers in which are very much alike to the new powers of State Council in the Russian version of the constitutional amendments. Kazakh Security Council also shapes the approaches to the policy and coordinates the political life as it follows from the amended constitution of the Kazakhstan. However, Kazakhstan is not a federal state and there are no such a sophisticated structure of federalism like in Russia. Kazakhstan is a unitary state with autonomies. Kazakhstan was always highly centralized and unitary state granting to the local governments limited powers in decision-taking. The President of Kazakhstan keen on the point of view that decentralization should never hinder the dominant vertical power with discipline and order. Therefore, the fact that the constitutional reform 2017 did not cover the center-regions relations is quite expected. The only change which we would like to mention is that the amended Constitution of Kazakhstan ceased the powers of the President to dismiss the heads of the regions which somewhat strengthen the position of local leaders (Khabrieva & Andrichenko, 2017).

Another constitutional reform in Asia which may be mentioned here is the constitutional reform in China in 2018. Last amendments to the Constitution of China was made in 2004 before the constitutional reform of 2018. Constitutional reform in China does not address the representation of regions but it definitely supports the centralization trend. However, the centralization trend is mostly supported by the ideological component. For example, the article 27 of the Chinese Constitution now has the paragraph 3 which requires from the state functionaries taking their office to take an oath in public of allegiance to the Constitution. The vertical power structure is supported by the ideological means and this approach is quite logical in the context of other constitutional provisions. The centralization trend could be identified but within the ideological dimension.

Russian constitutional reform 2020 with its centralization ambitions does not fall out of the general trend in Asia.

4. Discussion and Conclusions

Federalism is a phenomenon in nearly constant movement and is more of a dynamic equipoise as opposed to a static situation (Benz & Broschek, 2013). Given the elevated dynamism of economic and political changes in Russia, the center-periphery relations have hardly kept pace with political life and changing political trends. Often the dynamic equipoise was lost and replaced with chaos. Any discussion of the development of federalism in general, or within a specific country, is inevitably tied up with economic matters (Halaskova & Halaskova, 2014; Shakhray&Yanik, 2018). The economic reforms in Russia in the 90-s caused a decentralization trend which was ultimately replaced by its opposite – a centralization trend in less than twenty years. The economic situations and crises in both 1998 and 2008 still have a heavy influence over federalism in Russia.

Russian federalism could be characterized as asymmetric in the past as well as in the modern context. There are many examples of asymmetric federalism all over the world (Parker, 2015). It was pointed out in comparative social-cultural studies that the cultural divergences, climate and economic disparities condition asymmetric federalism in Russia (Poggeschi, 2009; Sakwa, 2011). In recent publications it is noted that those regions which have a non-russian majority enjoy broader autonomy than those with a russian majority. So, the equal treatment of the regions is declared in the Constitution, but at the same time an asymmetric approach to the regions in Russia can be objectively observed. These asymmetries have not been corrected by the 2020 constitutional reform in Russia.

At the same time, it is quite obvious that Russian federalism shall be modified following the 2020 constitutional
reform in numerous ways. In 1993 the Federal Council – the upper chamber of the Federal Assembly – represented the interests of the Russian regions quite efficiently. Lately the authority of the Federal Assembly has been restricted and further limitations are presented in the amended constitution. Still, the Federal Council have a real impact on the legislative process.

The crucial amendments is the upgraded status of the State Council of the Russian Federation. The participation of the regional leaders in the decision-making process may become more important if the role of the State Council is expanded. The constitutional basis of the State Council may improve communications between the constituencies and the federation, but it is unlikely to contribute to decentralization of any kind. It is not concerned with solving regional problems as well. Therefore, the amendments to the Russian constitution introducing the provisions relating to the State Council pertain to the general centralization trend. Mentioning of the State Council in the amendments does not, of itself safeguard balanced regional policy.

Centralization is obviously a long-term trend in Russian federalism. Centralization has its advantages and disadvantages, but both are hardly discussed in the nationwide debates covering the 2020 reform. This is particularly lacking from the federal constituencies. The Working group on the 2020 constitutional amendments did not discuss the issue of federalism and its implications for the regions as a particular concern to be solved on the constitutional level.

There are many justifications for centralization. For instance, it is suggested that it enhances the responsibility of regional leaders. However, some researchers have historically expressed concerns that further support to the hierarchical axis of power would hinder the democratic aspirations and offset any opposition (Stahl, 2011).

Another justification is that the recent development of federalism in many countries, including Russia has been heavily influenced by the global financial crisis. In this respect fiscal context and austerity have a crucial input on the direction of federalist development. The drafting of current amendments to the Russian Constitution has coincided with an unfavorable global economic situation which is threatening to turn into an austere economic crisis. In fact, in his comments on the 2020 amendments, the Russian President made mention of the current global economic situation. In the context of a worrying economic crisis, the sustainability of the financial system is becoming an issue of national security inherent upon the federal level (Kudryashova, 2019). In some respect the 2020 amendments, which show a real centralization bias, could be justified by the importance of this stabilizing role taken up by the center.

The main reasons favoring centralization in terms of stability are: improvement of efficiency, transparency of public management, securing of a common economic space, etc. Still, these reasons cannot be unconditionally accepted. Management is always more effective when it is as close as possible to the managed object (Mis & Zajac, 2020). This is the motivating principle behind federalism – to give autonomous powers to regions in local issues and debates (Bae & Kim, 2019). The over-centralization of powers and dependence of regional authorities on central bodies leads to one problem: omitting local problems from the state agenda. Many problems are left without resolution unless or until the center eventually pays attention to regional needs.

A stabilization policy is usually seen as a function of central government as opposed to that of regional governments. One of the reasons for this is that monetary and fiscal policy within the stabilization framework are supposed to be carried out from one central point. This opinion has a strong theoretical grounding (Boadway & Shakh, 2009; Brueckner, 2004). However, the experience of the 2008 financial crisis revealed the imbalance and unforeseen consequences of centralized decisions. For many of the least developed regions, living on federal financial aid and tranches from the center after the 2008 financial crisis did not result in drastic consequences. In fact, income in those regions increased. The developed regions unduly suffered important austerities. After the economic crisis of 2008 the Russian regions and local authorities rapidly and effectively elaborated strategies, implementing them as a practical tool for their development as well as measures against the crisis. Regions recovered more efficiently than the center (Kudryashova E., 2014). Therefore, choosing centralization as the main solution in our current crisis could be a questionable and debatable justification for further centralization in Russia.

The constitutional reform of 2020 reflects the eventful and complicated political life in Russia over recent decades. It is widely accepted that constitutions are amended through application by all concerned including judicial powers, but changes and additions are made over time. As we have witnessed, the trend towards centralization, after the chaotic trend towards regionalization in 90-s was shaped by the resolutions of the Constitutional Court. It is time we acknowledged a well-established, center-leaning dominance within the Constitution. At the same time, the need for better communication between the center and regions has become clear, but only a consulting framework has been proposed for the regions, restricting their real influence over federal legislative procedures.
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