

Russia Today: does it real to turn to the path of progress?

Nelozhin, Sergei

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Nelozhin, Sergei

Institute for social development

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Sergei Nelozhin

Russia Today: does it real to turn to the path of progress?

Moscow

2023

A compact publicist essay is devoted to the burning topic of current and future system transformation in Russia. Initially, the author substantiates the need for a complex solution to the problem of overcoming the current dead-end path of the national development. The central place in the book has occupied by a capacious analysis of the system transformational changes that have taken place in the main fields of social action within the modern period in after socialist Russia. On this ground, the possibility of a real alternative to the future development of the country on the path of overall sustainable progress has revealed, which will become achievable after the expected exhaustion of the current militaristic course by the Kremlin authorities.

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Presentation

For me, a Russian citizen, the strongest initial impetus for writing this purposely lapidary written book was Russia's military aggression against Ukraine, which caused justified condemnation around the world. Unfortunately, apparently, hostilities in Ukraine will continue for a long time. This expectation, let us note, has greatly intensified against the background of the renewed Israeli-Palestinian conflict.

The acting leaders of Russian state deeply hate today's Ukraine, with its formed democratic institutions and centuries-old humanitarian values. In fact, the path of development in Ukraine, where a huge number of residents speak Russian and have Russian roots, is an alternative to the Russian one contrary to the official propaganda. It put forward a breathtakingly ridiculous argument about the need to suppress Ukrainian nationalism (“denafication”) to justify the intervention. The unfolding war, which affected many European countries, actually became a manifestation of the confrontation between different state ideologies and, ultimately, a deep social conflict, rooted in the period of revolution, civil war and the creation of the former USSR.

Definitely, the Kremlin authorities made an irreparable mistake, succumbing to the capricious moods of individual jingoistic patriots and narrowly minded generals. The Armed Forces of Ukraine, defending their Motherland, gave a worthy rebuff to the aggressor. The Kremlin failed to achieve its original strategic goal: to establish an obedient, more precisely, a puppet, political regime in Ukraine. As a result, the prospect of restoring the Soviet empire now seems quite uncertain.

In the eyes of the civilized world, the accomplished aggression, which is completely incompatible with the valid international law, looks almost like primitive barbarism. Russia began to be perceived as an aggressor country and became an outcast in most part of the world community.

At the same time, it makes sense to pay attention to surprisingly simplified and simply distorted ideas about Russia, gleaned from standard textbooks and official media, including the Russian ones, are widespread abroad. Many analysts share a strong feeling that most Western journalists and analysts have never been in Russia further than the center of Moscow or St. Petersburg.

Insufficient understanding of Russian domestic realities leads to counterproductive political decisions regarding Russia. The author tried to make a feasible contribution to overcoming such a misunderstanding. Based on mature reflections, I would like to give a true representation of the ongoing overall social metamorphoses.

The unspoken position of the official political actors in nowadays Russia is quite understandable. Their main anxiety concerns the demands of the existing bureaucratic and corporate elite and, to some extent, business people who have achieved a high financial position. At the same time the demands of the people, who for the most part have been obedient for a long time under the pressure of restored state paternalism, can

be satisfied according to the residual principle. And the interests of the majority of intellectuals, especially those employed in the academic and educational fields, should simply be ignored. With them, eccentric losers, there is nothing to stand on ceremony.

In fact, feudal rule, which existed during the centuries-old period of serfdom, returned to Russia. The blindness and permissiveness of Power, especially on the highest floor of its pyramid, became a completely objective consequence. Further tectonic separation of Power from society will inevitably lead to the devastation of the state foundations of the country, as happened twice in the past century.

The aggression will probably last more than two years until the upcoming sham presidential elections in Russia. With such a disposition the inevitability of the exhaustion of the over-odious militaristic course of the Kremlin looks more and more evident. The need of substantiating a positive alternative for the future development of Russia in line with recognized overall social progress has grown up to its full potential. It seems advisable to systematically satisfy this need in regards to the transformation of the whole society as a social system. In turn, the fulfillment of such a plan requires the disclosure of the existing trajectories of significant system transformational changes, at least in the economic, political and status fields within the entire social system. This theme is central. In the final part of the book, the possibility of turning towards a positive future path of development after the termination of the militaristic course by the current Kremlin Power has revealed. Such a turn, in accordance with our arguments, involves a gradual transition to overall sustainable development in accordance with its imperatives recognized by the world community.

It is impossible to embrace the immensity. For a simple fixation of relatively significant events in the public life of Russia over the past decades, it would take writing a huge, almost unreadable work. The author tried to present in the most capacious form the fundamental changes that have taken place and possible future ones on the basis of a system transformational paradigm. By virtue of this approach, the book provides links only to the most significant publications and sources of information.

Perhaps, the following explanation seems appropriate. An objective analysis of the complex transformational processes under today's realities has incompatible with their "black and white" vision. The author had tried to avoid one-sided a priori bias in assessments - exceptionally good or exceptionally bad, which is largely inherent, to be honest, in modern journalism - both Russian and foreign.

I would very much like to hope that the publication of the book will contribute to an adequate understanding of the prospects for achieving future prosperity in Russia as a state that would cease to exert a regressive influence on the world development. The author would be completely satisfied with such an outcome.

**Part 1 (introduction). It can't go on like this:
overdue system transformation of the Russian society.**

In order to understand the necessary changes in the development of our country, let us set the task in the most capacious form to assess the real situation that has developed in the conditions of the ongoing war in Ukraine. On this basis, it seems possible to present an initial approach to the justification of a new reforming course, referring to the paradigm of system transformation.

The waterline has been passed. I would like to assess the consequences of the war in Ukraine in the most balanced way, without succumbing to primitive populist rhetoric, in relation to the situation in Russia itself at the moment and its subsequent development. For the sake of this, it makes sense to focus on the longest matured strategic plan to seize the territory of Ukraine. The main arguments in favor of its implementation on the part of the Kremlin, it seems, have become absolutely clear.

The first of these arguments is the obvious one. Over the past two decades, colossal military power of Russia has been achieved. Especially in terms of new offensive weapons created on the basis of the latest technologies. To our knowledge, the opinion of all publicly known experts serving the Kremlin authorities was unanimous. Ukraine remains a fragmented country with weak political and military leadership, and the forceful capture of its core territory will not take long time and will do without significant losses. According to the Kremlin intentions it was really possible to establish a pro-Russian regime in Kyiv for many years, moreover, led by former President Yanukovich, deeply hated by the freedom-loving citizens of Ukraine.

The economic arguments in favor of aggression were also understandable. The Russian economy, like the former Soviet economy, has objectively dependent on Western markets to a limited extent. Russia presents a country with emerging markets, where the advantages of the relative cheapness of natural resources, labor and production capital are used on the widest scale. Along with this, very intensive economic ties between Russia and China and a number of after-socialist and post-developing countries continue to grow. The long-term prospects for the development of the Russian economy, integrated into the framework of a progressively developing non-Western economic community, looked quite encouraging.

It is worth adding that the overwhelming majority of Russians living in provincial regions are not oriented towards high-quality consumption standards. They are quite satisfied with usual goods from China, Vietnam and other Asian countries. This is all the truer for the huge mass of low-income migrants from Central Asia and other countries with their obviously limited needs.

The geopolitical situation was also favorable. The military-political alliance of Russia and China fully complements the economic and political expansion of both countries beyond the borders of the Western world. As a consequence, the assumption

that most countries in Asia, Africa and Latin America would not take active steps against the intervention in Ukraine looked relevant.

Besides, it is necessary to consider the achieved internal political ultra-stability, primarily characterized by the suppression of public and any other opposition to the ruling authorities. Kremlin strategists, by all indications, relied on a centuries-old tradition of subjugation to a strong and despotic state dictate. Alas, the unspoken principle “the people will endure everything” has remained fundamental in Russian political life for many centuries.

In addition, the adherents of military intervention in Ukraine were definitely confident in maintaining recognition of the agreement between society and power (the macrosocial contract) that had been formed informally over the past decades, at least at the national level. This position is indeed partly justified. Unfortunately, an integral part of the current Russian society presents the provincial backwoods - in the historical jargon Tmutarakan, almost unchanged in comparison with the 19th century. Its hallmarks are the ossified obscurantist conservatism, as well as the humility (miserable attitude) of many provincial residents in relation to their flawed social life.

According to officials of various levels known to us, Russian citizens will remain forever grateful to the current government for the return of social guarantees and the implementation of the principles of a paternalistic (precisely parental, in Russian) state after a period of criminal bacchanalia three decades ago, in the nineties. It is impossible not to pass by the fact that official propaganda has very successfully introduced into the minds of a huge number of ordinary users of print and electronic media the Manichaean idea (“not any third way”) about the absence of an alternative to the state policy being pursued except for accomplishment of a pseudo-liberal choice. The latter would signify the return to state power of insolvent politicians who call themselves liberals.

It is difficult to deny the weight of most of these arguments. Certainly, in part, they found real confirmation.

Thus, due to a clear quantitative superiority in the number of troops and weapons, large territorial enclaves in the east and south of Ukraine were captured at the initial stage. As a result, it became possible to conduct so-called referendums on the accession of new territories to Russia, initiating a further continuation of the intervention.

It is reasonable to highlight that, until now, the effect of the adopted economic sanctions against Russia has manifested itself relatively weakly. The decline in GDP was not very significant past year (less than 2%); while, perhaps, it will be compensated by a noticeable growth in the end of 2023 (already up to 3%). Undoubtedly, the narrowing of the scope of military operations observed in recent months has a beneficial effect on the domestic economic situation.

Many hopes abroad were pinned on the protest movement. However, it quickly waned. The protesters found themselves in a clear minority in front of the many times

superior punitive forces of the authorities in the conditions of general surveillance, especially on the Internet and mobile communications.

In full accordance with the expectations of Kremlin experts, the overwhelming majority of Russian citizens remains silent and, as it were, neutral primarily for the reason that the military campaign practically does not affect the population of most regions of Russia. Along with this, ordinary inhabitants consciously avoid discussing the course of the war in Ukraine, not without reason fearing a huge number of "listening" special agents. Most Russians use the Internet to a limited extent, especially since few people try to refer to foreign sources. Many out of habit trust the blatantly false information distributed through the main official television channels and subsidized free newspapers.

The representatives of the Russian creative elite also keep silence. Only the fearless Alla Pugacheva, a cult pop singer for several decades, had publicly expressed an openly negative attitude towards the aggression against Ukraine.

Information about the huge number of innocent victims among the civilian population of Ukraine remains simply unnoticed by the great mass of Russians. These people, including contract servicemen from the provincial regions, by all indications even do not know that the number of refugees in kindred Ukraine has exceeded twelve million. As well as the fact that at least about half of the Ukrainian fighters who gave their lives for their homeland bore purely Russian names and surnames.

However, at its core, the Kremlin's original criminal plan has doomed to failure. This is testified by a number of very important results of the war to date, the fall of 2023.

Results of military operations. Gradually, the Ukrainian armed forces (including volunteer units), which received unprecedentedly large-scale support in weapons from the United States and European countries, managed to stabilize the situation on the main fronts and, moreover, return a number of occupied territories. The military victory near Kharkiv in an autumn of 2022 demonstrated to the whole world the high fighting spirit of the Ukrainian army fighting for the independence of its country.

The offensive impulse of the Russian army rather quickly dried up. The fighting became protracted, localized in the area of Bakhmut and several other narrow sections of the front. The initially set goal of capturing the entire former Donetsk region (as part of the USSR) had not been fulfilled.

The fact remains the fact: over the past long period of military operations, Russian troops suffered large irreparable losses. According to an independent, "third-party" investigation, at the end of the first half of 2023, the number of Russians killed during the period of war achieved almost 50 thousand people (New data, 2023). The human losses were especially great at the first stage of aggression.

Certainly, the size of the initial contingent of the army that invaded Ukraine was clearly insufficient. The authorities had to resort to the so-called partial forced mobilization of citizens of military age. It caused obvious disapproval, according to a survey, from the population (Half of Russians, 2022). In the first days after the announcement of mobilization, approximately 360 thousand Russians left for Georgia and Kazakhstan. Let me add that in many regions the hasty mobilization campaign was organized disgracefully, judging by at least the constant reports of the death of conscripts with poor health.

As one might expect, mobilization did not bring a turning point in the course of the military campaign. The bulk of those forcibly mobilized proved to be poorly prepared and did not at all feel the desire to fight in Ukraine. True, later, as the scale and localization of hostilities decreased, the authorities managed to successfully organize the hiring of low-income conscripts from the provincial “outback” (a significant number of them are almost 50 years old!), who now are well paid by Russian standards - 200 thousand rubles each (more than 2 thousand dollars) per month.

By all indications, by the summer of this year, the main strategic priority for the Russian armed forces had become the retention of occupied territories, while at the same time plans for large-scale offensive actions were postponed. This change in strategy is quite understandable. In a purely military aspect, it is primarily dictated by the very high risk of new failures associated with unacceptable large losses of the limited army contingent participating in the battles. There are fewer and fewer people willing to participate in a big full-blooded war, fighting in the name of an unrealizable great-power idea, even for good money. No one wants to die or, even worse, becomes a crippled person who is not needed by the people around him.

Internal economic situation in Russia. It has significantly worsened in at least three important areas. So, over a long period of aggression, the budget deficit has clearly increased menacingly due to two main reasons recognized by the authorities (Preliminary information, 2023). First, the increase in the costs of a military operation and the associated indirect costs, in particular, the numerical loss of labor potential due to the mobilization of citizens. Secondly, the fall in world oil prices and a drastic reduction in the consumption of Russian gas in Europe.

After the beginning of aggression a clear tendency of stagnation for real wages in the civilian production sectors of the national economy has observed. As a result, a drop of material incentives to work has occurred, primarily from qualified technical specialists. Many of them, especially IT specialist, went abroad in search of work. It is quite understandable, this process intensified sharply after the announcement of mobilization.

Undoubtedly, the elite groups of society had lost a significant part of their wealth. According to the latest estimates, the 22 wealthiest Russian billionaires in April 20, 2023 lost a collective \$90.4 billion in net worth since January 5, 2022 (Eagle ,

2023). Along with this, the wealthy Russian nouveau riche lost their favorable social status for staying in the Western world. And the alternative movement of capital and, moreover, places of residence to Asian countries is very difficult.

The situation around Russia. The expected long-term change in Russia's foreign economic situation does not inspire any optimism. Amid the invasion of the Russian army into Ukraine, many countries, including all European ones, have radically revised their energy strategy. An unprecedented accelerated energy transition has become a reality, first to a low-carbon economy and then to a carbon-free economy. A fundamental change in key resource and price proportions and with them the very appearance of the modern economy has occurred. Russia is losing its former competitive advantages taking in a view the large losses in revenues from the export of oil and other resources. In the future, the effect of the energy transition will put more and more pressure on the domestic economy.

No significant signs of overcoming Russia's isolation on the world political stage that arose after the outbreak of aggression are appeared. Domestic propaganda focuses on strengthening allied state relations with such countries as Iran, Syria, and North Korea. However, this shift has no geopolitical strategic significance. In fact, there has been an overall narrowing of Russia's political influence in non-Western countries. The vast majority of them do not approve of Russia's aggressive militaristic course, which is oriented towards the forceful resolution of international problems, contrary to the long-established principles of peaceful coexistence.

Social rejection from the Russian Power. This result, in my opinion, presents the most crucial one. Normal sane and healthy, physically and mentally, people in most regions cannot be satisfied with the progressive decline in the quality of life in its integrative dimension. This trend has intensified with increasing speed since the outbreak of hostilities in Ukraine. The desire to leave for another country, where the quality of life is constantly improving and general social progress is observed, is increasingly spreading among various, not at all elite groups of the population. These compatriots perceive Russia as an outcast country without a future, if only because of accelerated demographic decline of nation (Jenkins, 2023).

It is appropriate to focus on the tectonic fracture of public consciousness after the invasion of Ukraine. Definitely, aggression is consciously approved only by the vocal "patriotic" minority of Russian citizens - supporters of the policy of forcibly recreating the Soviet empire. It is estimated that this minority made up less than 1/3 of Russian citizens, and already in the long-standing initial period after the invasion of Ukraine (Kirill Rogov, 2022). The official media are trying to correct this unsatisfactory situation for the authorities by intrusive dissemination of the results of ongoing polls regarding the approval of the President's activities. Their authenticity has been raised more than strong doubts.

And the further, the more the comprehension of the hopelessness of the gloomiest future is spreading in the event of the continuation of the militaristic Kremlin course, accompanied by large-scale operations of special services at home and abroad. This applies to both the national elite and other Russians.

Well-informed people from elite circles were well aware of the futility of trying to join Ukraine, like a number of other post-Soviet countries, to a new Union led by Russia. The initially planned blitzkrieg had absolutely failed, and a long war can plunge the country into the abyss of a systemic crisis. The danger of loss of wealth and the lack of personal security dictate the need to go abroad. Quite understandably, many representatives of the national elite, especially among the creative professionals, left the country for a long time.

The majority of ordinary Russians who are silent for obvious reasons cannot be satisfied with the current aggressive militaristic course either. They include the great share of qualified civilian professionals, as well as those employed in traditional economic and social sectors, the elderly and housewives. The interests of these people are in the real growth of personal income and savings, a decent quality of life, and comfortable rest. They want to feel like normal members of the developed world community and do not believe in the need to accept, as it were, temporary sacrifices for the sake of a mythical imperial future.

The ranks of staunch supporters of Putin and his team will obviously be reduced as the length of the military conflict further continues at least until the announced date of the fake Presidential elections in March 2024. Visibly in recent months, in most provincial regions (truth, in direct contrast to Moscow and St. Petersburg), the activity of special agents, the “Russian Guard” and numerous informers has also weakened.

Change of Power in the Kremlin? One can conclude that the achievement of an acceptable peace with Ukraine would definitely lead to the restoration of the capital/wealth of the elite and the level of social well-being of ordinary Russian citizens. A political force that would take responsibility for such a decision would win the confidence of the national society. But it is also indisputable that the rejection of territorial gains would mean the political death of Putin and his team (as best exit). Achieving the desired sustainable peace under the current Russian political leadership has clearly out of reach.

The fundamental divergence of interests between a significant part of the elite, together with the gradually consolidating large part of usual citizens and Power in the Kremlin, actually functioning outside the legal field, raises the question of its change.

According to a substantiated conclusion, since the beginning of the 2000s, the neo-KGB apparatus that dominates the state has actually established itself in Russia (The making of a neo-KGB state, 2008). Regardless of the outcome of the war in Ukraine, a cosmetic change in the personal composition of the Power by replacing the incumbent President and other helmsmen of the state ship with representatives of all

the same special services would mean a continuation of the dead-end path of the national development. A palace coup of this kind has obviously insufficient to change the Kremlin course, which is infinitely aggressive on the world stage and immanently repressive within the national community itself.

It must be admitted that the outbreak of war in Ukraine became possible as a result of the general social regression that has taken place in Russia over the past decades. System changes are required to turn Russia onto the path of progress and primary to return to the civil rule. This is the unambiguous choice of a significant part of Russians. They are opposed, let us be realists, also by a large mass of fellow citizens who adhere to obscurantist basic values. But this part of the population will lose their beliefs and addictions as the Kremlin Power is deactivated.

Of course, the desired metamorphosis in the development of Russian society cannot take place at the "pike's command" tomorrow or the day after tomorrow due to very significant obstacles. The preservation of a huge repressive apparatus, it can note, presents only one of them.

The situation should be realistically assessed. The formation of a sufficient potential of strength for a constructively oppositional political force within the Russian elite, relying on the support of an active part of ordinary citizens, to enter power requires a non-short time contrary to the well-known position in democratic circles, based on outdated view of the current Russian state (Ponomarev & Stebben, 2022). A whole series of positive significant shifts should take place - economic, political and status, which we will dwell on in the third part of our book.

A new reformatory course: it is time to embrace the system transformation of modern Russian society. To return to the path of progress, there is no alternative to substantiate a new reformist course. It is designed to ensure the continuation of positive and at the same time neutralization of negative trends in the development of our country.

We have to assert that the society and the authorities strongly refer to a purely utilitarian ideology of development. It consists in considering exclusively current events and trends, explained by the influence of precisely the factors of the economic and, to no lesser extent, purely political conjuncture. Deep, root causes of social metamorphoses seem to relegate to the background.

However, such opportunistic pragmatism at the state level is ephemerally effective. Refusal to resolve existing and prospective fundamental problems turns into irreparable costs in the future. The very experience of the cataclysms of recent decades in a huge number of countries and in the whole world testifies to the acute need for a deep, not superficial understanding of the long-term patterns of the development of society. But for this, in turn, it is necessary to take in a view the whole range of processes of economic and other social changes caused by fundamental, not at all short-term factors on a grandiose modern information base.

To reveal the fundamental drivers of the development of a society or a national society, its systemic representation is undoubtedly expedient. The development of society has interpreted as an integrative system process that affects all significant changes in social practices. Thus, following recognized social science studies, it turns out to be possible to perceive a complete picture of the interconnected transformations of modern society in the most important sections of its study: economic, political science, sociology, etc.

As the entire world experience shows, the reproduction of multidimensional social systems, especially the social systems of entire countries cannot occur on the base of straightforward development. Social life, to a much greater extent than biological life, is associated with qualitative, sometimes completely inestimable, more accurately not quantifiable changes. Sooner or later, they inevitably lead to significant transformational changes in one or another space-time dimension. In relation to a complex social system, a transformational shift implies a change in its “supporting structure”, accompanied by changes in the qualitative and quantitative characteristics of technologies, institutions, resources, and, ultimately, the behavioral strategies of the participants in social interactions themselves.

Ultimately, the long-term directions for the development of the national economy and the entire society as a social system determine fundamental shifts. It becomes possible to present a holistic, integrative picture of significant fundamental societal changes in time and space precisely through the prism of system transformation. Its essence lies in the disclosure of the phenomenon of the development of society as a social system through the prism of interrelated transformational processes, which are long-term structural changes in space and time.

The transformation of the social system in its traditional sense covers the structured fields of social actions, characterized by the presence of certain institutional, resource and organizational support. At the same time, it is necessary to consider that social changes in these fields are inevitably accompanied to a large extent by autonomous, institutionally unstructured processes of technological, demographic and climatic changes. Thus, social system transformation occurs because of the interaction of diverse endogenous shifts, as well as diverse exogenous processes: such as the invention of fundamentally new technologies and the change in solar activity cycles.

The system transformational paradigm is incompatible with a number of fundamental misconceptions and, primary with a simplified ideology of the “main link”, based on the well-known holistic worldview. In Russia it associates with the old-centuries tradition of monotheism - faith in one higher divine power as the cause of all that exists. Just as historically significant is the tradition of monarchical governance, as if bestowed from above exclusively by God.

Also, very common in our country is the false perception of substantial causal relationships as universal linear. Many readers are probably familiar with the orthodox

Marxist theory of social development. Its main postulate lies in the conditionality of production relations and, in general, social relations, including political ones, by the development of productive forces. However, the entire world history testifies to the obvious inadequacy of the traditional technocratic paradigm to explain the development of macro social systems.

The obvious holistic character also inherent in the concept of a transitive or transitional economy, which was in demand during the period of radical market reforms in 1992-1993. This concept, adopted by the neoliberal ideologues, has based on the assumption of the possibility of successful implantation of the desired institutional patterns from outside the national economic system, which presupposed the use of factually revolutionary methods of reforming. A recognized qualitative flaw in the concept of the transition period lies in the non-recognition of the objective continuity of the multilateral process of development of the national economy, which is inextricably linked with non-economic social changes and technological shifts. As evidenced by the results of economic transformations in the post-Soviet space, the idea of the possibility of a rapid full-scale and fairly harmonious establishment of dominant liberal institutions presents a utopia. This does not signify that the need to liberalize certain economic institutions should ignore in principle. Such a need will inevitably arise again and again in the further stages of national development.

The evident advantage of the pragmatic transformational approach is that it adequately reflects the dynamic picture of fundamental social changes in a specific space-time dimension. This approach, I would like to especially note, does not in any way contradict the paradigm of the development of civilizations in its recognized conceiving. Turning to the fundamental paradigm of social development as transformation allows us to make the study of the processes of the formation of civilizations as specific as possible. Periods of system transformation changes can be rightfully interpreted as qualitative shifts in the history of certain civilizations.

The ideology of sustainable development in its modern established understanding, enshrined in the UN Agenda 2030, is also consistent with the conceptual understanding of the systemic transformation of society. Indeed, achieving the desired sustainable development imperatives for specific countries will become possible through long-term transformations of their resource potential, institutional devices and role characteristics of key subjects (actors) in the course of a targeted systemic transformation of the entire society. There is no other way!

At last, the transformational paradigm unconditionally corresponds with the behavioral paradigm recognizing the key role of the subjective factor in the development of society. Indeed, the transformation of the national social system has mediated by diverse processes of the distribution of material and intangible resources between different groups of subjects in society, as so as the accumulation of resources (capital) by

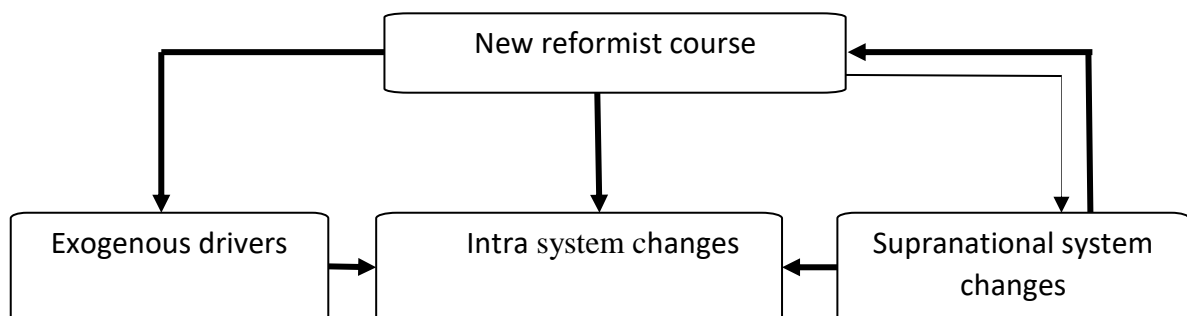
the same groups of subjects. The results of these processes present the inalienable important indicators of the system transformation.

In the context of the above, it seems reasonable to focus on the fact that the simplified transition concept in its usually accepted, one might say educational, interpretation actually leaves out of sight the phenomena of fundamental social changes not related to economic liberalization. As contrast, the system transformation framework model organically covers all important societal transitions associated with fundamental changes in the institutional structure, resource proportions and organizational structures and, in parallel, the entire national course. Based on the theory of social transformation, it is logical to explain such transitions by a change in the ratio of the most significant social forces, assessed by the size of accumulated resources in the forms of economic (financial), political and social capital¹.

Based on the conceptual vision of national development as a system transformation, strategic reform decisions are required. They are designed to embrace all significant interconnected processes of intra-system transformations in the economic, political and status fields, additionally taking into consideration other social changes (in particular, in the legal and cultural spaces).

Of course, adaptation to external, supranational systemic changes presents also of great importance. For a country like Russia, an active reverse influence on the course of multi-regional and global transformations remains necessary.

As a result, public policy is called upon to be incorporated into the process of transformation of the overall social system of the country, as recorded in the following explanatory diagram:



The needful reformist course involves the establishment of a stable consensus of the main social forces in the absence of any repressive pressure. It absolutely has not

¹The author proceeded from the pragmatic assumption adopted in many specific studies. By this assumption, economic (financial), political and social capital are dominant and, moreover, institutionalized components of the capital of the entire society. They predetermine the movement of capital in all other forms amid the action of relatively exogenous factors (technological, demographic, climate).

combined with the choice of marginal scenarios for the transformation of the country, with which its history is so replete.

One can recall the ultra-marginal development of Russia in the last century, which is fully comparable to the race along the "vertical wall". During this century, at least nine cataclysms in the development of the country, marked by a turning point in the former way of social life, had taken place. Everyone who knows national history acknowledges of them. The first of these is the revolution of 1905. The second is the termination of successful reforms in the post-revolutionary period, the main initiator of which was Piotr Stolypin, then the Chairman of the Government, and the subsequent involvement of Russia in the First World War on the side of the Entente against Germany and Austria-Hungary. The third is the nationwide social revolution of 1917 and the Civil War. The fourth is industrialization and collectivization in the late 1920s and early 1930s. The fifth, concerning mass repressions in the late 1930s in parallel with god-like personality cult of Stalin. The sixth is the post-Stalin "thaw" at the turn of 1950-1960. My seventh is a return to command socialism during the Brezhnev period. Eighth - "perestroika" in the direction of democratic socialism in the second half of the 1980s. And, finally, the last turning point - radical market liberalization, coupled with a systemic crisis in the first half of the 1990s.

In addition, for complete clarity, it is worth speaking about the position of well-known opponents. The stated principled argument, the author is completely sure, will cause a condescending grin on the part of successful domestic political technologists, who most of the times comfortably live abroad. According to their opinion, the opposition to the authorities is meaningless if it has sufficient power resources and powerful loyal intelligence services. All current political problems are resolved through a specific impact on the broad masses of the people and other social groups through "brainwashing" and the appropriate presentation of information, in fact disinformation, through the media. And system flaws are relatively minor: they are overcome, as it were, along the way, as the urgency.

It is worth recognizing that the potential for the use of special political technologies that favor the maintenance of the existing political regime remains very significant. This is especially true for holding Duma, regional and local elections to please those in power in the conditions of a long-established corrupt electoral environment.

Until now, the most intensive use of dirty political technologies for the purposeful disorientation of ordinary citizens continues². Unfortunately, this is facilitated by advances in the field of digitalization. They are known to have found direct application for electronic falsification of election results, hacker attacks against political opponents and blocking of their websites, total surveillance in information networks.

²In particular, the essence of such technologies has appropriately described in the well-known book (Malkin & Suchkov, 2012).

The following conclusion seems justified: the use of well-known political technologies and other specific methods of social regulation contribute to the preservation of the current Kremlin ruling and the delay of urgent intra-system changes, therefore, to further deepening of the social disadvantage of Russian citizens and the deterioration of our country's position on the world stage. To overcome the current dead-end path of development of Russian society, the services of the majority (not all!) of political technologists are not needed. They can provoke a public rejection of the new reformist course, which is absolutely unacceptable.

Part 2. The system transformation in after socialist Russia. The results of 30-year past era.

More than three decades have passed since the end of the socialist epoch in Russia and other countries of the former Soviet Union. Let's try to argue, in line with the designated system transformational paradigm, to assess the main manifestations of the social changes that have occurred up to the start of military intervention in Ukraine last year.

2.1. The initial stage of the after socialist transformation in Russia (brief retrospective).

Undoubtedly, the crash of the socialist system in the Soviet Union and its collapse as a state were directly related to the degradation of the ruling communist party (CPSU) as the fundamental ground of the political regime. The main links of this party vertical - primary organizations, district, city and village committees, the CPSU Central Committee itself with its parasitic apparatus - were actually deactivated, not providing motivation for the necessary improvement of socialist institutions to achieve economic and general social progress.

It is appropriate to recall the complete ideological fiasco of the former CPSU. Almost no one believed in the fairy tale about a bright communist future against the backdrop of stagnation in the development of the USSR in the last period of its existence, including the party functionaries themselves.

It is also difficult to deny the exceptional personal contribution to the collapse of the socialist system that Gorbachev and his closest associates made. Their activities strongly contributed to the success of harsh economic and other pressure on the USSR from the alliance of Western countries.

The decayed communist government was actually picked up by the newly-minted oppositionists led by Yeltsin, who declared themselves democrats. In 1991, the majority of Russians made a choice in their favor due to the lack of any other alternative, realizing the dead end of the established (precisely established!) past path of national development.

As known, in Russia there had been a transition, albeit a temporary one, to a neoliberal model of development, which stunned many Western intellectuals. It would seem that the experience of China accumulated by the beginning of the 1990s should have served as a preferred model, since its successful market reorientation was before everyone's eyes. And let me to recall, the initiator of the transformation of China, Deng Xiao Ping, during the Gorbachev ruling was named the great reformer.

However, the interests of the nomenklatura bureaucratic elite and the wealthy bourgeoisie (which included the bigwigs of illegal business and many heads of former socialist enterprises), which was formed, to a decisive extent in the Moscow region in legitimizing their wealth, was found to be above all else. Precisely these strata had the greatest power in society thanks to their available material wealth and financial resources (including personal money savings) as well as to the political influence and position in the status hierarchy that had been established over a long time. As a result, an elite, but by no means democratic choice of the country's development path had been made, despite the official domestic propaganda and, unfortunately, the Western mass media, which echoed it.

In the period under review, the effect of initial accumulation of capital manifested itself in full measure. It really took place, but long before the neoliberal market reforms in 1992-1993. Private shadow capital, using the direct support of the authorities, had long been rooted in Moscow and the Moscow region in the Soviet era. The creation of big capital and a large personal fortune in Moscow turned out to be possible with close mutually beneficial cooperation with the former "radical" party and economic leadership of Moscow, which for a long time grouped around the first secretary of the CPSU city committee Viktor Grishin (Torgashev). Grandiose for those times, monetary and property savings served as a means of further enrichment, to a large extent through deals with corrupt metropolitan officials. In essence, the Soviet nomenklatura and bourgeoisie, concentrated mainly in Moscow and possessing huge administrative and financial resources, had acted as the main interested social group in the demolition, rather than constructive reform of the existing state system in 1991.

Transition to legal market economy and its formation. It is reasonable to single out the key moments of the radical transition to the market in Russia.

First, shock price liberalization - the initial phase of market reform in Russia, carried out strictly according to the IMF recipes. It proved to be clearly hasty, initiating long-term crisis upheavals in the entire national economy.

It is worth specially to note: the experience of China, where the successful implementation of the so-called dual-track price reform was of key importance, had ignored. Due to this reform of the price mechanism, the conditions were actually created for a very slowly step-by-step and productive market liberalization while providing the necessary employment and maintaining social stability. A gradualist strategy of market reform was consistently implemented, aimed at adapting to global economic changes with minimal costs and achieving maximum competitiveness of its producers in foreign markets. The long-term market reform was characterized by precisely gradual, called incremental changes in formal institutions that occurred in parallel with changes in informal institutions.

Secondly, the privatization of a natural monopoly within the raw materials industries, associated with the appropriation of huge excess profits by the new owners,

as well as by the directors of the relevant enterprises. As known, an inalienable distinguishing feature of the former Soviet economy, and before it of the Russian Empire, was a huge raw material base. And it naturally turned out to be inherited from socialist Russia. For many centuries, the country's natural resources, acquired through territorial conquests and, especially, thanks to the campaigns of Yermak, Khabarov and other famous conquistadors - the conquerors of the Eurasian space, ensured state prosperity. Exactly the abundance of resources and the huge export of raw materials had formed the foundation of the national economic development.

The privatization that occurred in the zone of natural monopoly, which embraced the raw materials industries of the former Soviet economy, was a landmark event in the course of radical market liberalization in Russia. Factually, the appropriation of huge profits in the form of rent was the main reason for the transformation of the new "owners" of giant commodity companies into the notorious oligarchs.

Thirdly, the limited potential of the legal market field that arose during the liberal reform had filled through the self-development of huge shadow, largely criminalized markets. An unprecedented "piratization" of the Russian economy, according to an emerging cult term, had occurred displayed in the growth of incomes (in everyday jargon, beating money) in the shadow activities that existed outside of official legal order. This process acted as perhaps the main driver to maintain the very course of radical liberalization under the deepest production recession and extreme inflation in the period 1992-1995. In the nineties, all or almost all individual entrepreneurs were at least indirectly involved in the shadow illegal business, using the "roof" of the local mafia and avoiding paying exorbitantly high taxes.

Fourthly, complete banking liberalization, also associated with the formation of super profits. It was of great importance from the point of view of the further market reforms. During the period under consideration, the seven largest commercial banks dominated in the financial sector. The tremendous market power of the "seven bankers", representing exclusively the interests of the notorious oligarchy in the face of a narrow stratum of billionaires and multimillionaires, was undeniable for a long time.

At the same time the activities of commercial banks had little effect on economic dynamics in most industries. Their main area of activity concerned the shadow economy, distinguished by a quick return on borrowed funds and investments.

Fifthly, external supra-system changes produced a huge impact on the initial course of market transition. Exactly at the turn of the eighties-nineties economic globalization, carrying out on neoliberal principles, led to a hurricane growth in consumer imports and related credit flows on a global scale. In addition, an influx of foreign investment, although mostly portfolio investment, had taken place. At the same time, the impact of globalization was manifested to a much lesser extent in relation to the

dynamics of foreign direct investment in the Russian economy. Their successful financial return had been very problematic due to multiple risk factors within institutionally immature markets.

The market reforms took place against the backdrop of intensive liberalization at international capital markets. Definitely negative consequence of this process displayed in the unprecedented expansion of the scale of financial speculation on a global scale. There was a global financial bubble, which is so impressively described in Joseph Stiglitz's famous book "The Roaring Nineties". The global speculative wave had also touched Russia in a full measure. Especially in the banking sector and the emerging stock market, where highly risky transactions with securities were fulfilled on the widest scale through various investment funds.

Due to the frenzied neoliberal globalization and the accompanying economic and political course of Western countries in the nineties the opening of national markets for the unlimited expansion of foreign capital had occurred. In fact, it manifested itself in inflating a financial bubble by spinning the flywheel of stock market speculation in securities, with parallel jumps in oil and other resource prices and a stunning increase in non-liquid lending, coupled with shadow banking lending.

Quite understandably, the astronomical speculative turnover in the financial markets turned out to be associated with a huge outflow of capital from developing countries; simply speaking, by increasing their robbery and impoverishment. In turn, the influx of additional capital, although largely speculative, into developed countries was synchronized with a rapid migration flow from poor countries.

It is impossible to ignore the notorious collision. The main interested force in the accelerated globalization of the world capital market and, above all, the stock market was the "six-pointed" constellation of American and European banks. The direct conductor of their world expansion was the US Federal Reserve System and the International Monetary Fund. In essence, the old-fashioned idea of world domination was realized in the form of financial bondage. For a long time, let me to recall, Lord Jacob Rothschild, the head of the English house of the well-known usurious banking dynasty, performed as its frank herald.

At the initial stage of Russian liberal reforms, in fact, a structural model of inertial development was purposefully used, which includes two main interrelated components - the export of primary resources and, as it were, a counter-import of consumer goods. The export of oil and other raw materials became the backbone of the Russian economy during the period of liberalization. Of course, this result was achieved largely due to the rapid outpacing growth in prices for primary resources especially in the fuel and energy complex (the composite price index here exceeded the industrial price index by more than 150%). At the same time, the structural shift in favor of raw material

industries, caused by non-price factors, proved to be very significant. Thus, when calculated in market prices in 1995, the share of the main raw material industries in industrial output for the period 1991-1998 increased almost 1.4 times.

From the very beginning of the reforms, there was a rapid and uninterrupted growth in consumer imports, which strongly corresponded with the rapid increase of incomes from the export of raw materials. The inertial growth of markets for imported goods, in fairness, contributed to the development of a number of segments of the domestic production of consumer goods and the sale of services due to the complementary market effect. However, the positive effect of the expansion of the domestic consumer sector was to a large extent "extinguished" by strong inflation.

Besides, the growth of foreign loans proceeded as a complementary component of the increase in consumer imports. The relatively favorable dynamics of consumer demand in the initial period of transformation, it is worth emphasizing this circumstance, was ensured to a decisive extent precisely thanks to foreign loans. In the initial years of reforms, it is worth noting, thanks to cheap trade loans from abroad, mainly from the USA³. And in the future, credit lines were opened directly in correspondence to the income flows from the export of resources. The exchange of domestic raw materials for imported consumer goods, mediated through credit flows, actually acted as the main factor in the positive inertial trend in the development of the domestic economy, ensuring its reproduction.

Besides, shock liberalization became the trigger for a severe production decline in most non-primary sectors, which continued for a long time, also along an inertial trajectory. The decline in capacities and simultaneously in investment in the manufacturing and manufacturing services industries acted as a factor in regressed economic development. In fact, the slowdown in output and incomes of producers during one market cycle naturally entailed their further decrease in subsequent market cycles.

It is worth to emphasize: the inertial growth in the commodity sector was accompanied by pronounced cost inflation, when an increase in excess production costs, especially in the domestic turnover, initiated a rise in prices. In turn, high cost-oriented prices for intermediate resources deliberately limited output in consuming, mainly processing industries⁴.

The negative component of economic development exhausted itself only by the second half of 1996. To a significant extent, this happened due to the macro effect of

³ As a matter of fact, this direction was supervised by none other than Lawrence Summers, who held the "modest", but then special post of Deputy Secretary of Commerce of the United States after leaving the prestigious position of Vice President in the World Bank (!).

⁴ So, during six years (1992-1998) the growth of prices in oil refining and electric power industry was 1.6 times ahead of the dynamics of prices in the industry on average.

the inertial development of commodity and consumer markets, purposefully enhanced by the policy of the Federal government led by Viktor Chernomyrdin and the Central Bank of Russia. It should be noted that the ongoing anti-inflationary stabilization regulation to a large extent contributed to the establishment of stable inertial growth trends in the aforementioned sectors.

But still, the main factor of stabilization, according to experts known to us, was the accomplished adaptation of many domestic producers in non-primary sectors, where a further drop in commodity output would mean complete financial insolvency and termination of business, to the framework rules of the modern market. At the same time, it must be added that this kind of adaptation took place to a large extent as a result of barter exchange and thanks to the many memorable phenomenon of mutual non-payments, when a huge number of industrial and service enterprises expanded output, despite their unacceptably high costs at current market prices for raw materials. In fact, the increase in the consumption of material resources in debt initiated an increase in the utilization of capacities in the processing industries and, thereby, the restoration of the old technologies for large-scale production.

The outcomes of radical market reform. According to widely accepted opinion, the rapid privatization and corporatization in the first half of 1990 had not accelerated the formation of competitive markets and positive structural production shifts, but brought huge material costs. From the very beginning of privatization, it became clear that the idea of frontal corporatization in most industrial sectors is unfeasible, primarily because of the extremely high risk of investing in securities in the context of a general crisis recession. The number of potential Russian investors-owners of capital, both individual and institutional in the face of emerging non-state firms, was also very limited. As known, a huge criminal overhang arose over relatively large privatization monetary transactions (Analysis of the processes, 2004). Most of the ongoing investment competitions (tenders) were associated with public scandals; the results of many of them were cancelled.

Quite understandably, the emerging market environment had not given rise to large corporations in the manufacturing sector. The large corporate sector was made up exclusively of former state-owned enterprises which got to their feet in the era of Soviet socialism. The exception presented the former corporate giant Yukos, it included a number of truly new enterprises.

In reality, the model of the holding company as a holder of shares remaining in a sufficient part in state ownership had become fundamental for the corporate sector in Russia. In the energy sector and a number of other sectors, huge blocks of shares owned by the state were transferred to the established holdings. This meant a tacit recognition of the impossibility and unacceptability of the complete privatization of the former state concerns as production complexes.

In total, according to calculations based on official statistics, in the course of privatization in 1993-1998 years almost 4,700 large joint-stock companies appeared, in who's in a sufficient degree the state presence (including the special right of the "golden share") and control was envisaged to maintain. As a consequence, the prerequisites were laid for the prevalence in the future of the corporate capitalist structure with the participation of the state.

One of the most significant institutional innovations presented the emergence of financial and industrial groups (FIGs). They united exclusively large former socialist enterprises - both largely privatized and those in which a significant part of the share capital remained in state ownership, as well as banks, trading firms, insurance, investment and other companies.

As the evidence of economic life showed, the mass creation of FIGs did not lead to an increase in the market efficiency of domestic manufacturers. They had taken positions close to monopoly in many industries being initially placed in a privileged position due to the adopted legislative and governmental decisions. Even more significant was the fact that Russian commercial banks, having low equity capital, had not been involved in serious investment activity beyond the financial sectors. In most cases, they have shown themselves to be unreliable partners in FIGs.

At the same time, one cannot deny positive consequences of the formation of market mechanisms in nineties. Thus, thanks to the spread of advanced world experience in the corporate sector, institutions of vertical integration had emerged. Their effect had been unambiguously positive, especially in the energy sector.

Besides, positive institutional changes took place in the field of non-corporate entrepreneurship. This was greatly facilitated by the adoption of the Law on Entrepreneurship, the Civil and Tax Codes.

Along with this, the positive institutional changes in certain sectors of the economy had systemic significance. Thus, the institutions of the real estate market established themselves very quickly, primarily in the form of the necessary legal regulations, and its agency structure. The rapid development of this highly profitable market in large Russian cities occurred from the very beginning of the market liberalization.

The formation of the trade sector on a modern market basis was also of great importance. Literally in front of our eyes, the stalls scattered across the country in the first half of the 1990s were replaced by modern shops and supermarkets, wholesale depots and other elements of modern trade infrastructure. This process was associated with significant organizational and institutional innovations.

In contrast, in the legal business sector, in small and medium-sized businesses (SMEs), institutional shifts took place at a snail's pace. During the period of a strong economic downturn, no serious initiatives were taken by the authorities at all levels to

stimulate the market development of SMEs. A parade of regional sovereignties, initiated by provincial politicians who were in power and called themselves “liberals”, had a particularly negative impact on the formation of entrepreneurial institutions.

In sum, we can draw an important conclusion: incomplete liberal institutions had not converted into dominant free market institutions in accordance with the original project. Institutions of state regulation and informal institutions of the former socialist economy in a significant number had retained their significance. At the same time, there was a market adaptation of the institutions of the shadow economy, along with a partially spontaneous conversion of implanted liberal institutions into institutions of corporate ownership and corporate regulation.

The government, following the neoliberal course, refused to participate in the innovation process and stimulate technological transformations. Up to the crisis upheavals of 1998 in Russia, there was a clear washing out of high technologies and an unacceptable simplification of the technological base within the domestic industry. Less than 10% (!) of industrial enterprises were generally engaged in innovative activities. During this period, there was no significant structural transformation in terms of ousting and re-profiling inefficient enterprises. In the conditions of the overall economic crisis recession, accompanied by a strong non-loading of production capacities, the majority of Russian enterprises failed to approach to the international level of competitiveness. Only a few of them (in particular, those concentrated in the food industry) have achieved positive results in mastering new technologies and improving the quality of their products, attracting foreign investors.

Thus, the shift from the volatile market economy of the yearly nineties to a stable functioning market economy took place in complete discordance with the concept of transitional economy, which was mentioned earlier. The role of liberal institutions had decreased, and state intervention in economic life, on the contrary, had intensified, focusing on the institutionalization of the corporate (holding) form of ownership with state participation. In fact, as a result of the two-stage (check and cash) privatization, the dominant position in the manufacturing sectors was occupied by holding corporations with direct state participation and other corporations, in any case, also under the tutelage of the authorities.

It is appropriate to conclude. The declared model of neoliberal capitalism, imported from abroad, turned out to be practically unacceptable for the Russian economy. At the same time, various market institutions were emerging to meet the imperatives of contemporary economic progress.

What happened in the status field? Undoubtedly, the transition to a different social system was associated with radical status shifts. The main distinguishing feature of the first stage of the status transformation was the legitimization of a wide class of owners. The results of sociological research show that along with bankers, representatives of the trading and intermediary business and the state apparatus, the leadership

and top management personnel of privatized enterprises had taken the leading position in the status pyramid. In addition, representatives of the “shadow” business, who became partners of the economic nomenclature in the course of the privatization, also joined the top stratum. They, judging by the recognized numerous facts, increased their property many times over and at the same time increased their social status.

The observed increase in the number of the middle class occurred mainly due to the rapid growth of trade, intermediary services and some other areas of entrepreneurial activity, but outside most sectors of the real sphere. In contrast to the former socialist countries of Central Europe, in Russia, as in most post-Soviet states, the entrepreneurial middle class did not really have the economic and, moreover, political resources sufficient for public leadership. In the period under review, the status distribution in Russian society was determined to the greatest extent by the action of the former or transformed socialized factors of distribution (in particular, connections with criminal authorities), and not by personal business success.

A more than visible attribute of the life of Russian society during the 1990s was also the status of poverty as an actual social exclusion. The existence, unsatisfactory in terms of physiological standards, not to mention higher matters, of the many millions of our fellow citizens was quite naturally associated with the marginal behavior of a significant part of them. It directly found expression in homelessness and vagrancy, in a high level of petty, mostly domestic, crime and the wide spread of mental, moreover, socially dangerous diseases.

In addition, already in the initial period of liberal reforms, the demographic situation worsened to a critical level, expressed simultaneously in a decrease in the birth rate and a sharp increase in mortality. The demographic failure, which had a strong negative impact on the general economic dynamics, had become a landmark characteristic of the system transformation stage under consideration.

Quite clearly the social capital, following its most common understanding (Gannon & Roberts, 2020), of most status groups had greatly decreased. The manifestation of solidarity and mutual assistance had become a rare occurrence and humanitarian values had almost lost. It is reasonable to conclude: most of the national society was not satisfied with the results of radical market reforms.

Cultural shifts, the transformation of the legal system and the emergence of civil society institutions. The transformational changes that have taken place within the framework of the cultural space were unambiguously large-scale. The most significant of them, apparently, was expressed in the grandiose expansion of mass culture through diverse information channels. The very infrastructure of cultural activities had changed. In addition, one cannot fail to consider the impressive expansion of individual subcultural areas, especially the youth subculture and the national cultures of migrants.

At the same time, the establishment of truly liberal Western values in the cultural space proved to be very difficult. To a large extent, this was explained by the historical

substantial isolation from the Western influence of the cultural development inherent in the Eurasian civilization.

The institutional transformation in the legal space had shown itself very prominently. There had been cardinal changes in institutions that regulate relations between subjects of law in order to ensure civil rights and property rights, which really (!) occurred in the period under review. One can distinguish a whole set of institutions that ensure the inviolability of property, privacy, personal and family secrets, the equality of participants in civil relations, the freedom to conclude contracts between individuals and legal entities and the independence of entrepreneurial activity, the unhindered restoration of violated civil rights, as well as their judicial protection.

Such a variety of legal regulations quite adequately reflects the fundamental changes in the relationship between subjects of civil law in comparison with the socialist era when weighty institutional mechanisms for ensuring civil rights simply did not exist. Then the protection of property rights was mainly reduced to the regulation of narrow personal-property relations while the dominant state property simply did not need legal protection.

However, many new legal institutions were characterized by strong incompleteness and insufficient adaptation to post-socialist changes. Suffice it to mention the unproductiveness of the existing legal norms in the course of the privatization carried out in 1993-1997.

The imperfection of the legal conditions of market activity to the greatest extent met the interests of the formed oligarchy in the raw materials sector, close to a natural monopoly, and the banking sector, as well as the associated bureaucratic elite. Exactly these privileged groups, having initial material, financial and administrative resources used the most of the imperfection of the legal conditions of privatization and the inefficiency of many other legal regulations in order to extract economically undeserved rent. At the same time, entrepreneurs who operated in a truly competitive market found themselves for the most part in a losing position. This was directly manifested in the above designated slow spread of legal and law-abiding entrepreneurship.

During the considered period, it should be noted, the institutions of civil society and its significant subjects - non-governmental non-profit organizations (NPOs) arose. In a short time, the positive results of the activities of NGOs in such activities as charity, the promotion of contemporary art, and additional education turned out to be quite visible. However, in general, despite the official propaganda, the overall scope of civil initiatives may be estimate as insignificant due to the overall social regress.

Political side of the system transformation. A unitary political regime had established in the country. Truth, it seems very difficult to give an unambiguous qualitative assessment of the formal institutional configuration that had developed in the political field during the period of nineties. On all levels of the existing political power, there was a different combination of authoritarian institutions that met the interests of

certain elites, and in principle (only in principle!) democratic institutions oriented to the interests of the civilian majority.

The emerging institutions of political democracy actually functioned and to a large extent influenced on the results of social change. It is appropriate to recall some of the achievements of the young Russian democracy. These include granted political freedoms, legal reforms in accordance with modern standards, the establishment of parliamentarism at various levels and a multi-party system with a high level of political pluralism, openness of relations between Russia and other former Soviet countries.

However, the formation of a political field corresponding to the democratic order in its traditional sense had not been accomplished. The deformations that accompanied the considered political changes transpired to be too significant. They concerned, first of all, relations between the electorate and political parties, the executive and legislative authorities, between the federal government and the authorities in the regions, between the latter and local authorities, between the civil and military spheres of governing.

Fundamental shifts in the “neighboring” economic field also had a significant adverse effect on the formation of the political climate. Because of the dominant role of large and super-large capital and the insignificant role of medium and small businesses in the Russian market, the number of the most preferred, based on the canons of democratic choice, the electorate represented by members of the middle class remained very low. At the same time, the newly-minted Russian oligarchs had the greatest political capital. The political decisions of the state authorities were actually adjusted to their interests (Pappe, 2000).

In reality, there was a departure from the declared model of political democracy, while maintaining the paternalistic nature of the state. For a long time, the inalienable features of political life in Russia in the nineties were frank populism, combined with a “new” authoritarianism that violated the legal and other normal conditions for socially useful activity. In addition, one cannot help but keep in mind that the use of authoritarian administrative methods of management in contradiction to democratic principles fully met the interests of a corrupt bureaucracy or, following the foreign term that quickly came into use, kleptocracy.

In our country, the most serious authorization of state policy manifested itself at the level of individual regions. Their leaders, having received real independent power as a result of the “distribution of sovereignties”, as if on a democratic basis, actually revived the administrative-command control mechanisms to please the interests of their regional nomenklatura.

The suppression of small business and local self-government, the creation of artificial barriers to interregional turnover, the construction of ruinous “prestigious” facilities, and lawlessness interference in business is by no means a complete list of the consequences of regional authoritarianism. The phenomenon of this phenomenon,

which is directly at odds with liberal ideology and at the same time arose as a result of liberalization in the form of a “big blow”, once again confirms the immanent autonomy of the processes of economic and political transformations from each other.

Undoubtedly, the intensification of inter-ethnic conflicts and national separatism had become a very significant obstacle to positive political changes that was clearly not considered in the original tacit scenario of Russian market reforms, designed in the IMF. When evaluating this phenomenon, in any case, one should necessarily embrace both economic factors (in particular, the drop in the income level of the indigenous population of the Caucasus as the reason for their migration to Central Russia), and the deep differences in cultural standards between national communities revealed in the post-Soviet period.

Of course, the war in Chechnya had left an indelible mark on Russia's recent history. It dealt, without any exaggeration, a devastating blow to the process of democratization of power and the entire society in the period under review.

Ensuring political stability always presents a prerequisite for the successful implementation of economic and social reforms. This task, it should be recognized, had successfully solved already at the initial stage of system transformation in Russia covering the period in 1992-1993.

However, this kind of stability was achieved with irreparable damage to the formation of the future legal space. I am talking primarily about the absolutely illegal forceful termination of the powers of the Supreme Council and the Congress of People's Deputies of the Russian Federation in October 1993. This act, it is worth saying with all responsibility, gave rise to the practice of illegal decision-making at the highest state level in new Russia. The completed invasion of Ukraine in violation of basic norms of law presents clear evidence of this practice.

That very October coup led, in a political context, quite logically, to the adoption of a declarative Constitution divorced from realities, moreover, through the use of specific illegal methods. Indeed, the cart was put before the horse.

The root cause of the unsuccessful attempt at radical democratization of the former Soviet society, according to a later widely recognized opinion (as if in hindsight), concluded in the unpreparedness for such a tectonic shift of the clear majority of citizens. Their mental orientations, as before, combined with material and cultural demands that ran counter to the plan of a quick (namely, quick!) establishment of full-fledged democratic institutions.

Let me remind the reader about a shameful page in the domestic political history. It concerns the behavior of former provincial people's deputies of Russia, elected in the overwhelming majority through a real democratic will on the ground. Many of them proved to be simply have-nots and civilly irresponsible. For a frank handout - a temporary residence permit with their families in Moscow - they agreed not to vote for a resignation of the existing insolvent government, ignoring the national interests of their

country. By the way, a significant part of these "abstention" deputies, upon reaching the allotted three-year term, had to leave the metropolis.

Formation of the Russian elite and the key subjects of power. The composition of the elite of the new Russia is found to be unusually mosaic and, one might say, cunningly woven. Together with a significant part of the former Soviet nomenklatura, it included leaders of the ruling (Yeltsin's) democrats and leading federal officials. They were joined by established Russian oligarchs and new/old regional leaders.

The role of the oligarchs in society looked truly grandiose. Quite understandably, it had become customary abroad to call Russia a country of oligarchic capitalism.

The peculiarity of the considered period of system transformation in Russia also manifested itself in a very high influence on the state activity of the top regional bureaucracy. As noted earlier, for a long time this elite group had unprecedented independent might, its political capital was almost equal to the corresponding capital of the Federal authorities.

Top regional bureaucracy. *The first provincial leaders have always been a special, very close-knit and extremely conservative caste in our country under the tsarist monarchy, in the Soviet and post-Soviet times. Its very existence depends decisively on the power in the Center, currently represented by the Federal government and the presidential administrations in the main territorial districts. At the same time, the unifying interest of this elite group in preserving and increasing its own administrative resources, which ensure the smooth functioning of the administrative vertical within the region, has invariably preserved. This goal is achieved due to a close cooperation of the authorities in various regions in relations with the Federal government.*

Besides, the Russian elite included as if a shadow contingent. He represented the interests of the special services, to identify which it is reasonable to use the term neo-KGB, and the Zionist movement.

Neo-KGB: a pre-history of the rise to power. *Undoubtedly, the progenitor of the KGB and its current successor is the Bolshevik dictatorship established as a result of the revolution in October 1917. The creation of the All-Russian Extraordinary Commission (VChK) directly served the purpose of forcibly suppressing opponents of the new government during the civil war. And in the future, after its completion, the state security agencies (OGPU, NKVD) functioned according to the canon of the extraordinary revolutionary time. Joseph Stalin, as a Jesuit pastor (certainly the first Jesuit in history completed seven classes of a special church school), personally supervised the heads of these bodies, many of whom were executed for one or another mistake. They were given the task of maximally identifying and destroying pests, ideologically justified by the ideology imperative of strengthening the dictatorship of the proletariat. Through constant repressions, the strength of the regime of Stalin's personal dictatorship was ensured, as if necessary for the proclaimed construction of Soviet socialism.*

In the subsequent historical period, the principle "the end justifies any means" remained fundamental for intelligence officers. True, their activities were carried out under the leadership of the CPSU and in some degree in the legal space⁵.

The completion of the socialist epoch along with the decay of the USSR by no means led to the disappearance of the KGB. Only a number of high-level dignitaries of the organization, who supported the so-called August putsch in 1991, lost their posts. At the same time, a number of KGB generals, among whom Philipp Bobkov occupied the first place in terms of rank and influence, supported Yeltsin and played an almost decisive role in his political victory in the early nineties. As a result, after a cosmetic reform (in 1992-1993), the domestic special services had appeared in a new guise as a neo-KGB, retaining its most powerful organizational links within the country and abroad.

Nobody can deny the fact: the employees of the former Soviet KGB, in comparison with other professional groups, were the best prepared for the brutal market reforms of the early nineties. Their adaptation to a business environment characterized by violations of the law, the spread of shadow business and rampant criminality has not been surprising.

It is well known that large corporations engaged in foreign economic activities unofficially paid tribute to the intelligence services, as if for promoting business. Unlike the overwhelming majority of other non-profit organizations, the financial position of the neo-KGB or, by a widely accepted definition, the Main Corporation was simply enviable, even in the 90s.

In addition, let me note that in a very short time, quite a lot of officers from the special services became wealthy, "cool" people in popular terminology - dollar millionaires, doing illegal business within the country and especially abroad. Obviously, their business was successful thanks to the forceful cover of their colleagues, who actually acted in violation of the law.

It seems quite understandable that the upper status strata and the national elite were replenished with representatives of the special services. Vladimir Putin's accession to power in St. Petersburg presents the best-known example. There are, in fact, a great many of them.

Also, very significant was the influence on the government policy, economic and political, of the Zionist movement, often rightly referred to as "star-fan". During the indicated period of "seven banking" (1992-1997) factually the domestic Zionist elite controlled the largest part of the huge cash flows in the banking and commodity sectors.

⁵ Largely the past history of the KGB refracted through the activities of its leaders. This topic had discussed in detail in the meticulously written book by Leonid Mlechin (Mlechin, 2011).

In reality, in Russia in the nineties, the model of the state governance was largely restored on the model of the Khazar Khaganate, which existed even before the emergence of the Russian state-monarchy.

About the phenomenon of domestic Zionism. It is appropriate to recall that the establishment of Zionism as one of the dominant world forces occurred more than a hundred years ago. I am not going to retell the still very relevant "Protocols of the Elders of Zion". This essay was quite likely the creation of the royal security department in Russian Empire epoch. But according to many confirmations it contained the reliable information.

The behind-the-scenes Zionist elite direct the activities of a huge number of organizations all over the world. Through mutual support and coordination of actions, the Zionist organizations have succeeded in creating an influential consolidated political lobby in lot of countries.

In Russia, the Zionist movement has long established itself. As it generally recognized, the establishment of Zionism as an ideology in our country has rooted in the period of the Revolution of 1917 and the Civil War. The apotheosis of the triumph of the Bolshevik dictatorship, which was personified by the commissars in leather jackets with Brownings (compact revolvers), for a long time, actually up to the present day, has taken root in the minds of a very significant part of the population, Jewish and mixed-Jewish.

At the same time, it makes sense to pay special attention to the fundamental discrepancy between the assimilated communities of Jews and activists of Zionist organizations in various regions⁶. In a whole, representatives of the Jewish nationality, despite the conventionality of the criterion for its identification, are involved in Zionist organizations to a rather limited extent. Their activities are determined by the national and international circles of the big Jewish bourgeoisie and other big bourgeoisie (especially the majority shareholders and top managers of transnational corporations), connected with each other by close informal, specifically Masonic ties. The Zionist Freemasons, who for the most part avoid publicity, have a huge number of petty functionaries. In turn, among them, judging by the example of well-known countries (Russia, Germany, etc.), people of mixed nationality predominate, the so-called half-breeds or fifty-fifty in the accepted jargon, with a not large share of full-blooded Jews. Of great importance is also the involvement of functionaries of non-Jewish origin in the active work of Zionist organizations on the widest scale. The example of Russia convinces the reality of the "multi-national" Zionist movement.

⁶ The historical path of the assimilation of Jews in Russia, despite separate waves of emigration (in particular, in the last period just before a collapse of the USSR), thoroughly described in the voluminous book by Alexander Solzhenitsyn (Solzhenitsyn, 2009).

Quite naturally, a link between the Russian political elite and the top management of large corporations gradually accomplished. Russian practice has confirmed the validity of the well-known fundamental conclusion: over time, economic (financial) capital is inevitably converted into political capital and vice versa. In full accordance with the theory of public choice, the raw material rent received by the largest Russian corporations served as a means of achieving a tremendous political gain. As a result, thanks to their economic and political capital, the elite absolutely dominated the rest of society.

Completion of the neoliberal course. The immediate cause of the occurred root system change was the devastating financial crisis in August 1998, which in fact turned out to be a consequence of the global economic crisis in 1997-1998. The Russian economy was completely unprepared for a multiple decline in commodity prices and the accompanying grandiose growth in non-repayment of loans and non-fulfillment of other debt obligations.

Overcoming the deficit of the state's financial resources has become a matter of life and death for the Russian market economy, with all the specifics of its "transitional" institutions in ninetens. It became necessary to abandon obligations under state debts as so as extremely to devalue the national currency – ruble. The latter caused the bankruptcy of many banks.

Extraordinary anti-crisis decisions turned out to be associated with fundamental changes in the national course, which were actually preceded by the previously noted changes in informal and formal institutions, not at all in line with the neoliberal doctrine. First of all, the economic role of the state has cardinally enhanced on the basis of an adequate financial base. This was reflected in the rejection of further liberalization in the banking sector and total privatization in the economic sectors along with a radical strengthening of state regulation practice and other illiberal institutional changes. In sum, a principal transformation shift had taken place, expressed in a change in the root institutional structure of the national economy.

In the political arena, as happened more than once in the Russian history, temporary democratization in society ended with an outcome that was directly opposite to the original plan. This outcome can be logically explained by the sharp decline in the economic and especially political capital of the Kremlin in the end of nineties.

Indeed, as a result of the financial crisis, the Kremlin of that time lost its main support force - the oligarchs who represented the “seven bankers.” The remaining oligarchs, mainly major co-owners of commodity corporations, and most other large owners were clearly not satisfied with the prospect of further economic instability hardly threatening the loss of accumulated capital. Besides, the number of natural allies of the Yeltsin democrats, represented by part of the constraint middle class, which found itself under the brunt of the financial crisis, had sharply decreased. In general, a drop-in trust in the authorities to an unacceptable level had occurred.

A return to autocrat ruling became a way out for the Russian elite. In the face of the neo-KGB, which regained its might in the nineties, an appropriate force had formed capable of taking responsibility for the implementation of such a national course (this issue is discussed in detail below). As a result, the supreme power from Yeltsin, a bankrupt politician who resigned his presidential authority before the released term, passed into the hands of “loyal” leaders - Putin in accompany with the top generals of the special services⁷.

In contemporary realities, it is reasonable to interpret the accomplished return of authoritarian power as a transition to a political system with limited access (LAS). A significant feature of LAS concludes in significant restrictions on access to political and economic activities, which vary widely in different countries of the non-Western world (North et al., 2007) In systems of this kind, state power is clearly based to a decisive extent on the national elite, with all its uniqueness in different countries. Accordingly, state capital has used in the interests of the elite, ensuring the maintenance of its dominant position in society.

The transfer of power in the Kremlin took place completely voluntarily, as if on Yeltsin’s personal initiative, but to a significant extent thanks to special operations⁸. Thus, the collision with the explosions of residential buildings in 1999 still attracts special attention. They became the pretext for the final re-annexation of Chechnya with Russia as a result of military actions, followed by personal changes among the key Kremlin authorities. The results of the investigation remain a complete secret. According to the official version, these explosions are the deal of an underground Islamist organization in Karachay-Cherkessia. Judging by all the information available about the actual situation in this small national enclave, this version looks more than doubtful!

The inhabitants of the corridors of power changed completely, albeit very gradually. The place of home-grown liberals and democrats was taken by representatives of the neo-KGB and other enforcement agencies in alliance with the regional elite and the same Zionist community.

⁷ It is worth clarifying that the disappearance of the former Yeltsin close associates from the political Olympus did not happen immediately. One should pay tribute to the leaders of the neo-KGB, who managed to make this process publicly unobtrusive and almost painless while continuing to preserve democratic phraseology in the official propaganda.

⁸ The exclusive role of representatives of the neo-KGB in the behind-the-scenes politics related to the conduct of special operations had reflected in the very popular novel in Russia by Alexander Prokhanov (Prokhanov, 2002). In turn, factual information about specific persons can be gleaned from the extensive publications of Sergei Kurginyan (Kurginyan, 2019).

Although with a long delay, the departure from the neoliberal course in our country had irrevocably occurred⁹, what will be further discussed. The image of society had become completely different in comparison with the period of the nineties. Social life took on an orderly character as the state returned to its necessary duties.

2.2. The second stage of system transformation.

Let us now refer to the subsequent stage of the system transformation of the country, which lasted more than two decades until recently.

Transformation of the national economy with emerging markets. The initial radical change in the state economic course at the junction of the nineties and zeros, which predetermined the trends of further transformational changes, was characterized by fundamental resource, organizational and institutional shifts.

First of all, there was a redistribution of super-high rental income from capital in the commodity sector in favor of the state. The activities of oil and other raw materials oligopolies (monopolies) became the object of strict external corporate control by the new government. It was expressed in the strengthening of tax discipline and the use of specific, essentially coercive methods of state influence, in particular, in relation to NK Lukoil, TNK, AvtoVAZ, Norilsk Nickel, and others.

It is worth adding, the establishment of a new authoritarian government at the beginning of the 2000s was accompanied by organizational and personnel changes and the tightening of internal corporate control, especially in Gazprom, UES (Unified energy system) of Russia, Aeroflot and a number of other large companies. And the most resonant "point" decision was the actual renationalization of Russia's largest independent company - Yukos. In this way, the authorities achieved the complete loyalty of large domestic companies in the oil industry, as well as in other raw materials sectors.

On a macro scale, the market power of private banks has declined sharply. The well-known federal banks (Central Bank, Savings Bank, Vnesheconombank, VTB, Russian Agricultural Bank, etc.) and regional banks (such as the Bank of Moscow and the Bank of Tatarstan) began to dominate the main money and credit markets. These banks with state capital, whose management staff is strictly controlled, directly focus on the interests of the authorities at the appropriate level. At the same time, the Central Bank began to carry out full-fledged coordination and prudential control in the banking sector, including in the sphere of mutual bank lending.

It is quite understandable that the share of the state in the total production capital had increased. According to estimates, in mid-2015 it was at least 55% (Djankov. 2015).

⁹The failure of neoliberalism as an ideology, it is appropriate to note, had convincingly revealed in the book by Immanuel Wallerstein, first published in 1995 yet (Wallerstein, 1995).

The most widely used are the well-known, commonly referred to as Keynesian, instruments of state regulation. Among them, the leading role was given to stimulating economic activity through the investment of state capital, bearing in mind that the end of the financial might of the “seven-bankers” opened the way for the growth of investment in the nonfinancial sectors. In reality, a specific Russian model of state capitalism had been implemented, the main ideological forerunner of which should be considered the outstanding domestic practical economist Nikolai Voznesensky.

As known, at the end of the 1940s, the idea of a transition to a state-regulated market economy, advocated (albeit completely behind the scenes) by Nikolai Voznesensky, who was then Chairman of the State Planning Committee of the USSR, was more than seriously considered in the highest circles of Power. It is enough to recall the positive attitude towards this plan of the "second" person in the state - Lavrenty Beria and the silent "neutrality" of Stalin himself. Weighty indirect evidence in favor of the existence of a real alternative to the departure from the former socialist course were the actual conservation of the activities of the Central Committee of the Party (at that time not a single plenum of it took place!) and an unofficial ban on the teaching of social sciences in educational institutions. And it is quite possible that this alternative plan could have been practically implemented if it were not for the unfavorable circumstances: extremely significant foreign policy failures in the Middle East, Iran and Yugoslavia and, of course, Stalin's illness accompanying with internal discord in the leadership of the country.

A distinctive feature of the forming national economic model was the direction and control of key production flows by the state precisely on capitalist principles. A special role was given to stimulating economic activity through the direction of large-scale investments to restore production potential and modernize nonfinancial sectors, mainly due to large corporations with state participation. This kind of activist policy became possible after federal banks and regional banks with state capital took key positions in the main money and credit markets.

Besides, I would like to emphasize on a very important shift that has taken place over the past decades. As in almost all post-developing emerging market economies, Russia gradually established a banking-type financial system to replace the originally implanted system of Anglo-American type. As a result, opportunities to reduce the risks of financial destabilization through targeted regulation in the banking sector began to be used.

In the post-liberal period from the end of the nineties, within the framework of the domestic national economy, which is now reasonable to call after socialist¹⁰, the

¹⁰ After the expiration of the time-limited initial stage of systemic market reform, a new institutional framework of the former socialist economies has irreversibly established itself, which implies a clarification of its terminological identification.

formation of wealthy markets gradually took place. In the political and economic sense, it is legitimate to refer to them as emerging markets, which are similar to those existing in post-developing countries. A substantial feature of these markets presents the initial, in any case, relatively new stage of development. As a result, the well-known effect of initial, often explosive growth has been achieved. Also, the advantages of emerging (emerging) markets, functioning under the conditions of active state regulation, manifest themselves in relatively low costs, as well as in the rapid return on investment.

In addition, it is worth noting especially: the development of the domestic economy definitely had a reverse effect on supra-system transformational changes. It had become a significant result of mutually beneficial cooperation with countries with emerging market economies, mainly members of the BRICS and ASEAN associations.

One can confidently ascertain the coexistence of different sign tendencies of transformational changes over the more than 20-year period under consideration. In general, a positive economic dynamic had prevailed. However, to a decisive extent, it was achieved through oil and gas boom (Goldman, 2008).

Since the beginning of the 2000s, the inertial impressive growth of consumer markets had continued for a long time. True, often the low quality of consumer goods displayed as a serious obstacle to improving the quality of life.

Along with this, a complete market transformation of domestic agriculture began to implement. Many agricultural enterprises have switched to deep processing of grain. As a result, the export of agricultural products increased in an orderly manner. In parallel, opportunities have opened up for improving the quality of domestic food products, which is so necessary under the world market competition.

It can also be noted that in a number of regions attractive in terms of earnings, a grandiose growth in housing construction - collective and individual – had taken place. It had been supplemented by long parallel boom in mortgage lending, although initially associated with non-payment of a large part of loans and unsightly conflict situations.

A particular issue concerns the environmental consequences of economic activity in the development of emerging markets. According to sociological surveys, over the long period the environmental situation in Russia had deteriorated. Conceivably, the illegal deforestation, the appearance and expansion of garbage dumps in places of residence and pollution of water bodies caused clear dissatisfaction of our fellow citizens.

A separate extraordinary topic concludes in the environmental damage resulting from the incredibly rapid expansion of suburban housing construction over the past two decades. It turned out to be associated with predatory deforestation, which covered many regions. The leadership among them, of course, belongs to the Moscow region.

Alas, one can forever forget about the long beloved by many citizens of domestic Switzerland near Moscow around the famous Zvenigorod!

At the same time, in recent years, in Russia as a whole, there has been a reduction in greenhouse gas emissions due to the transition to advanced technologies, as well as an increase in the efficiency of handling production and consumption waste (Environmental protection, 2022). As a result, the decrease in the level of atmospheric air pollution in large industrial centers has become a reality. Such a positive trend, it should be added, arose after the successful implementation of measures to eliminate environmental damage caused by past economic activities in the Arctic zone and in certain contaminated areas in the Russian regions.

In addition, it is worth adding that in our country in recent years, ecological construction has been expanding at a very noticeable pace. So, in a number of regional centers, mainly in their suburban areas, "green" neighborhoods quickly appeared. The main peculiarity of this process concerns a large-scale transition from a separate building with an adjacent land plot to integral neighborhoods built according to the principles of sustainable development. At the level of neighborhoods and houses, this is expressed in the principle of "triple zero" - zero external energy consumption, no greenhouse gas emissions and zero waste.

It is impossible not to emphasize on the very significant social effect of ecological construction. According to surveys, a large number of Russians are not satisfied with their living environment. The "green neighborhood" just brings the desired social interaction, above all, a sense of common identity, interests and problems of residents, taking in a view the uniqueness of the place where they live and with which they associate themselves.

Technological modernization. Have there been positive tremendous changes in the field of technological modernization of the country's economy and related institutional developments? Definitely, yes.

So, in the last decade, large-scale infrastructure projects have been implemented on a newest technological basis, the full effect of which turned out to be very significant. The institutional framework of the state-capitalist economy of a clearly Keynesian type turned out to be quite adequate for solving ambitious tasks in the field of infrastructural improvements.

The activity of domestic companies in the information technology (IT) sector definitely deserves high praise. In essence, the market institutionalization of the IT sector as a fully competitive one, mutually according to domestic and foreign experts, has taken place.

In contrast to the period of the nineties, technological modernization in the industry has become widespread. First of all, it touched upon the military industry complex (MIC) in the course of the implementation of special programs for the creation of new weapons and military development. Defense industry corporations, for the most

part, got on their feet. Their financial position has become quite stable, although to a large extent thanks to the government patronage.

In parallel, a significant technological transformation in the civilian manufacturing sectors had also been occurred. Here, by the end of the last decade, mainly a renewal of fixed assets was accomplished. So, now the average age of equipment in mechanical engineering approximately equals quite acceptable 10 years (Potential Growth, 2022).

Domestic transport had completely changed. As an example, it is worth mentioning the Super-Jet aircraft of Russian production, which is quite competitive in comparison with the best foreign analogues. Also, fundamentally new technologies began to be applied in the construction sector. As a result, the quality of housing improved very visibly, becoming a strong driver of the above-mentioned expansion of the real estate market.

At the same time, in recent years there has been a slowdown in innovation activity, limiting the potential for long-term economic development (Russian economy, 2022). The fiasco of innovative development funds, which mainly used for other purposes, were recognized by the authorities and caused a wide public resonance. Insufficient financing of innovative developments turned out to be due to their poor preparedness for market implementation on the part of corporate and other businesses. It should be added that in the vast majority of Russian regions, a favorable social environment for the activities of venture capital firms and innovation centers at universities has not been formed either. Truth, according to the unspoken opinion of many government authorities, the situation in the innovation sectors should not be dramatized. Borrowing foreign achievements, especially through the activities of special agents, presents a long-established practice inherited from the Soviet era.

Status transformation. The trajectory of status transformation in the long period under consideration, according to the unanimous opinion of sociologists, did not differ in significant metamorphoses. Certainly, the exaggeratedly high differentiation of Russians in terms of per capita income and property status has not drastically decreased in comparison with nineties. In essence, a stable status quo in the relationship between the main social strata has observed.

The dominant status positions unconditionally belong to the stratum of large owners. In favor of what has been said, a lot of evidence can be cited. Perhaps the most eloquent of them concludes in the grandiose expansion of elite urban and especially suburban real estate markets, mainly focused on the interests of this stratum. Earlier the social status of the former Soviet nomenklatura was based solely on the levers of administrative control, while now the top bourgeoisie owns huge financial capital.

Undoubtedly, the influence of economic factors on the main social indicators was paramount. As a result of the oil and gas boom and the growth in consumer imports

associated with it, a sufficient increase in personal well-being had taken place, affecting all social groups.

As early as 2008, Russia ranked fourth in the world in terms of the number of dollar billionaires. The entire Russian business elite also had become an order of magnitude richer, especially those with capital in the extractive regions.

Besides, according to the sociologists, "oil-gas" driven economic growth in 2002-2007 seriously accelerated the formation of a mass urban middle class: its number, according to estimates, reached a quarter of the entire population of the country and a third of the adult population¹¹. Simultaneously the share of the semi-poor stratum decreased somewhat although its position as the dominant social stratum in terms of numbers did not waver.

The zone of poverty, measured by the proportion of the population with incomes below the subsistence level, has drastically decreased - almost by half during the specified period. However, according to existing estimates, even in the zero years, more than 2 times more of our fellow citizens remained below the poverty line than under the previous social system.

Only later, at the beginning of the tens, mainly due to the targeted state policy there was a significant shift in the reduction of the poor. Its share of the population has stabilized, albeit at more than 10 percent.

According to estimates, the existing diverse middle stratum includes the majority of Russian families. However, in reality, a significant part of this layer (approximately 30%) retains the status of semi-poverty, having meager property and monetary savings (Tikhonova, 2021).

Considering the status shifts, one cannot fail to mention the almost complete disappearance of the intelligentsia, which played a very significant societal role in the Soviet era. Now this stratum, belonging to the middle class, partly embraces only separate and few professional groups.

According to official data, at the moment, the differentiation of personal income has decreased markedly compared to the zero's period when the average income level of the richest 10 percent was almost 17 times (!) higher than that of the poorest 10 percent. However, polarization in terms of disposable wealth remains one of the highest in the world. Thus, by the end of the past decade, wealthy Russians, who made up only 5% of the population, possessed $\frac{3}{4}$ of the total wealth in the country. In fact, majority of Russian nouveaux riches, together with their families, spend most of their time abroad. They represent a truly closed community in relation to the rest of the national society (Novokmet et al., 2018).

¹¹ The criteria for belonging to the middle class were the presence of at least secondary specialized education, socio-professional status, level of income and property savings, as well as self-assessment of social status.

In contrast to the previous period of the nineties, the social capital of the overwhelming majority of Russians had increased significantly over the years of economic growth. At the same time, it is worth emphasizing the strong deformations in the proportions of the distribution of social capital. Thus, it is difficult to deny the obvious: the municipal bureaucracy in the regions still suppress the local initiative. In this state of affairs, the social capital of local communities remains obviously insignificant, in complete contrast to the picture observed in the advanced countries of Europe and Asia.

The effect of the action of "social lifts", despite numerous declarative statements by top officials, performs clearly weak. The researchers rightly focus on the established inequality of opportunities to improve social status, which obviously limits the required improvement in the quality of human capital (A society of unequal opportunities, 2022).

The trend of internal migration is found to be decisively determined by the redistribution of the population from the east, especially from Siberia and the Far East, to the west (Population migration, 2022). The number of enclaves remains attractive for Russian migrants: Moscow and St. Petersburg, the Moscow and Leningrad regions, the Krasnodar Territory and Adygea, the Kaliningrad Region and Tatarstan.

External migration remained at a high level. It is widely recognized that over the past decades, after the socialist epoch, Russia began to fully resemble a traditional Asian country. If earlier, during the period of erosion of socialism, it looked like 2/3 European and 1/3 Asian, then at present this ratio has changed, at least in the opposite way. The appearance of Moscow and St. Petersburg, as well as other major cities of Russia, has acquired clearly "Central Asian" features. The obvious reason for this metamorphosis lies in the long-term influx of migrants, especially from the former Soviet Central Asian republics.

To date, the significance of the problem of external migration is becoming more and more crucial. Low-skilled labor zones are close to saturation. By all indications, numerous settled migrants from Asia will begin to claim higher-paid jobs and social status. Then inter-ethnic conflicts will inevitably arise and the situation can become explosive, especially in the Moscow region.

Transformations in the cultural and legal spaces. The problem of the formation of civil society. Cultural shifts were not as noticeable as in the past period of the nineties. Thus, the analysts mainly focus on the successful development of modern information and communication technologies in the field of culture.

Nevertheless, the fundamental cultural shift, though not significantly resonant, rather slowly took place. Cultural products and dominant cultural styles had become much closer to traditional domestic designs. In fact, one can reveal the return to the cultural heritage of Russia with its centuries-old history.

Also, the intra-system changes expressed in the spread of Eastern cultural standards as a result of the migration to Central Russia of the inhabitants of the Caucasus

and Central Asia were very important. The root foundations of the cultural values of the East, obviously, are substantially opposed to the foundations of the "Westernized" culture.

In addition, it makes sense to pay attention to the fundamental process of corporate culture expansion. Obviously, this process connects with the formation of corporate and state-corporate market structures that had occurred. Exactly corporate events or so called "corporate parties" have begun to prevail in the field of leisure.

There had definitely been progress towards establishing adequate legal institutions. Along with the adoption of the necessary constitutional amendments and productive legislative norms (Law on Entrepreneurship, Tax Code, Law on Competition in Financial Markets, etc.), legal barriers to illegal economic activity and corruption had increased. The application of new regulations in the field of financial and trade (commercial) law, established by law, also began to bring a significant improvement in the conditions of entrepreneurial activity in practical terms. Significant improvements had also been made in the area of civil law. Many issues that previously caused serious conflicts (such as compensation for damage to personal vehicles) had become solvable on a purely legal basis.

At the same time, the necessary transformation of the legal system of the country as a whole remained very, very far from being completed. In particular, the judicial reform, which began long ago, actually stalled and did not bring tangible results on a national scale. The dependence of the court on the executive power remained, and, consequently, the equality of citizens and organizations before the law was not ensured.

Bureaucratic opportunism with regard to legal reform definitely persists. So, despite the improvement of legal regulations, relations between federal, regional and local governments remain highly subject to strong-willed dictates. The existing authorities, especially regional ones, in many cases acted and continue to act bypassing the existing legislative norms, limiting the prerogatives of lower authorities. This has a very negative impact on the effectiveness of the functioning of existing legal and other institutions.

However, it was possible to speak about local self-government itself, precisely as self-government, with a high degree of conventionality. Its announced reformation through the adoption of legislative decisions in the first half of the 2000s in the vast majority of Russian regions factually led to the strengthening of the traditional administrative control of local authorities by higher municipal authorities. Only in the very last period, a hope for an improvement in the situation has emerged, that will be discussed in the next part of the book.

According to experts known to us, there have been no system advances in the development of civil society. Apparently, an undoubted important event solely was the creation in 2006 of the Public Chamber of the Russian Federation, and later on of public chambers in the constituent entities of the Russian Federation and major cities. But, as

expected, almost immediately the activities of these civil centers began to be corrected by the authorities.

In general, civic initiatives “from below”, on truly democratic principles, had not received large scale distribution. The number of actually operating NGOs and the number of their employees remained very small. It is quite understandable that progress in the development of the “third sector” itself, represented by NGOs, turned out to be little tangible in comparison with the previous period.

Perhaps more sufficiently, the establishment of civil society institutions ran into legal obstacles. According to a widely unspoken opinion, the vagueness of the existing legal norms became a factor that initiated the arbitrariness of the authorities in relations with civil organizations. And, probably, one should agree with the prevailing opinion of experts: the achieved approach to a wealthy civil society was very slow.

However, the positive shifts took place. So, in recent years, the activities of regional and city public chambers have been intensified, which received a significant impetus due to support from the state. In many large cities, the activities of various types of public organizations, especially those in the organization of leisure, bring visible results. This can be personally seen on the example of Yekaterinburg – large city, where young people and middle-aged people live their interesting lives.

Political changes. Definitely, significant increase in the activity of political associations exclusively recognized by the authorities had observed. Especially from the party United Russia, which obliged the undisputed hegemony in the legitimate political field. In parallel, a significant expansion in the accumulation of political resources or political capital of these associations clearly displayed while the political capital of the oligarchs in relative terms gradually decreased.

At the same time, no significant qualitative institutional changes in the domestic political space in comparison with the previous stage of systemic transformation were occurred. A critical assessment of the social role of the established main political parties, which weakly expressed the interests of broad sections of their voters, seems fair.

All any oppositional nationalist, centrist and social reformist movements were forced out of the electoral field. In particular, the pro-Western liberal movement in Russia disappeared from the parliamentary arena, suffering a complete political fiasco due to its own insolvency.

Only the party of domestic communists (CPRF) remains in opposition among legitimate political organizations. But a long time ago it lost serious claims to Power at the federal level. The last time this party displayed as a national public force was at the end of 2011. Then, let me remember, there was a huge protest vote, caused by the actions of the government, in the elections to the State Duma. In the current political realities, the CPRF mainly relies on dissatisfaction from the part of the broad public, especially the elderly, in many regions distinguished by a low level of well-being.

At the same time, the activities of certain non-parliamentary political social movements are demonstratively suppressed. Suffice it to recall the brutal suppression of the protest of the so-called non-systemic opposition after the Russian presidential elections in 2012.

The influence of numerous tremendous changes in the world political process on the political transformation in our country was not sufficiently traced. This was the outcome of a deliberate blocking of any western presence, in particular through the sponsorship of NGOs, on the domestic political scene.

The lack of serious competition for the existing government really reduced political life to the realm of “under the carpet” struggle. It is legitimate to state that most groups of the Russian elite are not interested in further serious reform of political institutions. They were quite satisfied with the extremely stable political area that had developed. It can be called stagnant.

All of the above explains why the government ensured a quiet political life for a long time. The fact is evident: to this day, United Russia continues to absolutely dominate on the province political arena, despite the absolute lack of progress in the development of most regions. Along with this the federal government has actually established a special control regime in the Capital region. The unspoken political goal of the super grandiose New Moscow project, it would be reasonable to add, concludes in final shifting the balance in the Capital region in favor of new comer provincials, most of whom are loyal to the authorities.

The redistribution flow of material and financial resources to Moscow, which now has been successfully built for a population of 30 million, is increasing and increasing. As a result, at the same time, most provincial regions remain weak, being in strong vassal dependence on the Federal Center.

The mechanisms of interaction between the executive and legislative branches of government endured seriously deformed. In such conditions, the possession of the notorious administrative resource allows the executive branch to independently resolve most issues, often without proper legal support and public control.

Large excess costs were also associated with the interaction between various components of the executive branch itself, primarily vertically. Despite the improvement of legal regulations, relations between federal, regional and local government bodies remained highly subject to strong-willed dictates. Existing authorities, especially regional ones, in many cases acted and continue to act in circumvention of existing legislative norms, limiting the prerogatives of lower authorities.

It is appropriate to emphasize that a fundamental shift in the internal political course of the Putin’s Kremlin was ultimately marked by the abandonment of neoliberal ideology, which had previously been intensively used for propaganda purposes. To

justify the formed vertical of governance, a national conservative ideology was proposed in the interpretation of the ruling party United Russia. The main positions (in a systematic conceptual form, pertinent to note, the ideological platform of United Russia had never presented) concluded in: full state sovereignty and the revival of Russia as a world power, the territorial integrity of the country with the priority of federal interests over regional ones, ensuring reliable economic and social stabilization and a way out of the demographic impasse. Along with this, in the real actions of the authorities of the regions representing “United Russia”, an orientation towards preserving traditional family values while relying on equally traditional religions - Orthodox and, although to a lesser extent, Muslim began to be fully manifested. In wide spread opinion, in many respects the ideological line of Power repeated the former national conservative ideology of “Autocracy, Orthodoxy, Nationality”, the main adherent of which was Konstantin Pobedonostsev, the de facto ruler of Russia during the reign of Alexander III.

And in September 2006, “United Russia” proclaimed in its policy statement a strategy for the qualitative renewal of the country as a sovereign democracy. It was defined as a modern democracy with full national sovereignty, based on its own traditions and laws. The ideological doctrine of sovereign democracy pursued the pragmatic goal of preserving the external image of Russia as a democratic country while strengthening the conservative, essentially traditional Russian state course. However, this doctrine quickly served its allotted time in the propaganda field. Few people remember her now.

Subsequently, in the tens and early twenties, the Kremlin, together with United Russia, actually refused to publicly declare any long-term strategic programs in full accordance with the immanent spirit of secrecy inherent in the activities of the special services. Purely private and short-term strategies were implemented, while the long-term strategic plans of the Russian authorities became “a sealed secret.” By all indications, these plans have changed repeatedly in the context of turbulent national and global development.

What's the result?

The creation of mighty production, infrastructural, technological and financial potential in the post-liberal period of a system transformation became a prerequisite for a fundamental change that was not proclaimed in any previously presented official document. There was a transition to a foreign policy course completely independent from the West. Perhaps, an even more compelling reason for this metamorphosis was the achievement of the necessary threshold level of military and military-technological parity relative to the Western bloc. According to Kremlin strategists, the way had opened for the establishment of great power status for Russia as the heir to the Russian Empire and the USSR in an alliance with such world power as China.

Games of democracy, associated with considerable information and organizational costs, had become burdensome for the Kremlin, as well as for the business and other elite that was renewed in the early 2000s. The elite was interested in maximum economic and political stability without orientation towards the standards of Western democracy and, especially, without coexistence with the democrats themselves with a recognized high status.

For complete clarity, it is appropriate to add that currently “democratic” election campaigns cause almost no trouble to the federal and regional authorities. Elections in Russia began to be held online and within a few days. Voluntary participation, not specifically stimulated by one force or another, in this kind of election, which has turned into an absolute farce, has truly intended for patients of well-known medical organizations.

Approval of the Triumvirate of Power. The neo-KGB successfully established itself in power, primarily using the restored mechanisms of state regulation of the national economy. The introduced tight corporate control over the activities of oil and other resource oligopolies (monopolies) was expressed in the use of specific unregulated methods of influence and the transfer of leadership to representatives of the Main Corporation. In particular, the assets of Russia's largest independent company, Yukos, were simply seized.

Companies operating under the guise of intelligence agencies have secured a dominant position in key markets. Thus, Gazprom and Rosneft jointly dominate the oil and gas sector, which remains paramount for the Russian economy. In other sectors, all large companies, with or without state participation, remain under the strict tutelage of the Main Corporation. According to Nezavisimaya Gazeta (Independent Newspaper) experts, by the end of 2004 top representatives of the Kremlin and at the same time of the Main Corporation controlled nine major concerns or about 40% of GDP¹².

The social status of representatives of the Main Corporation as people in Power also quickly increased. In complete contrast to the late Soviet era, informal recognition of the supremacy of the intelligence services in our country had become a reality.

The initial development in the political field was the immediate emergence of a power coalition of the neo-KGB leaders with the top regional bureaucracy and the Zionist bosses. Of course, the instant reorientation of these old-new allies of the Russian special services, deeply alien to the previous camouflage democratic guise, should not be surprising.

Largely thanks to the alliance between the neo-KGB and provincial regional leaders, Putin's team managed to achieve the necessary ground electoral results in 2000. Of course, total information pressure and the use of various methods of falsifying voting results served as direct means of achieving this goal.

¹² <https://www.ng.ru> › archive › part.

Alas, the transition to the continued long rule of the neo-KGB occurred in no small measure thanks to support from Western officials. They have long been successfully misled on the issue of democratization in Russia. One can recall how some Western leaders (the first among them – former eloquent British prime-minister Tony Blair) publicly supported Putin before the 2000 elections, which were held under conditions of total information pressure and using various procedures of falsification.

Let us try to get to the bottom of the truth. Why did the neo-KGB restore totalitarian power in the country, seemingly irretrievably lost by the CPSU, so easily and naturally, without encountering consolidated resistance from fairly broad democratic circles?

It pays to be objective. Huge rental income, redistributed in favor of the state, to a large extent began to be directed to social needs. Thus, due to the increase in budget revenues, the provision of pensions for a number of categories of citizens had dramatically improved. Also, social benefits provided to needy groups of the population increased significantly. In general, social policy had acquired a targeted character; the process of its municipalization had gained rapid momentum, quite in line with the progressive world trend.

It is appropriate to state that, to a large extent, with the advent of the neo-KGB to Power, the principles of the welfare state had been restored. As known, they were enshrined in the adopted constitution of the new Russian State, but were actually rejected during the period of liberal reforms. A number of significant social guarantees that existed under the socialist system were returned to ordinary citizens. As a result, the notorious zone of poverty began to shrink and the degree of approval of the government policy, according to the surveys, had increased significantly.

The long-awaited curbing of crime accompanied with ensuring civil law and order also had a huge impact on public sentiment. The activities of the new Power in this field immediately received approval from the broad mass of ordinary Russian citizens.

Finally, perhaps the most important issue. Of exceptional importance was the unspoken and as if renewed, after the change of Kremlin Power at the turn of the nineties - zeroes, informal contract with the old / new bureaucratic nomenklatura and with the business elite. In fact, the elite and indeed the entire big bourgeoisie were guaranteed the preservation of property in the form of monetary and property accumulations of the nineties, a very significant proportion of which had acquired illegally.

As a result, for the above reasons, recognition by the main public circles of the new Power became the crucial additional basis for the restoration of a strictly authoritarian and largely totalitarian political regime. It was found to be quite within the Power of the Main Corporation. Its modern super-network organizational structure had very efficiently replaced the outdated hierarchical structure of the former CPSU.

Apparently, this conclusion is fair: already in the first half of the 2000s, the principal assertion of the authoritarian power of the neo-KGB together regional elite and

Zionist movement took place. The emerging Triumvirate became the unconditionally dominant social force, based on the disposable capital in its dominant various forms. At the same time, the Russian oligarchs, despite their remaining financial capital, seem to have largely lost their independent political self.

In fact, the Triumvirate represents the ruling elite in Russia. Besides, now the elite includes the top army generals, as well as the remaining oligarchs, the loyal media executives, and the equally loyal other creative professionals. All of them, especially the army generals, are under the close supervision of special agents.

The further establishment of the Triumvirate in the post-liberal period was not associated with significant obstacles. Thus, the alliance of the neo-KGB and the regional elite, based on mutual interest in maintaining the balance of influence between the Center and the province, continued virtually without problems. Perhaps, this process is decisively explained by the centuries-old tradition concerning the surrender to the “god given” Kremlin Power among regional leaders.

Definitely, with the end of the epic of regional sovereignty, the role of provincial leaders had noticeably decreased (Kryshtanovskaya, 2005). Additionally, one cannot but consider the purposeful renewal of their cohort, carried out by the Presidential Administration at the beginning of the 2000s. True, this process finally ended much later, only after the complete replacement of the Moscow government headed by Yuri Luzhkov.

Unfortunately, over the past 20 years, the “provincial” regression of Russian society has increased dramatically. It is appropriate to state the successful resuscitation and widespread cultivation of the centuries-old way of life - the so-called *Domostroy*, initiated by the regional elite with the direct complicity of the ruling party “United Russia”.

The essence of *Domostroy* lies in the constant reproduction of the inveterate provincial way of life and the conservation of the very range of limited material and, to an even greater extent, hardened cultural needs. These root features of *Domostroy* quite brilliantly represented in Alexander Ostrovsky's classic mid-19th century play “The Thunder”.

The phenomenon of a resurgence of over-conservative provincialism, of course, is not surprising, more than reasonably considering the inherited centuries-old traditions of absolute monarchy and serfdom. In fact, a huge part of the multinational population of provincial Russia lives according to the unwritten laws of *Domostroy*. In recent years, in the context of confrontation with the Western world, the spread of narrow-minded provincial conservatism, expressed in outright obscurantism and encouragement of loyal behavior on the model of a prison guard (*vertuhai*, in Russian), has become more and more visible. The current flourishing regional elite and the relatively prosperous provincial bureaucracy subordinate to it, in alliance with the neo-KGB and

Zionist circles, can easily manage a society poorly informed about world progress, accustomed to unlimited dictate and arbitrariness of power, a brown economy and an unfavorable social environment, and in general destined to remain semi-poor.

Using the example of provincial Russia, one can see how deep the “vegetablization” of society, at least of its significant part, can become. The ideologists of the current Power, according to the widespread estimate, have long surpassed their predecessors from the Third Reich - Goebbels and Rosenberg. Without any exaggeration, our national community has approached the state of the Repressive civilization predicted by Orwell and Marcuse. Full control over significant material, financial and information flows with the unlimited intervention of special services and the behind-the-scenes forces associated with them in business and private life have become its integral attributes.

Let me note that a number of loyal domestic publishers associate the radical strengthening of provincial conservatism with the need to implement in “difficult” times the practice of state paternalism in its traditional domestic frame. In fact, the implementation of a paternalistic policy of this kind means a return (after 200 years!) to the order of so called “Arakcheevthina,” which left an indelibly sad mark in the Russian history¹³.

The background of the “kindred” union of the neo-KGB and the Zionist movement seems also quite obvious. The root corporate community of interests of the majority of their leaders and functionaries at various levels remains beyond doubt.

One can assume that after the exhaustion of the neo-liberal course and the system transformational changes that took place, the financial power of the Zionist elite and, as a result, its political capital decreased markedly. Nevertheless, the “star-fans” as before have actively involved in the activities of all of any important state and non-state organizations. They operate closely with special service officers, but at the same time remain committed to their special group interests. It's no secret to anyone: the tacit, one might say behind-the-scenes cooperation between domestic Zionists and their foreign co-religionists, including representatives of the World Union for Zionists, continues to present day.

True, in fairness it is worth noting. Some representatives of the Zionist elite, including the famous “reformer” Anatoly Chubais, became opponents of the rabid militaristic course irrevocably formed as a result of the aggression against Ukraine. They left the country. Nevertheless, the majority of Zionist organizations, judging by many

¹³ As known, the idea to establish an ultra-conservative political regime that existed in Russia for several decades during the absolutist ruling of Nicholas I directly associates with the personality of General Arakcheev. Under his direct leadership, military settlements with an internal repressive order were created all over the country.

facts, still support "their own" in power in Moscow and in the regions, and therefore the Kremlin itself.

As known, the demand for a strict neutralization of the activities of Zionist organizations in Russia through restrictions on sponsorship and funding from abroad had been publicly put forward more than once. However, repeatedly the Kremlin hardly suppressed this initiative.

The relevant issue concerns the dominance of the Triumvirate in the field of public politics (taking in a view the conventionality of this term in relation to Russia today). As noted earlier, the ruling party United Russia is fully controlled by the Main Corporation and simultaneously has a huge number of "star-fans" in its ranks. Besides, the activities of this party's organizations directly mediate the alliance between the Kremlin and the ruling regional elite. Until recently, United Russia achieved the necessary results in regional elections through the use of administrative resources, coupled with methods of falsification, ensured compliance with the Kremlin interests at the national level.

The authorities definitely managed to create some semblance of electoral competition. Thus, as a makeweight to United Russia on the right, the liberal-democratic party with a truly provincial-nationalist orientation has performed. And as a makeweight on the left - until recently, the party "Just Russia" with a kind of official social-democratic platform. Of course, both parties are overrun by neo-KGB agents, while the functionaries of Zionist organizations play the most active role in their activities in many regions.

To conclude: for a long time, the established Triumvirate of Power, led by the neo-KGB, unconditionally dominated the political and generally social life of Russia. Just like during the centuries-old Russian monarchy. Alas, domestic history repeated itself again.

2.3. What framework of society has formed in Russia?

The results of the more than 30-year era of system transformation in Russia that are being reviewed look very ambiguous. Nevertheless, let us try to evaluate them as objectively as possible.

Again, the Eurasian Colossus? It is legitimate to state that in the long period that has passed since the Soviet socialist era, acceptable adaptation to market transition has taken place. To date, Russia has a powerful industrial, infrastructural and financial potential.

Our country is unique in its geographical characteristics. It remains the longest country in terms of area, with the highest natural wealth¹⁴. Until recently, Russia's gigantic Eurasian identity manifested itself in grandiose foreign economic advantages in the commodity markets.

Along with this, it makes particular sense to pay attention to the cardinal strengthening of the military and military-technological arsenal of the country. Russia, which, according to experts, on distinct types of strategic weapons has bypassed the United States, began to claim the role of world military leader. The invasion of Ukraine, it is worth noting, became possible precisely for this reason.

The strengthening of Russia's political capability over the past decades also looks impressive. Almost all countries of the world have to reckon with the position of Russia. And some non-Western countries are still following the Kremlin's lead, despite the disgusting war in Ukraine.

At the same time, the restoration of a powerful economic potential and geopolitical influence by no means gives grounds for Russia's claim to the role of a world leader as a Eurasian superpower, which is periodically voiced in loyal domestic media. A number of compelling arguments can be advanced in favor of this conclusion.

Primary, the global transition to a carbon-free economy has become irreversible. Definitely a long enviable financial well-being of Russian producers in the world commodity markets is coming to an end.

Besides, Russia occupies a low place in the global innovation ranking. A complete reduction of the backlog in the key area of the country's innovative development is possible only in the long run.

Also, Russia's lag in terms of the quality of human capital looks critically significant. Its formation is strongly influenced by the prevailing social deformations, especially those relating to the status structure. These deformations objectively cannot be overcome by means of a "big" jump.

Finally, Russia's global political leadership remains a chimera. It did not seem realistically achievable even before the events in Ukraine. If only because of the purposeful opposition to such a shift, which threatens the entire world community, on the part of Western and many other countries, which together have greater political might in comparison with Russia.

New state capitalism and state capital. Until now, the most common interpretation of the framework of society in Russia presents oligarchic capitalism. Apparently, it was adequate to the realities that developed in the considered period of the nineties. Indeed, the oligarchic component of domestic capitalism has been further preserved with one's own eyes. At the same time, in our opinion, in relation to the current stage

¹⁴According to official estimates, the total value of the country's natural resources at the end of 2018 exceeded \$1.3 trillion (<https://radiokp.ru › v-minprirody...>).

of system transformation, the designated interpretation of the Russian society's framework has lost the necessary degree of adequacy. At least for the reason that now the oligarchs do not play a preeminent role in economic life and their political influence has become notoriously limited.

For political economy vision of the current Russian realities, it supposes fruitful to refer to the phenomenon of new state capitalism. If earlier, in the last century, in most developed countries, the prevailing role of the state in the market sphere concerned the regulation and coordination of various market processes, now it consists of active participation in economic transformations as a key market agent¹⁵.

Well-known researchers argue that three main features of the newly appeared type of state capitalism are distinguished in relation to the national economy with emerging markets (Wood & Wright, 2015; Wright et al., 2021).

First, the ingrained interaction between government organizations and business, when the state is a market consumer or, conversely, a supplier of resources to markets (the so-called statism in foreign terminology). Exactly the state plays this role in many sectors of the Russian economy.

Second, the state agents as owners-investors actively participate in economic performance. Of particular importance for ensuring the positive dynamics of emerging markets represents direct state participation in large-scale infrastructure programs and projects. The Russian experience of the last decades convincingly testifies to the positive multiplier effect of such kind of state participation.

Third, using by the state of various weighty tools for direct intervention in economic life. In relation to Russian practice, it is associated with state support for small business through federal and regional programs, selectively active credit policy of the Central Bank and a number of other components of economic policy. True, according to many experts, in the recent past period this kind of intervention has basically ceased to bring a positive resultant effect.

It is safe to speak about the assertion of the dominant market power of the largest corporations, mainly of the holding type (there are no more than 70 of them), which enjoy state support. In reality, there is an overconcentration of corporate capital with state participation; it is extremely high for countries with multidimensional economies. Thus, according to the results of a recent survey conducted under the auspices of the journal *Expert* in 2022, the capitalization of the 100 largest Russian corporations amounted to more than 90% of the total national capital (*Expert-400*, 2022). Available data on the capitalization of the largest Russian companies for the first half of current year confirm this assessment ("Capitalization-100", 2023).

¹⁵This qualitative shift has very convincingly revealed in the widely recognized book of Ian Bremmer (*Bremmer*, 2010).

The institutions of corporate order actually suppressed the institutions of non-corporate entrepreneurship. The effect of complementarities between them, inherent in successful foreign national economies, was definitely not observed. This is clearly evidenced by the low share of private industrial capital investments in total investment in fixed capital. The share of personal incomes from entrepreneurial activity, following the official data, also decreased very significantly - from 10 % in 2007 to 5.5% in 2021.

As the results of earlier surveys, again under the auspices of the journal *Expert*, show, in Russia the number of potentially competitive companies with an average capital by modern standards (about \$100 million) remains simply meager. The unsatisfactory presence in the Russian market of modern medium-sized businesses is naturally associated with deep disproportions in the level of development of Russian regions, which have further intensified over the past few years.

The same applied to small businesses to no lesser extent. Almost half of small enterprises concentrated in wholesale and retail trade. The independent entrepreneur sector was especially deformed in ordinary regions, quite distant from the Center. Here, the activities of small enterprises were completely dependent on the interests of the provincial bureaucracy and focused on achieving momentary commercial results, obviously outside the innovation field. The local economy, let me to admit, had been in a rut for many years.

Only in recent years a trend of positive dynamics of small business has been established within the framework of the economy with emerging markets (Small and medium business, 2022). Such a metamorphosis occurred largely due to a number of stimulating measures. I am talking primarily about significant tax and credit benefits, the provision of credit holidays, subsidies for the employment of the unemployed. In many provincial regions, until the outbreak of the war in Ukraine, a noticeable expansion of local markets and the activities of independent entrepreneurs occurred.

Of course, a positive shift towards an increase in the role of small business does not change the overall disposition in the economic field: state-corporate capital retains its dominant position. Nevertheless, for all the exceptional significance of the state-capitalist order that has formed in Russia, it is clearly unjustified to identify it with the entire economic system.

It has long been recognized that a complete monopoly under state auspices in the corporate sector, as in other sectors, is unacceptable, if only because of the inevitable loss of national competitiveness in most world markets. In its pure form, the state-capitalist institutional structure has not absolutely prevailing in the economy of any modern country. In particular, in existing national economies with emerging markets, the state and mixed state-corporate sectors complement the private corporate sector and other business sectors in one way or another. As a result, there is an imposition of heterogeneous institutional orders, reflecting a multi-layered structure of interactions between market and other agents.

The following conclusion looks substantiate: the domestic economic model that has developed in recent decades can be characterized as a hybrid one. It fundamentally differs from the traditional one polar capitalist or socialist model that existed in the past century. This model has similar to the national system models of a number of Asian countries with emerging market economies. These include India, Indonesia and Malaysia, as well as, although to a lesser extent, Vietnam, Philippines, Thailand and Laos.

Also, hybrid feature of the structure of social capital which has developed over the past two decades has clearly expressed. So, on the one hand, the leading status positions of the highest federal officials and heads of corporations with state participation are beyond doubt. They are adjoined by the status positions of the high-ranking regional bureaucracy, necessarily adding into account their unofficial income (at least in the form of awarded parts of fictitiously inflated construction estimates). From other hand, the size of social capital is sufficiently high among the owners and top managers of private enterprises and among some other professional groups that are not largely involved in the orbit of state activity.

In the present realities, due to the permissiveness of the authorities, progress in the development of institutions that ensure the reproduction of social capital has obviously limited. This situation especially concerns the institution of the social contract, the approval of which at one time pined high hopes (Auzan, 2005).

On the political field, state capital occupies a position close to an absolute monopoly. It is not seriously opposed by capital advanced for political purposes by private corporations. Moreover, the above applies to the political capital of independent public organizations, which have long been deprived of major sponsors. The exception, perhaps, concerns the political capital of the CPRF. It remains rather weighty, given the continuing appeal of the Soviet past and the current Chinese present in broad public circles. Thus, though with a considerable degree of conventionality, one can talk about the existence of a hybrid structure of political capital accompanied with virtually complete dominance of political authoritarianism. Apparently, relying on the specific studies conducted (Van Bavel et al., 2017; Ademmer et al., 2020), a specific kind of “right-flank” political LAS has established in Russia.

The political superstructure. Until now, in the media and in the wider public circles, attention has been almost completely emphasized on the personality of the current President, once again becoming dictator like many others in the history of Russia. There is no doubt that more than 20 years in Putin's president age testifies to his exceptional qualities as a leader. However, Russia is by no means an absolute monarchy, and the current political regime is not comparable to the regime that existed during the period of Stalin's personality cult. In fact, Putin's long-term leadership is to a decisive extent explained by the stable balance of political forces that has developed until recently and the exceptionally stable composition of the ruling elite, which supported the

Russian President and his associates. They, in turn, directly represent the interests of the neo-KGB - a state within a state in a classic sense.

The Main Corporation, as if located behind the back of the state apparatus, controls most of the flows of physical and financial capital within the country. Also, to a large extent, control over these flows is carried out by the regional bureaucracy within its power prerogatives, to a more limited extent in the last period - by the Zionist movement. One should also focus on the huge foreign assets of the Main Corporation, actively used to finance special operations.

The Triumvirate also had the dominant social capital. It is well known, that representatives of the Main Corporation, proxies of regional leaders through the organizations of United Russia, as well as functionaries of Zionist organizations, constantly engage in the selection of highly paid and loyal managers in various fields.

Of course, leaders in the private corporate sector also had high status and social capital. But this capital had successfully reproduced only in the case of a proven commonwealth with the authorities.

As noted earlier, the financial power along with status domination of the Triumvirate had accompanied by the possession of the largest political capital in the absence of serious competitors so far. In addition, the political capital of the neo-KGB in a number of foreign countries remains very tremendous, the conductors of which are politicians and the media abroad. Indeed, they are on the payroll.

The imperative to preserve and enhance the political dominance of the Triumvirate predetermines strategic decisions. Political priorities clearly dominate economic and other public policy priorities. In fact, the ongoing system transformation in Russia has characterized by the primacy of political changes relative to fundamental economic and status shifts.

Logically, it seems reasonable to focus on the comparison of the Russian political and economic model with the Leninist model of the “party state” (Lenin, 1992). It turned out, as is now generally acknowledged, to be directly in demand in China¹⁶.

Obviously, the dominant roles of the neo-KGB and the Chinese Communist Party (CCP) in the life of society are superficially similar. Using state control mechanisms as driving belts, they strive to achieve the set economic, social and other goals of national development that ensure their political dominance.

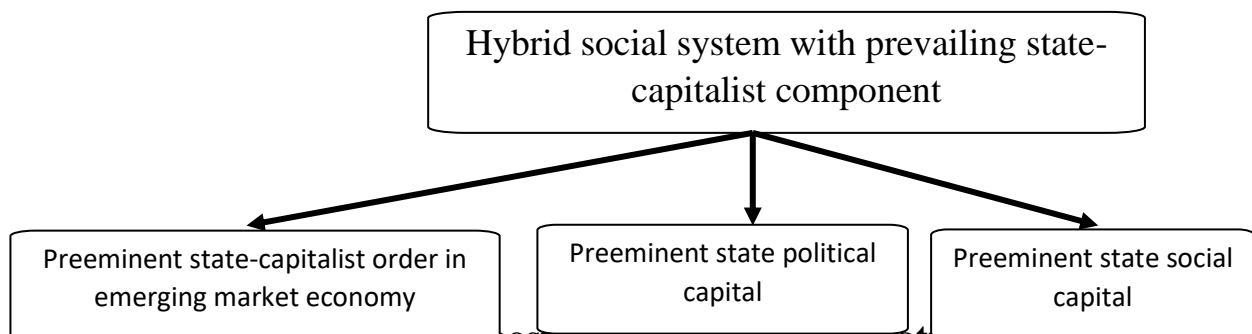
At the same time, the substantial system differences between Russia and China remain significant. At the present time, the CPC, led by Xi Ji Ping, continues its official course towards further improving the modern market economy of a hybrid type, while largely maintaining the socialist principles of distribution (Pearson et al., 2023). Unlike

¹⁶ To mention: the known researcher Yingyi Quan was the first to write about the real embodiment of the Leninist model of a party state in the course of market reforms in China more than two decades ago yet in his manuscript (Quan, 2000). Then he was an assistant professor at Stanford University in the United States.

the CCP, which is constitutionally assigned a party monopoly, the neo-KGB presents not a public organization, but a universal closed corporation ruling in alliance with other groups with special interests. These interests are absolutely incompatible with a return to socialist principles of distribution and, moreover, with the choice of the country's development path in line with the new socialism.

Finally, it is appropriate to refer to the question originally posed: what is the framework of society that took shape in Russia in the early twenties?

Of course, the term “transitional” in line with the long-obsolete neo-liberal doctrine is not suitable for defining the distinguishing feature of the current social arrangement. The indefeasible result of system transformational changes in our country concludes in the establishment of a national economy with emerging markets. The same applies to the leading role of state capital and its real managers in the main fields of social action. In general, the current Russian society has distinguished by a hybrid institutional structure, the most recognized component of which presents the state-capitalist order at economic field. It seems legitimate to interpret the overall social system that has emerged to date as a hybrid one with a prevailing state-capitalist component, as reflected in the diagram below:



Part 3. Towards the positive system transformation in Russia.

The picture of the present historical period of Russia's development, as follows from the previous novel, includes unsightly or even deeply disgusting fragments. However, it would be unforgivable to succumb to the reckless pessimism. Following rather spreading point of view, there are fundamental reasons to count on the positive intra-system transformational changes in such country like Russia.

Evidently, the current situation should take in a consideration: the ongoing war in Ukraine and the application of severe sanctions by Western countries have caused recessions in many economic and social sectors. Truth, judging by the results of the past year, these processes resulted in a rather limited negative impact on the course of Russia's economic and overall social development.

It is reasonable to believe that the observed temporary economic and other troubles do not act as a barrier against possible positive changes in the future. They can implement using the existing resource and human potential, as well as the established

institutions of the existing framework of society, which characterized by forming of hybrid state capitalism with emerging markets. Undoubtedly, such a desired result can achieve by excluding to some extent the transition to a mobilized command economy. The curtailment of the established market mechanisms due to a full-scale military confrontation would mean the end of all hopes for a favorable transformation of the domestic economy and the entire national society in a visible future.

I should admit that until now, complex scenario forecasting of the future development of our country and its individual territories remains the exclusive prerogative of a narrow circle of political technologists. Such developments carry out under the auspices of high-ranking representatives of the special services and leaders of Zionist organizations. A broad public discussion of possible ways of developing the Russian society in its interconnected main dimensions, not projected in deliberately secret scenario developments, has simply not achievable. It is no longer possible to put up with the practice of exclusive use of behind-the-scenes political technologies for the strategic planning of the state course. The time has come for a public foresight of national future.

Let us try to present in a capacious form a realistic and at the same time optimistic vision of the future system transformation of the country. Based on the existing realities, this process is intended to include two successively following time stages. The first stage of transformation covers the future period compressed in the coming years, projected with a sufficient degree of confidence grounded on available extensive information. The second stage of transformation embraces a further promising period until the turn of 2030, within which, in principle, various constructive scenarios for the development of the country can implement.

3.1. Immediate perspective of the system transformation: an optimistic outlook.

A positive vision of the coming system transformation in Russia can present with a sufficient degree of certainty. Of course, it proceeds from the assumption of the absence of further crisis shocks, despite the negative consequences of the aggression against Ukraine.

Economic development. Judging by the official memorandums of the Russian government in recent years, as well as informal information (commonly referred to as "Kremlin" rumors), no fundamental economic changes are foreseen in the near future. Well-known representatives of the business elite adhere to a similar position. By all indications, in the political and economic context, the domestic economy will continue to be an emerging market economy with a prevailing state-capitalist order.

The economic recession has stopped in the current year. Moreover, according to several forecasts, the progressive economic dynamics seems possible in the subsequent years (International monetary fund, 2023; Forecast of socio-economic development,

2023). There will be an almost complete stabilization of the real disposable money income of the population and, accordingly, consumer demand.

It is appropriate to predict the recovery of previously established inertial market trends relating to traditional industrial sectors. Their positive dynamics, according to experts, in the coming years will facilitate by import substitution that has increased due to direct state support because of the sanctions adopted by Western countries (Boyko, 2022); besides, even largely, by an increase in traditional non-energy exports, especially agricultural products.

Along with this, there is every reason to expect that a very significant inertial growth in housing construction will continue (in 2022 it amounted to 11%), given the huge potential created and the effective mechanism of mortgage lending. Interest in purchasing real estate undoubtedly will not decrease, at least among residents of provincial regions.

At the same time, inertial trends are not dominating. The economic life of the country remains far from stagnation; dynamic transformational changes are continuing with our own eyes. One can expect the enhance of structural changes that have a very positive effect on the development of the domestic economy now. To the greatest extent, these shifts are associated with the new industrialization and digitalization that have unfolded in the country, often called the fourth industrial revolution. This process has definitely accelerated thanks to the adoption several years ago by the Russian government of the national program “Digital Economy of the Russian Federation” and the strategies for the digital transformation of individual industries until 2030.

A deep “softening” of industry, as well as an accelerated spread of unmanned technologies, coupled with the use of artificial intelligence have occurred. The information technology and fintech sectors continue to develop at a rapid pace, incorporating mainly relatively compact and competitive enterprises. The creation of biotechnologies, especially those applied in agriculture, likely continue with high speed. True, it is worth noting that the growth of these market segments is mainly limited to the Moscow, St. Petersburg and few other enclaves.

A strong reduction in the coming years of the observed backlog in terms of the level of innovative activity from the advanced countries can become real. At first place, the possibility of such a shift opens due to an access to the high-tech markets of China, India and other Asian countries. Large-scale domestic investment in high-tech enterprises in Asia is likely to result in reverse import of innovations that successfully replace Western ones. Along with this, according to experts, significant positive results in the field of innovative renewal will bring by the ongoing intensive cooperation between the member countries of the Eurasian Economic Union (Report on priorities, 2022).

Among the successfully implemented innovative projects at national level, it is appropriate to single out the creation of new equipment for mobile communication

networks, as well as mobile energy sources based on metal-ion storage and hydrogen fuel cells, and the development of several groups of the most advanced pharmaceuticals (Russian economy, 2023). Besides, one should take into a view the large reserves of replication of distinct innovative projects in certain regions, where recently suitable infrastructural and institutional conditions have arisen (for example, in the Sverdlovsk region).

The structure of employment is fundamentally changing in favor of highly qualified professionals. The proportions in the wages of the main categories of employees are also changing. Thus, by domestic standards, the earnings of IT personal have significantly increased. In addition, a growth in employment in small businesses, coupled with a real boom in self-employment, has observed largely due to the adopted tax and other benefits in the face of a tough sanction's regime.

Definitely designated fundamental metamorphoses will accompany by intensively continuing positive external economic shifts. They are associated with a reorientation towards comprehensive economic cooperation with countries based on advantages of emerging markets. Thus, by all accounts, huge winning opportunities have opened up for Russian producers in Asian markets, especially in East Asia.

It makes sense to pay special attention to the fundamental shift regarding the reduction in the consumption of hydrocarbons and other renewable resources to a decisive extent precisely due to the new industrialization that has gained momentum. Unconditionally it is legitimate to state that the transition to a carbon-neutral economy observed throughout the developed world in accordance with the principles and goals of sustainable development has also affected Russia.

In domestic business, on a large scale, the adoption of ESG standards (environment - social activity - management), which have won world recognition, is taking place, as a replacement of the general (often called philosophical) principles of corporate social responsibility. Large Russian companies are making the ESG agenda part of their long-term business development plan to ensure investment attractiveness and the opportunity to obtain additional lending. By the end of 2021, 30% of companies already had an ESG rating, and another 13% intend to get it in 2024.

At the same time, the ESG agenda is expanding through the involvement of new participants - small and medium-sized enterprises (SMEs), which are suppliers to large companies. Despite the general economic difficulties, the volume of contracts between large companies and SMEs has increased significantly in the past and current years. The potential contribution of the existing small and medium-sized businesses to the achievement of sustainable development imperatives seems very significant. This, for example, has evidenced by the choice of consumers in favor of environmentally friendly and exclusive food products and furniture items produced by individual entrepreneurs.

According to wide spreading opinion, the ESG agenda will spread in domestic business, despite the sanction's regime (ESG transformation, 2022). To a very significant extent, this trend occurs due to the close and ever-expanding cooperation between Russian companies and Asian partners, who firmly focused on achieving the imperatives of sustainable development in their activities. Amid the dramatic changes in the energy markets, including those caused by the introduction of a carbon tax in the EU, domestic big business is faced with the need to strengthen initiatives in all ESG areas.

It is also appropriate to dwell on the following positive moment. The current Russian government, whose composition radically renewed three years ago, is firmly committed to the accepted long-term course in the field of decarbonization of the economy. The working program "Goals and main directions of sustainable (including green) development of the Russian Federation" developed by the government specifies this course.

In addition, one cannot ignore the recently sharply increased activity of the governments of many Russian regions in the field of stimulating the development of a green economy and, in general, in the field of sustainable development. Apparently, there has been a long-awaited shift in the policy of the authorities in many regions and, more importantly, in the preferences of the regional elite towards SD. It is significant that the national rating agency has begun to assign ESG ratings to the subjects of the Russian Federation.

In this regard one can mention at least the joint implementation by several regions of the frontal strategic project "Volga - an ecological breakthrough ESG region". The conclusion of a number of regions of cooperation agreements with the largest Russian banks, concerning the issuance of regional "green" bonds and the use of related banking products, also caused a great resonance.

Finally, I would especially like to draw attention to the feasibility of significant positive institutional changes in the short term. Of critical importance will be a radical reform on the democratic principles of local self-government (LSG) as an institution of self-organization of citizens in order independently to resolve issues of local significance. The time has come for the institutionalization, primarily in terms of the legal regime, of collective actions of citizens aimed at providing employment and increasing welfare, improving the quality of life and, of course, maintaining a favorable natural environment within the local community.

The primary result of such reform, based on the New Federal Law prepared in 2022, has intended to express in the provision of full economic and financial independence to LSG bodies formed in the process of direct municipal elections. Then they will be interested in effective partnership with private business and social entrepreneurs in the field of SD at the local level in accordance with the best world practice. In fact, at the local level, state organizations will act as public investment companies, providing private businesses, mainly individual enterprises by their legal status, on a competitive

basis with direct investments, loans and loan guarantees. In this way, self-employment of the population actually will ensure, the unused potential of which looks currently very large. As a result, the presently urgent issue of achieving a level of normal employment in provincial regions, especially in small towns and villages, can be at least partially resolved.

Transformation in the status field. It would be incorrect to pass by the weighty inertial factors of unhurried status changes. Traditional domestic conservatism will inevitably act as a limiting factor in changing the social frame of Russian society.

According to experts, the increase in the number of unconditionally wealthy middle class in the coming years, after the military conflict in Ukraine, will be unimportant. Thus, the existing status structure will remain clearly bipolar: a huge miserable layer embracing the poor and the semi-poor stratum locates at one pole while a deliberately rich layer - at the opposite one.

It also seems inevitable that intensive internal migration will go on, mainly from backward Russian regions, to the Moscow region, and now to a number of other relatively attractive regions (Pavlova, 2022). To an even greater degree, the scale of external migration will remain very valuable. The expected further influx of poor migrants from Central Asia still will sufficiently contribute to social polarization.

At the same time, positive shifts in the status field, associated with economic changes, are already manifesting themselves significantly; probably in the future they will intensify. Thus, the status of top managers in high-tech sectors has drastically increased. In addition, obviously, the new industrial restructuring of the domestic economy directly contributes to the growth in the number of qualified specialists with high wages. Proceeding from forecasts, despite the likely reduction in engineering and technical personnel in some industrial sectors, the proportion of specialists with tertiary education in the total population will tangibly grow in the near future. In addition, it is necessary to pay an attention to the fact that the large-scale spread of digital and other latest technologies will open up opportunities for reducing the number of low-skilled labor force employed in the service sector (trade, domestic services, etc.).

Transformation in the political field. In the next few years, one cannot reckon on a fundamental reform of the political institutions themselves. The internal political process, as before, will predetermine by the actions of the existing elites, primarily the ruling elite, while the role of very civil organizations will remain weak. No less important that the confrontation in which Russia is so anomalously involved in the world political scene will not weaken in the coming years.

It is worth emphasizing that the predicted preserving of a tough confrontation with the West after the war in Ukraine will objectively benefit the neo-KGB. Today's practice of work of loyal media leaves no doubts on this score. The sources of the important misfortunes at national level are declared to be the goats of the External Enemy, and all dissident Russian citizens are automatically enlisted as its agents.

Nevertheless, the shifts in the political life expected in the further future look very significant. At first place, they concern the changes in the Russian elite.

Probably, as digitalization and other new industrial transformations deepen, technocrats-leaders in the Russian government will gradually occupy top positions in the domestic elite. Equally significant may be the emergence of high political capital among top managers of leading IT and other high-tech companies.

Along with this, apparently, the positions in the elite of the current oligarchs, who directly connected with the generals of the neo-KGB and other law enforcement agencies, will weaken. Their financial capital will reduce as progress is made in the field of decarbonization of the economy, moreover, sharply accelerated after the war in Ukraine, and, of course, as a result of a targeted reduction to the minimum size in the consumption of gas, oil and other raw materials from Russia within the compressed time frame by Western countries. Simultaneously, one can suppose that in the renewed elite, the role of many generals from the Main Corporation with their reduced rental incomes will decrease.

Along with this, one can expect acceleration in the change of generations and, at the same time, key functional posts in the neo-KGB generals themselves. Relatively young generals in charge of high-tech military and civilian sectors will come to the fore. In turn, their natural allies in the renewed elite will be top managers from these sectors.

Of course, the consequences of the strengthened militarization of society after the invasion of Ukraine, which rightly emphasized by sociologists known to us in private conversations, cannot be ignored. The elite status of the leaders of the armed forces has also risen. However, almost all of them are under the vigilant supervision of special agents. Contacts of generals with each other and with subordinates have strictly controlled by using the entire arsenal of technical means (the simplest of them is constant "wiretapping"). Under such conditions, one cannot count on the independent (namely, independent!) participation of the military caste in political life. Even more so, the reflections of some Western journalists about the possibility of a military coup, similar to those taking place in individual African countries, to overthrow the current government look like an obviously unrealizable fantasy.

The recent dramatic collision concerning the private military company Wagner and its deceased chief fully confirms what has been said. As one would expect, in response to the protest against the violation of contracts concluded with this organization, illegal carnage has followed, quite in the spirit of the Stalin era. The leadership of the neo-KGB did not tolerate "freedom" among military mercenaries, which threatened to spread to the rest of the army. As a result, Wagner has forcibly integrated into the government military department.

3.2. Will the long-awaited change of the Kremlin Power occur?

A possible (no more than possible!) consequence of the expected shifts in the national elite, provided they are supplemented by the indicated positive economic and status shifts, will be a change of the acting Power. In favor of what has been said, let me to state at least three weighty arguments.

The first of these seems undeniable. Leaders in the domestic sectors of the new economy in Russia do not need to hide the justifiable high returns of their companies. These new members of the elite will be interested in maintaining the official legal regime for everyone and at the same time in weakening and even overthrowing competitors - the remaining commodity oligarchs, together with their handlers from the Main Corporation, preventing the establishment of such an order. The rest of the existing elite, not directly connected with the Kremlin, will also benefit from this outcome.

The second argument concerns the probable consequences of an orderly reduction in the consumption of hydrocarbons and other raw materials in most countries of the world, sharply accelerated after the events in Ukraine. The potential losses of Russian business due to the general global transition to a low-carbon economy, according to the most minimal estimates, have evaluated at tens of billions in dollars. To compensate for the expected losses, restructuring of the economic and social sectors at all levels is required without alternative. In turn, such change inevitably implies a comprehensive modernization of the whole mechanism of distribution / redistribution of income, designed to provide incentives for market producers and consumers. Consequently, in the event of the final failure of the Project for the Forcible Restoration of Soviet Empire, the question of the exorbitant inefficiency of the feudal and essentially illegal mechanism of the functioning of the current neo-KGB, directly led by President Putin and his closest associates, will clearly arise. The new representatives of the ruling elite in the form of technocratic leaders will definitely be interested in a radical solution.

The third argument presents relatively conditional. He proceeds from the forecasted imminent improvement in the global military-political balance and a slowdown in the arms race, primarily strategic, in the event that the war in Ukraine completely ends. The artificially created external military threat, as well as the hypertrophied buildup of military power, will gradually come to naught. Against this background, the need for civil liberties will spread in wide circles of society, capturing the Russian provinces. Dissatisfaction with the omnipotence of the bureaucracy, especially the provincial “Domostroy” officials, will grow. The high risk of another in the history of Russian turmoil will prompt the elite to seek consensus on a significant renewal of the upper echelon of power, as if preferable to the majority of citizens.

The primary prerequisite for the entry into power of the opposition within the elite concludes in the formation of its superior potential of force. It consists in the possession of economic (financial) and social capital, which in turn can convert into political capital.

Based on the above argumentation, the opposition as a whole would have a higher political potential in comparison with the current Power. This requires the consolidation of the efforts of relevant elite groups through the formation of a stable political coalition.

Besides, it is unavailable to fulfill the deal without purposeful support from the international community. An urgent need concerns reducing the financial capital of the Main Corporation operating in the international markets. The principal decision requires the neutralization of the activities of financial agents of the neo-KGB, in particular, the "family" of well-known banks in Cyprus and "special" intermediary firms in offshore zones.

Equally obligatory (!) presents the condition for the effective use of the power potential of contenders for power, which implies the implementation of a winning political strategy from the point of public preferences. Based on today's realities, the basic framework of this strategy looks relatively clear. It seems appropriate to single out the following target imperatives:

1) Achieve significant progress due to the advantages of digitalization, spreading of robots and the use of artificial intelligence, as so as the transition to a low-carbon economy in regards to peculiar Russian markets. The resumption of their significant growth has expected in the event of the conclusion of a long-term peace treaty with Ukraine and the normalization of relations with most countries of the world.

2) Increase employment and living standards in the provincial regions through the expansion of independent entrepreneurship and the establishment of institutions of real local self-government.

3) Raise the quality of consumer goods and services and, in general, the quality of life due to the restoration of competitive market mechanisms. Improve the ecological situation and the social climate through the orderly reduction of brown construction and the normalization of migration inflow.

4) Return to civil liberties, end media censorship, hold fair parliamentary and municipal elections while abolish the use of dirty political technologies.

5) Establish full prosecutorial and simultaneously public control over the activities of special services and, possibly, carry out their new reforms. In essence, I mean a return to the legal order, which Nikita Khrushchev and his associates managed to achieve in the fifties of past century after Stalin's death.

It is worth adding: if the opposition's winning strategy would implement, there will definitely be a positive change in the social climate. It would be possible to count

on a widespread, albeit rather gradual, establishment of an atmosphere of vital optimism. Then the gloomy faces of a huge number of our fellow citizens, which are conspicuous everywhere, will store only in memories.

However, all that has been said would remain extremely euphonious projection, if the answer to the most trembled question is not given: how to avoid the repressive (actually terror) personal actions from authorities?

The answer seems quite clear. An acceptable change of political regime, not accompanied by a system-wide crisis, seems impossible without the participation in the new ruling coalition of many officials of the neo-KGB, probably including some of its acting generals. Apparently, an almost peaceful change in the leadership of the country will become possible. Networks of agents-informers can hardly be effectively used to keep the current Power. One can believe that they will disappear by themselves, following the example of the Stasi in the former GDR and the Securities in Romania, in the absence of proper funding.

Obviously, a sacramental question arises: will the presidential power of a real monarchical type preserve in the country?

I unambiguously could not to answer it. With a high probability, in the foreseeable ten-year perspective, the institution of populist presidential power, traditional for Russia, will formally operate. However, the problem rests on the nomination by the consolidated elite of a new charismatic and wise authoritarian leader, such as the Turkish leader Recep Erdogan. As known, a huge number of Russians of both Asian and Slavic origin sympathize with him.

In addition, it makes sense to focus especially on a fundamental point. The preservation of the root institutions of the formed hybrid economic system with the prevailing state-capitalist order seems quite compatible with the falling of the current repressive political regime. There is no contradiction here. "Top-top" political upheavals took place throughout the more than 11 century history of the Russian state, and continuation may follow ...

Of course, any analyst should not ignore the alternative possibility of ensuring the preserving of Power, as well as the suppressive dominant role of the neo-KGB. With such an outcome, there will be a huge number of dead-end development scenarios of different duration in the national and regional context, moreover, characterized by truly overwhelming uncertainty factors. In view of the foregoing, the author considers it reasonable, as it were, to ignore the topic of a possible new dead-end future, which in principle has not presented in a clear form for an interested reader, and focus on presenting a positive alternative for the development of our country in the post-short term. Let us remain optimistic, at least with sufficient reservations.

3.3. The framework contours of positive system transformation in the post-short term.

According to analysts known to us, in the post-short term under consideration, a wide range of constructive positive scenarios for the system transformation of Russian society, which differ in their dominant intra-system and supra-system characteristics can implement. From among them it is certainly legitimate to exclude scenarios related to pure fundamental system changes.

Thus, the replacement of the current model of state capitalism by a modernized neo-liberal capitalist model simply does not look realistic in relation to Russia. It involves a complete rejection of the existing mechanisms for regulating emerging markets by replacing the current hybrid model with prevailing state capitalism on a modernized neoliberal capitalist model. One can expect that the primary consequence of the renewed neo-liberal course will be a new wave of privatization, mainly in the corporate sector. In the present conditions, this outcome will express in the transfer of the main part of corporate property into the hands of top managers, who will replenish the national elite. In parallel, the deactivation of the fruitful mechanisms of monetary and other stabilization mechanisms will be occurred.

Such a hypothetical Third Washington Consensus would be associated with unacceptably high costs and an equally high risk of national economy collapse. In addition, it is necessary to emphasize on the obvious reason, concluding in notorious abstention of broad consolidation among pro-Western forces. Besides, an external reason is no less significant: on the world stage, the position of the main conductors of the traditional capitalist course - the United States with closed allies - has seriously weakened; most countries of the contemporary world adhere to a different political and economic orientation.

Along with this, the transition to “new market socialism”, as if following China, seems to be unattainable. Such a radical system turn would be associated with a radical redistribution of property and income of the rich social strata in favor of the state. Evidently, one should expect open resistance to the return of socialist principles of distribution on the part of a significant part of the current elite, the remained wealthy bourgeoisie, the middle-level bureaucracy, large and medium-sized businesses, as well as the majority of regional and national elites. The risk of a new all-encompassing civil conflict, in which interested foreign forces would be involved, will become very significant.

An equally weighty reason lies in the very absence of the necessary social forces capable to achieve the restoration of socialist principles of distribution. In this regard, it is difficult to ignore the frank aging insanity concerning the current leadership of the Communist Party.

Based on the foregoing, it seems substantiate to accept the initial framework assumption regarding possible acceptable scenarios for the future development of the country in the event of a cessation of hostilities and the conclusion of a peace treaty

with Ukraine. It consists in maintaining the existing hybrid economic system with the prevailing state-capitalist institutional order, as well as the institutions of the autocratic political regime, but without its current helmsmen. As far as I know, there are no serious objections to such a vision of the post-immediate prospects for the system transformation in Russia in wide expert circles.

Two alternative scenarios of intra-system national transformation, which one can call axial, look sufficiently clear. The first of them, the conservative, concludes in the reproduction of a rigid managerial vertical in the implementation of the necessary institutional changes. The implementation of this scenario, apparently, supposes the preserving of a renewed Party of Power, acting in accordance with the requirements of the Law and rather similar to the political behavior of Chinese Communist Party.

On the contrary, the alternative scenario involves reforming governance, in particular the frontal expansion of local self-government, albeit while maintaining the dominant position of the Federal Center. Such a government (not presidential!) course will be associated with overall political democratization. True, it is likely that during the period of adaptation to the end of the all-encompassing control of the neo-KGB over society, there will remain a need to preserve the Party of Power, but on a strictly legal basis.

Based on the prevailing arguments, there is no doubt concerning the reality of two diametrically opposed acceptable scenarios for supra system transformation in relation to our country. The first scenario presents continuing the confrontation between the alliance of Western countries and the alliance between Russia and China, affecting almost all spheres of economic and political life. The alternative second scenario concludes in the transition to peaceful co-existence and the gradual curtailment of the arms race.

Obviously, the intra-system scenario of a strong central federative power completely corresponds with the supra-system scenario of a global non-military confrontation and the preserved dominance of two centers of power (duopoly). Their joint implementation would actually mean a return to the continuation of the past recognized "Kremlin Gambit" scenario. For a long time, it regarded as the most likely, according to domestic and foreign experts, and even the results of surveys of citizens (Melville & Timofeev, 2008). In turn, the reformist scenarios concerning the democratization of governance within the country and maintaining global peaceful coexistence fully complement each other. Besides, one should consider the possibility of combining conservative intra-system and reformist supra-system transformation scenarios, and vice versa, although the implementation of such "mixed" scenarios will prove to be very difficult due to the probable emergence of notorious contradictions in the actions of key actors.

In sum, the proactive conclusion of a peace treaty with Ukraine seems still doable on acceptable terms for Russia, without the recognition of military defeat and unilateral concessions to the coalition of Western countries led by the United States. With such an outcome, the continuation of a tough confrontation between Western countries and our country is most likely, but by peaceful means. This primarily involves maintaining a stable balance of power between NATO and the military alliance of China and Russia.

3.4. The achievable Transition to a sustainable development in Russia.

It is more than appropriate to emphasize the growing understanding among Russian public of the sustainable development problem connected with the need to move from quantitative growth strategies to strategies focused on the quality of life, including the quality of the environment. The question concerning of fruitful demand for the concept/strategy of integrative sustainable development based on its internationally recognized framework ideology, presented in Agenda 2030, has become a quite actual.

True, it should be borne in mind that until recently in our country, even in professional circles, there was a misconception about the framework concept Agenda 2030. Allegedly, it has addressed exclusively to underdeveloped, in any case, non-industrial countries. On contrary, the world ideology of integrative sustainable development has long been successfully adapted in many developed countries of the world, primarily in Europe. The adoption of this ideology made it available to go beyond the narrow strategies of economic, technological and environmental progress, loosely connected with each other. The results of the development of national societies also began to assess from the standpoint of preserving accumulated wealth for future generations, improving the quality of life in its integrated dimension, including the state of the environment in the context of global climate change.

Desired Transition to SD. Already in the near future, favorable starting conditions for a gradual Transition to the path of sustainable national development in line with the current global trend of global progress may develop. Let us distinguish the most significant of these conditions, based on the obvious assumption of the restoration of growth in the economy and the social sphere in the event of the end of hostilities.

First, the further spread of knowledge-intensive and high-tech types of economic activities with minimal impact on the environment will accelerate. At the same time, thanks to the use of the newest advanced technologies, the efficiency of the use and conservation of natural resources will increase. The experts expect further successful approval of the green economy based on the use of renewable resources and the application of new zero-waste and low-waste technologies, in accordance with the ESG priorities. The premise to this is the achieved mutual orientation of corporate, medium

and small businesses, as well as the federal and regional governments, towards these priorities, as mentioned earlier.

Secondly, a very significant shift towards sustainable development presents a cardinal narrowing of brown construction with the participation of migrants from Central Asia, which now has so depressingly engulfed almost all Russian regions. To replace a significant part of it with green, environmentally verified construction, ample opportunities have arisen. They can be practically implemented in a short time. I am talking not only about the construction of apartment buildings in accordance with the "green" standard, which has recently received the widest recognition in our country. The most intensive use of ecological construction materials, coupled with secondary and reproducible materials, as well as the latest resource-saving technologies, may fulfill in the construction of a truly innumerable number of infrastructure and industrial facilities.

Thirdly, judging by the successful achievement of the main guidelines of the national project "Ecology" so far, the reduction of environmental pollution will apparently continue at a significant pace, moreover, in most regions. A very positive effect will also bring the widespread introduction of a waste collection system, as well as the planned ordinal increase in the area of restoration and cultivation of forests.

Fourth, according to forecasts, the relatively low level of poverty of the population will decrease even more if reliable food security is ensured on the basis of a stable growth of modern agriculture. There will also be a significant approximation to the imperatives of SD in the field of education, considering the expected implementation of the national project "Education".

Fifth, the progressive trend of spreading the standards of rational personal consumption and leisure will undoubtedly continue. Thus, a significant increase in the share of environmentally friendly products in the market demand has expected. The same applies to high-quality social services, they have become widespread in a considerable number of large cities, such as Yekaterinburg. The inhabitants of these cities now find employment in their own interests. It is appropriate to mention at least the huge popularity of Nordic walking and other types of self-healing.

Sixth, the positive dynamics of the spread of standards for a sustainable living environment also reveals itself with one's own eyes. Thus, in the coming years, in the cities of a number of regions, in particular, in the Leningrad Region, by all indications there will be significant progress in improving the eco-social situation. It will increasingly correspond to the conditions for the functioning of "smart cities" in their recognized vision, formulated in the 2030 Agenda. The approval of the first cities of this kind will become an example for all other agglomerations in Russia.

Finally, macro-economic and social stability has expected to maintain in the considered perspective (Bank of Russia, 2023). To a decisive extent, this result can achieve through the implementation of the most active stabilization policy, especially in terms

of monetary and financial regulation. Its priority areas are the maintenance of employment and the level of wages, as well as the entrepreneurial activity.

Of course, the indicated conditions can lead to the desired system changes only if the main political barrier has overcome. I would like to focus on a fundamental point: the necessary radical shift towards sustainable development is incompatible with the continuation of the activities of the current Kremlin government, as well as with the preservation of the unlimitedly dominant role of the neo-KGB in public affairs. The uniting interests of the majority among the heads of the special services, the bosses of the Zionist movement and the regional elite have combined with the achievement of stable social well-being exclusively for demonstrably loyal subjects. In turn, these loyal subjects are committed to the ideology of violent domination over all other fellow citizens, for them the very ideology of sustainable development for the overall national community on the base of priority natural and humanitarian values looks unacceptable.

Quite understandably the most suitable for a comprehensive transition to sustainable overall social development concludes in the simultaneous implementation of reformist scenarios within the intra system and the supra system transformation. At the same time, it should especially note that the renewed consolidated “Kremlin Gambit” scenario also allows for such a fundamental transition, although with a relative delay in time.

Let me state with all confidence: the implementation of one or another designated scenario of national system transformation in the post-short term will not be associated with insurmountable obstacles to achieve sustainable development goals and targets. Positive tendencies of approaching them will continue.

Of course, the achievement of a sustainable overall social systemic transformation cannot occur spontaneously in our country. Overcoming the gap that has accumulated over a long period in regards to the imperatives of sustainable development will require systemic shifts in the course of macro and structural reforms compressed over time. These shifts are intended to express in a fundamental change in a number of institutional mechanisms, especially the mechanism for the distribution and redistribution of income, as well as an associated change in the main resource, price and financial proportions, coupled with organizational and managerial structures, primarily forming the power vertical. Therefore, one can believe that the use of broad resource opportunities for needed transformations in the conditions of an established new state capitalism will make it possible to achieve such results.

The role of the state with its huge capital and large domestic corporations looks paramount in the implementation of a cardinal approach to the SD imperatives in such a way that the process of the Transition becomes irreversible. The same goes for achieving purely humanitarian goals/tasks while ensuring a reliable macro balance. For our country, the implementation of the main stage of the energy transition, the key actors of which are the Russian energy giants and the state itself as an investor, will be

of particular importance. The future competitiveness of the Russian economy directly depends on the duration of this stage.

In addition, the further reform of local self-government on the base of the created legal mechanism will be of exceptional importance. The formation of effective institutions of local self-government, it is worth especially emphasizing, does not pose a threat of weakening the federal government. Such a metamorphosis becomes quite achievable if the distinguished “Kremlin Gambit” scenario would realize.

Of course, it would be wrong to downplay the role of independent market and social entrepreneurship in the course of a comprehensive Transition to SD. Thanks to initiative entrepreneurial decisions will the economic and, to an even greater extent, non-economic imperatives of SD, in particular those relating to new cities and rural settlements, become achievable. Of course, a necessary auxiliary condition concludes in the formation of a favorable institutional environment for such innovations.

It is difficult to underestimate the importance of the spread of volunteer, group and individual activities in our country. Many organizations and activists (volunteers) of civil society will be directly involved in the environmental movement. Besides, in the future the importance of civil pressure regarding the establishment of a socially and environmentally responsible business will likely to increase significantly. In parallel, the role of independent public organizations, including confessional communities, will definitely strengthen in achieving the imperatives of sustainable development of individual regions and national-territorial enclaves. Therefore, the desired solutions can reveal in the course of cooperation on an equal basis of these organizations with state authorities.

The implementation of the indicated Transition will open the door for further inertial, mostly non-discrete changes directly in line with SD. It will become the dominant trend.

On the feasibility of implementing the national strategy for sustainable development. There will definitely be a need to develop and implement an indicative national Strategy, which presents a reasonable positive and embracing vision of sustainable development as a transformation in the visible future¹⁷. Of course, this Strategy should not consider as a panacea for resolving all domestic problems; it is organically designed to combine with other autonomously developed strategies related to the long-run development of Russia. Among them are foreign policy and national security strat-

¹⁷ Currently, only a few countries have adopted national sustainable development strategies - Germany, Switzerland and Canada. However, their number may increase significantly in the coming years after the Pandemic, taking in a view, at least, the preparation of comprehensive national reports on the implementation of the SD imperatives in a wide number of countries.

egies, military doctrine, a long-term social security strategy, demographic and migration strategies. It will also require coordination, at least at the expert level, of key inter-strategic decisions regarding the imperatives of sustainable development, on the one hand, and further institutional reform of the economic and social sectors, adopted programs in the field of digitalization and automation, employment regulation, with another.

Based on the framework concept of the 2030 Agenda, a system vision of sustainable transformation of society is achievable through operating with various target imperatives (SDGs) concerning to the future development. It would be wrong to underestimate the complexity of the problem of simultaneously achieving different SDGs, primary in regards to the effects of both complementarities and trade-offs between the transformational processes of approaching them. Thus, an increase in agricultural production aimed at overcoming poverty, through increased productivity and land cultivation, often leads to a reduction in forest resources and biodiversity. In turn, increasing energy efficiency thanks to renewable resources, as many examples show, can be associated with the deterioration of territorial ecosystems and water balance.

To design sustainable development as a transformation, it is necessary to focus on the fundamental differences between the SDGs taking in a view the dependence of their relative achievement on the actions by key actors. For this purpose, referring to a number of different behavioral models that reflect the specific combination of actions of these subjects seems fruitful. Following this way, “guiding” the subject’s actions to the desired target guidelines can achieve, considering the mentioned effects of mutual complementation and substitution of accompanying transformational processes.

The Strategy is intended to present optimistic and, at the same time, realistically achievable targets for approaching the SD trajectory in all significant areas. This will require updating existing national government forecasts and programs.

As known, Russia is among the top ten countries that produce the largest amount of greenhouse gas emissions, both in absolute terms and per capita. Based on this situation, in opinion of many experts, it seems clearly unacceptable to reduce polluting emissions by 2030 by only 4% compared to 2019, according to the latest government projects. Apparently, in the near future it will be expedient to introduce a special carbon tax, following the positive European practice. An alternative solution concludes in implementation of a mechanism for trading greenhouse gas emissions, as in China. However, such a mechanism, one should note, is not suitable at least in the current decade for backward Russian regions.

The previous design of energy consumption and its structure also radically needs in revision. Until now, Russia remains the third largest consumer of energy in the world, and the loss of electricity is up to 50% of its use. Russia's expected export losses would amount to tens of billions of dollars at best due to the unprecedented transition of the developed countries to a low-carbon, and later to a carbon-free economy. To

compensate for them, it is necessary to achieve the energy efficiency indicators of the advanced countries as soon as possible, accompanied by the maximum possible increase in the use of renewable energy resources based on the latest cheapening technologies. The format of the system national strategy just makes it possible adequately to present an effective model of the upcoming energy transition because of the interaction between government agencies and business, and simultaneously the implementation of technological innovations, embracing all significant inter sector links.

Based on the updated projections, the Strategy also is called upon to substantiate key decisions to support the various and numerous projects to overcome climate deterioration, originally initiated by the 2016 Paris Climate Agreement. The same applies to environmental regional projects.

As international experience shows, for the successful development of the green economy and the sector of sustainable financing associated with it, there is a need to develop a clearly and effectively coordinated state policy for attracting private capital. The long-term design of solutions that complement the investments of public-private partnerships, corporate business and SMEs in a green economy has achieved precisely within the framework of the national Strategy.

The implementation of the national sustainable development strategy has inevitably linked to the problem of future economic growth. Undoubtedly, GDP growth, moreover, long-term and uninterrupted, remains necessary to ensure a quantitative level of the population's well-being acceptable by world standards. The need for a significant increase in it will remain for quite a long time for a country like Russia, where for a long period of "belt tightening" the average per capita level of income and personal consumption was low.

One can add additional arguments in favor of high, as it were, restoring rates of economic growth in the near future. However, in relation to the long-term prospect, the ideology of maximizing economic growth does not seem reasonable.

The most significant argument: in order to reproduce the potential of a post-industrial economy based on the efficient use of energy and other resources, which are largely reproducible, the maximum quantitative growth of new technologies and new equipment has not required. Thus, for example, the demand for new information technologies and computers will be limited, at least in terms of the physical number of their buyers. In addition, it should take in an attention the known forecasts: according to them, the trend of relative cheapening of equipment (in terms of the ratio of sales prices and useful effect) will dramatically continue in the twenties.

Besides, in the considered perspective, there will probably not be a need for a tremendously rapid growth in the physical volumes of buildings, structures and other infrastructure facilities. The compactness and ergonomics of most high-tech enterprises with a steady trend of miniaturization of technological progress is the main argument in favor of such an assumption.

With regard to personal consumption, the direction of transformation of its structure in the future to the greatest extent will predetermine changes in rational consumer standards. The value of the quality of life in the surrounding natural conditions of the 21st century comes to the fore. It implies rational personal consumption of resources that does not harm the environment, and thus the rejection of wasteful consumption. Awareness of the senselessness of using many cars for the sake of prestige, suburban buildings, for the construction of which a huge mass of “brown” building materials is used, and other attributes of luxurious life that harm the environment, will perhaps become a fundamental feature of the future consumer ideology.

Summing up, the future sustainable development presupposes a stable and calm, completely non-explosive, growth of the domestic economy. It involves achieving the desired results with the most efficient use of material and labor resources, coupled with investments, regardless of regional differences. At the same time, the rapid growth of individual markets, mainly innovative and high-tech, looks quite real.

Despite the conclusion drawn, the National Strategy under consideration is in no way compatible with wide spreading ideas in the spirit of economic or market determinism. The equal significance of humanitarian goals relative to economic goals supposes beyond doubt. The society should not be a supplier of human resources for the markets. By contrast, exactly the markets are called upon to act as substantial conductors of meeting the needs of society, with all the diversity and differences in the interests of its subjects. This conditionality, I should mention, is absolutely incompatible with the ultra-conservative state paternalism in the reign of Nicholas I, which has now been semi-officially revived in Russia.

In the context of the expected moderate economic growth in the future, high cost-effectiveness in the humanitarian areas of SD will be of decisive importance. As international experience shows, an orderly increase in the productivity of the functioning of the relevant social sectors is quite achievable due to domestic innovations. Thus, in the coming ten-year perspective, in education, health care and the cultural sphere, the widest use of high and special social technologies has predicted, with parallel advanced training of employed professionals covering most of the Russian regions.

Spatial transformation in line with sustainable development. Apparently, to the greatest extent, the green growth of the economy and the social sectors will directly affect the places where people live. They will be represented by cities and settlements with green territorial production complexes, with the maximum green landscape, with recreational areas, including reservoirs, and artificial ecosystems to improve the quality of life.

The substantive vision of a "smart city" is extremely simple - the City is for People, not for cars and buildings. Achieving a harmonious and comfortable urban environment means a transition to efficient hydro and electricity supply with a reasonable

location of new industrial areas close to the center of urban production with a focus on the optimal usage of secondary energy resources.

Improved wastewater treatment systems that recycle nutrients, collect rainfall, and make water supplies safer will create in smart cities. Existing wetlands in these cities would improve, at least in Mexico City's experience, heat absorption, prevent flooding, and increase the biodiversity so desirable for a comfortable human existence. Then the desired synergistic effect of investments in the main areas of green urban development can achieve.

In accordance with the existing positive world experience, already in the medium term, it will be possible to implement various programs for urban development, the transformation of energy systems, food security, and the greening of infrastructure, in particular, water supply. Then Russian cities, primarily agglomerations with a population of more than half a million inhabitants, will acquire a new look favorable for sustainable self-development in three main dimensions: social, economic, environment.

Besides, domestic agriculture with its natural and social framework will represent a huge potential for steady green growth. Truth, it should be borne in mind that the successful development of ecological agriculture involves a radical transformation of the infrastructure across rural settlements. Construction based on the use of environmentally friendly materials and eco-technologies should be widespread exactly in rural areas. An equally significant necessary condition concludes in ensuring a favorable state of land in terms of environmental characteristics, for which local authorities should bear full responsibility.

The successful establishment of a green economy beyond the boundaries of urban agglomerations opens the way for increasing the domestic natural capital. In the case of using huge natural capital as a competitive advantage in the world economic arena, there is every reason to expect our country to position itself in the world as its main environmental donor in the future. Russia, due to its unique spatial location, will be able to provide the greatest contribution among all countries to the stabilization of the global biosphere, to climate improvement and to the conservation of biodiversity through natural ecosystems not affected by economic activity. In case of becoming a global environmental donor, our country will obviously be entitled to claim favorable economic compensation for its environmental services.

In this regard, it is unavailable not to mention a very important issue. It concerns the prospects for water supply in many foreign countries, where water pollution has reached a critical level. According to the fair conclusion of experts, the supply of clean water abroad, the huge reserves of which are stored in the vastness of our country, can open a new milestone in world economic and humanitarian cooperation.

Of course, the desired spatial transformation in the course of the transition to sustainable development will not occur without internal transformations of the regional

market economies themselves. The central problem concerns the "greening" of provincial regions at the expense of their own resources. The content of practical work on the justification and selection of effective projects in the field of green economy should predetermine the development strategies by individual regions of the Russian Federation.

Along with this, the regional strategies also require direct positioning of ways to solve the key task - the development of innovative clusters (incubators), using the widely recognized principles of "smart specialization" based on extensive international and domestic experience. In turn, the spread of such clusters has intended to accompany with the achievement of the imperatives of sustainable development, which fully fits into the well-known concept of a new industrial symbiosis. Following this concept, it becomes expedient to coordinate the management of resource flows of manufacturing and service firms located within a local geographical cluster in order to simultaneously improve the state of the environment and reduce costs.

To date, the adjusted strategy for the socio-economic development of the Samara region has oriented to the greatest extent to the imperatives of SD (The UN assessed, 2021; Regions of Russia, 2021). There is every reason to hope that this experience soon will successfully disseminate during the ongoing renewal of the development strategies for other Russian regions.

The following point seems fundamentally important: the transition to SD in the future period covering the second half of the twenties - early thirties implies an even distribution of the results of activities in the economic and social sectors throughout the country. An irreversible profound change in the spatial structure of the Russian economy will become uncontested. At first place, it means the long-awaited convergence of regions in terms of development level.

Almost all large cities are called upon to become equally significant centers of development. The proportion of residents living in them in the population of Russia, according to accepted regional strategic programs, will increase dramatically. Within the broad boundaries of large urban agglomerations, including in the Russian "out-back", that small and medium-sized cities, as well as renovated rural settlements, can receive an impulse for development.

At the same time in many regions, according to experts, the internal potential for the development of surviving small towns, as well as non-old rural settlements as constituent elements of the country's new territorial framework has not exhausted itself. This applies especially to areas with fertile and extensive land resources.

Achieving the indicated fundamental shift in the spatial structure is impossible without active and diverse economic and political decisions affecting almost all subjects of national policy. Thus, proceeding from all estimates, there will be a huge need for further development of the infrastructure of the Russian regions, consistent with the imperatives of sustainable development. A particularly significant effect can provide

by the effective expansion of transport infrastructure in ordinary regions in terms of ensuring stable living of the working-age population in Russian province.

Of course, let me not be ashamed to repeat myself, the infrastructural transformation of the Russian regions will be successful only in the event of a real (not in words!) overcoming of Moscow's "super centralism". An obligatory condition concerns the release of huge material and labor resources required due to a radical reduction in extensive construction and related investment programs and projects in the Moscow region.

In the event of a successful reform of local self-government, as mentioned earlier, in the coming years, a very high positive effect may be the widespread replication of compact infrastructure projects at the local municipal level with concomitant state support.

The imperative of resilience. In addition, it is reasonable to raise the issue of ensuring adaptation and resistance to obviously unstable changes in the course of the transition to SD and its further maintenance. They include exogenous technological, demographic and climate changes, cyclical and other market fluctuations, sporadic political upheavals and various social upheavals.

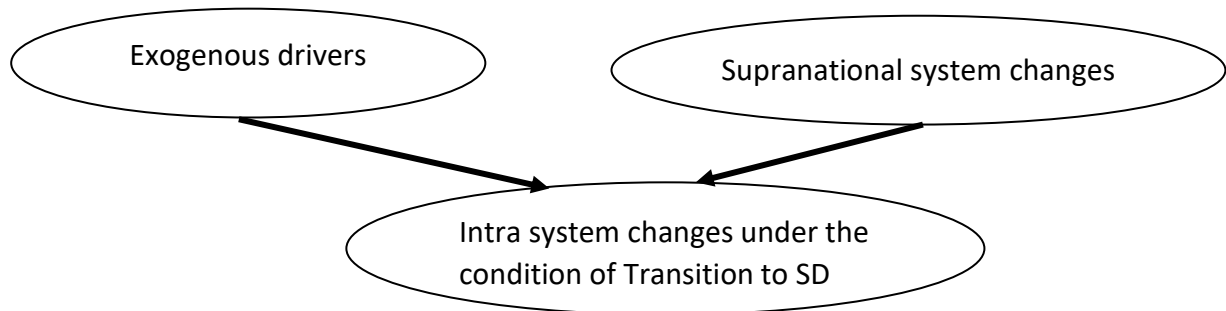
Universally recognized point of view: in the current realities of contemporary turbulent development, the need for resilience has sharply increased as the quick ability to neutralize the impulses of instability. Definitely, representatives of manufacturing and other businesses, focused on achieving ESG standards, will be interested in resistance to unstable perturbations in order to maintain their position in the market. For this, a wide arsenal of various means can apply, many of which are expressed in differently directed market changes.

However, to a decisive extent, the efforts for active adaptation and resistance to adverse changes in the course of the transition to SD fall on the state. Suffice it to mention the paramount importance of the use of adequate state regulation mechanisms that ensure the neutralization of climate shocks, overcoming ethnogeny disasters, and the suppression of illegal migration and ethnic conflicts. The timely implementation of such mechanisms intends to visualize in the above considered Strategy.

3.5. The possible positive results of the future system transformation at the turn of the thirties.

Undoubtedly, a fully comprehensive transition to sustainable development will take place in the event of the implementation of optimistic scenarios for the future transformation of the entire Russian society. Proceeding from such a premise, let us try to present a precisely initial consensus sketch of this systemic process within the boundaries of the present and the first years in the next decade.

Following the previously formulated approach, it is reasonable to focus on the causal model of the system transformation of the national society. In this way, in the very first approximation, the dependence of intra system changes on relatively exogenous drivers (technological, demographic, climate) as well as on supranational system changes can be revealed. Definitely, the most important condition for these changes presents the proposed Transition to SD (see illustrative diagram below).



Influence of exogenous drivers. By all indications, the dominant component of national development in the coming 10-year perspective will be further digitalization, as well as the spread of deserted technologies and artificial intelligence. Judging by the existing world experience, in high-tech sectors one can expect a one-time (in some cases more than tenfold) increase in the return on invested capital.

Apparently, the wage disparity between the highly skilled and other employed will continue to widen rapidly. Therefore, ensuring an acceptable basic level of income for a number of large groups of citizens will remain necessary to maintain macro balance. According to the recognized position of international experts, this condition will meet in the event of a redistribution of national income through special taxation of manufacturers using extra productive technologies in accompany with artificial intelligence and robots.

Obviously, as digitalization deepens, there will be a comprehensive change in the structure of employment. The use of robots and artificial intelligence technologies will inevitably cause an ordinal reduction in those employed in routine work. This process can be very painful in Russia, where a particularly high level of overemployment observes in the traditional social sectors.

In addition, it is reasonable to emphasize the following circumstance: a significant influx of low-skilled migrants will become unacceptable. The selection of professional migrants, mostly highly qualified, according to their abilities will become an all-embracing practice.

Demographic changes present also the fundamental exogenous factor of system transformation. They have projected to be very unfavorable in the coming decade: the population will decrease, despite the likely significant influx of migrants ("To be precise", 2022). Truth, the consequences of the demographic decline probably will not significantly manifest directly in the economic life in the coming age of digitalization.

According to the prevailing estimates of experts, climate deterioration will noticeably decrease. However, it will continue to slow down the positive economic dynamics and reduce the return on human and social capital. By estimates, in Russia the economic and, largely, social damage from climate warming will be very significant (What will climate change, 2022).

Influence of supra system changes. In the economic field, among these changes, progress in the development of emerging markets in non-Western countries will apparently have the greatest influence. Along with this, a fundamental renewal of the global financial architectonics and activities of existing international financial organizations has expected, which meets the conditions for equal interaction between mature and emerging national market economies.

Further assertion of Russian business, including corporate with state participation, in external emerging markets will bring very positive results. Their achievement greatly will facilitate by economic cooperation within the framework of the SOC, BRICS and, of course, the EAEC.

Also, the geopolitical shifts will have a huge impact on the vector of Russia's development. It seems quite possible that over time, by the end of this decade, the existing duopoly of political and military power will exhaust itself in the event of three major metamorphoses.

Firstly, due to the mutual democratization of the political courses of the United States and China, their aggressive hegemonic aspirations significantly will weaken. Secondly, the EU will become an independent center of power; the long-standing plan of creating the armed forces of Europe, relying primarily on the nuclear missile potential of France, will finally realize. Thirdly, the most important metamorphosis will apparently take place: the economic and political role of a number of leading countries of the post-developing world will increase in an ordinal manner. It will mean the onset of a new geopolitical era.

Therefore, the threat of a global military thermonuclear conflict will drastically decrease; besides, a number of other negative geopolitical factors will go dawn. The definite way will open for establishing a just world order with the maximum possible elimination of the factor of force in interstate relations. Of course, such a tectonically tremendous shift supposes the decontamination of aggressive foreign operations of special services, primarily in the United States and Russia.

Based on the fundamentally changed world balance of power, it would be expedient for Russia sufficiently to depart from the alleged “Kremlin Gambit” scenario. There will be a comprehensive opportunity to implement a consistently reformist scenario for the development of the country.

In the context of total information pressure, recognized foreign achievements relating to standards of consumption, education, health improvement and other life values act as role models. Sooner or later they will be borrowed in our country.

Undoubtedly, in the perspective under consideration, a positive example will be the establishment in most industrialized countries of a creative middle class with a modern education. It is reasonable to count on the widest distribution of post-materialistic consciousness among representatives of this stratum of national society. Their preferences will predetermine by the values expressed in the quality of life. Post-materialists place personal entrepreneurial success and the accumulation of individual wealth on a par with professional achievement and long-term human well-being within the human and natural environment, ensuring the growth of social capital.

It is reasonable to add: special studies have proved a close relationship between the increase in social capital and the formation of high-tech compact clusters, where, in the process of industrial cooperation, jobs of highly skilled labor are created and an institutional environment is formed on the basis of all social and, of course, spiritual values. One can pay attention to the long experience of functioning of such clusters in the Asia-Pacific region from Singapore to Japan, where several tens of millions of people form communities of truly creative communications.

What is the outcome? Let us try to focus on the main intra-system changes in the event that the optimistic scenarios for the development of Russia and the entire surrounding global society will fulfill.

It seems legitimate to predict further profound resource shifts that will mark the establishment of a competitive national economy of the post-industrial type. There will be a significant reduction in the production and personal consumption of material resources in relative and, quite possibly, in absolute terms, unequivocally associated with a cardinal increase in the share of the innovation and high-tech sectors in GDP and the growth of highly qualified human potential. In the early thirtieth, the adoption of green types of economic activity in various industries, along with supposed transition to SD, also intend to be of paramount importance.

Digitalization and other post-industrial changes, complemented by the establishment of a green economy, will occur throughout almost the entire territory of the country, with the exception of climatically special zones. Thus, one should also hope for the desired irreversible changes in the spatial structure of the Russian economy in full accordance with the ideology of sustainable development. First of all, for the long-awaited outcome: the backward provincial enclaves will simply disappear from the geographical map and the economic conditions for the development of most regions will become almost equal.

It is reasonable to count on the steady maintenance of economic stability in line with the framework concept of SD. Thanks to the remaining institutions of hybrid state capitalism, almost all significant processes in the course of the transformation of the national economic system will be purposefully coordinated.

At the same time, one can expect a significant change in the institutional framework of the domestic economy. Apparently, the weight of the state-capitalist order somewhat will go down, while the role of the corporate order freed from state dictate, especially within the high-tech sectors, will enhance. In parallel, the importance of the institutions of non-corporate production entrepreneurship will strengthen in accompany with a deregulation of various types of economic activity. Implementation of a new stage of privatization, unhurried and dosed, will become real by attracting new efficient owners representing post-industrial medium and small businesses.

It is worth noting that the known long-term forecasts of changes in the social structure of Russian society look rather optimistic. Based on the results of these forecasting studies, one can hope that the new generation of Russians, now beginning to enter working age, will for the most part join a full-fledged middle class, characterized by active life aspirations, high professional skills and enough high welfare. To the greatest extent, the future growth of the middle class will affect large cities, despite demographic barriers. The forecasters assume that the loss of the middle class due to the aging of the generation of the so-called baby boomers, born in the first half of the 1960s, is more than offset by the rapid growth in the number of this layer in working age.

It is fundamentally important that the Transition to SD will entail a gradual reduction in inequality between different status groups. The status structure will cease to be pyramidal in nature and will approach the pattern inherent in advanced countries. In parallel, one should expect a change in the hybrid structure of social capital towards an increase in the proportion of non-elite groups.

In addition, in the case of a Transition to sustainable development, all members and groups of society interested in the development and effective use of their abilities, and a significant part of entrepreneurs, will become the object of the future social policy. Through the provision of public goods necessary for the creative development of the individual and effective innovative social entrepreneurship, a significant positive extra-market effect will achieve, associated with the reducing of social inequality and at the same time with an increase in social integration and mobility.

Because of the purposeful formation of an environment for the creative nature of the entrepreneur activities, especially beyond market sectors, it will be possible to sustain the growth of social capital as a set of positive social ties that individuals dispose and use in interpersonal and intergroup relations. At their core, the innovations created by creative entrepreneurs will be embodied in new products, services, and organizational models that effectively (compared to other alternatives) meet social needs and at the same time create new social capital.

The problem of adapting Russian culture to future challenges cannot ignore. The resolution of this problem becomes possible in the case of the formation of a model of rational cultural diversity exclusively in the Russian version. Its distinguishing feature

is compliance with priorities and basic humanitarian values while preserving the heritage and integration originality of the national culture, which combines the cultural layers of the Eurasian, Eastern and other civilizations.

According to prominent experts, in the event of a positive scenario of system transformation in the future under consideration, the necessary conditions will arise for the establishment of mature legal institutions, complemented by effective mechanisms for their application. The deal is for the future domestic elite. Within it, an informal consensus should be fulfilled regarding the establishment of a full-fledged and independent “third” power, supplementing the executive and legislative powers. This will become possible, following realistic view, in the result of a radical change in the mentality of the elite in comparison with today, bearing in mind the centuries-old domestic tradition of disrespect for the law, including in the upper echelons of Russian state authorities.

Now let us refer to the possible positive results of the political transformation. The transition to SD will have a more than significant impact on the entire management vertical. There will be a need for a selection of a number of institutions, especially those regulating relations between federal, regional and local authorities. These institutions are called to ensure a stable internal political transformation based on the principles of democratization and competition in accordance with the ideology of sustainable development. From their quality, as evidenced by regional studies, the effectiveness of administrative management at all its levels directly depends.

There will probably be space for broad social movements. Indications of their formation, judging by the increased activity of a number of public organizations (environmental, humanitarian, consumer, etc.), clearly observe already now, despite the often-encountered administrative pressure on the ground.

The main political parties will also change filling the niches of the political preferences of various social groups. Especial important step, let me express the own position, would lie in becoming an ideologically sound and responsible party of a social reformist orientation. As a result, the monopoly of the Party in Power would become a thing of the past.

Apparently, in the prospect under consideration, a change of generations in the ruling elite will become inevitable. Its backbone will be made up of representatives of the generations of 35-45-year age (note that the difference of even 5 years seems to be significant), and the reserve is the cohort of the current 30-35-year age. These people have the different education and, logically, the different base values than people of older generations.

In general, the dominance of the elite will not be limitless as at present. The role of democratic movements, representing the interests of the growing middle class in its new temporary guise, will restore to a significant extent at the public foreground. In

the future, it will be possible to institutionalize real (in deeds, not in words!) political freedom, including in the provincial "outback".

However, it makes sense to store a realistic position. It is applicable to expect the preservation of the leading role of political authoritarianism within the framework of a hybrid institutional arrangement, established in many countries of the nowadays world. The ongoing powerful Triumvirate will lose its positions, but it is unlikely to leave the public scene.

The consolidated political capital of enforcement agencies should radically reduce. However, under all scenarios of positive system transformation accompanied with a transition to sustainable development, amid the objective external threats to Russia the functional role of the special services as guarantors of state security will be sufficient.

The regional leaders will also retain their place in the new political elite. No less important, the positive changes in the composition of the Russian regional elite, associated with progress in the field of sustainable development, are likely to continue.

Probably, one can hope for a further significant reduction in the political weight of the Zionist movement, at least at the national level. Nevertheless, apparently, taking in a view all the past "historical" role of the educated Jewish community with its accumulated social capital, the role of organizations with a significant Zionist orientation will remain rather significant for a long time.

Obviously, it would be incorrect completely to pass by a very important collusion concerning the threat of opportunistic and oppositional behavior. For its detailed discussion, truth, so far clearly not enough forecasted information has existed.

The presented consolidated scenario of a positive system transformation of the country is based on the socially solidarity behavior of the participating subjects. Nevertheless, alas, the negative personages present in any social novel. Their contra-reformist activity creates obstacles (sources of risks, following the professional vocabulary) on the way to sustainable overall social progress. In particular, in the economic field, apparently, the most significant obstacle to the establishment of sustainable transformation concludes in the possible targeted counter-actions on the part of a number of representatives of large corporate capital. They are due to an objective interest in obtaining excess income in the brown markets. Moreover, this kind of negative activity of a number of large corporations has directly related to their "family" relations with groups (coalitions) with special interests operating in the political field. Directly or indirectly, they are able to impede the approach to sustainable overall social progress, seeing this as a threat to the preservation of their political capital.

To overcome the counterproductive actions, various targeted instruments of market and non-market regulation can successfully demand. Thus, the current experience of China testifies to the high productivity of the application of state penalties for violation of environmental standards. Along with this, it will be impossible to do without

informal instruments of coercion in line with the strategic course based on public initiative.

Future social regulation, of course, opposes the practice of revolutionary violence, which previously led to the establishment of totalitarian repressive regimes in different countries. An exclusively social-al-reformist policy, oriented towards a conscious social majority within and above national borders, seems legitimate. Under this condition, the neutralization of the forces of Regress might be fulfilled.

What next? About the future preferred model of system transformation after twenties. In the event of positive global changes and a significant transition to sustainable development at the national level, during the thirties, the choice in most non-Western countries in favor of the most preferable model for their overall system transformation will become quite achievable. I mean a model of the middle path of national development as a transformation characterized by a fair distribution of income and capital in their main forms, along with progressive dynamics, first of all according to sustainable development imperatives. This model has fundamentally different from the orthodox models of capitalist and socialist development in the past 20th century and can definitely be interpreted as a hybrid one¹⁸.

On the economic field, the transformation model of the middle path is characterized by the mutual equivalence and complementarity of the root institutional orders: market self-regulation, public regulation and corporate regulation. Thanks to this, a wide range of opportunities arises for achieving the most preferable balance, based on recognized criteria, between the actions of the main agents in the national economic system with its multi-sectoral and multi-regional structure.

In turn, in the status field, the model under consideration has distinguished by the property of equilibrium due to the institutions that ensure the social contract between the main subjects. With such a contract, the transformation of the status structure has accompanied by the steady preservation of the prevailing positions of the middle class, especially the creative strata of qualified specialists and independent, inclusive entrepreneurs, with the constant renewal of the composition of higher status groups.

Besides, an integral attribute of the median path of transformation concludes in the balancing of the institutional orders of authoritarian political regulation and political competitive democracy within a hybrid-type social system. It implies, it is worth emphasizing, the suppression of the prevailing political influence from the side of certain groups with special interests.

The functioning of importantly equivalent institutional orders and agency structures that ensure corporate, state (state-corporate) and private entrepreneurial initiative

¹⁸ The original idea of the middle path of development, let me to recall, had put forward during the formation of classical capitalism in 19th century by Henry George in his famous book (George, 2009).

in market and non-market sectors is fully consistent with the nature of the coming period of grandiose technological and social changes. Successful adaptation to the markets of Progress technologies, including green technologies, is facilitated by a balanced hybrid institutional arrangement/ agency structure of the national economy of a certain country, as well as its overall social system.

It seems appropriate to state: thanks to the action of equivalent and complementary institutional orders, the broadest opportunities will arise for coordinating SD trajectories along its main directions with other possible unstable shifts, explosive or, conversely, fading. This means to ensure resistance to unfavorable changes within and above the social national system.

As known, the institutional model of the middle path of development turned out to be successfully adapted in Southeast Asia and Taiwan, which is eloquently evidenced by the likely rapid achievement in these non-Western countries of the recognized SD imperatives along with the successful adaptation of avantgarde technologies in the digital age. The expediency of borrowing such a successful experience in after socialist contemporary Russia seems beyond doubt.

In the event of the expected exhaustion of the dominant position of the state-capitalist order, the structure-forming root institutions of the hybrid domestic economy will definitely approach the institutions corresponding to the choice of the middle path of development. In the same direction, complementary transformational changes will be possible, associated with the previously identified improvement in the distribution of political and social capital with their hybrid structure.

In general, the future transformation of Russian society as a hybrid social system along a trajectory close to the trajectory of the middle path would signify an irrevocable choice of not a traditionally pro-Western, but a nationally oriented development strategy. It will accord with sustainable overall social progress with its integral principle of ensuring well-being for all. The prevailing role of mutually beneficial cooperation between the state and business in the economic field, the leading position of the creative middle class in social reform, as well as balanced political democratization at all system levels present direct attributes of such a choice.

It can be assumed that if a balanced hybrid institutional structure of the social system is approved, wide niches will open up for the formation of various parts of civil society in our country. As a society with equal opportunities, in which the principles of social justice and social solidarity are at the first position. To a decisive extent, due to the expected spontaneous spread of civic initiatives, especially within the framework of local self-government. According to the majority of experts, the partnership model in the relations between the civil sector and the state is the most preferable in the future. The main feature of this model concludes in the participation of state representatives in various forms of equal cooperation with NGOs and civil activists; in turn, public

organizations offer solutions to social problems and participate in the continuous improvement of the activities of the links of state power. An extremely important step in the indicated direction would be the transformation of many NGOs into full-fledged participants along with budgetary institutions for the implementation of social programs. These subjects of civil society are called upon to act as initiators of a broad public dialogue on key issues of the country's development in the future.

Of course, it would be unreasonable to fall into illusions about the future of our national community. Indeed, returning to fairy tales about the "golden key", moreover, about a bright future in the spirit of the oldest communist dogma doesn't make sense.

Thus, likely the stereotypes of irrational, impulsive and "strange" behavior of many of our compatriots, often shocking visiting Europeans, will remain. The same relates to traditional provincial conservatism, although, apparently, it will manifest itself to a much lesser extent on the part of people relating to the young and middle generations.

The author at one time often communicated with specialists visiting Russia from other countries. Most of them had complaints about the services provided. I had to get off with one phrase that stuck in my teeth: Russia remains Russia. After a pause, foreigners usually sighed with understanding in relief.

Nevertheless, changes in the mentality of Russians will still likely to occur. Apparently, the habits of ignoring legal norms, especially between the bureaucrats, and outright rudeness, again common among officials, will gradually become outdated. I would especially like to predict that the zone of the national attributive world perception, evaluated by the words "simplicity is worse than theft", will reduce by an order of magnitude.

Still ahead (express conclusions).

1. I might answer affirmatively to the sacramental question about the prospect development of Russia, posed in the title of this book. The objective opportunity to turn to the path of progress can realize under the condition of the necessary changes in the Power.

2. In the visible future, Russia will remain among the countries with an emerging market economy and with a prevailing state-capitalist order. The existing internal institutional potential, as well as the potential for cooperation within the non-Western world, allows us to count on the successful adaptation of the economic and social sectors to the digitalization and other grandiose technological changes that have unfolded in the country.

3. In the event of abandoning the current militaristic course, an indispensable condition for the further positive transformation of Russian society concludes in the Transition to sustainable development in its integrative recognized understanding. It will mean the achievement of reliable economic and general social stability, excluding marginal turns in the state course. The most important consequence of such a metamorphosis will be the convergence of the regions of the country in terms of the level of social well-being.

4. Any realist cannot pass by the likely manifestation in the future of counter-productive actions on the part of certain forces in our country. However, they can neutralize thanks to the powerful regulatory mechanisms available to the state and society. Of course, success can count on if tough and strictly consistent decisions will perform.

5. In the event of a future positive transformation of the Russian society, it is reasonable to expect its gradual integration into a progressive world community with its general humanitarian values. Then it would be reasonable to expect a shift in the mentality of very many Russians towards rapprochement with the mentality of benevolent citizens of the most successful countries.

Undoubtedly, the formulated conclusions can cause skepticism. If only for the well-known reason: all the memorable reforms concerning the arrangement of Russian society had distinguished by a disappointing gap between the original plans and real results.

Most domestic researchers, I must admit, share far from optimistic forecasts for the future development of the country by the end of the current and the beginning of the next decade. As usual, most of them are inclined in favor of an extremely approximate forecast lying somewhere in the middle between the worst and obviously good outcomes.

Still, let me express a hope that the positive outcomes of future transformational changes would prevail over the negative ones in relation to Russia in the future. That is my position dictated by an indestructible faith in a positive collective mind.

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