
Russia and Eurasia

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RUSSIA FOR THE PAST 4 YEARS has been on an economic roll fueled by high energy prices. The Kremlin in parallel has pursued an increasingly assertive foreign policy, raising the prospect of a more contentious Russia that will challenge U.S. interests in the former Soviet space, Europe, and elsewhere. The challenges posed by a more assertive Russia will command greater time and attention from U.S. national security planners.

It is not only a resurgent Russia that could test the United States in coming years, however. A frail, unstable Russian state is not in the U.S. interest. Russian weakness raises less obvious, but nevertheless serious, possible challenges. Demographic, societal, and economic trends within Russia have the potential, particularly in combination, to create strategic shocks over the next 10 to 30 years that would have major implications for U.S. national security interests. This chapter examines those trends and potential shocks and outlines implications for U.S. national security.

The strategic shocks that trends within Russia could combine to produce include collapse of the Russian state, expansion to take in more ethnic Russians, revolution (leading to a lurch toward democracy or, more likely, to the right), playing the energy card, and a military/technical surprise. While these shocks each have a very low likelihood, any of them would pose critical implications and challenges for key U.S. security interests. This chapter also looks at possible shocks elsewhere in the former Soviet space: Islamic revolution in a Central Asian state and Georgian-Russian military conflict, with the latter being the most likely shock of those addressed.

Russia Today and a Baseline Scenario

Russia in the 1990s suffered from a disastrously broken economy, chaotic politics, and the collapse of Moscow's once powerful foreign image and influence. The

experience made a lasting impression on the Russian populace, which deeply values stability and does not want to risk a repetition of that experience. The country has made a dramatic and relatively rapid resurgence under Vladimir Putin, even if much is due to good fortune: rising prices for natural gas and oil have generated striking economic growth and huge revenue streams into state coffers. Following 8 years of growth averaging almost 7 percent per year, Russia's gross domestic product (GDP) in 2006 reached \$733 billion (\$1.746 billion in purchasing power parity terms). In November 2007, foreign reserves exceeded \$425 billion, and an oil stabilization fund established for use if or when energy prices fall totaled some \$150 billion.

Putin ended the political chaos of the Boris Yeltsin years but also reversed the democratic progress of the 1990s and turned the country back toward centralized authoritarianism. While Russians have more individual freedoms than in Soviet times, the Kremlin today holds most real power levers, as political power has increasingly been concentrated in the hands of an elite group with roots in the intelligence services and personal loyalty to Putin. This group controls most economic sectors that relate directly to state power.

By contrast, the Duma has become a rubber-stamp legislative body. The once-independent oligarchs have been cowed, in particular by the imprisonment of Mikhail Khodorkovskiy and dismantlement of his Yukos empire. Regional governors are no longer popularly elected. The major broadcast networks are owned by the state or business entities close to the Kremlin and have modified their editorial lines accordingly. The nongovernmental sector has come under increasing pressure. For all this, Putin remains immensely popular, with approval ratings topping 70 percent. Many Russians wished the constitution to be amended to allow him a third term in 2008.

As the Kremlin has tightened its political grip and the economy has grown, Russia has adopted an increasingly assertive foreign policy, including provocative moves against neighboring countries, notably Georgia; an effort to create a region of special Russian influence in the former Soviet space; less readiness to cooperate with the West on global problems; and strident rhetorical attacks on U.S. foreign policy and motives. Russia remains a nuclear superpower but devotes only modestly increased funding to the military, using its revenues instead to build foreign reserves and the stabilization fund while paying down foreign debt. Russia's conventional military power today is a shadow of what it was in Soviet times.

Putin abided by the constitutional bar on a third consecutive presidential term and endorsed as his successor Dmitry Medvedev, who has spent most of his

career working for Putin. Medvedev handily won the election in March 2008 and, upon becoming president in May, appointed Putin prime minister. Most analysts expect considerable continuity in Russian domestic and foreign policy, in large part because Putin and the Kremlin inner circle regard the policy course of the past 5 years as successful. While it is unclear whether and how fast Medvedev will come into his own, Putin will retain significant power and influence in the near term, and “Putinism” in some form will likely continue.

Looking out over the next 10 years, the baseline scenario for Russia includes a political system largely managed by the Kremlin (“sovereign democracy”) and a growing economy fueled by high energy prices. Military security will continue to rest on a large nuclear component, while conventional force funding increases will be well below what the Russian budget could afford. Relations with the United States and Europe will remain a mix of cooperation and competition, while Moscow pursues tactical cooperation, but not strategic alliance, with China. To the extent that Russia becomes enmeshed in the global economic system, such as World Trade Organization membership, the Kremlin may find that it has less freedom of maneuver than it would like.

U.S. national security planners must monitor Russia’s growing power, which could produce traditional clashes of interests with Washington. Europe may face growing tension with Moscow as well, particularly if the latter follows through on suggestions that it might abandon the Conventional Forces in Europe Treaty, the observance of which it has suspended, and the Intermediate Range Nuclear Forces Treaty. The Russo-Chinese relationship also bears watching. Tighter military and security coordination between the two countries could significantly complicate the pursuit of U.S. interests in areas such as Central Asia, though cooperation between Moscow and Beijing has its limits.

Several trends evident within Russia bear monitoring, because by weakening or destabilizing the country, they could pose serious tests for the United States. One such trend is demographic, the decline of a population that is unhealthy, aging, and increasingly not ethnically Russian. Other trends are more susceptible to change but, if continued, could have major effects. These are societal/governance (growing nationalism encouraged by the state, coupled with xenophobia, ethnic prejudice, and anti-Americanism) and economic (growing economic inequality and heavy reliance on the energy sector).

DEMOGRAPHIC TRENDS: FEWER RUSSIANS, LESS RUSSIAN

Russia faces an alarming demographic picture. The overall population will fall, as will the number of people in the labor force and pool of males available

for conscription. The population will be increasingly older and non-ethnic Russian.

Compared to 148.3 million in 1991, Russia's population fell to 141.4 million in 2007, and the U.S. Census Bureau projects further declines to 134.5 million (2017), 126.5 million (2027), and 118.7 million (2037), and eventually to 109.2 million in 2050. These projections are conservative compared to others, which suggest the population could dip below 100 million by 2050. Murray Feshbach has predicted the population in 2050 could fall to between 77 million and 101 million. The population decline reflects both low fertility and a high death rate, with average life expectancy for a Russian male now just 59 years.

Health problems reflecting poor lifestyle choices (diet, alcohol, tobacco), environmental woes, and infectious diseases (HIV/AIDS, tuberculosis), as well as low investment in health infrastructure continue to bedevil the Russian population. Health considerations will impact the quality of the labor force and the conscription pool; currently, over one-third of young men are deemed medically unfit for service.

Concerning a shrinking labor force, U.S. Census Bureau projections suggest the number of Russians of working age will fall from some 87 million today to below 65 million in 2037, and perhaps as low as 51.6 million in 2050. Those workers will have to support a growing elderly population, as the number of Russians older than 60 will increase from 24.7 million in 2007 to 34 million in 2037.

Demographics also have major implications for the Russian military, which conscripts some 350,000 young men per year, a number that the military currently has a hard time meeting. This requirement may have to increase, moreover, as the length of conscript service was reduced from 18 to 12 months in 2008. Efforts to convert to a volunteer/contract force are under way, but conscripts in 2005 accounted for almost 70 percent of manpower, and senior Russian officers express doubt about the prospect of converting to an all-volunteer force. The number of males turning 18 (conscript age) over the next 10 years will fall by half, from about 1.3 million to 680,000 per year.

As Russia's population decreases, it will become increasingly non-ethnic Russian. According to the 2002 Russian census, ethnic Russians were 80 percent of the population, while Tatars, Caucasians, and other Muslim populations were 10-15 percent. The census showed the highest fertility rates in the country were in the north Caucasus (Chechnya, Dagestan, and Ingushetia). Describing one particular extreme, Paul Goble has noted that the average fertility rate for ethnic Russian women living in Moscow was 1.1 compared to rates for Khazan-Tatar

and Chechen/Ingush women in Moscow, which average 6 and 10 respectively; he has even suggested Muslims could become the largest ethnic group in Russia within 30 years. While that is unlikely, ethnic Russians will see their relative position as well as their absolute numbers erode.

Changing this demographic trend in any significant way is likely impossible in the near term. The government has announced monetary incentives to increase the fertility rate, but experts doubt these will have much impact. While improving health is one of four national projects announced in 2005 (the other three are education, agriculture, and housing infrastructure), the government has not radically boosted health funding. Even if government policies were seriously pursued and funded, their impact would be long-term; for example, babies born in 2008 will only enter the labor/conscription pool in 2025–2026.

SOCIETAL/GOVERNANCE TRENDS:

NATIONALISM, PREJUDICE, AND XENOPHOBIA

Throughout his presidency, Putin embraced, appealed to, and encouraged traditional Russian nationalism. Restoring Russia's great power status was a constant theme of Kremlin foreign policy under his leadership. "Russia is back" plays well domestically with both the foreign/security policy elite and the broader public.

As portrayed by the Kremlin, Russian sovereignty is under threat from outside. The United States seeks to dominate a unipolar world and weaken Russia, presenting a danger on par with international terrorism. The perception, actively encouraged from on high, that the West took advantage of Russian weakness during the 1990s underpins broader negative attitudes toward the United States and the West in general. One result is growing anti-American sentiment among the public. Other aspects of Putin's nationalism include the whitewashing of Soviet history and the creation of *Nashi*, a patriotic youth group with a strong nationalist ideology. Major national broadcast outlets controlled by the Kremlin, or business interests allied to it, regularly and increasingly promote nationalist and anti-American themes.

Russian nationalism can take on an uglier edge when combined with xenophobia, racism, and prejudice against non-ethnic Russians, sentiments that endure in many segments of Russian society. Although large-scale conflict in Chechnya appears to be over for now and a degree of normalcy is being restored, feelings against the Chechens and other Caucasian ethnic groups continue to run high among many ethnic Russians. Dagestan and Ingushetia remain unstable, with political violence on the rise.

Of particular concern are attitudes among the young. A survey examining the political views of Russian youth conducted in 2007 by Sarah Mendelson and Ted Gerber showed that 63 percent agreed with Putin that the Soviet Union's collapse was the "greatest geopolitical catastrophe" of the 20th century; 62 percent agreed the government should evict immigrants; and 66 percent saw the United States as an enemy or rival (more than any other country).

The trend toward an increasingly assertive nationalism—with a potent mix of prejudice, xenophobia, and anti-Americanism—is far more susceptible to change than the demographic reality confronting Russia. But this robust nationalism constitutes a key element of Putinism and can be expected to remain a factor in Russian society for the foreseeable future. A loose amalgamation of themes, Putinism could evolve in an ultranationalist, radically xenophobic, or even more anti-American direction, perhaps led by the *Nashi* movement, whose ranks are growing by more than 10 percent per year. This trend could, in combination with other trends, contribute to future shocks.

Over the past several years, the Kremlin decisionmaking *apparatus* has shown itself to be subject to surprises and not agile in managing unforeseen developments. The result has been ham-handed responses to Ukraine's Orange Revolution and to public opposition to changes in social benefits. This insensitivity could undercut the Kremlin's ability to detect and deal appropriately with ethnic or xenophobic tensions or other internal problems in the future. A bloated, corrupt, and hidebound bureaucracy below the Kremlin is unlikely to be more effective in coping with such challenges.

ECONOMIC TRENDS: GREATER INEQUALITY AND DEPENDENCE ON ENERGY

As Russia's economy has expanded, average incomes and living standards have increased dramatically. By 2006, annual per capita income (in purchasing power parity terms) had reached more than \$12,000. But the benefits of economic growth have been uneven. Moscow and St. Petersburg have boomed—indeed, the Moscow region generates about a third of the country's GDP—and many in those cities enjoy living standards comparable to those elsewhere in Europe. There is a growing middle class. However, in rural areas and certain regions (such as the north Caucasus, home to most of Russia's nonsecular Muslims), the economic picture is far more dire, with many living on \$100 per month without the benefit of Soviet-era safety nets.

Income inequality is high, and the gap between rich and poor is growing. Should this trend continue, Russia risks the development of a large class of have-

nots who will compare their situation to that of their richer compatriots. Older Russians who are less able to take advantage of the new economic opportunities will draw unfavorable comparisons to their own situation in Soviet times. Addressing inequality does not appear to be a priority for the Kremlin. The national projects to improve health, education, agriculture, and housing infrastructure have been neither generously funded nor well managed, producing little real impact to date. The rich/poor gap poses particular risks should the government falter in delivering essential services.

A second economic trend has been the increasing importance of the energy sector, which is the dominant factor in the economy. While energy has long been a major element of the Soviet/Russian economy, it has been the key factor in powering the country's remarkable recovery since the 1998 economic crisis. Russia now is the world's largest producer and exporter of natural gas, and equals Saudi Arabia in production of oil (though Russia has neither the reserves nor the capacity that Saudi Arabia has to expand production). The energy sector accounts for some 20 percent of GDP, more than 60 percent of export earnings, and a significant share of government revenues. Economic rents generated in the energy sector fuel many other parts of the economy.

The Kremlin views its command of oil and gas supplies as offering not only a source of great wealth, but also conferring opportunities to exercise leverage over other countries, though to date Moscow has for political purposes cut energy flows only to former Soviet states. In contrast, Russia has strived to maintain a reputation as a reliable provider of gas to Europe, as those exports represent its largest source of export earnings. Given the gas transport system presently available, Russia has no alternative export market.

This trend has two major negative implications. First, with the economy spurred by the growing energy sector, the Putin administration during its second term attached less urgency to reforming other sectors. After 2003, meaningful reforms were few, and it is too early to tell whether Medvedev will press reforms more aggressively. Second, the heavy reliance on energy leaves the economy vulnerable to price drops. Falling energy prices in the 1980s contributed greatly to the economic strains that helped unravel the Soviet Union. Such price drops appear unlikely in the near future but remain possible, particularly if the West and others were to vigorously pursue energy conservation and nontraditional energy sources out of concern about the impact of global climate change. A serious fall in energy prices would hurt the energy sector, cut government revenues, and impact other industries dependent on economic rents generated in the energy sector.

Despite high world energy prices, Russian gas and oil production hit a plateau in 2005, registering little or no annual increase since then. Getting at and developing new oil and gas fields is difficult and expensive, and Russia does not appear to be making investments in new extraction needed to significantly boost production. The Kremlin has tried to lock up gas exports from Central Asia, particularly Turkmenistan, in part to compensate and to avoid a dilemma in which it would have to choose between meeting export contracts and domestic demand. While the Kremlin plans new gas pipelines to Europe—and talks of a pipeline to Asia—it is not clear how soon Russian gas production will rise to the point where it could fill all pipelines under construction or planned.

Possible Negative Effects

The trends described above could produce a variety of effects within Russia:

- A shrinking labor pool will require more immigrants and guest workers. They most likely would come from Central Asia, China, and the south Caucasus. Such an influx could raise tensions with ethnic Russians.
- An increasingly nationalist and fearful ethnic Russian population could worry that its decline, in absolute numbers and relative to other ethnic groups, will threaten the country's unique Russian identity.
- Political and economic power could be further concentrated in the hands of a select elite increasingly isolated from, and out of touch with, broader societal concerns.
- Tensions in the north Caucasus could reignite, triggering a new insurgency in Chechnya or one of the neighboring areas, perhaps aided by foreign jihadists.
- Declining manpower will deny Moscow the possibility of recreating a large conventional army. This could prompt a search for leapfrogging military technologies.
- A large class of economic have-nots angry at income inequality, or a quasi-middle class frustrated by corruption, infrastructure breakdown, and general government incompetence, could lose patience and launch strikes and other economic or political actions against the regime.
- A substantial fall in global energy prices (perhaps as the West embraces green technologies) could leave the Russian economy dependent on an unreformed industrial sector that is unable to compete in global markets, prompting a major recession.

- Alternatively, energy prices could stay high, and construction of a pipeline system to Asia and/or of liquid natural gas (LNG) export terminals could give Russia the capacity to export more gas than it has available for foreign sale. This might tempt the Kremlin to wield the energy lever against countries outside the former Soviet space.

How these effects develop and interact could produce various shocks, with serious implications for U.S. national security.

SHOCK 1: RUSSIA COLLAPSES

In this scenario, a “perfect storm” combines several trends: ethnic tensions rise sharply as demographics make Russia less populous and increasingly less Russian, exacerbated by a resumption of armed insurgency in the north Caucasus; falling energy prices, a declining work force, and an uncompetitive industrial sector prompt economic recession; frustrations rise over the general decay of medical, transport, and housing infrastructure; and regional authorities become dissatisfied with the center’s inability to deal with the problems of the day and push to take greater powers upon themselves. These stresses overwhelm a moribund Kremlin, and Russia, much like the Soviet Union in 1991, simply collapses. Alternatively, Moscow could attempt to hold things together by force.

The likelihood of either the peaceful or violent variant of this scenario is small and can be completely discounted over the next 10 years. But the possibility remains in 2017–2037, as demographic and societal trends deepen. Moreover, other events could trigger a collapse. For example, terrorist acquisition and detonation of a nuclear device in Moscow, while also a very low probability event, would have a devastating impact on the country—and perhaps its ability to remain intact—given the concentration of political and economic power in the capital.

While the likelihood of Russia’s collapse is small, the implications for U.S. national security would be immense:

- As Russia collapsed, who and what structures would maintain—or gain—control of Russian nuclear weapons and nuclear material?
- What “state-like” entities would emerge in Russia’s place? Presumably a “rump” Russia, centered on Moscow and St. Petersburg would survive, but what would develop in the north Caucasus, Tatarstan, Siberia, and the Russian Far East?

- Would outside powers such as China be pulled in? Would outside powers encourage collapse? (China would naturally be interested in the resources of the Russian Far East, whose population is falling even faster than it is in Russia as a whole.)
- What would be the geopolitical consequences for Central Asia of Russia's fall? How would China move to protect/strengthen its position in the region? Would other peripheral powers such as Turkey, Iran, and India become more heavily involved?

SHOCK 1A: RUSSIA LASHES OUT AS IT GOES DOWN

This scenario builds on shock 1. As Russia faces collapse or is in the process of doing so, the Kremlin employs military force not just to try to maintain control over its borders but also to strike countries it believes are encouraging, or directly aiding and abetting, centrifugal forces within Russia.

This scenario would be likely to the extent that the Kremlin saw (real or imagined) foreign hands contributing to the country's collapse. The implications for U.S. national security interests would be similar to those of shock 1, with a greater probability of interstate military conflict involving countries with close relations with Washington. For example, in the event of outside support for renewed insurgency in the north Caucasus, the Russians would pay particular attention to any assistance coming from or through Georgia and Azerbaijan and might well take action.

SHOCK 2: RUSSIA SEEKS MORE RUSSIANS

This scenario develops as a result of the combination of a robust Russian nationalist mood, strong ethnic prejudice, and growing fear that, with the demographic decline of ethnic Russians in both absolute and relative terms, Russia is on the verge of losing its identity. Moscow attempts to protect and increase its "Russianness" by launching a pan-Russian/Slav movement aimed at incorporating, or forming a union with, neighboring states or territories with large numbers of ethnic Russians or closely related Slavic populations: Belarus, eastern Ukraine, and northern Kazakhstan. The primary tools to achieve this would be political, economic, and covert action, not military force. The prospects for this scenario's success would depend as much, if not more, on the stability, sense of national identity, and economic well-being in the bordering states as it would on Moscow's skill at attracting neighboring populations. Belarus would offer the easiest (though not necessarily easy) target, while drawing in eastern

Ukraine would prove the most problematic and might not be possible under any circumstances.

This scenario is currently of very low likelihood, with a higher probability that Russia will attempt it in 2027–2037 than in 2007–2027, since continuing demographic trends could prompt greater anxiety about loss of national identity. While the implications for U.S. interests in this scenario would be less dire than in the case of shock 1 or shock 1A, it would still pose serious challenges:

- What would be the reaction of North Atlantic Treaty Organization (NATO) allies in Central Europe and the Baltic states to Russian expansion back into Belarus (and possibly Ukraine), even if peaceful? What would they seek from the United States and NATO in response?
- If eastern Ukrainians succumbed to Moscow's enticements and pressures for a union, would western Ukraine seek independence? Given Western efforts to build closer relations with Ukraine, would the United States, Poland, or others be pulled in?
- What would be the consequences of Kazakhstan's breakup for Central Asia, and of a Russian effort to incorporate the energy-rich territory of Kazakhstan in the Caspian Basin?
- What new challenges would a Russia bolstered by northern Kazakhstan energy resources, the industrial bases of Belarus and eastern Ukraine, and the populations of those regions pose to the United States and Europe?
- How would non-ethnic Russian populations within Russia react? Would this trigger efforts to secure greater autonomy or even independence?

SHOCK 3: RUSSIA REVOLTS AND LURCHES TOWARD DEMOCRACY . . . OR TO THE RIGHT

In this scenario, a large segment of the Russian population, motivated by anger over persistent economic inequality and personal deprivation, and/or by frustration with an ineffective, unresponsive, and unaccountable regime, launches economic and political actions to bring the government down, akin to the "color" revolutions of Georgia and Ukraine. The result could be a more democratic Russia or a more nationalist, ultraright regime.

The likelihood of the democratic variant is very low. "Democracy," given its legacy from the 1990s (associated as it is with economic collapse, chaotic politics, and loss of international position), does not resonate well now in Russia. Moreover, the Kremlin has taken preemptive steps to reduce any risk of a color revolution. It would be unwise, however, to discount completely the prospect of

popular revolution in Russia; the 2003, 2004, and 2005 revolutions in Georgia, Ukraine, and Kyrgyzstan respectively caught Western analysts (as well as most within those countries) by surprise.

A more plausible shock would be a revolution that produced a lurch to the right, perhaps led by *Nashi* and other ultranationalists angry at persistent government failure to perform. While of low likelihood in general, this variant is possible in the 2007–2017 period, as well as the 2017–2037 timeframe.

Were the revolution to remain largely nonviolent and produce a government more open to democracy and accountability to the electorate, the implications for the United States could be positive. Russia might begin to develop toward a more normal European state. But a revolution could just as easily yield more negative implications:

- To the extent that the revolution turned violent (with military and security units using force to try to maintain the regime), would there be all-out civil war? If so, what would this mean for issues such as control over nuclear weapons?
- Would outside powers be pulled in, internationalizing the revolution/civil war?
- Would a new government—especially one formed by ultranationalists—be more implacably hostile toward the United States and the West?
- Would a new government prove as ineffective as its predecessor at addressing Russia's root problems, meaning continuing uncertainty and unpredictability about the stability of the Russian state?

SHOCK 4: RUSSIA PLAYS THE ENERGY CARD

In this scenario, the price of gas stays high, and Russia completes a gas pipeline system to export gas to China and/or Nakhodka (from which LNG could be shipped to Japan and a number of Pacific Rim states), along with a link between western and eastern Siberia (building such a link would be costly and would be justifiable only if the Kremlin sought the ability to swing gas from western Siberia to Asian markets). Growth in Russian gas production, however, remains anemic, so Russian export capacity exceeds the amount of gas it has on hand to export. Taking advantage of the absence of a European Union (EU)–wide energy security policy, and with the ability to export gas to Asia or other non-European markets, the Kremlin begins to hint that political considerations will factor into decisions regarding export volumes to individual European countries.

This would be a risky ploy for the Kremlin. A gas cutoff to a large European country would presumably prompt a vigorous European search for alternative sources, such as LNG and pipelines bypassing Russia to bring Central Asian or Iranian gas to Europe. Moscow would only threaten such a move in extremis, in response to what it viewed as a particularly egregious Western action. The ideal situation for Moscow would be to threaten tacitly, but not impose, a cutoff, encouraging the target country to modify policies accordingly. Working in Russia's favor would be the fact that development of alternative gas sources would be a costly and slow process.

Were Moscow to play the energy card adroitly, there would be serious implications for transatlantic relations and U.S. security interests:

- Would European countries be willing to compromise on foreign or security policy issues in favor of Russia, for example, opposing further NATO (or even EU) enlargement?
- To the extent that Moscow played the energy card without triggering a European effort to reduce energy dependence on Russia, how might the Kremlin be tempted to use the energy card in the future?

SHOCK 5: RUSSIA SPRINGS A MILITARY/TECHNICAL SURPRISE

In this scenario, the Russians conclude that they cannot compete with the U.S., NATO, or Chinese militaries in terms of conventional forces, due to the declining number and quality of their manpower pool and their unreadiness to devote the resources to build large numbers of highly advanced conventional weapons systems. The Russians instead focus spending on new technologies to leapfrog current conventional capabilities and/or yield asymmetrical advantages to offset U.S. or other conventional force advantages.

The Russians could fall back on the Soviet experience with chemical or biological weapons or even revive the antisatellite program. Given U.S. dependence on information technology, the Russians might focus more intense efforts on cyberwarfare. The specific implications for U.S. national security would depend on several questions:

- What technology would the Russians develop? How badly would it offset or compromise U.S. conventional advantages?
- How much would the new technology embolden Russia to act more assertively or aggressively on the global scene?

SHOCKS ELSEWHERE IN EURASIA

Shocks elsewhere in Eurasia invariably would involve Russia and could pose major implications for U.S. interests. Shocks could occur in some Eurasian countries, such as Moldova, Belarus, or Armenia, with no major implications for the United States. Two shocks, however, each of low probability but with major implications, would be Islamic revolution in a Central Asian state and a military conflict between Georgia and Russia.

Islamic revolution in a Central Asian state. The autocratic regimes of Central Asia pay close attention to monitoring and confining indigenous and outside Islamic movements, and would undoubtedly preempt a move that would allow an outside Islamic organization to gain significant political influence. But looking out over 10 to 30 years, there is a possibility that poverty, perceptions of wide economic inequality, dissatisfaction with an unresponsive and unaccountable government, and a growing Islamic awakening could create a situation in which a perhaps radical Islamic movement, aided by outside Islamic forces, comes to power in a Central Asian state.

The risk of this scenario is lowest in Kazakhstan. But Islamic revolution in one of the other four Central Asian states would have negative implications for U.S. security, more so were the country to allow international terrorist organizations access, such as for training sites. The implications would be particularly chilling were the country Turkmenistan, which controls substantial energy resources. The one silver lining to this scenario is that Washington would find Moscow eager to cooperate to contain the fallout. Indeed, Islamic revolution in a Central Asian state would almost certainly draw Russia in, including use of its military forces, to maintain the existing regime.

Georgian-Russian military conflict. The breakaway regions of Abkhazia and South Ossetia remain hot-button issues for the Georgian government, which has taken risky moves in the past several years—for example, the unilateral introduction of military forces into the Kodori Gorge. Russia supports the Abkhaz and South Ossetian regimes and has employed various actions, including periodic air incursions, to keep Tbilisi off balance. In this scenario, the Georgian government, as a result of domestic political pressure or miscalculation of the Russian reaction, would use military force—led by battalions trained and equipped by the United States—to regain control of either Abkhazia or South Ossetia. The breakaway regime would resist, and the Russians would likely assist with ground troops and airstrikes against targets in Georgia.

Of the shocks discussed in this chapter, this may be the most likely, certainly in the near term. Given ever-closer U.S.-Georgian relations and Washington's desire to promote a trade/transport corridor through Georgia and Azerbaijan to the Caspian and Central Asia, Georgian-Russian conflict would have serious implications for U.S. regional interests.

Indicators to Watch For

Monitoring Russian demographics and the Russian economy should be relatively straightforward. Following trends in societal attitudes will be more difficult but nevertheless possible. In watching trends within Russia, certain indicators could signal an increased likelihood of one of the strategic shocks described. Some examples include:

- major growth in and an increasing political role for the *Nashi* movement, in combination with a general rise in ultranationalist sentiment
- further concentration of political and economic power in the hands of a select elite that is out of touch with broader Russian society
- increased tensions between ethnic Russians and other nationalities, such as Caucasians, or immigrants and guest workers
- growing expressions of concern by ethnic Russians that their decline as a relative portion of total population is endangering their unique identity and culture
- increased violence or open insurgency in the north Caucasus
- persistent government failure to provide basic services to large segments of the population plus breakdowns in health, transport, housing, or other infrastructure
- stagnation in Russia's nonenergy sectors, leaving the economy little to fall back on in the event of a collapse in energy prices
- construction of a gas pipeline allowing Russia to "swing" western Siberian gas to Asia without commensurate investment to increase gas production
- increasing closure of certain branches of Russian science to collaboration or other contact with Western scientists.

Influencing Trends and Mitigating the Consequences of Shock

The trends that could lead to the strategic shocks described above are internal to Russia, which means that the ability of the United States or other countries to influence them is marginal at best. This is particularly true when even innocuous

U.S. assistance programs are viewed in Russia with suspicion. Nevertheless, the Department of Defense (DOD), the Department of State, and other U.S. agencies should establish a monitoring system to track demographic, societal, and economic trends within Russia and consider actions that might influence those trends, particularly in shaping the attitudes of key segments of Russian society toward the United States.

Examples of such actions include deeper engagement with the Russian military by U.S. and NATO forces. The Pentagon might look for innovative ways to engage; for example, is there any standing U.S.-Russian or NATO-Russian military capability that would give both sides a tool that they do not now have to address certain contingencies? Continued and deeper cooperation with Russian security agencies against international terrorism is also important.

Expanded exchange programs—educational, professional, and military—offer mechanisms to expose more Russians to American society and values. Broadened contacts with the Russian scientific community would also be useful (and might help provide early warning regarding new research directions with military applications). Finally, active public diplomacy targeted at Russia with the goal of blunting anti-Americanism should be considered, although designing such an effort will be tricky.

DOD and other U.S. agencies can also consider steps that would help mitigate the negative implications of a shock. For example, continued work in and funding for Cooperative Threat Reduction programs to secure and eliminate as much nuclear material in Russia as possible (via conversion to low-enriched uranium or plutonium disposition) would reduce the nuclear concern in a collapse scenario. Likewise, a renewed arms control/disarmament dialogue with Moscow to shrink the number of Russian nuclear weapons (which, of course, would require parallel reductions in U.S. systems) could alleviate the nuclear concern.

Intensified engagement with Ukraine to anchor that country more firmly into European and Euro-Atlantic structures corresponds with the broad U.S. vision for a more stable and secure Europe. It also would make sense in terms of preparing for possible Russian shocks. Moreover, a Ukraine that makes the political and economic transition to become a modern European democracy would provide a significant example for Russians thinking about their own future course. Likewise, continued engagement with Georgia to anchor that country more firmly with the West makes sense, though it will also be important to caution Tbilisi to avoid provocative surprises regarding Abkhazia and South Ossetia.

Closer coordination with Europe on a coherent Western policy toward Russia should also be a focus, as the West speaking with a single voice will carry significantly more weight in Moscow than the United States speaking alone. This means reinvigorated consultations within NATO and with the European Union. A particular emphasis for U.S.-EU discussions should be Europe's energy security situation, along with that of the West more generally, and planning for managing the impact of a disruption in oil or gas supply from Russia.

Although U.S. attention to Russia has dropped since the collapse of the Soviet Union, in part due to increased focus on other regions such as the Middle East, Moscow remains a puzzle for U.S. national security planners. They should consider, however, not just the challenge posed by a resurgent and more assertive Russia; Russian weakness and vulnerabilities could emerge in coming years and pose equally daunting tests.