

[Transcript] The Intelligence from The Economist / The Intelligence: Navalny's peril deepens

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The Economist

Hello and welcome to The Intelligence from The Economist.

I'm your host, Jason Palmer.

A quick announcement before we get started with today's episode.

Economist Podcasts Plus, our new subscriber service, is here.

I know, I haven't been able to sleep either.

Whether you're one of the thousands to have signed up to Economist Podcasts Plus in the past few weeks, or you're a longtime Economist print or digital subscriber, you'll need to link your podcast app to either subscription so you can listen to everything we have on offer.

We'll have more details on how to set up your account later in the show.

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Now, on with the show.

The conflict in Gaza is only going to magnify a disparity that was already enormous.

The wealth gap between Israelis and Palestinians.

We look into how the territory's economies are organized or otherwise, and how it all ended up being so uneven.

And we've been telling you about all the great shows we've been preparing behind the scenes that you'll now only be able to hear with a subscription to Economist Podcasts Plus.

Today we meet the host of Boss Class, our new series on being a better manager.

First up though.

While the war in Ukraine rages on, Russia's President Vladimir Putin has continued to consolidate power at home.

Dissidence is met with brutality, and the Kremlin's critics have been locked up en masse.

Russia's most prominent opposition leader, Alexei Navalny, was locked up long before the war started.

He's now been behind bars for more than a thousand days.

And last month, a judge in Moscow rejected yet another appeal against yet another sentence on trumped-up charges.

Outside the courthouse, his lawyers lamented the decision.

But now they face their own legal challenges.

Several have been jailed, while others have fled the country.

And that leaves Mr. Navalny in ever greater danger.

On Monday, Alexei Navalny was supposed to appear in a court hearing.

Navalny did not appear, and that was worrying in itself.

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And then very shortly after that, we learned that force has been used on Navalny inside his cell.

Arkady Ostrovsky is our Russia and Eastern Europe editor.

Navalny had pen and paper taken from him.

The only means of writing and passing on messages.

He refused to leave his cell immediately, according to his team, helmeted guards walked into his cell, and they dragged him to the prosecutor's office, presumably within prison.

And this is the latest attempt by Vladimir Putin to silence Alexei Navalny and to stop him communicating with the outside world.

And we've talked about Mr. Navalny and his treatment a lot on the show in the past, but you say just the latest example.

What's been going on since last we spoke?

So as we've described many times, Navalny has been held in terrible conditions.

He is given no meetings with his family.

He's refused telephone calls.

He doesn't get medical treatment when he needs it, and he's effectively being starved.

So incredibly harsh conditions.

And on top of all that, in August, Navalny was sentenced to another 19 years in jail.

That's on top of 11 years he's already got.

And the latest one is for extremism.

That is basically opposition to Vladimir Putin.

So Navalny now faces 30 years in jail, all in total.

And the immediate worry is what's going to happen to him in the short term.

Because in September, Navalny was told that he would be transferred to a special prison for a year, the harshest condition possible, where he would basically be cut off from communications from the outside world.

And Navalny, as ever, took this with extraordinary stoicism.

He said, he felt like a tired rock star on the verge of depression.

I've reached the top of the charts, and there was nothing more to strive for, he joked.

But jokes apart, Navalny is about to be transferred to a different jail.

That period of transfer is particularly dangerous for any Russian prisoner, particularly, for Navalny, because that's when prisoners lose communication with their lawyers.

That's when they can't write.

So literally for several weeks, Navalny will disappear into this complete black hole and nobody will know where he is, what condition he is in, or whether he's actually alive.

But from the sound of things, he doesn't have much contact with his lawyers at this point already.

How did that end up being the case?

So just as all this worrying news came through, there was another escalation on the part of the Kremlin.

It arrested three of Navalny's main lawyers, Vadim Kovtsev, Alexei Liptsar, and Igor Sergunin. His other two lawyers managed to flee Russia before the police got to them.

And so Navalny was literally left with absolutely no one, in fact, stepping in and defending

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Navalny is basically a risk to your freedom.

Despite that, two extraordinary brave lawyers have stepped in and said they will defend Navalny.

They were immediately denied access to him for technical reasons, as the court put it.

So we're not sure how much communication Navalny has with anyone at the moment, but this is obviously very worrying for him, for his family, and for anybody who believes there is an alternative to Vladimir Putin.

So we've talked so many times on the show before about the degree to which Vladimir Putin doesn't like what he has to say.

Why is everything getting so serious so fast right now?

Well, I think there are a couple of reasons, Jason.

The main one is that surprising as this may sound, the Kremlin is in the sort of pre-election mode.

Russia will have presidential elections as scheduled in March 2024.

Vladimir Putin obviously is the only one who is standing.

Not much of a choice there, but this is all in the middle of the war, and Putin does need this election to show complete unity and complete support of the public.

It has to be a show, a display, a pageant, if you like, of Putin being in control.

Having Navalny continually deliver his message, having Navalny stirring politics in Russia even from jail, almost treating it as a nuisance rather than martyrdom, continuing to exert influence over Russian politics, is obviously a hindrance to that.

Why this pageant is so important, well, that's because Putin relies on this idea of supermajority in Russian public opinion in the middle of the war.

In fact, yes, people comply with this war.

The war is not a popular thing, and the elites are looking at the public opinion for reassertion that Putin is still popular and is still in charge.

You say that the war is not very popular.

Is there any kind of galvanizing that all of this will do to the sorts of people who would like to stand up to the regime?

No, it won't do any galvanizing.

People will not come out in the streets in a regime where you know that the government will use firearms against its people without any hesitation.

I guess what is important is that Navalny is still a consolidating figure for a very large group of people.

We know from opinion polls that 18 to 20% of the country says they're against the war, even though any opposition to the war is effectively a criminal offense.

Navalny is very important in keeping those 20% consolidated.

This will not change things in the immediate term, but having that political constituency, having that group of people consolidated is extremely important when it comes to some form of transition of power, because either this people will be represented at the round table or they won't.

And so keeping that electorate, if you like, together is extremely important.

But there was at least a sort of pantomime of justice going on with court appearances

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and so on.

This now looks for Mr. Navalny, like there are no rights left and no one cares that he doesn't have them.

That's right and obviously the purpose here is to cut him off from any communications to the outside world, but it's broader than that.

This is an attack on defense lawyers.

This is basically putting legal defense outside law, because this will affect not just Navalny, this will affect hundreds of political prisoners in Russia.

It's another spiral of repression and it's another deterioration of Russia as a state.

The Kremlin has been attacking its political opponents for years, but to go after the lawyers, this is something relatively new for Russia.

Now people say that Russia usually is about a year and a half, two years in a political cycle behind Belarus, a really Stalinist dictatorship run by Alexander Lukashenko.

And in Belarus, a lot of lawyers have gone to jail.

People who effectively have lost right to their legal representation.

And I think Russia is very fast moving in that direction.

This is a very sad, if also predictable progression towards a more totalitarian system.

Arkady, thanks very much for joining us.

Thank you for having me, Jason.

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Israel's bombing of Gaza is still intensifying, and the thousands of deaths and injuries so far only represent one facet of the threat.

Those who have survived and remained face a growing humanitarian crisis.

Over the weekend, the first aid trucks carrying food and water since the start of the campaign entered Gaza from the Strip's southern border with Egypt.

But key supplies have been missing, in particular fuel.

If nothing changes, Gaza's already overwhelmed hospitals will run out of power if they haven't already, and the aid trucks themselves won't be able to run.

Gaza's dependence on aid is far from new.

The stranglehold over what to let in and what to keep out forms part of a wider economic war that Israel has long been waging.

Even before the current conflict, the Palestinian territories have been very, very poor for a number of years.

Kerry and Richmond Jones is the economist's international economics correspondent.

They've kind of been in a prolonged economic crisis.

The average Israeli was 15 times richer than the average Palestinian in October.

Most of this comes back to restrictions that are put in place by countries that border

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Gaza and the West Bank.

We've seen how damaging that can be in the last few days with the blockade on aid from Israel and Egypt.

But Gaza's neighbors have stopped all but the most basic supplies going through for much longer than that.

That made it hard for Palestine's economy to function in the best of times.

And now it makes catastrophe much harder to avoid.

Before we get to the effects of the conflict that's going on now, how did that economic disparity come about in the first place?

How did Gaza and the West Bank get to be so poor?

The economic arrangement that governs Israel, the West Bank and Gaza, goes back to 1994, something called the Paris Protocol.

It was a deal that was broken by the UN.

And the idea was that Israel and Palestine, that means Gaza and the West Bank together, would share a single market with a single currency, the Israeli Shekel.

Palestine had a lot of labor and not much capital.

There wasn't much investment going into either Gaza or the West Bank.

And Israel kind of had the opposite problem.

It needed workers, but it had pots of capital that weren't making investors that much.

The idea at Paris was to get Palestinian workers into Israel and Israeli capital into Palestine by taking away all the trade barriers and all the restrictions.

The problem was that only one side of that deal came through.

How do you mean?

Israel allowed Palestinians to work in Israel more than a quarter of the West Bank's labor force currently works either in Israel or its settlements in the West Bank.

But not that much Israeli capital ended up back in the West Bank or Gaza.

The government didn't invest, businesses didn't invest, and instead, those restrictions that we talked about on imports, exports, fuel stayed in place.

Lots of these from Israel.

But the West Bank also has a border with Jordan and Gaza with Egypt.

Israel controls the West Bank's budget.

Most old buildings are dilapidated and there's almost no new construction because of strict planning policies put in place by Tel Aviv.

Palestinians' neighbors also control its power.

In Gaza, growth is pretty much impossible, right, because it barely gets any electricity.

Before the war, Gaza got about four hours of electricity a day or a third of what the strips residents demanded.

That all combines to make it very, very difficult for Palestine's economy to function at any point in the last 20 years.

And I mean that not just in terms of growth or doing well or investment, but basically making things and providing services to Palestinians.

And worse, the movement of Palestinians not working in Israel has continued to be restricted.

That's bad, but the situation in Gaza is actually even worse.

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Why is that?

What's different about Gaza?

By 2007, Hamas, a militant group, had taken total control of the Gaza Strip.

That meant that Israel put an almost total blockade that it hasn't lifted to this day on the 25-mile-long enclave.

On a day-to-day basis, there aren't actually Israeli soldiers or civil servants in Gaza, and Israel stopped most things from getting in because it still controls the borders.

Egypt also has some restrictions in place.

That means that the economy has actually shrunk by 2.5% on average each year since 2007.

There have also been more than three wars since that Hamas takeover.

Each one cost Gaza the equivalent of at least a year of GDP.

So the structural issues seem clear here, but what does that look like on the ground?

What do actual people on the ground do for making the money that can be made?

So unemployment is really high in the Gaza Strip.

A few people managed to make money in some areas.

The construction industry, for instance, grew by 20% last year.

It turns out that one of the only ways to get rich in Gaza is by rebuilding what war has destroyed continually over 20 years.

But everyone else relies on handouts.

Some money comes into Gaza from the West Bank.

There are about 70,000 Gazans who are on the Palestinian Authority's payroll.

That's the organization that runs the West Bank and did run Gaza until it got kicked out by Hamas in 2007.

The West Bank also pays Gaza's electricity bills.

Then there are also international donors.

Qatar gives cash to Palestinian families directly.

This probably adds up to about \$10 million a month.

They also give \$20 million more directly to the Hamas government.

The UN and charities provide things like schooling and basic healthcare.

So in the Gaza Strip, at least Hamas has to function like a regular government with regular government accounts, I guess.

Exactly in terms of its finances.

The Hamas run administration actually employs about 50,000 people.

That's up from 20,000 before it took control in the early 2000s.

And it finances this spending through hefty taxes, hefty and quite comprehensive really in terms of a tax regime.

It taxes imports that come in from Egypt, everything from fuel to cigarettes.

It taxes local fishermen when they fish off Gaza's coast and it even taxes some bits of income.

It taxes baby food from the West Bank, for instance.

All together, that brings in about 1.5 billion shekels a year.

That's the equivalent of roughly \$360 or \$70 million.

And that is more than Hamas actually gets from Iran.

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America's best guess for what Iran gives all the Islamist militant groups inside Palestine together is \$100 million annually.

And it may well be more than what it gets from charities and individuals across the world, which is Hamas's other big source of finance.

But Israel is permanently worried that anything that it lets into Gaza will somehow wind its way to Hamas.

Right now, as it's preparing to put troops on the ground, that worry is an absolute overdrive.

And what do you make of that concern, that what is ultimately government money should become ultimately army money?

It's really tricky to tell.

Both sides have vested interests in making it look as though either no aid money goes to Hamas or lots of aid money goes to Hamas, but other governments such as Australia and the UK have repeatedly looked into whether international aid charities somehow allow their funds to be siphoned by Hamas.

And they've found that the links are very, very rare and weak and few in Gaza actually believe that Hamas tax is aid, though there's no way around the fact that for years it did tax import.

And thinking in terms of military strategy, I think it comes down to Israel just really not wanting to risk anything right now.

Over the weekend, Israel began letting a few aid trucks into Gaza, but this didn't include fuel, which is absolutely critical for hospital generators.

And there aren't enough trucks to keep up with destruction inside the strip.

Without fuel, the humanitarian crisis will only get worse.

Hospitals are days away from shutting down.

I've been reporting on this for two weeks now, and over that time, I've lost contact with each of my contacts inside Gaza kind of one by one over the days as their power ran out or possibly something different happened to them.

It is a waiting game inside the strip, and Gazans are the ones running out of time.

Kerry, and thanks very much for your time.

Thanks you so much for having me.

Steps Before Saturday, when we'll publish our first episode of the weekend edition of The Intelligence.

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So the poetry is about character.

It's about inspiring people.

It's about showing energy and enthusiasm and making people want to work for you.

But the plumbing, which often gets missed, is the process and the system.

So the things that make companies work efficiently, both those things together, make for a good boss.

Andrew, what is boss class about?

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Boss class is an attempt to capture some of the secrets of being a better manager.

Lots of people manage other people.

Almost everyone has a boss of their own, but there isn't a lot of practical advice on how to do it well, and that's a gap that we're hoping to fill.

I remember a time when you were actually my boss, and I'm not just buttering you up to say I thought you did a pretty good job of it.

Did you spot anything along the way that you think you had been doing wrong down the years or things you wouldn't do again?

Thank you, Jason.

Fantastic minion.

I mean, I think basically I've been doing tons and tons of things wrong, and I have people who currently report to me who would doubtless agree with that wholeheartedly. So spending time with people, communicating more clearly, all the kind of things that you know you should do as a manager, clear feedback, including uncomfortable feedback, all that stuff that you know you really ought to do and do well, the importance of that came through, and it was something of a reminder to self as well as being hopefully useful to listeners.

Do you have any late arriving uncomfortable feedback from me?

Maybe we should do that off there.

So what can listeners expect from the show?

Seven episodes, almost all of them based around sort of common situations or problems that managers face.

So we're going to start off with a springboard into what leadership looks like, but then quickly into more practical problems.

So how to run a hybrid office well.

One of the episodes, one of my favorites is about how to run a meeting.

So meetings occupy an enormous amount of time within workplaces, much of it redundant and infuriating.

Towards the back end of the series, we look at very practically how to run a good meeting, and that starts with the question of, you know, should you have one at all?

But then we move on to how to run a meeting if one is held effectively and productively, and we do that by looking both at an example of a meeting that went pretty badly.

We also in this episode lift a little bit on our own processes.

So there is tape of our own editorial meeting at the Economist and people will have to judge for themselves whether it is well run or not.

In December 2020, the Parish Council of Handforth, a small town in Northwest England, held a virtual meeting during lockdown.

It quickly descended into such chaos and vitriol that the video went viral.

I'm often the queen of stating the obvious, which is the fact that a good meeting takes work.

If Handforth is an example of a car crash meeting, Claire Hughes-Johnson has plenty of sound advice on how to make them motor.

People think, oh, I'm just going to call a meeting, and that is it.

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And I got news for you, friend.

Calling a meeting and having no plan for it, that's why meetings have a bad name.

People show up in a room and they're like, okay, what?

And then they start talking.

And then they fill the time, and then everyone leaves and says, well, that was really unsatisfying.

I wanted the former stripe executive to give us a potted version of her own viral talk.

So here it is, the rules and roles of an effective meeting.

First up, what's the meeting for?

Is this to make a decision?

Is this to share information and align on something?

What is the agenda of what we are going to look at?

And has it been prepared?

Is there data?

Like, think ahead.

What do we need to do that objective?

Who do we need in the room?

That's another huge mistake.

All of a sudden, a meeting's like a clown car.

We're like 30 people are piled into a room because it feels important or they feel like

I won't know what's going on if I'm not in the room.

Are you kicking people out of meetings?

I wish I did it more actually.

I've seen some leaders do something smart, which is establish at the start of a meeting.

This is why we're meeting.

And unless you are critical to this objective, please take this time and get some work done.

We will share what happened because that's the other thing, people are just doing it because they're paranoid.

They're not going to know information.

There's another thing you need to be clear about.

To disrupt this meeting, I will have to remove you from it.

You can't.

Who's in charge?

It's only the chairman who can remove people from a meeting.

You have no authority here, Jackie Weaver.

No authority at all.

This is a meeting called by two councillors.

Illegally.

They now elect a chairman.

Well, they can't because the vice chair's here.

I take charge.

Clarity especially matters if you're using the meeting to make a decision.

I think the most important thing is to notice you're making a decision.

I advocate that you really also be explicit about who's the decision maker and how are

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they going to make the decision?

Is this a democratic decision?

I'm the decision maker, but I'm going to let you all vote.

Like what is this autocratic?

Like am I just listening to you?

Like tell people that because they're going to behave differently in the meeting.

The next thing is to make sure everyone has done the pre-reading.

But you've got to establish that up front or it's really, then your meeting's going to be terrible because you have asymmetrical information, which is like the worst.

I hate that.

Read the stumbling orders.

Read them and understand them.

Steal me.

I'm calling the hands, yeah.

Now Andrew, my bosses now insist that I ask you how it is that people can listen to Boss Class.

The first two episodes are out and they're free for everyone to listen to wherever they're listening to the intelligence now.

If you want to listen to the whole series, you have to either be a subscriber to the Economist or subscribe to our new podcast service, which is called Economist Podcasts Plus, and just Googling Economist Podcasts will take you to the appropriate place.

Andrew, thanks for joining me for this meeting that definitely could not have been an email.

Thank you, Jason.

Adarsh, before we go, can I ask for some feedback?

How was I as a boss?

We better take that offline.

That's all for this episode of The Intelligence.

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We'll see you back here tomorrow.

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