

Transcript of Masthead Conference call with Julia Ioffe, Sept. 25, 2017

Matt Peterson: Hi, everybody. I'm Matt Peterson, the editor of The Masthead, here at The Atlantic in Washington, DC. Thank you, everybody, for joining us today. We're talking with Julia Ioffe. Julia has been covering Russia, the Trump administration, and everything in between for us. Julia, thank you for joining us.

Julia Ioffe: Thanks for having me.

Matt Peterson: All right. For everybody listening on the call, here, there's a little chat window down at the lower left of your screen, if you click on that, and then you click on the tab that says, everyone, you'll be able to send us questions while we're going, so click on the little chat window at the lower left, and then click where it says, everyone, and Caroline will pass those questions up to us while we're talking. You can also just email Caroline, ckitchener@theatlantic.com, if you have any trouble. All right. Let's do this. Julia, let's start here by talking about the most recent big story you reported for The Atlantic, because I think it's really illustrative of how this whole scandal around Russia, and the Trump administration has unfolded. You tried to figure out why exactly Donald Trump's efforts to develop real estate in Russia failed, and the answer seemed to be they're just kind of bad at it. What happened? What did you find out?

Julia Ioffe: I think that's a really good nutshell summary. Basically, there was a story that came out, both in The Times, and The Post a few weeks ago about how in the thick of the presidential campaign, after Donald Trump had declared his intention to run for president in the summer of 2015, two associates of his Felix Sater, and his lawyer Michael Cohen were exploring a real estate deal in Russia, and that apparently Michael Cohen, the lawyer even contacted Vladimir Putin's spokesman, whose name is Dmitry Peskov, P-E-S-K-O-V. There was a lot of noise made about this, a lot of speculation about high level contacts with the Kremlin, and Trump's intention to build something in Russia, and I thought, well, Trump has been talking about building something in Russia for 30 years, since 1987 when he and his then-wife Ivana went to Moscow, and toured, according to his book, The Art of the Deal, toured various potential sites, and talked to Soviet officials about building a Trump Hotel, there, and nothing came of that, and nothing came of basically a dozen other efforts that the Trump organization made to build something in Russia.

I thought, why is that, for all of Trump's talk of how much he likes the Russians, and about how he's able to do business with them and talk to them in a way that President Obama wasn't. Why wasn't he able to get anything done? And, the answer is kind of twofold. First of all, you need a, it's a treacherous market. It's a very corrupt market, the real estate market in Moscow, and you need a good local partner, somebody who can, who knows the ropes, who knows how to get all the required permissions, and authorizations, and can navigate basically the bureaucracy, and the corruption on the ground, and who is a good developer, and can build something of this size.

The other thing is that Donald Trump, well, let me talk about the first part of that, Donald Trump's man on the ground for a long time was Felix Sater, who has done time in prison for assault, for stabbing somebody in the face in New York with the stem of a broken margarita glass. He was convicted on fraud charges,

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stock fraud charges, and he was an informer for the federal government for about a decade. He was also running around Moscow trying to build something for Trump, for a number of years, and he essentially was too sketchy even for the Russians, who didn't take him seriously. Who thought he was kind of a, I'm sorry, pardon my French, kind of saw him as a bullshitter, this is a quote from one of them, that he didn't have the right connections, even though he talked really big about how well connected he was to the Kremlin, he was not in fact connected.

The other problem was that Trump didn't invest anything when he goes in and builds something, he just sells his name, and that's it, so a hotel like The Ritz-Carlton, or The Four Seasons, a developer is actually paying them a fee to run and manage the hotel once it's built. Trump doesn't do any of that, you just pay him for his name. The brand was, the Trump brand was not well known in Moscow at all, and definitely wasn't enough, well known enough, for Russian developers to pay such a high price for it, and as some people who work in real estate in Moscow said, "You know, nobody watches the Apprentice in Moscow, nobody knew who he was, "And, if he's just taking money from him, you know, why the heck do we need him?"

Matt Peterson: You mentioned that they tried to contact Peskov, who's a senior official in Russian government, they actually just sort of blind emailed peskov@russia.gov, essentially. Right?

Julia Ioffe: Yeah. They basically, so what I've since heard that Michael Cohen actually got in touch with a very, very junior media staffer, at one of the big TV networks, who had been to Russia, like once, and had set up, and helped them set up an interview with Putin. The guy gave him some phone numbers for Peskov. Michael Cohen didn't know what to do with that either, so he found the email on the Kremlin website, which is the general, it's like prpress@kremlin.ru, you know, it's the general mailbox. Not only is that pretty silly, but also just going to Peskov for a real estate deal to get Putin's blessing on a business deal is also pretty silly. I mean, anybody who's spent time in Moscow knows that the city and the country all knows that, that's utterly ridiculous. It would be like reaching out to Sarah Huckabee Sanders when really you want to try to get in touch with Ivanka, or Jared.

Matt Peterson: Right. What you have here is that the Trump organization, like the company trying to do business in Russia and failing, and now on the political side, you have a similar sort of failure where these early efforts by the President, at least, to make a new relationship with Russians has not really gone anywhere, and arguably maybe has backfired. Do you think that Vladimir Putin is disappointed in Donald Trump at this point?

Julia Ioffe: This is the thing, I think that's a very accurate characterization of what's going on. The Russians are really not happy with how this has turned out, and the election interference has backfired, but this is just something to think about when you hear this narrative about Putin being this grand strategist, that he's this, you know, that he plays chess while we play checkers, and he plays the long game, and that he's so good at strategy while we're just fumbling around.

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Anybody with half a brain could have told him, "If you're going to meddle in the American election, here's one of two outcomes." Either you meddle in the elections, and Hillary Clinton wins, which is actually what the Russians believed was going to happen, because Vladimir Putin, and the people surrounding him who have come out of the Soviet, and the Russian secret services are conspiracy theories [inaudible], so they were convinced that the American establishment had rigged the vote for Hillary.

If you're meddling in the elections, and you believe that Hillary Clinton is going to win, but you're going to bloody her nose, what do you think is going to happen when she takes the oath of office in January 2017? There's obviously going to be hell to pay. Right? That's not good. Or, let's say, your guy Donald Trump wins, but you have purposely not covered up your tracks very well, because you want the Americans and you want the Americans security services to know that you are able to go into these servers and wreak havoc and to wreak havoc through a disinformation campaign. You want them to know that you're able to do this, to reach into their country and do this, so you don't cover your tracks very well.

Let's say Donald Trump takes office, and people discover that you have done this, that you have tried to rig the election in his favor. What do you think is going to happen given the Washington foreign policy, national security establishments distrust, and loathing of Russia, which is exactly what they were trying to circumvent. Obviously, they're going to tie his hands, and there is going to be investigations, and the kind of thing we're seeing now. It would have been pretty easy to kind of play it forward a couple steps and see, kind of game it out, which they clearly didn't. The Russians don't think more than a couple of steps ahead, and it's far more important to Putin to kind of bloody America's nose, stick his finger in our eye, whatever metaphor you want, then to kind of reach any kind of strategic goal, that is kind of like, oh, well, we'll kind of cross that bridge when we get there.

Matt Peterson: What was motivating the Russians to do this interference, so it was, they just saw an opportunity, and they grabbed it, this isn't about some sort of civilizational war, or I don't know, between the east and the west, anymore. Right? This isn't about what Russia wants. They just sort of saw the US stumbling, and an opportunity to sort of trip up and they took it?

Julia Ioffe: Well, I think it's more than that. I think it's also about striking back. This was in some ways Russia's revenge, and from the Russian point of view, they were giving as good as they got. They see American democracy promotion, regime change in places like Iraq, and Libya, the attempted regime change in Syria, and Egypt, they see that all as election interference, or political interference, and Putin wanted to draw a bright red line, which he did, in Syria, saying that, "Your American sponsored regime change, and installation of leaders you like stops here," because he very much associates himself, and sees himself in these leaders like al-Assad, like Gaddafi, like Hussein. He watched the video of Saddam Hussein's execution on repeat, obsessively.

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He watched the video of Muammar Gaddafi's basically lynching in the streets, also on repeat, obsessively. He really kind of sees himself in these leaders, and the point was to say, "This stops here," especially after Ukraine where he also believes that the CIA, and the state department toppled a Russia friendly leader in Kiev, which Putin doesn't see as the capital of the sovereign country, but this kind of fake country that really is part of Russia. I think he believes that we were coming for him next, and this is kind of, this was a kind of defensive swat at us, saying, "You think you can meddle in all these countries, and pick their leaders, well, we can do the same in your country."

Matt Peterson: Yeah. I want to go to some member questions in a second, but I want to follow up on what you just said. Do you think Vladimir Putin is personally afraid of being overthrown? How much of what he is doing is sort of motivated by just regime security, and desire to stay in office, because if he leaves it Medvedev is going to end up like a Gaddafi, Saddam Hussein, or somebody else like that?

Julia Ioffe: I think that is a primary motivator, not the full motivator, but the primary motivator of what Vladimir Putin does. To understand what's going on, you have to back up a little bit. The Russian Constitution allows for two consecutive presidential terms. Putin was elected into office in 2000. He served two terms in 2008, and passed the thrown onto Dmitry Medvedev in 2008, as his kind of hand picked successor. He became the president, and Putin became the prime minister. It was kind of, we now see in retrospect as it's not clear, so clear at the time, but it was an experiment for Putin to see if he can pass the baton securely. If he would be kind of guaranteed safety, and the use of all the kind of wealth, and luxury he's accumulated, and if the successor can steer Russia in a way that is acceptable to him.

But, unfortunately, Medvedev allowed the Russian representative at the UN to abstain in the Security Council vote allowing a NATO coalition to create a no-fly zone over Libya, and the NATO Coalition overreached, and a no fly zone turned into, I'm obviously, yada, yadaing the best part, but turned into Gaddafi's brutal lynching in the streets. That was the moment that Vladimir Putin said, essentially, "God. Do I have to do everything myself?" And, decided to come back to a third presidential term.

Now, that third presidential term was technically legal. Right? It didn't violate the letter of the law, but it certainly didn't respect the spirit of the law, and both he and the Russians knew that it wasn't quite a legitimate return to power, and when a protest broke out in Moscow, and St. Petersburg and other larger cities around Russia in the winter of 2011, 2012 this really terrified Putin and he saw it as another state department, CIA sponsored attempt at [inaudible], that this was a color revolution of the kind that had toppled leaders in Ukraine, and Georgia, and Kyrgyzstan, and the kind that has toppled leaders in the Arab Spring, like Hosni Mubarak it had now, the CIA, and the state department had now reached into his backyard. I mean, these protests were literally happening by the Kremlins walls.

The State Department, and the CIA did not create these protests, let's be clear. These were organic natural spontaneous protests protesting his return to power,

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which people saw as very brazen and kind of disrespectful to them, and the falsification of elections. But, to him it was just confirmation that the West wants to see him go, and that they're using the same kind of tools that they've, again, this his point of view, that they're using the same kind of tools, you know, protests, et cetera, to force him out of power. But, also, you know, coming back in this kind of illegitimate way, it was kind of an acknowledgement to himself, and to the Russian elite, meaning the, you know, the oligarchs, the security services, like Siloviki, the strong men that there was now only one way that Vladimir Putin would leave the Kremlin, and that is in a coffin, because he tried handing off power to somebody he trusted, and he failed him, so there was no way he was going to leave, now.

This is now a man without an exit strategy, and so he dressed up his return to power in this kind of nationalistic, historical, you know, return of Russia to historical greatness, dress it up in all this stuff to legitimize what in fact was an illegitimate return to power. It's worth seeing everything he's done since through that prism, that he is doing things that show the Russian people that, okay, he's maybe not a democratic leader, he's probably more an [inaudible], or a general secretary, but you need this, you want this, you like this. We're making Russia great again, but by doing that he allows himself to kick the can down the road a little bit, and stay in power one more year, two more years, three more years, and to kind of run out the clock.

The elite in Moscow are starting to get a little nervous, because he is turning 65 next month, actually in a couple of weeks, and 60% of Russian men don't live past the age of 60, and as good as Vladimir Putin looks without a shirt on, and most Russian women think he does, he is not immortal, he's going to die at one point, and nobody knows what comes after that. As much as he's creating this very kind of stagnant seemingly stable regime, it's actually very unstable at its core, and the fact that he doesn't have an exit strategy makes the situation very unstable.

Matt Peterson: Yeah. Let me touch on question here from Martin, who asks about this. There's no heir apparent, right? I mean it's not Dmitry Medvedev anymore.

Julia Ioffe: No.

Matt Peterson: He's probably not going to be president, again. Right?

Julia Ioffe: Probably not, but we don't know. I mean, this is the kind of stuff that's played very close to the vest, and if you think back to the reporting on the succession struggle in 2007, 2008, nobody guessed that it would be Medvedev, everybody had their bets on Ivanov, who then became Putin's chief of staff, and then was fired, so these things kind of, you know, it is what is the metaphor like bull dogs fighting under a rug, or spiders fighting in a jar, it's something that happens very much out of the public view, and the people who talk usually don't know anything as a rule, and the people who know something aren't talking. It's likely to get sprung on us, kind of seemingly out of the clear blue sky, but of course there will have been a long kind of clan battle to get to that point. That, too, is destabilizing-

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Matt Peterson: [crosstalk]

Julia Ioffe: Because a lot of that clan warfare inside the Kremlin is accompanied by kind of corporate raids, and people getting locked up in prison. It does send ripples out to the Russian political system and the economy.

Matt Peterson: Yeah. I was going to ask you about the economy, and more specifically about oil prices. We had a question about, Roberto, I mean, we have a question from Roberto about this, who's pointing out that as we all know oil prices have fallen, and the Russians are quite heavily dependent on oil to power their economy. It's a big part of growth that they saw in the early part of the 2000's. Does this kind of economic weakness actually hold back a leader like Putin? Does it matter that the economy is not doing very well for him, or is he so personally popular because of other things that he can still sort of do whatever he wants?

Julia Ioffe: Let me ask that question into, answer that question in two parts. I think the oil prices are very important. Every year the Kremlin hands the budget to the Duma, the Russian Parliament, for them to vote into law, and every year it's pegged to a certain oil price, and that number has gotten lower, and lower, and lower. The other critical part is the banking system, which is undergoing basically a slow collapse. This is kind of the problem of Russia in kind of one case study, you have Elvira Nabiullina, who is kind of a liberal reformer, was brought in and made head of the central bank, she used to be a minister of economic development, and when she came in to head the central bank, she said, "You know what? Our banking system is really opaque, really corrupt, and riddled with bad assets, and debt, and we need to clean this up," so she started calling, basically, revoking licenses of various banks, and trying to force others to reform.

But, the problem is when you have a system that is so rotted through with corruption as the Russian banking system is, once you try to reform it, the whole thing kind of starts falling apart. You can't remove one part from a house of cards, it all collapses. In some ways it's analogous to what happened to the Soviet Union. You had Mikhail Gorbachev, who was a kind of idealistic reformer, who came in at a time when the system was so rotted, rotted through, and inefficient, and corrupt, he tried to reform it, and the whole thing fell apart. It's just when it's not built right, and when everything is kind of, I keep saying rotted through, but it really is when you kind of try to pull on one thing, everything falls apart. That's another problem. Then, compounding that problem is that Western sanction while they haven't made as big of an impact on the Russian economy as collapsing oil prices, and the collapsing ruble, which is at half the value it was five years ago.

The other issue is western sanctions have cut off access to cheap western financing, which a lot of Russian banks, run real estate developers, Russian retailers used to kind of power their businesses. When you go to Russia, now, it's very stagnant. It's not, Moscow is not the boom town it was even five years ago. This is a kind of, this isn't the fast crash of 2008 was for the Russians, but this is a slow decline that started in about 2012, and it's not getting better, it's just deepening, slowly, slowly, slowly. The thing is because it's happening slowly you're not having this massive popular discontent of people kind of get used to,

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it's not the bottom dropping out, they're just getting used to a slowly declining standard of living. Slowly rising prices. Slowly declining wages. Slowly declining value of those wages. You're not seeing kind of mass discontent.

The other thing you're not seeing, for example, in Russian state TV is what's actually happening inside the country. All you see is what's happening in Syria, and the brave Russian commandos who are taking out terrorists, and you see Putin on the world stage trying to mediate safe crisis, like North Korea. You see all the stuff happening in the US, for example. You see the mess in the Ukraine. There's a reason that's being done for Russians like for Americans it's very important to feel like they have a kind of historical almost divine mission in the world, that they live in a super power, they live in a great country that is important, and that other countries consider important, and that they need to be consulted on matters of great geopolitical imports. It's part of why Vladimir Putin is doing all this stuff. I think that the poorer Russia gets the more you're going to see Putin getting active on the world stage, and perhaps lashing out, because when Russian refrigerators aren't as full as they used to be, they need to feel their greatness even more, and you want them rallying around the flag, even more.

In 2014, at the height of the economic crisis, you had Putin invading Ukraine, twice. First, lopping off Crimea, and then invading eastern Ukraine. His popularity soared, and the popularity of all government institutions that were actually historically quite unpopular that soared, and now that effect, the Crimean bump as Russian sociologists are calling it is wearing off, he's about to face quote on quote, re-election in the spring of 2018, and if the polls are starting to sag, he needs to do something else to boost them, so I would keep an eye out for some renewed Russian initiative on the world stage.

Matt Peterson: Let's talk about the world stage, then. You mentioned Putin's role in North Korea, we've had some questions about that from Scott, and others. What are the Russians, what do they think about what is going on between the US and North Korea, now, this escalating rhetoric? Is Vladimir Putin actually getting involved? Is he happy to see the US getting into another conflict, here?

Julia Ioffe: This is what we're seeing here is classic Putin. If anything I'm amazed that it's taken him so long to insinuate himself in this crisis, but you saw a couple of weeks ago, Putin making a statement saying, you know, "Sanctions are not the answer. Diplomacy is the answer. Talking is the answer. That's the only way we're going to get to a solution," while at the same time supplying the North Koreans with oil. It doesn't directly, it's not illegal. It doesn't directly contravene the UN sanctions, but it certainly doesn't help. Right? This is what he did, for example, in Syria, he was talking about diplomacy, and the need for political solution, and insisting on having more, and more, and more talks in Geneva, while using that as cover to prop up the Assad regime first with weapons and money, and then directly with military presence, you know, planes, and tanks, and special forces on the ground.

The reason he does this is so that, he also did something similar in Iran before the nuclear deal was struck, he publicly, kind of the outward facing Putin talks

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about the need for diplomacy and talking, while behind the scenes he is helping, you know, he was helping the Iranians get advanced anti-aircraft technology, for example. What he does is, he makes the problem worse in order to establish himself as a player in that crisis that the west thinks is very important to solve, and said, the west then has to come to him to solve the problem that he is making worse. This is in part, this is a direct result of the Soviet collapse, and in the wake of the Soviet collapse the Russians not being consulted on the NATO bombing of the former Yugoslavia to stop the ethnic cleansing that was happening there.

Russians, including regular Russians on the street were really offended that Russia wasn't consulted, that it was something in their backyard, their fellow Orthodox Slavic brother in being bombed, the Serbs, and they felt really disrespected, we used to be a super power, we used to be on par with the US, and now people are bombing our Slavic brother, and not even bothering to ask us about it. Everything Putin has done is to make sure he's asked about something, that he is invited to the table where the big boys sit down, and make the big geopolitical decisions. If there's going to be another crisis that's crucial to the US, you better believe Putin at some point will insinuate himself with both this outwardly facing talk that we need diplomacy, which he doesn't really believe in, and the kind of acting as the spoiler behind the scenes.

Matt Peterson: Yes. Which brings us to Syria, right?

Julia Ioffe: Mm-hmm.

Matt Peterson: This is a place where Russians have made a big show of getting themselves very heavily involved. We had a couple of questions from members about where the US and Russia could possibly cooperate, because it seems like at least in principle, if you're obsessed with fighting radical Islam, Syria might be a good place where you could do it together, where the Trump administration, and the Russians could do it together. Is it realistic to talk about cooperation between the US, and Russia, and Syria, is there any reason why the two sides would actually want to do that?

Julia Ioffe: The short answer is no. The Russians are not serious about this. Let's be clear, the Russians are not in Syria to fight terrorism. The Russians are in Syria to prop up the Assad regime. Their goal as one person close to the Russian defense ministry told me is to have a reunified secular Syria, and that the Russians will be there for at least another 50 years. This was, again, the point of this was to draw a line and say, "US policy of regime change stops here." They're there to prop up façade, which they have done. They were not, especially in the beginning, the people who are fighting ISIS in Syria is the US, and the Iraqis, and the Kurds.

The Russians were busy bombing US backed anti Assad rebels, and only going after the big kind of, the big ISIS prizes like Palmyra where they took Palmyra, had a big classical music concert in the amphitheater there, which was kind of, it was purposely done, it was symbolic of, "Look, you guys say you're fighting terrorism, but we're the ones actually doing it. We're defending the western

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civilization, that you guys say you cherish, but are too feckless, and weak to defend." Then, of course, they lost Palmyra, and then they got it again, and it was much messier than that.

I was in Russia in the spring, and I went down to Dagestan, which is a Muslim ethnic republic in the Russian Federation, in the North Caucasus. When I was based in Russia, many years ago, from 2009 to 2012, there was no way I would have gone down to Dagestan, there was at least a terrorist attack a day, there. When I was there in April it was completely quiet, and the reason is because everyone was in Syria. All the kind of rebels, the insurgents, the Islamist, anti-Moscow rebels were all in Syria fighting with ISIS, for ISIS. The reason why they were all down there is the Russian government helped them get down there. In some cases giving them Passports, and driving them to the border. How much is Russia fighting terrorism, if it's also supplying ISIS with some of their best fighters, like the Chechen's, who apparently, ISIS would threaten some of its internal enemies by saying, you know, don't make us bring the Chechen's in here. Chechen's are Russian citizens.

I was told by people in Dagestan, who had been down to Syria to ISIS held areas that said there was basically a Russian subculture in some of these cities. There were official Russians language translators at Sharia court in ISIS. There were Russian prison guards. Russian interrogators that you heard Russian on the streets there. There was as many as 10,000 Russian speakers fighting in ISIS ranks, and Russia helped a lot of them get down there. How serious can they really be, if that's what they're doing?

Matt Peterson: Do the geopolitical tensions make it difficult to report on Russia as an American to do something like go to Dagestan, and talk to folks there? Do they care where you're from?

Julia Ioffe: People in Dagestan are incredibly friendly, and open, and kind. What makes it difficult to report on the Kremlin is that it's a ship that doesn't leak, and it barely leaks to the Russian press, or what's left of the Russian press. There were times when American reporters in the early years Putin's rule were able to talk to people that were close to him, people who were in his administration, people who worked in the Kremlin. Now, they have really closed ranks, and if they talk to anybody, they talk to Russian reporters, but they definitely won't talk to Americans. It doesn't make it difficult, but it's not because, it's not just because I'm an American, it's mostly because it's a very closed, opaque system, that doesn't really trust outsiders, including Russians.

Matt Peterson: Yeah. Let me ask about an organization that's influential within that system Bill wrote in this question, "What role for good or ill does the Russian Orthodox Church play, today?"

Julia Ioffe: It's a really good question. The Russian Orthodox Church is, I think, it's an oversimplification to say as many people do that the Russian Orthodox Church is basically a subsidiary of the Russian government, or that it's basically a Kremlin ministry. I think the Russian Orthodox Church and the Kremlin use each other for their own personal benefit, so when Putin came back to power in 2012, one of

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the ways he used, one of the ways he legitimized his return to power was to link, to use the church to form a kind of national Orthodox identity reaching back through a millennium of the Russian Orthodox Church forming Russian identity.

The Russian Orthodox Church was like, cool, you can use that, but we're going to need all of this church property that the Bolsheviks used returned to us, and you're going to have to bankroll the renovation, and the restoration of these churches. There's this kind of mutually beneficial situation there. Russians, about 80% of Russians identify as Russian Orthodox, and there's definitely been a renaissance of Christianity in Russia. You'll see more people wearing crosses. You'll see more kind of outward displays of Orthodox Christianity.

On the other hand the churches are still not having great attendance. Most, it's about 3% to 5% of Russians regularly attend church services, so everybody shows up for Easter, for Christmas, and that's about it. It's more of Orthodox as a national identity, and this historically been the case in Russia for hundreds of years, when it was, it has always been a multilingual, multi confessional empire, and one of the ways to figure out what it meant to be Russian, or what Russian identity was, was to link it up to the church, and the church got lots of kind of material benefits for that, and that's what you're seeing today.

The church is an extremely, also, opaque, corrupt institution. You have priests driving around, actually not priests, monks, people who have taken an oath of poverty driving around in luxury vehicles, drunk and mowing down pedestrians in the street, and then getting off with a slap on the wrist. It's become this kind of pillar of Russian power, and Russian power tends to be very corrupt, and flagrantly above the law. Right now, you have a wave of bomb threats being called in all across Russia, and those bomb threats are being called in by Russian Orthodox, radical Russian Orthodox activists who are angry about a movie that was made with government financing about the mistress of Tsar Nicholas II.

Now the church is trying to reign them in, and say, they're not orally Orthodox, they can't use that term in their name, but this is a direct result of the kind of lines that the Russian Orthodox Church has been pushing publicly in Russia. Also, just to reiterate the point about the church helping legitimize Putin's return to power, the day before he was inaugurated to his third term in office, he went to a monastery that was dedicated to him. That prays 24/7 for his health, and he lit a candle then, and shortly after he came to power one of the most powerful bishops in the Russian Orthodox Church, who was trained as a film director, however, strange that is, created a film, a documentary that ran on Russian state TV, it was about two or three hours long, that had basically modern Russia is in heir to the Byzantine Empire, and how Putin is an heir to the Byzantine Christian, Byzantine Emperors that Moscow was the third Rome, and things like constitutions didn't really matter when you're running a wholly Christian Empire.

Matt Peterson:

Right. You talked a little bit about this pervasive level of corruption. We've got about time for one more question, here, so I want to ask you about this, so you've got this guy Alexei Navalny running, organizing protests against Putin, says he wants to run for president next year, and this not terribly free election process, how closely should we outsiders watch this anti corruption movement?

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You know, when there's protests in Siberia, is that actually a big deal, and should we pay attention to this, or is it, Putin is going to win anyway, and it doesn't really matter?

Julia Ioffe:

Yes and no. When there are protests in Siberia, when there are protesting in over 90 Russian cities across all of Russia's 11 time zones, that's significant, because the protest in 2011, and 2012 that were about more abstract things like clean and fair elections were basically centered around Moscow, and St. Petersburg, so this is a widening of the protest movement. On the other hand, people are scared, and people remember what happened to the people who came out in 2011, 2012, and the three dozen protestors who got real jail time, and there are people getting real jail time, now, so it is in fact the states scare tactics are effective, and so a lot of people who are dissatisfied won't come out, because they're scared. Putin will win anyway, but the question is, is there an erosion of support for him? Because he is very passively supported, except for in the moments when he does things like invade Ukraine, and annex Crimea.

For the most part, he is passively supported because he has cleared the field of all alternatives, so people will say, you know, I mean, Putin's, he's not amazing, but who else is there? Now, Navalny what he's trying to do is create an alternative, and he's a very shrewd politician. He is a good strategist, and a good tactician. He has been very slowly building his base of support, figuring out, using technology in a way that broadens his base of support and kind of outfoxes the Kremlin, so when blogs were a big deal he was on blogs, then he was on Twitter, and now he's started a YouTube channel where millions of Russians watch his daily talk show by him, by members of his campaign and his anti corruption foundation. The video he made about Medvedev, the current prime minister, former president, and his corruption has now been watched over 40 million times. There's a 143 million people in Russia. That's a lot.

It's unclear if Navalny will ever get to rule Russia, but he certainly is kind of chipping away at Putin's base of support, because now more people recognize him, more people see him in a positive light. He's just trying to very, he is younger than Putin, so he also has that. He's younger. He's charismatic. He's basically, he knows he has to play the long game, that will take many years for him to even get within striking distance of the Kremlin, so he's working on trying to make himself more recognizable, getting more name recognition. The thing about corruption, though, in Russia is that it's very tricky. It is unbelievable pervasive. I've heard that Chinese business people don't like to do business in Russia because it's too corrupt for them. When we think of, for example, the FSB, and the Russian security services as these Bastions of evil, and competence, they are that, but they're also corrupt empires of corruption, and a lot of why people join the FSB and join the government in the government bureaucracy is to take part in the corruption.

The state in Russia is seen as a big feeding trough, and you're trying to hustle for a little bit of access to that trough, and that's been the case in Russia for hundreds of years, so it's not, Russians don't love corruption, but they kind of see it as natural, and a lot of Russians according to polls see corruption as, you know, they see these government ministers with villas and expensive cars, and

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yachts, and they think, that don't match their salaries, and they're like, well, that's sucks, but if I were there, if I were in this spot, I would do the exact same thing. It's not as, you know, these things aren't as explosive in Russia as they would be in the west, but still Navalny is trying to kind of hammer the state this theme home that every time that one of these guys has a fancy yacht, that's money not going to your kids school, or to your grandma's hospital, or the road you drive on to work, every day, or it's coming out of your pension, or it's coming out of your paycheck. It's making your food more expensive.

He's running this kind of quasi populist campaign, and he knows he's not going to, I mean, it's basically already been decided in the Kremlin that he's not going to be on the ballot in 2018, but and I think Navalny knows that, but that's not what he's playing for. He's playing for name recognition, and to show the Kremlin that they have to deal with him in a more serious way, because when he calls for a protest, hundreds of thousands of people come out across the country, so he's finding other ways of flexing his political powers. He's definitely somebody to watch, but he's not going to be president in 2018, unless something really crazy happens.

Matt Peterson: All right. Well, if something really crazy happens, we'll call you up again.

Julia Ioffe: Now, that will definitely not happen. Right? Given how this new circle has been in the last year.

Matt Peterson: Right. Exactly. All right. Well, let's leave it there. Thanks everybody for joining us. Next week, we're going to be talking to David Frum, so please do come back on next Monday. Julia Ioffe, thank you very much.

Julia Ioffe: Thanks for having me. Thanks for calling in everybody.

Matt Peterson: All right. Take care everyone. All right.