The Authoritarian Roots of Russian Expansionism

Sean Clark, CSSD Research Fellow
November 2017

“We don’t want a single bit of another’s land,
But we won’t give up any of ours.”
The March of the Soviet Tankmen (1939)¹

On February 27, 2014, Crimeans awoke to swarms of well-equipped and heavily-armed soldiers streaming past their windows. The troops wore no insignia, but spoke Russian. By the time the locals fully understood what was happening, these “little green men” had secured the regional parliament, airports, and other key public buildings. A hastily-organized, closed-door session of the occupied parliament then elected a new government, completing the takeover. Its first decree was, in clear violation of Ukrainian law, to announce a referendum on the question of greater autonomy from Kiev.² With the entire operation directed from Moscow, the result was a foregone conclusion. On March 18, Crimea was annexed to the Russian Federation.

Crimea had been taken almost entirely without violence. Yet the next stage of Russia's Ukrainian gambit, which a few weeks later shifted the struggle northwards to the Donets basin, came at much greater cost. There, Russian-backed separatists armed with light weapons and mortars seized a series of key government buildings. When the central government made a strong push to reclaim these facilities, a steady stream of heavy reinforcements crossed the border from Russia, stopping Kiev’s advance in its tracks. The years since have witnessed a relatively frozen front line, with the eastern cities of Luhansk and Donetsk and over two million Ukrainians hived off into a Russian-backed separatist republic. Constant artillery duels and the occasional clash of patrols have pushed the number of combat and civilian deaths to well above ten thousand.

Such bellicosity must not be downplayed. Russian arms have proven themselves a sincere threat, capable of tactical execution not witnessed since Soviet times. They are a tool that has solidified and emboldened the regime of Vladimir Putin. Not since 1950 has a country added to its territory by unilateral annexation. To say Moscow is attempting to bend modern international norms is an

understatement. It is worth it, then, to uncover the roots of this behaviour—if only to help better keep it in check.

**A Feature, Not a Bug**

The central contention here is that Russia’s outbursts of international hostility are a reflection of the very nature of the Putin regime. They can be explained as the conscious choice of a regime striving to maintain power, decisions conditioned in turn by deep-seated pathologies that limit the Kremlin’s room for maneuver. What follows is a discussion of these constraints, as well as consideration how best to deal with them.

To generate the legitimacy necessary to maintain power, most contemporary regimes rely on the generation of prosperity. Humans are, after all, acquisitive creatures who require on material goods to survive. They will therefore tolerate political structures that can safeguard and allow those acquisitions to accumulate.

To this task it appeared the Putin regime was well suited. His ascent to the presidency coincided with the start of a decade-long commodity boom. From painful lows in the late 1990s, the price for Russia’s teeming supply of oil, ores, and timber soared. Brent crude, for example, went from $13 in 1998 to $112 in 2012. The oligarchs who dominate the Russian economy consequently witnessed their fortunes reach stratospheric heights. But it was more than just the Moscow- and London-based billionaires that saw their fortunes improve; the economy of the early Putin years enjoyed broad-based growth as well. Average real income almost doubled, rising from $6,500 in 2000 to $11,500 in 2012. This compared favourably to the 1990s, when incomes fell as the unemployed ranks swelled during the country’s chaotic transition to a market economy. All in all, the early 2000s witnessed the greatest Russian economic boom in half a century.

Yet in many ways the boom proved illusory. It masked a series of catastrophic flaws undercutting the economy’s true potential. Yes, real incomes rose as Chinese-driven demand hoovered up every last iron pellet, precious metal, and barrel of oil Russian firms could produce. But when the commodity bull run was halted by the Great Recession of 2008, real

---

3 Federal Reserve of St. Louis, FRED database (FRED). All currency in USD, unless otherwise noted.
incomes entered a stall from which they have yet to emerge. Part of this is because the crash exposed an unhealthy lack of economic diversity. Since Putin became president in 2000, the correlation of Russian per capita GDP with global commodity prices is $r = 0.89$. By comparison, in Canada, a country similarly endowed with natural resources, the number is 0.73; for the United States, an economy more diversified still, the figure is just 0.60. The Kremlin has clearly relied to an unhealthy degree on natural resources to sustain growth.

The effect is that as global commodity markets go, so too goes the Russian economy. Such a condition would perhaps be tolerable if Russia were some small Middle-Eastern petrostate, or a tiny island specializing in the export of one or two key commodities. But Russia is ostensibly a modern industrialized power, home to one of the most highly educated citizenries on the planet. To conclude that the country need be only hewers of wood and drawers of water is to excuse the catastrophic mismanagement of the country’s vast economic potential. The lack of innovation and investment in non-resource sectors reflects instead a subversion of the free market system, where ill-defined property rights and political interference prohibits the allocation of capital to its most efficient and effective use. Most troubling of all, the Putin regime shows little interest in doing anything about this misallocation; if anything, it perpetuates these pathologies for its own political ends and personal enrichment.

Such criticism is not new. At a 2003 Kremlin meeting between Putin and the country’s leading industrialists, Mikhail Khodorkovsky—at the time the richest man in Russia—gave a PowerPoint presentation entitled “Corruption in Russia: A Handbrake on Economic Growth.” It cited an estimated $30 billion worth of corruption each year, equivalent to a quarter of the state’s budget. Khodorkovsky also noted that while most Russians fear going to court because of the bribes necessary to obtain a

---

4 FRED data. Global commodities index. GDP per capita in USD.
5 A recent report estimates Putin’s inner circle has amassed a fortune worth nearly $24 billion, including one cousin who earns just $8,500 a year in salary but boasts a personal fortune of $573 million. Tom Parfitt, “Vladimir Putin’s Inner Circle,” The Times, October 26, 2017. Stanislav Timchenko puts Putin’s net worth at roughly $40 billion, and a subsequent CIA report cites a similar figure. Myers, p. 346.
6 Myers, p. 225-6.
fair settlement, young students pay bribes in order to get into the institutes that train tax inspectors and civil servants—professions seen as the surest path to accumulate wealth. Yet rather than stir Putin into action, Khodorkovsky’s reward for this criticism was imprisonment. Within months he was banished to Siberia and his company plundered by the state.  

Far worse befell 37-year old auditor Sergei Magnitsky. The father of two died in a Moscow prison on Nov 16, 2009, beaten to death by eight baton-wielding guards. His only crime was to uncover an elaborate corporate fraud involving Interior Ministry officials, judges, and tax inspectors. Subsequent investigation found the bureaucrats involved living so far beyond their means—Manhattan condos, seaside Dubai villas, offshore bank accounts stuffed with millions of dollars—that they must have perpetrated similar fraud against hundreds if not thousands of similar cases. Magnitsky’s audit therefore revealed not just the corrupted acts of a few officials, but the corruption of the entire system. For his trouble he was not only murdered by state agents, but posthumously placed on trial for tax fraud. “Not even during the worst show trials of the Great Terror in the 1930s had the authorities put a dead man on trial. They would even call his mother to testify in court.”

A menacing web of lies and abuse emanate from the Kremlin, pervading the farthest reaches of the Russian economy. Business leaders alternatively decry in private the Kremlin’s diktats and jockey for advantage as Putin’s inner circle parcels out business privilege in return for political favours and cash payments. An illustration of the consequent inefficiency comes from the 2014 Winter Olympics, where costs skyrocketed from an estimated $12 billion to at least $51 billion. The state Auditing Chamber estimated at least $500 million of these overruns went unaccounted for, then promptly classified its subsequent reports as state secrets. Putin publicly harangued officials and business leaders over cack-handed projects like the much-maligned ski-jump, which saw spending balloon from a proposed $40 million to nearly $300 million. American sports blogs had a field day covering the chaos. But no one ever went to jail and Sberbank—Russia’s largest bank, run by close Putin ally German Gref—was later rewarded for taking over the faltering project by swapping the worthless ski-jump for the government-owned Sochi Games media centre, built for an estimated $2.7 billion. In the aftermath

---

7 In December 2004, the government began to take apart Yukos, Khodorkovsky’s main holding. Dresdner Bank put a value on the firm at between $18 and 21 billion, but the opening price was set at just $8.65 billion. The company went to a secret buyer, which turned out to be Kremlin-connected. The net effect was for Putin to place his Petersburg clique in charge of a new state energy giant.

8 Myers, p. 370.


10 Myers, p. 437. Another report by opposition politicians estimated the number was even higher: that $25-$30 billion of public money was pocketed by corrupt officials. Boris Nemtsov and Leonid Martynyuk, 2013.

11 The most humorous observation of the disastrous preparations has to be the series of tweets from American reporter Stacy St. Clair (@StacyStClair): Feb 3, 11:02pm: “My hotel has no water. If restored, the front desk says, ‘do not use on your face because it contains something very dangerous.’” 11:57 PM: “Water restored, sorta. On the bright side, I now know what very dangerous face water looks like.”


of yet another failed Sochi project, Viktor Vekselberg, estimated by Forbes to be Russia’s third-richest man, dumped a money-losing hotel and $450 million in debt on the state.

The Kremlin’s preference for fealty over efficiently has real effect. Productivity remains stagnant—below, in fact, its 1990 level.\textsuperscript{14} Foreign capital is scarce and hemorrhages overseas at the slightest sign of trouble. The share of Russian high technology goods in merchandise exports is half that of countries like the UK and US.\textsuperscript{15} It takes three times as long to export goods from Russia than from the United States.\textsuperscript{16} Even more foreboding is how liberals like the economist Sergei Guriev—a former advisor to Dimitri Medvedev—and former central banker Sergei Aleksashenko have been hounded out of the country. Pavel Durov, creator of Russia’s Facebook equivalent VKontakte, sold his stake in his own firm and left the country: “Since I’m obviously a believer in free markets, it’s hard for me to understand the current direction of the country.”\textsuperscript{17} Such outflow has left nothing, according to leaked US diplomatic cables, but “a corrupt, autocratic kleptocracy centred on the leadership of Vladimir Putin, in which officials, oligarchs and organised crime are bound together to create a ‘virtual mafia state.’”\textsuperscript{18}

This is not a recipe for sustained success. With the commodity boom fallen by the wayside, the Kremlin has nowhere to turn for the easy prosperity that once underpinned its legitimacy. This has generated a very real crisis for Putin. Yet it is one from which it appears he has managed a Houdini-like escape.

**That Novorossiya Spirit**

Confronted by falling oil prices and stagnant incomes, a reasonable assumption is for the Kremlin to turn to serious economic reform. Instead, it has sought to rewrite the standards upon which its credibility is judged. How crass it is, the line now goes, to lust after needless luxuries—imported cars, TVs, iPhones, and the like—when what really matters is the maintenance and endurance of Russia as a great and powerful actor on the world stage. Martial prowess, the Kremlin contends, is the true root of state legitimacy.

For this strategy the Kremlin has been pulling out all the stops, in both rhetoric and deed. State mouthpieces have ratcheted up their resurrection of past imperial glories, part of what Putin himself terms a proud “thousand-year history”.\textsuperscript{19} With the Kremlin’s blessing, for example, it has become fashionable once again to venerate Stalin, a fact made noticeable by the quiet but steady erection of busts all over the country. Yet the revival of such memories takes an extremely sanitized form. Stalin’s role in the ruthless 1930s purges, to say nothing of his disastrous misunderstanding of German intentions in 1941, have been sidestepped, leaving only glorious victory in the Great Patriotic War. Meanwhile, Memorial, a Moscow-based human rights group that has spent three decades

\textsuperscript{14} FRED.
\textsuperscript{15} World Bank, *World Development Indicators* (WDI).
\textsuperscript{16} WDI. 19 days to 6.
\textsuperscript{17} Cited in: Myers. p. 476.
documenting the victims of political repression, has been branded as a “foreign agent” by the Russian government.

The Kremlin has sought to depict Russian history as a long chain of martial achievement, with the current regime as the natural heir. Putin himself is said to have played a personal role in the creation of this narrative.²⁰ The instrumentality is apparent: using history to veneer the harsh edges of a brutal state that can no longer be counted on to ensure welfare gains.²¹ Yet the steady drumbeat of martial acceptance has paid dividends. A December 2016 survey by the Levada Centre found 49% of respondents believe that medieval monarch Ivan the Terrible—the very epitome of a harsh ruler—brought Russia more “good” than “bad,” while only 13% felt the opposite was true.²² Just as remarkable, perceptions of the Stalinist period have changed significantly over the past two decades. During the twenty-two years that the Levada Center has asked respondents about their opinions on this era, the number of people who express favourable views rose from 18% in 1994 to 40% in 2016.²³ The 13-point leap between 2012 and 2016—years when the Kremlin’s martial call reached fevered pitch—is especially striking. Never in modern times has the idea of a Russian warrior-king been so popular.

The shift to militarism is not just about words but deeds as well. The commodity boom provided broad improvement in national living standards, but so too furnished the finances necessary to re-arm Russia’s long-neglected military. Spending increased, at today’s exchange rates, from roughly $4.5 billion in 2000 to $81 billion in 2016—an 18-fold jump!²⁴ This cash infusion enabled dramatic improvement in the training and equipment of Russia’s frontline soldiers. Nowhere was this better exemplified than the “little green men” who stormed Crimea in the spring of 2014.²⁵ The troops were lean and fit, bearing few hallmarks of the ill-disciplined conscripts that characterized Russia’s earlier post-Soviet era battles. The soldiers’ knee pads, ski googles, and body armour were a stark improvement over the shoddy gear worn by Russian troops as they marched on Grozny two decades earlier. Even more startling was the proliferation of push-to-

²⁰ Dimitri Trenin, “Russia is the House that Vladimir Putin Built—and He’ll Never Abandon It,” The Guardian, March 27, 2017.
²³ Levada Center, cited in: Kolesnikov.
²⁴ WDI.
talk encrypted radios; it seemed that every soldier came equipped with his own ear-piece—a striking symbol of tactical dexterity in an army not traditionally known for it. The money went into more than salaries—which tripled between 2012 and 2014—and the Ratnik (Russian for ‘warrior’) upgrade program for individual gear; big-ticket items are on the menu as well. During the 2008 Georgian campaign Russian military vehicles were often seen broken down on the side of the road. But in Crimea tanks appeared in good condition, with fresh paint and new tires. New electronic-warfare platforms like the Tigr-M and the R-330Zh jamming station blocked GPS and satellite telephone signals. New self-propelled howitzers (2S35 Koalitsiya-SV), long-range surface-to-air missiles (S-400/SA-21 “Growler”), main battle tanks (T-14), combat trucks (GAZ-2975 Tigr), frigates (Admiral Gorshkov class), ballistic missile and attack submarines (Borey and Yasen classes), and air superiority and ground-attack fighters (Su-35S and Su-34) have all either been deployed or are at a late stage of development. Chief of the General Staff Valeriy Gerasimov was not exaggerating when he said “the Armed Forces are now arriving at a fundamentally new level of combat readiness.”

This readiness makes them a vital tool for a Kremlin that cannot effectively deliver prosperity, but has conditioned the Russian polity with an ever-growing acceptance of martial means. In this light the logic behind international forays like the lightning seizure of Crimea is overwhelming: with a laggard economy stalled, smashing outside rivals is the only way to shore up faltering regime support. On this front Putin has scored an overwhelming victory. A recent Carnegie poll found a stunning 79% of respondents felt pride in the speedy takeover of Crimea. The annexation drove Putin’s personal approval ratings above 85%. Similar research from Pew shows how Russia’s recent military deployments coincide with a greater confidence in the role the country plays on the world stage. In short, the careful cultivation of militarism, along with its selective application, staved off a crisis in Kremlin legitimacy that the 2008 Great Recession and 2014 oil crash would have otherwise brought.

This point is worth repeating: the idea that deploying Russian troops against its neighbours can shift public concern away from Russia’s decrepit and faltering economy is entirely correct. Putin’s greatest trick has been to transform 2012’s street protests rooted in dissatisfaction with the corruption-soaked Russian economy into

---

27 Kolesnikov.
28 Myers, p. 479.

Sean Clark
overwhelming national pride over the return of Crimea, a prefecture deemed by proponents of Novorossiya ('New Russia')—Putin himself included—to be a proper part of the Russian homeland.

The tactic can work, no doubt. But the dangerous caveat here is martial glories can serve as a wellspring of state legitimacy only so long as there is glory to be found. A clear and decisive win, arriving at little cost, is the political equivalent of winning the lottery. The reality of modern combat, however, is that such decisiveness is hard to come by. What is left—long, grinding wars of attrition, stalemate, or even defeat—are not well suited to sustaining regime legitimacy.

Consider the conflict in Chechnya. The lightning push by Russian forces to the Terek River in the fall of 1999 was cheered on by the Russian public. Putin’s public standing skyrocketed, ushering him from complete political unknown to unrivalled presidential favourite. Yet soon the advance became bogged down in Grozny street fighting, followed by years of chasing rebels through the forested mountains of the Caucasus. Thousands of Russian soldiers returned home in body bags. Unsurprisingly, in the Carnegie poll mentioned above, just 17% of respondents felt pride in the Chechen Wars.

The question is whether we should expect in the years to come to see more Crimeaas or more Chechnyas. The ominous reality for Putin is that the latter is far more likely. While Russia’s military capacities have improved a great deal over the past decade, the window for their effective deployment is narrowing. Counter-balancing has already taken place across northern and central Europe, with NATO troops deployed to Poland and the Baltic,32 and Sweden and Finland engaging in joint military exercises.33 Sweden has reintroduced conscription and military spending in the Baltic is set to triple by 2018.34 NATO’s top commander, Curtis M. Scaparrotti, refers to “a resurgent Russia” that has “turned from partner to protagonist as it seeks to undermine the Western-led international order and reassert itself as a global power.”35 No one can say Russia's aggression has gone unnoticed. The surprise has gone; resistance has stiffened. Easy victories are likely to be, for the foreseeable future, much harder to come by.

A second reason is something that Putin learned in the contest to retake Grozny: fighting even a modestly equipped opponent in a modern conflict is an excruciatingly difficult task. This lesson was repeated in the Donbass, as Russian and Russian-backed forces endured thousands of casualties, yet remain caged in by technologically-inferior but well-motivated Ukrainian forces, behind an arc that runs from the outskirts of Luhansk and Donetsk, down to just before Mariupol on the Black Sea. Combat power today is so plentiful that even a far-outgunned military like Ukraine’s can inflict sufficient damage to give the Kremlin pause before escalation. Put another way, the qualitative discrepancy between the Russian and Ukrainian militaries is so great that a Russian armoured thrust

35 Tom O’Connor, “Russia is a Threat to NATO’s World Order,” Newsweek, April 4, 2017.
would likely lop off eastern Ukraine in one fell swoop. But the cost of clearing and then maintaining such a large swath of territory would be astronomical. For comparison, start with the modest estimate of 20,000 Russian soldiers dead over roughly ten years of fighting in the Second Chechen War.\textsuperscript{36} Next, recognize Ukraine’s vast store of armoured vehicles and artillery. Combine that with a land area some ten times the size,\textsuperscript{37} and it is easy to imagine a broader war in Ukraine that cost Russia 10,000 lives in the first year alone.\textsuperscript{38} For an army already struggling with the costs of modernization, the burden would stretch it to a breaking point.

Then there is the matter of winning the peace. It is one thing to sweep combat forces off the field of battle, but something quite another to establish in their place the laws, institutions, and economic foundations necessary for sustained prosperity. As we have seen, these basic state-building tasks are not something the Putin regime does well. In Crimea the Kremlin has poured massive amounts into local infrastructure, including upgrades at Simferopol airport and building a $4.5 billion US bridge across the Kerch Strait.\textsuperscript{39} But inflation is rampant and local industry is flagging, cut off by sanctions from global tourists and markets.\textsuperscript{40} Ukrainian power, water, and fuel lines into the region have been severed. And of course, the Kremlin’s corrupt micromanagement pervades economic decision making: the Kerch bridge contract was awarded without tender to a firm run by the oligarch Arkady Rotenberg, a friend of Putin.\textsuperscript{41}

The separatist areas of the Donbass will provide another test. The breakaway region has already established the basics of annexation: the ruble has been adopted as official currency, 500 tons of Russian textbooks have been shipped in to replace those of the Ukrainian curriculum, and separatist battalions now include a Russian military observer in each unit, establishing a clear chain of command that leads back to Moscow.\textsuperscript{42} In early 2017, the Ukrainian government moved to block off trade and shut supplies of electric and gas to the region, leaving Moscow on the hook for the basic necessities of the 2.5 million inhabitants—much to Putin’s very public complaint.\textsuperscript{43} Moscow sends humanitarian convoys to the Donbass every month and pays the salaries and pensions of people who live there.\textsuperscript{44} The financial cost of the Donbass foray is already massive, to say nothing of the fact the Kremlin continues to underwrite the separatists’ military effort—a further expense, in return for what has so far delivered very little glory.

\begin{footnotesize}
\begin{itemize}
\item[37] Chechnya has a land area of 17,300 square kilometres. A fight over the eastern third of Ukraine, by contrast, would encompass ~200,000 square kilometres.
\item[38] For contrast, the 1979-1989 Afghanistan War cost 15,000 Russians killed and another 35,000 wounded. Afghanistan is roughly 653,000 square kilometres.
\item[40] Apple, Amazon, and McDonald’s have all shuttered their Crimean operations.
\item[41] Ewa Fischer and Jadwiga Rogoza, “Crimea, One Year after the Annexation,” OSW, March 25, 2015.
\end{itemize}
\end{footnotesize}
The future for Russia’s military adventures is therefore one of diminishing returns. The country possesses a much-improved and undeniably potent arsenal, but confronts neighbours with stiffening resolving and solidifying alliances. As all realists caution, power balances against power. So too do they warn that military power is, in the long run at least, undergirded by political economic strength. Ear-pieces and clever maskirovka tactics cannot wash away the stagnant economic engine the Kremlin oversees. Already it puts the breaks on Moscow’s ambition, as the Russian military tries to outrun the rust and neglect of the early post-Soviet years. For example, the navy, badly depleted since communism’s fall, will see a further shrinking of its nuclear submarine force in the years ahead. By 2030, the bulk of Russia’s nuclear-powered attacks and cruise-missile submarines will be in their mid-thirties at least, making them ripe for decommission. Unless the Kremlin can break off the shackles of slower growth, the dream of rebuilding Novorossiya cannot be paid for.

What is left instead is the prospect of ‘forever war,’ an endless series of limited deployments, each more desperate an effort to detract attention from the faltering economy at home. Yet with their limited prospects for success, the effort will only fortify domestic anger and dissent. As Yegor Gaidar wrote about the central Asian debacle two generations ago, “The decision to send troops into Afghanistan would cost the Soviet regime dearly up until the last years of its existence. Privates and officers killed in Afghanistan, their grieving families, the injured—all that...was an important factor

that undermined the fundamentals of the regime’s legitimacy.”\textsuperscript{48} One day soon, the Kremlin’s martial call will similarly fail to uphold the regime. To the great misfortune of the Russian people, however, that does not mean those in power will fall anytime soon.

The Mailed Fist Closes

The third act of our play is a ruthless turn inwards, a move made inevitable as a stagnant economy and the diminishing utility of international force raise internal discontent to dangerous levels. Russia is a country, after all, with a long, sordid history of repression. The collection of mass graves at Sandormokh, for example, contained so many victims of the Great Terror that the sandy soil above the bodies sank into the ground as they decayed, leaving large pockmarks in the forest floor.\textsuperscript{49} But even before Stalin, a steady succession of Tsars handed their secret police broad powers to root out opposition to the state, be it real or imagined. The decades following Stalin were cold and brutal as well. Haunted by the prospect of swift violence erupting and threatening their one-party rule, Soviet rulers orchestrated a campaign of ruthless repression. Take how in 1969 Yuri Andropov created a network of psychiatric hospitals—not to treat those with an infirm mind, but rather to persecute dissidents by classifying opposition to the state as evidence of mental illness.\textsuperscript{50} As ambassador in Budapest during the Hungarian Uprising, Andropov, had “watched in horror from the window of his embassy office as officers of the hated Hungarian security service were strung up from lampposts.”\textsuperscript{51} He was determined not to let that happen to him.

The Putin regime has inherited this worldview lock, stock, and barrel. Insiders fear public demonstrations, obsessing over their ‘weapons-grade’ potential.\textsuperscript{52} This was certainly evidenced by how forcefully Putin counselled then-Ukrainian President Viktor Yanukovych to reject any compromise with the Euromaidan protesters. “You will have anarchy,” he warned. “There will be chaos in the capital.”\textsuperscript{53} This was no idle projection, for at home the Kremlin has sought to avoid exactly this type of scenario. It views politics as a Darwinian fight for survival, where domestic unrest is a tool for European and America expansionists ambitions—and therefore an existential threat.

With this pedigree it comes as no surprise the degree to which the Putin regime constricts the tools of potential opposition. The independent media in particular has been a target since the earliest days of his presidency. Just four days after his 2000 inauguration FSB officers were raiding the offices of Media-Most, home to the popular channel NTV. The owner, Vladimir Gusinsky, was one of the most outspoken of the oligarchs who came to dominate the Russian economy in the early post-communist years.\textsuperscript{54} Yet while Boris Yeltsin tolerated—and in many ways endured—a raucous and vibrant media,

---

\textsuperscript{51} Cited in: Myers, p. 25.
\textsuperscript{52} Maxim Trudolyubov, “The View From the Kremlin: Survival is Darwinian,” New York Times, August 6, 2017.
\textsuperscript{53} Cited in: Myers, p. 458.
\textsuperscript{54} David E. Hoffman, The Oligarchs (New York: Public Affairs, 2011).
Putin found this independence a grave danger. A year later the station was brought under Kremlin control, and soon after fellow media tycoon Boris Berezovsky was similarly hounded from the scene. By 2014 the last of the independent television networks, Rain, was forced to close, following pressure from the Kremlin on satellite providers to drop the channel from their package.

Putin’s intolerance towards the media was hardened during the August 2000 Kursk disaster, where a Russian cruise missile submarine sank during a training exercise with the loss of all hands. The President’s lack of urgency on the subject was excoriated by the domestic media, showing him continuing to holiday along the Black Sea as the navy lied about the fate of the sailors. Putin’s conclusion was not to find fault with the military—refusing to accept Defence Minister Igor Sergeyev’s offer to resign, or to punish any of the commanders who had so clearly lied about the tragedy. Instead, the episode fed his iron-fast conviction that the root of the regime’s political misfortune lay not with its own wretched incompetence, but with the media.55

It took another ineptitude-fuelled disaster, September 2004’s school massacre at Beslan, for Putin to turn his ire at parliamentary democracy more directly. The very public deaths of 344 hostages—186 of them children—raised the spectre of political damage at the ballot box once more. Once again there was no shake-up of the intelligence services that failed to anticipate the attack, nor the military or police commanders who botched negotiations and ultimate rescue. “Instead, Putin announced that he would tighten the Kremlin’s political control by further dismantling the vestiges of democratic government.”56 On September 10 he abolished the election of many governors, mayors, republic presidents, announcing the Kremlin would begin appointing them instead. The electoral formula for half of the Duma was also changed, making it harder for smaller parties to gain parliamentary representation. So dramatic were the changes that the newspaper Izvestiya called this the “September Revolution.” Even the retired Yeltsin, who had previously promised to stay out of politics, released a thinly veiled warning in Moskovskiy Novosti. Russians must not, he wrote, “permit ourselves to renounce the letter and, most importantly, the spirit of the Constitution...if only because strangling freedom and curtaining democratic rights marks, among other things, the victory of the terrorists.” In private Yeltsin went further, despairing over the leader he had elevated.57

For over a decade, Putin has reigned supreme over the media and parliament. Their subjugation was supposed to bring calm to the Russian body politic, yet the root failures of Russia’s economic engine cannot be glossed over by mere tinkering with the political superstructure. Avenues for dissent may have been narrowed and constrained, but the rot that lies at the very heart of Russian power continues to fester. Consider how the combination of a faltering economy and gross irregularities in the 2011 parliamentary elections brought out a steady crescendo of street protests. Starting with just a few hundred protesters on the day the polls closed, December 4, these protests grew in size until they reached a peak of 160,000 on February 4, 2012, at Bolotnaya Square in Moscow—despite a bone-chilling temperature of -20 C. The crowd demanded freedom for political prisoners, the resignation of Vladimir Churov, head of the country’s election commission, and a fair re-running of the election.

55 Myers, p. 201.
56 Myers, p. 261.
57 Cited in: Myers, p. 261.
What they got was a rattled Kremlin and a steady diet of increasingly harsh reprisals. During the protests that followed, riot police unleashed their truncheons with ever greater frequency. Young men were arrested and taken straight to the conscription office. Opposition leaders were targeted for years to come. The Duma passed legislation increasing fines for attending unauthorized protests from 5,000 to 300,000 rubles—nearly $10,000 at the time and many times the average month’s salary. A series of laws made it easier to shut down website and ban political material. In July 2012 a law was passed requiring organizations that receive foreign funding to register as “foreign agents”—a haunting echo of Soviet-era persecutions. Another law imposes a twenty-year sentence for anyone “providing consultative assistance to a foreign organization” deemed to be acting against the state. By 2013 the protests had all but dwindled away, checked by the sharp teeth of the new security measures.

The lesson is that the Putin regime is well prepared to bludgeon dissent when its other policy ideas flounder. Evidence of this comes from the state of opposition today. Anti-corruption advocate Alexei Navalny was convicted on trumped-up charges of embezzlement, sentenced to five years in jail, and banned from participating in the upcoming 2018 presidential elections. Even more chilling was the fate of Boris Nemtsov, a physicist and liberal politician who had managed to skirt the Kremlin’s electoral restrictions and got himself elected to the regional assembly in Yaroslavl. Nemtsov was gunned down on a bridge in sight of the Kremlin, his assassins linked to Putin’s man in Chechnya, Ramzan Kadyrov. Liberals and centrists alike were shocked at the murder of one of Russia’s best-known politicians. But any outrage was consigned to social media sites like Twitter, YouTube, Facebook, and its Russian clone VKontakte, all disproportionately populated by the educated class. No one could risk taking to the streets. It was now was far too dangerous.

Life in Putin’s World

Russians live in a hyper police state. The Kremlin tolerates no public dissent and punishes all but the most modest expressions of dissatisfaction. Even cyberspace, the last respite for the regime’s liberal opponents, is losing its status as a refuge for the disenfranchised. The National Guard recently created a dedicated cyber-division to monitor social network sites. Already Moscow police report a 86% rise in “online extremism” between 2015 and 2016, vowing to combat extremism as their “highest priority.”

All of this matters because the current Russian economic model is not a recipe for success. The ranks of the dissatisfied are therefore likely to grow, given nothing the Kremlin has done suggests serious reform of the economy is underway. If anything, the kleptocrats have only retrenched their position. Take the case of the former economy minister, Aleksei Ulyukayev. He was charged with corruption after running afoul of Igor Sechin, the powerful director of Rosneft, Russia’s national oil company. Some contend the charges stem from Ulyukayev’s attempt to privatize a state-owned oil producer

---

58 Myers, p. 413-414.
against Rosneft’s wishes. Others hold Ulukayev’s mistakes run even deeper, having fallen from the president’s favour by delivering a series of depressing economic assessments to Putin. “We have a tsarist system,” says Igor Bunin, president of the Centre for Political Technologies. “You cannot upset the president by saying ‘Your plans are leading to disaster.’”

If the Ulukayev case is drama, then the ongoing Magnitsky saga is farce. Following Magnitsky’s death his employer, William Browder—once the largest portfolio investor in Russia—lobbied Western governments to impose sanctions on the men responsible for the crime. The United States, Britain, Estonia, and now Canada each passed Russian sanctions in Magnitsky’s name. To this an outraged Kremlin’s ridiculous response has been to declare Browder as the true culprit, arguing he operated in concert with Britain’s MI6 spy agency and persuaded Russian prison doctors to withhold care. The evidence presented relies on nothing more than grammatically incorrect ‘intercepts’ between Western intelligence agencies.

The move to investigate Browder for murder only reinforces the conclusion that the Kremlin is not serious about the supremacy of law, transparency of markets, or even credulity of its statements. It also illustrates, however, the fact sanctions like the various ‘Magnitsky Acts’ do bite. The Kremlin’s anger is more than just a matter of pride; the censure of high-level Russian officials is an obstacle to the cultivation of the loyalty the regime requires for survival. Take how reprisals for the Crimean invasion has cramped the style of some of Russia’s leading economic figures. Rosneft’s Igor Selchin, for example, has been banned from both the EU and the United States. Firms like Sberbank, Gazprom, and Lukoil all face serious restrictions on how they can conduct international business. Together this will only reinforce the country’s inevitable economic malaise, and should provide encouragement to those seeking to keep Russia in check.

This is not to say that Russian penury will guarantee international tranquility. As we have seen, the deeper the economic calamity, the more likely it is for Russia to strike at its neighbours. This puts paid the assumption of John Mearsheimer and others who downplay Russia’s international belligerency as simply the product of NATO’s march eastwards. It is true that any state—let alone one previously subject to the depredations of the Mongols, Napoleon, and Hitler—would look to their shrinking borderlands with unease. Yet it is a decidedly internal logic that drives the willingness to fire missiles and deploy troops. The siloviki-strangled economy would inspire the deployment of special forces regardless of any policy pursued by the West. It is therefore unnecessary for the West to pull its punches as it strengthens counterbalancing alliances and conducts tit-for-tat diplomacy, such as the ramping of sanctions and supporting victims of Russian aggression with political, economic, and military aid.

61 Cited in Kramer.
65 The form of the latter—lethal or non-lethal military aid—has proven quite controversial in Ukraine. The logic for non-military aid, however, is two-fold. First, the post-Soviet region is awash with both heavy weapons and the industrial
The best path forward is to lock Russia ever more securely into a strategic straightjacket, from which it can only struggle and thereby accelerates its own internal decline. An iron-clad Atlantic alliance, protecting the most stable and prosperous nations of Europe, should be above all the most important strategic priority. As the Cold War amply illustrated, the nuclear umbrella NATO affords is sufficient to keep the most grandiose of the Kremlin’s revanchist ambitions in check. That said, the forward deployment of America, British, and Canadian troops in eastern Europe may be necessary on a prolonged basis, in order to demonstrate a hard ‘tripwire’ to this system—that is, to convince Russia the nuclear umbrella extends beyond the core NATO heartland and into eastern Europe and the Baltics. This manoeuvre takes eastern Europe off the table, at least in terms of conventional warfare.

Meanwhile, for those subject to Russian predation outside the NATO cordon, it is prudent to maintain consistent and sizeable support. This is vital to the effort to contain Russia, as Kiev nervously looks on as Russia shifts a slough of divisional and army headquarters closer to the Ukrainian border.66 The listlessness of Putin’s economic reform agenda will only place additional pressure for military options. It is crucial for the West to give countries like Ukraine the best chance of warding off Russian aggression. Crimea has demonstrated that lightning victories only embolden the Kremlin; but as has become clear with fighting in Chechnya and the Donbass, determined resistance can do much to de-legitimize the regime.

These are of course only intermediate solutions. Donating drones and intelligence to Ukraine may slow Russia’s incursions, but they will not overthrow Putin and his cronies. In fact, the Russian people themselves have shown little appetite for revolutionary change.67 The only option now is to forcefully oppose every international foray made by the Kremlin as it attempts to shore up its stagnant political system. The less successful Russia is on the international stage, the sooner Putin’s inner circle will crack.

We should not, however, hold our breath. In many ways the chief innovation of the Putin era has been to put so many security men into positions of power that there is a perverse incentive to maintain order, even should dissatisfaction with the Putin regime seep beyond the educated middle classes. To reinforce his hold on power, Putin has consistently coddled those very security leaders—no matter how many submariners or schoolchildren they let die.

For the Russian people we can only offer the encouragement that all totalitarian regimes do one day crumble; in time, Putin too will pass. A system built so tightly around a single, mythologized68 figure

68 Keep in mind that the latest Levada poll puts approval of the Russian government a full thirty points lower than that for Putin.
will face a dangerously uncertain period of transition when Putin is too old or feeble\textsuperscript{69} to maintain the reins of the brutal machinery he has created. But in the meantime, the Russian people will remain ruled by a patronage-driven caste, one dismissive of civil rights and representative government, believing instead it is not for democracy to decide its leaders, but rather to ratify those already chosen by the Kremlin.\textsuperscript{70} This system cannot deliver the wealth and stability the people of Russia so richly deserve. But it will endure for decades, before it eventually collapses—as the Russian state did twice in the 20th century—under its own weight.

\textsuperscript{69} The various siloviki factions are not, of course, without power ambitions of their own. Karina Orlova, “The Siloviki Coup in Russia: The KGB is Back,” \textit{The American Interest}, September 21, 2016; Alexei Sobchenko, “Putin Has Outsmarted Russia’s Strongmen, For Now,” \textit{Newsweek}, April 13, 2016.

\textsuperscript{70} Myers, p. 388.