

Russia in the future world order: challenges, opportunities, strategies.

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Ladies and Gentlemen, dear friends and colleagues!

It is my honor and my pleasure to speak in front of this distinguished audience. Whatever dramatic developments our common continent goes through, whatever spectacular twists and changes we encounter in our lives, some things stay the same. *La Sorbonne* is definitely one of them. This building in the center of Paris is an incarnation of the European Enlightenment itself with its relentless quest for secular humanism and political and economic liberalism, its belief in progress based on the triumph of reason and the development of science.

Unfortunately, these days the world is moving away from the paradigms of Enlightenment. Some observers even argue that we are entering new Dark Ages and that reason and rationalism can no longer explain the current state of affairs in Europe, not to mention the European future. Russia is arguably one of the most evident cases of this reverse trend in history as a country that is rapidly moving away from its European legacy and its European destiny against all conventional wisdom and common sense.

Has the crisis in Ukraine completely erased the idea of Greater Europe from the agendas of politicians and analysts in the West and the East of our continent? Pessimism appears to be reigning all over Europe these days. Indeed, with people killed every day in the very center of Europe, any talk of a new all-European security system might come off as inappropriate, if not irrelevant. With the West and Russia exchanging sanctions and trade restrictions, how can we realistically discuss any common economic space stretching from Lisbon to Vladivostok?

Let me be honest and blunt: the last battle for the Russian soul was lost. All those who have tried to bring Russia closer to Europe since the late 1980s have to share responsibility or the defeat: politicians and opinion makers, diplomats and educators, civil society leaders and oligarchs. The losers are those who believe that Russia belongs to Europe. The losers are those who think that liberal democracy and market economy are not a part of the problem, but a part of the solution. The losers are those who are convinced that globalization is not only a challenge, but also an opportunity for our nation. Today they see their forces retreating in panic and disorder with their supporters losing faith in them and their former allies taking the side of their opponents.

The question of why it has turned out to be so easy to turn the Russian society against the West deserves serious consideration. True, state propaganda during the last three years played an important role in shaping these attitudes, but the cold reality is that the majority of Russians were ready to embrace the slogans and the ideas of state propaganda. It appears evident today that the sheer scale of humanitarian contacts between Russia and the West (the number of Russian tourists traveling to Western countries, the number of Western rock stars coming to Moscow or the number of Russian students studying in Western universities) is not immunizing the Russian society from outbursts of xenophobia and anti-Western nationalism. Furthermore, superficial, sporadic and one-sided interactions with the West might even breed resentment of Western values and institutions.

But does this mean that the fight for the Russian soul is over? I do not think so. I do not believe that Russians are a unique nation with traditions, instincts and mentality radically different from other European nations. Our history was complicated and dramatic, but so was the history of many other Europeans. We experienced long periods of dictatorships, but so did others on the European continent. Russians have a deep post-imperial trauma, but what about the British, French, Spaniards or Portuguese? And, finally, is it not the case that we are seeing from time to time some spectacular manifestations of ultranationalist and anti-European moods in many EU countries – not only in new member states like Poland and Hungary, but in ‘old Europe’ as well – in France, UK or even in the Netherlands?

Of course, being Russian I am doomed to be biased. However, in my opinion, it would be at least premature to write off Russian society on the basis of its current attitudes to the West. History might work in paradoxical ways: the Meiji Restoration in Japan, for instance, started with harsh anti-Western slogans and fierce campaigns against foreigners.

The fight is not over until there is no longer a will or commitment to continue the fight. Nevertheless, we have to learn our lessons; we have to thoroughly analyze the causes of defeat. We have to start building new coalitions, identifying new communities of stakeholders, and elaborating new development roadmaps for Russia. Time is on our side, not on the side of our opponents. The pendulum of public opinion and preferences will eventually return. But before talking about the future let me share with you some of my thoughts on the recent past.

Russian-Western relations, almost three decades after the end of the Cold War, have been tightly packed with unjustified expectations, misperceptions, misunderstandings and self-delusions on both sides. Quite often, Russian and Western politicians and scholars have used the same words when talking to each other, but implied very different meanings of these words. Such ambiguity was, in certain cases, purposeful: it allowed Moscow and Western capitals to stick to a mutually acceptable pattern of “political correctness” and to avoid the potential embarrassments of a straightforward and blunt conversation. The assumption, arguably, was that with time the two sides would gradually reconcile their visions of the world and the problem of doublespeak would fade away.

However, if such expectations did exist, they proved to be wrong. The Ukrainian crisis revealed a deep gap in how the Kremlin and its Western interlocutors understood some of the very fundamental principles of the East-West relationship and the international relations at large. This gap still exists and without having bridged it, there is little hope for a more stable and cooperative Russia-West interaction.

One of these fundamental and controversial principles is the principle of “equality”. In their official rhetoric, both sides have always stood for “equality” when dealing with each other. Nevertheless, their interpretations of “equality” have never been the same. To understand the origins of diverging interpretations of “equality”, one has to go back to the end of the Cold War. For most people in the West, the Cold War ended with the clear and unambiguous triumph of Western values, principles and institutions. The Communist system collapsed in 1989, being incapable of successfully competing with the superior and more adaptive capitalist system, and was followed by the dissolution of the Soviet Union two years later. The Soviet system turned out to be outdated, reform-resistant and doomed to extinction.

Therefore, from a standard Western viewpoint, in the 1990s and onwards, there was absolutely no need to reform in any radical way the Western institutions that had served their purpose so well during the Cold War. The immediate challenge was different – how to manage the swift and

consistent geographical expansion of these institutions to the East, in order to broaden as much as possible the area of liberal democracy, market economy and international stability.

Ideally, as seen from the West, this area should have embraced Russia along with other post-Communist European countries, although everybody understood that the Russian transition was bound to be a particularly long, painful and precarious process. The transition could have been facilitated by treating Moscow with more respect and empathy than it probably deserved. The principle of “equality” in relations with Russia meant that Moscow could get the best terms possible for collaborating with the triumphalist West. The West was more than generous in offering Russia a “special arrangement” with the European Union and a seat at the NATO-Russian Council. Moscow had to play by the Western rules, because these rules were supposed to be clearly better for the new, democratic Russia than any other alternative, if such an alternative ever existed in the 1990s.

However, this was definitely not how they understood “equality” in the Kremlin. Above all, they never agreed to the idea that Moscow had lost the Cold War and could therefore be treated as a defeated power. The predominant perception within the Russian political class was that Moscow had ended the Cold War “voluntarily” and that it had disbanded both the “outer” and the “inner” Soviet empires on its own, not due to ever-growing pressure from the West. It should be noted that, even today, twenty-five years later, many in Russia believe that the collapse of the Soviet Union could have been avoided.

Since there was no overwhelming feeling of a historic defeat (except for a relatively small group of die-hard Communists), most in the Russian leadership did not consider contrition or repentance as *sine qua non* for a future Russian foreign policy. Unlike in Germany after the end of the Second World War, in Russia, after the collapse of the Soviet Union, there was no profound sense of guilt for the inglorious past. On the contrary, there was a sense of entitlement that explains a lot in Moscow’s attitude to both its former satellites and its newly acquired partners in the West.

The principle of “equality”, as seen from the Kremlin, meant that the future security and development architecture in the Euro- Atlantic area would require something more than the mechanical geographical expansion of the old Western institutions. The immediate challenge, as seen in Moscow, was to build new inclusive institutions that would embrace both the East and the West on an “equal” footing. The most graphic manifestation of this vision was the Charter of Paris for a New Europe (also known as the Paris Charter) adopted by a summit meeting of most European governments, in addition to those of Canada, the United States and the Soviet Union, in Paris, in November 1990. The document did not even mention NATO as a pillar of the Euro-Atlantic security system; instead, it put major emphasis on the Helsinki process and its institutional foundations (CSCE/OSCE).

Since the dissolution of the Soviet Union, the Russian leadership always claimed a special status in its relations with the European Union and the Atlantic Alliance, compared to other post-Communist states. The Kremlin tried to substantiate this claim referring to many aspects of Russian exceptionalism: the size of the country, its geographical extension, the nuclear superpower standing, permanent membership of the UN Security Council, etc. Of course, there were radical pro-Western factions within the Russian political leadership, and in the expert community that made the case for Russian membership of both NATO and the European Union. But, even during the heydays of Moscow’s relations with the West, these factions did not define the Kremlin’s policies. In terms of its civilizational identity, Russia was commonly regarded as an

organic part of the “Greater West”, but institutionally it was considered too special and too “different” to be successfully integrated into existing Western organizations.

The central idea of a new arrangement in Europe, which Moscow insisted on, was the idea of an East – West convergence, instead of an absorption of the East by the West. In other words, Russia was willing to turn more “European” provided that Europe would become more “Russian”; Moscow and Brussels were expected to make reciprocal concessions and compromises in the most important areas of their cooperation – such as, security, energy, visa regimes, agriculture and transportation. This is why, for instance, in the early 2000s, Russia chose not to participate in the European Union’s European Neighborhood Policy (ENP): it aspired to be an “equal” partner of the EU, as opposed to being part of the “junior partnership” that Russia understood the ENP to be. Consequently, Russia and the European Union agreed to create a “Four Common Spaces” initiative for cooperation in different spheres. Both sides underlined the principle of “equality” as the foundation for their cooperation.

At the end of the day, the assumption that Russia could become an “equal” partner to the European Union turned out to be an illusion. In practice, from the EU standpoint, there should have been no substantial differences between its relations with Russia and the ENP Action Plans with other external partners. In both cases, the final agreement was to be based on provisions from the EU *acquis communautaire* and necessitated unilateral adjustments to EU regulations by the external partner in question. This approach did not match Moscow’s perception of “equality” and was particularly disappointing in the energy field, where Russia had expected a friendlier policy as the EU’s main supplier of oil and gas.

The same illusion of “equality” characterized the uneasy relations between Russia and NATO. For a variety of reasons, Moscow never considered NATO membership in a serious way. Nevertheless, the format of the Russia-NATO Council, as seen from Moscow, allowed Russia to take its “legitimate” place at the table, where the most important matters of Euro-Atlantic security were discussed. The idea was to get as close as possible to de facto membership without formally joining the Atlantic Alliance. The principle of “equality” implied that no issues that could have a significant impact on Russian security (including the enlargement of NATO to the East, of course) should be considered in Russia’s absence.

This view was not discouraged by NATO from the very outset; on the contrary, at the level of political rhetoric, it was explicitly encouraged. However, the Russian perception of the Russia-NATO Council was not shared in Brussels or in Washington. At best, the Council was designed to be a mechanism for technical coordination and information exchange, as a potentially useful channel of communication with Moscow. The Council was also regarded as a “consolation prize” to Moscow in order to mitigate its opposition to the accession of new members to the Alliance. As a rule, proposals for any joint Russia-NATO actions implied that Russia should put its troops under NATO’s command, not the other way round. In a sense, NATO offered Russia its own security *acquis communautaire* that Russia had to accept and adjust to.

Any attempts to upgrade the format of the Council from the Russian side generated a lot of suspicion in the West, since they were interpreted as part of the Russian strategy aimed at acquiring veto power over the most important NATO decisions. These attitudes were publicly revealed when NATO decided to freeze the Council in the midst of the crisis around Ukraine, although the Council had undertaken the explicit mission to promptly react to such dramatic situations.

One of the “existential” problems with Russia’s claims for “equality” in its relations with the West is rooted in profound asymmetries between the two sides, in both economic and security domains. During the Cold War, the Communist system was able to challenge NATO (with the Warsaw Treaty Organization) and the European Union (with COMECON). Indeed, there were potential asymmetries even during the Cold War, but these were not that evident and the Soviet Union could claim an overall “parity” with the West.

Today, the situation is different. The Russian economic potential is evidently no match for that of the European Union. Likewise, NATO has clear superiority over Russia in terms of quality and quantity of military capabilities. Under such circumstances, it is increasingly difficult for Russian leaders to substantiate their claims to “equality” in dealing with their Western counterparts.

Therefore, Russia has been desperately trying to build around itself the second center of economic and security gravity to avoid the position of a peripheral power in the new European architecture. The initial (pre-Crimea) attempts to launch the Eurasian Economic Union (EEU) were, in the author’s opinion, guided, not by the ill-conceived intentions to restore the former Soviet Union, but rather by the conviction that a multilateral economic alliance would be in a better position to negotiate a fair arrangement with the European Union than Russia alone.

Likewise, Russia spent a lot of effort promoting the Collective Security Treaty Organization (CSTO) as a “natural” institutional partner for NATO, covering most of the territory of the former Soviet Union. The assumption was that NATO might find it easier to deal with another multilateral security alliance than with Russia individually. However, both the EU and NATO were quite reluctant to accept EEU and CSTO as “equal” and legitimate partners for negotiations.

Given these profound differences in Russian and Western interpretations of “equality”, it is hard to imagine how large-scale plans to build a Greater Europe – to construct comprehensive systems of European security and cooperation, new structures and institutions – could have been successful. From the very beginning, Russia was forever doomed to remain a peripheral power in the NATO/EU-dominated Europe as well as in the NATO/ EU-dominated world. As they used to say in Moscow, “we were invited to pre-dinner drinks, but not to the dinner itself”.

The Russian preoccupation with “equality” in dealing with the West reflects a deep post-imperial trauma. In the current Russian context, “equality” has a lot to do with symbolism, not with substance. If comparing how differently the Chinese penetration of Central Asia and the EU’s Eastern Partnership Policy in Eastern Europe and in the South Caucasus were perceived by Moscow, the evident economic imbalances between Russia and China do not allow a place for “equality” in the relationship. In theory, Russia should have been much more concerned about the Chinese advances given their massive scale and the long-term planning that the Chinese have undertaken. In reality, the Chinese presence in Central Asia was regarded as benign and even positive in many ways, while the EU’s very modest efforts in Eastern Europe and the South Caucasus were criticized as being hostile, and even provocative, towards Russia.

Was this because China is not a Western-type democracy and Moscow cannot suspect Beijing of staging color revolutions in its neighborhood? This is, probably, part of the story, but not all of it. It is also a matter of symbolism. Beijing never hesitated to go the extra mile to show its respect towards Moscow, to emphasize the symbolic “equality” in the Russian-Chinese relations. The Russians always had all of the facts about what China was planning to do in the region. Wherever possible, the Chinese tried to ensure that their bilateral projects with select Central Asian states were wrapped up in larger multilateral arrangements that would include Russia (the Shanghai Cooperation Organization is one of the clearest illustrations of this approach). On top of this,

China never questions Russia's leading position when it comes to the region's security matters. As a result, through its openness and full disclosure of its intentions, Beijing succeeded where Brussels failed.

The Russian emphasis on "equality" in Moscow's relations with the West can be dismissed as irrelevant in the post-Ukrainian environment. It can also be criticized as hypocritical and selective: indeed, the Kremlin seldom refers to "equality" in the context of its relations with other post-Soviet states. However, it should be regarded as a reflection of a more general problem – Russia has always felt uncomfortable about remaining a peripheral power in the NATO/EU-centered Europe, as well as in the NATO/EU/US-centered world.

To make Russia a constructive player in the new international system, one has to find ways to help Moscow overcome this sense of being excluded from the decision-making mechanisms that really matter. If Russia has no stakes in maintaining the system, the temptations to become a regional or global spoiler will be much harder to resist. This is true not only for Russia, but for many other countries on the periphery of the Western institutions dealing with security, international economy or global finance.

One should also note the top down approach as a typical feature of the Russian foreign policy. It clearly manifested itself in Russia's tactical priorities in building relations with the European Union and NATO. The Kremlin focused its attention on 'big things' — like summit meetings, official visits, high-level consultations between bureaucracies in Moscow and in Brussels and on general political declarations. Over last twenty years, the European Union had arguably more formal contacts with Russia than with any other partner, including the United States, China or Turkey. The assumption evidently was that the political momentum generated at high official levels would naturally transform itself into specific accomplishments at lower levels. The summit diplomacy was supposed to serve as a locomotive pulling a long chain of railway carriages behind itself.

However, it turned out that the top down approach had its own limitations. For instance, The EU — Russia summit meetings, which took place twice a year, over time were becoming less and less productive. The so-called cooperation "roadmaps" could not qualify as real roadmaps with specific implementation schedules, monitoring mechanisms, evaluation procedures, etc.; they largely remained nothing more but nicely worded statements of intent. Moscow failed to infiltrate EU institutions with its experts, observers, advisors and fellows. Units and departments within Russian governmental institutions dealing with the European Union and with NATO were hopelessly understaffed, underfunded and in deficit of badly needed expert support. In sum, the Kremlin never managed to attach a chain of railway carriages to the political locomotive, and all the cheerful bells and whistles from the locomotive cab regretfully remained nothing but bells and whistles. When in 2014 the locomotive was abruptly derailed, there were no passengers to demand resuming the train movement.

Most of those Russian public officials and bureaucrats, who ran the policy toward the West since early 1990s, had received a standard Soviet University education. In other words, they were explicit or implicit Marxists/Neo-Marxists with a profound belief in the primacy of economic factors in international relations. The European Union being a political dwarf and a security non-entity was almost exclusively looked upon from Moscow through the economic lens. The perception evidently was that the sheer dynamics of the economic cooperation, impressive numbers of EU — Russia trade, the scale of mutual investments, thousands of European

companies localizing their production in Russia would serve as a reliable insurance policy against any crises in the relationships caused by political problems or conflicts.

Powerful constituencies of economic stakeholders were expected to have the upper hand in European political struggles about Russia. The rising levels of economic interdependence allowed Moscow to take a benign view on mounting political problems with Brussels— these problems were perceived as negligible or, at least, affordable compared to fundamental reciprocal economic interests.

The Ukrainian crisis and the subsequent EU sanctions against Russia proved this perception wrong. Of course, in Moscow the European decision on sanctions was interpreted as caused by the US pressure, but there are reasons to believe that the Russian side had expected EU countries to resist this pressure.

The sanctions were not the only example of European economic interests being outweighed by political considerations. In a less dramatic way, the same logic has been demonstrated in the persistent EU efforts to reduce its energy dependence on Russia. Brussels has supported multiple alternatives to the Russian gas though most of these alternatives have been highly questionable from the purely economic viewpoint. Famous Lenin's remark that "the capitalist will sell you the rope to hang him with", after all, should be understood metaphorically, not literally.

The Russian political tradition emphasizes hierarchy and this emphasis fully applies to the Russian foreign policy. Having confronted such a complex, ambiguous and controversial structure as the European Union, decision makers in Moscow tried to identify the most accessible entry points using their previous experience and their understanding of the European hierarchy. From the Russian perspective, it was only natural to focus its attention and energy on "key players", i.e. traditional partners of Moscow from the "old Europe" — Germany, Italy and France. The assumption was that these countries should become Russia's lobbyists within EU and NATO, using their powers to line up other member states including those very critical of Russia. In a way, these traditional partners of Moscow helped to build this perception — for many years they were trying to 'privatize' or to 'nationalize' opportunities in dealing with Russia, while at the same time dumping all the difficult issues on Brussels.

In any case, the expectations that "old Europe", and Germany in particular, would solve all Russia's problems with the European Union, gave Moscow a plausible pretext not to engage in a serious way in managing the negative Soviet legacy in Russia's relations with Central European and Baltic states. Moscow preferred to talk to the 'old Europe' over the heads of Russia's closest Western neighbors.

Unlike Germany after WWII, Russia after the Cold War did not consider creating a belt of friendly partners out of smaller neighboring countries to be a top foreign policy priority. As I mentioned earlier, German leaders had a sense of guilt for the crimes of the Nazi regime and they were ready to cover an extra mile to accommodate the neighboring nations — victims of the regime. Russian leaders, on the contrary, believed that they had dismantled the Communist system of their own free will and therefore deserved appreciation and gratitude from the part of Central European and Baltic states. When it turned out that the old anti-Soviet sentiments in these states could easily transform into new anti-Russian sentiments, Moscow started regarding these countries not as a potential foreign policy asset, but as a clear liability.

As a result, most of the post-Communist Europe instead of becoming a bridge between Russia and EU/NATO turned into a wall — a significant negative factor complicating the overall

relationship. Especially after the Caucasian crisis of 2008 these countries were the most active in shaping the EU and the NATO strategies toward Russia and their impact on the decisions made in Brussels, as a rule, was detrimental to Russia's interests. To be fair to Moscow, it did try to initiate a Russian-Polish 'reset' to change the momentum, but for a variety of reasons the cooperation with Warsaw ran out of steam long before the Ukrainian crisis, which became the 'kiss of death' for this nascent initiative.

The reality in which all of us live is largely defined by the set of values we have. Individuals filter their environment and see challenges and opportunities according to their values. However, we commonly project our values, principles, expectations and concerns onto other people, expecting them to see the world the way we do. In dealing with the European Union and the Atlantic Alliance, Russian leaders often made this mistake followed by subsequent frustrations and disappointments.

For instance, being strong champions of the Realpolitik approach to foreign policy, the Kremlin strategists expected the EU and NATO leaders to follow the same line; all evident manifestations of European foreign policy liberalism were routinely ridiculed as phony rhetoric or pure hypocrisy. In the West there are tons of literature on the KGB career of Vladimir Putin and on how this career influenced his world outlook, but only very few experts in Moscow know that Angela Merkel is a former Lutheran minister's daughter and a devoted member of the Evangelical church. Even fewer analysts would argue that religious beliefs have an impact on Angela Merkel's political decisions.

Russians like long-term strategies and comprehensive plans though they usually have no patience to properly implement these strategies and plans. Projecting their practices and their thinking onto the European Union and the Atlantic Alliance, strategists in the Kremlin always suspected EU and NATO of long-term strategies, sophisticated plans and even of sinister conspiracies against Russia, which in reality neither EU nor NATO could ever design and agree upon, let alone any consistent and long-term implementation.

The complexities and ambiguities of the Western decision-making process were perceived in Moscow not as an inherent feature of the European political culture, but as a clear manifestation of the lack of commitment and consistency. On the other hand, this typical European feature was often interpreted as a sign of weakness and decline; in Moscow they were making parallels between EU and the former Soviet Union.

It was also very hard for Russia's politicians to believe that EU could not control the activities of numerous European NGOs operating in Russia and in neighboring countries. The European civil society was perceived not as an independent or even an autonomous actor, but as yet another convenient foreign policy tool in the hands of bureaucrats in Brussels.

The same approach was applied to the European media, which were considered to be as tightly controlled by respective European governments as the Russian mainstream media were controlled by the Kremlin. This inclination to ignore fundamental differences in how Russian and European leaders see the world was a source of many misunderstandings and complications that could otherwise have been avoided.

Since Peter the Great, Russia demonstrated a highly selective approach to utilizing the European experience in various fields. For more than three centuries Russian rulers from the Romanov's dynasty to Politburo members, tried to borrow from Europe the needed technologies, experts and managerial models without importing European social and political practices. This approach

produced mixed results: the Russian modernization trajectory had its historic highs and lows; it was constantly criticized from both liberal and conservative sides, but in most cases it reflected an attempt by the authorities to keep a delicate balance between the urgent economic needs and the commitment to a political and social status quo.

This approach was used by the post-Soviet Russian leadership, especially after the chain of 'color revolutions' in the Russian neighborhood associated with the Western social and political influence. The Russian interpretation of the Partnership for Modernization signed with EU in June of 2010 was one of the graphic illustrations of such cherry picking. From the EU standpoint, this partnership was to comprise not only technological and economic components, but also judicial reforms, support for civil society and human rights in Russia. The Russian interpretation was much more restrictive, focusing on harmonization of technical regulations, standardization, facilitating Russia's access to advanced European technologies, etc.

The problem with this approach is that at every next stage of Russia's development it is becoming more and more difficult to build a firewall between economic/technological and social/political dimensions of modernization. What was a relatively easy task for Peter the Great in early XVIII century became a real problem for Alexander III in the end of the XIX century, and it appears to be an impossible mission for Russian leaders in early XXI century. The fact is that cherry picking does not work in a post-modern world. Modernization these days is a wholesale, not a retail business.

Cherry picking could work — up to a point — in China, since China is still in many ways a developing nation, but not in the post-modern Russia. Even in the European Union had accepted the very restrictive and technical Russian definition of the Partnership for Modernization (something that the European Union could not do due to its very nature), any systematic and successful implementation of the Partnership would eventually generate formidable challenges to maintaining social and political status quo in Russia.

One of the most remarkable recent features of the Russian policy is the so-called 'pivot to Asia'. It started before the Ukrainian crisis, but the crisis became a powerful catalyst for changing Russian international priorities from the West to the East. Numerous official and academic advocates of this change use the following arguments to make their case. First, in the XXI century Asia appears to be much more dynamic and promising economically than Europe. Future Russian markets, sources of funding and modern technologies should be looked for in the East, not in the West.

Second, Asian countries — from China and ASEAN members to India and Iran — are not in the business of promoting 'colored revolutions' or sexual minority rights in Russian or in its neighborhood. Even if these countries are not too happy with the Russia's policies toward Ukraine, they are unlikely to follow the West in imposing economic, financial and other sanctions on Moscow.

Third, centralized authoritarian or semi-authoritarian regimes are more efficient and reliable as partners than cumbersome and overcomplicated EU bureaucracies. Xi Jinping can deliver where Jean-Claude Juncker will be drown in procrastinations caused by the need reconcile multiple national, political, institutional and other group interests. The frustrating experience in dealing with the red tape in Brussels is a powerful incentive to look for potential alternatives.

These arguments make a lot of sense. However, in my opinion, they are outweighed by counterarguments that are far more powerful. Let me limit myself just to three of them. First,

despite all the setbacks and mutual disappointments, cooperation with EU countries remains and will remain quite unique for Russia — not only in terms of the overall scale of trade, but also in terms of the quality of the relationship. The extensive legal base of cooperation, the visible role of SMEs, the degree of production localization in Russia by EU companies, the size of the Russian and Russian speaking communities in Europe, numbers of Russians with degrees from European Universities — nothing like this exists between Russia and Asia and nothing is likely to emerge between the two anytime soon.

Second, for a variety of reasons Europe is — or, at least, should be — much more interested in a true Russia's modernization than Asia. While the latter is looking mostly for Russian natural resources and military technologies, the former would benefit a lot from unleashing the now dormant creative potential of the Russian nation, from a renaissance of the Russian R&D capacity, from a vibrant Russian civil society, from a flourishing Russian culture that rightfully belong to Europe as an integral part of the European culture.

Third, and the most important, Europe is indeed no longer the only game in town, but the town does play by the same rules all over the place. Or, at least, these are the rules in all the respectful saloons, casinos and gambling houses on the global Main Street. Therefore, in Asia Russia will and is already confronting the same limitations as it has been confronting in Europe for a long time. Most of these limitations are domestic, not external — poor governance and omnipotent bureaucracy, rampant corruption and absence of independent judiciary, energy dependency and few incentives for innovation. Without these fundamental problems addressed in a serious way, any shifts of geographical priorities will produce only very modest positive results for the country.

Now let me turn to the challenges and opportunities of the future. The ability of the Russian leadership to capture these opportunities and to confront the challenges will shape not just the future of Russian foreign policy, but the future of the country itself. Let me offer for your consideration just a few that seem to be of particular significance.

What will be the main international source of the future Russian modernization?

Throughout the post-Soviet period, Europe (and to a much lesser extent — the United States) remained the main source of investment, technologies, managerial decisions and standards for Russia. It has been suggested increasingly often as of late that Asia could easily adopt this role in the future. Moreover, the Asian continent is regarded as a potentially major market for the Russian economy. Is this just the rhetoric of the moment or a long-term, well thought-out strategy? If this is the strategy, then what is it based on? After all, Russia's relations with EU countries have been shaped by many decades of mutual adjustments. As I have already argued, even today these relations are not only the most developed, but also quite unique in terms of quality (an elaborate regulatory framework, the degree of participation of small and medium-sized businesses, the diversification of forms and mechanisms of cooperation, the size of the Russian diasporas in the countries of the region, etc.). Indeed, have there been any successful projects of economic modernization carried out in isolation from the Euro-Atlantic core of the world economy? After all, the US, the European Union and Japan make the core of the external resources for the modernization of the BRICS countries.

There is little doubt that the relationship with the United States has been frayed for a good long while, and Russia cannot rely on Japan in the present context of a bitter confrontation with Washington. But if we accept the premise that Russia will have to “return to Europe” in any case, then the Kremlin should do its best today to make this “return” less complicated and painful. From this point of view, the country's possible withdrawal from the Council of Europe or the

termination of a dialogue with Brussels on energy issues is unlikely to help Russia's long-term interests. Similarly, thinking about the future, Moscow should refrain from emphasizing the "gap in values" between Russia and Europe and put an end to the humiliating portrayal of European leaders as "puppets of Washington," "single marriage proponents" and so forth. The undisguised gloating over the European Union's current economic and financial difficulties comes off as just as inappropriate, not to mention the endless prophecies of an imminent collapse of the entire "European project."

What are the real prospects for a Eurasian integration?

Integration processes in the Eurasian space are caused by objective and long-term factors. But shouldn't the dramatic worsening of relations between Russia and the West have a powerful impact on these processes?

Firstly, the experience of other integration projects has shown that successful projects are possible during the stage of economic recovery of participating countries, but not in down times, let alone an unfolding crisis. The European integration became possible only on the German and French economic boom of 1960s. Secondly, the Ukrainian conflict has created long-term political complications for Moscow even with such close allies as Belarus and Kazakhstan, which cannot but affect their attitude toward economic integration. Thirdly, it is easy to predict that Russia's Western opponents who have never been fond of the Kremlin's integration efforts will now redouble their efforts to, at least, slow down the rapprochement between Russia and its partners, offering the latest enticing economic and political alternatives.

What additional arguments can Russia find to maintain the attractiveness of the integration project to its neighbors under these circumstances? The joint struggle with the crisis is certainly a prerequisite for the successful continuation of the project. But it is not the only necessary condition. It is equally important to offer the partners a clear and convincing picture of the long-term prospects of integration processes. These prospects should not boil down to the mere reasoning that world energy prices will sooner or later rise, and the Eurasian region will prosper again. The matter at hand here is not just restoring confidence in the economic model of our country's development (and the current model should drastically change to this end in view), but restoring the attractiveness of Russian civilization, without which we are bound to lose all remaining allies and partners.

Is it possible to escape another arms race with the West?

Russia's current program of modernizing its armed forces was developed and adopted during a fundamentally different economic and political situation: oil prices were different; sanctions against Russia were not yet conceived of; and our economic development forecasts did not expect any crisis. And the West until recently had not prepared for a serious military confrontation with Moscow, as evidenced by the stable dynamics of the decreasing military budgets of most NATO-member countries. Today things have changed for us, and not for the better.

The country faces the challenge of an uncontrolled arms race with the West amidst growing domestic economic problems. The expressed desire of the country's leadership to maintain the integrity of rearmament plans even at the expense of civil budget items is quite understandable, but is it possible for the civil economy and defense industry to pursue divergent courses in the 21st century? Shouldn't Moscow rather concentrate on the inevitable optimization of defense

spending, making up for the latter's reduction with a more flexible and ingenious diplomacy, using asymmetric responses to the challenges of opponents?

The resumption of a meaningful dialogue with the West on strategic and conventional weapons appears to be a far from easy task under these circumstances. But the absence of such a dialogue not only dramatically increases the risk of an accidental outbreak of military conflict (including a nuclear one), but also does not enable us to counteract the most dangerous and destabilizing trends of the arms race, not to mention the impossibility of releasing resources so badly needed for the development of the civil economy and the social sphere. These truisms were well known even during the Cold War, which explains why half a century ago the USSR and the United States began intensive negotiations that resulted in the conclusion of a number of historical agreements, first on the limitation and then on the reduction of the strategic arsenals of both countries. Perhaps, it is time to return to this experience of the epoch of global confrontation between the two superpowers, since any "strategic partnership" between Moscow and Washington in the foreseeable future is out of the question.

What to do with the unrecognized states and territories?

Unrecognized states and "frozen" conflicts in the post-Soviet space have more than once created diverse political and economic problems for Russia. But if before the Ukrainian crisis there was some possibility of finding compromise solutions and settling at least some of these problems, today this possibility is close to zero. Moreover, the existing variety of unrecognized entities is likely to include in the near future the LPR and the DPR, which surpass all the existing state anomalies combined in population and territory. What will this mean for Russia in the coming decades in economic and political terms? What price will it have to pay? And what should the Russian strategy be: a continued stake on maintaining the status quo, or the adoption of certain unconventional steps to reduce Russia's involvement in these conflicts?

Of course, this isn't about abandoning support in an instant to Russia's clients and allies across the borders of the country. But this support should be made targeted, more transparent and efficient as well as less costly for Russia. It is possible and, apparently, even necessary. Likewise, it is possible and necessary to encourage the leaders of unrecognized states to enter into an active and extensive dialogue with their opponents, striving for consistent if slow progress in resolving these conflicts. It is no secret that in all unrecognized states, there are forces that are not interested in any dialogue and rely solely on maintained and even increased support from Moscow. But should Russian policy place a stake on these particular forces in the long run?

How to build a new immigration policy and relations with the Russian Diaspora?

It is easy to predict that one of the inevitable consequences of the current crisis will be a dramatic increase in the outflow of the energetic and promising professionals abroad. In reality, this trend became apparent already in 2014 when the number of emigrants reached record levels since the beginning of the century. The counter-flow – the return of Russian experts, scientists and entrepreneurs working in the West – is becoming shallow in front of our very eyes. At the same time, the number of migrant workers coming from the CIS countries and abroad is shrinking rapidly. It is worth noting that this situation of social and economic instability, most likely, will render null Russia's modest success in increasing the birth rate, as the latter usually reduces sharply during crisis periods. Apparently, Russia will soon have to face the most acute shortage of human resources in its post-Soviet history. Moreover, this deficit will affect the entire labor market, from unskilled workers to world-class specialists.

Is the country ready for this radically new situation? Or should it make significant adjustments to the current immigration policy and the practice of interacting with Russian diasporas? The abolition of the Federal Migration Service and the transfer of its functions to the Ministry of the Interior cannot but make one uneasy. After all, the matter at issue is not just the bureaucratic apparatus games inside the Kremlin, but the place of migration policy in Russia's general modernization strategy for decades to come. The times of readily available migration resources are over for Russia, while the need for such resources, in contrast, is growing. Therefore, the emphasis in Russian migration policy should probably be transferred from the administrative mechanisms of regulating migration flows (the Ministry of the Interior can cope with this perfectly well) to finding solutions to problems of migrants' adaptation and integration (which requires the combined efforts of the government, business, civil society, educational institutions, media and many other institutions).

What changes are needed in the mechanisms of using soft power?

It must be admitted that the crisis has changed for the worse attitudes toward Russia in most countries of the world. One can argue that the current anti-Russian sentiments and stereotypes are neither justified nor stable, but it is difficult to assume that they will disappear on their own without a sustained effort on our part. Meanwhile, opportunities for implementing large-scale and expensive PR-projects like the Sochi Olympics are absent today, and in the coming years they are unlikely to appear. Budget infusions into propaganda agencies for foreign audiences are shrinking, and state-funded places in Russian universities for foreign students and graduate students will probably also fall under sequestration. Increased funding of Rossotrudnichestvo (the Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad and International Humanitarian Cooperation) and similar organizations is hardly possible. Accordingly, Moscow has to create new, effective and low-cost mechanisms for the use of Russian "soft power" that will work in a very unfavorable environment.

Perhaps, the discussion of this subject should start with an unbiased and objective analysis of Kremlin's failures and defeats on this front. Why, for example, has Russia's "soft power" failed to work properly before and during the crisis in Ukraine, even in respect of a substantial part of the Russian-speaking population?

Then, Russia has to draw up an inventory of the instruments of its "soft power" technologies already employed and the methods of their application. It sometimes appears that with regard to "soft power," the country is moving not forward, but back to the tried and familiar, although archaic and often openly counterproductive, patterns of Soviet times. The question arises about whom in the future will be Russia's main target audience abroad: the political mainstream in the West and in the East, or the right and left-wing radicals who do their utmost to undermine this mainstream? Placing a stake on radicals can yield quick and tangible results (especially, given the current political and social instability in many countries around the world), but in the long term this approach may prove incorrect.

What should the basis of the new Russian patriotism be?

Today the patriotic upsurge is considered to be one of the main positive outcomes of the Ukrainian crisis. However, one doesn't have to be a sociologist to note that this upsurge is largely due to anti-American, anti-Western, anti-Ukrainian sentiments, rather than to the fostering of one's own although rather ambiguous values. Whether these anti-Western sentiments reflect the real picture of the modern world is a separate topic. But in any case, this foundation of Russian patriotism is more than shaky, and one can not exclude the possibility of growing social

apathy and cynicism in the very near future, especially amidst rapidly deteriorating economic conditions. In addition, Russian patriotism today is rather a jealous glance at the great past of the country than a bona fide attempt to draw its desired future basing on today's realities.

However, the modernization of Russia is far from possible without the unifying force of civil patriotism. As the experience of many other countries has shown, it is exactly the patriotic feeling that helps to endure losses and hardships, to cope with the challenges and difficulties typical for any period of social and economic modernization. Such mobilizing patriotism looks to the future, not to the past; it has more to do with hope than with memories, with all the undeniable significance of the latter for the national self-consciousness.

It is appropriate to ask what kind of Russia its citizens want to see in ten, twenty or thirty years. What country would they like to leave to their children and grandchildren? Maybe, it's time to shift the focus from the persistent cultivation of a "besieged fortress" mentality to the democratic social development of our common future?

The above questions may seem to some people untimely, politically incorrect, or, conversely, too abstract, and even rhetorical. However, an acute crisis is also the time to take a fresh look not only at the world around Russia, but at Russia itself too. It is the time to raise inopportune, politically incorrect and abstract questions, even if there are no detailed and comprehensive answers to them yet. Politicians and practicing experts have become engrossed with the current crisis, but the society like never before needs a meaningful debate about the foreign policy strategy of building a new country. Russia's external environment has radically and irreversibly changed and continues to change rapidly. And it means that the sooner the Russian society engages in this discussion, the better it will be prepared for life "after Ukraine." As Peter Drucker, the greatest management theoretician of the 20th century said on another occasion, "the best way to predict your future is to create it."

In concluding, let me emphasize one point - the place of Russian in the future world order will depend largely on the nature of this emerging order or disorder. The fashionable idea of a profound and irreversible crisis of the liberal world order is a very convenient position for those who would like to simplify not only the big picture of the 21st century, but also the challenges Russia's foreign policy faces today. If the world we used to know is facing an imminent collapse and the inevitable chaos is to follow, then the policy priorities will change not only for Russia, but for other countries as well. The world politics will be not about prosperity of nations, but about survival of a handful of truly sovereign states, The national security, not development, will become the top priority in the "no-holds-barred" game. Stability, and not capacity for change will constitute the the ultimate value. Modern Russia is indeed better prepared for this new situation than many other countries or their alliances. Moscow needs only to continue the path chosen, laying stronger emphasis on the points that have become so marked in Russian foreign policy practice in recent years.

And if not? If, after having survived through another crisis, the liberal world order is reborn in a new, more modern and universal form? You do not have to be a Nostradamus to predict that in the renewed liberal world system, traditional assets of Russia's foreign policy will quickly become devalued. It applies to its military potential, to Russia's privileged position in leading international organizations (first and foremost in the UN Security Council), and to Russia's resource and energy potential.

If the current economic and technological disproportions between Russia and the West are to remain (and they are likely to be exacerbated), maintaining a strategic balance will become more

and more difficult and costly with each passing decade. The role of the UN Security Council will hardly become more important given the chronic inability of its permanent members to come to an agreement on crucial issues. And the fourth industrial revolution will, apparently, steadily devalue the traditional assets of resource-oriented economies, including Russia's.

And if this is the case, then Russia has an entirely new set of challenges to confront. How to diversify and to renew its foreign policy's arsenal? How to increase the efficiency of its "soft power" and public diplomacy? How to invent innovative mechanisms for bringing together the international interests of the state, private business, and civic society? How to fully engage Russian "human resources" to strengthen the country's position abroad? How to fight the xenophobic sentiments, intolerance and isolationism, which recently have become so widespread? How to see in globalization not only problems and challenges, but also Russia's new opportunities and historical possibilities? In a word – how to prepare the Russian society for the new world, where our children and grandchildren will most likely have to live.

Thank you for your attention.