

Russia Teetering at the Brink

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Despite what some policy makers and opinion leaders say, the future of Russia poses a far greater threat to global security than other concerns such as nuclear proliferation, regional conflicts and terrorism.

The dangers stemming from Russia are amplified by its precarious economic situation. As a result of the desperate moves taken by the Russian government on August 17, 1998 that included devaluation of the ruble, default on foreign debt, and freezing of bank accounts, the situation has gone from one of crisis to one of catastrophe.

The subsequent replacement of Prime Minister Sergei Kiriyenko by Yevgeny Primakov possibly signals the beginning of a new set of policies that will reverse the economic collapse. Such a reversal will be very difficult, but the new economic team deserves support from the West as Primakov's government may represent Russia's last chance of democracy.

Russia is now in a catastrophic economic and political situation that poses long-term dangers to it and the world at large. The economy continues its decline, with general overall losses in production much greater than those experienced in the United States during the Great Depression of the 1930s. The country has also suffered an inflation that has wiped out the middle class and that now takes a repressed form as enormous arrears in wages and payments by firms to suppliers. The economy is also riddled with crime. As a result of the failure to introduce market institutions, such as property rights, commercial and investment banks, and other institutions, the transition has been not to a market economy but rather to a criminalized economy, with mafias controlling huge economic sectors.

No one can precisely predict Russia's future, but there are scenarios that could dramatically alter its relations with the rest of the world. One such scenario would be the advent of a new authoritarian regime, in effect, a contemporary version of Joseph Stalin. This could come about through the democratic election of an extremist president who would take advantage of the 1993 Constitution that grants sweeping powers to its highest elected public official. Another scenario could be through a putsch, like that of August 1991, or a coup that would repeat earlier Russian history. The result would be, as happened in Russia in 1917 and more recently in Iran in 1979, a brief period of democracy between two authoritarian regimes.

Another scenario would be the continued collapse of legal authority, leading to chaos and anarchy with criminal gangs taking over whole regions of the country. There are other scenarios, but few if any bode well for global security. Virtually all involve potential dangers in Europe, Asia and other regions of the world. Several involve possibly another Cold War. Indeed, the present situation is remarkably like the situation between World War I and World War II. Now may be a comparable lull between Cold War I and Cold War II. The use of weapons of mass destruction by intent or by accident could be yet another scenario.

Winston Churchill, in his book, *While England Slept*, published in 1938, criticized Britain for ignoring the threat from Nazi Germany that erupted in war the next year. There are striking similarities between Russia today and the Weimar Republic that preceded Hitler's coming to power in 1933: loss of empire and status, depression, hyperinflation and destruction of the middle class. The question has often been raised as to how the German people, a highly civilized and educated people, could have democratically installed Hitler with a clear plan for

war and genocide. Of the various answers that have been proposed, perhaps the best is the simplest: desperate people will do desperate things. The same could happen in Russia, with comparably disastrous consequences. While England was “sleeping” in the 1930s, America may similarly be “sleeping” today.

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