

# Russia: The Decaying Great Power

A Monograph

by

Maj Samuel Shamburg  
US Air Force



School of Advanced Military Studies  
US Army Command and General Staff College  
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## Abstract

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The US military can leverage scenario planning as a proactive methodology to learn from the future. Scenarios offer plausible futures to compare current strategies to identify shortfalls in approaches. This monograph analyzes Russia's future through Peter Schwartz's scenario planning methodology, discusses two potential scenarios that could occur, and then analyzes and assesses the current US strategy. The outcome illustrates a United States that is unprepared today for a wide array of Russian futures. To adapt, the United States must explore the strengths of competitive strategies and create a tailored alliance strategy. A tailored alliance strategy can create elasticity amongst allies against the backdrop of demographic decline in vital US allies, resource scarcity, and rising global competition.

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## Abbreviations

EU	European Union
FDI	Foreign Direct Investment
NATO	North Atlantic Treaty Organization
STEEP	Society, Technology, Economics, Environment, and Politics

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## Introduction

Rarely do hegemonic states hold their status in the world order after a collapse, but Russia managed this endeavor despite being a shell of its former self – the Soviet Union. At its zenith, the Soviet Union covered a sixth of the world’s land mass. It went toe-to-toe with the United States economically, diplomatically, and militarily. Americans still remember duck-and-cover drills and the enmity tied to the communist ideology. Suddenly and unexpectedly, the empire collapsed, leaving the United States as the de facto Cold War winner. Despite the Soviet Union’s failure, the effects of its relationships with the United States are still prevalent today.

Sixty years of channeled Cold War anxiety created a state of perpetual fear still seen in US society. Today, Russia is at the heart of this fear through the ability to project military power into its near abroad, while threatening the US way of life through ballistic missiles and cyber warfare. Despite this military might, there is a possibility the country could collapse. This monograph seeks to answer the question: “What impacts could plausible futures for Russia have on the United States, and what foresight infused strategy can the United States implement to be better prepared for this array of outcomes?”

Russia is an economically deteriorating, aging former power that has the potential to dissolve into a failed state. Due to these conditions, its impacts on the United States present a wide array of futures for the United States to prepare against. The current US strategy is not resilient enough to confront these outcomes. Vital US allies magnify this fact when considering demographic decline, resource scarcity, and rising global competition.

Chapter 1 leads off with a trend analysis which assesses Russia’s societal issues, economy, and politics. To conclude, Chapter 1 ends with an examination of science and technology. Isolated, these issues are not enough to bring about a collapse, but they are significant impediments to a state’s survival when coupled with a changing regime and a rising land power competitor in the country’s near abroad - China. Russia’s deterioration will not occur in a

flashpoint, but the country is in a slow graveyard spiral.<sup>1</sup> The spiral could last for decades, years, or happen overnight. Timing is an unknown element. What is known is Russia is a shell of a great former power, and that former power's mistakes are slowly hollowing it out.

Chapter 2 lays out the scenario planning methodology. The baseline for this methodology is from Peter Schwartz's book, *The Art of the Long View*. The results of this methodology present two drastically different scenarios. Chapter 3 examines the first scenario where chaos engulfs Russia. Instantly, nuclear states would be born with weapons and allegiances sold to the highest bidder. A power vacuum would occur in world politics, and China would likely seek to fill its voids overtly and covertly. Additionally, conflict would rise on Russia's territorial boundaries. An emboldened Turkey and China would attempt to annex adjacent territories conducive to national interests. Civil war and border attacks do not end the chaos. There would be a level of economic despair across Russia, like the economic situation after the Soviet Union's collapse.

Chapter 4 presents a second scenario, where strategic calm predominates. Scenario two requires a forward-looking US government willing to work with the Russian Federation. In this plausible future, America redefines relationships with Russia and encourages NATO cooperation. European allies gain access to uninterrupted resource markets while simultaneously losing the fear gripping Western Europe since 1945 – an invasion from the east. The United States also gains a key advantage; it can shift focus from the European theater and pivot to Asia.

This monograph concludes with an analysis of current strategy compared against the developed scenarios. It then offers a new strategy for the US government to consider as a result of this strategic introspection. This strategy is based off a 1980 strategy known as competitive strategies, but it is expanded to confront more futures through a re-tailoring of strategy known as a *tailored alliance strategy*.

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<sup>1</sup> A graveyard spiral is a slow, insidious condition in aviation where the pilot does not recognize the correct aircraft position in relation to the horizon. Due to this temporal distortion, the pilot descends in a left-hand or right-hand bank until impact with the ground.

## Chapter 1: Russia, the Decaying Great Power

### Society – Demographics

The Russians' most pressing issue is the demographic shortfalls the country is facing. These issues did not occur overnight. The last century decimated the Russian population through war, purges, collectivization, alcoholism, poisoning, pollution, and untreatable disease.<sup>2</sup> Demographics are not a linear issue. They fall within a greater systems perspective exacerbating the remaining endemic and systemic issues of Russia. For example, a Russian working-age male has a death rate four times higher than a US male in the same demographic grouping.<sup>3</sup> The working age male is key to economic output, but Russia's death rates are not likely to fall substantially without economic stability.<sup>4</sup>

Historically, demographic shocks decimated any chance the country had to grow its population, and the effects last generations. Young adults killed now cannot produce the next generation, nor can they care for the generation who preceded them. Therefore, birth rates not only affected demographics—death rates also matter. For Russia to have a stable population, women should bear approximately 2.15 children.<sup>5</sup> Before examining what decimates Russia's current birth to death rate percentage, it is imperative to examine a few of the nation's Soviet-era shocks.

A war can be a terrible shock on demographics, but the years of peace and prosperity can counter lopsided death tolls after the fighting. America's boom after World War II created a demographic haven that spurred the rapid growth of globalization. Unfortunately for the Soviet

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<sup>2</sup> Julie DaVanzo and Clifford Grammich, *Dire Demographics: Population Trends in the Russian Federation*, no. 1273 (Santa Monica, CA: RAND Corporation, 2001), 47.

<sup>3</sup> DaVanzo and Grammich, *Dire Demographics*, 47.

<sup>4</sup> DaVanzo and Grammich, *Dire Demographics*, 82.

<sup>5</sup> Nicholas Eberstadt, "Russia's Demographic Straightjacket," *SAIS Review of International Affairs* 24, no. 2 (2004): 12, accessed August 28, 2020, <https://doi:10.1353/sais.2004.0031>.

Union, the grim reaper's scythe found additional work between the wars, manifested in multiple Soviet driven famines. The most notorious of these is the rural terror Stalin initiated during dekulakization and famine from 1930 to 1933.<sup>6</sup>

When asked about the aftermath of Stalin's genocidal attacks against Ukrainians and agriculture mismanagement, Nikita Khrushchev hauntingly answered, "I cannot give an exact figure because no one was keeping count."<sup>7</sup> To Stalin, the process was necessary for two reasons. First, the Kulaks controlled large swaths of land which needed to be "redistributed" to the state. Second, the Soviet Union was expanding state-regulated industry and needed workers to fill its inefficient factories. Consequently, urbanization uprooted agricultural society.

Although Khrushchev could not answer, there are ways to estimate the death toll.<sup>8</sup> Stalin is again a source of blame for this demographic void of information. He purged non-patriotic statisticians and failed to produce annual censuses from 1926 to 1933. Part of the purge came from statistics that countered the Soviet narrative. A prosperous nation (which the Soviets were trying to display) should see healthy population growth. The opposite was happening under Stalin.

In total, nearly fourteen and a half million people perished during the gross mismanagement of the country's agriculture resources parlayed with millions sentenced to work at hard labor in Russia's Siberia region. The deaths were not all Russians. Ukrainians saw nearly 18 percent of their population wiped out by both efforts. Similarly, this phenomenon occurred across the empire in other Soviet provinces. For those who survived, future terrors, internal and external, would inflict death on the same scale.<sup>9</sup>

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<sup>6</sup> Robert Conquest, *Harvest of Sorrow* (Oxford, Oxford University Press, 1986), 299.

<sup>7</sup> Conquest, *Harvest of Sorrow*, 306.

<sup>8</sup> Estimations are based off projecting the annual growth rate to the 1926 census and comparing those numbers to the censuses occurring after 1933.

<sup>9</sup> Conquest, *Harvest of Sorrow*, 306.

The second-order effects to collectivization and urbanization are difficult to measure, especially under the Soviet data shroud. Farmers need children because they provide labor to the farm. Traditionally, Russian fertility rates were higher in rural areas than elsewhere.<sup>10</sup> Children aid in daily chores and provide the figurative horsepower for planting and harvesting. Urbanization as an effect of rapid industrialization is starkly different. Couples move into apartments close to their factory. In these small living spaces, children are more of a nuisance than a benefit to the family's gross output. Similarly, starving families do not have children. If a person cannot feed his or herself, the typical reaction is not to create more mouths to feed. Although the data varies, the average fertility rate fell nearly one and a half children per woman during this period.

A contemporary view aids in demographic predictions. From 1983 to 1988, Soviet birth rates trended towards population stabilization. With the Soviet Union's collapse, the Russian birth rate plummeted to 1.17 births per woman in 1999. The economic conditions surrounding the collapse were likely a driving factor. Incomes collapsed making raising large families nearly impossible, and couples were likely less optimistic about the future to want to bring children into the world.<sup>11</sup> The number recovered slightly in 2001 to 1.25, but the trend indicates every generation of Russians would be 40 percent smaller than the generation prior.<sup>12</sup>

Vladimir Putin sought to confront this trend by increasing fertility rates, especially amongst ethnic Russians. They were the lowest in the country compared to various ethnicities.<sup>13</sup> A large challenge to fertility rates starts in the nuclear family with couples struggling to have children. Studies show that nearly 13 percent of couples are infertile compared to the average rate

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<sup>10</sup> DaVanzo and Grammich, *Dire Demographics*, 12.

<sup>11</sup> *Ibid.*, 24.

<sup>12</sup> Eberstadt, "Russia's Demographic Straightjacket," 12.

<sup>13</sup> Nicholas Eberstadt, "The Dying Bear: Russia's Demographic Disaster," *Foreign Affairs* 90, no. 6 (2011): 101, accessed August 14, 2020, [www.jstor.org/stable/23039632](http://www.jstor.org/stable/23039632).

of 7 percent in the United States.<sup>14</sup> Abortions account for part of the infertility damage. Russian women can expect to have more abortions than births across their lifetimes. This number exploded to two abortions for every one birth in 1988, but it has since fallen to 1.2 abortions for every birth in the twenty-first century.<sup>15</sup>

Mortality is another important aspect of demographics. The fall of the Soviet Union diminished Russian life expectancy through a decline in basic human health seen throughout the country. On the fringe, drug-resistant diseases and alcoholism have wreaked havoc on immune systems, but the preeminent factor driving mortality increases is cardiovascular disease.<sup>16</sup> To better evaluate Russia's mortality rates, a comparison with Western Europe is appropriate. Ireland is the worst Western European offender in cardiovascular mortality, but Russia's level is four times higher. Furthermore, Russia's cardiovascular mortality is five times higher than Germany and nearly eight times higher than France.<sup>17</sup> Poor health standards are to blame for this disparity. According to Eberstadt, "Pervasive smoking; poor diets; sedentary lifestyles; increasing social atomization and anomie; the special economic stresses of Russia's transition; the weaknesses of the Soviet medical system" all contribute to the despair.<sup>18</sup>

Russian alcoholic consumption is another contributing factor to overall health. For example, data from the 1990s show each citizen above the age of fifteen drinking 18.5 liters of vodka per year.<sup>19</sup> Typically, alcohol consumption tracks parallel to Russian mortality, especially in males. There are two-subfactors that alcohol directly influences: cardiovascular disease and injury/poisoning. A Russian study in 2004 highlighted that nearly 40 percent of those who died of

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<sup>14</sup> Eberstadt, "Russia's Demographic Straightjacket," 13.

<sup>15</sup> Eberstadt, "Russia's Demographic Straightjacket," 13.

<sup>16</sup> Eberstadt, "Russia's Demographic Straightjacket," 16.

<sup>17</sup> Eberstadt, "Russia's Demographic Straightjacket," 16.

<sup>18</sup> Eberstadt, "Russia's Demographic Straightjacket," 17.

<sup>19</sup> Eberstadt, "Russia's Demographic Straightjacket," 18.

cardiovascular disease or injury/poisoning were drunk at the time of their death.<sup>20</sup> Therefore, Russia must resolve its citizens' alcohol consumption issues if it is to have a meaningful impact on changing mortality rates.

The Russians have an uphill battle to fix the issue. Notably, President Putin implemented measures to counter the demographic shocks, but these actions may be too late based on Russia's female population's childbearing potential over the next decade. If the situation is too late, Rosstat believes Russia could lose an estimated 12 million people by 2035.<sup>21</sup> Equally as bleak, the UN projects the available labor force falling from 95 million to 83 million by 2025. With this 12 percent reduction in the workforce, it is impossible not to think about the economic impacts on the nation.<sup>22</sup>

## Economy

### Economy – Poverty

Like demographics, the Russian economic outlook is poor. The nation saw its 2020 GDP prediction crash to negative six percent. Moreover, the effects of COVID-19 also drove oil prices to historic lows throughout most of 2020.<sup>23</sup> COVID-19 is an easy scapegoat for Russian policymakers, but Russia's economy was already sputtering before the disease. The following section analyzes the economy as a driving force by examining poverty, resources, the Soviet economic legacy, sanctions, and corruption as shaping mechanisms.

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<sup>20</sup> Eberstadt, "Russia's Demographic Straightjacket," 18.

<sup>21</sup> "Russia's Population May Drop by 12M in 15 Years – Rosstat," *The Moscow Times*, December 27, 2019, accessed December 21, 2020, <https://www.themoscowtimes.com/2019/12/27/russias-population-may-drop-12-million-15-years-rosstat-a68767>.

<sup>22</sup> Keith Crane, Shanthi Nataraj, Patrick B. Johnston, and Gursel Rafiq oglu Aliyev, *Russia's Medium-Term Economic Prospects* (Santa Monica, CA: RAND Corporation, 2016), 2, accessed August 28, 2020, [https://www.rand.org/pubs/research\\_reports/RR1468.html](https://www.rand.org/pubs/research_reports/RR1468.html).

<sup>23</sup> "Russian Economy Faces Deep Recession Amid Global Pandemic and Oil Crisis, Says New World Bank Report," World Bank, accessed August 14, 2020, <https://www.worldbank.org/en/news/press-release/2020/07/06/russian-economy-faces-deep-recession-amid-global-pandemic-and-oil-crisis-says-new-world-bank-report>.

Russia has a poverty problem. A 2018 study shows nearly 22 percent of Russians fail to make enough money to buy items beyond those for bare subsistence. Compare that number to the United States, which has a poverty rate hovering around 12 percent. The number of Russians who fall into the consumer risk zone is even more disconcerting. This represents another 36 percent of their society filled with spenders who can buy essential items, yet these individuals do not have money to save nor survive a financial hardship.<sup>24</sup> For the Russian economy to rebound, Putin must attack the 58 percent of society in these two zones.

### Economy – Resources

The Russian economy shrinks and expands based on the price of petroleum. Specifically, the country is a net energy exporter of oil and natural gas to European neighbors and China representing nearly 60 percent of total exports. As a result of high prices, the Russian government stockpiled a currency reserve massing \$460 billion in Russian coffers.<sup>25</sup> This rainy-day fund should allow for short term energy price fluctuations and natural emergencies. However, this is where the positive aspects of Russia's energy resources end.

Russia's dependence on oil and gas cause massive economic swings, but the price aspect is just a consideration when examining resources overall. Russia has massive natural gas and oil reserves. However, these reserves are expensive to drill, tough to maintain due to harsh conditions, and the products require shipment stretching thousands of miles to reach energy-hungry markets. The drilling aspect is the most peculiar. In parts of Siberia and Russia's Far East, the wells cannot stop flow once drilled. The ground quickly freezes, eliminating the previous work. If the flow of oil is not controllable, then it must be stored somewhere. Storage is robust in

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<sup>24</sup> "One-Fifth of Russians Live in Poverty, 36 Percent in 'Risk Zone,' Study Finds," Radio Free Europe/Radio Liberty, November 21, 2018, accessed August 18, 2020, <https://www.rferl.org/a/study-22-percent-of-russians-live-in-poverty-36-percent-in-risk-zone-/29613059.html>.

<sup>25</sup> Pat Evans, "13 Mind-Blowing Facts about Russia's Economy," Markets Insider, accessed September 15, 2020, <https://www.businessinsider.com/russia-economy-facts-2019-4>.

Russia, but it has its limits. If an oil glut reaches those limits, then the oil essentially becomes worthless, as seen when West Texas crude reached a negative price in March of 2020.

Strategic fragility is also a concern for Russia's oil industry. Modern society created a world dominated by fewer, more efficient, and highly concentrated networks.<sup>26</sup> Russia designed its oil and gas infrastructure similarly to maintain efficiency and profitability. Russia's territorial span exacerbates the issue. It can simultaneously feed European markets and China, but these extended economic lines are vulnerable to natural disasters, manmade accidents, and deliberate attack.<sup>27</sup>

### Economy – Soviet Legacy

The collapse of the Soviet Union shuttered Russia's economic viability. Russia would experience a decade of recession pushing economic output down nearly 45 percent from Soviet levels.<sup>28</sup> The catalyst for this calamity was the Soviet-planned unique economic geography. According to Hill and Gaddy, "people and factories languish in places where communist planners put them-not where market forces would have attracted them."<sup>29</sup> In doing so, the Soviets eroded competition and efficiency. Hill and Gaddy state, "The system produced the wrong things. Its factories produced them in the wrong way. It educated its people with the wrong skills. Worst of all, communist planners put factories, machines, and people in the wrong places."<sup>30</sup> Russia inherited the remnants of this socialized economy, and it took the government nearly a decade to recast its economy, but systemic issues still persist.

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<sup>26</sup> Robert Miller and Irving Lachow, "Strategic Fragility: Infrastructure Protection and National Security in the Information Age," *Defense Horizons*, no. 59 (Jan 2008): 2.

<sup>27</sup> Miller and Lachow, "Strategic Fragility," 4.

<sup>28</sup> *Ibid.*, 4.

<sup>29</sup> Fiona Hill and Clifford Gaddy, *The Siberian Curse: How Communist Planners Left Russia out in the Cold* (Washington, DC: Brookings Institution, 2003), 1–2.

<sup>30</sup> Hill and Gaddy, *The Siberian Curse*, 3.

Between 1999 and 2008, Russia grew at its fastest pace in history. Booming energy exports boosted GDP from \$196 billion in 1999 to \$1.7 trillion in 2008. The move solidified Russia's ascension back into the ranks of the world's ten largest economies.<sup>31</sup> Unfortunately for the Russians, the world's economic disposition did not allow this growth to continue due to the recession gripping Europe and the United States. This imported recession resulted in five years of near-zero growth, and the Russians took their next step towards economic suicide—they invaded Ukraine and annexed Crimea.

### Economy – Sanctions

The invasion of Crimea resulted in sanctions, and Russia's economic outlook should feel those sanctions for years to come. The Russian government bore a large share of the brunt, but it was not the only target. The United States and European Union imposed sanctions on financial institutions, Putin affiliates, and Russian energy companies.<sup>32</sup> The issue for forecasters is how to measure the effectiveness of economic sanctions. Despite international arguments on effectiveness, there are noticeable changes in Foreign Direct Investment (FDI), which serves as the fuel for Brazil, Russia, India, and China (BRIC) growth. Empirically, FDI averaged \$60 billion from 2008 to 2013, but then the total plummeted to \$20 billion following newly applied US sanctions and the corresponding unfavorable investment environment.<sup>33</sup> If this environment continues or Russia finds itself under new sanctions, economic growth will continue to falter.

### Economy – Corruption

It is difficult to discuss the Russian economy without mentioning corruption. Corruption is so bad that the RAND Corporation labeled it as the #3 factor causing the Russian recession in a

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<sup>31</sup> Crane et al., *Russia's Medium-Term Economic Prospects*, 3.

<sup>32</sup> Crane et al., *Russia's Medium-Term Economic Prospects*, 42.

<sup>33</sup> Crane et al., *Russia's Medium-Term Economic Prospects*, 45.

2015 report.<sup>34</sup> The country ranks poorly on multiple indices of corruption including absolute terms and relative to other countries. Independent experts believe it removes approximately 25 percent of GDP, putting the nation on par with the likes of Nigeria, for example.<sup>35</sup> Moving forward, corruption will not be an easy problem to overcome, but it would be a worthwhile endeavor for Russia. The RAND Corporation estimates Russia could increase the annual rate of growth in Russian GDP by 0.3 percent by reducing corruption.<sup>36</sup>

## Economy – Conclusion

The economic driving forces are multi-faceted. This paper explored poverty, resources, Soviet legacy, sanctions, and corruption as critical inputs to enable scenario planning, but countless other economic aspects could change Russia's trajectory as a nation. Of course, the Russian government attempted to tackle these various issues, however sustained success has been elusive. The effects of COVID-19 will not be known for years to come.

## Politics

Of the trends discussed to this point, Russia's future political outcome offers the best example of an unknown unknown. For example, in November of 2020, news agencies reported Vladimir Putin has Parkinson's and succession could occur sooner than thought. Even if only a rumor, this type of event is not predictable. The Russian political system is an environment rife with tension. President Putin is sixty-seven years old and continues to serve as the Russian President. He made constitutional changes making his remaining time in office a mystery and has yet to name a predecessor.

The most important question the world will see answered in the next fifteen years is who replaces Vladimir Putin. The RAND Corporation lists tensions among Russian elites and tribal

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<sup>34</sup> Crane et al., *Russia's Medium-Term Economic Prospects*, xii.

<sup>35</sup> Crane et al., *Russia's Medium-Term Economic Prospects*, xii.

<sup>36</sup> Crane et al., *Russia's Medium-Term Economic Prospects*, xv.

rivalries, the role of Putin's former security service colleagues, the *siloviki*, and security services, economic challenges, and public dissatisfaction as the most critical factors in Putin's succession.<sup>37</sup> These stakeholder dynamics create a twenty-first-century Gordian knot for Putin. He must balance the wishes of the Russian elite, oligarchs, military, regional leaders, and the Orthodox Church when building a plan for what life resembles after he leaves office.<sup>38</sup>

Putin must also perform this balancing act to protect his bloodline after death while balancing the legacy created. Putin's crowning achievement has been the unification of Russian elites towards his common vision of an economically relevant country while removing critics. Interestingly, Russia is home to over seventy billionaires, with most of these individuals making their fortunes after the fall of the Soviet Union.<sup>39</sup> They are power brokers in their respective industries and clans, and Putin's successor must be able to garner their loyalty.

Putin needs not only to understand how to appease the elite in his country. His succession plan must also address the rising youth movement in Russia. In any country, the youth often drive liberal reforms, and Russia is ripe for a movement. Despite having seventy billionaires, the average citizen is relatively poor. The society section addressed this topic, but it is imperative to acknowledge the tinderbox of dissent it creates. The younger members of Putin's organizations want to change. They see the Soviet-era leaders as out of date and want more control. These thoughts are especially rampant in the *siloviki*.<sup>40</sup>

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<sup>37</sup> John Tefft, *Understanding the Factors That Will Impact the Succession to Vladimir Putin as Russian President* (Santa Monica, CA: RAND Corporation, 2020), accessed August 22, 2020, <https://www.rand.org/pubs/perspectives/PE349.html>.

<sup>38</sup> Tefft, *Understanding the Factors*, 5.

<sup>39</sup> Tefft, *Understanding the Factors*, 5.

<sup>40</sup> Tefft, *Understanding the Factors*, 7.

## Politics – Strategic Interests

Russia's protection and preservation of the regime are of foremost importance.<sup>41</sup> The Soviets lost their buffer territory as the hammer and sickle fell, but a more aggressive Russia quickly re-emerged. The country employs instruments of national power below the threshold of armed conflict as a means to its ends.<sup>42</sup> For example, the Russians used these means to annex Crimea in 2014 and to fight a proxy war in Ukraine.

Future revanchism is a concern of the international community as Russia continues to battle internal issues. It offers an avenue towards preservation of the regime by stoking nationalistic pride. The most likely targets are on the North Atlantic Treaty Organization's (NATO) periphery with nations like Ukraine, Georgia, or Moldova being potential targets.<sup>43</sup> The proximity to NATO and the alliance's collective defense creates the potential for miscalculations and escalated conflict.

## Politics – Popular Uprisings

In a controversial decision, Putin raised the pension age from fifty-five to sixty, adding additional discontent. The average life expectancy of a Russian is around sixty-seven years old, and this is after years of improvement to the Russian health system. The act of raising the age of retirement to sixty means a significant portion of the Russian population will literally work until death. To the average American, this is unthinkable.

Russian youth have other reasons to demand change, especially amongst those educated. Polls show Russian youth stretched between opposing views. On one hand, they want a stronger Russia and cheered events like Putin's illegal annexation of Crimea. On the other hand, many

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<sup>41</sup> Nicole M. Laster, Richard B. Burns, Kevin M. Freese, William C. Hardy, Andrew M. Johnson, Brad Marvel, V. Wayne Sylvester, and Megan Williams, *Competition in 2028: Anticipating Russian Exploitation of the Operational Environment* (Fort Leavenworth, KS: Training and Doctrine Command, 2020), 7.

<sup>42</sup> Laster et al., *Competition in 2028*, 12.

<sup>43</sup> Laster et al., *Competition in 2028*, 10.

want to be more Western. They yearn to travel abroad and live the lifestyles only seen online. This issue drives brain drain. The smartest and brightest seek to take their skills abroad. According to RAND, “since Putin first became president, between 1.6 million and 2 million Russians—out of a total population of 145 million—have left for Western democracies.”<sup>44</sup> On the surface, 1 percent of the population seems insignificant, but these are often the brightest of the population.

In democratic nations, people have avenues to express public discontent, but in Russia, the outlets for discontent are limited. Political rivals continue to find toxic nerve agents on hotel bottles or when traveling abroad. These political rivals are vital to spreading general discontent as a voice to the masses too fearful of spreading their concerns. In 2020, the preferred weapon of dissatisfaction has been mass protests occurring in every oblast but one.<sup>45</sup> Putin has reason to fear these protests. Russia has a long history of popular uprisings.

A little over a century ago, Russia entered 1917 under the Romanov monarchy. In less than two months, the uprising spread across the state, eventually leading to the Bolshevik Revolution. The events showed how sharply history can turn, even in a country with a population of roughly 150 million.<sup>46</sup> The tinder for the Bolshevik Revolution did not build overnight. Russia’s slow economic development paired with the strengthening of bureaucratic absolutism led to a wider divide in society. Low wage workers eventually replaced serfdom as Russia westernized, and the societal divide expanded.<sup>47</sup> Failed revolutions in 1905 provided Russian citizens a practice run for the Bolshevik Revolution.<sup>48</sup>

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<sup>44</sup> Tefft, *Understanding the Factors*, 11.

<sup>45</sup> Tefft, *Understanding the Factors*, 10.

<sup>46</sup> Leon Trotsky, *History of the Russian Revolution*, trans. Max Eastman (Chicago, IL: Haymarket Books, 2008), xv.

<sup>47</sup> Trotsky, *History of the Russian Revolution*, 7.

<sup>48</sup> Trotsky, *History of the Russian Revolution*, 10.

The Bolshevik Revolution is one example of the many revolutions Russian governments faced. It is important for the reader to compare the trends presented thus far in this monograph to those of Russian citizens faced throughout history. A comparison to more recent color revolutions is also necessary. Public dissatisfaction is prevalent in former Soviet states like Belarus, which may serve as a warning to the Kremlin. History has shown all it takes is a spark for open revolt. If Putin does not satisfactorily meet citizens' demands across Russia, the chances of a peaceful succession are further diminished.

### Politics – World Relationships

A former superpower. Oil and natural gas hegemon. Nuclear power. Economy the size of Texas. Where does a country with such a diverse resume fit into the world scheme? The answer varies depending on the viewpoint, but mistrust defines the general Western perspective. Russia continues to meddle in elections, poison champions of democracy, and fight grey zone conflicts counter to the US-led order.

Europe continues to be on edge as Russia backs proxy fights in Ukraine and threatens Baltic nations. Interestingly, Russia still seeks Europe for trade, especially as a market for petroleum-based products. Thus far, this economic relationship has kept NATO and Russia in the cold to warm status when discussing relationships, but there is always the possibility that conflict will boil over and affect the European Union or NATO. In both instances, the United States is likely to act on behalf of the attacked belligerents by utilizing multiple instruments of power.

The Russian relationship with China is tumultuous. On the surface, President Putin and President Xi have found overlapping areas of interest that concurrently counter the US-led order. Remove this relationship, and there are reasons for deep-rooted mistrust between the countries. To begin, Russia was a belligerent in the century of humiliation. It leveraged Chinese weakness during the Opium Wars to expand its borders, eventually gaining land the size of US territory east

of the Mississippi River. Additionally, Russia gained three thousand miles of Pacific coastline enabling the country to become a Pacific power.<sup>49</sup>

Seventy years later, the Soviet Union and China reached a boiling point that almost pushed the world into its first nuclear war. During the Third Indochina War, the Soviet Union found themselves at odds over Vietnam. Both countries massed troops at the border in the world's second-worst game of chicken.<sup>50</sup> Although an official conflict was never declared, both sides saw casualties, and the leading communist views diverged. One of Putin's most significant political accomplishments has been the thawing of that relationship. However, his successor will still have issues continuing to hold the relationship status quo as China surpasses Russia militarily.

## Science and Technology

Changes in science and technology are problematic to predict, and the impact varies from country to country. A technology that should scare the Russians is centered around renewable energy. With their budget intake coming from 40 to 50 percent of its energy exports, any disruptions to the status quo could cause Russia massive deficits.<sup>51</sup> Despite the vast energy resources that supply this budget, current production levels cannot be maintained without heavy reinvestment in the production areas and new projects.<sup>52</sup>

Renewable energy technology further complicates the issue. The expansion of renewable energy reduces global dependence on oil and gas, which could ultimately drive down commodity prices. Russia must continue to find markets for its oil and gas to not have adverse budget effects.<sup>53</sup> With such a heavy dependence on oil and gas prices, Russia is not positioned for the

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<sup>49</sup> S. C. M. Paine, *The Japanese Empire: Grand Strategy from the Meiji Restoration to the Pacific War* (Cambridge, IL: Cambridge University Press, 2017), 3.

<sup>50</sup> The Cuban Missile Crisis takes top spot.

<sup>51</sup> Sarah O. Ladislaw, Maren Leed, and Molly A. Walton, *New Energy, New Geopolitics: Balancing Stability and Leverage* (Washington, DC: Center for Strategic and International Studies, April 2014), 12.

<sup>52</sup> Ladislaw, Leed, and Walton, *New Energy, New Geopolitics*, 12.

<sup>53</sup> Ladislaw, Leed, and Walton, *New Energy, New Geopolitics*, 36.

future against the green revolution, but it does have opportunities to build renewable energy resources. This act could allow Russia to shift its focus to exportation of electricity vice exportation of hydrocarbons.

## Conclusion

Chapter 1 described the adverse forces affecting Russia and the Kremlin. Russia's challenges represent a complex system that cannot be easily fixed. In total, these issues serve as data points towards trend analysis and prepare the reader to execute scenario planning methodology. Chapter 3 applies those trends towards possible future scenarios, but first, Chapter 2 provides a look at the methodology of scenario planning.

## Chapter 2: Imagining the Future: Scenario Planning Methodology

The overall purpose of scenario planning is to open minds towards plausible futures, which enhances strategic thought and exploration of the future.<sup>54</sup> With a wide array of futures, decision-makers can compare current strategies against these futures and then build better strategies. Schwartz succinctly states, "The end result, however, is not an accurate picture of tomorrow, but better decisions about the future."<sup>55</sup> It is important to note that scenarios are not predictions. Futures are difficult to predict despite what the best prognosticator may say, and accuracy tends to fade the further into the future that a practitioner looks.

Throughout history, humans sought to predict the future, but the process seen today was not codified until after World War II. According to Peter Scoblic, strategic foresight traces its roots back to the RAND Corporation, a think-tank the US Air Force created after World War II.<sup>56</sup>

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<sup>54</sup> Brook Mitchell, "Scenario Planning for the Twenty-first-Century Military Strategist," Air University, April 27, 2020, accessed November 20, 2020, <https://www.airuniversity.af.edu/Wild-Blue-Yonder/Article-Display/Article/2161592/scenario-planning-for-the-twenty-first-century-military-strategist/>.

<sup>55</sup> Peter Schwartz, *The Art of the Long View* (New York: Currency Doubleday, 1991), 9.

<sup>56</sup> J. Peter Scoblic, "Learning from the Future: How to Make Robust Strategy in Times of Deep Uncertainty," *Harvard Business Review* (July-August 2020): 42.

The practice of scenario planning grew for nearly two decades when it was passed to the Royal Dutch Shell Company. Shell used the methodology to determine future investment locations and projects, and the company correctly foresaw spikes in oil price volatility, which enabled the company to exploit opportunities.<sup>57</sup> With Shell's successes, scenario planning gained notoriety.

Conversely, Blockbuster failed to apply scenario planning to its industry, and subsequently fell victim to societal and technological changes which shaped the industry it dominated. In 2000, Blockbuster could have bought Netflix for approximately \$50 million. Blockbuster declined the purchase, and two decades later, it is bankrupt while Netflix sits with a market cap of \$246 billion.<sup>58</sup> It is not a certainty that scenario planning could have predicted the consumer sentiment change, but the scenarios could have built indicators to recognize the shifts in consumers' actions allowing Blockbuster to proactively change strategy.

The act of creating scenarios is an art and not a science.<sup>59</sup> Schwartz is hesitant to provide a step-by-step analysis of the process for this reason. The scope of the scenario and its purpose drive the depth of the process. Groups or teams typically execute scenario planning. They enable organizations to draw upon the experience of multiple individuals whom all think differently. Finally, the method presented by Schwartz is just one way to perform scenario planning. Numerous practitioners have codified different ways to complete scenario exercises, but the remainder of this chapter applies the eight-step framework recommended by Schwartz. The first step of his methodology is identification of the focal issue or decision.

The focal issue or decision should describe futures from the inside out. More broadly, the military planner should begin with a specific issue or decision and then build toward the environment. A question to ask as an organization is what will decisionmakers be thinking hard

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<sup>57</sup> Peter Schwartz, *The Art of the Long View*, xiv.

<sup>58</sup> As of February 12, 2020.

<sup>59</sup> Schwartz, *The Art of the Long View*, 27.

about in the near to long term future.<sup>60</sup> It is often best to begin with decisions that must be made in the near-term future, but the practitioner could merely ask a leader what keeps them up at night. Generally, a scenario is valuable when it is plausible and surprising, it breaks stereotypes, and it opens leadership to the idea that an alternate future is possible—thus, the organization needs to hedge to that possibility.<sup>61</sup>

In step two, Schwartz identifies key forces in the local environment. In the business model, this could be information about suppliers, competitors, or customers.<sup>62</sup> In the military, an examination of the operating environment, key actors, and initial framework are necessary. In both cases, the planner is trying to identify the outside influences that could affect the scenario. This step also points towards identifying an end-state. Schwartz recommends defining success and failure. Once the local environment is fleshed out, a planner can move to the third step in the process: identification of driving forces.

Driving forces build the story. They are the elements that move the plot if examining the scenario like a book or movie. Without them, there is no way to begin thinking through a scenario.<sup>63</sup> Similarly, Scoblic calls driving forces trend analysis.<sup>64</sup> Without these elements, the scenario creator cannot even begin to envision a scenario.<sup>65</sup> Some driving forces are visible to one creative thinker but not necessarily to another. David Epstein, author of *Range*, discusses this conundrum through the term “cognitive entrenchment.” He suggests the average person can overcome cognitive entrenchment by building people who can successfully adapt to challenges by

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<sup>60</sup> Schwartz, *The Art of the Long View*, 241.

<sup>61</sup> Schwartz, *The Art of the Long View*, 248.

<sup>62</sup> Schwartz, *The Art of the Long View*, 242.

<sup>63</sup> Schwartz, *The Art of the Long View*, 101–102.

<sup>64</sup> Scoblic, “Learning from the Future,” 44.

<sup>65</sup> Schwartz, *The Art of the Long View*, 102.

taking one pursuit and applying it to a different problem set.<sup>66</sup> In a military planning scenario, a team lead may not have this option due to time constraints. Therefore, teams or organizations are a better conduit to conduct scenario planning.<sup>67</sup>

The most common recognized driving forces are society, technology, economics, environment, and politics (STEEP).<sup>68</sup> Chapter 2 of this monograph utilized this model but excluded environmental aspects. Driving forces can be further broken into predetermined elements and critical uncertainties. These terms are straightforward, but Schwartz stressed the importance of not using the terms in absolutes. He warns the reader not to become bogged down by labeling the driving forces. He states, “Scenario creation is not a reductionist process; it is an art, as is story-telling.”<sup>69</sup>

Schwartz defines predetermined elements as “forces that we can anticipate with certainty, because we already see their early states in the world today.”<sup>70</sup> An example of a predetermined element is the Russian demographics discussed in Chapter 2. Conversely, critical uncertainties are the opposite. Schwartz amusingly calls them the dwelling-places of our hopes and fears.<sup>71</sup> A planner can discover these uncertainties by questioning assumptions about predetermined elements. Political driving forces are examples that falls under critical uncertainties.

Step four is ranking driving forces by importance and uncertainty. The driving forces set out to give structure to the exploration of a future, but the ability to focus attention on key driving forces allows a planner to think critically from a system’s perspective. Overall, a planner should

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<sup>66</sup> David Epstein, *Range: Why Generalists Triumph in a Specialized World* (New York: Riverhead Books, 2019), 32–24.

<sup>67</sup> Schwartz, *The Art of the Long View*, 103.

<sup>68</sup> Schwartz, *The Art of the Long View*, 105.

<sup>69</sup> Schwartz, *The Art of the Long View*, 108.

<sup>70</sup> Peter Schwartz, *Inevitable Surprises: Thinking Ahead in a Time of Turbulence* (London: Free Press, 2004), 6.

<sup>71</sup> Schwartz, *The Art of the Long View*, 114.

identify the two or three factors or trends that are most important and uncertain. Peter Scoblic discusses additional factors worth considering. He argues that driving forces identified should be forces of change, highly uncertain, wide potential variance, independent, and impact the future operating environment.<sup>72</sup> The end goal is the widest range of possible futures, and the art of choosing driving forces based on importance and uncertainty to enable this endeavor.

The fifth step is selecting scenario logics, which is arguably the most important step in the entire scenario building process. The end-state is to build scenarios that make differences to decision-makers and shapes their ability to make long term decisions.<sup>73</sup> This step seeks to develop scenario drivers based off information from the STEEP analysis. The drivers are meant to be few in nature to avoid countless scenarios based off the various uncertainties. Typically, two to three drivers are appropriate. These drivers are then ready to be molded like melodramatic clay until a logic and story emerge. As the story takes shape, plots and themes blossom enabling step six.<sup>74</sup>

Step six is where the scenarios unfold. Peter Schwartz calls this step “fleshing out the scenario.”<sup>75</sup> Fleshing out the scenario is like creating a book or movie including characters and plot development. The most important driving forces drive the logics that distinguish the scenarios, but key factors and trends identified during step two and three can aid the practitioner in building out more detail.<sup>76</sup> The practitioner should then take time to analyze each key factor and trend in each scenario. In doing so, more futures may be revealed. Once this step is

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<sup>72</sup> Peter Scoblic, “Learning from the Future” (lecture, School of Advanced Military Studies, Fort Leavenworth, KS, January 12, 2021), 30.

<sup>73</sup> Schwartz, *The Art of the Long View*, 243.

<sup>74</sup> Schwartz, *The Art of the Long View*, 245.

<sup>75</sup> Schwartz, *The Art of the Long View*, 245.

<sup>76</sup> Schwartz, *The Art of the Long View*, 245.

completed, the pieces can be brought together to form a narrative that captures the scenario dynamics and communicates the vision of the potential futures.<sup>77</sup>

Step seven answers why the scenarios matter through examination of the implications. The United States spends \$1.25 trillion annually on national security, and yet the country still finds itself as the victim of surprise.<sup>78</sup> To counter these types of surprises, the planner must compare the scenarios created to the current strategy. Does the strategy apply to one or two scenarios or is it elastic enough to apply to all scenarios imagined?<sup>79</sup> These two questions posed by Schwartz are important to scenario planning. They allow organizations to adapt and learn about potential shortfalls in various future environments. Generally, a less elastic strategy increases risk for organizations in the future. This step is revisited in the analysis of the monograph, which highlights some strategic blind spots the United States could have to a decaying Russia.

Step eight, the final step, builds leading indicators and signposts for the scenarios. Indicators and signposts enable planners to react faster to changing dynamics, especially when looking for these clues. The indicators range from the obvious to the subtle. The key is developing the scenarios to a degree where observers can translate indicators into a usable direction.<sup>80</sup> Indicators and warnings are also important to help humans fight biases. Years of mental heuristics create blind spots; indicators and warnings can be a way to overcome them. They provide objective targets. For example, negative GDP data could lead to aggressive Kremlin measures. These measures could spur inflation which could ultimately lead to civil unrest in a population struggling to pay for daily sustenance.

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<sup>77</sup> Schwartz, *The Art of the Long View*, 245.

<sup>78</sup> J. Peter Scoblic and Philip Tetlock, "A Better Crystal Ball: The Right Way to Think About the Future," *Foreign Affairs* (Nov/Dec 2020): 1.

<sup>79</sup> Schwartz, *The Art of the Long View*, 246.

<sup>80</sup> Schwartz, *The Art of the Long View*, 246.

To apply Schwartz’s methodology, an examination of two scenario drivers is necessary. One driver is set across an X-axis – the other across the Y-axis. Figure 1 uses economy and political unification for this purpose and looks out into the future fifteen years. This setup creates quadrants consisting of a unified Russia/positive economic growth, unified Russia/economic depression, fractured Russia/economic depression, and fractured Russia/economic growth. Four scenarios emerge from the quadrants with the quadrants labeled “Chaos” and “Reimagined Partner” making up the discussion of the next two chapters.

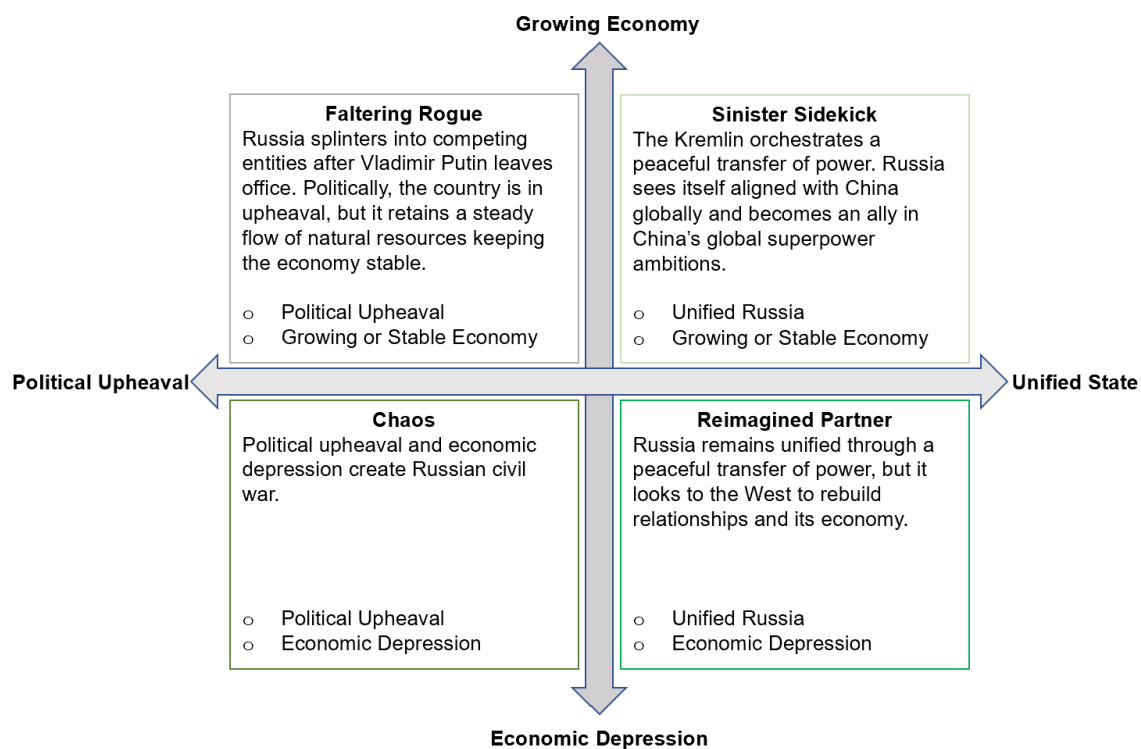


Figure 1. Potential Russian Futures. Created by author.

### Chapter 3: Future One: Chaos

Chaos is the name of scenario 1 for good reason. In the plot, Russia is hit with political upheaval and economic depression. The blow to economic viability and rise of competing interests drives the nation into civil war. At this juncture, great-power competition would re-enter the world stage. Historically speaking, upheaval is common, but the US-led world order has

prevented great-power conflict since World War II.<sup>81</sup> That axiom will be crushed, and the world is catapulted into multi-polar competition like the pre-Cold War era. For scenario 1, the major characters are the United States, NATO, China, Turkey, and of course, Russia, but the minor actors are any country tied to Russia's near abroad.

The scenario explodes into kinetic fighting. The Russians keep a large army to protect their vast borders and deter internal revolt. A weakened Kremlin creates a power vacuum throughout the country, but the effects are more likely felt in Russia's Far East and in the Black Sea regions where massive influxes of non-Russian citizens settled. The Chinese are likely to see an opportunity to reclaim territory coerced away by the Russians in 1858 and 1860, especially Northern Manchuria and Vladivostok's port. This is likely only the beginning. The Chinese will seek to take areas suitable for population expansion and agriculture growth including areas it has infiltrated through land purchases, agricultural work, and industrial labor. Now, it will only take a fait accompli attack into the border areas to claim thousands of kilometers of new land.

The Russians in the Far East may fight, or they may accept the new rule. The sparseness of the population makes major resistance difficult to measure unless additional Russian forces are brought from other areas. If the Chinese press the attack beyond the Urals, they are aggressing against an enemy backed into a corner. The remnants of Russia's eastern forces could resist fiercely. They would potentially have nuclear arms at their disposal, but historically, the Chinese discount the loss of human life if the ends justify the means. Russia embarrassed the Chinese during the century of humiliation, and in this scenario, it is time to return the favor while simultaneously reinforcing China's belief in regional hegemony.

The Chinese front is not the only area seeing outbreaks of violence. The Turks are likely to seize Russian interests in the South Caucasus and lead an alliance with Azerbaijan to capture

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<sup>81</sup> This does not include countless limited wars fought across the globe, sometimes by proxies of great powers.

Caspian Sea territory and resources. For the Russians, this area will be tough to defend due to distances from Moscow and the ethnic makeup of the region. Smaller ethnic groups are just as likely to join the chaos and attempt revolution in search of honor and interests. The Chechens would likely say they are first to jump ship, but they would be competing with the interests of ethnic Ukrainians, Kazakhs, and nearly 180 other ethnic groups that call Russia home.

The West presents possible threats to the failed Russian state, but there are opportunities for NATO countries to exploit Russia's demise. Germany is likely the biggest aggressor seeking its historic Prussian province of Kaliningrad. This attack could lead to massive casualties if the soldiers in Kaliningrad decide to fight. Although most nations bordering Russia do not have offensive militaries to fill the collapsed space to the east, one scenario is likely. NATO nations could become aggressive to secure energy resources and pipelines into Europe. This would involve positioning foreign troops on Russian soil to guarantee the free flow of resources to the continent. However, the environment created from this action is wrought with miscalculation opportunities. In totality, the external threats to Russia are as numerous as knives thrust into Caesar's back, but there is also an internal aspect to this chaos.

Equally dangerous, internal threats to Russia exist in the form of a civil war. The Russian powerbroker game of musical chairs also needs to be played. Oligarchs, generals, politicians, and military leaders fight for control using the Russian people as ammunition to throw at each other. Meanwhile, the world watches armed factions of Russians fighting for control of historic lands, but unlike historical Russian civil wars, both sides have nuclear weapons.

## Chapter 4: Future Two: A Reimagined Partnership

Scenario 1 offered a case for Russia's collapse, but what if there was another way? Scenario 2 predicts off-ramps that promote economic prosperity through rebuilt relationships with European and the United States. The plot follows a Russia facing continued economic issues, but

the country remains politically united. The economic issues are the impetus to resuscitate relations with Europe and gain a better path to prosperity.

Before communism, Russia was a balancing power in the European political landscape. It tied itself to the French or British to serve as a European counterweight in politics, military endeavors, and economic trade. After World War II, the Soviet Union cut all ties except for those European countries under its control. The physical and non-physical walls built during this time still have lasting effects on relationships.

In this scenario, Russia moves to the West economically through a recasting of identity. Russia straddles Europe and Asia from a geographic standpoint, with many considering the Ural Mountains as the border between the two continents. Roughly 75 percent of Russians live west of these mountains.<sup>82</sup> Historically, identity mattered to Russians. Peter the Great and Catherine the Great saw Russia as a European state, but the division between Slavophiles and Westernizers grew at the beginning of the twentieth century. This growth apart continued until Russian foreign policy became security-focused versus regional or identity focuses thereafter.<sup>83</sup> The olive branch between Russia and Europe derives from the willingness to engage economically. Frankly, it is a lifeline for the Russian people, and they stubbornly accept.

When examining Russian opinion polls, the greatest support to European ties lies with the European Union (EU). In these surveys ranging from 2000-2005, nearly 56 percent of Russians strongly favor joining the EU, while 19 percent were against (25 percent did not know or answer). To summarize the data, Russians were optimistic of European economic ties when an opinion existed.<sup>84</sup> Once stronger ties build inroads, the focus should shift to overcoming the NATO barrier.

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<sup>82</sup> Roy Allison, Margot Light, and Stephen White, *Putin's Russia and the Enlarged Europe* (London: The Royal Institute of International Relations, 2006), 1.

<sup>83</sup> Allison, Light, and White, *Putin's Russia*, 1.

<sup>84</sup> Allison, Light, and White, *Putin's Russia*, 138–140.

In the scenario, Russia folds back into the European sphere of influence, the European fiscal stimulus becomes financial tourniquets to Russia's economic hemorrhaging. Each side moves slowly at first; there is a lot of history to overcome. Over time, this thawing reaches a tipping point where EU and Russian goods find homes with each entity's citizens. Russia would also use this move to overcome decades of Soviet human capital mismanagement.

To accomplish this task, Russia supports the reallocation of its citizens and resources to areas that are easier to manage and provide better economic efficiencies. In these moves, Russians can move to warmer, more productive places and away from the cold, distant cities built by the Soviet Union and GULAG planners.<sup>85</sup> This statement does not mean Russia completely abandons Siberia and the Far East, but Russia improves the mobility of its people allowing the forces of capitalism to change its economy. Russia can overcome the resource abandonment argument to this move by building makeshift temporary settlements like what the country's oil and gas sector currently employs.<sup>86</sup>

This move slowly turns livable cities into migration magnets. The cities grow naturally and begin to compete against each other for Russian investment, foreign investment, and migration. As a result, FDI grows from Europe strengthening ties further. This move allows the Kremlin to minimize some of the consequences of demographic decline (think pooling human capital) while enabling better allocation of funding to new, efficient industries.

The scenario continues with NATO rapprochement next. Russian and NATO negotiations bring immense benefits to the region. The Russians reduce their military footprint along the European border, freeing up additional resources for internal development. The move also provides Russia with strategic flexibility in the instance China violently disagrees with the

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<sup>85</sup> Hill and Gaddy, *The Siberian Curse*, 5–6.

<sup>86</sup> Hill and Gaddy, *The Siberian Curse*, 205.

new founded NATO relationship. The act of joining the EU and rapprochement with NATO enable another strategic relationship to thaw; a relationship is reborn with the United States.

As the geopolitical layout shifts, Russia leverages itself between China and the United States. Both countries fight for influence. The United States seeks inroads through Russian democracy. The Chinese seek to hold the Russians as a partner against the US-led order. Eventually, Russians see America as a counter to a rising China on its periphery, and the two countries improve relations further. As a result of these events, China dismisses Russia as a partner completely, but it is unlikely to attack Russia.

## Chapter 5: Analysis: The United States and a Decaying Russia

The US military can learn from the future. This simple scenario planning exercise satisfied an attempt to broaden the strategic narrative for Russia's outlook. The narrative is key to the learning process, and additionally, the knowledge gained from this exercise allows the Department of Defense to explore the future while exploiting the present. Scoblic states this simply as "exploration enabled exploitation."<sup>87</sup> Too often, organizations present these two concepts as a paradox, but they are not. The process of thinking about the future is a component of acting in the present. Military planners must learn to think about time differently and understand that imagining different futures enables them to build a more robust strategy.<sup>88</sup>

Strategy's importance lies in positioning correctly for the future, but historical information and present operating environment drive strategic decision making.<sup>89</sup> This is an incorrect paradigm. Strategy must reside in the realm of forward thinking. Planners must understand the shortfalls in the current strategy and attempt to counter those shortfalls through

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<sup>87</sup> Scoblic, "Learning from the Future," 45.

<sup>88</sup> Scoblic, "Learning from the Future," 46.

<sup>89</sup> Maree Conway, *Foresight Infused Strategy: A How-To Guide for Using Foresight in Practice* (Melbourne, Australia: Thinking Futures, 2019), 56.

better-informed planning. Applying the current strategy towards the plausible futures like those in Chapters 3 and 4 allows this strategic introspection.

The current US strategy towards Russia does not provide the elasticity necessary to exploit either scenario. Three key documents define strategy against Russia: the *National Security Strategy*, *National Defense Strategy*, and the *Integrated Country Strategy*.<sup>90</sup> Within America's policy, there is a recognition that big-power competition is back.<sup>91</sup> As a result, the Trump administration aimed to strengthen the military, economic, and political instruments of national power.

The current Russia strategy fails in the reimagined partner scenario. The Trump Administration drove discord amongst NATO allies whilst seeking expenditure increases. This discord fractured relationships internal to NATO and created the perception that America would continue an "America First" path. It seemed the administration focused on the quantitative strengths of the alliance. Additionally, the current strategy does not have a true road to peace. It merely offers an olive branch but does not have active measures to achieve it. Lastly, current economic policy further fractured relationships between the United States and the European Union. While the economic tension is likely transient, the rhetoric adds friction to strategy implementation.

The act of comparing the current strategy against the chaos scenario also highlights shortcomings. NATO and other US allies are not strong enough to fill the vacuum caused by a collapsing Russia, especially along its broad periphery. A movement such as "America first" only amplifies this fact. An ideologically split Europe cannot handle this type of crisis unless the

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<sup>90</sup> The *National Security Strategy* outlines major national security concerns of the United States and how that administration plans to address them. The *National Defense Strategy* defines how the Department of Defense plans to support the goals and objectives of the *National Security Strategy*. The Department of State's *Integrated Country Strategy* is a four-year strategic planning process that articulates the US priorities in a given country.

<sup>91</sup> A. Wess Mitchell, "US Strategy Toward the Russian Federation," US Department of State, December 01, 2020, accessed January 5, 2021, <https://2017-2021.state.gov/u-s-strategy-toward-the-russian-federation/index.html>.

whole continent works in unison. The temporary boosts in spending highlighted by the Trump Administration are only short-term injections into NATO's lethality. The United States needs a strategy change that could succeed in numerous future scenarios, including those examined here.

The reinvigoration of the concept of competitive strategies could be the answer, but the strategy needs refinement. Competitive strategies leverage strengths against adversary's weaknesses to create an advantage.<sup>92</sup> The concept is simple when stated in the abstract. The difficulty is the implementation of a strategy that utilizes allies to build the most capable force. The strategy has other advantages. Chiefly, these advantages include expanded force posture choices and more efficient allocation of defense monetary resources.<sup>93</sup>

Competitive strategies intertwined into the US grand strategy in the 1980s to counter the Soviet Union, but the concept lost its importance once the adversary collapsed. The strategy could go further to create an American alliance built to confront the threats attempting to topple the global status quo, yet sensitive to how America is changing. Chiefly, the United States' national debt calls into question its ability to lead defense spending, especially as America's baby boomer generation moves into retirement. The corresponding effect is less tax revenue from this historically large demographic wedge compounded with necessary increases in social costs to care for this generation. A strategy that shares the defense costs across ally networks is more likely to succeed in the long view.

Competitive strategy can therefore be altered slightly to what is a tailored alliance strategy. A tailored alliance strategy is a concept that leverages nations' strengths based on their strategic mindset to produce forces complementary to what the United States and that nation deem as the most lethal and prudent. These partnerships run deep economically as well. In this

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<sup>92</sup> Jason Ellis, "Seizing the Initiative: Competitive Strategies and Modern U.S. Defense Policy," Lawrence Livermore National Laboratory, January 2016, 2, accessed January, 8, 2021, [https://cgsr.llnl.gov/content/assets/docs/J\\_Ellis\\_Seizing\\_the\\_Initiative\\_1\\_16.pdf](https://cgsr.llnl.gov/content/assets/docs/J_Ellis_Seizing_the_Initiative_1_16.pdf).

<sup>93</sup> Ellis, "Seizing the Initiative," 2.

strategy, the United States could leverage its technological advantage to produce weapon systems in the partner nations while concurrently partnering with nations to expand industrial capacity supporting the systems.

Like Secretary of Defense Weinberger's efforts in 1986, a tailored alliance strategy requires focused research and development phases in conjunction with paired down procurement cycles.<sup>94</sup> This causes adversaries to make tough procurement decisions in the short term while potentially siphoning funding from long term projects. Moreover, the strategy enables leapfrogging of technology. Currently, the United States builds overly complex weapon systems that require billions of dollars to build across multiple decades. A tailored alliance strategy utilizes research and development in one country while implementing asset production in another. In this example, cutting-edge technology is ready for war while the next generation of technology gets developed. All of which is under a shared burden of costs. The last benefit is interoperability amongst allies. Similar systems create opportunities for better training and shared doctrine amongst allies.

The tailored alliance strategy would need to be extremely selective at its infancy, but it provides the United States anti-fragility in dealing with adversaries when fully implemented. For an adversary like Russia, the strategy creates multiple dilemmas. Russia must differentiate between multiple pacing threats while still dealing with internal issues. The difficulty magnifies as the United States adds partners to the alliance. Strategic flexibility is another benefit of this strategy. The United States is essentially creating building blocks around the world that it can quickly integrate forces into. These building blocks enable rapid employment and deployment of forces worldwide without losing deterrence effects. The list of countries for the tailored alliance strategy may expand or shrink, but meaningful partnerships to nurture include Great Britain, Germany, France, Japan, and smaller nations like Norway and Estonia.

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<sup>94</sup> Ellis, "Seizing the Initiative," 5.

Great Britain, France, and Germany are pivotal to regional defense, primarily through their strengths in maritime and land power. Germany and France are historically land power nations. Therefore, Germany and France would lead the production of a European tank and build basing to bring operators to the European front in times of conflict. Without the arduous journey across the Atlantic Ocean for American armor, the United States gains strategic elasticity to counter Russian aggression quickly. Great Britain's addition to this alliance is in the naval domain, but it uses its expertise to aid the United States in building other partners through a shared burden of cost and sharing technology.

To shift focus to the Pacific, the United States should encourage and support the Japanese to move away from a self-defense force in the tailored alliance strategy. Japanese culture has changed since the fall of the Japanese Empire in World War II, and a tailored Japanese military could serve as a US ally in the event of a Russian collapse. The maritime strategic culture offers the greatest benefit to the United States in the event of a collapse. Japanese naval forces would aid the United States in troop movement on Russia's East Coast, providing operational flexibility. Additionally, the United States should use this strategy to build out Japan's Anti-Access/Anti-Denial systems and strengthen Japan's air force. The former gives the United States a protection bubble operating out of Japan, and the latter strengthens the US Air Force's operational reach into Russia's Far East, especially if the United States aids Japan in building force projection platforms. These moves serve as an added benefit in countering China in nearly every domain.

Smaller allies could also serve the tailored alliance strategy. Two examples include Estonia and Norway. The United States should continue to champion Estonia as a hub for cyber security as well as embrace its strategic mindset in battling actors in the internet's global commons. Under a tailored alliance strategy, the United States builds out additional cyber infrastructure within Estonia and starts sending cyber forces to Estonia to forward deploy. In these positions, cyber warriors gain applicable experience countering cyber actors such as Russia and Iran, but it comes from a different country's perspective.

Norway is another country that could potentially serve as a tailored partner. The United States could partner with Norway and both countries could build symbiotic naval fleets, especially with Norway's polar and ice cutting experience. If naval partnerships are not attainable, Norway could be an example of a partner that enables US offensive capability. The tailored alliance strategy does not only focus on combat systems. Force multipliers such as bridging assets offer another example. Norway manufactures the combat multipliers with shared funding from the United States, and both countries could project those assets to NATO engineers during exercises in Europe.

A tailored alliance strategy is sure to have domestic and international friction points, so some of those critiques are appropriate to discuss. The United States' allies may see this strategy as a violation of sovereignty or a weakening of their internal defense. Therefore, narrative is crucial to manage with the selling points of a strengthened collective defense as the key outcome highlighted. If nations want to continue to live under US-led globalism, this is their opportunity to extend the status quo. It would also be necessary to shape the narrative to the US domestic audience. Under this program, billions would be spent in other nations creating industrial capacity and assets, but expenditures in other areas of defense should offset these costs (e.g., basing and infrastructure). There are win-sets available in this move; it would be up to policymakers to shape the narrative militarily and economically.

There is also historical context to overcome, but the fact remains that it has been over seventy years since the last World War. Germany and Japan represent two of the United States' most capable allies outside of the Five Eyes with prime geography to enable the United States to conduct large scale combat operations.<sup>95</sup> The end-state of the tailored alliance strategy is to not

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<sup>95</sup> The Five Eyes is an intelligence alliance comprising Australia, Canada, New Zealand, the United Kingdom, and the United States.

create regional hegemonies. In the German example, France may simultaneously be chosen to build out its aviation industry or chosen for the next generation of armor.

The tailored alliance strategy works well in the first scenario labeled Chaos. The aforementioned benefits of the strategy position the United States well to respond in western and eastern Russia. It also builds partner capacity and improves relationships within tailored alliance nations. As a result, these countries are likely to show resolve in protecting Russian citizens and preventing civil war. Ultimately, the fall of Russia is too complex of an issue for the United States to confront alone. A tailored alliance strategy overcomes this potential shortfall.

In the scenario labeled *Reimagined Partner*, the strategy could be a mechanism to drive Russia back to the West. The pace of technological and system upgrades created by NATO and Pacific allies in the strategy would be difficult for the Russians to match, especially against the backdrop of the issues discussed in this monograph. Currently, tensions are prevalent between Russia and NATO across multiple elements of diplomacy, information, military, and economics (DIME). The tailored alliance strategy resets the relationships of all parties involved and restrengthens any resolution lost amongst the United States former allies.

The strategy also has a wider utility than the two scenarios discussed. Maree Conway states, “Future outcomes can be influenced by our action or inaction today.”<sup>96</sup> The tailored alliance strategy acts proactively. Not only is the United States able to pit strengths against weakness, but it is also able to leverage the strengths of its allies as a force multiplier. The corresponding strategic elasticity provided to the United States enables it to be better positioned against a wider aperture of future scenarios, domestically and internationally. There is no better counter in the context of a rapidly changing world.

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<sup>96</sup> Conway, *Foresight Infused Strategy*, 35.

## Conclusion

When the train of history hits a curve, the intellectuals fall off.

—Karl Marx, *Forbes*

This monograph set out to answer the question “what impacts could plausible futures for Russia have on the United States, and what foresight infused strategy can the United States implement to be better prepared for this array of outcomes?” It utilized Peter Schwartz’s framework to apply the concept of scenario planning to answer the research question. Both scenarios accomplished the wave top objectives of scenario planning, whilst additionally providing plausible futures.

The results of these scenarios provide interesting vectors for future research. For example, Russia’s viability as an ally to NATO and the United States could be examined, or a question surrounding NATO’s applicability with a friendly Russia could be discussed. For the chaos scenario, nuclear proliferation could provide robust research questions, or planners could examine what happens to a fractured Russia down to the individual Russian oblasts. The sub-scenarios are nearly endless, and that highlights the beauty of scenario planning.

The significance of this topic is two-fold. The primary significance lies with the subject of the research question. Russia continues to plague America as an adversary as leaders contemplate Russia’s next move. The scenarios and implications analyzed offer a glimpse of what could be and stress what we already know—allies are important. Not all allies are created equal though, so the United States must shape our future partners through the tailored alliance strategy. If done correctly, the United States can create an alliance that shares the burden of defense, utilizes comparative advantages and strategic strengths, reduces technological stagnation, and is more interoperable, enabling a truly unified response.

An equally important significance for this monograph can be drawn from the Marx quote, which indirectly stresses the importance of scenario planning. For the military planner, scenario

planning is invaluable. Often, humans are quick to make snap judgements and delay too long in changing their mind; intellectuals, specialists, and professionals are no different.<sup>97</sup> Military leaders fit this mold, and they are often guilty of holding on to big ideas vice remaining intellectually agile. Running frequent scenario planning exercises opens this void of inflexibility. It allows planners to gather as a team and discuss different perspectives about an issue and ultimately dream out what is next for their area of operation.

Leaders should encourage the use of scenario planning. Scenario planning exercises help make good leaders superb and the organizations they lead smart, adaptable, and effective.<sup>98</sup> Arguably, it also creates a learning organization. The team members, through constant repetition, learn to talk about the futures of systems and varying levels of cause and effect. It creates critical thinkers and allows iterations of design, but most importantly, it sets the organization up to react quickly to changes in the environment. In war, this means the difference between life and death.

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<sup>97</sup> Philip Tetlock and Dan Gardner, *Superforecasting: The Art and Science of Prediction* (New York: Crown, 2015), 25.

<sup>98</sup> Tetlock and Gardner, *Superforecasting*, 213.

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