PROLOGUE ***

n December 31, 1999, Yeltsin's Russia became Putin's Russia. Boris Yeltsin—a political maverick who until the end tried to play the mutually exclusive roles of democrat and tsar, who made revolutionary frenzy and turmoil his way of survival—unexpectedly left the Kremlin and handed over power, like a New Year's gift, to Vladimir Putin, an unknown former intelligence officer who had hardly ever dreamed of becoming a Russian leader.

Yeltsin—tired and sick, disoriented and having lost his stamina—apparently understood that he could no longer keep power in his fist. It was a painful and dramatic decision for a politician for whom nonstop struggle for power and domination was the substance of life and his main ambition. His failing health and numerous heart attacks, however, were not the main reasons behind his unexpected resignation.

The moment came when Yeltsin could not control the situation much longer and—more important—he did not know how to deal with the new challenges Russia was facing. He had been accustomed to making breakthroughs, to defeating his enemies, to overcoming obstacles. He was not prepared for state building, for the effort of everyday governance, for consensus making, for knitting a new national unity. By nature he was a terminator, not a transformational leader. It was time for him to graciously bow out and hand over power to his successor. And Russia had to live through a time of real suspense while the Kremlin was preparing the transfer of power.

The new Russian leader Vladimir Putin has become a symbol of a staggering mix of continuity and change. For part of Russia, he symbol-

ized a link with Yeltsin's past; for another part, he was a sharp break from it. The new Kremlin boss has been shrewd enough to let people think what they want and to see what they long for.

Outwardly, with Putin's ascendancy to power, the style of Russian leadership has changed dramatically. He is unusually young for a Russian leader, a 48-year-old dynamic yet ascetic-looking man, such a contrast to the pathetic Old Boris at the end of his rule. Putin not only has succeeded in taming Russian elites and arrogant tycoons but also has maintained an amazing 70 percent approval rating for several years.

Putin does not even try to play monarch. He wants to be accepted as a pragmatic manager. He has succeeded—at least outwardly—in achieving order and stability. He has begun a pro-Western revolution in foreign policy. He has pushed forward economic reforms that had stalled under Yeltsin. Yet at the same time, he has demonstrated a deep distrust of the major democratic institutions and an open desire to keep tight control over society. Unlike Yeltsin, who knew how to survive in an atmosphere of spontaneity and acquiescence, the new Russian leader prefers subordination and loyalty.

Not only its leader and leadership pattern but Russia itself has suddenly changed, as if someone had closed one chapter and started another. The country—only recently torn between extremes, anticipating an apocalyptic scenario, in a desperate search for its new self—has drifted into a lull, dominated by longing for calm private life, by disgust for any great ideas, and by fear of new shake-ups. President Putin has become an embodiment of this longing for stability and tranquility. He would have never ascended to the top if the country had wanted to continue its revolution.

But in Russia the appearance of calm is always deceptive. Too many questions still remain unanswered: How sustainable is Russian stability? Is it based on readiness to pursue further transformation or on the desire to make peace among all political forces? What is the true nature of Putin's leadership, and how far will he be able to go with a new round of reform? How can he combine his authoritarian ways with economic liberalism and pro-Western policy?

Putin's epoch is not over, and both the president and Russia may baffle us with their answers to these questions. Putin's Russia is still an unfinished story.

This book shows how Russia under Vladimir Putin has tried to define its new identity internationally and domestically, moving forward and backward from optimism and hope to anguish and resentment. It is a book on transitional ambiguity. On the one hand, this ambiguity helps to preserve continuity with Yeltsin and the pre-Yeltsin past and acts as a soothing drug for those who want to live in the past—and thus it has become the major stabilizing factor. On the other hand, it prevents Russia from making a more vigorous transformation, with its inevitable new tensions. Every country in transition has been facing its own dilemma between stability and breakthrough. For Russia, this dilemma is complicated by the fact that a radical transformation might trigger developments that Moscow would not be able to control.

This is also a book about the paradoxes of transition. It is intellectually intriguing but politically alarming to watch the holdovers from the past in action—the Communists are fighting for parliamentary democracy, and the liberals are defending authoritarianism and personified rule. It's perplexing to see how former KGB colonel Putin has led Russia's pro-Western shift. And the list of puzzles is not complete. Here is one more paradox: Ordinary Russians are much readier to modernize than are Russian elites, who are dragging their feet, being totally unable to rule democratically.

This is also a book on leadership, which continues to be Russia's major political institution—in fact its only one. Since 2000, leadership has enabled Russia to reenergize itself. Yet the fact that leadership is the only institution makes it the major stumbling block, the key obstacle preventing Russia from becoming a modern state and liberal democracy.

This is not a book for those who are looking for quick and definite answers. It is for those who are ready to look behind the evident, who want to understand the reasons for vacillations, who can imagine how difficult it is to fight depression and dismay, especially when the political class is not up to the dramatic tasks at hand.

This is not simply a book on a country and its leader. It is a story of constant overcoming, of challenges and opportunities, of the ability to learn by losing and making blunders. If I succeed in provoking your interest in trying to solve Russian puzzles, my mission will be fulfilled.