

## ASG Analysis: Russia Political Update

January 16, 2020

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- Russian President Vladimir Putin on Wednesday announced plans for constitutional reforms that provide the first outline of a post-Putin political order: more Putin. The surprise announcement included the resignation of Prime Minister Dmitri Medvedev and his government and the nomination of Mikhail Mishustin, a career bureaucrat and the head of the Federal Tax Service, as his replacement.
- The constitutional amendments will create a mechanism for Putin to remain the preeminent political figure after his presidential term ends in 2024.
- In our view, Wednesday's move blunts speculation about the political order after 2024: Putin will remain in charge. Medvedev will likely retain a significant role as well, with the exact position description evolving.
- The details of the new arrangement are still emerging. A key feature to watch is control of the security apparatus, which appears to remain with the presidency at least for now. Control of the instruments of fiscal and tax policy will be important as well.
- Formally speaking, the constitutional changes would limit certain presidential powers and prevent a future leader from serving multiple terms. This suggests a desire to prevent a Putin successor from amassing authorities, at least for the period that Putin is likely to remain active.
- In the near term, Russian government policy – and approach to the business community -- is unlikely to change. Unlike announcements about modernizing the technology sector (2012) or renationalizing assets (2013-15), this announcement is not about accomplishing specific policy goals. Current officials will remain in place until announced otherwise. There are as yet no clear signals about major shifts in the authority of any official responsible for specific issues.
- Similarly, U.S. policy is unlikely to be affected by the changes, whenever they take place.
- If you have any questions, please do not hesitate to reach out to [John Hughes](#) or your point of contact at ASG.