

Russia and the West

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1. Relations at their lowest point

Relations between Russia and the West are at their lowest point for decades. As a recent report by the Atlantic Council puts it, it is hard to have amicable relations with a country, which “is a stagnating authoritarian kleptocracy, led by a president-for-life who has started wars against its neighbors, assassinates opponents inside and outside of Russia, interferes in US and European elections, and generally seems to act as an anti-US spoiler at every opportunity.¹” We can add to this list the weaponization of energy, and the support of autocrats around the world from Venezuela through Syria and Belarus. Still, Russia seems less dangerous than China and there is a constant fear that by stepping up, the West pushes the two countries even closer together. This raises the question: how to counter the threats posed by Russia without pushing it further towards China?

2. Russia in a state of decline

To analyze this question, first we should understand the internal problems in Russia. The Western financial sanctions imposed for Russia’s actions against Ukraine have been successful in stopping Putin to move further into Ukraine, and slowing economic growth, which has been 0,3% per year since 2014². As a result, most of the population is facing a declining standard of living, which stands in sharp contrast to the extreme wealth accumulated by Putin and his cronies. This is a system of power and ownership, where ownership is defended by political power, and political power decides ownership. The resource-

¹ Fried, Danial and Alexander Vershbow (2020): How the West should deal with Russia. Available: <https://www.atlanticcouncil.org/in-depth-research-reports/report/russia-in-the-world/>

² Aslund, Anders and Maria Snegovaya (2021): The impact of Western sanctions on Russia and how they can be made even more effective. Available: <https://www.atlanticcouncil.org/in-depth-research-reports/report/the-impact-of-western-sanctions-on-russia/>

based economy of Russia was particularly liable to the creation of a strong patronal network after Putin raided Yukos oil company and seized regional governors' tax revenues from the country's resource companies in 2003-2004³. While periods of higher oil and gas prices allowed Putin to distribute various rents to the general population as wages and pensions, sanctions, slow economic growth, and lower oil prices constrain such policies and have led to growing dissatisfaction within the population. Initially, victories in small wars, especially the illegal annexation of the Crimea, boosted Putin's popularity, but by now, the Russian public have grown tired of this tactic.

Russia's system hardly inspires followers or admirers voluntarily, so it tries to win respect in the international system by force, often acting as a spoiler in international relations. It expects international acceptance for its own sphere of influence – while it is eager to interfere into elections abroad, it rejects any interference into its own domestic affairs. So what can the West do?

3. Options for the West

The West has three options.

The first one is a non-starter – the West cannot change Russia overnight. Recent fiascos in much weaker countries such as Afghanistan illustrate the limits of externally enforced change. Sanctions can work in this direction but as we can see in the Russian case, their impact can be evaluated only in the longer term. We should also recognize that the Russian system has become highly resilient to externally imposed changes. The Kremlin has been strengthening its defenses against external interventions since the 'color revolutions' of the 2000s. Development of the sovereign internet (the RuNet) and the massive crackdown of the opposition ahead of the fraudulent Duma elections are the newest bricks in this already thick wall.

³ Magyar, Bálint and Madlovics Bálint (2020): *The Anatomy of Post-Communist Regimes*. New York and Budapest: CEU Press. p. 706.

Appeasement is the second option. It would imply the accommodation of Russian or more precisely Putin's interests including respecting its authoritarian system. Over the past two decades there have been several efforts to appease Russia and reset the relationship with the West. The US tried it three times since 2000, but it did not work – Bush' reset was ended in 2008 by the invasion of Georgia, while Crimea proved to be the end of Obama's reset policy in 2014⁴. As we know, Trump succeeded in having a good personal relationship with Putin, but his motives were highly suspect even to his own administration officials⁵. As one of Putin's archenemies, Bill Browder puts it – it is a kind of arrogance from new, incoming Western leaders “saying, ‘Well, you know, my predecessor really didn't know how to deal with this, but I know how to deal with him and I'm going to charm him or I'm going to reset relations and make things right'. And time and again Putin ends up laughing at them.”⁶

This underlines the fact that appeasement works only if the other side is ready to get appeased. However, the present Russian leadership is not pursuing good relations with the West anymore; they are unwilling to make any concessions for the sake of improving ties with the West. This means that even if the West makes some concessions, it is highly unlikely that Russia would reciprocate; instead, Moscow would probably see it as another sign of Western weakness, and would try to exploit it.

There is however a third option: strengthening the immune system of the West and reducing vulnerabilities to Russian malign influence. How can we do this?

4. Strengthening the immune system of the West

⁴ Fried and Wershbow (2020)

⁵ Hill, Fiona (2021): The Kremlin's Strange Victory: How Putin Exploits American Dysfunction and Fuels American Decline. Available: <https://www.foreignaffairs.com/articles/united-states/2021-09-27/kremlins-strange-victory>

⁶ Browder, Bill interviewed by John Sweeney (2021): The West is frightened of confronting the bully. *Index on Censorship*. 50(3): 16-19.

In its various efforts of disruption, Russia builds strongly on Western weaknesses and failures to live up to its own ideals.

The first major issue is the fight against corruption and money laundering. In the West there is a tendency to focus on petty corruption, which exists everywhere to various extent and involves the exchange of bribe money among willing actors. In Russia we have a very different type of corruption, which involves large-scale, high value transactions by governmental actors – this is systemic, or grand corruption conducted by a criminal state. Here actors pay protection money, which is extorted by state officials⁷.

Due to the kleptocratic system, more billionaires live in Moscow than anywhere else in Europe including London, where Russian billionaires are also overrepresented⁸. To keep their wealth safe and away from public view, billionaires and even Putin himself rely on the Western financial system. A conservative estimate of Russian private money being held abroad is \$1 trillion⁹. This is used to buy Western assets, but also to finance political actors, most often populist parties, who can guarantee that this wealth is safe. By accepting this money, the West becomes complicit in the crimes of the Russian regime¹⁰.

Rejecting profits from illicit assets is testing the adherence of the West to its own ideals. In this case pragmatism means appeasing dictators and allowing our own systems to rot. Corruption is a self-reinforcing cycle where illicit financing of anti-establishment actors helps to undermine democracy, which breeds more corruption and more degeneration of the political system. Ultimately, it is our own weaknesses rather than Russian strength, which leads to decline. Increasing transparency and accountability of the Western financial systems, taking money laundering seriously, widespread asset freezing of Putin and his cronies is an obvious starting point to fight malign, corrupting Russian influence. I find it very encouraging and a reason for much needed

⁷ See Magyar and Madlovics (2020): 386-389

⁸ See: <https://www.visualcapitalist.com/mapped-the-top-10-billionaire-cities/>

⁹ Aslund and Snegovaya (2021): 20

¹⁰ Massaro, Paul and Amelie Rsausing (2017): Russia's weaponization of corruption and Western complicity. Available: <https://www.csce.gov/international-impact/russia-s-weaponization-corruption-and-western-complicity>

optimism that the fight against corruption and money laundering was included into the New Atlantic Charter.

Fighting disinformation and the clouding of our information space is also critical. Russia's Chief of General Staff Valery Gerasimov wrote in 2013 that "the role of nonmilitary means of achieving political and strategic goals has grown, and, in many cases, they have exceeded the power of force of weapons in their effectiveness." Propaganda, fake news, and digital social engineering are the new "triad of disruption" as recently theorized by James Curtis in *National Defense*¹¹. They are low-cost, highly effective measures for Russia to sow the seeds of discord in Western societies. Information war tools are most effective when people are unsuspecting, thus educating society from primary school to adulthood about this phenomenon is a crucial element of defense. Insisting on the existence of truth as revealed through open exchange and discourse, and not allowing the blurring of truth by hostile actors can significantly weaken Russian efforts. Improving the quality of our education system is also critical in strengthening the center and addressing social polarization, which is exploited by Russian influence operations.

There are also divides within the Western alliance. Poland and Hungary insist on constitutional sovereignty, which undermines a unified understanding of the rule of law in the European Union. While Poland fights a mostly ideological battle, in Hungary such rhetoric tends to cover a system, which is becoming increasingly like Putin's Russia. In this case the role of natural resources was played by European funds. Tackling corruption and taking the rule of law mechanism seriously are key factors in stopping the growing divide within the European Union, which make it difficult to act in a unified manner in areas of foreign policy.

So what about China?

¹¹ Curtis, James (2021): How to Defeat the Info-Warfare 'Triad of Disruption'. Available: <https://www.nationaldefensemagazine.org/articles/2021/8/5/how-to-defeat-the-info-warfare-triad-of-disruption>

5. *China*

Since Putin's key concern is sustaining his authoritarian system, the West has few means to distance these two countries¹². However, in many ways, the threats posed by China are very similar to the challenges from Russia. The West does not have the power to change China. It has tried it from the 1990s, but instead of transforming the country into a more democratic system, it assisted in building up a strong authoritarian rival. For a long time, instead of recognizing the threat, the West have been (and some still is) lured by voices of pragmatism – the hope that focusing on business interests and mutual profit opportunities while tolerating authoritarianism might work out for both parties. But in the long-term, only China wins as the West gives up its own ideals and its technology gets stolen. China is using very similar methods to Russia to undermine the West: corruption, disinformation campaigns and fracturing of the alliance. Fighting against these dangers and strengthening the immune system of the West should be an essential part of the strategy against both hostile powers.

Thank you for your attention!

¹² Stent, Angela (2020): Russia and China: Axis of revisionists?. Available: <https://www.brookings.edu/research/russia-and-china-axis-of-revisionists/>