

Russia 1998

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RUSSIAN INTERNAL POLITICS

Until the economic crisis that erupted in July-August 1998, the political scene in the Russian Federation has remained fairly stable since Yel'tsin's re-election as president in July 1996. This crisis, which resulted in Yel'tsin dismissing prime minister Sergey Kiriyenko and his government makes clear that Russia's stability is at best extremely fragile. This, the second dismissal of the government in five months, gives the impression that the president is losing control of events. Yel'tsin initially proposed the former prime minister Viktor Chernomyrdin for the post of prime minister. However he was rejected by the Duma (the lower house of the Russian parliament) twice, and Yel'tsin felt obliged to present another candidate, the foreign minister Yevgenny Primakov, whose nomination was confirmed by the Duma in September 1998. Under the constitution, the president nominates a candidate for the post of prime minister, who then has to be confirmed by the Duma. If the Duma rejects the president's nominee three times, the president dissolves the Duma and fresh Duma elections are held.

Yel'tsin's appointment of Primakov indicates that he was unwilling to confront the Duma, and that the Duma was willing to confront him, and challenge him to dissolve the lower house. Had Yel'tsin done this, the Communist faction in the Duma would probably have initiated impeachment proceedings against him, which would have made it impossible for him to dissolve legally the Duma. This represents a significant shift in power between the Duma and the president. The president still enjoys enormous power under the constitution, but is no longer willing to exercise these powers to the full vis-à-vis the Duma. The decline in Yel'tsin's authority makes it likely that Russia is coming to the end of the Yel'tsin era, and the post-Yel'tsin era could well be marked by a significant reshaping of the Russian political system. Furthermore, if the government of Yevgenny Primakov is unable, as seems very likely, to resolve the financial and economic crisis, then Russia may face a period of protracted social and political instability, which will also increase the likelihood of political change. Change is likely to affect the nature of the national leadership and political system, and also the balance of power between the central authorities and the regions.

The Nature Of The Current System

The current system has so far been dominated by the "party of power", ie the ruling post-communist establishment. The presidency has enormous power in this system. Whilst presidential elections take place, it is by no means clear that the party of power would be prepared to accept the verdict of the electorate if this verdict was unfavourable. Had Yel'tsin lost the 1996 presidential election, it is extremely unlikely that he would have stepped down and handed power over to his opponent, the leader of the Communist Party of the Russian Federation (CPRF) Gennady Zyuganov. In January 1996 Yel'tsin reportedly told a meeting of Western aid experts that "I may not

win the election, but I will certainly not lose".¹

The "party of power" will dominate the national leadership of the Russian Federation for as long as it is able to do so, with leaders emerging from its ranks. In this sense the Russian political system may resemble that which has existed in Mexico until recently, where elections take place, political parties and an independent press, trade unions and other features of a pluralist system may operate, but the national leadership (ie the presidency) is always controlled by the same party. In Britain the hegemony of the ruling party can be successfully contested and replaced, whereas in Mexico until recently, and possibly also in Russia, it cannot.

The "party of power" is not a formal political party, although some political groupings and parties may be regarded as belonging to it. The party that has been most closely linked with the "party of power" is Our Home is Russia - *Nash Dom Rossiya* (NDR), headed by the former prime minister Viktor Chernomyrdin. The "party of power" is an a collection of groupings and individuals which have all benefited from the political and economic changes that have taken place since 1991. Its key components may be seen as:

1. The Russian state bureaucracy.
2. Liberal economic reformers closely associated with the Russian leadership's economic reforms, such as Yegor Gaidar and Anatoly Chubais.
3. The managers of large industries privatised since 1991, such as Gazprom, Lukoil, Avtovaz.
4. Some of the new entrepreneurs, such as Boris Berezovskiy and Vladimir Gusinskiy.
5. The banks that have emerged since the collapse of communism, such as MENATEP, MOST, ONEKSIMBANK.

These elites have formed into competing clans,² and some of them are also linked with organised crime. Industrial managers and the banks are closely allied with the state bureaucracy, resulting in a form of corporatism.³ Pro-Yel'tsin regional leaders, who are also allied with business and financial elites, also form part of the "party of power". The president's role has been to balance and set the ground rules for the competition between the competing elites. However, the economic and financial crisis of summer 1998 has made clear Yel'tsin's inability to provide firm and effective leadership. Whilst the precise nature of the power relationship between President and the party of power is uncertain, it is not impossible that the party of power may seek to persuade Yel'tsin to step down before his presidential term expires in 2000. Whether he would agree to do so is another matter, and any rift between the president and party of power as a whole could have a seriously destabilising effect on the political system, particularly if economic difficulties result in mass unrest.

The Succession

It is not entirely clear whether the presidential term 1996-2000 will necessarily have to be Yel'tsin's final term in office. Under the 1993 constitution, the president can serve a maximum of two consecutive terms. However Yel'tsin has only been elected once (in

summer 1996) since the 1993 constitution came into force, as he was first elected president in 1991 under the previous constitution, and he could therefore conceivably run again in 2000. If a Russo-Belarusian confederation is ever formed, this could effectively be regarded as a new state, and Yel'tsin may argue that he could run again as he could not violate the constitution of a non-existent state. Were such a state to be formed, then the current president of Belarus, Aleksandr Lukashenko, could also run for president, and Yel'tsin could argue that he needs to run in order to counter the threat posed by Lukashenko's authoritarian populism. However, as most assume that the presidential term 1996-2000 is to be Yel'tsin's final term in office, attention is inevitably focused on the post-Yel'tsin succession. The political crisis that developed in summer 1998 now makes it unlikely that Yel'tsin will seek a third term.

Under the constitution, if the president dies or is forced to step down, the prime minister takes over as acting president and fresh presidential elections have to be held within three months. It is likely that there would be a battle among several politicians to succeed Yel'tsin as the **establishment candidate**. The strongest contenders to be the in the next presidential election are (listed alphabetically):

Aleksandr Lebed', governor of Krasnoyarsk kray.

Yury Luzhkov, mayor of Moscow.

Yevgenny Primakov, the current Prime Minister.

It might be more logical to see Aleksandr Lebed' as a non-establishment candidate, in view of his criticism of the Yel'tsinite establishment. However his popularity with voters might result in elements within the party of power seeking an alliance with him. However, Luzhkov is more likely to have the backing of the financial elites and is more likely to become the establishment candidate. Primakov may be persuaded to stand as the candidate least likely to cause division and thereby maintain stability. For this reason he may enjoy the backing of a substantial part of the establishment.

The most credible non-establishment candidates are, in alphabetical order:

Grigory Yavlinskiy, leader of Yabloko.

Gennady Zyuganov, the leader of the CPRF and the Popular Patriotic Union of Russia. Zyuganov could be replaced as CPRF leader, and his successor would probably be a credible candidate owing to the large size of the CPRF vote.

The former commander of the Russian Border Service, **Andrey Nikolayev**, may also emerge as a presidential candidate. Another possible candidate is **Yegor Stroyev**, the current chairman of the Federation Council, the upper house of the Russian parliament. Other possible candidates could be **Dmitry Ayatskov**, governor of Saratov region, and **Gennady Titov**, governor of Samara region.

The obstacles any non-establishment candidate would face are enormous. The establishment will dominate the electronic media, have a superior election machine, and have the ability to use public spending to influence the electorate.⁴ In the 1996 election it also seemed that the Yel'tsin camp was able to manipulate the counting of votes.⁵ In one respect Yel'tsin was fortunate, as he was clearly more popular than Zyuganov, and so it was not necessary for the establishment to rig voting on a large

scale. The presence of overseas observers and media would probably make it impossible to rig voting on a large scale, and in such a situation, the establishment would probably find a pretext for cancelling the elections or for refusing to recognise the election result and remaining in power illegally. This is one of the major questions facing Russian politics as the next presidential election approaches. It is possible that some elements (ie clans) in the "party of power" may form an alliance with a non-establishment candidate if they feel that he is likely to be the most effective leader. This would seem to be the only likely way that a non-establishment candidate could be permitted to come to power under the present status quo in Russia.

While the "party of power" remains impregnable, it would seem that whoever leads Russia is likely to preside over a nation dominated by a shadow state,⁶ which consists of unofficial alliances between the state bureaucracy and post-communist economic elites, where the official, 'legal' state is unlikely to be able to enforce its will over the federation.

It is possible that the profile of the "party of power" could be changed as a result of changes in economic policy. This could transform the "party of power" and possibly even bring about its break up, as competing interests could support different political leaders. It is possible that different clans within the party of power could support different presidential candidates in the next presidential election.

However, it would seem that only a revolution, or a putsch, which propelled a leader to power, could decisively break the "party of power". It could be argued that the 40 per cent of the vote that went to Zyuganov in July 1996 reveals that there is considerable dissatisfaction, that a dynamic, charismatic leader could harness under certain circumstances. If the military structures were to break up, then it is possible that civil war could ensue which might enable such a leader to come to power and establish a new system by force.

Scenarios Of Russia's Future Development

The current political system is one that has been created very much in Yel'tsin's image, and is therefore identified with him personally. It is thus highly likely that the post-Yel'tsin leadership will make significant changes in the political system. There are at least five broad scenarios that present credible outlines of future developments within Russia.⁷

1. WESTERNISATION

Russia develops into a functioning democracy, with all key political institutions abiding by the 1993 constitution. A viable federalism also emerges, and the economic reforms pursued by the government since 1991 result in the creation of a market economy. Local, parliamentary and presidential elections result in the success of candidates committed to westernising political and economic reforms. Any fears that the system might break down dissipate.

2. MUDDLING THROUGH

Russia continues much as it has since done 1991. A fragile and uneasy *modus vivendi* exists between the president, government and parliament, and economic reforms proceed, albeit somewhat uncertainly. An uneasy relationship continues with the regions and republics, and reformers in the government feel themselves to be under pressure from communist and extreme nationalist political forces. The fear that the

system might break down remains strong.

3. *BREAK UP*

The Russian Federation breaks up into its constituent parts, so emulating the break up of the USSR in 1991. Autonomous republics and oblasts declare their independence from Moscow, and local security forces transfer their allegiance from the centre to the local authorities. The central Russian government is unable to exercise control over the regions. Disputes emerge between some oblasts and republics over boundaries.

4. *AUTHORITARIAN BACKLASH*

The spectre of national disintegration, economic decline and the resultant social unrest leads to serious and destabilising political conflict, which runs the risk of exploding into civil war. This results in the seizure of power by an authoritarian regime, possibly in the form of a coup. The regime itself may consist of communists and extreme nationalists, with the backing of the army and the internal security forces. The regime would be dictatorial, it would suspend the constitution and aim at establishing tight centralised control over the country. Economic reform would be severely circumscribed, with the state playing a dominant role in economic activity.

5. *CIVIL WAR - COLLAPSE OF STATE*

This scenario could arise out of an attempt to realise scenario four. An attempt to seize power by force could be resisted by force. This could then lead to an all out civil war as the armed forces and internal security forces break up and take various sides. There are at least two civil war scenarios:

a) The sides fall into clearly defined camps, as in the Spanish Civil War 1936-39 or the civil war in Soviet Russia after the Bolshevik revolution, with one side eventually triumphing and establishing a new post-civil war state.

b) The civil war leads to no clear outcome, and it becomes increasingly difficult to identify the various protagonists in the conflict. The state then effectively collapses.

Which Is The Most Likely Scenario?

It is the contention of this paper that the fourth scenario is the most likely in the long term⁸. The first would seem to be excessively optimistic in view of the onerous nature of the problems facing the Russian Federation. It assumes a remarkable degree of success in the resolution of Russia's political and economic difficulties. It also assumes that all the major political forces reach a consensus on the 'rules of the game', and on the path that they would like Russia to take. This is highly unlikely. Furthermore, respect for the rule of law is still weak in Russia and it is therefore unlikely that both Yel'tsin and his opponents will develop a firm commitment to the principles of a *Rechtstaat* that will enable the political institutions established in late 1993 to develop firm roots.

The experience of western democracies shows that successful parliamentary democracy requires the development of a stable party system, usually with two large parties or groups of parties capable of commanding the support of a large part of the electorate. Russia lacks such a system.

Although there are a large number of parties in the country, they lack the necessary

social base, programmes, and organisational structure to become the equivalents of the mass parties that dominate the political systems of western Europe. They are unable as yet to form viable connecting links between society and the state. There are no effective nationwide parties, with the exception of the CPRF, which is also the best organised party. Yel'tsin has been unenthusiastic in creating a presidential party committed to reforms. Parties remain dominated by personalities rather than programmes, and parliamentary factions lack the cohesion and discipline of their counterparts in stable parliamentary democracies. The lack of firm control by the federal government over the country, and the wide psychological gap between politicians and the mass of the populace would seem to argue against the creation of viable nationwide parties in the short term.

Genuine federalism also seems currently unattainable. The inequality between the republics and the oblasts substantially undermines the notion of a stable federal system. The idea of an 'asymmetrical federation' has been discussed by some, with some administrative units enjoying greater powers vis-à-vis the federal authorities than others. However it seems unlikely that the oblast authorities would reconcile themselves to enjoying fewer rights than the republics, particularly if the tax burden on the republics is less weighty than that of the oblasts.

Russia's moves towards the market are probably irreversible. A return to the command-administrative system of the communist era appears inconceivable. However, the economic and financial crisis of 1998 shows that Russia has had little success in creating a market economy akin to those in Western Europe or North America. As Grigory Yavlinskiy has observed, economic policies pursued since 1991 have resulted in the emergence of an unproductive, corrupt 'robber-baron' capitalism that dominates the political system.⁹ The financial crisis of summer 1998 may result in the Primakov government pursuing a more statist economic strategy, that could result in nationalisations and the introduction of price and import controls. These measures, along with any decision to print more money (which could create hyperinflation) make it unlikely that Russia will enjoy a smooth transition to a market economy.

For the time being, the second scenario seems the most plausible, whilst Yel'tsin remains in power. The new constitution is functioning. Yel'tsin seems determined to avoid any risk of confrontation with the parliament. The increased emphasis on the social dimension of reform reflects an awareness of the need to avoid aggravating economic difficulties that can be exploited by nationalist and communist opponents. The current system (if it can be properly described as such) is fragile and could break down once Yel'tsin leaves the political scene.

This therefore leaves scenarios three and four. The complete break up of the Russian Federation has been feared by many within Russia since 1991, and the Federation Treaty of 1992, the constitution of 1993 and the various bilateral treaties signed between the federal government and various regional governments since 1994 can be seen as an attempt to provide a framework for centre-regional interaction that would remove this danger.¹⁰ Although it is inevitable that regional leaderships would demand greater freedom of manoeuvrability vis-à-vis the central authorities in Moscow, it is unlikely (with the exception of Chechnya and possibly some other parts of the North Caucasus) that they would emulate the leaderships of the union-republics in 1991, which sought complete independence from the all-union central authorities in Moscow. However, the political and economic crisis that has unfolded in Russia in the summer of 1998 has reduced regional confidence in the centre, and therefore may

increase centrifugal tendencies.

There are significant differences between the oblasts and the former autonomous republics of the Russian Federation and the union-republics of the Soviet Union. The ethnic dimension is important. Russians made up just 50 per cent of the former Soviet Union, and titular nationalities constituted a politically significant part of the population of the union-republics, even if they did not make up an arithmetical majority. The Baltic states had a recent history of independent statehood, and other states, such as Ukraine and Georgia, briefly enjoyed independence after 1917. This is not the case with the constituent parts of the Russian Federation. Russians comprise 82 per cent of the population of the Federation, and also form a predominant part of the population of the former autonomous republics. Only in a very few republics does the titular nationality make up more than 50 per cent of the population, and the strong Russian presence seriously inhibits any moves toward formal independence.

The leadership of Tatarstan has consistently demanded greater freedom from Moscow, but it has been careful (so far) not to alienate its Russian population. This is true of other republics within Russia. The sole exception so far has been Chechnya, and while the Dudayev leadership's defiance of Moscow could prove attractive elsewhere in the northern Caucasus, Chechnya remains very much a special case. No oblast or republican leadership appears willing to adopt the necessary attributes of statehood (currencies, armed forces etc) that independence would require. Many remain dependent on Moscow for subsidies and would therefore not wish to detach themselves from the Russian Federation. However, centrifugalist tendencies do exist in the Russian Federation, and they will make it difficult for the central authorities to exert tight control over wealthier and peripheral regions, which are both likely to increasingly ignore the centre. As a result, the federation may come to exist in name only.

Many have predicted the emergence of the fourth scenario, namely the establishment of an authoritarian regime. Yel'tsin and his opponents have accused each other of attempting to do so. Many observers have also drawn analogies with the Weimar period in Germany, and so warned of the danger of liberal political leaders being swept aside by reactionary political forces enjoying the support of an embittered and disenchanted population, attracted by simplistic authoritarian solutions.

It could be argued that an authoritarian nationalist regime is a more likely alternative than either the flourishing of democratic capitalism, or the complete disintegration of Russia or the indefinite survival of the post-October 1993 status quo. This is especially likely if economic difficulties result in major social instability, and if the armed forces become restive as a result of poor social conditions now endured by the Russian officer corps, the breakdown of the Russian army and concern over the continuing decline in Russia's great power status. It is possible that a power struggle may result in the staging of a coup, probably headed by a civilian authoritarian leader, with the backing of the armed forces and internal security forces.

This regime would reverse the process of democratisation, endeavour to establish tight authoritarian control, and reverse regional centrifugalism. It would be strongly nationalist in ideology (possibly with strong emphasis on Orthodoxy), and place emphasis on order, central control and the restoration of Russia's greatness. Force may be used to neutralise any opposition to the regime, and although a complete return to the old communist command economy would be highly unlikely, economic reform could slow down, and the new regime would enhance the role of the state in the

economy.

Given the traditional reluctance of the Russian military to become involved in domestic politics, any form of coup by the military and/or the internal security forces would be establishing a major precedent in Russian political life. However, as so many unexpected developments have occurred in the recent history of the Soviet Union and Russian Federation, further such developments should not be ruled out.¹¹

The viability of an authoritarian military-oriented regime is another question. Would it bring stability to Russia or simply aggravate existing instabilities? The problems of reforming the economy would remain, and the regime would face the additional tasks of repressing democratic forces and establishing tight central control. Paradoxically, this could even result in the fulfilment of scenario three, as some peripheral regions may try to break away from the centre in order to escape the embrace of harsh authoritarian control. In a worst case, it could of course provoke the fifth scenario, namely that of civil war and the complete collapse of the Russian state.

Possible Threats To Stability

1. SUCCESSION CRISIS

If Yel'tsin dies or is forced to leave office before 2000, then this could prove destabilising if those forces contending for leadership attempt to seize power by unconstitutional means. Furthermore, if Yel'tsin attempts to run for a third term (which is now unlikely), this may prompt a coup attempt against him.

2. THE MILITARY AND OTHER POWER STRUCTURES

The Russian armed forces and other power structures (ie the various internal security forces) have hitherto been extremely quiescent in response to the break up of the Soviet Union, Russia's weakness in the international arena, and the break down of the armed forces themselves as a result of underfunding and the break down of the social discipline of the authoritarian communist era. In many respects it may seem surprising that the armed forces have reacted so passively. This is probably explained by the pre-Soviet and Soviet tradition of non-interference in politics by the military, by the fear that any attempted putsch could precipitate civil war, and by a reluctance to assume the responsibilities of governing an entire country, particularly one as large as the Russian Federation. The armed forces were extremely reluctant to become involved in the attack on the parliament building in October 1993, and have generally avoided becoming embroiled in political conflicts both before and after the collapse of communism.

Whilst this remains true for much of the military leadership, it should not be assumed that both the armed forces and various internal security forces will automatically acquiesce in any further decline of their status, and that the armed forces and internal security forces will always adhere to the precedent of non-involvement in politics. Several politico-military movements have emerged since the collapse of the USSR in 1991, but they have not so far launched a frontal assault on the Yel'tsin leadership.

3. THE REGIONS

The inability of the central leadership to exert full control over the 89 subjects (ie administrative units) of the Russian Federation poses a further threat to stability. In most cases this is an irritant rather than a serious threat, and the dependence of most regions on subsidies from the federal budget constrains their freedom of manoeuvre in

relation to the federal government. The most serious threat to stability comes from regions on the periphery of the Russian Federation. The leadership of the Maritime Region in the Russian Far East under its governor Yevgenny Nazdratenko has defied the federal government on many issues, and this example could prove attractive to regional leaderships that are far from Moscow, particularly if they are relatively strong economically. Such regions may even secede. Regions that are rich could finance opposition to recentralisation. In February 1998, Yel'tsin urged regions to develop direct ties with foreign countries, so recognising the inability of the federal government to exercise effective control over the regions.

If regional governments are able to finance units of the armed forces and internal security forces stationed in their territory, and form alliances with local military commanders, this could encourage the disintegration of these forces and the growth of warlordism. If the central federal authorities are failing to provide adequate accommodation and food supplies, but local authorities are doing so, then local military commanders are likely to be more loyal to regional leaders than to Moscow. These forces may well support a regional leader who opts for greater autonomy or even outright secession.¹² A politically ambitious regional leader such as Aleksandr Lebed', the governor of Krasnoyarsk, could well undertake such measures in order to confront the current central leadership.

At present an uneasy *modus vivendi* exists with most subjects, and the federal government has signed bilateral power sharing agreements with about one-third of the subjects. The area with the greatest potential for instability remains the Northern Caucasus. Moscow cannot afford to lose control of this region, largely because of the oil supply routes running through it, but if she were to become again involved in conflict in this region, this could prove to be a death knell for Russian democracy. Chechnya and Dagestan are the most unstable North Caucasian republics.

The state's inability to collect taxes throughout the Russian Federation also undermines the viability of the Russian state, and is one of the major causes of the financial crisis which hit Russia in summer 1998. In 1996, the state recovered only 60 per cent of planned revenue. Major corporations such as Gazprom and Avtovaz owe the state massive tax bills. The state's ability to gather taxes remains limited, and the Temporary Extraordinary Commission for gathering taxes formed in October 1996 has had no real impact on this problem. Of the 89 subjects of the Russian Federation, only 3 have fully paid their debt to the federal budget. Furthermore, seven out of the 89 regions provide almost 52 per cent of the budget's revenues, with Moscow providing 27 per cent.¹³ The state's seeming inability to tackle this problem does indeed undermine the viability of the federal state machine, and could promote the break up of the federation. The financial crisis of mid-1998 has encouraged regions to act on their own initiative and ignore the central authorities, as this crisis has strengthened the perception of the federal centre's inability to meet adequately the needs of the regions.

4. ORGANISED CRIME AND CORRUPTION

Organised crime and corruption remain a major problem in Russia¹⁴. The former interior minister Anatoly Kulikov has noted that the development of capitalism in post-Soviet Russia has been accompanied by the development of a huge organised crime sector, that could be called the "fifth power" in the land.¹⁵ He gave as an example the Avtovaz car plant in Togliatti, where seven criminal groups were liquidated. They controlled the entire production of the plant and enjoyed an illegal annual income of

more than R500 billion.¹⁶ Organised crime thus plays an important part in the Russian economic system. According to the analytical centre of the Russian Academy of Sciences 55 per cent of the capital and 80 per cent of shares under privatisation are in the hands of foreign and domestic organised crime. Criminal organisations are also responsible for a significant outflow of funds from Russia. It is estimated that about R1 billion leaves Russia monthly, and much of this money is illegal.¹⁷

Organised crime has a strong hold in the banking and finance sector; between 1992 and mid 1995, there were 83 attempted assassinations of bankers, of whom 46 died.¹⁸ Organised crime makes use of contract killings to achieve its objectives. In 1997 the authorities were aware of 118 contract killings.¹⁹ The authorities are ill equipped to tackle organised crime due to the scale of its operations and the level of corruption that penetrates the law enforcement agencies. Kulikov reported that in 1996, 10,000 Interior ministry employees were brought to account for corruption, of whom 3,000 were prosecuted.²⁰

It should be noted that it is often difficult in Russia to determine where organised crime ends and legitimate business begins. It is also unlikely that illegal business operations will ever become civilised and brought within the rule of law as happened with the so-called robber barons in the USA.

The prevalence of large-scale organised crime and corruption may not necessarily be a threat to stability in Russia but it could become so. If a leadership is serious about clamping down on these phenomena, then attempts to do so could provoke serious resistance from organised crime, which is likely to support leaders sympathetic to it. The contract killing of the liberal Duma deputy Galina Starovoitova in November 1998 indicates the ruthlessness of organised crime in dealing with those it considers to be a threat to its interests. Assassinations of this sort are likely to intimidate democratically-oriented politicians from speaking out against corruption. Furthermore, resentment of a privileged and corrupt establishment by the 'have nots' in society could result in mass protest and a revolutionary situation akin to February 1917. Corruption in the armed forces has resulted in officers attempting to sell arms illegally, and this could in a worse-case scenario, even include nuclear components or other weapons of mass destruction.

5. *MASS UNREST*

There has been little unrest so far in the Russian Federation since the collapse of the USSR in 1991. The high degree of social peace has surprised many. However, simply because mass unrest has not so far appeared, it would be unwise to assume that it will never emerge. No one predicted the unrest that emerged in Poland in 1980 that led to the emergence of the Solidarity movement, and no one predicted the violent protests in Indonesia in May 1998 that eventually resulted in the resignation of President Suharto. If the Russian leadership is unable to resolve the nation's financial crisis and if this impacts upon living standards, then mass unrest could emerge as a new factor in Russia's political equation. The 1998 miners' strike, which has resulted in miners blocking the Trans-Siberian railway line, is the most serious industrial action since the end of the Soviet Union, and there is also discontent among workers in the military-industrial complex which could easily increase.

RUSSIA AND THE FORMER SOVIET UNION²¹

Since 1991, Russia has promoted the Commonwealth of Independent States (CIS) as a means of promoting relations between the former Soviet states (with the exception of the three Baltic states). Integration has become the key notion of Russian policy towards its partners in the CIS. Russian policy-makers reject accusations that Russian policy is imperialist, and instead portray Moscow's policy as one of promoting and leading integration in the post-Soviet space. This process embraces political, economic and military integration, which is seen as a natural process, as it covers a region which was formerly a single state (ie the USSR, which was preceded by the Russian Empire). Some Russian politicians speak of the possibility of integration processes ultimately resulting in a confederation.²² At the very least, most of the Russian political elite support the creation of a cohesive pro-Russian bloc of states on the territory of the former Soviet Union.

The Development Of CIS Integration

The Yel'tsin leadership does not see integration as a process which threatens the sovereignty of its fellow CIS members, although opinions naturally differ throughout the CIS. Moscow compares CIS integration processes with EU integration in Western Europe. Russian policy toward the CIS aims at creating a community of states that is closely tied to Moscow. The Russian Federation can fairly be regarded as the core of this integration process, as it is an integration that is taking place largely on the basis of Russian interests. From the Russian standpoint, the ideal structure of the relationship between Russia and her CIS partners resembles in some ways a bicycle wheel, with Russia as the hub, and the other eleven member-states as the spokes.

The guidelines for Russian policy towards the CIS were outlined in a presidential decree issued in September 1995.²³ This decree, entitled the 'strategic course of Russia with the participant states of the Commonwealth of Independent States', comprises a number of sections outlining the processes and mechanisms of further economic, military and cultural-humanitarian integration, along with the development of the CIS as a regional international organisation, capable of acting in international fora and interacting with other international organisations. This decree makes it clear that the development of CIS integration is a central goal of Russian foreign policy. In an interview he gave to *Izvestiya* in March 1996, the then foreign minister Yevgenny Primakov regarded Russia's relations with the CIS as a priority which will enable Russia to find itself as a great power.²⁴ He rejected accusations that Russian policy towards the CIS was imperialist in nature, claiming instead that it was an 'objective' process, and that the impetus for further integration often came from other member-states. He also noted that there were 'many people' in the economic ministries in Moscow who felt that economic reforms should be carried out on Russian territory alone, in order to avoid the possibility that other CIS states may become a burden on Russia. Primakov opposed this viewpoint as he felt that Russia's future lay in conquering CIS markets. There are those in Russia who favour the penetration of Russian capital into the states of the CIS, seeing it as a means of tying these states closely to Moscow.²⁵

The Soviet Union was economically highly integrated, and since the end of the USSR, the Russian leadership has argued that the successor states of the USSR form a single economic space, and has sought to promote means of restoring disrupted economic links, albeit on a new market-oriented foundation. Indeed industrial lobbies (ie financial-industrial groups) in Russia and the other former Soviet states have also

desired to re-establish former ties, and these factors comprise one of the most influential centripetal tendencies in the CIS. In September 1993 nine CIS members (the abstainers being Turkmenistan and Ukraine, who became associate members) signed a treaty to create an Economic Union. Turkmenistan became a full member at the CIS Heads of State summit in December 1993. In October 1994 the CIS heads of state created an Interstate Economic Commission (usually known by its Russian acronym, MEK - *Mezhgosudarstvennaya Ekonomicheskaya Kommissiya*), to oversee the creation of the Economic Union. It is the first supranational body in the CIS. MEK set up an Inter-State Currency Committee in March 1995 and drew up an agreement on inter-state payments in settlement of mutual trade and relations for the period 1992-93. In January 1995, Belarus, Russia and Kazakhstan signed an agreement on creating a customs union. In 1996 Kyrgyzstan joined. Tajikistan was also interested in joining, but so far only has observer status.

In January 1997, at the meeting of the Council of CIS Heads of Government, the main item on the agenda was a "draft concept of the economic integrational development of the Commonwealth of Independent States" which aimed at outlining means to develop economic integration in the CIS. The concept included developing a payments union, a common labour market, and a common scientific-technical investment and information space. The document was adopted at a meeting of the Council of the CIS Heads of Government in March 1997, although the deputy prime minister Valery Serov said that it is not a binding document: its purpose is to show how further CIS cooperation might develop.²⁶

Russia's trade with the rest of the former Soviet Union has declined since the break up of the USSR, and non former Soviet states now take up a greater share of Russian trade. In 1988, Russia exported \$51bn to the union-republics which would become the CIS and imported \$74.2bn. In 1995 exports were \$30bn and imports \$16.5bn. However in 1996 the degree of trade between CIS members increased, and the rate of growth of trade turnover between CIS members exceeded that rate of growth of trade turnover between the CIS and other states for the first time since the establishment of the CIS.²⁷

Russia has also sought to develop military integration within the CIS. A CIS collective security agreement was signed in Tashkent in May 1992, and since then, Moscow has sought to develop the notion of collective security in the CIS. This has been fraught with problems, due largely to the break up of the old USSR armed forces, and the failure of the Russian military leadership to develop and successfully implement a viable programme of military reform for its armed forces. The differing geopolitical interests of CIS members have also hindered the development of collective security. Armenia called for the collective security pact to be applied against Azerbaijan in June 1992. Peacekeeping within the CIS has fallen almost exclusively on Russian shoulders.

Throughout 1996 and 1997 the CIS was concerned with the development of collective security, in particular, plans for a united air defence system.

The Russian political and military leadership regards the external borders of the CIS as a Russian security concern, and Russian border forces have guarded the external borders of several CIS member states since the break up of the Soviet Union and bilateral agreements with other states have usually governed these arrangements, although some states resent the presence of Russian border troops on their external

borders. In October 1996 the Council of CIS Foreign ministers agreed draft documents on protecting CIS external borders. Russia is extremely concerned about security on her southern borders, explaining her interest in having a strong presence in Transcaucasia and her fears about the possibility of Islamic extremism penetrating Transcaucasia and Central Asia.

In addition to the integration processes taking place within the framework of the CIS, two other agreements were signed in 1996. In March 1996 an agreement to deepen and accelerate integration was signed between Russia, Belarus, Kazakhstan and Kyrgyzstan in Moscow. On the occasion of the signing of this agreement, President Yel'tsin suggested that other states could join this agreement, and he mentioned as examples, other CIS members, the Baltic states and even Bulgaria.²⁸ This is an interesting indication of how some Russians see integration in the Eurasian heartland as a process that could (and possibly should) extend far beyond the confines of Eurasia. Similarly when the CIS was established in December 1991, some in the Russian leadership spoke of some of the former Warsaw Pact states joining the CIS. The quadripartite agreements set up an institutional structure between the four states.²⁹ Tajikistan joined this Union in 1998, so making it a pentagonal union.

This agreement was followed by a separate bilateral agreement between Russia and Belarus in April 1996, creating a Community of Sovereign States.³⁰ In 1997 this was transformed into a Russo-Belarusian union. This agreement was theoretically open to other states, and envisaged close political cooperation between the signatories. There has been some interest in Armenia in joining the union. Kazakhstan could be another possible candidate for membership.

Alongside these various multilateral integration agreements, there also exists a host of bilateral inter-state agreements between the CIS members. However, it should be noted that many of the agreements signed have not been implemented. The then minister for CIS affairs Aman Tuleyev complained in September 1996 that only about one agreement in twenty is being implemented out of a total of about 1300 agreements.³¹ The pentagonal agreement and Russo-Belarusian community agreement remain largely unimplemented. Therefore although integration exists as a process in the CIS, it is proceeding in a slipshod fashion, and cannot be compared to the smoother and more effective integration processes taking place in the European Union. This undermines the effectiveness of the CIS as an international organisation.

The Russian Federation has had a mixed record in establishing a Russian oriented community of states around her. Aman Tuleyev admitted in January 1997 that Russia was virtually isolated in the CIS, when he stated that "out of the eleven countries with which Russia cooperates within the framework of the CIS, Azerbaijan, Georgia and Turkmenistan pursue isolated policies, Ukraine and Uzbekistan keep their eyes on the West, and Moldova held a pro-Romanian stance until recently".³² The Baltic states will never willingly enter into such a community due to their abiding mistrust of Russian power, based on what they consider to be their forced incorporation into the USSR in 1940. They will accordingly continue to pursue their goal of seeking full integration into the western community of states. Mutual mistrust will grow if Latvia, Lithuania and Estonia draw closer to NATO. However the Yel'tsin leadership accepts that the Baltic states are a special case.

Economic integration has not proceeded smoothly, and this has led to the suggestion that the CIS would do better to stop trying to integrate and create what would in effect be a CIS economy administered by supranational organs, and instead use CIS

mechanisms to optimise trade relations, somewhat on the model of NAFTA.³³ The difficulties of coordinating economic reform in different post-Soviet states also hinder integration. Russian observers of the CIS often draw parallels with the integration processes in the EU, and it has been suggested that CIS integration would proceed more smoothly if there existed an axis between Russia and one other key state, analogous to the Franco-German axis in the EU. Russia and Ukraine would form the most logical axis, in view of the economic potential of these two states. However, political mistrust prevents the emergence of a close axis.³⁴ While Russo-Ukrainian relations are currently good following the signing of the Russo-Ukrainian friendship and cooperation treaty in May 1997, Ukraine is likely to remain wary of Moscow, not least because of her high level of energy dependence on Russia. The quadripartite union of Russia, Belarus, Kazakhstan and Kyrgyzstan may be seen as an attempt to create an alternative Eurasian axis to provide a core of integrated states. However the record of the quadripartite integration process is patchy, although it is claimed that it has facilitated the growth of trade among these states. The Russian goal is probably influenced by notions of dependency theory, in that if these states are dominated by Russian capital, and tied to the Russian market, then this will produce a group of states geopolitically oriented to Moscow.

Aman Tuleyev proposed in September 1996 that CIS debtor-countries could pay off their debts by allowing Russia to purchase privatised enterprises in their countries³⁵. So far, however Russian capital has not been able to make significant inroads to all CIS states and so create an economic basis for a pro-Moscow foreign policy orientation. Economic factors have driven some states to look to Moscow politically. This is true of Belarus, Georgia, Kyrgyzstan. Political factors also play an important role. Armenia and Tajikistan look to Moscow not merely because of their weak economies, but because they see Russian support as vital for their continued existence. Georgia fears that possible Russian support for Abkhaz, Osetian and Adzhar separatism could lead to a break up of the Georgian state.

At the moment it appears that it is more economic weakness than integration that is pushing some of the weaker CIS states towards greater foreign policy cooperation with Moscow. States which have a greater ability to sustain independent economic development, such as Azerbaijan, Uzbekistan and Turkmenistan, have been able to distance themselves from Moscow politically, although Azerbaijan, due to her small size and proximity to the Russian Federation could find it difficult to maintain as far a distance from Moscow's foreign-policy orbit as she would like. Ukraine represents a case of a state which is economically more dependent on Russia than she would like to be, although this has not prevented her from pursuing a foreign policy that emphasises its differences from Moscow. The Yel'tsin leadership's failure to develop a close convergence in foreign policy objectives with Kiev is a major disappointment and greatly hinders her task of developing a community of Russian-oriented states in the former Soviet space.

The record on military integration is also patchy. Russia would logically form the core of any collective security system or military alliance formed among the CIS states, yet the appalling state of her own armed forces and defence industries makes it difficult to conceive that Russia could promote a viable military integration. Ukraine's unwillingness to enter into close military cooperation with the Russian Federation is a major obstacle to any hopes Moscow might have of creating a CIS military bloc. When the then Russian defence minister Igor' Rodionov said in January 1997 that Moscow would not create a CIS alliance to counter NATO, and this probably reflected his awareness that Moscow could not in fact do so.

The Central Asian states (with the exception of Uzbekistan) are still dependent on close cooperation with Russia for the development of their armed forces, and even Turkmenistan still sends officers to Russia for training. However these states are also seeking to train their officers elsewhere. In March 1996, it was agreed that Turkmen officers would be trained in the USA. Turkey, Iran and Pakistan have also been active in offering military assistance to Central Asian states.³⁶ PFP programmes have resulted in the widening of NATO ties with former Soviet states (Tajikistan is the only former Soviet state not to have signed PFP), and complicates the task of CIS military integration. It also dilutes Russian influence throughout the CIS, and revives Russian fears of encirclement by the West.

Russian policy has succeeded in creating a partial sphere of influence throughout the former Soviet Union. The states where she has the greatest influence are among those who are weak and need Moscow's sponsorship, if only because there is no other sponsor. Belarus, Armenia, Tajikistan and Kyrgyzstan come into this category. Kazakhstan partly does, as the Nazarbayev leadership does not wish to antagonise the large Russian community in northern Kazakhstan, which could in a worst-case scenario become a Sudetenland-type problem for Kazakhstan. At the same time Nazarbayev has shown determination to uphold Kazakh sovereignty. Those states most able to remain outside of a sphere of influence are Ukraine, Moldova, Uzbekistan and Turkmenistan. This is partly because of their size, geographical position and economic resources. This gives Moscow a mixed record. Belarus' pro-Moscow orientation is beneficial to Moscow in view of her concern over the extension of NATO into Central and Eastern Europe, but this is more than offset by Ukraine's determination to resist being pulled into any CIS security system. Promoting the unity of the Slavic core of the former Soviet Union is a key Russian objective, but it is impossible to achieve such unity without close Ukrainian cooperation. Ukraine's unwillingness to cooperate makes Russia's western frontiers appear all the more vulnerable as NATO widens. Moscow's non-response to Ukraine's suppression of the Crimean separatist leadership in 1995, underlines Russia's inability to render effective support to pro-Moscow forces in Crimea.

Russia has a strong desire to maintain a strategic presence in Transcaucasia, not least because of Caspian oil and the importance of pipeline politics in the region. Russia is fortunate that Armenia is willing to cooperate closely with Moscow. This gives Russia an important foothold in a region of considerable strategic importance. The unwillingness of Azerbaijan under Geidar Aliev to cooperate closely with Moscow is an important setback in view of the development of Caspian Sea oil resources, and Moscow appears to lack the instruments to induce greater cooperation from Aliev. Furthermore, even though Georgia has emphasised cooperating with Russia, Tbilisi has refused to sign many CIS agreements on economic cooperation. There is considerable anti-Russian sentiment in Georgia, and a change of leadership there could aggravate Russo-Georgian relations.³⁷

Central Asia is the region where Moscow has had the greatest success in building a sphere of influence, although this region is of less strategic importance to Russia than Transcaucasia and the western areas of the former Soviet Union. Again Moscow's closest allies are the weakest states of the region (ie Tajikistan and Kyrgyzstan) who simply need Moscow in order to survive. Kazakhstan has put strong emphasis on maintaining a good relationship with Moscow, although this has not resulted in Kazakhstan pursuing a deferential foreign policy towards Moscow. Uzbekistan's regional ambitions could embroil Russia in further security problems in Central Asia,

as states such as Kyrgyzstan may look to Russia for protection against Tashkent.

It is ironic therefore that in many respects the Russian sphere of influence in the former Soviet Union is in many respects a coalition of the weak and needy. Furthermore, Russia currently lacks the necessary military and economic strength to reverse the drift of states such as Ukraine, Azerbaijan and Uzbekistan away from Moscow. Whatever Russia may presently desire, Moscow is unable to enforce any form of Brezhnev doctrine on most of the states of the former Soviet Union. Her sphere of influence tends to be loose and fragile and diluted by the inroads made by other states and international organisations. Russian policy often tends to be incoherent and lack consistency. Many large Russian companies pursue policies toward former Soviet states that ignore the policies of the Foreign Ministry. For example, Gazprom has sought to develop commercial interests in the Baltic states, despite Primakov's criticism of these states' policies towards their Russian populations.³⁸ Lukoil also supported the agreement signed between Azerbaijan and a consortium of western oil companies in September 1994, even though this was opposed by the Foreign Ministry.

The post-Yel'tsin leadership is therefore likely to inherit this sphere of influence. Whoever replaces Yel'tsin is likely to be more *derzhavnik* in outlook, and may have to contend with a situation where NATO may have widened into Central and Eastern Europe and so moved closer to the borders of the former Soviet Union. This may increase the desire to establish a firmer sphere of influence in the CIS. A substantial rebuilding of Russian economic and military strength is necessary if Moscow is to achieve this goal. An inflow of Russian capital into the former Soviet Union could play an important role in building an economic basis for a pro-Russian regional grouping, but the Russian economy is currently too weak to lock the other former Soviet states into a state of dependency that would ensure that these states deferred to Moscow on all key foreign and security policy issues.

One possible exception lies in the energy sector, where many former Soviet states are still heavily dependent on Russian oil and gas supplies. If a future Russian leadership is able to achieve significant progress in rebuilding Russian economic and military power, then it may be willing to make use of energy supplies in disciplining the states of the former Soviet Union. An aggressive leadership may also seek to use the Russian communities in the former Soviet Union in a manner similar to Hitler's use of the Sudeten Germans in Czechoslovakia in 1938-39, although it would be unlikely to have much success with this strategy, as Russian communities in the former Soviet states do not look to Moscow for protection against the new post-Soviet leaderships. The Russian desire to play a leading role in developing integration and centripetalism in the CIS is likely to remain a constant factor in Russian thinking, and will therefore dominate the international relations of the post-Soviet space in the immediate and medium term future.

Some Scenarios

This section outlines some possible scenarios for Russian relations with the former Soviet Union.³⁹

1. A continuation of the current status quo. Russia has influence in some regions of the former USSR, but has to contend with the loss of influence over key states and the incursion of other states and international organisations.

2. Russia rebuilds her economic and military strength, and the strength of her economy increases the attractiveness of CIS cooperation and integration. Moscow is therefore able to encourage the development of a community of post-Soviet states. This is reinforced by a cultural policy that creates a significant pro-Russian sentiment ruling elites in these states. This is a non-coercive policy. The influence of non former Soviet states is tolerated.

3. Russia rebuilds her military and economic strength and develops a community as in scenario two, but also pursues a more imperial policy. Economic (particularly energy) sanctions are used to discipline uncooperative states. Moscow uses covert means to overthrow or pressurise uncooperative leaderships, as she was suspected of doing to Elchibey in Azerbaijan in 1993. Outright military force is used where necessary. The influence of non former Soviet states is not tolerated.

4. Complete loss of Russian influence in the former Soviet Union. A weak Russia loses all ability to influence developments in the other former Soviet states, with the result that these states no longer have to take Moscow's views into account when formulating their foreign policies. The Russian Federation is powerless to check the spread of the influence of other major powers throughout the former Soviet Union.

Possible Future Trouble Spots

It should be noted that this list indicates potential (as opposed to actual) trouble spots, that could emerge if the political situation changes drastically in Moscow. Many of these regions are currently quiescent, and are unlikely to become a problem for Moscow, provided current circumstances do not change.

The likelihood of these regions becoming active trouble spots is indicated as follows:

HIGHLY LIKELY
LIKELY
POSSIBLE
UNLIKELY
HIGHLY UNLIKELY

1. Renewed Armenian-Azeri conflict over **Nagorny Karabakh**. Russia attempts to broker a settlement in order to safeguard the flow of Caspian Sea oil through to Novorossiysk. POSSIBLE

2. Azerbaijan develops **oil pipeline routes** that bypass Russia. Moscow therefore attempts to destabilise the Azeri government, hoping to replace it with a pro-Moscow leadership. POSSIBLE

3. **Ukraine**. Crimea could become a trouble spot in the future if a Crimean political leadership decided to defy Kiev and look to Moscow for protection. This could be accompanied by further tensions over the Black Sea Fleet and its bases. POSSIBLE

4. **Leadership struggles** in any Central Asian state, resulting in major instability. POSSIBLE

5. **Kazakhstan** breaks up into a pro-Russian northern state and a Kazakh southern state. This leads to greater Chinese influence in Central Asia. POSSIBLE

6. Collapse of the current **Tajik** state, and its replacement by a Taleban-type regime. POSSIBLE

7. **Moldova**. If a future Moldovan leadership decides to move closer to Romania, this could reignite conflict with Transdnestr. POSSIBLE

8. **Georgia**. Any breakdown in the peace processes in South Osetia, Abkhazia would involve Russia in an attempt to mediate a settlement. If Russo-Georgian relations deteriorated, and Georgia became hostile to Russian bases in Georgia, Russia could sponsor separatism in Abkhazia, South Osetia or Adzharia to pressurise Tbilisi. POSSIBLE

9. **Uzbekistan** threatens her Central Asian neighbours, who may look to Russia for assistance. UNLIKELY

10. **The Baltic states**. If the Russian communities in Latvia and Estonia become further disaffected with the policies pursued by the respective governments of these two states, Moscow may put intense pressure on these two states. HIGHLY UNLIKELY

RUSSIAN FOREIGN POLICY TOWARDS NON FORMER SOVIET STATES

Russian foreign policy towards non former Soviet states has evolved considerably since the Russian Federation emerged as an independent state in December 1991. Russia remains true to her self proclaimed role as the main successor state to the USSR, regarding herself as the continuer-state to the former Soviet Union, in that the Russian Federation inherits the international treaty obligations and rights of the old USSR. However, there have been significant changes in the foreign policy orientation of the Russian Federation. The strongly Atlanticist orientation of the early 1990s is no more. In its place, Russian foreign policy has adapted many of the tenets of the Eurasianist orientation, which places greater emphasis on building ties with Russia's neighbours on the Eurasian land mass in place of attempting to become an integral part of the Western community of states.⁴⁰ Russian foreign policy is more nationalist in outlook, as Primakov affirmed in January 1997 when he criticised NATO widening and stated that Russia would seek to correct her pro-western stance by developing closer ties with the major Asian powers, naming China, Japan, India and the ASEAN states.⁴¹

What is Russia's role in the post-Cold War international system? It would be wrong to describe Russian foreign policy as anti-western. Russia wishes to be seen as a great power, and as such, an equal participant with other major world powers in various international fora. At the Clinton-Yel'tsin summit in Moscow in January 1994, the Russian president's press secretary Vyacheslav Kostikov commented that 'the role played by the great powers in the world will steadily grow...the world needs a strong new order, and Russia will play the role of a great power in it.'⁴²

Russia is not averse to cooperating with the West where she considers it to be in her national interest, but will reserve the right to express her differences (and also act accordingly), where she believes her interests differ from her western partners. The Russian leadership believes that a multipolar international system is being formed in place of the bipolar international system that prevailed during the Cold War era. Russia is to encourage the emergence of such a system and to avoid the development of a unipolar system where one power (ie the USA) dominates the international system.⁴³ A system consisting of several different and independent centres of power is desired by Russia as she believes that by developing relations with all these centres and encouraging their independence, she will be able to maintain freedom of manoeuvre in her foreign policy and so enhance her independence in the international system. Among the major centres of power, the Russian foreign policy leadership usually lists the following states and regions: Russia, the USA, Western Europe, China, Japan, India, South Korea, ASEAN, the Middle East, Mexico, Brazil, Argentina, South Africa and Nigeria.

The post-1991 international system is similar in many respects to the European interstate system from 1815 until 1914, where there were no major ideological differences between the major European powers, and these states were prepared to cooperate on some issues and compete over others.⁴⁴ The contemporary relationship between Russia and the major western powers (and also to some extent, China) is in some ways similar to the pattern of relationships that existed in nineteenth century Europe.

Russia's objective in joining the G7 (and hence transform it into the G8) can be seen as evidence of her desire to be seen as a major power, alongside the major powers of the

Western community of states. Russian participation in G7 summits since the Naples summit in 1994 is therefore an important success for Russian foreign policy. Apart from participation with the G7, Russia also seeks to cooperate (and also disagree, where necessary) with major western powers through other fora such as the United Nations, the OSCE, the Council of Europe and special partnership arrangements with NATO and the EU. Having abandoned the ideological confrontation of the Cold War era, Russia now wishes to become a fully fledged member of the international system. She has joined the IMF and World Bank, and has applied to join the World Trade Organisation. Russian participation in these organisations and the international system is viewed by the Russian leadership as part of the process of political and economic reform within the Russian Federation.

Russia has placed considerable emphasis on developing close partnership relations with certain states since, 1991. States and international organisations such as the USA, Germany, the EU, China and Japan are often seen by Russia as key partners, with whom she wishes to develop stable and cooperative relations on the basis of equality.

Russia has three major areas of interest:

The USA and Europe

The Asia-Pacific region

The Middle East

THE USA AND EUROPE

Russia's most important set of relationships in the far abroad are with the USA and the major West European powers. These states, plus Japan are Russia's major partners in tackling issues connected with the two key areas of Russian foreign policy:

1. The promotion of Russia's international security interests.
2. Supporting the Russian political and economic reform process.

The promotion of Russia's international security interests is a wide-ranging task. Arms control is a central part of this process. Russia's involvement in developing a post-Cold War security system in Europe is another central feature of Russian international security interests, as is Russia's relationship with NATO and other western international security organisations. Russia's main approach to the West has consisted of striving to develop close partnership-type relations with the USA and Western Europe. Russia originally put great emphasis on close Russo-US partnership in shaping the post Cold War international order, but she has shifted away from this approach as the USA viewed Russo-US partnership in less ambitious terms. Although the Russo-US partnership is still important, Russia has become irritated at what she sees as American unwillingness to treat Russia as an equal.

Russia sees herself as a European power, and wishes to be a full participant in the development of political, economic and military integration processes in Europe. She has sought to cooperate with the Atlantic Alliance in developing a new European security system. She has argued against NATO widening into Central and Eastern Europe, but has reluctantly accepted that the incorporation of most, if not all, of the

former Warsaw Pact states is probably inevitable. The signing of the Russia-NATO pact in Paris in May 1997 is an attempt by both Russia and NATO to come to a *modus vivendi*, and prevent NATO widening becoming a bone of contention. Russia has sought to promote the OSCE as a UN type of security organisation for Europe, in the hope that this will diminish NATO's current role as a collective defence organisation. Russia would also like to see the USA's security role in Europe substantially reduced.⁴⁵

Economically, Russia wishes to develop a close partnership relation with the EU, as seen in the signing of the Political Cooperation Agreement (PCA) in 1994. The PCA came into force in December 1997. The EU is Russia's major trade partner and aid donor. In July 1997, prime minister Viktor Chernomyrdin spoke of Russia eventually joining the EU.⁴⁶ In July 1996, Primakov spoke of Russia, the USA and the EU as being the key elements in a future European security system, which makes clear the EU's importance to Russia as a European actor.⁴⁷

Russia sees Germany and France as her most important political partners in Western Europe, and many in Russia see Germany as a potential close ally in building a new post Cold War Europe. In October 1997 Moscow, Bonn and Paris decided to hold annual trilateral summits, which could result in the emergence of a Russo-Franco-German axis in Europe, that could perhaps supplant US influence.⁴⁸

ASIA-PACIFIC

Disillusionment with the West has prompted Russia to look eastwards to cultivate new partners and signal to the West that Moscow should be seen as a junior partner. Moscow has accordingly developed a cordial relationship with China since Yel'tsin's visit there in December 1992. Economic relations have developed steadily, and Russia has also sold China military equipment. Both sides describe their relationship as one of strategic partnership, and Russo-Chinese communiqués issued in Shanghai in April 1996 on the occasion of Yel'tsin's visit and in April 1997 when President Jiang Zemin visited Moscow made clear their opposition to attempts to establish a unipolar (ie US led) international order.⁴⁹ It is however doubtful whether China would become the strategic counter to the West desired by Russia.

Moscow has also sought to develop closer ties with India, ASEAN and the APEC, joining this organisation in 1997. Relations with Japan have improved significantly since Yel'tsin's visit in October 1993, and although the Kurile island issue has yet to be resolved, both sides seem happy with the negotiations over the Russo-Japanese peace treaty.

MIDDLE EAST

Russia, like the Soviet Union before her, sees the Middle East as important, and wishes to be seen as a major player in this region. She therefore intends to play a full and active part as one of the co-chairmen (along with the USA) of the Madrid peace process which aims at reaching a comprehensive Arab-Israeli settlement. Moscow has dropped the hostility towards Israel that characterised Soviet policy in the pre-Gorbachev era, and pursues an even handed approach towards Israel and the Arab states. Russia has also been anxious to demonstrate that she will not automatically follow in the wake of US policy.

By becoming a key part of the Middle East process Russia hopes to legitimise her presence in the area and develop close economic relations with all Middle Eastern states. Moscow also desires to see peace and stability in the Middle East as the region

borders on the southern periphery of the former Soviet Union. This region is important to Moscow not least because of Caspian oil and her perception that instability in the Middle East could spread into Transcaucasia and Central Asia and possibly even into the Russian Federation. Moscow has accordingly advocated the creation of an OSCE type security system in the Middle East, in which Moscow (and presumably also Washington and the EU) would participate.⁵⁰

Russia would like to see pariah states such as Iraq and Libya rehabilitated into the international community, and so opposes the hard line taken by the USA towards these states. Moscow has become increasingly critical of US use (or threatened use) of military force against Iraq since the end of the Gulf War and argues for a more conciliatory approach towards Iraq in the hope that this will moderate Iraqi attitudes and ultimately permit the lifting of UN sanctions. Russia desires Iraq's and Libya's rehabilitation for economic reasons, as both countries owe significant sums to Moscow. In anticipation of this, a Russo-Iraqi economic agreement was signed in March 1997, and Russian oil companies are ready to develop new Iraqi oil fields.⁵¹

Moscow has put great emphasis on developing close ties with Iran. Russia has sold military equipment to Iran, and has concluded an agreement to complete the construction of a nuclear power plant in Bushehr, despite US disapproval. Iran could become an important strategic partner of Moscow if Russo-Western relations deteriorate, possibly as a result of NATO widening. This was hinted at by deputy foreign minister Viktor Posuvalyuk when he visited Iran in June 1996. He said that Russia and Iran were made for each other economically, that Tehran shared Moscow's views on NATO widening into Eastern Europe, and claimed that Iran saw NATO acting similarly in the Middle East.⁵²

Russia sees Turkey as another important Middle East power, but in contrast to the cordiality of Russo-Iranian relations, Russo-Turkish relations are characterised by a significant degree of mistrust. Russia is suspicious of possible attempts to create a Turkic commonwealth among the Turkic nations of former Soviet Central Asia and Transcaucasia, and even attempts to build ties with Turkic peoples within the Russian Federation.⁵³ Some circles within Russia have seen Turkey as a US or NATO surrogate aiming at weakening Russian influence in these areas. Turkey has been seen as laying down geopolitical challenges to Russia from Bosnia to Tajikistan, and this had led to speculation on the possibility of the formation of an Ankara-Bonn-Baku axis that would be detrimental to Russian interests.⁵⁴ Russia is also concerned by what she sees as Turkish naval superiority in the Black Sea. Russia is also anxious over Turkish lobbying for an oil pipeline from Baku through to Ceyhan in Turkey that would bypass Russia. There has also been rivalry over the Bosphorus straits, with Russia protesting at Turkish intentions of restricting oil tanker traffic on environmental grounds. This has led to Russian suspicions that Turkey is making these claims in order to reduce the attractiveness of the Baku-Novorossiysk pipeline, as oil pumped to Novorossiysk would then have to be shipped through the Bosphorus. Russia has been suspicious of Turkish support for Azerbaijan in the Armenian-Azeri conflict over Nagorny Karabakh.

However although there is considerable geopolitical rivalry between the two powers, this has not prevented the growth in trade, and it is possible that Russo-Turkish interests could coincide in some areas. Turkey is considered to be sceptical about the benefits of NATO widening, and has threatened the possibility of vetoing NATO widening if she is not permitted to enter the EU. This would naturally suit Russian interests, and may even lead to Russian attempts to cultivate Turkey as an ally.

Major Challenges To Russia's Interests

There are four major challenges to Russia's self-defined foreign policy interests:

US GLOBAL UNILATERALISM

This is more a blow to Russian national pride than a direct threat to Russian security. US dominance of the international system and use of military force in various regional theatres such as former Yugoslavia and the Middle East underlines Russia's weakness in the international arena, as the US would have been less likely to use force in such theatres when Soviet power was at its zenith. American attempts to act as world policeman make a mockery of Russian claims to continued great power status and her claims of an equal Russo-US partnership that is shaping the post Cold War international order.

NATO WIDENING

The prospect of NATO widening has been a source of major concern to the Russian political establishment since the break up of the Soviet Union. Extension of the NATO alliance into Central and Eastern Europe is not perceived by the most of the Russian political establishment as a military threat, but as a blow to Russian great power status. It symbolises Russian defeat in the Cold War, and can also be perceived as an attempt to isolate and contain Russia, not least because most of the Central European membership applicants see NATO membership as a source of protection against a resurgent Russia. Moscow accepts the first wave of NATO widening (ie Poland, Hungary and the Czech republic) as a *fait accompli*. She could do little to prevent a second wave that consisted of the remaining former non-Soviet Warsaw Pact members. Second wave widening, however, would further increase Russian discomfiture with NATO. The PFP process and the Russia-NATO Joint Permanent Council created as a result of the Russia-NATO founding act in May 1997 would be unlikely to assuage this. A third wave of former Soviet states runs the risk of provoking a new Cold War and destroying Russian desires for deep and wide-ranging cooperation with NATO. Russian concern over NATO widening would only be appeased if Moscow succeeds in her ambition of making the OSCE as the main European security organisation. As part of this process Russia wishes either to bring about the abolition of NATO, or failing that transforming it from being a collective defence organisation into a more amorphous political organisation subject to the control of the OSCE. This would result in the emasculation of NATO.

ISLAMIC EXPANSIONISM

Russia is strongly concerned about the possibility of the expansion of Islamic influence into the former Soviet Union. Russia's main security threats are likely to come from the south. As discussed, she is fearful that Turkey could be a conduit for the expansion of Islam into Transcaucasia and Central Asia, and even into the Russian Federation, where approximately 20 per cent of the population is Moslem. The victory of the Taleban in Afghanistan has aggravated Russian concerns. There is a perception that the West is backing this alleged Islamic threat in order to further weaken Russia. The development of oil resources in the Caspian Sea area and the importance of pipeline routes increases the strategic importance of the region from the standpoint of Russian interests.

CHINESE ASSERTIVENESS

Although China is currently seen as a strategic partner of Russia, a Chinese threat to Russian security could arise in the future. China could resurrect the territorial disputes that blighted Sino-Soviet relations in the 1960s and 1970s, and Siberia could

appear as an attractive *lebensraum* to a land hungry Chinese population. The expansion of Chinese influence into Central Asia may also be seen as threatening to Russia.

Conclusions

Russia is attempting to find her place in the international community and to define her foreign policy role in a state of considerable weakness. She still feels that she is, and should be recognised to be a great power, playing a major role in shaping the international system. However, Russia is not certain where she fits in the post Cold War world. Russian policy makers and international relations specialists debate whether she is to be regarded as a European or Eurasian power, and this often comes down to how close she can afford to associate with the West. Uncertainty over the future domestic evolution of the Russian Federation also complicates the task of defining her international role.

Russia is in a situation where she needs to search for allies, and in this situation it is logical for her to advocate multipolarity. Bipolarity has long gone, and a US led unipolarity, while not a threat to Russian security, could relegate Russia to a position where she is effectively forced to accept a US led agenda in international affairs. Russian national pride is unlikely to accept this state of affairs willingly. Within the context of a multipolar international system, Russia's task is to search for allies or partners.

Russia is likely to define herself as both a European and Eurasian power, and to endeavour to synthesise these two identities. This will create dilemmas. Russia still desires to have close relations with the USA, and sees the US-Russian relationship as crucial in many respects, for example, to the START process. At the same time, Russia increasingly gives the impression that she wishes to see the role of the USA in Europe reduced, and Moscow would probably not discourage the loosening of USA-West European links should that occur. Russia's desire would be a less Atlanticist Europe with closer ties to a Russia who is equally interested in developing ties with her major Asian neighbours. The ideal Russian outlook would be a close partnership with Germany and France in Europe, with China and India (and possibly Japan if the Kuriles issue could be resolved) in Asia, and with Iran (and possibly also Iraq and Syria) in the Middle East. This would (in Russian eyes) make it easier for Russia to deal with the USA as an equal in the international arena, and enable her to cope more effectively with any Islamic challenge from the south.

However, much depends on Russia's success in rebuilding her military and economic power in the coming decades, and on the type of regime that emerges after Yel'tsin. There appear to be three possible foreign policy orientations for Russia, which she could pursue irrespective of whether she is weak or strong.

Isolationist: a state which has a low level of interaction with the international community, and poses no challenge to the existing structure of international relations. Such a stance is extremely unlikely.

Positive engagement: Russia's current level of involvement with the international system. She has partnership relations with other important nation-states. Although she has significant differences with some of these states, she basically accepts the current structure of international relations, and tries to resolve disputes through

diplomacy. Any attempt to change the current structure of international relations is conducted by diplomacy.

Aggressive: a hostile rejection of the current structure of international relations, allied with a strong desire to challenge (or even threaten) that structure and the nation-states that dominate it. At its most extreme, this could entail the use of military force. Even a weak Russia could act aggressively if an irrational leadership decided to make use of nuclear weapons.

ENDNOTES

1. Michael Dobbs. "What Russians call democracy", Washington Post Weekly edition, 24-30 June 1996, 22, cited by Stephen Blank and Jacob Kipp, "Yel'tsin's newest coup", Demokratizatsiya, Vol.IV, No.4. Fall, 1996, p.481.

2. See Thomas Graham, 'The new Russian regime', Nezavisimaya Gazeta, 23 November 1995, for an analysis of the political and economic clan system that has emerged in post-communist Russia.

3. See Chrystia Freeland et al., 'Moscow's Group of Seven', Financial Times, 1 November 1996, for an analysis of the role played by leading Russian banks in the political system.

4. Donald Treisman, 'How Yel'tsin won', Foreign Affairs, September-October 1996, Vol.75, No.5. pp.64-77.

5. See Marc Galeotti, "How to rig Russia's elections", Jane's Intelligence Review, July 1996, p.291.

6. For a discussion of this concept, see Peter J. Stavrakis, Shadow Politics: The Russian State in the 21st century, US Army War College, Strategic Studies Institute, December 8, 1997.

7. See Daniel Yergin and Thane Gustafson, Russia 2010 and what it means for the world, London, Nicholas Brealey Publishing, 1994 for an outline of various scenarios for Russia, on which this section is loosely based.

8. For a detailed discussion of the scenarios for an authoritarian takeover, see Aleksandr Yanov, Posle Yel'tsina: Weymarskaya Rossiya, Kruk, Moskva, 1995, pp.258-261.

9. See Grigory Yavlinsky, 'Russia's Phony Capitalism', Foreign Affairs, May-June 1998, pp.67-79. See also Boris Nemtsov, 'Budushchee Rossii: oligarkhiya ili demokratiya?', Nezavisimaya Gazeta, 17 March 1998.

10. See the discussion on the regions below.

11. See the discussion on the armed forces and internal security forces below.

12. Ibid, pp.12-14.

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13. Vitaly V. Shlykov, The Crisis in the Russian Economy, US Army War College, Strategic Studies Institute, June 30, 1997, pp.7-9.
14. See Phil Williams ed Russian Organized Crime: The New Threat?, London, Frank Cass, 1997, for a discussion of this topic.
15. Anatoly Kulikov, 'The economy and security', Nezavisimaya Gazeta, 18 December 1997.
16. Note that these are old roubles. Under the 1998 currency reform, one thousand old roubles equals one new rouble.
17. Yury Demidov, 'Crime and economy', Nezavisimaya Gazeta, 31 December 1997.
18. See Thomas F. Remington, 'Democratization and the new political order in Russia', in Karen Dawisha and Bruce Parrott eds., Democratic changes and authoritarian reactions in Russia, Ukraine, Belarus and Moldova, Cambridge, Cambridge University Press, 1997, p.111.
19. See fn.15.
20. Nikolay Gvozdev, 'The head of the MIA draws with the Mafia', Segodnya, 18 January 1997.
21. The former Soviet Union used to be referred to by the Russian leadership as the 'near abroad'. The Russian leadership has now officially dropped this term, which is why it does not appear in this paper. Neither does the term 'far abroad', which has been replaced by the clumsier 'non former Soviet states'. See 'So near and yet so far', The Economist, 31 January 1998, p.45.
22. Radik Batyrshin, 'A confederative association is not a loss of independence', Nezavisimaya Gazeta, 5 April 1994.
23. Ukaz Prezidenta Rossiyskoy Federatsii ob utverzhdenii strategicheskogo kursa Rossiyskoy Federatsii s gosudarstvami-uchastnikami Sodruzhestva Nezavisimikh Gosudarstv, Diplomaticheskiy Vestnik, No.10, October 1995, pp.3-6.
24. Izvestiya, 6 March 1996.
25. Azhdar Krutov, 'Russia's national security depends on the speeds of integration of the countries of the CIS', Nezavisimaya Gazeta, 15 January 1997.
26. SWB 31 March 1997, SU/2880, A/2.
27. See the interview with Valery Serov, first deputy prime minister of the Russian Federation, 'The means not to lose out in the new division of the world', Nezavisimaya Gazeta, 1 February 1997.
28. SWB 1 April 1996, SU/2575, A/4.
29. 'Treaty between the Republic of Belarus, the republic of Kazakhstan, the Republic of Kyrgyzstan and the Russian Federation on deepening integration in the economic

and humanitarian spheres', Rossiskaya Gazeta, 2 April 1996.

36. 'Treaty on the formation of the Community of Russia and Belarus', Rossiskaya Gazeta, 13 May 1996.

31. SWB 11 September 1996, SU/2714, B/11.

32. SWB 22 January 1997, SU/2823, B/5.

33. Vladimir Lyaporov, 'The Commonwealth is not prepared for rapprochement', Nezavisimaya Gazeta, 23 January 1997.

34. Aleksey Salmin, 'The experience and prospects of the Commonwealth of Independent States', Nezavisimaya Gazeta, 15 May 1996.

35. Valery Musin, 'Aman Tuleyev proposes that debtor-countries share their property with Russia', Segodnya, 10 September 1996.

36. Roger D. Kangas, 'With an eye on Russia, Central Asian Militaries Practice Cooperation', Transition, Vol.2, No.16, 9 August 1996, pp.16-19.

37. Revaz Sakevarishvili, 'Zviadists intend to struggle for the withdrawal of the Russian military from Georgia', Segodnya, 14 February 1997.

38. For an article on Gazprom's foreign policy, see Sanobar Shermatova, 'The "gas policy" of the premier', Moskovskiye Novosti, No.3, 25 January - 1 February 1998. See also Rustam Narzikulov, 'Winter gas policy', Nezavisimaya Gazeta, 17 February 1998.

39. See Nabi Ziyadullayev, 'Scenarios of the future CIS', Svobodnaya Mysl', 12, December 1997, pp.60-67, for other scenarios, which concentrate on more economic aspects.

40. For a discussion of Atlanticism and Eurasianism, see Alexander Rahr, 'Atlanticists versus Eurasianists in Russian foreign policy', RFE/RL Research Report, Vol 1, No.22, 1992, pp.17-22, and Nicolai N. Petro and Alvin Z. Rubinstein, Russian Foreign Policy: From Empire to Nation-State, Harlow, Longman, 1997, pp.99-100.

41. SWB 9 January 1997, SU/2812, B/4.

42. SWB 15 January 1994, SU/1896, S1/1.

43. See Ye. Primakov, 'Mezhdunarodniye otnosheniya nakanune XXI veka, Mezhdunarodnaya Zhizn', 10, 1996, pp.3-13.

44. The G7 system of summits can perhaps be compared to the Congress system established in Europe after the defeat of Napoleon, where the major powers met to discuss and determine policy on major international issues.

45. Ivan Rodin, 'Yel'tsin threatens the Duma and Minsk, while not forgetting to criticise the USA', Nezavisimaya Gazeta, 4 October 1997 and Yekaterina Grigor'yeva, 'That which was under Peter I, will also be under Boris I', Nezavisimaya Gazeta, 19 September 1997. See also the statement by prime minister Viktor Chernomyrdin in SWB 1 May 1997, SU/2907, B/8.

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46. SWB 21 July 1997, SU/2976, B/12.
47. SWB 19 July 1996, SU/2668, B/11.
48. Aleksandr Bangerskiy, 'Yel'tsin calls on Europe to become an independent centre in the 21st century', Nezavisimaya Gazeta, 11 October 1997.
49. See SWB 26 April 1996, SU/2596, B/5, SWB 24 April 1997, SU/2901, B/9.
50. This was advocated by the then defence minister Pavel Grachev in December 1995. See SWB 4 December 1995, SU/2477, B/8.
51. SWB 19 March 1997, SU/2871, B/15-16.
52. See SWB 11 June 1996, SU/2635, B/7.
53. See Arkady Vartanyan, 'The unlearned lessons of history', Nezavisimaya Gazeta, 25 April 1997 for a hostile overview of Turkish policy towards the former Soviet Union.
54. See Sergey Kortunov, 'Russia in search of allies', International Affairs, Vol. 42 no.3, 1996, p.162.