

**Confidential**

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# RUSSIA

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Vladimir Orlov reports from Moscow:

4+5+4: GLOBAL TRENDS, TODAY'S BIZARRE GEOPOLITICS,  
AND WHAT IT MEANS FOR RUSSIA AND THE WORLD

## ANNOTATION

*The crisis unfolding in Ukraine since early 2014 has brought severe consequences not only for the country itself where it evolved into the brutal civil war, but also for the whole Europe in broader meaning - stretching far beyond European borders and impacting the whole international system. Crimea's "reunification with Russia" challenged Helsinki-born principles and brought an end to the post-Cold War status quo in Europe. President Putin's firm stand in protecting Russia's vital interests now faces Western powers' blaming Kremlin's "revisionism" and imposing multiple sanctions on the country.*

*Is Europe on the brink of renewal of a new cold war - or even, maybe, has the new cold war already started? The president of the PIR Center Vladimir Orlov envisages a new era of "multistakeholder-cold-war", though a bizarre one, however no less dangerous than the Cold War of the XXth century.*

*In his article, Dr. Orlov reviews four basic trends and five crucial regional / country dynamics as regards the new international system currently taking shape. His four conclusions leave practically no room for optimistic scenarios: in the multistakeholder-cold-war environment the existing security treaties will be questioned while new multilateral treaties addressing new global threats are unlikely to be concluded; informal coalitions and "clubs" of nations will be hardly capable of dealing with the global security agenda; and, finally, there should be no misperceptions regarding the role of hard power in world politics - which is not anything close to being reduced.*

#### FOUR STARTERS:

1. A century after the First World War began, Europe - in a broader meaning of a Euro-Atlantic space from Vancouver to Vladivostok - and its security are now shaken by the **New Cold War**. It is a bizarre cold war as the bipolar world order - the type of world order accustomed to cold war - was gone 25 years ago. It is a new era of *multistakeholder-cold-war*.

*The fact it is bizarre does not make it less dangerous than the "traditional" cold war of the past. Finally, the same actors as 25 years ago still have nukes. Unlike 25 years ago, though, they have most sophisticated types of lethal and non-lethal weapons. This cold war is not just a post-Ukraine-crisis hangover episode. We should get prepared for a long, shaky and chilly period of political instability and conflict.*

2. Chaos, fear and arms race in **cyber space**. Internet is still quasi-free, but de facto controlled by its original designer - the United States and its military - with little prospect for a new global internet governance. Snowden revelations have only been *tip of the iceberg*. More than 120 states work on cyberweapons or have active offensive/defensive cyberprograms.
3. Everything is ready for **arms race in outer space**. International, particularly Russia-US space cooperation, active for 20+ years, is gone. United States, China, Russia, India, and possibly other major players are ready to jump into the outer space with ambitious plans that would anyway, even if they are not overtly military, affect the global security - adding more global insecurity and vulnerability not only for those who do not play in star wars and other space games - but for all.
4. Uncertainties with regard to existing global or cross-regional organizations, alliances, clubs and coalitions, and their reshaping:

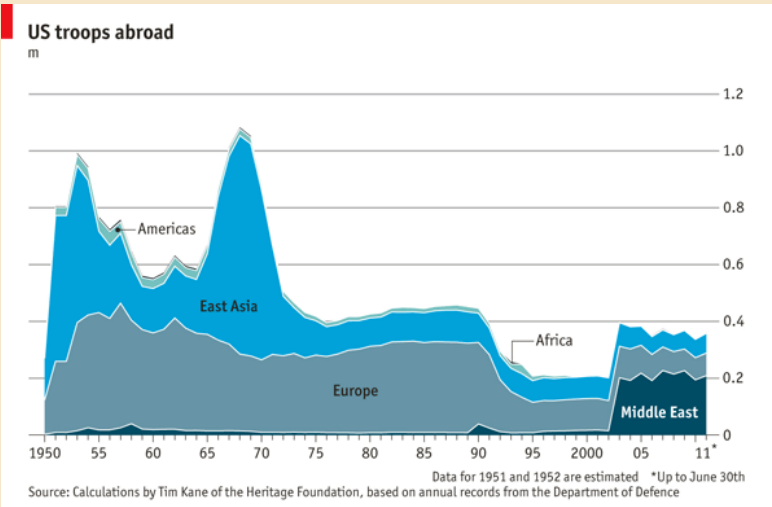
- United Nations - completely confused regarding international law norms; sinking even further into a global-bureaucracy swamp;
- NATO - practically failed in Afghanistan and largely driven by Poland and the Baltics in their search for a "new old" enemy;
- CSTO - very few people even know what it stands for, organization having ridiculously low influence in the regions where it may be crucial like Central Europe, Caucasus, and Central Asia;
- G8 - gone; and
- BRICS - trying to appear dynamic, even looking for expansion into Argentina and Turkey... but in reality facing growing contradictions among its members. BRICS unity will be tested very soon at the summit in Brazil's Fortaleza.

#### FIVE REGIONAL / COUNTRY DETAILS

How have these global shifts affected - or will affect - regional situations? And how has geopolitics been changing?

1. **United States:** failed to responsibly play the role of the only superpower. The imperial nature of the United States simply cannot be put under international control. Interventions are core to US vision of its role. Interventions can differ in nature but one cannot be fooled by declarations of *withdrawals* of troops from this or that country.

*United States manages to keep under control two major regions of its interest - Asia Pacific and the Middle East - an enormously difficult task - while outsourcing Europe to deal with regional conflicts around Russia; though not fully outsourcing; and acting there directly as well. It seems, it now does not matter what administration will be next: democratic or republican. It is a bipartisan trend. Those who supported a more multilateral - or less unipolar - approach in the US government have been blocked or mostly marginalized.*



**Chart 1.** Middle East, Europe and East Asia as primary targets of US military presence abroad in the 2000-s. Source: Heritage Foundation, based on US DoD records.

2. **Russia:** Ukraine was not the major reason but just a *final drop* in deteriorating US-Russian relations. But that was a significant *drop*, too painful for Russia to digest - too poisonous. Coup d'état in Kiev orchestrated by Washington was a classical one, tested many times before in places like Latin America, Africa, and the Middle East - but the closest to the Russian borders and most vital to Russia's interests ever. Moscow acted swiftly and highly professionally on Crimea though the same idea of challenging or changing Helsinki-born principles and status quo was something alien to Moscow even a few months ago. Now, there is a civil war in Ukraine, with a risk of becoming a low-intensity conflict for many years ahead.

*The Ukraine crisis has had a dramatic effect on Russian domestic policy as well, giving a unique chance to those who have always been on the margins of the Kremlin decision-making: ultra-cons, Orthodox fundamentalists whose ideology is anti-Western by itself, and will continue to be so, whatever happens next in or around Ukraine. Putin's long-term course towards saving his own and the country's energy on useless quarrels and investing in development instead - has been torpedoed and significantly damaged. In that sense, Obama administration has achieved its very short-sighted, but clear and familiar goal: the U.S. weakened Russia again, by successfully provoking it to demonstrate its power.*

On the other hand, this is Russia's hard, raw power - and President Putin's unquestionable strength itself - that now attracts important players from the Middle East, East Asia, as well as other regions which are more eager to do business with Russians today than ever before - Japan may be the best example but definitely not the only one.



In his recent speech addressed to Russian ambassadors, President Putin deliberately chose a conciliatory, moderate tone. Without allowing any concessions vis-à-vis Ukraine and the West, and rightly so, Putin preferred to concentrate on constructing a Eurasian Union as a common economic (and, perhaps, in the future - a geopolitical) space. That is Putin's favorite project considerably shaken by the Ukraine crisis though still alive and with a certain potential for being realized.

*As some European observers have already correctly noted, President Putin's pragmatism should not allow him to go too far towards the new Cold War but to appease those in his team who, with limited vision and limited creativity, still push their own hawkish foreign policy agenda. At the same time, it is correct that they are the true winners of the "Crimea operation", and their growing appetite for power within decision making process cannot simply be ignored or downplayed. Thus, Putin will have to search for a fine line between damage to Russia's development and playing down his increasing anti-Western feelings turned philosophy.*

3. **Europe.** Without improving its strategic ties with Americans, Europeans have worsened them with Russia. Brussels behaved ridiculously poor in the times of crisis when European leadership could be a game-changer. It did not and could not happen. Instead, the European ultra-cons won the European parliamentary elections. NATO seemed happy to finally see one more enemy again, while withdrawing its troops from Afghanistan where neither chasing the enemy nor reconstructing the country was a success story. Ukraine crisis was a gift for NATO - partly made by NATO itself. However, the only balancing force in Europe, surprisingly and unexpectedly, turned out to be OSCE, thanks to Switzerland's smart and successful behavior under its OSCE presidency.
  
4. **China** is the only obvious winner of this collapsing global situation. Russia-China closer strategic ties are not tactical but strategic by nature. However, they will be tested when China will need to do its *dirty business* in a region which is currently of its greatest interest, i.e. South-East Asia and surrounding seas - South China Sea in particular. Most probably, Russia will behave the same way as China did on Ukraine: silently abstaining - and, definitely, not preventing.



Map 1. China's claimed territorial waters in South China Sea.  
 Source: United Nations Convention on the Law of the Sea (UNCLOS); CIA

5. **Middle East.** Interesting and risky games are going on there right now.

1) **US-Iran.** Finally, Americans realized that they need a strong Shiite partner in the region, and, after 35 years of hostility, are seriously turning back to closer and closer, though not yet intimate, relations with Tehran.

➤ *Warning: Iran will not be an easy partner for them, no illusions! Iranians have played this game very smartly so far, checking parallel tracks with China, Russia, and now also with Turkey. Iranians have no reason to be in a rush with concluding a comprehensive nuclear deal. Iraq and Afghanistan will be good testing grounds to see the real potential of the new US-Iran relationship.*

2) **Syria.** Russia and China, as well as Iran helped their *client*. Respect for Russia in the region, even among Syria's major rivals, has been unprecedented: unlike Americans in similar situations, Russians protected and defended *their bastard*. Qatar, Turkey smartly recalculated. Chemical weapons are mostly destroyed. Presidential elections took place. President Bashar Assad has no less legitimacy than many other Arab leaders, probably more, and proved to be a skillful fighter. However, his days are numbered anyway. Americans will come back - finding any new pretext possible. They will have to keep Iran on alert and to show the limits of Iran's power.

3) **Egypt:** whether Sisi's Egypt will try to re-establish itself as an Arab leader is not clear yet. So far, it is a fragile balancing act. However, Egypt has an opportunity to rise again.

FOUR CONCLUSIONS:

- 1. The existing security treaties will be questioned, some of them will die soon, some will die hard, and some most essential, like the NPT, may even survive but without any chance of strengthening.*
- 2. New multilateral treaties dealing with new global threats and phenomena like cyber- and outer space arms race will be very unlikely under current shaky and tense environment.*
- 3. Informal coalitions and "clubs" of nations will not be capable of dealing of adequately addressing this global security agenda.*
- 4. The impression of the last decades that hard power is reducing its role compared to soft power proved not only wishful thinking, not simply wrong but dangerously misleading.*

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[...]

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[...]

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As you know, we are always very happy and appreciative when current members of the Club **recommend Club membership** or participation in our events to their friends and colleagues. Such a recommendation means an automatic membership offer. In addition, we are offering rewards for bringing new members to the Club; the details are outlined below. If you have any questions, please feel free to contact my colleagues at: +7 (985) 764-98-96, or email: [trialogue@pircenter.org](mailto:trialogue@pircenter.org).

The Club's doors are always open for you and your colleagues!

Best regards

**Dmitry Polikanov**  
**Chairman**  
**Trialogue Club International**

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<b>10%</b>	for 1 new corporate Club member
<b>10%</b>	for 2 new individual Club members
<b>15%</b>	for 3 new individual Club members
<b>20%</b>	for 4 or more new individual Club members
<b>20%</b>	for 2 new corporate Club members
<b>30%</b>	for 3 new corporate Club members
<b>35%</b>	for 4 and more new corporate Club members

<b>Option 2 – Lump-sum compensation in cash</b>	
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<b>200 USD</b>	for 2 new corporate Club members
<b>300 USD</b>	for 3 new corporate Club members
<b>500 USD</b>	for 4 and more new corporate Club members