

RUSSIA'S PRAGMATIC REIMPERIALIZATION

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Abstract

The Russian authorities are engaged in a policy of “pragmatic reimperialization” in seeking to restore Moscow’s regional dominance, undermining U.S. global influence, dividing the NATO alliance, neutralizing the European Union (EU), limiting further NATO and EU enlargement, and re-establishing zones of “privileged interest” in the former Soviet bloc, where pliant governments are targeted through economic, political, and security instruments. Russia’s strategies are pragmatic and opportunistic by avoiding ideology and political partisanship and focusing instead on an assortment of threats, pressures, inducements, and incentives. Despite its expansive ambitions, the Russian Federation is – potentially – a failing state, and may be resorting to increasingly desperate imperial reactions to intractable internal problems that could presage the country’s territorial disintegration.

Keywords: *Russia, Imperialism, NATO, United States, European Union*

Introduction

While it is understandable in the current global turmoil that policymakers and analysts in both Europe and North America wish to see Russia transformed from a strategic adversary into a strategic partner, it is important to base such an approach on a realistic appraisal of Moscow’s geopolitical objectives. Strategic partners not only share particular policies, but they are also bound by common interests and joint goals. While Russia can be a partner with the trans-Atlantic alliance in dealing with specific threats such as nuclear proliferation, climate change, or counter-terrorism, the current government in Moscow does not share the long-term strategic targets of either NATO or the EU.

Despite periodic trans-Atlantic disagreements, NATO and EU partners are committed to respecting the decision of sovereign states to accede to the multinational institutions of their choice. They also favor the expansion of democratic systems and legitimate governments that combine stability with respect for human and civil rights and that do not threaten the sovereignty of neighbors. The same foreign policy principles do not apply for the Russian authorities. Contrary to Western interests, the Kremlin’s goals and strategies revolve around a form of “pragmatic reimperialization” in which zero-sum calculations prevail. Russia’s administration seeks to be a global player, but in order to

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achieve this goal it remains intent on rolling back American influence, neutralizing the EU by focusing on bilateral ties with selected states, re-establishing zones of “privileged influence” around its long borders, and curtailing the expansion of Western institutions, particularly the NATO alliance.

Russia’s neo-imperial project no longer relies on Soviet-era instruments, such as ideological allegiance, military force, or the installation of proxy governments. Instead, the primary goal is to exert a predominant influence over the foreign and security policies of disparate states that will either remain neutral or support Russia’s reimperialization. Moscow has not embarked on a new bipolar Cold War, but pursues alliances with an assortment of states to undercut U.S. and NATO interests.

While its goals are imperial, the Kremlin’s strategies are pragmatic. It employs elastic and eclectic methods involving a mixture of enticements, threats, incentives, and pressures where Russia’s national interests are seen as predominating over those of its neighbors and individual European capitals. The Russian administration aims to discredit Western institutional enlargement, postures as the defender of the international legal order, seeks to neutralize democracy promoting institutions such as the Organization for Security and Co-operation in Europe (OSCE), pursues dependency relations with neighboring governments, manufactures security disputes with NATO to gain advantages in other arenas, and promotes its diplomatic indispensability in resolving conflicts that it has contributed to creating.

Russia’s brewing domestic problems, precipitated by the global financial crisis and deepened by the drop in crude oil and natural gas prices, have not aborted its expansionist ambitions. On the contrary, Moscow uses the opportunities presented by the economic turmoil among its weaker neighbors to further impose its interests. It may seek to deflect attention from mounting social and regional disquiet inside the Russian Federation to cultivate the sense of besiegement by pressuring various neighbors in Eastern Europe, the Caucasus, and Central Asia to abide by its foreign and security decisions. It is therefore important for the NATO allies to work more closely with a range of countries along Russia’s borders – from Ukraine to Kazakhstan – to ensure their independence and stability during a time of uncertainty and economic crisis.

While President Barack Obama has symbolically pushed the “reset” button in relations with Moscow, some of Russia’s neighbors fear that instead of a “soft reset,” in which avenues of cooperation are pursued where there are genuine common interests, Washington may push a “hard reset” in which Russia’s imperial impulses are overlooked or accommodated. Indeed, the Putin-Medvedev tandem views reset buttons as the U.S.’s obligations to make compromises and as opportunities to expand and consolidate Russia’s influences. Moscow will therefore drive hard bargains to gain far-reaching advantages from Washington.

Expansive National Interests

Russia's leaders believe that the world should be organized around a new global version of the 19th century "Concert of Europe" in which the great powers balance their interests, and smaller countries orbit around them as satellites and dependencies. From their point of view, in addition to having enduring interests, Russia also has enduring adversaries, particularly NATO and the U.S., in a competition to win over satellite states. For the Kremlin leadership there are only a handful of truly independent nations which must act as "poles of power" in a multipolar world order. Unipolarism, where the U.S. dominates world politics, must be replaced in order to establish checks and balances between the most important power centers. According to President Medvedev, the "continuing crisis of Euro-Atlantic policy is brought about by the "unipolar syndrome."¹

Russia's regime does not favor working within multilateral institutions where its sovereignty and decision-making may be constrained, aside from privileged clubs such as G8 or the UN Security Council (UNSC).² Hence, Moscow prefers multipolarity to multilateralism, where its power is enhanced rather than its involvement in cumbersome bodies where its power is diminished by the presence of several smaller countries. Russia is also more interested in regional organizations than global bodies, especially where it can play a leading role within them or act as a counterweight to Western leadership. Russia also favors participation in inter-institutional frameworks, in which it can assume an equal position to that of the EU, the U.S., or NATO, such as within the "Quartet" which deals with the Middle East peace process.

Despite initial expectations that a prosperous Russia will evolve into a democracy with a more benign foreign policy, the exact opposite occurred. With Putin as president from 1999 and the subsequent decade-long oil bonanza, Russia became more authoritarian in its domestic politics and increasingly imperialistic toward its neighbors. This trend has been largely supported by the Russian public, as the state media inculcated the myth that during the 1990s, Russia was in a chaotic state of affairs precipitated by international meddling, and that a strong centralized state was the most effective alternative.

Western analysts often assume that Russia is acting in accordance with its national interests rather than its state ambitions. It is useful to distinguish between the two rather than simply accepting official Russian assertions at face value. For instance, is it in Russia's legitimate interest to prevent the accession of neighboring states into NATO or to oppose the positioning of NATO infrastructure among new Alliance members? Accepting such positions would indicate that NATO is a threat to Russia's security and

¹ President Dmitry Medvedev's Speech at the World Policy Conference, Evian, France, October 8, 2008, <http://natomission.ru/en/society/article/society/artnews/21/>

² Charles Grant, "Can Russia Contribute to Global Governance?" *Insight*, Centre for European Reform (CER), June 17, 2009, <http://centreforeuropeanreform.blogspot.com/2009/06/can-russia-contribute-to-global.html>

territorial integrity rather than being primarily a pretext used by Moscow to deny the sovereignty of neighboring countries.³

Russia's ambitions are to fundamentally alter the existing European security structure, to marginalize or sideline NATO, and to diminish the U.S. role in European security. In all these areas, Russia's national interests fundamentally diverge from those of the U.S.; or, more precisely, the Russian leadership does not share Western interests or threat perceptions.⁴ To affirm its national interests, the Medvedev administration has released three major policy documents: the Foreign Policy Concept in July 2008, the Foreign and Security Policy Principles in August 2008, and the National Security Strategy in May 2009.⁵

The Foreign Policy Concept claims that Russia is a resurgent great power, exerting substantial influence over international affairs and determined to defend the interests of Russian citizens wherever they reside. According to the Foreign and Security Policy Principles, Moscow follows five key principles: the primacy of international law, multipolarity to replace U.S.-dominated unipolarity, the avoidance of Russian isolationism, the protection of Russians wherever they reside, and Russia's privileged interests in regions adjacent to Russia.

Russia's National Security Strategy, which replaced the previous National Security Concepts, repeats some of the formulations in the other two documents and depicts NATO expansion and its expanded global role as a major threat to Russia's national interests and to international security. The document asserts that Russia seeks to overcome its domestic problems and emerge as an economic powerhouse. Much attention was also devoted to the potential risk of future energy wars over regions such as the Arctic, where Russia would obviously defend its access to hydrocarbon resources. The document also envisages mounting competition over energy sources escalating into armed conflicts near Russia's borders.

Among the customary list of threats to Russia's security, the National Security Strategy includes alleged falsifications of Russian history.⁶ The Kremlin is engaged in an

³ Among policy reports that fail to distinguish between *objective* national interests (state security, territorial integrity) and *subjective* national interests (regional dominance, curtailing sovereignty of neighboring states), see (i) “The Right Direction for U.S. Policy Toward Russia,” A Report from the Commission on U.S. Policy Toward Russia, March 2009, Washington D.C., The Nixon Center; (ii) Steven Pifer, “Reversing the Decline: An Agenda for U.S.-Russian Relations in 2009,” *Policy Paper*, No.10, January 2009, Brookings Institution, Washington, D.C.; and (iii) Anders Aslund and Andrew Kuchins, “Pressing the ‘Reset Button’ on U.S.-Russia Relations,” *Policy Brief*, Number PB09-6, March 2009, Center for Strategic and International Studies and the Peterson Institute for International Economics, Washington D.C.

⁴ David J. Kramer, “The Russia Challenge: Prospects for U.S.-Russian Relations,” *Policy Brief*, June 9, 2009, The German Marshall Fund of the United States, Washington D.C., 2.

⁵ Consult Marcel de Haas, “Medvedev’s Security Policy: A Provisional Assessment,” *Russian Analytical Digest*, No.62, June 18, 2009, www.res.ethz.ch and www.laender-analysen.de, 3.

⁶ On August 28, 2009, Kremlin chief of staff Sergei Naryshkin chaired the first session of the presidential commission “for counteracting attempts to falsify history to the detriment of Russia’s interests.” The commission’s first task was to “correct textbooks.” The Education and Science Ministry started this process

extensive historical revisionist campaign in which it seeks to depict Russia's Tsarist and Soviet empires as benevolent and civilizing missions pursued in neighboring countries. Systematized state-sponsored historical distortions have profound contemporary repercussions. Interpretations of the past are important for legitimizing the current government, which is committed to demonstrating Russia's alleged greatness and re-establishing its privileged interests over former satellites.

Pragmatic Reimperialization

The word “pragmatic” has been loosely applied in describing Russia’s foreign policy by implying partnership, moderation, and cooperation, as well as by counterposing it to an ideologized and expansive imperial policy characteristic of the Cold War. Paradoxically, pragmatic imperialism is a useful way to describe Putinist Russia’s foreign policy, which has been continued under the Medvedev presidency, particularly in the strategies employed to realize specific national ambitions.⁷

The primary goal of Putinism is to restore Russia as a neo-imperial state – if not as a global superpower then as a regional superpower. Moscow’s overarching goal toward the West is to reverse the global predominance of the United States by transforming the current unipolarity into multipolarity in which Russia exerts increasing international leverage. To achieve these long-range objectives, the Kremlin is intent on expanding the “Eurasian space” in which Russia is the dominant political player, and thus the Western, or Euro-Atlantic, zone of security would become increasingly fractured and neutralized. In this strategic struggle, “Eurasianism” for Moscow involves two interconnected approaches: transforming Europe into an appendage of the Russian sphere of influence and debilitating Euro-Atlanticism by undercutting Europe’s connections with the United States.

The two strategic objectives were succinctly highlighted by Russia’s newly installed president Dmitry Medvedev during his visit to Berlin in June 2008 when he proposed the creation of a pan-European security pact that would sideline or absorb NATO and steadily enfeeble U.S. influence. In Medvedev’s words: “Atlanticism as a sole historical principle has already had its day. NATO has failed to give new purpose to its existence.”⁸ Medvedev followed up his initial proposal for a new European security framework during

by approving “The History of Russia from 1945 to 2008 for 11th Graders” whose aim is to “ideologically prepare an entire generation of young people to loyally and complaisantly serve the Russian ruling class.” See Vladimir Ryzhkov, “An Enlightened Way to Distort Soviet History,” *The Moscow Times*, September 1, 2009, <http://www.moscowtimes.ru/opinion/article/381661/>.

⁷ For details on Russia’s policies toward individual states see Janusz Bugajski, *Dismantling the West: Russia’s Atlantic Agenda*, Potomac Books, 2009, and *Expanding Eurasia: Russia’s European Ambitions*, CSIS Press, 2008.

⁸ Dmitry Medvedev’s speech at a meeting with German political, parliamentary and civic leaders, June 5, 2008, Berlin, Germany,

http://www.kremlin.ru/eng/speeches/2008/06/05/2203_type82912type82914type84779_202153.shtml

the World Policy Conference in Evian, France, on October 8, 2008.⁹ In elaborating on the initial plan, he posited the notion of “equal security” in which Russia would maintain a veto on any further NATO enlargement and where no state or international organization would possess “exclusive rights” in providing peace and stability in Europe. In effect, Moscow would be in a position to block any moves by the Central-East European (CEE) countries to enhance their own security and obstruct any changes in NATO’s military infrastructure in Europe.

Moreover, the European states would need to negotiate with Russia on any proposals for missile defense, weapons modernization, or peacekeeping deployments. Meanwhile, the U.S. would be expected to take a back seat in a process intended to weaken transatlantic ties. In sum, under Moscow’s security plan an authoritarian and expansive Russia would become an “equal partner” in determining European security. Some Western analysts initially acquiesced to the Kremlin’s strategic objectives by contending that the West needs to be cognizant and even sympathize with Russia’s “national humiliation” because of the recent loss of its empire.¹⁰ This is tantamount to compensating Russia for its past imperial failures and serves to gloss over or even justify imperialism, colonialism, enforced Russification, and the panoply of Soviet communist crimes as understandable “national interests.” Such an accommodating stance can also act a cover for tolerating the recreation of a new Russian-dominated zone in Eurasia in which anti-Americanism and anti-Westernism play an important political role.

Russia under Putin’s guidance has evolved into an imperial project for two core reasons. First, it has clearly articulated ambitions to restore its global status, primarily in competition with the United States, and to undermine international institutions that hinder these aspirations. Second, Moscow’s drive to dominate its former satellites, curtail the expansion of Western structures, and neutralize Europe as a security player is accomplished through a mixture of threat, subterfuge, disinformation, pressure, and economic incentives. Russia’s national interests are viewed as predominating over those of its smaller neighbors and European partners.

However, Russia’s neo-imperialism no longer relies primarily on traditional instruments such as military might, the implanting of political proxies in subject states, or the control of territory. Instead, Moscow employs an assortment of diplomatic, political, informational, economic, and security tools to encourage the evolution of pliant governments that either remain neutral or actively promote Moscow’s strategic agenda. Nonetheless, military force may also be employed to destabilize a neighboring government and fracture its territory as the invasion of Georgia in August 2008 poignantly illustrated. In contrast with the Cold War, Russia has deployed novel tools for

⁹ A valuable analysis can be found in Marcin Kaczmarski, “The Russian Proposal For a New European Security System,” *CES Commentary*, Issue 11, October 16, 2008, Centre for Eastern Studies, Warsaw, Poland.

¹⁰ For instance, see Thomas Graham, “U.S.-Russia Relations: Facing Reality Pragmatically,” in *Europe, Russia and the United States: Finding a New Balance*, Center for Strategic and International Studies, Washington, D.C., July 2008, 1. One wonders whether the same principle should apply to Germany’s loss of the Third Reich or the dissolution of the British Empire.

subversion, disinformation, and domination. In particular, Moscow's growing monopolization of energy supplies from within Russia and the Caspian Basin to Europe buttresses its power projection. Europe's growing energy dependence and Russia's accumulative purchases of energy infrastructure and other assets in targeted states reinforce the latter's political influence.

The statist and neo-imperialist essence of the Kremlin's policy challenges the West – primarily as an alternative center or fulcrum of independent statehood, international security, and economic development. It specifically confronts the concept of American pre-eminence, or “Atlantic-centrism,” in which the world is allegedly welded to a single-axis controlled from Washington. In building a new “global order,” Moscow strives to renew itself as a major pole of power by recreating its dominant role in a revamped empire, beginning with the post-Soviet space, which has become a euphemism for Russia's “imperial space.”

Russia's internal and external developments are closely interlinked. The Putinist system has interwoven centralism and statism with imperial restoration and great power ambitions. In this equation, the Kremlin's often-cited pragmatism is not a policy agenda but a means to an end. Pragmatism in foreign policy signals variable approaches and elastic tactics for achieving specific long-range goals. However, the objectives – and not the means – are what ultimately define state policy. Putinism is an eclectic and goal-oriented assemblage of precepts and philosophies that blends communist and Tsarist, nationalist and internationalist symbols together with disparate events and personalities from Russian history to demonstrate and develop Moscow's enduring dominance. Russia's neo-imperialist ideology (or system of precepts and justifications) involves a patriotic synthesis of all previous Muscovite empires in which the priority is to restore the strength and stature of the Russian state.

Russia's rulers are not simply “pragmatists” or “realists” devoid of ideology and pursuing their objective national interests. Autocratic regimes also possess a set of precepts regarding the role of government while specific national ambitions guide their domestic and foreign policies. Contemporary Russia forges strategic links with other autocracies that value strong government to ensure national unity and a political *status quo* rather than experimenting with unpredictable democracies that can grievously weaken state structures. Without declaring any ideologically motivated global mission and by claiming that it is pursuing pragmatic national interests, the Kremlin engages in asymmetrical offensives by interjecting itself in its neighbor's affairs, capturing important sectors of local economies, subverting vulnerable political systems, corrupting or discrediting national leaders, and systematically undermining Western unity.

Moscow's stealth tactics have persuaded some analysts to believe that Moscow's geoeconomic goals prevail over geostrategic imperial objectives and that power holders in the Kremlin are focused on profit rather than politics.¹¹ The contention that private

¹¹ For example, see Dmitri Trenin, “Russia Redefines Itself and Its Relations with The West,” *The Washington Quarterly*, vol.30:2 (Spring 2007): 95-105.

interests motivate Moscow's policy decisions is highly contentious. Such suppositions fail to answer important questions about the Kremlin's policy: in particular, how are the private interests of state officials separated from state interests? Russia has traditionally been governed by arbitrary rulers who controlled the economy and whose private interests overlapped with their ideological predispositions and imperial ambitions. Moreover, the expansion of Russia's power and influence actually serves the "private interests" of Kremlin leaders: getting rich and making Russia strong are now largely synonymous. Centralized control over growing energy revenues enabled the Kremlin to accelerate the pursuit of both objectives.

Russia's Pragmatic Strategies

Observers debate the degree to which the Kremlin pursues a "grand strategy" to achieve its stated or disguised objectives. Under Putinism decision-making has been centralized in all sectors of government and a narrow clique of former KGB officers have established a "Chekistocracy" by capturing the state apparatus and the economy to serve specific policy objectives. Foreign and security policy are tightly coordinated by the Kremlin's inner circle, and there has been little indication of dissension among Russia's leaders concerning state interests or national ambitions. In pursuit of its long-term transcontinental objectives, the Kremlin employs several interlinked strategies which amount to an agenda of insidious and pragmatic reimperialization.

1. Discrediting the West

Moscow charges the West in general and the United States in particular with "democratic messianism," in which Western values and political systems are evidently forced upon defenseless states. Washington is accused of a multitude of imperialist designs, including political unilateralism, aggressive militarism, disregarding international institutions, undermining state sovereignty, overthrowing governments, and breaking up independent states. Russian leaders thereby seek to promulgate anti-Americanism and anti-Westernism while depicting Russia as the stalwart bastion against Washington's neo-imperialist encroachments. Russian leaders, however, do not seek international isolation but continue their interaction with the U.S. to gain strategic advantages while highlighting the alleged NATO threat to Russia.

2. International posturing

The Russian state poses as a defender of the international system and of international law, in contradistinction to the West. It selectively highlights evidence of its multilateralism and determination to work through international institutions such as the United Nations. Moscow postures as the spokesperson for the national independence, political stability, and territorial integrity of all sovereign states regardless of their political structures. Moreover, Russia's self-defined "sovereign democracy" is depicted as a valid independent model that should be emulated more widely.

At the same time, Moscow disguises its unilateral and aggressive record toward Georgia, Moldova, Ukraine, and other neighboring states that it seeks to dominate. Moscow's position remains contradictory as it has broken the international rules that it vehemently upholds in the UN, especially on the question of non-intervention in neighboring states. Russian exceptionalism has therefore been stressed by Moscow, which claims the right to protect its passport holders in neighboring countries, such as Georgia, and intervene militarily on their behalf.¹² To justify the *de facto* partition of Georgia and the recognition of Abkhazia and South Ossetia as independent states, Russian officials allege that they had no choice, as the international system of law had allegedly broken down and Russia was merely acting to defend its interests. This has given added impetus to the Kremlin's claims that a new security architecture is needed for Europe.

3. Expanding spheres of influence and interest

The Russian regime defines its national interests at the expense of its neighbors, whose statehood is considered secondary or subsidiary and whose borders may not be permanent. Putinist foreign policy focuses on establishing several zones of expanding influence among former satellites where Western influence needs to be curtailed or comprehensively eliminated. This can be described as an essentially zero-sum calculation. In the Kremlin's approach, smaller European countries are not accorded full sovereignty but must have their security interests dictated either by Moscow or Washington or remain neutral by remaining outside of NATO. Hence Russia pursues political dominance over the post-Soviet republics and political preeminence among former Central and East European satellites. In the latter it seeks to neutralize, isolate, and marginalize new NATO and EU member states.

Moscow employs a broad range of tools to achieve these strategic ambitions, ranging from diplomatic offensives and informational warfare to energy blackmail, military threats, and the purchase of political influence. It benefits from political uncertainty and territorial conflicts within and between neighboring countries and often encourages them in order to pose as a mediator and a leading regional power. The August 2008 war transformed the conflict in Georgia from a dispute over sovereignty, inter-ethnic relations, and central control to an overt inter-state confrontation over borders and territorial control.¹³ As one Russian analyst and Putin critic points out:

Russia's war with Georgia in August 2008 was a watershed in Russia's development, demonstrating the ruling team's return to imperial ambitions and attempts to rebuild Russia's spheres of influence. The war proved premature the conclusion that the Russian

¹² Alexander Artemev, "War As An Exception," *Gazeta.ru*, July 29, 2009,
http://www.gazeta.ru.politics/2009/0229_a_3228830.shtml

¹³ See Vicken Cheterian, "The August 2008 War in Georgia: From Ethnic Conflict to Border Wars," *Central Asian Survey*, vol. 28:2 (June 2009): 155-170.

*elite had switched to post-imperial moods. In August 2008, the Russian political regime turned to a neo-imperialist strategy of survival.*¹⁴

4. Dividing and dominating

Moscow sparks conflicts with specific states to test the reaction of the larger powers and multinational organizations, including the EU and NATO. It thereby seeks to foster international divisions and disrupt the emergence of a unified policy toward Russia. By periodically acting in an aggressive manner toward countries such as Georgia, Estonia, or Poland, Moscow probes and gauges Western reactions. It is encouraged by a weak and divided Western response to expand its assertive foreign policy posture. Provoking a fractured and ineffective Western reaction is also designed to demonstrate the limitations of Western security guarantees and the vulnerability of individual states to Moscow's pressures. In the Kremlin's estimations, this can contribute to making NATO an increasingly irrelevant defense alliance and a weakened strategic player.

5. Promoting strategic indispensability

Rather than posing as a superior ideological, political, or economic alternative to the West, as during the Cold War, the Kremlin now depicts Russia as an essential and emergent player in global affairs. In this schema, the Europeans and Americans need to be convinced that Moscow's cooperation is necessary to resolve problems that Russia has in fact contributed to creating. Moscow poses as an indispensable partner on issues ranging from Iran's nuclear program to the spread of jihadist terrorism and the proliferation of WMD (Weapons of Mass Destruction). To underscore their indispensability, Russian officials also engage in strategic blackmail by asserting that they can terminate their assistance to the West in its negotiations with Iran or in allowing supplies across Russian territory to NATO troops in Afghanistan. Moscow calculates that increasing dependence on Russia's diplomacy will undercut an assertive Western response to its expansionist agenda.

6. Neutralizing through dependence

Moscow pursues several projects to enhance Europe's dependence on Russia, keep the EU divided, and undercut a more activist Western policy. This includes growing hydrocarbon energy supplies and increasing trade and business interconnections. Energy dependence is most obviously manipulated as a means of political pressure, whether through pricing policies, supply disruptions, or infrastructure ownership. For instance, Russia's periodic "gas wars" with Ukraine have contributed to furthering political division and economic uncertainty in Ukraine. Russia's "gas diplomacy" also serves to

¹⁴ Lilia Shevtsova, "The Medvedev Presidency: Russia's Direction and the Implications for Foreign Policy," James A. Baker Institute for Public Policy, Rice University, May 6, 2009, 11.

bribe, corrupt, and potentially blackmail local officials through lucrative payoffs from unregulated energy contracts.¹⁵

Energy deals can be a reward or an incentive for political agreement or unwillingness to challenge Russia's foreign policy. Lucrative investment deals are offered by Russian officials to those states, companies, and politicians that are perceived as Russia-friendly, particularly when political disputes with other Western governments are sharpened, as was the case following Moscow's military intervention in Georgia in August 2008. In some cases, as in Bulgaria, the impact of pending energy contracts limited government criticisms of Russia's intervention in Georgia.¹⁶ Meanwhile, countries that do not qualify for EU or NATO membership because of insufficient reform or internal divisions, including Serbia and Bosnia-Hercegovina, become prime targets for Russia's economic and political overtures.

Another element of Moscow's dependency strategy is punitive: the imposition of periodic trade embargos and other economic sanctions against its near neighbors in order to promote Russian dominance over the patterns and terms of trade in the Commonwealth of Independent States (CIS). Where economies are dependent on Russian energy supplies or market access, such measures can be a strong source of political pressure.

7. Playing security chess

The Kremlin purposively manufactures security disputes with the U.S., NATO, or the EU in order to gain advantages for its positions vis-à-vis other security questions. Its negotiating strategy is to engineer a crisis and exploit the ensuing attention to secure beneficial concessions from its adversaries. Examples of this process of artificial crisis creation include NATO's incorporation of the Central-East European countries, the planned U.S. Missile Defense system in Central Europe, and Kosova's independent status. All three have been presented as threats to Russia's national interests, and the West was pressured to make concessions. President Obama's abandonment of the Bush administration's missile defense system in Central Europe in September 2009 was depicted by Russian officials as a vindication of Moscow's opposition. The Kremlin has also reserved the right to challenge and oppose Washington's plans to construct an alternative sea-and-land-based interceptor system to counter short- and medium-range Iranian missiles. Some Russian officials claimed that President Obama's new anti-missile

¹⁵ Some Western analysts believe that Russia has gained little from its energy pressures against neighboring states but, they do not conduct a thorough political impact assessment. For example, see Olga Oliker, Keith Crane, Lowell H. Schwartz, and Catherine Yusupov, "Russian Foreign Policy: Sources and Implications," Rand Project Air Force, April 2009, 95-96, <http://www.rand.org>. This Rand analysis is also flawed by a focus on more nebulous Russian government goals of achieving respect and prestige rather than the concrete and observable objectives of power, influence, and dominance.

¹⁶ See "Bulgaria in the Middle," August 15, 2008, http://sofiaecho.com/2008/08/15/662901_bulgaria-in-the-middle. Sofia was evidently concerned about its inclusion in the Russian-sponsored South Stream gas pipeline and the Bourgas-Alexandroupolis oil pipeline.

plans could still pose a threat to Russia's security and specifically its ability to effectively use strategic nuclear weapons.¹⁷

8. Two steps forward, one step back

Russia's leaders seek strategic advantages by partially stepping back from an initially aggressive stance and pushing the West to make concessions by accepting some of its gains. Several Western leaders then herald their evident success in averting a larger international crisis. Russia's invasion of Georgia in August 2008 can be seen in the light of such calculations, whereby the focus of the EU's attention was on dispatching monitors to the "buffer zones" that were created by Russian forces deeper inside Georgian territory rather than to the disputed regions of South Ossetia and Abkhazia, which Moscow recognized as independent states and where it has since stationed troops evidently on a permanent basis.

9. Mixing messages and threats

Russia's regime periodically sends mixed messages through purposeful ambiguity with regard to its foreign policy intentions in order to confuse and disarm Western capitals. For instance, while it claims to be working toward a peaceful resolution of the bilateral disputes in the frozen conflicts in Georgia and Moldova, it simultaneously prepares political pressures and military responses to gain clearer advantages. A positive message may be intended to lull the West into a false sense of security while a veiled threat is subsequently issued regarding potentially harmful actions by Moscow. The latter can include withdrawal from an arms treaty, the cancellation of an energy agreement, or a direct challenge to develop or deploy nuclear weapons against NATO territory. Initial combative statements serve to warn Western capitals of adverse consequences if compromises are not secured. Such threats can be retracted when gaining a concession from its adversary.

10. Liberals vs. hardliners

Moscow engages in disinformation campaigns about the presidential succession by depicting President Dmitry Medvedev as a liberal and democrat and a person with whom the world can work pragmatically. A similar campaign was initiated when Vladimir Putin took over the Russian presidency in 2000 when the new president was presented as a legal scholar and reformer despite the fact that he was intent on establishing a "power vertical" and a "managed democracy."¹⁸ The depiction of Medvedev as a reformer and occasional statements by the President supporting such contentions entices Western governments to downplay Russia's domestic human rights abuses and foreign policy

¹⁷ Conor Sweeney, "Russia Still Cool On New US Anti-Missile Scheme," *Reuters*, September 29, 2009, <http://www.reuters.com/article/topNews/idUSTRE58S2YY20090929>

¹⁸ For a valuable analysis of the non-democratic nature of Russia's political system, see Lilia Shevtsova, "The Medvedev Presidency: Russia's Direction and the Implications for Foreign Policy," James A. Baker Institute for Public Policy, Rice University, May 6, 2009, 1-40.

assertiveness while offering various incentives and concessions to the Kremlin. This “good cop–bad cop” routine depicts Prime Minister Putin as the hardliner whose policies may be somewhat muted if the West engages with the Kremlin and overlooks its authoritarian and expansionist policies.

Russia’s Vulnerabilities

While Russia pursues a neo-imperial foreign agenda its domestic conditions continue to deteriorate, thus making the country vulnerable as a potentially failed state.¹⁹ Some of Russia’s deep-rooted problems were highlighted by President Medvedev in a revealing report released in September 2009 in which he depicts Russia as having a “primitive economy based on raw materials and endemic corruption.”²⁰ According to Medvedev, Russia suffers from “an inefficient economy, a semi-Soviet social sphere, a fragile democracy, negative demographic trends, and an unstable Caucasus.” There are several interpretations regarding the release of the Medvedev report. It could indicate either a brewing internal power struggle with Prime Minister Putin or a choreographed tandem routine to create confusion in Western policy circles; alternatively, it may be a harbinger of major domestic upheaval.

One cannot assume that Putinism has ensured a stable and durable authoritarian system. Russia confronts several looming crises: demographic (with a declining population of productive age and serious health problems, including high death rates and declining birth rates); ethnic and religious (especially in the North Caucasus); economic (with overreliance on the price of primary energy resources); social (as the stifling of democracy restricts flexibility, adaptability, and modernization); and political (as power struggles may become manifest between Kremlin oligarchs and security chiefs who gained control over large sectors of the economy).

Russia’s economy is significantly more dependent on hydrocarbon exports than ever before. In 1998 oil and gas sales accounted for 44 percent of export revenue; by 2009 this figure had exceeded 67 percent, with many manufacturing and service industries linked to the resource sector.²¹ As a result of its over-dependence on primary resources and other structural weaknesses, the Russian economy was projected to contract by 8 percent in 2009 and to remain stagnant during 2010. In terms of demography, conservative estimates indicate that Russia’s population is expected to decline from about 141 million in 2007 to fewer than 135 million by 2017, and to fewer than 127 million in 2027. Even more tellingly, Russia has a shrinking labor force, a growing pool of pensioners, and an expanding Muslim population that may increasingly resent Slavic dominance and Moscow’s centralism.

¹⁹ For a useful outline of Russia’s internal problems see Steven Pifer, “Russia and Eurasia,” Neyla Arnas (Ed.), *Fighting Chance: Global Trends and Shocks in the National Security Environment*, Washington D.C., National Defense University, 2009, 207-223.

²⁰ Dmitry Medvedev, “Go Russia!” *Official Web Portal*, President of Russia, September 10, 2009.

http://eng.kremlin.ru/speeches/2009/09/10/1534_type104017_221527.shtml

²¹ Katinka Barysch, “Russia: A Tale of Two Crises,” Center for European Reform, July 13, 2009, <http://centreforeuropeanreform.blogspot.com/2009/07/russia-tale-of-two-crises.html>

Nonetheless, economic weakness does not automatically signal a Russian withdrawal from its neo-imperial agenda.²² Indeed, long-term economic and demographic weaknesses may engender short-term assertiveness to consolidate spheres of interest that Russia's leaders will seek to maintain under Moscow's long-term dominance. The Kremlin may also be calculating that its economic problems are only temporary as the market price of oil has steadily increased since the spring of 2009 and the Russian stock exchange rebounded as foreign investment began to return to the country. Regardless of these trends, Russia remains a highly volatile and vulnerable economy that is over-dependent on oil revenues and commodity price cycles. This boom-and-bust system could actually stimulate a more expansive appetite during the boom cycle to compensate for potentially more restricted foreign policy capabilities during economically leaner periods.

Some Russian analysts believe that there are divisions within the ruling elite, partly based on policy prescriptions but mostly rooted in interest groups and their control over key resources. Piontovsky concludes that there is a distinction between the “globalist kleptocrats” and the “nationalist kleptocrats.”²³ Although both are anti-Western and seek to restore Russia’s power and global reach, the nationalist kleptocrats favor more isolation from Western influences and include the country’s military chiefs. The globalist kleptocrats, on the other hand, invariably possess property and bank accounts in foreign countries and even while they berate the West, they staunchly oppose national isolation.

Russia may also become increasingly susceptible to ethnic nationalism, especially as the Muslim population continues to grow, economic uncertainties continue, and the influx of workers from Central Asia, and from China to Siberia and the Far Eastern provinces, accelerates ethnic tensions. Russia’s nationalist backlash could be supported by various interest groups or used by the Kremlin to mobilize public support. As a declining power, Russia may become even more threatening – or even desperate – during its potential devolution, as it will seek to prevent and disguise its deterioration by projecting strength, extracting maximum advantages from the weakness of neighbors, and promoting the commensurate decline of other major powers, competitors, and adversaries.

The August 2008 invasion and partition of Georgia indicates that the disintegration of the Soviet Union may actually be continuing as “the end of the USSR’s existence as a formal and legal entity is not the same thing as the historical disintegration of the ‘Kremlin empire.’”²⁴ Moscow has established a new precedent in former Soviet territories by recognizing South Ossetia and Abkhazia as independent states as this can be used to

²² Russia’s history demonstrates that “economic dysfunction was accepted as the inevitable price of strategic power” and what has traditionally made an economically weak Russia into a military power and expansionist state was political power and centralized control over society and the economy. See George Friedman, “The Russian Economy and Russian Power,” *Stratfor Global Intelligence*, July 27, 2009.

²³ Andrei A. Piontovsky, “Moscow’s Power Divide,” *Transitions Online*, Czech Republic, August 18, 2008.

²⁴ Sergei Markedonov, “The ‘Five-Day War:’ Preliminary Results and Consequences,” *Russian Politics and Law*, vol. 47:3 (May-June 2009): 72.

justify and legitimize the gradual partition of other former Soviet republics, as well as of certain republics within Russia itself.

There is a rising danger of separatism and territorial partition within the Russian Federation, especially in the North Caucasus but also in the Volga republics and several eastern territories.²⁵ In the Caucasus, Chechnya, Ingushetia, and Dagestan remain the most important flashpoints, as insurgent groups are spreading and launching violent attacks against local leaders appointed by Moscow. Inter-ethnic and clan conflicts are growing amidst local nationalisms and pan-regional religious radicalism where republican borders are not recognized. The region is also racked by corrupt and abusive governance, high rates of unemployment, widespread poverty, and the breakdown of the social infrastructure. In the midst of a spreading economic crisis, this is a heady mix of problems that federal authorities may not be able to contain. The addition of South Ossetia and Abkhazia, which are fully dependent on Russia economically and militarily, will further deplete federal resources and contribute to instability inside Russia.

When its energy earnings were high, Moscow was confident that it could extinguish unrest in the North Caucasus with financial assistance. However, as the federal government's ability to finance corrupt local despots has diminished, its room for maneuver has shrunk. Meanwhile, the arbitrary brutality of the local security forces against civilians has fuelled vendettas and increased the number of recruits for the rebel movements. The Kremlin could decide to employ greater force against rebels and thereby provoke a broader insurgency, or it may manipulate inter-ethnic grievances to keep local political forces in check. Alternatively, local leaders who fear losing their power and resources could exploit ethnic or religious conflicts or even support territorial separatism to their advantage.

Paradoxically, the Russo-Georgian war and Moscow's recognition of the independence of Abkhazia and South Ossetia on August 26, 2008, could presage a new phase in the disintegration of the contemporary Russian empire and also involve the breakup of other post-Soviet states. Several national groups in the North Caucasus may insist that the principle of self-determination and independence in Abkhazia and South Ossetia should now apply to them, and this could create conflicts with neighbors, minorities, and the federal government. A plethora of territorial and political disputes pepper the North Caucasus.²⁶ Since coming to power in 2000, Putin has sought to curtail or altogether eliminate the autonomy of the ethnic republics and regions but has met with significant resistance. In several parts of the Russian Federation, the indigenous or titular populations are pushing for independence; in other areas the Russian majority supports

²⁵ See Alexey Malashenko, “The Kremlin’s Violent Underbelly,” *The Moscow Times*, Moscow, Russia, July 29, 2009, <http://www.moscowtimes.ru/article/1016/42/379916.htm>

²⁶ Nona Mikhelidze, “After the 2008 Russia-Georgia War: Implications for the Wider Caucasus and Prospects for Western Involvement in Conflict Resolution,” Background paper of the conference on “The Caucasus and the Black Sea Region: European Neighborhood Policy (ENP) and Beyond,” Rome February 6-7, 2009, 13, Instituto Affari Internazionali, <http://www.iai.it/pdf/DocIAI/iai0901.pdf>.

sovereignty, and in a few cases both the titular and the Russian populations back separation.²⁷

Conclusions and Western Approaches

Some Western officials and security analysts contend that Russia's neo-imperialism and strategic expansionism remain illusory, as Moscow does not possess the capabilities to effectively challenge the West – either in military or in economic terms – and is increasingly interconnected with the West through energy, trade, finance, and business. These arguments underestimate the damage that Western interests can sustain from an aggressive and opportunistic Russia, even one that may be in terminal decay. Irrespective of Russia's structural weaknesses, with over-dependence on hydrocarbon revenues and facing serious domestic economic and demographic problems, in the immediate future Russia remains a serious threat to its weaker neighbors whether through political subversion, energy entrapment, military pressure, or other forms of purposeful destabilization. Such persistent threats, even toward new NATO and EU members, are compounded by a disunited and unfocused West that remains preoccupied with numerous other global and regional challenges.

Moscow continues to exploit and deepen Western disunity to undermine the effectiveness of multinational institutions and neutralize the West's reactions to its destabilizing policies. Furthermore, a serious internal crisis inside the Russian Federation may have even more damaging consequences along the country's long borders. Moscow is likely to manipulate perceptions of besiegement and external threat to deflect attention from its mounting domestic challenges and apply additional pressures – if not engaging in outright aggression – against its near neighbors.

President Barack Obama's election was perceived by the Kremlin as an opportunity to undermine the U.S.'s global reach, and the Russian authorities are likely to purposively test the new president's resolve. President Medvedev challenged Obama to make strategic compromises by withdrawing from the planned Missile Defense system in Poland and the Czech Republic and acquiescing to Moscow's goal of establishing demarcated "spheres of interest" in Eastern Europe and a "balance of power" in Eurasia encapsulated in a new European or Eurasian security treaty.

Nevertheless, behind the Kremlin's rhetoric lurks a lingering fear that the Obama administration may be a potentially grave threat to Russia's ambitions. President Obama could raise the U.S.'s global stature, reduce anti-Americanism, and provide an impetus for a renewed Western strategy that could undercut Russia's expansive ambitions. If handled adroitly by a united and determined West, the ultimate failure of Russia's Orwellian "sovereign democracy" and Moscow's inability to construct durable zones of

²⁷ For an insightful analysis of separatist sentiments in Russia, see Louk Hagendoorn, Edwin Poppe, and Anca Minescu, "Support for Separatism in Ethnic Republics of the Russian Federation," *Europe-Asia Studies*, vol. 60:3 (May 2008): 353-373, Department of Central and East European Studies, University of Glasgow, www.informaworld.com/smpp/title~content=t713414944.

dominance or even ensure the coherence of the Russian state could provide an important boost for the reanimation of democratic and pro-Western development along Russia's over-extended borders.

Although Washington and Brussels have few direct tools available to influence or accelerate Russia's internal developments, they can deploy their substantial economic, diplomatic, and security resources to prevent and contain any instabilities emanating from Russian territory that challenge the security and sovereignty of various European countries, whether they are EU and NATO members or aspirants, or of Central Asian states seeking to contain Russia's subversive influences. The first step in curtailing Moscow's drive to dominate Eurasia and to disarm the West is a realistic appraisal of Russia's imperial pragmatism and a thorough assessment of Moscow's diverse capabilities.