

Russia and Global Geo-economics in a Troubled World

by

Vassilios Damiras, Ph.D. (ABD)

GEOSTRATEGIC FORECASTING CORPORATION - GSFC

CEO

The post-communist Russia lost an opportunity to create and experience a strong liberal transformation. A number of circumstances inhibited Russia's change to an open and democratic socio-political system: traditions, culture, history, an anti-Western ethno-nationalism, the necessity to accomplish four crucial revolutions (create a new and modern state, promote a free market economy, democratize the new Russian regime, and abandoned old imperial identity). Also, the traditional matrix of militarism still exists. After the disintegration of the Soviet Union, Moscow dropped the doctrine of total military confrontation with the West and mainly with the United States, however kept various ideas and tenets of militarism regarding the West. Still the Russia as before tries to find a foreign enemy to confront. For Kremlin globalization is that new enemy, which represents force Americanization and Westernization. The current Russian system has no a clear direction combine with ambiguous principles, hence the Russian socio-political elite plays the game "Let's pretend."

Thus, the transition moved very slowly and did not achieve to introduce and sustain a democratic Russian nation-state. The Yeltsin, Putin, Medvedev, and again Putin administrations followed and continue to execute Peter the Great and Joseph Stalin economic policies of modernization and industrialization without introducing competition. Currently, Putin's returned to power as President of Russia, indicates that Russia will follow the same path as before. The Russian system will continue to be based on three crucial and fundamental principles emanating from the past: personalized power, a merger between government and property, and the atavism of great power mentality (*derezhavnichestvo*) with its various "spheres of influence" in the Russian socio-political system.

Moscow's foreign, defense, and geo-economic policies have developed and evolved in five phases depicting the socio-political evolution in the transition and consolidation of the political apparatus in the post-Soviet Russia. During the first phase (1991-1993), when the Yeltsin government had abandoned its amorphous democratic goals, President Boris Yeltsin directed Russia to a new course of political integration with the West. Mainly, he established a new era of Russian-U.S. relations. The policy was too vague. Also, the Russian socio-political elite tried to integrate Russia into the West on its own political and economic terms.

In a second phase (1993-1999), Kremlin was established a dialogue with the West, simultaneously, the Russian elite returned to its usual and traditional feelings of suspicion regarding the West and especially the United States. Therefore, the Yeltsin team did not like the enlargement of the North Atlantic Treaty Organization (NATO) specifically focusing to include Ukraine, and NATO operations in Bosnia and Kosovo. Despite the diplomatic and military participation in NATO's Partnership for Peace and the Russian participation in the Kosovo peacekeeping operation, still Russian view NATO with suspicion. The financial crisis of 1999 also undermined the dialogue with the West. Yeltsin's personal political reputation in both domestic and international arenas was seriously discredited and damaged. Russians talked of *dermokratsiya* [shitocracy] and *prikhvatisatsiya* [piratization]. Yeltsin oligarchic politico-economic system had failed to provide a stable capitalist system for Russian people. Also, President Yeltsin had totally destroyed the ideas of *demokratiya* [democracy] and *privatisatsiya* [privatization]. His administration could not pay on time salaries and pensions. Poor people became poorer and the oligarchs became richer.

In a third phase (2000-2004), the Putin administration introduced a new round of talks with the West based on Realpolitik, believing and hoping to become an equal member of the Western club while at the same time sustaining the monopolistic power in Russia and promoting old imperialist aspirations based on strong geo-economic emphasis. Putin vehemently opposed the consolidation of the American National Missile Defense in Poland and Czech Republic, the continuation of NATO enlargement potential including Ukraine and Georgia. In addition, the Putin administration did not like American military presence after 9/11 to former Soviet Republics such as Kazakhstan, Uzbekistan, Kyrgyzstan, and Turkmenistan in order to execute military operations over Afghanistan and train their local armed forces to symmetrical and asymmetrical warfare. Finally, the Russian socio-political elite did not like American presence in Azerbaijan regarding the building of various gas and oil pipes. Putin viewed and argued that United States stepping to traditional Russian territories.

In a fourth phase (2004-2008), the Orange revolution in Ukraine was a catalyst for Kremlin's aggressive behavior towards the West and especially the United States. It is doubtful if President Putin believed that the West instigated and executed the Orange Revolution, however, he argued that the West orchestrated the revolution in Ukraine, thus galvanizing anti-Western feeling in Russia. This policy made Russians to believe that "Russia had risen from its knees," ready to face the West and American imperialism. President Dmitry Medvedev continued Putin's policy regarding the relations with the West and United States. In 2008, the Russian invasion in Georgia, created new diplomatic tensions between the American government and the Russian administration. NATO perceived Russia as a clear and present danger for global stability.

In a fifth phase (2009 to present), the Medvedev administration, which was perceived to be a "chair-warmer" for Vladimir Putin's new presidential administration and currently the Putin administration continued to see with suspicion the West and mainly the United States. Medvedev promoted a "reset" button regarding Russian-U.S. and Russian-EU diplomatic and economic

relations. However, various Western and American diplomats and statesmen perceive that the various Russian administrations and especially Putin wants to recreate the Cold War for the purpose to reintroduce the old prestige to Russian foreign policy. Currently, Russia has strengthened this policy, because she perceives American President Barack Obama as weak and indecisive. Furthermore, Western statesmen argue that Kremlin wants to use the development of gas pipelines, which will connect Russia and Europe, as a blackmail tool towards the West. Also, the Russian Defense Doctrine of 2010 established new suspicions to the West regarding Russian intentions.

It is doubtful that Russia will develop a strong democratic and free market socio-political system. President Putin will continue to play Cold War games and authorize the Russian air force to flight the old nuclear strategic bombers close to American airspace creating a new Cold War era. In domestic matters Putin will continue to consolidate his bureaucratic authoritarian political system and persecute freedom of speech and democratic values. Kremlin wants to establish a loyal socio-political and economic elite/oligarchy. Moscow, believes having a strong elite can promote its imperialist geo-economic policies. Finally, the Putin administration does not perceive genuine multilateral diplomacy benefits Russia. Its administration main political belief and approach is to identify and exploit bilateral weaknesses. Currently, Kremlin's political and economic modernization process strongly indicates that the ruling elite does not want to adopt de-hermetization (liberalization) policies. Hence, Russia will continue to execute policies based on her historic past.