

The collapse of the Soviet Union in 1991 reversed a process that had been under way since the Russian Empire's emergence in the 17th century. It was ultimately to incorporate four general elements: Eastern Europe, Central Asia, the Caucasus and Siberia. The St. Petersburg-Moscow axis was its core, and Russia, Belorussia and Ukraine were its center of gravity. The borders were always dynamic, mostly expanding but periodically contracting as the international situation warranted. At its farthest extent, from 1945 to 1989, it reached central Germany, dominating the lands it seized in World War II. The Russian Empire was never at peace. As with many empires, there were always parts of it putting up (sometimes violent) resistance and parts that bordering powers coveted -- as well as parts of other nations that Russia coveted. George Friedman of Stratfor reviews the issues, and how it plays for time by trying to keep the US on the back foot.

The Russian Empire subverted the assumption that political and military power requires a strong economy: It was never prosperous, but it was frequently powerful. The Russians defeated Napoleon and Hitler and confronted the far wealthier Americans for more than four decades in the Cold War, in spite of having a less developed or less advanced economy. Its economic weakness certainly did undermine its military power at times, but to understand Russia, it is important to begin by understanding that the relationship between military and economic power is not a simple one.

Economy and security

There are many reasons for Russia's economic dysfunction, but the first explanation, if not the full explanation, is geography and transportation. The Russians and Ukrainians have some of the finest farmland in the world, comparable to that of the American Midwest. The difference is transportation, the ability to move the harvest to the rest of the empire and its far away population centers. Where the United States has the Mississippi-Missouri-Ohio river system that integrates the area between the Rockies and the Appalachians, Russia's rivers do not provide an integrated highway to Russia, and given distances and lack of alternative modes of transport, Russian railways were never able to sustain consistent, bulk agricultural transport.

This is not to say that there wasn't integration in the empire's economy and that this didn't serve as a factor binding it together. It is to say that the lack of economic integration, and weakness in agricultural transport in particular, dramatically limited prosperity in the Russian Empire and the Soviet Union. At the same time, the relative underdevelopment of the empire and union made it impossible for them to successfully compete with Western Europe. Therefore, there was an economic motivation within the constituent parts of the empire and the union to integrate with each other. There could be synergies on a lower level of development among these nations.

Economics was one factor that bound the Russian Empire and Soviet Union together. Another was the military and security apparatus. The Russian security apparatus in particular played a significant role in holding first the empire and then the union together; in many ways, it was the most modern and efficient institution they had. Whatever temptations the constituent republics might have had to leave the empire or union, these were systematically repressed by internal security forces detecting and destroying opposition to the center. It could be put this way: The army created the empire. Its alignment of economic interests was the weak force holding it together, and the security apparatus was the strong force. If the empire and union were to survive, they would need economic relations ordered in such a way that some regions were put at a disadvantage, others at an advantage. That could happen only if the state were powerful enough to impose this reality. Since the state itself was limited in most dimensions, the security apparatus substituted for it. When the security apparatus failed, as it did at the end of World War I or in 1989-1991, the regime could not survive. When it did succeed, it held it all together.

In the Russian Empire, the economic force and the security force were supplemented by an overarching ideology: that of the Russian Orthodox Church, which provided a rationale for the system. The state security apparatus worked with the church and against dissident elements in other religions in the empire. In the Soviet Union, the religious ideology was supplemented with the secular ideology of Marxism-Leninism. The Soviet Union used its security apparatus to attempt a transformation of the economy and to crush opposition to the high cost of this transformation. In some sense, Marxism-Leninism was a more efficient ideology, since Russian Orthodoxy created religious differentials while Marxism-Leninism was hostile to all religions and at least theoretically indifferent to the many ethnicities and nations.

The fall of the Soviet Union really began with a crisis in the economy that created a crisis in the security force, the KGB. It was Yuri Andropov, the head of the KGB, who first began to understand the degree to which the Soviet Union's economy was failing under the growing corruption of the Brezhnev years and the cost of defense spending. The KGB understood two things. The first was that Russia had to restructure (Perestroika) or collapse. The second was that the traditional insularity of the Soviet Union had to be shifted and the Soviets had to open themselves to Western technology and methods (Glasnost). Soviet leader Mikhail Gorbachev was a reformer, but he was a communist trying to reform the system to save the party. He was proceeding from the KGB model. His and Andropov's gamble was that the Soviet Union could survive and open to the West without collapsing and that it could trade geopolitical interests, such as domination of Eastern Europe, for economic relations without shattering the Soviet Union. They lost the bet.

The Soviet collapse

The 1990s was a catastrophic period for the former Soviet Union. Except for a few regions, the collapse of the Soviet state and the security apparatus led to chaos, and privatization turned into theft. Not surprisingly, the most sophisticated and well-organized portion of the Soviet apparatus, the KGB, played a major role in the kleptocracy and retained, more than other institutions, its institutional identity. Over time, its control over the economy revived informally, until one of its representatives, Vladimir Putin, emerged as the leader of the state.

Putin developed three principles. The first was that the security system was the heart of the state. The second was that Moscow was the heart of Russia. The third was that Russia was the heart of the former Soviet Union. These principles were not suddenly imposed. The power of the KGB, renamed the FSB and SVR, slowly moved from a system of informal domination through kleptocracy to a more systematic domination of the state apparatus by the security services, reinstating the old model. Putin took control of regional governments by appointing governors and controlling industry outside of Moscow. Most important, he cautiously moved Russia back to first among equals in the former Soviet Union.

Putin came to power on the heels of the Kosovo war. Russia had insisted that the West not go to war with Serbia, what was left of the former Yugoslavia. Russia was ignored, and its lack of influence left President Boris Yeltsin humiliated. But it was the Orange Revolution in Ukraine that convinced Putin that the United States intended to break Russia if someone like Yeltsin led it. Ukraine is economically and geographically essential to Russian national security, and Putin saw the attempt to create a pro-Western government that wanted to join NATO as Washington, using CIA-funded nongovernmental organizations pushing for regime change, attempted to permanently weaken Russia. Once the Orange Revolution succeeded, Putin moved to rectify the situation.

The first step was to make it clear that Russia had regained a substantial part of its power and was willing to use it. The second step was to demonstrate that American guarantees were worthless. The Russo-Georgian War of 2008 achieved both ends. The Russians had carried out an offensive operation and the Americans,

bogged down in Iraq and Afghanistan, could not respond. The lesson was not only for Georgia (which, similar to Ukraine, had also sought NATO membership). It was also for Ukraine and all other countries in the former Soviet Union, demonstrating that Russia was again going to be the heart of Eurasia. Indeed, one of Putin's latest projects is the Eurasian Union, tying together Russia, Kazakhstan and Belarus, a large economic and military part of the former Soviet Union. Add to this Ukraine and the former Soviet Union emerges even more.

Remaking the Union

For Russia, the recreation of a union is a strategic necessity. As Putin put it, the fall of the Soviet Union was a geopolitical catastrophe. Russia needs the economic integration, particularly given the new economic strategy of post-Soviet Russia, which is the export of raw materials, particularly energy. Aligning with states such as Kazakhstan in energy and Ukraine in grain provides Moscow with leverage in the rest of the world, particularly in Europe. As important, it provides strategic depth. The rest of the world knows that an invasion of Russia is inconceivable. The Russians can conceive of it. They remember that Germany in 1932 was crippled. By 1938 it was overwhelmingly powerful. Six years is not very long, and while such an evolution is unlikely now, from the Russian point of view, it must be taken seriously in the long run -- planning for the worst and hoping for the best.

Therefore, the heart of Russian strategy, after resurrecting state power in Russia, is to create a system of relationships within the former Soviet Union that will provide economic alignment and strategic depth but not give Russia an unsustainable obligation to underwrite the other nations' domestic policies. Unlike the Russian Empire or Soviet Union, Putin's strategy is to take advantage of relationships on a roughly mutual basis without undertaking responsibility for the other nations.

In achieving this goal, the U.S. wars in Iraq and Afghanistan were a godsend. Until 9/11, the United States had been deeply involved in peeling off parts of the former Soviet Union such as the Baltics and integrating them into Western systems. With 9/11, the United States became obsessed with the jihadist wars, giving Russia a window of opportunity to stabilize itself and to increase its regional power.

As the United States extracts itself from Afghanistan, Russia has to be concerned that Washington will supplement its focus on China with a renewed focus on Russia. The possible end of these conflicts is not in Russia's interest. Therefore, one piece of Russian external strategy is to increase the likelihood of prolonged U.S. obsession with Iran. Currently, for example, Russia and Iran are the only major countries supporting the regime of Syrian President Bashar al Assad. Russia wants to see a pro-Iranian Syria -- not because it is in Moscow's long-term interests but because, in the short run, anything that absorbs the United States will relieve possible pressure on Russia and give more time for reordering the former Soviet Union.

The crisis in Europe is similarly beneficial to Russia. The unease that Germany has with the European Union has not yet matured into a break, and it may never. However, Germany's unease means that it is looking for other partners, in part to ease the strain on Germany and in part to create options. Germany depends on Russian energy exports, and while that might decrease in coming years, Russia is dealing with the immediate future. Germany is looking for other potential economic partners and, most important at a time when Europe is undergoing extreme strain, Germany does not want to get caught in an American attempt to redraw Russian borders. The ballistic missile defense system is not significant, in the sense that it does not threaten Russia, but the U.S. presence in the region is worrisome to Moscow. For Russia, recruiting Germany to the view that the United States is a destabilizing force would be a tremendous achievement.

Other issues are side issues. China and Russia have issues, but China cannot pose a significant threat to core Russian interests unless it chooses to invade maritime Russia, which it

won't. There are economic and political issues, of course, but China is not at the heart of Russia's strategic concerns. For Russia, the overwhelming strategic concern is dominating the former Soviet Union without becoming its patron. Ukraine is the key missing element, and a long, complex political and economic game is under way. The second game is in Central Asia, where Russia is systematically asserting its strength. The third is in the Baltics, where it has not yet made a move. And there is the endless conflict in the northern Caucasus that always opens the door for reasserting Russian power in the south. Russia's foreign policy is built around the need to buy time for it to complete its evolution. To do this, the Russians must keep the United States distracted, and the Russian strategy in the Middle East serves that purpose. The second part is to secure the West by drawing Germany into a mutually beneficial economic relationship while not generating major resistance in Poland or an American presence there. Whether this can be achieved depends as much on Iran as it does on Russia. Russia has come far from where Yeltsin took it. The security forces are again the heart of the state. Moscow dominates Russia. Russia is moving to dominate the former Soviet Union. Its main adversary, the United States, is distracted, and Europe is weak and divided. Of course, Russia is economically dysfunctional, but that has been the case for centuries and does not mean it will always be weak. For the moment, Russia is content to be strong in what it calls the near abroad, or the former Soviet Union. Having come this far, it is not trying to solve insoluble problems.

(c) <http://http://www.stratfor.com> Stratfor All rights reserved. Reproduced with permission