

THE RUSSIAN DEFENSE REFORM AND ITS LIMITATIONS

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Abstract

After years of neglect due to financial constraints, the Russian military has entered a period of systemic development. The ongoing defense reform has introduced a few important changes, but so far the pace of the reform is slow. In order to review the current reform effort, a number of factors - the resistance of the military elite to change, the demographic factor, the lack of a clear defense doctrine, the restructuring of the defense industry and the state of civil control over the military - will be analyzed. These limitations will define not only the pace of the defense reform, but also Russia's ability to play a more active role in the international arena.

Keywords: *Russian Defense Reform, Russian Defense Doctrine, Russian Defense Budget, Rosoboronexport.*

Introduction

Over the past several years, President Vladimir Putin has managed to restore Russia's status as a great power. Russia became a major energy supplier, experienced economic recovery, consolidated its relationship with China, expanded its influence in the former Soviet states and played an active role in several international developments, such as the crisis over Iran's nuclear program and the Kosovo settlement. Russia's resurgence as a strategic actor in the international arena raises a number of questions about its security policy in the near future.¹ An important aspect that will shape Moscow's security policy is the military factor. In particular, what will the Russian military look like in the coming decade? Will it be a huge army based on conscripts or a smaller and professional one? How efficient will the Russian Army be in counterinsurgency operations? Will nuclear deterrence remain the central pillar of Moscow's defense policy? In answering all those questions, it is important to review the defense reform effort that has started since 2003 and is still taking place.

Defense Reform in Russia: Defining the context

Until recently, defense reform has not gained the attention it deserves in Russia. Financial and structural problems, like the deterioration of capabilities, hazing and growing crime rates, have dominated the debate about the future of the Russian armed forces and defense analysts

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¹ See selectively Eugene Rumer, *Russian Foreign Policy Beyond Putin*, Adelphi Paper 390 (London: International Institute for Strategic Studies, 2007).

overlooked some important developments that took place over the last years.² As a result, defense reform has been the subject of controversy among military analysts for some time.³ Simply examining one aspect of the ongoing reform - the rise of the defense budget or the reduction and reorganization of the military - will not provide us with satisfactory answers. One has to define the suitability of the present defense doctrine, the extent to which the reorganization has actually modernized the Russian military, the degree to which the increased spending has added new capabilities and the state of civil-military relations in order to reach a holistic understanding of Russian defense reform. One has to examine a number of structural limitations that affect the pace of the ongoing reform: financial constraints, the demographic crisis, the vast territory, the Cold War legacy and the Soviet strategic culture, and the reorganization of the defense sector in order to critically assess the prospects of the current reform.

In search of a defense doctrine

The reform of the Russian military has been a priority for President Putin since he came into power. The latest military reform programme, adopted in 2003, set as its main objective the partial professionalisation of the armed forces over the period 2004-2008. The reform plan emphasizes the need for reductions in force size, a gradual decrease in the use of conscripts in favour of professional soldiers, the creation of a professional non-commissioned officer corps, drastic changes to officer training and education, and greater political oversight of military spending.⁴

The rationale behind these reforms has been to transform Russia's military into a flexible and modern force that will be able to deal successfully with the new security challenges, and to participate in crisis management, peacekeeping and counter-terrorist operations. Indicative of this new rationale is the release of the "Urgent Tasks for the Development of the Armed Forces of the Russian Federation", by the Ministry of Defence on October 2003. The so-called *Ivanov Doctrine* deemphasises the threat posed by NATO and highlights new threats and missions, like global terrorism and the need to deal with smaller scale conflicts.⁵

Nevertheless, procurement policies and military exercises demonstrate a different picture. Large scale operations, including first-strike nuclear operations using ICBM's or tactical nuclear weapons outweigh counterinsurgency and counter-terrorist exercises. Military exercises portray regional or large-scale wars for which the call of the reserves and transfers of large, military formations between theatres are necessary in a very limited period of time. This seems at least odd given the fact that during this entire period of time, Russian officials and military representatives declared that large-scale wars were very much unlikely in the near future. The fact that the Russian Army is preparing for these kinds of conflicts suggests otherwise. According to Stephen Blank, despite its rhetoric, the military elite still believes that

² Irina Isakova, *Russian Defense Reform: Current Trends*, (Carlisle PA: Strategic Studies Institute, U.S Army War College, November 2006), p.1.

³ Rumer, *Russian Foreign Policy Beyond Putin*, p.68.

⁴ For more details regarding the April 2003 Reform Plan see Dale Herspring, "Vladimir Putin and Military Reform in Russia", *European Security*, vol.14:1 (2005), pp.146-48.

⁵ For an analysis of the *Ivanov Doctrine* see Matthew Bouldin, "The Ivanov Doctrine and Military Reform: Reasserting Security Stability in Russia", *Journal of Slavic Military Studies*, vol.17:4 (2004), pp.619-641.

a large scale war with NATO or even China is a real possibility and that the Russian forces should be ready to conduct all types of operations, from nuclear war, to peace-keeping missions and counterinsurgency campaigns.⁶ For Blank, Russia's doctrinal ambivalences and tendency to preserve a full conflict spectrum capability demonstrate that its elite still perceives itself as an empire.⁷

Characteristic of the above were the discussions for the need to rewrite the military doctrine, during the annual conference of the Russian Academy of Military Sciences that took place in January 2007. In March 2007, Russia's Security Council has announced that it will prepare together with other departments a new military doctrine, arguing that since the present military doctrine was adopted, the geopolitical, military, and security situation of Russia has changed substantially.⁸ Russia has strongly criticized the setting up of NATO bases and the proposed deployment of the U.S. missile shield in Central Europe. Moscow also opposes the eastward expansion of NATO, as well as Georgia and Ukraine's drive to join the Western military alliance.

Towards an all-conscript army: Structural limitations

The Russian armed forces amount to 1,100,000 personnel. A large part of these soldiers - roughly 70% - are recruited by conscription, with the rest being volunteers. Since 2002, the Russian military has been trying to initiate a shift from an all-conscript army to a professional one. So far there is no significant progress. At present, no serious cutbacks in the number of Russian conscripts can be perceived, and the reduction of military personnel seems rather unlikely in the years to come given the current strategic situation of the Russian Federation.⁹ Covering a huge territory and a long borderline, Russia is in need of a big army. Taking under consideration the national demographic crisis, it is doubtful whether Russia can afford to completely abandon the conscription system for at least a decade ahead. The constant population decrease, simply limits the availability of potential recruits.¹⁰

Furthermore, NATO's expansion is used as an effective argument against reducing the size of the Russian armed forces. NATO's enlargement postpones a full transition to contract service and favours a mass army. On the other hand, Alexei Arbatov, correctly points out that the maintenance of a large army at the expense of quality, equipment and combat readiness is not justified. Such an army is obviously unsuitable not only for major wars (against NATO, US or China), but also local wars or regional conflicts that involve counterinsurgency and counterterrorist operations.¹¹

Facing the dilemma between a large and stiff army based on conscription and a smaller, professional and combat ready one, Russia chose both. According to Arbatov, a small, elite

⁶ Regarding the lack of a coherent defense doctrine see Stephen Blank, "A New Russian Defense Doctrine?", *UNISCI Discussion Papers*, 12 (2006), pp.153-161.

⁷ *Ibid*, p.160.

⁸ Pavel Felgenhauer, "Russian Security Council plans to draft military doctrine", *Eurasia Daily Monitor*, March 22, 2007, accessed online, 29/12/07, http://www.jamestown.org/edm/article.php?article_id=2372031

⁹ "Russia Report", *CSIS Files* no.1 (Bucharest: Center for Security and International Studies, May 2007), pp.44-45.

¹⁰ Rumer, *Russian Foreign Policy Beyond Putin*, p.72.

¹¹ Alexei Arbatov, "Russian Military Policy Adrift", *Briefing*, vol.8:6 (Moscow: Carnegie Moscow Center, November 2006), pp.6-7.

army is created within a larger one. In particular, armed units of permanent combat readiness and well equipped soldiers numbering in total about 200,000 will coexist within a bigger low-combat readiness army that will still consume the vast share of the budget. Ironically, the elite army will be too small for the full conflict spectrum that Russia needs and the big army will hardly be useful for anything except auxiliary functions.¹²

The nuclear arsenal: A minimal deterrence capability?

Despite deep cuts in its nuclear arsenal, Russia still maintains a deterrent force. Nuclear weapons continue to be seen in Russia as a symbol of the Russian Federation's status as a great power. The nuclear capabilities serve as a deterrent against both nuclear and conventional threats. The intention is to modernise the nuclear arsenal, but the modernisation proceeds at a very slow pace. There is a mass removal from service of older strategic arms and a minimal introduction of new ones.

In particular, the SS-18, SS-19 and SS-25 are scheduled to be withdrawn from service by 2015. By 2025, most of the current Russian silos-based as well as mobile-launched ICBMs will reach the end of their service life and will have to be decommissioned, leaving Russia with a significantly reduced deterrent capability. Likewise, the ballistic missile submarine fleet is also in the process of downsizing.¹³ Over the last years, the decommissioning and elimination of the old nuclear submarines was made a priority, bringing the modernization programs to a halt due to a lack of funds. However, a new platform, a modified Borey class submarine, was launched in April 2007 that can only carry Bulava, weapons that are not yet operational. In 2007, the Russian Federation had only six Delta III assigned in the Pacific Fleet, six Delta IV based in the Pacific and Northern Fleets, and three Typhoons submarines operating in the Northern Fleet.¹⁴

By 2015, Russia will retain a minimal deterrence capability. According to Stephen Cimbala, realistic or minimum deterrence includes balance and minimum deterrence in offensive weapons; the capability to penetrate any opposed defenses and asymmetrical responses to perceived threats or technology enhancements by rivals.¹⁵ The United States' plans for the development of a new Ballistic Missile Defense (BMD) system causes concern in Moscow, but even a reduced nuclear arsenal is adequate in order for a minimal deterrence to be in place.

Reforming the Military: Resistance from the inside

So far, the record of reform has not been that impressive. The main reason for the slow pace of reform is that the Russian military is simply unwilling to change. The military, due to its central role in Russian politics (see the role of the military in the August 1991 putsch and the Chechnya conflict) enjoys an administrative and operational autonomy that is unprecedented

¹² Ibid.

¹³ Rumer, *Russian Foreign Policy Beyond Putin*, pp.70-71.

¹⁴ See *The Military Balance 2007* (London: International Institute for Strategic Studies, 2007), p.95.

¹⁵ See Stephen Cimbala, "Russia's Strategic Nuclear Deterrent: Realistic or Uncertain?", *Comparative Strategy*, 26:3 (2007), pp.185-203 and Isakova, *Russian Defense Reform: Current Trends*, pp.31-38.

in the West. Never before have the civil authorities tried to exercise control over military policy-making.¹⁶ The reform plan that Putin and Ivanov put forward aims to downgrade the role of the General Staff and exercise some form of control over its performance. The legacy and prestige that the powerful Russian military has historically enjoyed among the Russians, its traditional autonomy (monopolizing knowledge over military affairs, no oversight of the military budget by civilian authorities) and certain political and structural characteristics, like favouring universal conscription and state controls over military-industrial enterprises, are all being challenged by the present reform.¹⁷

A large part of the Russian military hinders the plan to make the armed forces professional, since professional armed forces are challenging the concept of a national army (a mass army based on universal conscription). Most senior military officers trained during the Soviet era believe that an efficient army is a mass army recruited by universal conscription, and backed up by a large reserve. Trained in concepts that place emphasis on mass numbers, quantity and firepower, Russian officers tend to distrust projects aimed at creating a smaller, professional army far removed from their cultural referents. After all, in a professional army, orientated primarily against new missions, they would not have appropriate knowledge or skill to educate, train or command the new forces.¹⁸ The project for an army intended to respond primarily to small-scale conflicts, to fight non-state actors and to counter non-military threats in cooperation with internal security and police forces, and to be integrated into international military deployments, has met strong resistance within the military elite.¹⁹

To sum up, the generals have shown little desire to implement reforms that would present, according to them, a serious risk to national security or are potentially unfavourable to their corporate or personal positions.²⁰ The attempts by the Kremlin to overcome the military's opposition have been hindered by two more factors, a domestic and an international one. The domestic factor is the absence of pressure from Russian society. Due to the centrality of the military institution in the history of the Russian state, there has been no decisive impetus in favour of military reform from Russian society and the political class, contrarily to what happened in Western countries. Actually, many Russians believe that a radical reform of the army would present a serious risk to national security. The international factor has to do with certain international developments - the integration of the Baltic States into NATO, the unilateral withdrawal of the United States from the ABM Treaty and the wars in Afghanistan and Iraq - that have convinced the Russian generals that the traditional threat from the West is still present.²¹

¹⁶ Regarding the civil-military relations in Russia see David Betz and Valeriy Volkov, "The False Dawn of Russian Military Reform", *Conflict and Security*, vol.4:2 (2003), pp.48-50.

¹⁷ Regarding the institutional and operational autonomy of the Russian military see Alexander Golts, and Tonya Putman, "State Militarism and its Legacies. Why Military Reform has failed in Russia", *International Security*, vol.29:2 (2004), pp.121-158.

¹⁸ Zoltan Barany, "The Politics of Russia's Elusive Defense Reform", *Political Science Quarterly*, vol.121:4 (2006), pp.597-627.

¹⁹ Isabelle Facon, *The Modernization of the Russian Military: The Ambitions & Ambiguities of Vladimir Putin* (Defence Academy of the UK, Conflict Studies Research Center, August 2005), p.3.

²⁰ Characteristic of the above is the failure to reform - professionalize the 76th Airborne Division. See Rob, Thornton, "Military Organization and Change: The Professionalization of the 76th Airborne Division", *Journal of Slavic Military Studies*, vol.17:3 (2004), pp.449-474.

²¹ Facon, *The Modernization of the Russian Military*, pp.10-11.

Defense Budget: Spending more or spending enough?

Since 1999, Russian defence spending has increased steadily, reflecting the policy orientation of governments under Vladimir Putin as well as strong economic growth. According to *Military Balance*, National Defense expenditures in 2007 were set at 821 billion rubles, which amounts to 2.9 of Russia's GDP. The National Defense spending has more than doubled in nominal terms since 2003, highlighting the willingness of the Kremlin to proceed with defense reform.²² On the other hand, Alexei Arbatov, correctly points out that there is a sharp contradiction between the size of the military budget and the size of the armed forces. Russia's military spending is comparable with those of Great Britain or France, whose military forces number 250,000 men, whereas Russia's army is about 1,100,000 men. Furthermore, the maintenance of such a large army and huge stocks of equipment absorbs a large part of the defense budget, thereby allocating only a small part for technical modernization, research and development.²³

Defense Industry: An uncertain future

Under President Vladimir Putin, the Russian defense industry has been restructured and centrally controlled. Following the pattern that has been successfully applied in the energy industry, Putin has increased government ownership and intervention.²⁴ In an effort to reform the defense sector, Kremlin decided the unification of all defense procurement into a single office, the consolidation of individual manufactures - mainly in the aviation, radio-electronic and shipbuilding industries - in larger government run umbrella enterprises and the creation of the governmental Military Industrial Commission (MIC). The later is tasked with overseeing the development of the arms industry and coordinating the defense-industry restructuring policies.²⁵ In addition to the MIC, the government also introduced a new agency to exercise civilian control of military procurement. The Federal Agency on Procurement of Weapons Systems, Military and Specialized Equipment and Logistics that will come into force in 2008, will be responsible for preparing, monitoring and signing contracts, as well as accounting. Characteristic of the Kremlin's willingness to fight corruption in the defense sector was the appointment of Anatoly Serdyukov, former head of the Federal Tax Service, to replace Sergei Ivanov as the new Minister of Defense.²⁶

In recent years, Rosoboronexport (the Russian Arms Export Agency) has increased its value of exports. Russian weaponry is offered at lower prices than those of western producers, along with flexible finance policies and after-sale service.²⁷ Output of Russian-made military

²² For more details on Russia's 2007 Defense budget see *The Military Balance 2007*, pp.191-192.

²³ Arbatov, "Russian Military Policy Adrift", pp.4-5.

²⁴ Regarding the parallels between the energy and defense sector and the increasing state control over these two sectors in Russia, see Stephen, Blank, *Rosoboronekspart: Arms Sales and the Structure of Russian Defense Industry* (Carlisle PA: Strategic Studies Institute, U.S Army War College, January 2007), pp.10-17.

²⁵ Alexander, Nicolli, "Russia's defense industry. Phoenix from the ashes?", *IISS Strategic Comments*, vol.13 (London: International Institute for Strategic Studies, October 2007), p.2.

²⁶ Irina, Isakova, "The Russian Defense Reform", *China and Eurasia Forum Quarterly*, vol.5:1 (2007), pp.80-81.

²⁷ Nicolli, "Russia's defense industry", p.1.

hardware has grown over the last years and is likely to be further boosted by recent increases in domestic funding as well as multibillion arms-export deals with Algeria, Indonesia, Venezuela, China and India.²⁸ In addition, after years of industry dependence on export orders, domestic demand is showing signs of recovery. The almost total cessation of arms purchases by the Ministry of Defense in the mid 1990s forced the defense sector to seek new markets. Exports became the only practical means of survival. In order to preserve the defense sector, the Ministry of Defense began to finance R&D programs that did not have direct application to the needs of the Russian armed forces, but which were aimed at foreign procurement.²⁹

Despite the fact that the Russian defense sector has been on the rise in the last few years, it is important to point out that its future is uncertain. Investment on research and development has increased, but it is hard to compensate for almost a decade of economic starvation. In addition, Russia will have to compete for markets in China and India against these countries' own arms industries. The EU's plan to sell weapons to China will further diminish Russian arms sales to Beijing.³⁰ Russia's efforts to develop new markets in South-East Asia and Middle East point to the right direction. The drive against corruption, the success of the procurement reform and the need for increased funding will shape the industry's future in the coming decade.

Civil-Military Relations

Civil control over the military is an important element of the ongoing defense reform effort in Russia. Parliament has not always been successful in persuading the government to introduce legislation increasing civil control over the military. For instance, since 2000, the Russian government has stalled consideration of the draft federal law "On the Armed Forces of the Russian Federation," by the State Duma.³¹ In addition, defense experts draw attention to the weak role played by legislators in the implementation of defense reform, mainly the failure to exercise parliamentary control over the budgeting process.³² Although both the president and the parliament exercise control over the military, there has been a tendency to introduce new modes of civil control. The most important development in this area is the establishment of the Public Council that was created by the Russian Ministry of Defense in August 2006. The Public Council oversees legal documents and bills that are initiated by the MoD. The Council is also responsible for the legal rights of military servicemen and MoD's civilian employees, the conditions of the military service and aspects that involve military discipline and law enforcement.³³

²⁸ For more details on Russia's arms-export trade see *The Military Balance 2007*, pp.192-194.

²⁹ See Ruslan Pukhov, and Mikhail Barabanov, "Challenges to the Reform of Defense R&D in Russia", *Moscow Defense Brief*, no.7 (2007), accessed online 29/12/07, <http://www.mdb.cast.ru/mdb/1-2007/item3/article1/>.

³⁰ Rumer, *Russian Foreign Policy Beyond Putin*, p.61.

³¹ Isakova, *Russian Defense Reform*, p.53.

³² Ibid.

³³ Isakova, "The Russian Defense Reform" pp.81-82.

Conclusion

Since 2003, the Russian military entered a stage of systemic change. The number of servicemen in the armed forces has been reduced, the defense budget has been raised and a program to increase the number of contract-based conscripts over the coming years has been introduced. The defense industry has been reorganized and new patterns of civil control have been established. Indicative of all these evolutionary developments is the fertile debate about the need to rewrite the country's defense doctrine. Although most of the measures taken by the Russian military and political elite, over the period 2003-2007, point to the right direction, the pace of the reform is rather slow, due to several limitations. Most of these limitations are of a systemic nature, such as the national demographic crisis, a long period of neglect in terms of modernization, research and development, and a strong military culture that has been shaped during the Cold War period and demands the maintenance of a large military establishment.

To conclude, defense reform in Russia has finally gained the political attention it deserves. The reform is far from complete, as it is in a transitional phase and its success is uncertain. Nevertheless, taking into account the available resources and structural constraints, the transformation of Russia's military into a small professional army backed up by a large reserve force and with a minimal deterrence capability, seems to be the rational choice. The way Russia will adjust to the rapidly changing security environment, the state of its economy over the coming decade, the willingness of the military elite to adapt to the new security challenges and above all the role that Russia wants to play, will shape the pace and result of the defense reform.