



JHU/APL Rethinking Seminar Series
*Rethinking Future Environments
and Strategic Challenges*



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Dr. Robert Legvold
Columbia University
Russia: The Foe We Only Half Know

Notes:

1. Below are informal notes of the speaker's remarks as taken by a JHU/APL staff member.
2. The speaker used a set of detailed slides that are available in the *Video Archives* of www.jhuapl.edu/rethinking.
3. Links to the video, audio, and presentation files from other Seminars can also be found on the *Video Archives*, *Past Series*, and *Speakers* pages of the website. Videos from recent years may be found on the [JHU/APL YouTube Playlist](#).

Introduction

Dr. Legvold began by explaining that his talk would raise questions about how we frame and address the Russian political situation. He feared that we may be misleading ourselves when we are defining the Russian challenge or the Russian threat. Based on that concept, he also planned to discuss how to improve US policy and enhance US chances for successfully handling the troublesome problems we now have with Vladimir Putin's Russia.

Current Narratives

Basic assumption in the expert foreign policy community: President Putin made Russia our enemy again by damaging US interests everywhere including disrupting the basic American political institutions

- *One version:* Putin is a thug sitting atop a failing regime as seen in:
 - Russian adventurism that is feeding a growing case of indigestion that masks a deep-set rot in Russia
 - Putin's Russia is becoming more of a Potemkin Village, but it is no less of a threat
 - There is more to fear from a weak Russia than from a strong one because the shakier things get the more likely Putin is to lash out
- *Alternative view:* Administration officials and national security government experts present this view in the new National Security Strategy (NSS) and Nuclear Policy Review (NPR), which agrees that Russia is a dangerous threat but puts more emphasis in its growing capabilities
 - *NSS:* The combination of increased Russian ambitions and growing military capabilities has created an unstable frontier in Eurasia risking a conflict caused by Russian miscalculations
 - *NPR:* Great Power rivalry has returned with the growing capabilities of China and Russia
 - This view creates two different kinds of threats
 - A declining Russia is likely to lash out as it has done in Ukraine and the Middle East recently
 - Threats coming from increasing ambitions are supported by increasing capabilities
- Bottom line: There is some truth to both these narratives but it is not the whole picture

- Problem: How can the US expand understanding of this situation in order to improve how it deals with Russia?

Why Russia Does What It Does – Assumptions behind the Narratives

- *Systemic*: Russia's government system needs a threat in foreign policy because it needs an external enemy to maintain the population's approval
 - Russia can't afford to have democracy nearby, which explains its actions in Ukraine
 - When economic dynamism from rising oil prices disappears, Putin will only have crude nationalism left to maintain the system's legitimacy
- *Historic*: Russia is not a regular country
 - The people tend to believe that Russia was ordained by God to carry out a special mission
 - Result: If the US and the West have a grand strategy, then Russia must have a grand strategy to collapse that strategy
- *Geopolitical*: What Russia does is inevitable because it lies between the major political arenas of Europe and Asian and there is an unstable region to its south
 - The US shouldn't be surprised about Russia's attitudes given its geography
- *Summary*: All three assumptions are fundamental, irreducible, and durable
- *Alternative assumptions*: (Seen in some specific parts of the policy community)
 - Russian policies are driven by the desire to upend the current international order because a dominant US puts Russia in a subordinate role
 - This creates a fundamental disconnect on how each side sees the other's role in the world
 - Aggressive Russian behavior meets the approval of the Russian people
 - Russia's aggressive behavior is caused by the spread of US hegemony since the end of the Cold War, depriving Russia of its rightful place in the world order
 - These assumptions are more contingent on the given situation rather than the almost rule-based assumptions above and lead to the current core problem in US-Russia relations
 - Problem: Both sides see only black and white worlds but the color of truth is gray
- Russia's narrative: US foreign policy is driven by wanting to control events worldwide for its own interests with no recognition of consequences to the interests of others including Russia
 - The US is willing to go as far as regime change (sometimes with coalitions) where it chooses to do so
 - Russia saw this happen in Iraq and Libya and believe it is the US objective in Syria
 - While some of this thinking also explains Russian actions in Ukraine, much of that situation related to Russian issues, not just Ukraine-NATO relations
 - Russia feared that the US wouldn't stop until it also controlled Russia
 - Legvold strongly believes that this is a false narrative and that the problem is not with the US or NATO but with the requirements of Russia's system
 - This creates a fundamental problem since the two sides are using different narratives
 - Senior Russian policy-makers firmly believe this alternative view and avoid discussing the basic issues underneath their original set of assumptions
 - Mismatched narratives are also creating the analytical problems that the US has related to the challenge that Russia poses
- Another assumption is that Russian behavior is agenda-driven, which presumably is guided by some type of strategic vision that may be:
 - Putin's attempt to rectify what he called the greatest geo-political catastrophe of the 20th century (i.e., the dissolution of the Soviet Union) by reintegrating it or

- The negative agenda, which is to cause damage to US interests whenever, wherever, and however possible
- Bottom line: While there is an assumption that Putin has an agenda, Putin's and Russia's behavior may be more event-driven

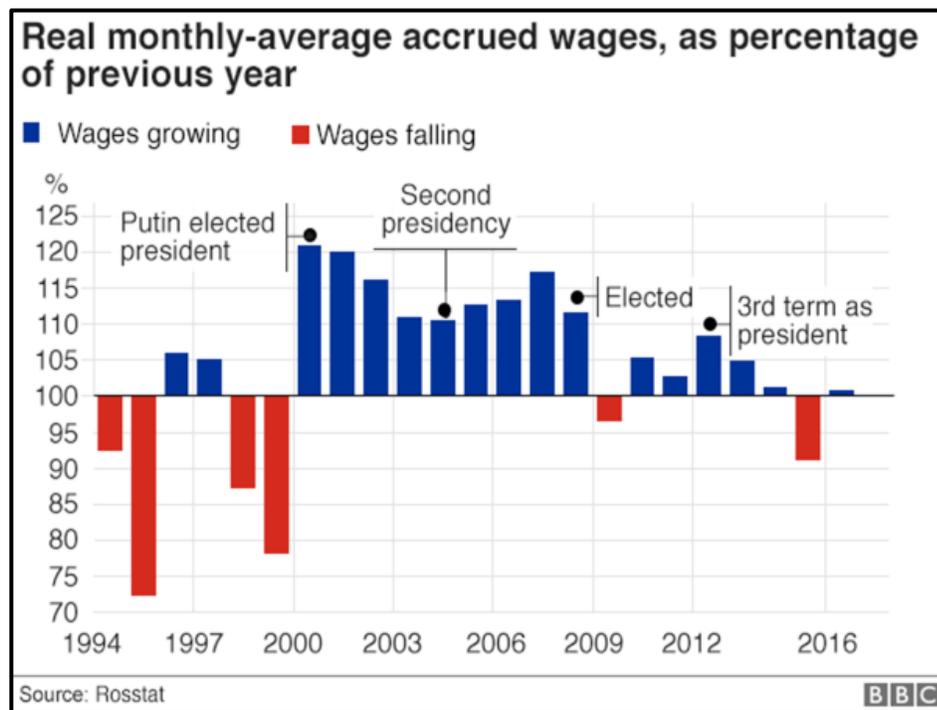
Events That Have Driven Recent Russian Foreign Policy

- Ukraine: No strategic vision was involved
 - 2014: At the beginning Russia had no plan in place to seize and annex Crimea
 - Contingency plans for using the “Little Green Men” and related tactics existed since there had been political discussions about the need for such operations
 - Russia feared Ukraine would have another version of the 2004 Orange Revolution
 - February: After the pro-Moscow leaders fled Ukraine, the new regime was clearly anti-Moscow and wanted to move toward relations with NATO
 - This new Kiev regime was likely also intending to menace Russian naval facilities in Sevastopol and other military installations in Ukraine
 - Early March: Putin himself and a small group of advisors made the decision to do what was done in Crimea
 - Moving up the referendum about the annexation of Crimea probably marked the point when Putin decided that having a better strategic position was not adequate
 - Only annexation would give Putin the control he wanted
 - Putin then started to make a serious mistake partially because he was misled by intelligence reports
 - He feared that the restless population in Donbas wanted to go the way those in Ukraine wanted to
 - In response, Russia egged on the separatists in Donbas starting the war in the east
 - April: Russia begins to respond with its “volunteers”
 - July: Responding to a successful Ukrainian offensive that looked like it would defeat the separatists, Russia sent in regular forces
 - Bottom line: Russia's actions in Ukraine were event-driven; there was no plan or strategic vision behind them
- Syria 2014: President Assad's government appeared to be falling and Russia wanted to save it
 - Subsequently, Russia developed supplementary and strategic objectives to protect its naval base and potentially air bases in Syria to improve their position in the area
 - Russia then moved to a larger world view to enhance its global status
 - By autumn 2015 Russia saw itself as a co-leader with the US in the Middle East
 - About 2017, Russia got carried away with the tactical and operational aspects of foreign policy without setting strategic objectives or working out means to reach them
- Bottom line: Determining whether Russian behavior is event- or agenda-driven will have an impact on how the US should think about how to deal with challenges posed by Russia

Putin's Russia Today

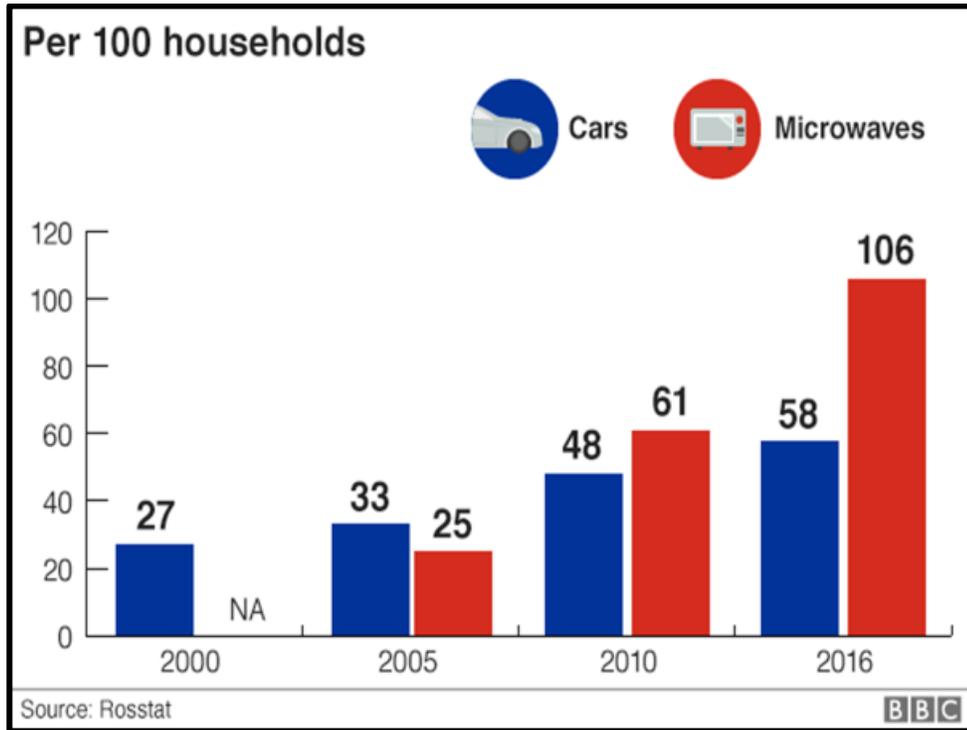
- Of note: This year's presidential election in Russia will be on March 18th and it is not an accident that it is same date in 2014 that Putin announced the annexation of Crimea
- According to Tony Blinken (former Deputy Secretary of State) Putin embarks on foreign adventures to distract the Russian population from the “putrefaction at home” including:
 - Reform that is stagnant
 - The single-cylinder economy that can't break its addiction to revenues from energy
 - Corruption and kleptocracy that are all-corrosive
 - A population that is aging and declining

- An opposition that is repressed but resilient
- Data points about the condition of Russia today
 - The OECD recently downgraded GDP growth from a 1.9 to 1.8% and projected a 1.5% growth for 2019 – overall the first positive growth in the last several years
 - By comparison, the OECD predicts global GDP growth rate at 3.9% for 2018 and 2019
 - While Russia’s growth is about half of the global growth at least it is positive growth
 - Disposable income last year was down 1.7% – the fourth straight year of decline
 - Most of the decline appears to come from the gray economy – the illegal portion of the economy
 - While 60% of disposable income comes from recorded/legal economic activity, issues in the gray economy appeared to be the major factor in the decline
 - Russia’s per capita GDP is projected to grow at no more than 0.7% over the next 12 years due to low labor productivity and demographic challenges
 - If significant reforms are not made, Russia will be one of the few OECD countries that will see a declining standard of living from now until 2016
- Recently, Putin said that for Russia to prosper and have the international influence he wants, it must increase its GDP per capita 1.6 times from now to the mid-2020s
- As Russians go to their elections, they are looking at the impact of Putin’s leadership in their wages

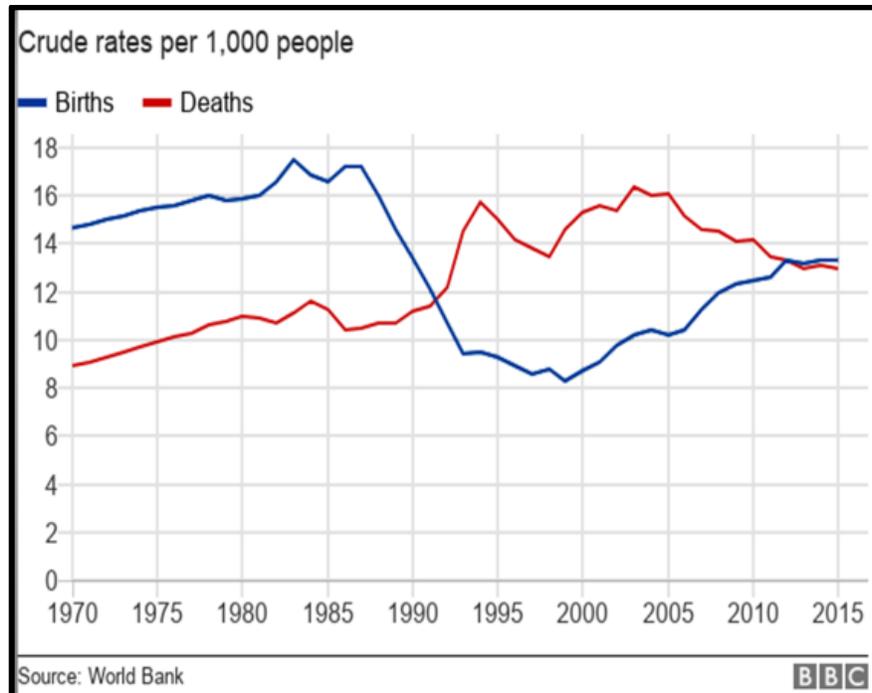


- Although wages had gone up significantly in the early 2000s, the Ukraine crisis (2014-2015) brought wages down
- Yet, the people are seeing some improvements in their daily lives during the Putin era
- Other indicators of improvement include:
 - Internet use in the population was about 5% when Putin came to power while that of the US was around 70% but now the percentages are about the same

- These statistics indicate that a large percentage of the rural Russian population is now on the internet
- The percentage of Russians living in poverty has dropped dramatically from over 30% at the fall of the USSR down to just over 10% a couple of years ago
 - However, there has been a recent slight uptick to 13.4% in 2016
- Lifestyle improvements are also visible (see chart below)



- Bottom line: While these numbers don't quite match Blinken's picture of Russia today, they do indicate that Russia is going through a difficult period, but not a period of disaster
 - Other indicators also show some progress (i.e., consumer confidence is growing for the first time)
- There are still many tough issues especially concerning are the demographic projections (see next chart)



- While the huge gap between death rates and birthrates have been closing, the blue birth rate line is predicted to fall well below that of the red death rate line
- Putin has recently discussed the problem calling for improvements since the demographic decline puts downward pressure on everything he wants to do
 - Demographic decline is bad for military recruitment, the labor force, etc.

Putinomics

- When Putin came into power, the economic situation was dire because Russia was:
 - Deep in debt with a total external public debt of \$148.5B, which was 100% of GDP
 - Starved for revenue and unable to collect taxes leaving them with reserves of only \$11B
 - Suffering from high inflation, a devalued ruble, and the erosion of real wages
- Within four years things had improved:
 - Debt was at 23% of GDP and dropped down to about 6% in by 2007
 - Inflation which was 85% in 1999 dropped to single digits by middle of the next decade, and is down to 2% today
 - By 2003 the budget was balanced and reserves reached \$70B
 - Once the oil price windfall began with oil prices going from \$20/bbl to \$80/bbl, reserves rose to \$600B in 2008
 - From 2004 onwards, much of the windfall profits went into stabilization funds that saw Russia through the financial crises in 1998 and 2008, as well as the current hard times
- Given its healthy stabilization fund, Putin and associates apparently believe that they can tough out any current economic problems and any sanctions put on them by the US and the West

Summary of Russia's Economic Status

- Half of Russia's economic story involves problems caused by the government's corruption, cronyism, and increased political repression
- The other half of the story comes from a stronger government after the Yeltsin era and effective macro-economic management as seen in the statistics and graphics above

- Putin has turned to liberal, technically-competent managers for the economy who were able to keep a policy of stabilization
- Experts now have a set of rules much like Norway, where any profits made when oil prices go above a set figure (\$40/bbl in 2017), are put into stabilization reserves
- The stabilization fund is tied to a national welfare fund such that if that fund drops below 5% of GDP then the next year they can spend no more than 1% of it for the economy
 - Russia has been careful about spending the windfall profits despite substantial internal pushes to use these funds to stimulate the economy
- Legvold warned that the US must recognize the broader political context and generally agreed with a Russian analyst who called the political situation a stagnant or stalled status quo because:
 - Everything is done for the state
 - Nothing exists outside the state
 - Everything is subordinate to state
- The State is composed of the inner circles of administrative, financial, and political elites
 - A Russian analyst might say that the state has been deinstitutionalized but Legvold disagrees
 - State institutions were never refurbished nor firmly embedded in the new system
 - Result: No sound, functioning institutions were created except for the presidency
 - However, the presidency has many irregularities and is very personalistic and it may not work for anyone else except Putin
- The overall system operates through informal rules rather than the formal rules that would be expected in normal institutions
 - These informal rules guide a honeycomb or the web of political networks
 - It is not hierarchical with some horizontal and some vertical political networks
 - A lot of the networks are designed to feather the nests of those above
 - Result: Significant blockages to effective authority operate all the way down the line
- Putin is as much of a captive of the system as he is its pilot
 - He can direct the seizing of Crimea on his own, however, for anything to do with the macro-statistics mentioned above, he, too, is a captive of the informal networks and webs that operate outside the formal institutions
- As in the US, property is power in Russia, but in Russia power is also property
 - The state has been privatized by financial interests and oligarchs, and by how the system is set up
 - If the state were to be de-privatized, the system would destabilize – or at least that is the fear of those who need the established system
 - Given that property is power, it is unlikely that there will be any kind of clear long-range vision for the type of society they say they want
 - Instead the Russians merely mimic change as can be seen when they talk about what will happen after the March election

Predictions about Russia's Future

- Anyone who was around Soviet/Russian studies back in the days of Gorbachev would recognize that it would be a bad gamble to predict where Russia would be today
- Russia appears to be ending up with a stagnant status quo which is at least stable
- Like a few other countries (e.g., North Korea, Iraq), Russia will continue to be stable until it isn't
- Russia is stable because those on top do have mechanisms of control but also because the acceptance from those below
- A strong critic of Putin explains that the basis for stability from below in Russia involves:
 - Russians' memory of how a country can unravel as the USSR did in the 1990s

- Post-Soviet transformation that couldn't just drop communism as seen by what is happening in Ukraine and elsewhere
- Russian resistance to run risks given what they see as the stagnation of Western liberal democracies given recent problems in Europe and the US that have left Russians:
 - Without an external beacon
 - To develop a distorted view of the West, especially on issues such as immigration
 - Unable to see that the stable rock created by Russian autocracy is worse than the chaos that exists in the West

What Needs to Be Done

- The US needs to better understand Putin and those around him
 - Demonization of Putin is not a policy – it's an alibi for the absence of a policy
 - To make up for this lack of policy we need to think seriously about Putin and those around him
- It is a mistake that both sides hold very negative views about the other
 - Americans generally tend to think that Russia is Putin
 - Russians' negative thinking about the US now is not just aimed at the government as it was in the Cold War, but about the whole American system
 - Russian views of the US are now as negative as those of the US about Russia
- Putin and his people (about six or maybe only a couple of advisors) see the world this way:
 - In the last 3-4 years, the West has been in decline, but it is not clear whether this is a permanent condition
 - The dynamism is now with authoritarian capitalism as found in Russia and China
 - There is a recognition that Russia needs the West – having only the BRICS as friends won't be enough even though they are important to Russia
- Putin has now written off the US
 - There was a moment of hope with the last Administration, but then Putin became very negative about President Obama to an extent that is hard to explain
 - Putin's high expectations of Trump are also now long gone and we can see signs of this coming out in the Mueller investigation
 - Result: Putin is placing more focus on Europe, but there must be progress on Ukraine first
 - Problem: Putin wants it on the cheap, but the Russians are not doing what they need to do to get beyond the Ukrainian crisis and find common ground
 - Neither Putin nor the Russians want war or even want to risk it over Ukraine, but they are stuck with the situation

If Russia Lacks a Strategic Vision

- Where do the Russians want the Russian/Chinese relationship to be in 10 years?
- Where do they want the relationship with the West to go given that they now realize that they need it?
- Russia can't say what they want the world to look like without a strategic vision
- Putin does have a vision of where Russia should be in the world (which is different from a vision of what the world should look like) to include wanting to be:
 - A peer global power able to play in any critical arena despite having uneven capabilities – developing nuclear forces while suffering major economic problems
 - This view resembles that of Gromyko in 1973: No international problem can be solved without Russia or against Russia's interests

- An architect of the international order without knowing what kind of international order he wants to create
 - This would involve improving Russia's position in that order, perhaps in the IMF or other entities
 - He doesn't know what that should look like but does know it should definitely be something different from what is designed and managed by the US
- The first among equals in its immediate security space
 - Putin knows he can't have a veto over his neighbors' security choices but he does want to have as much influence as possible with them
- Putin is ready to break the European world order as can be seen by Russia's actions in Ukraine
 - To do so he is prepared to break the rules, be aggressive including seizing other countries' sovereign territory – all to destroy the European order
- Others believe that Putin mainly wants to upset not the world order, but the post-Cold-War order
- An academic, intellectual argument has been going on for some time:
 - Are countries like Russia and China committed to destroying the liberal world order established after WWII including the international financial institutions, the UN, etc.?
 - Or, are they willing to only increase their voices within those institutions (with increased voting power or better trade arrangements, etc.)?
 - Is Putin trying to overthrow the liberal international order or does he want to do away with the order in which the US dominates

What the US Should Do

- Reengage Russia
 - Russia has been punished and there is pressure is to increase the punishment
 - The strategic dialog and sensitive incident agreements are not engagements
 - Russia is not making it easy for the US to engage
 - It is all about *Dealers* and *Squeezers* – the Squeezers are in charge now so the US must try to find out if there are any Dealers to work with
- Reframe the issues including:
 - Dealing directly with issues such as electoral interference, poisonings, Ukraine, etc.
 - We must deal with these issues using diplomacy and negotiation, not just pillory and punish
 - Identifying the Red Lines, which should certainly involve issues of voting interference, attempts at delegitimizing the US voting process, etc.
 - Handling the problems of fake news, hacking, etc. will be a harder problem
 - Engaging Russia over the Ukraine issues which also need to be reframed, but this is not likely to happen given the current state of affairs in Russia
 - There might be a way to engage over issues of peace and stabilization without getting to any political settlements
- Risk cooperation with Russia but with small steps as was not done late 2016 when there was an effort to establish an information exchange center in Syria
 - DoD didn't want to do it fearing that the Russians would turn information over to the Syrian government forces to improve their targeting
 - DoD also feared that too much operational information that would be needed in a NATO crisis would be exposed to the Russians
 - However, the US should have taken that risk
- The hardest thing to do: Integrate US short- and long-term objectives
 - We must consider where we want our relationship with Russia to be in 8 years to address:
 - Managing a multiple nuclear world that we are losing control over

- Dealing with the instability problems that will be primary security issues in and around the Eurasian core including in the Arctic
- Handling the rise of new powers such as China
- Facing the European security issues that have developed from the arrangements that had been in place for decades
- Problem: How do we handle issues in Ukraine, Syria, the IMF, interference with US elections, etc. without causing fundamental obstacles for addressing long-range issues?
 - Policy planners neither within the US or nor any other government can do the necessary integration of short and long-term objectives

QUESTION & ANSWER SESSION

Re: The Baltics, NATO and US Relations

- Must start by recognizing why the Baltic countries, Poland and others in Eastern Europe fear Russia given their history and geography
 - Recently they have more concerns about their gas supplies and apparent cyber-attacks from Russia as well as fears of attacks by the Little Green Men seen in Ukraine
- The political issues between Eastern and Western Europe need to be handled in a coherent fashion, which is best done through NATO
 - Russia's activity in Ukraine has forced improvements in assurance within NATO
 - There is a need for a coordinated approach to these insecurity issues despite some negative comments related to Article 5 by senior members of the Trump administration
- There are various sub-agendas that must be considered and Russia would prefer that the sides continue on separate paths
- The US must respect the security interests of all while remembering that the US has its own set of interests with Russia outside the region
 - What Estonia wants the US to do might not be good for the US
- No Ukrainian government will ever accept the Minsk II agreements since it is fundamentally flawed in providing more advantages to Russia
 - To move forward the US should do what needs to be done to make Russia more cooperative at least economically
 - Russia must pull back its support of separatist regimes
 - Ukraine must be given control of the Ukraine-Russian border, not just the cease-fire line
 - Even if there are major election reforms, Eastern Europe won't like it
- What would be best for the US would be peace in Ukraine even if it was not complete
 - That still will not solve the problem

Re: Ballistic Missile Sites in Eastern Europe

- The advanced nuclear-capable Iskander M missiles that Russia deployed to Kaliningrad appear to be almost a political statement against NATO deployments to Poland
- Knowledgeable Russians involved in IMF talks say that Russian government claims that they fear these NATO moves is nonsense
- Putin and the people around him often say that Russia has the right to do what they did because of what the US has done
 - It's the standard excuse for all the new weapon systems announced in the May 1st speech
- Putin may believe that the new US theater missile systems are not capable of doing harm to Russia now, but they could be a first step to more capable systems that could be used against Russia
- Unless something changes, the IMF Treaty is likely dead; the question is how it dies

- It could die as it appears to be doing now with Russia in violation and unwilling to do anything to deal with the issue
- The US could eventually violate it given that Congress and the Administration have ordered new land-based systems
- Alternatively, the US and Russia could agree to let it go but find a way to continue an arms control process
- Bottom line: Strategic arms control is dead
 - Some in the US want to end the agreement believing that it would be better for the US allowing us to deploy intermediate range missiles in the Asian theater
 - This would not be as a punishment against Russian behavior
 - Negotiations should focus not on delivery systems but on decoupling the warheads from the missiles to prevent sudden attacks

Re: Use of Nerve Agents by Russia

- The recent attack on a former Russian spy living in England, Sergei Skripal, doesn't make sense
- The timing is strange given that:
 - There are upcoming World Cup games in Russia
 - In contrast, before the Sochi Olympics the Russians did everything possible to look good
 - If the motive was revenge, why did they wait so long since they had imprisoned Skripal for years?
 - It should be assumed that Skripal would have divulged all the information he had to the British since he had been released in a spy swap in 2010
- We must assume that experts are sure that they found is a Russian-developed nerve agent
- If Putin didn't order it or it was done by some rogue operatives, then he should be willing to work with the UK to find out who did
 - His lack of willingness to engage with British investigators ends up implicating Russia
- Bottom line: It is impossible to see what Putin could get out of such an attack at this time

Re: The Russian Peoples' View of Sanctions

- About 70% of the population believe that the sanctions are not merely punishments to Russia, but also an attempt to diminish Russia's power or harm it in some basic way
- Russians' opinions about counter sanctions that raised their food prices 10-15% showed that 53% of Russians strongly approved despite the food price increases
 - They believed that these actions would make the world respect Russia
- Surveys have shown that 60% of Russians disapprove of the US, its role in the world, and its hostility toward Russia
 - In a reverse situation, US opinions about Russia were similarly about 60% negative
 - Over the last 6-12 weeks the Russian view has improved somewhat to 56% disapproval
 - 23% hold neither negative nor positive views of the US
 - Only 9% of the 56% were opposed to the US because of the sanctions

Re: New START

- Iskander M missiles are nuclear capable but reportedly they have not been deployed to Kaliningrad with nuclear warheads but they could be
 - If it were to be deployed with nuclear warheads, this system would be used like the BMD systems in Poland
- Both sides are currently in compliance with the New START limits and likely to stay that way until 2021

- Renewal of New START in 2021 doesn't require Senate approval, but it would be very hard to do if Congress was up in arms about Russian violations
- The US would be most interested in renewing at the same limits but ensuring that inspection and monitoring continue
- We would want the extra 5 years to think about post-START
- Since New START was signed in 2010 we have not been negotiating strategic arms control – the first time since 1969 when strategic arms control negotiations began that there have been none
- Bottom line: All arms control negotiating may be gone in eight years

Re: The Sale of Modern Weapons to Ukraine

- Dealing with Russian aggressions such as those in the Donbass region had been done asymmetrically using sanctions but the response should have been military action
 - That does not mean going to war with Russia or fostering a counter-insurgency there
 - The US should push reform and support it as fast as Ukraine can absorb it, to build up its military enough to create a barrier that would make Russia think twice before acting
- Some, even if they were sympathetic to Ukraine's plight, thought such efforts would be reckless and hawkish
 - However, the US is still helping Ukraine to reform its army and to a degree arming it
 - It would be preferable to arm Ukraine without causing an escalation in the area
 - This should have been done more vigorously once the Ukrainians were competent to use such equipment
- Early in 2015, supplying Ukraine with lethal arms such as the Javelin would have been escalatory
- But, that is not the case now especially if we can bring NATO allies along to help
- The US must tell Russia what it is doing for Ukraine and why
- Originally, sending lethal arms to Ukraine was considered as sending a strong message to Russia, however, that would not have provided the right response
 - Sending lethal arms should have been part of a gradual, long-term effort
 - This is where we appear to be going now
 - The Russians won't be very surprised and won't react very strongly