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Economics,
And the NATO
Expansion Issue

By Evgueni Volk



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Report From Russia: Politics, Economics, and The Nato Expansion Issue

By Evgueni Volk

The domestic situation in Russia and the NATO expansion problem are closely interrelated and influence each other in a number of important directions. It is extremely difficult to predict the ultimate outcome of such an interaction, but it seems obvious that the process will be long, complicated, and even painful.

Russia is undergoing a difficult transition in its social, economic, and political systems. The point of departure is more or less clear: Russia was once a totalitarian communist system. As for the point of destination, no public consensus yet exists. When speaking of democracy, civil society, the rule of law, and the market economy, the Russian people differ in their understanding of these concepts. Moreover, the psychological legacy of the past has engendered a negative attitude toward these internationally accepted values. The pace of reforms has been significantly hampered by a lack of agreement concerning these values.

Nevertheless, recent years have witnessed breakthroughs in building a genuine democratic system. The privatization process is one of them. Its main outcome to date has been the gradual formation of a new entrepreneurial class with private ownership and commercial and political initiative. Despite its numerous controversial features, privatization generally continues, and it is the chief litmus test for Russian economic reform.

Politically, a free electoral system is the principal result of reform. It is the first experience for the Russians in choosing their representatives to the legislative power and, by this, influencing the policy of the government.

The freedoms of the press and expression are another major gain of the Russian reform. They guarantee the irreversibility of the democratic process. The mass media also play a significant part in the system of checks and balances, and their position is hard to ignore. However, the press is often subjected to intimidation and financial pressure from legal and illegal centers of power.

Russian reforms are facing severe obstacles. No real anti-totalitarian revolution has taken place, and the communist *nomenklatura*, ill-equipped for a democratic environment, remains the source of political and economic power. In many cases privatization merely legalized the monopolistic control of industrial giants on the market, entailing inflation and stagnation. And the market has yet to break down Russia's highly militarized economy.

Executive power is far stronger than the legislative power and is further consolidating its position. In fact, Russia's bureaucracy is more powerful, wasteful, and arrogant than its Soviet predecessor. A lack of public control mechanisms contributes to an unprecedented spread of corruption. People feel unprotected against arbitrary bureaucratic rule.

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The Russian economic mentality is still largely based on paternalist and egalitarian ideas. People believe that the government should take care of them in every situation. This provokes an increase in overregulatory governmental functions, with direct interference in all the spheres of economic life. Bureaucratic control over the economy is growing. Egalitarian trends predetermine a negative attitude toward industrious and wealthy people who succeeded in building their well-being by honest labor. This is particularly true in rural areas, where private farmers are discriminated against and preference is given to the old collective farms. The vested interest of the old economic *nomenklatura* in preserving its economic power hinders the progress of reform and impedes the efficiency of production.

The weakness of democratic political and economic institutions has contributed to the rising crime rate. About 75 percent of private companies have to pay up to 20 percent of their income as protection money to mobsters. More and more people are joining businesses owned and operated by criminals. The law enforcement agencies are highly corrupted. The taxation rate is so high (up to 90 percent of income) that the majority evades it by concealing revenues.

The Russian political scene demonstrates the weakness of Russia's democratic institutions. There exist several hundred political parties, but very few of them have influence and virtually none can get an overwhelming majority in the parliament. Confrontation between center-right democrats and left-wing communists continues, and the centrist parties are not playing a significant role. Democrats are not in good shape, as people tend to attribute the failure of reform to their ideas rather than to a lack of persistence in their implementation. But neither communists nor nationalists have any efficient remedies. Attempts to consolidate a "centrist" party of power such as Chernomyrdin's "Our Home-Russia" are made again and again, but only time will show how solid this bloc will be.

Many of the political differences of the parties arise from different economic interests. The sectors of the economy that depend on further international cooperation (such as the oil, gas, trade, and banking industries) are internationalist and more open to the West. Others that suffer either from competition with the West (such as the agricultural sector and consumer industries) or from the relaxation of tension (such as the military-industrial complex) are more isolationist and nationalist.

RUSSIAN FOREIGN POLICY AND NATO EXPANSION

The collapse of the Soviet Union brought about a profound crisis in Russia's national identity. Russia's role as a world power has decreased, and an inferiority complex has emerged. As a result, Russians are becoming more nostalgic for the Soviet past when their country was, in their eyes, more powerful and wealthy. Many Russians still view themselves as Soviet and not Russian citizens and believe that the disintegration of the USSR was a mistake. The rise of a nationalist sentiment, including its aggressive component, is a response to political and economic challenges the society faces. Psychologically, many people doubt that the newly independent states are truly independent. The feeling of Orwell's "Big Brother" is as widespread as the conviction that these states cannot survive without Russia.

The idea of a "great power" today is based largely on nuclear potential. It clearly does not rest on Russia's economic performance. Two-thirds of the Russian population live below the minimum subsistence level. According to all major social and economic indicators, Russia can hardly be regarded as a prosperous country. This engenders a bitterness that is often the fuel of extremist political parties.

The expectation after the demise of communism was that the Western alliance would pay for Russia's transition to democratic capitalism. When it became evident that this would not occur, Russians were profoundly disappointed. The result has been a rising anti-Western mentality among the Russian people. This sentiment is easily manipulated by communists and extreme nationalists.

The Chechen crisis shocked Russian society. It clearly exposed the fact that little had changed in the new democratic Russia. Excessive secrecy, anti-democratic decision-making, neglect of impartial expertise and public opinion, lies, and brutality toward peaceful citizens were rampant throughout the Chechen operation, as they were during Soviet times as well. Few Russians doubt the criminal nature of Dudayev's regime in Chechnya. But they ask how he was allowed to gain power and to obtain enormous amounts of weapons. Until there is a definite political answer, no prospects for a peace settlement are feasible. The guilty are seeking ways to evade responsibility by waging a bloody war to wipe away all evidence of their crime.

Foreign policy issues are not that important to the average Russian. The ordeal of day-to-day survival is far more important for a large majority of Russians. But for exactly these reasons, some politicians are trying to change the subject from their domestic policy failures to foreign policy. In this respect the NATO expansion issue is the perfect target for channeling popular discontent into a foreign policy issue.

The Russian attitude toward the NATO expansion debate is 99 percent domestically motivated. The following ingredients create a nutrient medium for resisting NATO expansion plans, irrespective of their true nature and timing: the alleged failure of the Western development model, disappointment with insufficient Western assistance, the growth of nostalgic pro-communist and xenophobic sentiments brought about by low living standards, an aggressive nationalist and isolationist stand, and weakness of democratic tradition and institutions.

The Russian public, in fact, knows very little about NATO. Nearly 100 percent of the common people, if asked about the issue, would say that NATO was an "aggressive military bloc." The power of the Cold War stereotypes is still great, and even Russian politicians—some deliberately, some unintentionally—suffer from myopia as far as NATO is concerned. While never doubtful of the peaceful intentions of the U.S., U.K., Germany, or France individually, Russians easily and illogically become fearful of the NATO alliance as a whole.

The Russian debate on NATO is lacking in expertise and competence. The NATO evolution process—through the Harmel Report to the Declaration in Rome and others—is completely overlooked, as are numerous non-military spheres of action, including political consultation, and economic, scientific, and ecological cooperation. Restricting NATO to a mere military function is a favored means for its opponents to criticize it. Unfortunately, little has been done in recent years by NATO and the Russian democratic movement to dispel the alliance's false image with the Russian public. No matter what the reason—a lack of political will or resources—there is no excuse for this failure.

I share the views of those Russians who see no problems with NATO expansion. I even welcome it. The North Atlantic alliance remains the most efficient and viable security structure in the world. It has long ceased to be just a military alliance (if it ever was) to become a politically motivated organization projecting and disseminating democratic values. Political goals have always been central to this strategy, and the 50 years of peace in Europe can be attributed to NATO's resolve to defend freedom and democracy. The plans to incorporate

new members mean further guarantees of democratic and stable development in Central and Eastern Europe with no threat to anybody.

Only people with a confrontational mentality can presume that the NATO enlargement will jeopardize Russian security interests. But should, to Russia's great misfortune, those interests be usurped and misinterpreted by extremist forces, NATO would undoubtedly act in keeping with its political and military deterrence function in order to maintain international security and stability.

Russian political forces who associate themselves with the Western alliance are by no means numerous. But this fact does not mean that there is an anti-NATO consensus, as some people in Moscow claim. The absence of an accepted national security strategy provides ground for arbitrary interpretation of national interests and threats and challenges. It prevents Russian foreign policy from adopting a consistent, long-term approach to any international problem. As a result, the NATO expansion issue cannot be put in proper perspective. Thus, old Soviet-era prejudices often get the upper hand in the debate.

Of course, the Russian military has a vested interest in opposing NATO expansion. In order to survive and maintain a high profile, the armed forces believe that they must have a clearly identified and strong adversary. NATO is the largest military power closest to the Russian borders, and wishful thinking can easily attribute the "enemy image" to it. Moreover, cooperation with NATO requires that the armed forces be more open in the way they conduct their business. This is something the Russian military is not used to. After the Chechen events it seems clearer that traditional secrecy was designed largely to conceal the limitations rather than merits of the Soviet Army, and this trend is likely to persist. Finally, existing arms control agreements do not suit the Russian military, as they impose restrictions on their ambitious military plans and programs.

Regardless of the obstacles, NATO expansion should proceed in conformity with European and global security and stability interests. NATO may not be perfect, but no other more efficient mechanisms exist on the continent. I appreciate the Organization for Security and Cooperation in Europe's important political role in the West-East dialogue (since I participated in its diplomatic process, too). However, the OSCE has not shown itself to be an adequate substitute for NATO. As far as the CIS security structure is concerned, its shape undoubtedly faces serious difficulties, and the ultimate result is still unclear.

In the course of its expansion, NATO should be well aware of misperceptions and apprehensions that are sometimes exaggerated in Russia. Political and informational effort should be made to dispel them. Therefore:

- ✓ Versatile bilateral cooperation between NATO and Russia should develop;
- ✓ The new generation of Russian politicians, military men, and researchers should be more resolutely involved in NATO and North Atlantic Assembly activities;
- ✓ The issue of NATO special educational programs for Russia should be addressed;
- ✓ The Russian military should be brought under civilian and public control to avoid future Chechnyas; and
- ✓ Russia's active participation in the Partnership for Peace program is a precondition for building up mutual confidence and security.

If these steps are taken, close political contacts between NATO and Russia could develop into a special partnership. Russia's full membership in NATO, which looks quite improbable today, could become a reality in the 21st century.