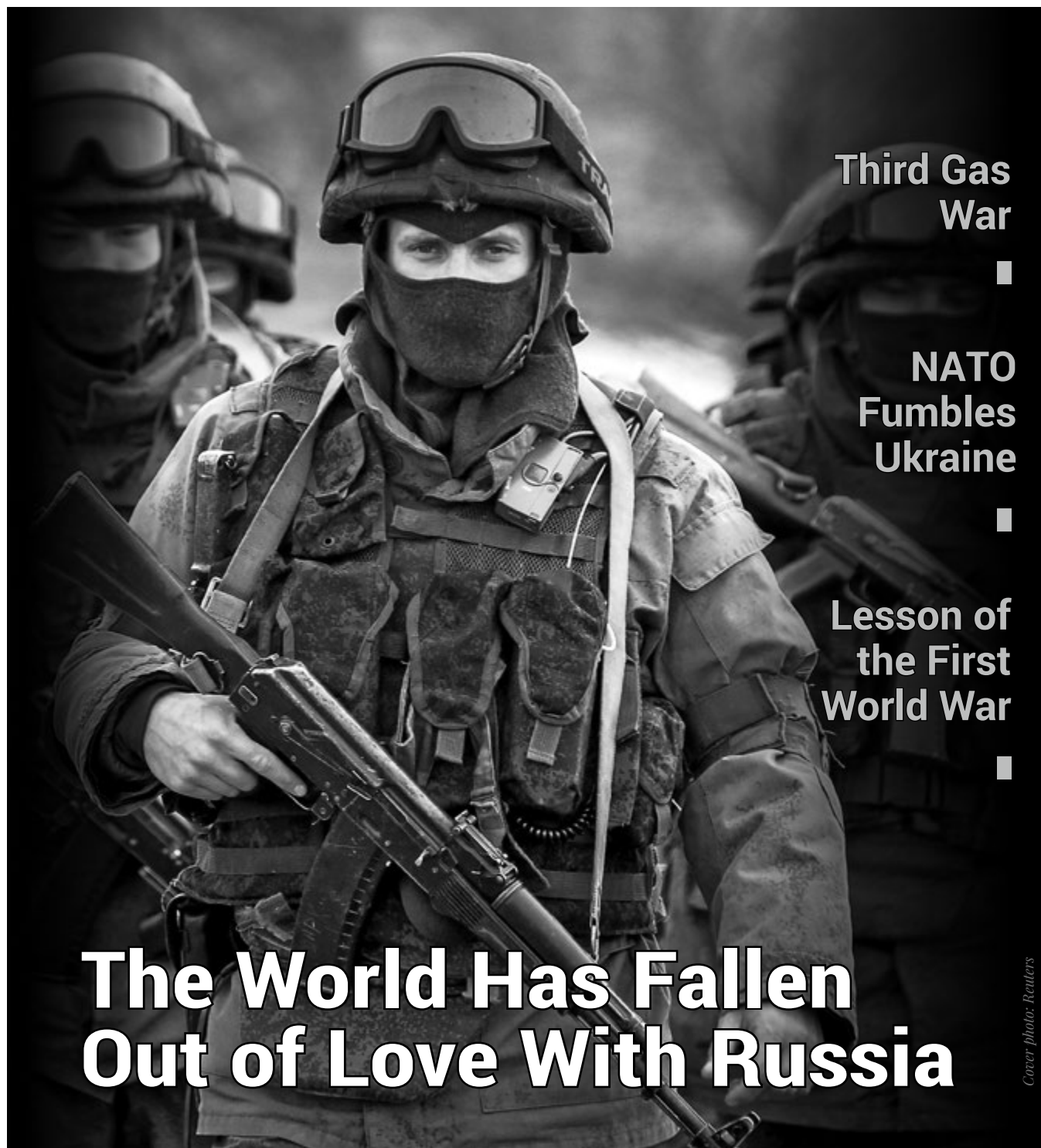


September 2014, Issue No. 3

THE IMR REVIEW



**Third Gas
War**



**NATO
Fumbles
Ukraine**



**Lesson of
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World War**



The World Has Fallen Out of Love With Russia

Cover photo: Reuters

The Point of No Return

A letter from IMR President Pavel Khodorkovsky

Dear Reader,

Over the last several months the world has been shaken. Only last fall, hardly anyone would have believed that Russia could be at war with Ukraine. Today, the world is observing what analysts have already described as a “hybrid war.” The Russian government persistently denies its military presence in Ukraine and its support for pro-Kremlin separatists. However, as of today, this undeclared war has already cost over 3,500 lives.

It comes as no secret that the key architect of the Ukraine crisis is Russian president Vladimir Putin, who once said that the collapse of the Soviet Union was a major geopolitical disaster of the 20th century. And it should come as no surprise that he plans to fix history by bringing post-Soviet republics back under the auspices of Russia.

Ukraine's attempts to break away from the Russian grip were not taken lightly by the Kremlin. In February, after months of nonstop protesting against Viktor Yanukovich's corrupt regime, the Ukrainian people finally succeeded in ousting the president who bankrupted the country and undermined its European path.

The thrill of Ukraine's freshly acquired self-governance was short-lived: within one month Russia covertly invaded and illegally annexed Crimea, claiming its historical right to the peninsula. Ignoring international indignation, Vladimir Putin furthered his plan by undermining Ukrainian unity. Stirring the emotions of the citizens of Donetsk and Lugansk, where Russians comprise almost 40 percent of the population, and encouraging their anxiety over the uncertainties in Ukraine's future, Putin stealthily supported and sponsored the separatist movement. Separatists, spearheaded by the covert agents of Russia's military intelligence, claimed their right for self-determination and asked to join Russia. Attempts of the Ukrainian army to fight off the violent groups of separatists were unsuccessful, since the latter were provided with weapons, equipment and even manpower from Russia.

Despite the increasing death toll, the West was reluctant to come up with a hardline response to Putin's aggression. However, when the Malaysian Airlines flight MH17 was shot down over Donbass on July 17, killing 298 people, most of whom

were Europeans, the West could no longer pretend that the Ukraine crisis is merely a local conflict. Many analysts concluded that the airplane was hit by pro-Russian separatists, who accidentally took aim at the civilian plane, confusing it with a Ukrainian military jet. Russia refused to take responsibility for the crash, blaming Ukraine for the incident instead.

The MH17 crash marked a symbolic point of no return in the world's perception of Russia: the world has fallen out of love with it. A recent poll by Pew Global Research showed that 72 percent of U.S. citizens and 74 percent of Europeans now have an unfavorable opinion of Russia — a sharp increase, compared to data from 2013.

The tragedy has caused another shift. It finally prompted the West to toughen sanctions against Russia, now targeting its finance, energy and defense sectors, as well as dozens of individuals associated with Putin. Despite the Kremlin's bravado, the sanctions have already taken a toll on the country's economy, with capital flight estimated to reach \$100 billion by the end of the year. Expanding sanctions was a step in the right direction, but the West still needs a stronger, more unified course of action in order to stop Putin's aggression, protect European borders and finally bring peace to Ukraine.

There is no easy way to overcome the crisis. The rifts between Russia and Europe have widened, as the Kremlin has excelled in the information war not only inside the country, but also abroad, professionalizing its propaganda techniques and “weaponizing” information. Exposing and debunking the Kremlin's lies is another major challenge for the West that must be met.

Even though Russia is going through turbulent times, there is still hope. As the recent Peace March in Moscow has shown, many Russians are against the war in Ukraine. They oppose Putin's aggressive policies and demand political change. If history is any indication, oppressive regimes are not sustainable — sooner or later, they always fall. In case of Russia, a unified opposition to Putin's regime, both at home and abroad, can draw closer the inevitable finale.

Sincerely yours,
Pavel Khodorkovsky



Pavel Khodorkovsky

IMR Relaunches imrussia.org

On September 22, the Institute of Modern Russia relaunched its corporate website, imrussia.org, and updated its logo. Substantial changes were made to the website layout, structure, and navigation, as well as its mobile version.

The primary reason for the website relaunch is to keep imrussia.org's design and structure up-to-date, clear, and easy to navigate for our readers. Thus, the main page has been rearranged into blocks, highlighting the variety of published materials and accentuating the divisions between different sections and different genres.

Separating the Opinions section from the Analysis section was one of the most crucial changes. Special emphasis was placed on IMR's series of articles on Russia's political prisoners (our core project), which have been placed into an eponymous block on the main page. A newsfeed from The Interpreter, another popular IMR project, has also been embedded on the website.

A new section, Research, has been created to present white papers written by IMR's fellows and other researchers upon the Institute's request. The Projects section has been updated and expanded to provide a more comprehensive view of IMR's concrete activities. Some changes have also been made in the People section, which now allows readers to find brief information on IMR's staff, trustees, and contributors. A separate page has been created for each contributor, featuring his or her articles published at imrussia.org.

Finally, we have updated our commenting system. Now our readers can leave comments, discuss articles, and follow popular discussions using their social media accounts. IMR's new website is also designed to be viewed on mobile devices and tablets and as a web app on your phone.

Ukraine, Georgia, and Moldova: What Threatens the Eastern Partnership?

On July 28, the Legatum Institute and the Institute of Modern Russia presented papers on transitional issues faced by Ukraine, Georgia, and Moldova. The forum featured the reflections of two British journalists, Peter Pomerantsev and Oliver Bullough, as well as those of IMR's editor-in-chief Olga Khvostunova. Anne Applebaum, director of the Legatum Institute's Transitions Forum, moderated the discussion. The event took place at the National Endowment for Democracy's headquarters in Washington, D.C.

In late June, Ukraine, Georgia, and Moldova signed EU association agreements, putting to paper a clear desire to turn westward and break from their burdensome post-Soviet legacy. However, the democratic development of these three countries has been impeded by a number of problems, with corruption being the most crucial challenge. All three papers presented at the forum on July 28 focused on analyzing the roots of corruption and the reasons for its wide spread; they also provided policy recommendations.

Opening the forum, Anne Applebaum noted that Ukraine, Georgia, and Moldova are all members of the Eastern Partnership, an initiative launched by the European Union in 2009 to develop close relations with post-Soviet countries. According to Applebaum, at least portions of the elite and the broader population of these countries are pro-Western, but corruption undermines their transition efforts.

IMR Launched the "Patriotism" Website

On July 10, IMR launched an interactive website featuring the work of New York photographer Misha Friedman from his most recent photo project. IMR commissioned Friedman to conduct a visual exploration and cultural study of patriotism in contemporary Russia.

The topic of patriotism has become increasingly popular in Russia, especially given the country's sensitive political environment, in which the Russian authorities actively exploit and propagate patriotic themes in fulfilling

the goals of the regime. While the Kremlin tries to "monopolize" the concept of "true patriotism," the actual views of the Russian public on what constitutes patriotism remain unclear.

To examine how Russians understand patriotism today, IMR commissioned New York photographer Misha Friedman to conduct a visual exploration and cultural study of this concept. Over several months, Friedman traveled throughout Russia, where he photographed and interviewed over one hundred people from all walks of life – from pensioners and paratroopers to students and businessmen. All of the collected material, including photographs, interview transcripts, and audio excerpts, will be presented on this interactive website, providing an intimate look at the concept of patriotism in contemporary Russia.

Russian Patriotism Discussed at the ASN Convention

On April 26, IMR hosted a panel titled "The Meaning of Patriotism in Post-Soviet Russia" at the World Convention of the Association for the Study of Nationalities (ASN) at Columbia University. IMR president Pavel Khodorkovsky served as the panel's chair, with Richard Sakwa, a professor of Russian and European politics at the University of Kent, participating as a discussant.

IMR advisor Boris Bruk presented the first results of this research in his paper titled "What's in a Name? Understanding Russian Patriotism." A part of the research data used in this paper was collected in collaboration with the Levada Center, Russia's leading polling organization. As the study showed, in an increasing number of cases, the authorities have sought to monopolize the notion of patriotism and thereby determine what constitutes "true patriotism."

Alexander Semyonov, a professor and chair of the Department of History at the Higher School of Economics in St. Petersburg, presented his paper entitled "Imperial Revolution and Imperial Citizenship in the Russian Empire in the Early Twentieth Century." Also, Ilya Gerasimov, executive editor of the international quarterly *Ab Imperio*, presented his paper entitled "History as the Last Refuge of a Patriot: Academician Chubaryan, Boris Akunin, and the Quest for a Unifying Russian History."

Putin and Oligarch presented in the U.S.

On April 22 and 24, with the support of IMR, Professor Richard Sakwa presented *Putin and the Oligarch: The Khodorkovsky-Yukos Affair in Washington, DC, and New York*, covering the major themes of the book and commenting on the future of Mikhail Khodorkovsky and of Russia as a whole.

According to Sakwa, after the fall of the Soviet Union, a new model of political economy emerged in Russia: a market economy driven by market forces that were constrained by the regime. This is the system in which Mikhail Khodorkovsky and the Yukos oil company were operating. Explaining "why Khodorkovsky?" Sakwa described Khodorkovsky's refusal to subordinate himself to the Putin regime as the defining factor in his arrest. Sakwa also noted that Khodorkovsky "did and does matter, not just historically, but to this day," and he has the potential to be a "major political leader."

Introducing the author, Sanford Saunders, co-managing shareholder of Greenberg Traurig in Washington, DC, and senior member of the white-collar defense group, stated, "Putin and the Oligarch is a must read for anyone interested in the Kremlin's persecution in what has become known as the Khodorkovsky/ Yukos Affair. [Sakwa] provides the reader with a solid basis to think about what will come next." At the presentation in New York, Pavel Khodorkovsky, president of IMR and son of Mikhail Khodorkovsky, said, "I believe that Professor Sakwa's latest work is a tremendous contribution to the literature on the Yukos affair and Russian politics as a whole."

The World Has Fallen Out of Love with Russia



Boris Bruk

The results of several recently published public opinion polls have shown that Russia's reputation abroad has drastically worsened. According to sociologists, this change has been caused by Russia's aggressive policies toward Ukraine. At the same time, IMR advisor Boris Bruk notes, public sentiment inside Russia has moved in the opposite direction.



According to the recent poll by Pew Global Research, 72 percent of U.S. citizens and 74 percent of Europeans had an unfavorable opinion of Russia (in 2013, there were 43 and 54 percent respectively). Photo: RIA Novosti.

According to a survey of 44 countries conducted by the Pew Research Center and published in July, Russia has become increasingly "unpopular" as a result of its policies toward Ukraine.

The most significant negative change in attitudes toward Russia has occurred in the United States and Europe, where, respectively, 72 percent and 74 percent of respondents expressed an unfavorable view of Russia (in 2013, these percentages were 43 percent and 54 percent, respectively). The most dramatic negative shift can be observed in the views of Ukrainians regarding Russia: in 2011, 11 percent of Ukrainian citizens said they thought negatively of Russia, but by 2014, that number had increased to 60 percent. Attitudes toward Russia in Latin America, Asia, Africa, and the Middle East have changed less significantly, but have nevertheless become more negative as well.

Only in 4 countries out of the 44 where the survey was held (excluding Russia) did the majority of respondents say that their views of Russia were favorable: Vietnam (75 percent), China (66 percent), Greece (61 percent), and Bangladesh (60 percent). In three of these countries (Greece was the exception), people also largely approved of the Russian president's actions.

In most countries, however, approval of the Russian president's policies is at a very low level. In Spain, Poland, and France, over 80 percent of respondents said that they had no confidence in Vladimir Putin. In Ukraine, this percentage was lower — 73 percent (pic. 1).

In the United States, negative opinions of Putin have increased, with 54 percent of respondents expressing negative views toward the Russian president in the 2012 Pew Global survey and 80 percent expressing such views in the 2014 survey. These numbers echo the findings of another multi-year

survey reported by Gallup this past winter. According to Gallup, "Putin and Russia score[d] the highest unfavorable ratings that Gallup ha[d] recorded for them in the past two decades." Another Gallup survey showed that some 44 percent of Americans currently consider Russia to be "unfriendly," while an additional 24 percent view it as "an enemy."

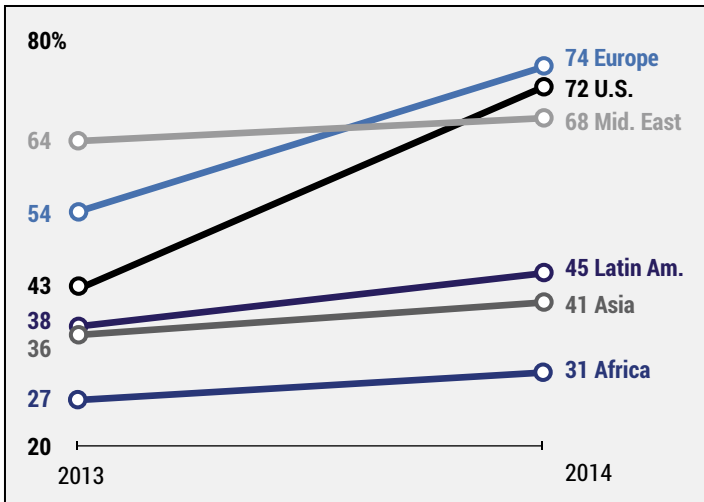
Inside Russia, views and attitudes differ significantly from those in the majority of other countries. For example, according to the Pew Research Center, 83 percent of Russians currently support Putin's foreign policy (a 14 percentage point increase since 2012). Gallup surveys show that the same percentage of Russians approve of Putin's job performance in general (pic. 2).

Overall, according to Gallup surveys, the majority of Russians (73 percent) believe that the Russian government is leading the country in the right direction. Russians' levels of confidence in the country's government (64 percent), military (78 percent), and fairness of elections (39 percent) reached record high levels in 2014. Sixty-five percent of Russians also express satisfaction with their freedoms.

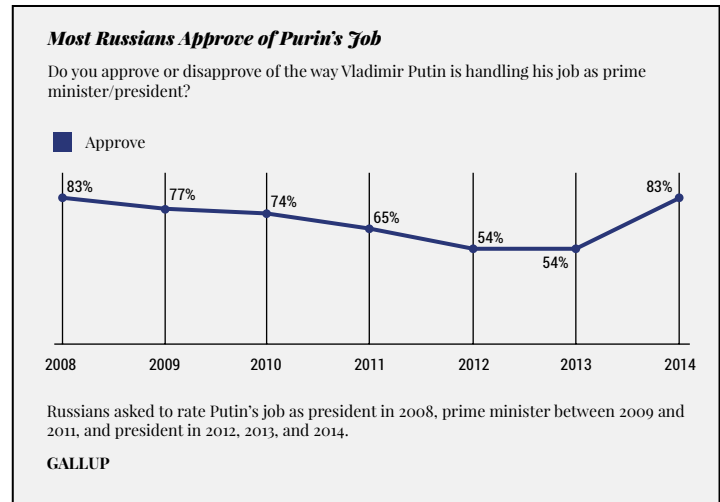
While showing great support for their president's policies, Russians also express very critical views of U.S. and EU leadership, with approval ratings of, respectively, 4 and 6 percent. On the contrary, 42 percent of respondents express approval of the Chinese government (pic. 3).

Russia's leading polling organizations report similar findings. For example, according to recent surveys by the Levada Center, the Russian president's approval rating has reached 87 percent, and approval of the Russian government has increased to 60 percent. Meanwhile, unfavorable views of the United States have reached a "historical maximum" of 74 percent, with 60 percent expressing disapproval of the European Union, and 55 percent expressing disapproval of Ukraine. Similarly, according to surveys conducted by the Russian Public Opinion Foundation (FOM), Russians consider the United States and Ukraine to be the countries with which Russia currently has "the worst/most unfriendly relations" (77 percent and 62 percent respectively).

Analysis of all the abovementioned data naturally leads to comparisons between the present moment and the 2008 conflict between Russia and Georgia. Back then, approval ratings of the Russian authorities were the highest since the dis-



Pic. 1.



Pic. 2.

solution of the Soviet Union, with Putin's approval rating reaching 88 percent. Similarly, Russians' views of the United States, the European Union, Ukraine, and Georgia worsened dramatically, reaching "historical" minimums: 67 percent of Russians expressed "negative/mostly negative" opinions of the United States, 39 percent of the EU, 53 percent of Ukraine, and 75 percent of Georgia.

Russia's superpower aspirations and aggressive posture have had a poor effect on Russia's global image. However, thanks to its successful strategy of consolidating the country against the "external enemy," the regime has managed to create a parallel, distorted reality inside Russia, which ensures public support for Putin's course.

In 2008, spurred by a wave of patriotism instigated by the state propaganda machine, over half of Russians called their country a "superpower." This attitude was revived in 2014, when 63 percent of Russians confirmed their belief that Russia had secured its status as a great power. Sociologists have pointed out that this is the highest percentage reported since this survey was initiated. Unsurprisingly, when asked, "What does the joining of Crimea by Russia mean to you?", 79 percent replied: "This means that Russia returns to its former role of a 'great power' and furthers its interests in the post-Soviet space." According to Sergei Aleksashenko, a prominent Russian economist and former deputy head of the Central Bank, over 40 percent of Russians currently link the notion of a "great power" to a strong army, while the percentage of Russians emphasizing that the country's welfare should also be secured is only 25 percent.

In fact, according to 55 percent of Russians in 2000 and 58 percent in 2004, it was the goal of returning Russia to its former role as a "great, respected power" that the Russian president was

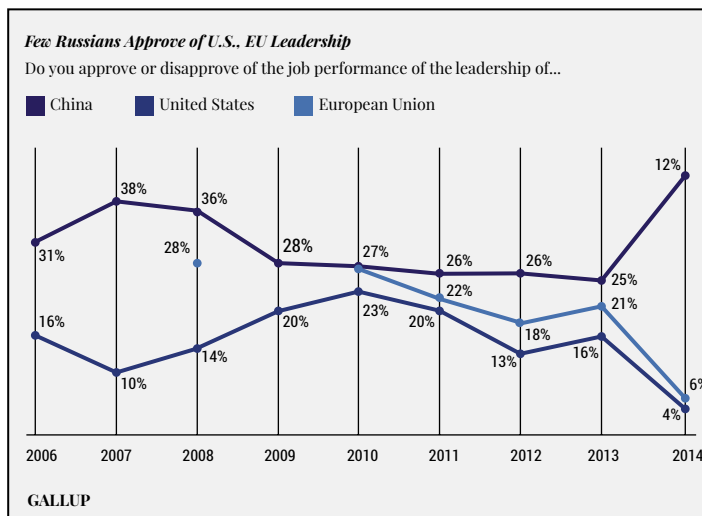
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expected to achieve. The "small victorious war" against Ukraine, accompanied by a well-orchestrated propaganda campaign, has served this objective quite well. According to Western media reports, the Putin regime's "great power" aspirations and "aggressive posture on the world stage" have sparked negative reactions around the world, resulting in unfavorable views of Russia. In many

cases, "Russia" has become synonymous with Putin's regime.

According to Denis Volkov, a Levada Center sociologist who spoke with IMR from Moscow, two different pictures of the world have taken shape in Russia and the West. In both Russia and the West, the media has shaped public attitudes toward key events of the Ukrainian crisis. "In Russia, 90 percent of the population gets information from television, which is controlled by the state," Volkov observed. "Unsurprisingly, for the majority of Russians, Putin's invasion of Ukraine is, in fact, a humanitarian operation, an attempt to 'help ours' [i.e., the Russian-speaking minorities living in Ukraine, who propaganda argues are being repressed by the Ukrainian authorities]. Many Russians just do not understand why the West supports what they see as 'fascists' and 'Banderoverts' [referring to Stepan Bandera, a Ukrainian who collaborated with the Nazis during World War II]. The majority of Russians think that their country acts as a peacemaker and a savior."

Russia's superpower aspirations and aggressive posture have sparked a negative reaction from many countries, which has had a poor effect on Russia's global image. However, thanks to its successful strategy of consolidating the country against the "external enemy," the regime has managed to create a parallel, distorted reality inside Russia, which ensures public support for Putin's course. However, it is possible to fight the Kremlin's propaganda machine, starting from the individual level. At a time of political polarization, when the problem of opposing an "us versus them" mentality is becoming more acute, everyone should make the personal choice between believing the propaganda campaign and looking for alternative information.



Pic. 3.

Third Gas War



*Olga
Khvostunova*



*Tatiana
Stanovaya*

The Russian-Ukrainian gas conflict that started in April has recently entered a critical phase. On June 16, Russian gas monopoly Gazprom halted transportation of gas to Ukraine, demanding that Ukraine pay its debt of almost \$2 billion. And last Friday, Gazprom's CEO Alexei Miller threatened to take measures against European companies that participate in reverse gas supplies to Ukraine. IMR analysts Tatiana Stanovaya and Olga Khvostunova discuss the specifics of the latest gas war.



The roots of the current – and third, if we're counting – gas war between Russia and Ukraine stretch back to January 2009 when Gazprom and Naftogaz Ukraine signed a number of gas contracts for purchasing and transporting Russian gas through Ukraine's territory. The negotiation was overseen by the prime ministers at the time, Russia's Vladimir Putin and Ukraine's Yulia Timoshenko. The conditions of those contracts promised many benefits for Gazprom. For example, Ukraine was obliged to pay \$450 per thousand cubic meters of gas (though it was offered a 20 percent discount). It was also obliged to prepay 80 percent of the declared transit volumes (even if the gas would not eventually be purchased by European customers); and if a prepayment were delayed for longer than a month,

Ukraine would have to pay full price. Ukraine also had to abandon gas deals with Turkmenistan and switch entirely to Gazprom's product. Finally, the Ukrainian energy company Rosukrenergo (owned by businessman Dmitry Firtash), a former intermediary in gas deals between Russia and Ukraine, was excluded from the relationship. The contracts were signed under such conditions, effective until the year 2019.

The price formula was set in such a way that Ukraine had to pay more for gas than Germany, Poland, Slovakia, or the Czech Republic. In a May 2011 televised interview, Nikolai Azarov – then-prime minister of Ukraine who took over the office after Timoshenko and put much effort into attempts to revise the gas contracts – said that the “Timoshenko formula” was absurd, as

countries located much farther from Russia than Ukraine had to pay less for gas. It is worth noting that it was the signing of the 2009 gas contracts that put Ukraine in such a financial disadvantage, was the reason for Yulia Timoshenko's arrest and imprisonment on charges of “exceeding the authority of the prime minister of Ukraine,” and which caused losses to the state (represented by Naftogaz) in the amount of 1.5 billion hryvnias (\$190 million).

Gas discounts became Russia's major form of leverage over Ukraine. In 2010, Russia and Ukraine signed the so-called Kharkiv Pact, which extended Russia's Black Sea Fleet presence in Crimea for twenty-five years in exchange for a \$100 discount on the gas price. After annexing Crimea, however, Russia denounced the signed agreements, so the discount has naturally lost its value to Russia.

The smoldering gas conflict began to flare in April 2014, when Moscow suddenly increased the gas price for Ukraine by 80 percent – from \$268.50 to \$485 per thousand cubic meters – calling off previously set discounts. Ukraine called the new price unacceptable and refused to pay for the gas until the old rates were reinstated. After two months, the long-standing opposition came to a head on June 16, when Gazprom ceased gas shipments to Ukraine.

To understand the gas war today, one must appreciate its three key aspects. First, there's the legal aspect. Moscow seeks to preserve its leverage over Ukraine by manipulating discounts while keeping the baseline gas price at a high level. The new Ukrainian government is ready to fight for revision of the gas contracts, including changing the price formula and abandoning the entire discount system. Ukraine claims that the price of \$268.50 per thousand cubic meters is fair and intends to appeal to the International Court of Arbitration for compensation for payments made over this amount when the higher price was in effect. Despite the fact that Gazprom tried to show flexibility by postponing Ukraine's prepayment deadlines for gas transit several times and by offering to return the \$100 discount, Kiev firmly holds to its chosen stance.

In a sense, the current gas war between Russia and Ukraine highlights fundamental issues that have developed between the two countries over the past decade, and this means that recovery from this crisis won't be easy.

On June 16, Gazprom filed a claim to the Svea Court of Appeal in Stockholm, demanding that Naftogaz Ukraine repay its debt of \$2 billion for November–December 2013 gas shipments, as well as \$500 million for indebted prepayment charges. On the same day, Naftogaz filed a counter-claim to the Svea Court of Appeal demanding revision of the price formula and establishment of a fair market price for the gas; it also demanded a retroactive payment of \$6 billion as compensation for the losses it suffered under the unfair conditions of the gas contracts. Formally, Gazprom's position seems to be solid: the gas monopoly demands that Naftogaz adhere to the 2009 gas contract and its conditions and seeks repayment of the debts. However, Kiev has its own argument.

First of all, according to the gas contract in question, each party has a right to initiate negotiations on changing the parameters if the energy market situation has significantly changed. Secondly, if Ukraine can prove that the contract was signed under pressure or as a result of deception or fraud, the contract can be revoked. On top of that, Kiev also intends to prove that Moscow's denouncement of the Kharkiv Pact is illegal. Although, this might be harder to prove: as Russia's deputy minister of foreign affairs Grigory Krasin explains, Russia bases its rejection of the pact on the Vienna Convention on the Law of Treaties articles 61 ("Supervening Impossibility of Performance") and 62 ("Fundamental Change of Circumstances"). Finally, Kiev intends to demand compensation from Russia for appropriation of Chernomorneftegaz (a Crimea-based gas company) as a result of Crimea's annexation.

The second aspect of the gas war is the market situation. Today, Ukraine expects to compensate for the potential gas deficit by purchasing gas from Europe (mostly Hungary and Slovakia) in the form of reverse shipments. As Ukraine's energy minister Yuri Prodan announced on June 25, a memorandum on "small reverse" gas supplies (22 million cubic meters per day) has already been signed with Slovakia, while a "big reverse" contract, which could provide up to 30 billion cubic meters per year, is coming soon. The price for the reversed gas might be \$150 lower than the price Ukraine would have to pay for transiting gas from Russia according to the existing contracts. The first reverse shipment is expected to occur on September 1, 2014.

A solution isn't that simple, though: as recently as March 2014, prime minister of Slovakia Robert Fico said that his country's priority is security of Russian gas shipments. "We've got no spare funds to support Kiev," he added. Today, negotiations between Ukraine and the EU are being held at a hastened pace, but even if their outcome



*Naftogaz CEO Andrey Kobolev (left) and Gazprom's CEO Alexei Miller are not ready to compromise yet.
Source: gazprom.ru*

is favorable for Ukraine, the reversed gas cannot fully compensate for the gas deficit that will emerge if Russia completely cuts its gas supplies to Ukraine. Besides, reverse gas shipments might be problematic from both technical and financial points of view: in order to ship even the minimum planned volume of reverse gas, new gas hubs should be built and the existing ones enlarged. Construction of new branches of the gas pipelines might also be needed. All of this requires enormous investment.

Moreover, on June 27, Gazprom's CEO Alexei Miller threatened that his company is prepared to impose restrictions on gas shipments to those European companies that participate in the "big reverse" through Slovakia. Such a move on the part of any European country will incur "all the ensuing consequences," he said.

Finally, the third aspect of the conflict is politics, and here the situation looks even more complicated. After the presidential elections in Ukraine and the rise of a new legitimate leader, the confrontation between Russia and Ukraine (which have been experiencing the most severe crisis in their history) decreased for a while; but they still failed to arrive at a dialogue. One of the reasons for this could be the differing expectations of both parties. The Kremlin expected the newly elected president Pyotr Poroshenko to take a softer stance on the situation in East Ukraine

and be more flexible during negotiations with Russia. And Poroshenko expected Moscow to take a few steps toward rapprochement by refraining from supporting separatists and making some concessions in gas negotiations. But instead of making concessions, the Kremlin moved toward further escalation of the conflict. Even the efforts of the European Commission (EC), which tried to act as an intermediary in negotiations, turned out to be fruitless. Russia and Ukraine have once again exchanged harsh words and voiced mutual accusations of "gas blackmail," ignoring the EC's proposed compromise of a phased repayment of Ukraine's debt.

According to Naftogaz CEO Andrey Kobolev, Ukraine won't need Russian gas until at least September. And considering that Ukraine has already pumped 14 billion cubic meters through its territory over the last two months for free, the country wouldn't need to buy Russian gas until December. It's hard to predict what course the situation will take in winter, but it is obvious that both parties are interested in resolving the issue over the fall. While Ukraine's motivation is clear, the major reason for Gazprom to end this war is to preserve its reputation as a reliable gas supplier to European partners. (It's worth recalling that cutting gas supplies during the previous gas war with Ukraine in the winter of 2009 cost the company 3 billion euros in penalty fees and allegedly enormous damage to its reputation.)

In a sense, the current gas war between Russia and Ukraine highlights fundamental issues that have developed between the two countries over the past decade, and this means that recovery from this crisis won't be easy. The next flare-up of the conflict can be expected this fall.

NATO Fumbles Ukraine



Donald N. Jensen

In early September, despite the ceasefire between pro-Russian separatists and official Kiev, the Ukraine crisis continued to escalate. As Donald N. Jensen, resident fellow at the Center for Transatlantic Relations, points out, NATO members have been holding back in their aid to Ukraine.

As NATO representatives met in Wales on September 4-5, the Ukrainian government and pro-Russian rebels signed a ceasefire deal that at least temporarily solidified recent territorial gains by the insurgents in Ukraine's increasingly bloody war. The agreement, made with the Kremlin's backing, appeared to be a first step toward the creation of a "frozen conflict" in Ukraine's east and south – a frozen conflict of the type Moscow has exploited in Moldova and Georgia to exert control over former Soviet satellites, thereby thwarting their prospects of joining the Western alliance. Ukrainian president Petro Poroshenko had gambled in recent months that Ukrainian forces could defeat the separatists without Moscow's direct intervention. But the absence of significant NATO or Western military help – as well as Moscow's commitment of manpower, equipment, and resources to the separatists – enabled the rebels to reverse government gains in the past two weeks.

On the eve of the summit, many experts believed that NATO was situated in one of the most pivotal moments in its history. Russia's actions in Ukraine reminded its members that the organization must still be prepared to manage its collective defense and practice effective crisis management, and that deterrence and reassurance are as important as ever.

Thus, two concrete issues confronted the participants in Wales: first, providing robust, sustained reassurance to the alliance's eastern members that their security would be ensured, despite Russian aggression; and second, finding effective ways to respond to emerging unconventional threats such as Moscow's mastery of asymmetrical twenty-first-century-style warfare, which has kept the West off balance for most of the crisis. The problem, as former UK diplomat Ian Bond recently wrote, is that since the beginning of the Ukraine crisis, Western leaders have repeatedly shown they do not have the will to use the means available to them to stop Russia's gross violations of international law.

Russia's escalation of the conflict in Ukraine as the alliance met, therefore, made a mockery of the NATO summit. The alliance supported Ukraine rhetorically, but the organization avoided committing to any significant aid. NATO promised to provide €15 million (\$19.4 million) to help in areas such as logistics, command and control, communications, and the rehabilitation of wounded troops, but the amounts are relatively small and will do little to meet Ukraine's need for better-trained manpower and modern weapons. NATO members verbally agreed to establish a future rapid-reaction force of about 4,000 men to deal with crises (and to a "continuous" rotational presence of an unspecified number of troops in Eastern Europe), but on the ground, Moscow was reacting even more rapidly to secure its interests. The proposed unit would do little to counter Moscow's use of asymmetrical warfare. The ceasefire terms also demonstrated that Russia is more willing than NATO to commit significant resources to secure its geopolitical goals in Ukraine.

Kiev has received so little Western assistance in large part because of NATO's caution about provoking Moscow. Most participants at the Wales summit awkwardly tried to avoid using the word "invasion" to describe Moscow's interference, since calling it such would imply the need to take stronger action. The scale of the Russian invasion in recent days was thus large enough to turn the tide, but small enough to allow NATO members reluctant to aid Ukraine to look the other way. Moreover, Crimea, illegally snatched by Moscow six months ago, was barely mentioned in Wales, as was the shooting down of a Malaysian airliner in July in circumstances that appear to implicate Russia, if only indirectly. An excess of timidity has also marked the U.S. approach. President Barack Obama said that in view of the Russian invasion, the U.S. and Europe would go ahead with another round of sanctions against Russia's energy, defense, and financial sectors, but the U.S. president then went on to

state that sanctions could be rolled back if the ceasefire becomes permanent and Moscow pulls back its troops. Far greater countermeasures were threatened by the alliance in June if Russian invaded, which Moscow – correctly counting on weak Western resolve – did anyway. In Estonia, prior to the summit, Obama gave an eloquent speech promising that an attack on a fellow NATO member is an attack on the United States, but after a week of "tough talk but soft actions" in Wales, Putin is unlikely to believe it.

Less than forty-eight hours after President Obama delivered his speech in Estonia warning that any aggression by Moscow against Estonia would trigger war with the U.S. and NATO, Russian security forces kidnapped an officer of Estonia's state security bureau at gunpoint and took him to Russia. Since a quarter of Estonia's population is ethnically Russian, concerns in the country are high that Putin might attempt some sort of aggression, as he did in Ukraine, to ostensibly "protect" the large population of ethnic Russians and native Russian speakers in those regions. NATO is rightly careful in the face of such talk, but its internal divisions and obvious reluctance to act have encouraged Moscow's bullying.

In a recent provocative essay, the eminent commentator Walter Russell Mead called the West's decisions on Ukraine "few" and "ugly," and called for an end to the "half-hearted dithering" that has passed for policy up to now. Either the U.S. (and its allies) can back Ukraine with enough weapons, money, or political will, or we can watch Russia devour as much of the country as it wants. (Prioritizing state-building in Ukraine is key.) Putin, he argues, has done an excellent job of demonstrating that NATO is a collection of "incompetent windbags" and that Obama is only as intimidating "as the teleprompter he reads from." Mead's personal criticism of Western leaders may be overly harsh, but he correctly highlights the link between a Putin victory in Ukraine and Russia's more general challenge to the international order. These challenges can likely best be met not within the cumbersome NATO structures, but by relying on coalitions of the willing – including Poland, the Baltic States, the UK, and some Nordic countries within and outside of NATO. Economic sanctions have their place, he concludes, but they are more often tools to help politicians look busy and tough while they in fact do nothing. ■

Will the New EU Team Challenge the Kremlin?



Elena Servettaz

On September 12, the United States and European Union imposed expanded economic sanctions on Russia, targeting its largest bank, Sberbank, and Rostec, a major defense conglomerate. Paris-based journalist Elena Servettaz discusses the possibility of EU's toughening stance on the matter.

In early September, at the NATO summit in Wales, Western leaders gathered to discuss expanded economic sanctions against Russia, and what the new team of European Union commissioners coming to office in November can do about Russian president Vladimir Putin's underhanded war in Ukraine. They appeared to have no illusions that they might come to terms with Putin on the issue.

Earlier this year the West responded to Russian aggression in Ukraine by imposing sanctions against Russia, including banning a number of Russian officials from entering the United States and EU, freezing their accounts, and targeting Russia's finance, energy, and defense sectors. Russia has retaliated with an embargo on a number of food products from the West. While Russian officials might get excited about the fact that the EU will be unable to export their apples, cheese, ham, and olives to Russia, the embargo doesn't come as upsetting news to most Europeans — prices for these food products in the EU will go down.

Despite the food ban, the biggest concern for most European leaders in this matter is not financial, but political: in particular, the threat of a damaged reputation. EU leaders are already looking for ways to protect their commercial interests — exploring opportunities in new markets and developing subsidies to compensate farmers for their losses. In France, following the escalation of the Ukraine crisis, the much-criticized Mistral deal with Russia was finally suspended in spite of possible penalties provided by the contract. The French authorities would rather deal with these penalties than face public disapproval.

Any Russian officials sneering at the hardships of EU farmers might be forgetting that the Russian economy is on the verge of recession. Capital flight in the first half of 2014 has reached

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\$75 billion, inflation is growing, and the ruble has hit a historic low. Russia's Central Bank has already raised its key rate several times, threatening credit rates. Car sales in the country have declined by 25.8 percent, and Russia's major airline carrier Aeroflot lost more than \$50 million in the first half of 2014 alone. Not so long ago, the Russian oil giant Rosneft was asking the government for 1.5 trillion rubles (\$40.5 billion) to repay its large debts.

In the pro-Kremlin media, the European Union has frequently been denounced as useless. For example, it's often been pointed out that the main weapon baroness Catherine Ashton, European Commission high representative for foreign affairs and security policy, would be employing against the Kremlin's atrocities was her expression of "concern," which could turn into "deep concern," if the Kremlin behaved especially badly. More than once, several European diplomats confided to me off the record that Ashton would never quarrel with Putin. Some say that, just like UK prime minister David Cameron, Ashton, also a British politician, would never risk impeding the free flow of Russian investments into the UK's economy.

Any Russian officials sneering at the hardships of EU farmers might be forgetting that the Russian economy is on the verge of recession. Capital flight in the first half of 2014 has reached \$75 billion, inflation is growing, and the ruble has hit a historic low. Since president-elect of the European Commission Jean-Claude Juncker unveiled his new team on September 10, though, it's become clear that the tone of the exchanges with Moscow will change. It seems that Juncker's new team will better meet the challenge of Kremlin aggression in eastern Ukraine. At the end of October, Federica Mogherini, the forty-one-year-old Italian

minister of foreign affairs, will succeed Baroness Ashton as head of European diplomacy. Mogherini's first issued statement has already triggered a strong reaction in the media. "The Kremlin acts against the interests of its own people," she said, calling Russia solely responsible for the existing sanctions against it. "Putin never stuck to the accord he had agreed to, not in Geneva, not in Normandy, not in Berlin," she also noted, showing that she understands who she is dealing with.

Another new appointee to Juncker's team is Donald Tusk, the fifty-seven-year-old prime minister of Poland, who succeeds Herman Van Rompuy as head of the European Council. Tusk is a historian and a former member of Solidarity, the Polish trade union movement. He has already claimed that he plans to build his relationship with Russia from a completely different perspective. Tusk named the Ukraine crisis as one of the key challenges to Europe's security, and he means to take harsh measures against Russia's aggression in Ukraine.

Tusk might have to put his words into practice soon, as Putin's appetite is growing by the day. The Russian president's recent comment on Kazakhstan's statehood caused a great stir: "President Nazarbaev made a unique thing. He created a state in a territory where the state never existed. Kazakhs never had statehood." It sounded as if, following a triumphant annexation of Crimea under the slogan "Crimea is ours," Putin might be looking to take part of Kazakhstan, too — for example, the part where the Baikonur Cosmodrome (the Russian space launch facility) is located. Baikonur is strategically important to Russia: even though Russia's space program has been in decline, Russia pays an annual fee of \$115 million for renting the cosmodrome from Kazakhstan.

Finally, there is one person on Juncker's team who will undoubtedly take a tough approach toward Moscow: the commission's first vice president, Frans Timmermans, the Dutch minister of foreign affairs who will succeed Neelie Kroes. After the crash of Malaysia Airlines flight MH17 over Ukraine, which killed 193 Dutch citizens, he gave a somber and eloquent speech before the United Nations Security Council that had a great impact on the audience and the public. Known for his moderate position toward Russia before the crash, Timmermans has changed his stance and is a valuable addition to the group of European politicians who will have it to prove that Europe's way of dealing with Russia is not limited to expressions of "deep concern."

How Legitimate Are Referenda on Independence?



Juliana Demesheva

The referendum that was held on the Crimea joining Russia, as well as the referenda on establishing Donetsk and Luhansk as “people’s republics,” raises the critical issue of the legitimacy of such separatist popular votes. Constitutional law expert and professor at the Higher School of Economics Juliana Demesheva explains the concept of a referendum and clarifies which referenda can be considered legitimate.



A referendum is one of the most common and popular forms of direct democracy and involves a direct expression of the citizens’ will on a given issue. It should be noted, however, that constitutional law does not define a referendum on independence as a separate concept from a referendum on any other issue. The closest thing to the former is a plebiscite, or a public opinion poll on the political status of the territory in which the polled citizens reside (Mishin 2013, 186).

Depending on the issue under consideration, referenda can be subdivided into the following types:

- Constitutional: concerning the draft constitution or amendments to the constitution
- Legislative: concerning draft laws, given that the constitutional system of the state provides for non-parliamentary procedures for the adoption of laws

- International law: concerning international issues

- Administrative: concerning governance and management issues, such as the alteration of administrative or territorial boundaries or the boundaries of the subjects of the federation

Distinguished from these four categories are consultative referenda, which allow lawmakers more flexibility in formulating a question and give citizens several response options. Typically, these referenda are used in cases in which a significant decision requires wider approval, not limited to that of members of the legislature (Mishin 2013, 188).

Referenda on independence do not constitute a separate group, but depending on the constitutional law of the country, an “independence referendum” may be included in one of the previ-

ously defined groups. For example, if implementing decisions on matters of state sovereignty, national integrity, or modifications to the form of government requires amendment of the existing constitution or adoption of a new constitution, such a referendum would be constitutional. If no amendments to the constitution are required, such a referendum might fall in the administrative category.

Despite the fact that the referendum is a form of direct democracy, its absence from the constitutional system of a country does not constitute an infringement of citizens’ political rights or a threat to the democratic rule of law. Thus, in 2012, the Venice Commission, an advisory body on constitutional law established by the Council of Europe, considered a request by Belgium that would make a referendum a mandatory step in the process of amending the constitution and concluded that a purely parliamentary constitutional review procedure – provided that any decision is made by a qualified majority of parliamentarians – is typical of the constitutions of European countries. (Similar procedures are set out in paragraph 2, Article 79, of the German basic law; Article 89 of the French constitution; Article 138 of the Italian constitution; Article 167 of the Spanish constitution; and paragraph 2, Article 44, of the constitution of Austria.) More rigid procedures to amend the constitution that provide for mandatory consideration of the issues at hand in a referendum are not the general rule and cannot be regarded as a European standard.

Another example was the ratification procedure for the European Union Constitution. Despite the general rule of the European Union, according to which such issues have to be decided in a national referendum, a number of countries (including Germany, Finland, Belgium, and Cyprus) ratified their constitutions to accommodate the new EU constitution exclusively using the parliamentary procedure and without the involvement of the population, since their national constitutions do not provide for the referendum.

Depending on the legitimacy of a country’s constitution, a referendum (or, rather, referenda) on whether a certain part of the country’s territory wants to secede to become an independent state is initiated by either regional authorities or the public. Thus, the question of the legitimacy of such referenda and the legality of their consequences invariably arises.

In what cases does a referendum, as a form of direct expression of the people's will, remain within the legal boundaries? For a referendum to be legitimate, two basic conditions must be met: it must be constitutional, and it must be lawful.

The Ukrainian constitution does recognize referenda as expressions of the will of the people. However, this does not automatically mean that any referendum is constitutional. A decision to secede from the rest of the country cannot be made by a local referendum.

For a referendum to be constitutional, it must be recognized by the country's constitutional system, the referendum initiative must originate from an individual or a body identified in the basic law, and both the decision to hold such a referendum and the content of the referendum must not contradict the state's constitutional principles or provisions.

For a referendum to be lawful, it must be administered in strict adherence with the procedures laid down in a special, usually organic (i.e., directly provided by the constitution itself) law. It is also essential that a referendum meet the basic democratic standards on holding referenda established by the Venice Commission in the "Code of Good Practice on Referendums." These standards include universal, equal, free, and secret suffrage; the provision of objective information by the authorities; neutrality of media coverage; and the inability of the authorities to influence the results of the popular vote.

It is the opinion of the Venice Commission that, according to the Ukrainian constitution, only a consultative referendum on greater autonomy would be acceptable in the Crimea.

It was on the basis of these criteria that the Venice Commission determined the legitimacy of the Crimean referendum in its "Opinion of March 16, 2014." In considering the question of whether the decision to hold a referendum was in compliance with the provisions of the Ukrainian constitution, the commission concluded that the constitution of Ukraine defines sovereignty and the territorial integrity of the country as fundamental principles of the constitutional system.

The Ukrainian constitution does recognize referenda as expressions of the will of the people. However, this does not automatically mean that any referendum is constitutional. In particular, Article 73 of the Ukrainian Constitution expressly states that questions concerning alterations to the territorial boundaries of Ukraine can be decided only by a nationwide referendum. Consequently, a decision to secede from the rest of the country cannot be made by a local referendum.

At present, any local referendum held in Ukraine would be considered unlawful. This legal

gap is the result of a law entitled "On All-Ukrainian Referenda" that was adopted on November 28, 2012, whereby the legislature lost the right to organize local referenda that had previously been provided by a 1991 law entitled "On All-Ukrainian and Local Referenda."

The ban on local referenda applies also to the Autonomous Republic of Crimea. It is the opinion of the Venice Commission that, according to the Ukrainian constitution, only a consultative referendum on greater autonomy would be acceptable in the Crimea. The commission emphasized that under the circumstances, it was not possible to hold a referendum in accordance with European democratic standards, which mandate that any referendum on the status of a territory should be preceded by serious negotiations involving all stakeholders.

The issue of the legitimacy of referenda on independence is closely related to the concepts of secession and self-determination. Those who

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support permitting a territory, which is an integral part of a state, to declare independence from the state tend to make their case by referring to the constitutional right to self-determination. In fact, they imply a right to secede. A report by the Venice Commission entitled "Self-Determination and Secession in Constitutional Law" helps distinguish between these concepts at the level of international law. According to this report, the term "self-determination" should be understood primarily as internal self-determination within the state's existing borders, and not as self-determination of individual territories through their secession, because such secession contradicts the constitutional principle of integrity. Exceptions to this rule are possible only to the extent that self-determination through secession is expressly provided for in the constitutional law of the state.

Membership in international associations is another important factor that determines the legitimacy of a referendum. Attempts by European Union member states to consider the secession of parts of their territories within the framework of European democratic standards could have some interesting consequences. Particularly revealing in this regard are the potential referenda on the independence of Scotland and on the Italian region of Veneto.

In the case of Scotland, the question of whether or not a secession referendum should be held was decided after years of negotiation involving all stakeholders. Despite the fact that the United Kingdom refuses to give up Scotland as part of its territory, on October 15, 2012, the British prime minister and the first minister of the Scottish government signed an agreement to hold a referendum on Scottish independence on September 18, 2014. In November 2013, the Scottish government presented a white paper outlining a draft structure of the state in the event of its separation from Britain. The main problems for the Scottish National Party, the body that initiated the referendum, are the desire to keep the British pound as the national currency of Scotland and the desire to confirm the country's membership in the European Union.

However, it turned out that these issues could not be resolved unilaterally. Britain would not allow Scotland to continue to use its currency, and the European Union stressed the binding nature and invariability of the procedures governing the acceptance of new member states, explaining that in the event that a new country is established as the result of secession from an existing member state, such a country must submit a new application for membership in the EU. It should be noted that the issue of "inherited" membership in the European Union already came up in regard to Belgium, where in 2010 Flemish nationalists who wanted to separate the kingdom into the states of Flanders and Wallonia won the

parliamentary elections. The country was on the verge of collapse, but the threat of the loss of EU membership proved the decisive factor in ensuring the preservation of the state's territorial integrity.

As to the separation of the Veneto region from Italy, a different plebiscite model was used. Since the separation of a territory from the state contradicts the Italian constitution, the question of the region's independence was put to a vote not in a constitutional and legal referendum, but in an informal vote that was conducted online as well as at polling stations set up by local administrations throughout the region. The outcome of the popular vote was not legally binding and was simply considered a guarantee of the population's approval of the political agenda of those who supported the secession of Veneto.

In general, the ultimate goal of using different models of referenda depending on the requirements of the national constitutional law is to get voters to clearly express their opinions on the form of government under which they live and to make sure the legitimacy of the results is not questioned.

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The Lessons of the First World War, or Why Putin's Regim Is Doomed



Alexander Yanov

Started 100 years ago, the First World War was one of the deadliest and most extensive military conflicts in the history of humankind. Tens of millions of people lost their lives, four empires ceased to exist, and new ones sprang into being in the aftermath of this war. Its echoes reverberate even to this day. The distinguished scholar Alexander Yanov reflects on the lessons of WWI.



WWI era poster of the Russian empire calling to buy war bonds. Photo: marxists.org

A war without ideology

The First World War was a striking war for its futility. Even 100 years have not been enough to fully evaluate what it precipitated and how grave its consequences were. All its legacies turned out to be fragile, vague, and deceptive.

The main lesson of WWI can be found in its lack of ideological foundation. There was no driving idea behind this lethal battle between the greatest European empires — nothing but geopolitical interests. There were imperial ambitions, imperial fears, and retaliation for long-lost battles during past imperial wars, but there was no ideology.

The powerful German Empire could not stand its rival, the British Empire, because it was Britain and not Germany that commanded power

over the seas and was the ruler of Europe (which then was the same as being the ruler of the world). The famous German geopolitical scholar Friedrich von Bernhardi wrote in his popular book *Germany and the Next War* (1912), "Either Germany will go into war now or it will lose any chance to have world supremacy." He also wisely remarked, "The law of nature upon which all other laws are based is the struggle for existence. Consequently, war is a biological necessity." Notice a remarkable similarity between Bernhardi's quotation, written early in the twentieth century, and the discourse of our contemporary Alexander Dugin, an ideologue of the Putin regime.

In the years leading up to the First World War, France failed to reconcile its feelings of shame and anger following its defeat by Prussia

in 1870. For many years, children in France would reiterate the words of the celebrated patriot Leon Gambetta, "Think of it always, but speak of it never." The driving vision of the French Empire was revenge on Prussia.

The Austro-Hungarian Empire was fearful of Serbia because of the support Serbia received from Russia. As Baron Conrad von Hötzendorf, chief of the Austro-Hungarian General Staff, would explain to Crown Prince Franz Ferdinand, "The fate of [the Austro-Hungarian] monarchy depends on whether South Slavs are united under our aegis or that of Serbia. In the second scenario, the Serbs will establish their own empire by seizing the entire Adriatic Sea coast and thus deny the Monarchy to have access to the sea." In response, the crown prince promised to think about how to transform the empire's dual monarchy into a tripartite monarchy by co-opting South Slavs and thus neutralizing Serbia.

For Serbs, such an outcome would mean that they would have to abandon their imperial hopes for a Greater Serbia. Even as early as 1908, while touring the Balkans, Pavel Milyukov, a Russian historian, political writer, and founder of the Constitutional Democratic Party, expressed the belief that Serbia was poised to start a war in Europe. His interaction with young Serbian soldiers allowed him to come to two crucial conclusions. First, "these young people show complete disregard toward Russian diplomacy." Second, "the expectations of an imminent war with Austria evolved into the sense of anxious willingness to get into the fight; while the prospect of victory seemed easy and apparent to achieve. This morale appeared so pervasive and undeniable that trying to debate these events would have been absolutely hopeless." In other words, the Serbs needed Russia as leverage in their attempt to bring down the dual Austro-Hungarian Empire and establish their own mini-state.

The English had their own plans. The British Empire did not want to give up its naval supremacy, because without it, this scattered kingdom would not be able to exist. Nor did it want to allow Germany to become the ruler of Europe. Germany was on a mission, however: the key idea of the Schlieffen Plan, authored by the head of Germany's General Staff, was a rapid, month-long takeover of France and a lightning-quick victory over the rest of Europe. The plan also included the in-

vasion of neutral Belgium – an outcome the Brits were eager to avoid, realizing that the occupation of Belgium would offer Germany a crucial base from which to launch an attack on the British Isles.

There is little doubt that in the current conflict in Ukraine, Putin's Russia, like al-Baghdadi's Islamic caliphate, is dealing with the fatal legacy of WWI. A century later, we are witnessing again a rigorous effort to piece together the Russian world, a task that, as history teaches, is bound to fail.

Russia seemed to be the odd man out in this company of ambitious empires, no one seemed to pose a visible threat to it. Apparently, British historian Dominic Lieven was correct in his observation that "from a rational point of view, neither the Slav project nor Austria's indirect control of Serbia nor Germany's control of straits would in the least justify the grave risk Russia took by having involved itself in Europe's war." Russia still nurtured the Slavophil dream of extending its dominion over Tsargrad (Constantinople), the Bosphorus and Dardanelles Straits, and even the warm waters of the Persian Gulf. The ambition to see these dreams materialized led Russia to enter WWI.

For this explosive blend of imperial ambitions, visions, and fears, Europe paid an outrageous and exorbitant price. Nine million soldiers, sailors, and pilots died during WWI. Three times as many men were crippled or otherwise disabled, while five million civilians were left dead in the aftermath of occupation, bombing, and famine. There were also other consequences of WWI that we must not forget, such as the Armenian genocide in Turkey in 1915 and the deadly influenza pandemic known as the "Spanish Flu," one of the most devastating pandemics in the history of mankind, which began in the last months of the war and took the lives of 50 to 100 million people.

Taken together, such was the price of the world war that lacked any ideological principles.

"Europe has gone crazy"

We cannot say, however, that no one could have predicted this nightmare. The first such person was Winston Churchill, a young Member of Parliament who had already experienced war firsthand in India, Sudan, and South Africa. On May 13, 1901, delivering a speech in the House of Commons, Churchill stated that "the wars of peoples will be more terrible than those of kings" and that such wars "can only end in the ruin of the vanquished and the scarcely less fatal commercial dislocation and exhaustion of the conquerors." In Churchill's opinion, Europe was facing exactly that kind of peoples' war.

When in 1916 the famous polar explorer Ernest Shackleton finally reached land after almost two years stranded among the Antarctic ice sheets, the first thing he asked was whether the turmoil in Europe, which had erupted when he was departing on his expedition, had ceased. The reply

he heard was: "It looks like it will never end; all Europe has gone crazy."

One year before, in 1915, Lieutenant Harold Macmillan, a future British prime minister, wrote to his mother that his soldiers "could never stand the strain of this war if they did not feel that this was more than a War – a Crusade, which will bring the end to all wars." The idea that war itself could be permanently ended could have served as the ideology behind WWI. However,

that ideology was quite ineffective, since it was unable to stop the revolutions in Russia and Germany from erupting and only proved Churchill's prediction of the dangerous "exhaustion of the conquerors". But the most important proof of this ideology's falsity was the fact that 21 years later, Europe was shaken by a new and bloodier war.

WWI's legacy

If World War I entered the annals of history as a senseless massacre and one of the greatest geopolitical tragedies in history, provoking revolutions and leading the world into WWII, the Second World War was conversely full of meaning. That was the first war in world history that was fought to protect the ideals of global freedom and that ended with the powers of Good triumphant over the powers of Evil.

Many will argue against such a sweeping statement. Even my opponents will agree that WWI brought havoc to four European empires, namely, the Russian, Ottoman, Austro-Hungarian, and German empires, and thus brought freedom to many nations. As a result of the demise of the Russian and Austro-Hungarian empires, Latvia, Lithuania, Estonia, Hungary, Czechoslovakia, and Poland gained their independence. Nevertheless, the results of this war were not so clear-cut. It seems quite possible that following the collapse of the Austro-Hungarian Empire, both Hungary and Czechoslovakia came to regret their independence when, together with Poland, they found themselves satellite states of the Soviet Union. So too may the Baltic states, which were simply annexed by the Soviet Empire, have come to regret their freedom.

If WWI was a war without an ideology, WWII saw the clash of three philosophies. One group fought under the twin banners of liberal and socialist principles, while the other group gathered under the nationalist banner. The problem of nationalism is that those countries that fought on its behalf could not step outside of their national interests. Even the Axis powers were governed by their national interests and displayed no urgency to help their partners at crucial moments. To think, Japan could have attacked the Soviet Union from the east while the German army was approaching Moscow! However, even the defeat of the Soviet Union would not have changed the results of the Second World War. Germany would not have been able to hold on to all of its gigantic conquests and would ultimately have collapsed under their colossal weight. Germany, with its nationalist ideology, was doomed to isolation and thus to inevitable defeat.

The breakdown of centuries-old empires always exacts high costs, producing a sea of blood. Even a century later, the aftereffects of WWI can be perceived in the fierce battles in Syria and Iraq. The borders of these states were arbitrarily drawn by the governments of the United Kingdom, France, and Russia (and later Italy) as part of the secret 1916 Sykes-Picot agreement, which aimed to define spheres of influence in the Arabic Middle East should the Ottoman Empire be defeated. This agreement, however, completely ignored the long history of violent feuds between the Sunni and Shiite Muslims. As a result, today the world must deal with individuals such as Abu Bakr al-Baghdadi, a self-proclaimed caliph of the so-called Islamic State of Iraq and Levant, who announced that he would "piece together the Sunni world" and challenge liberal democracy, the reigning ideology of the modern world. But al-Baghdadi's "caliphate" seems set to follow in the path of Hitler's Germany – it is doomed regardless of the number of local victories that al-Baghdadi might have. No one – not Al-Qaeda, not Saudi Arabia – will help him in the crucial hour of history.

Another direct consequence of WWI is growing nationalism and authoritarianism in Russia under Vladimir Putin's rule. Hastened by World War I, the Revolution of 1917 destroyed the Russian Empire; however, the Bolsheviks succeeded in piecing Russia together "with fire and sword." The scars remained, though. The Revolution of 1917 caused the world to break into two blocs that later confronted each other during the era of the Cold War. As soon as the Cold War ended, history repeated itself with the collapse of the Soviet Union. There is little doubt that in the current conflict in Ukraine, Putin's Russia, like al-Baghdadi's Islamic caliphate, is dealing with the fatal legacy of WWI. A century later, we are witnessing again a rigorous effort to piece together the Russian world, a task that, as history teaches, is bound to fail.

Russia's Political Prisoners



This project is dedicated to those prisoners in Russian jails, camps, and pretrial detention centers who were deprived of their freedom for political reasons.

Despite the fact that current Russian authorities deny that political prosecution occurs in the country, the majority of human rights activists, both in Russia and abroad, strongly disagree. According to the Memorial Anti-Discrimination Center in Moscow, as of August 7, 2014, 45 people in Russia were recognized as political prisoners. Supporting them and getting them released is a top priority for civic and human rights activists.

Mikhail Khodorkovsky, Russia's best-known political prisoner, said in December 2013, two days after his release: "You should not see me as a symbol that there are no political prisoners left in Russia. I am asking you to see me as a symbol that the efforts of civil society may lead to the release even of those people whose release was not expected by anyone. We must continue to do all we can to make sure that there are no more political prisoners in Russia or, for that matter, in any other country. I will do everything in my power to work towards this goal."

IMR believes that raising awareness about those individuals who have been prosecuted and found guilty for political reasons is a crucial element of the campaign for their release. Based on this belief, we have launched a series of articles portraying each of Russia's political prisoners.

The recognition of a person as a political prisoner signifies neither agreement with the views of this person, nor the approval of his or her statements or actions on the part of the Institute of Modern Russia.

Policy Analysis and Research Papers



This project aims to inform and educate Western policymakers, media, and think tanks on relevant issues of Russian politics by producing extensive policy analysis, research papers, and policy recommendations.

As part of this project, IMR and the Legatum Institute (London) jointly commissioned a series of studies to analyze the challenges of Russia's transition from the former Soviet Union. The first paper of the series was a study of Russia's postmodern dictatorship, and following works were dedicated to corruption issues in Ukraine, Georgia, and Moldova. All these papers became the basis for panels in London and Washington, DC (the latter co-sponsored by the National Endowment for Democracy).

The most recent IMR paper (the working title is "The Kremlin's Information War") explores the uses of Russian propaganda and disinformation and how the Kremlin is winning the informational war against the West. Examining issues from the RT/Ruptly news organization to the use of government-organized non-governmental organizations (GONGOs) that focus on the supposed plight of ethnic Russians in the diaspora and the Kremlin's reliance on the supposed threat of "Fifth Columnists" in the European and American business and political establishments, the paper explores just how saturated Western public has become with Putinist rhetoric and lines of argument. The paper also suggests ways for both the United States and Europe to push back against "weaponized information." It will be presented in the fall of 2014.

IMR is also collaborating with the Political Capital Policy Research and Consulting Institute (Hungary) to prepare a study that will identify the relevant connections between European stakeholders (mainly on the far right and the far left) and the Kremlin. One of the major goals of this study is to identify the means and mechanisms of Kremlin influence in the European Union. This study further aims to expose and explain the intertwining interests of European politicians and the Kremlin. It will be presented in March 2015.

Public Outreach and Dialogue



Contributing to political discourse is an important part of our work. Speaking directly to policymakers, political analysts, the media, and the general public helps generate ideas and stimulate debate on a number of crucial issues regarding Russia.

IMR organizes conferences, roundtables, public talks, and presentations in the United States and other countries. Since 2011, the organization has sponsored events at the Harriman Institute at Columbia University that bring prominent Russian politicians, opposition members, policy experts, and opinion leaders together to address American policymakers and the public. These individuals have included Boris Nemtsov, Mikhail Kasyanov, Yevgeniya Chirikova, Maria Gaidar, Andrei Piontkovsky, and Liudmila Alekseyeva, among others.

IMR has also organized events, some of them in partnership with Freedom House and Foreign Policy Initiative, on Capitol Hill in order to bring U.S. policymakers' attention to the crucial issues of the West's relationship with Russia. Past speakers have included Sen. Ben Cardin; Rep. Jim McGovern; European Parliament members Guy Verhofstadt, Kristiina Ojuland, and Edward McMillan-Scott; Freedom House president David Kramer; Lithuanian ambassador to the United States Žygimantas Pavilionis; and Lantos Foundation president Katrina Lantos.

Recently, IMR has started teaming up with universities throughout the United States to provide guest lectures to classes with a focus on Russian politics and foreign relations. Lecturers will include members of the IMR staff and experts from outside the organization. This fall, guest lectures will be delivered to the Department of Political Science at Shippensburg University of Pennsylvania, the University of Michigan Law School, and Virginia Tech's International Studies Program. The lectures will focus on the nature of Russian governance and public sector reforms, and the multiplicity of dimensions of Russian patriotism.

IMR also regularly participates in the annual conventions of the Association for Slavic, East European and Eurasian Studies (ASEEES), presenting research papers on Russian alternatives to liberal democracy, corruption, protest movements, and the impact of authoritarianism in Russia.

IMR Review



Since 2011, the Institute of Modern Russia has been developing its analytical digital publication IMR Review (www.imrussia.org), featuring original, high-quality content in both English and Russian. Its goal is to guide our audience through the intricate ways of Russian politics, to debunk major stereotypes, and to dismantle myths created by Kremlin propaganda. We seek to establish a genuine platform for discourse that can bring Russians and Americans together, engage them in a dialogue, and promote mutual understanding.

IMR Review focuses on a variety of the major issues surrounding Russia – domestic policies, the economy, law, public life, and Russia's role in the world. In recent months, IMR Review has covered and analyzed a number of topical issues, such as the Ukraine crisis, the annexation of Crimea, economic sanctions, Russia's gas policies, Russian patriotism, and the history of Russian nationalism. Our editorial team is composed of distinguished scholars, political analysts, and professional journalists.

In September 2014, IMR relaunched its corporate website, imrussia.org, and updated its logo. Substantial changes were made to the website layout, structure, and navigation, as well as its mobile version. The best articles that were originally featured at imrussia.org are also republished in a quarterly print version of IMR Review.

The Interpreter



The Interpreter is an online magazine produced by IMR that is dedicated to translating Russian-language news articles, editorials, and blog posts. In this sense, The Interpreter complements the research and articles published by IMR at imrussia.org.

The idea for The Interpreter came from Russians who believe that journalists, policymakers, analysts, and interested laymen in both the United States and Europe would benefit from a clearinghouse of unfiltered and unexpurgated Russian content. Too often, the stories about Russia that are reported in the United States are oversimplified and incomplete, while their heart can only be found in news that is reported solely in Russian. The Interpreter relays many of these stories in real time. Occasionally stepping out of its role as mere translator, this online magazine offers its own commentary on the material it translates through reportage, interviews, and special reports that analyze broader trends and themes.

The Interpreter was launched on May 1, 2013, by IMR and the Herzen Foundation. The project was immediately hailed as both well timed and long overdue. In its first year, The Interpreter has been read by hundreds of thousands of people from all over world – including journalists, human rights groups and policymakers – and its content has been cited by The New York Times, The Los Angeles Times, The Guardian (where its work is syndicated as part of the Post-Soviet States network), Business Insider, The Atlantic, The Diplomat, Index on Censorship, Journal of Democracy, and Foreign Policy.

Since February 2014, The Interpreter has become an international “must-read” for breaking news on Ukraine; its reporting and analysis has been solicited by presidents, ambassadors, NATO and the U.S. State Department. Journalists have routinely turned to it as an invaluable resource for understanding a highly complex conflict. More than anything, The Interpreter has been credited with debunking Kremlin propaganda and disinformation about the Euromaidan protest movement; establishing Russia’s military operations in Crimea, and also breaking news pertaining to Russia’s ongoing yet still-denied warfare in east Ukraine.

The Faces of Russian Patriotism



Research on patriotism and its manifestations in modern Russian society is both relevant and timely. To examine how the Russian public understands patriotism today, the Institute of Modern Russia launched a project entitled “Faces of Russian Patriotism,” which is dedicated to studying this phenomenon.

As part of this project, IMR developed a research paper entitled “What’s in a Name? Understanding Russian Patriotism.” A portion of the data used in this paper was collected in collaboration with the Levada Center, Russia’s leading polling organization. An omnibus (nationwide) survey on Russian patriotism was conducted in February 2014. Preliminary results were presented at a panel organized by IMR and entitled “The Meaning of Patriotism in Post-Soviet Russia” as part of the World Convention of the Association for the Study of Nationalities (ASN), held at Columbia University.

Another part of this project takes a more intimate and artistic look at Russian patriotism. In 2013, IMR commissioned New York photographer Misha Friedman to conduct a visual exploration and cultural study of the concept of patriotism in contemporary Russia. Through photographs of and interviews with people from all walks of life throughout Russia, ranging from pensioners and paratroopers to students and businessmen, Friedman seeks to explore the random collection of ideas that compose the Russian conception of patriotism today. Portraits, interviews, and audio clips are presented on an interactive website that was launched during the summer of 2014.

They Chose Freedom: The Story of Soviet Dissidents



They Chose Freedom, a four-part documentary film written and produced by Russian historian and television journalist Vladimir V. Kara-Murza, tells the story of the dissident movement in the USSR from its emergence in the 1950s until the collapse of the Soviet dictatorship in 1991. Public readings of banned poetry in Mayakovsky Square, the development of samizdat (underground publications), the 1965 and 1968 opposition demonstrations in Moscow, and the harsh repressions unleashed against dissenters by the Communist regime – including forced psychiatric “treatment,” prison camps, and exile – are chronicled in this documentary.

The film is narrated primarily through interviews with prominent Russian dissidents: Elena Bonner, Vladimir Bukovsky, Vladimir Dremlyuga, Viktor Fainberg, Natalia Gorbanevskaya, Sergei Kovalev, Naum Korzhavin, Eduard Kuznetsov, Pavel Litvinov, Yuri Orlov, Alexander Podrabinek, Anatoly (Natan) Sharansky, and Alexander Yesenin-Volpin. In the final episode, these individuals offer their thoughts on the current situation in Russia under Vladimir Putin and share their expectations for the future.

Public screenings of They Chose Freedom (in Russian) have been held in Moscow, Yekaterinburg, and Cambridge, Massachusetts.

In 2013, for the 45th anniversary of the 1968 Red Square demonstration against the Soviet invasion of Czechoslovakia, the Institute of Modern Russia sponsored the translation and English-language production of They Chose Freedom as part of its commitment to preserving the legacy of those who have dedicated their lives to the struggle for freedom, human rights, and the rule of law in Russia.

The film screenings in English have taken place in New York, London, and Washington, DC. Further screenings are planned for the University of Wisconsin–Madison, Budapest, and Canada.

Anticorruption Campaign



Corruption is without a doubt the most topical issue in Russia today, with destructive effects on the national economy and public institutions. The National Anticorruption Committee estimates the corruption market in Russia at around \$300 billion a year, while human rights activists claim that corruption accounts for up to 50 percent of

the country’s GDP. Transparency International ranks Russia 122nd of 177 countries in its 2013 Corruption Perceptions Index.

IMR seeks not only to expose the scale of the corruption, but also to make people think of the consequences of corruption practices. Most Russians have grown to believe that corruption is an inevitable evil, and even those who recognize its absurdity nonetheless cannot imagine their lives without it.

As part of its anticorruption efforts, IMR commissioned Photo 51: Is Corruption in Russia’s DNA? This project, which examines the deep, underlying roots of corruption in Russian society, consists of a series of photographs taken by Misha Friedman, a renowned New York photographer, in various parts of Russia. “Photo 51” was a nickname for the first X-ray diffraction image taken in 1952 that provided a breakthrough for researchers trying to model the structure of DNA. In today’s Russia, corruption has penetrated to the very core of society and, metaphorically speaking, has become a part of the country’s DNA.

In March 2013, the Photo 51 exhibition premiered in New York at the 287 Spring Gallery. In October, it was showcased at the Tallinn Portrait Gallery in Estonia as part of the Prison and Freedom exhibit dedicated to Mikhail Khodorkovsky. After that, the project was featured at the Mediaudart Festival in Moscow. Currently, IMR is working with the University of Michigan to showcase Misha Friedman’s exhibit in Ann Arbor’s Work Gallery in May 2015.



The Institute of Modern Russia (IMR) is a nonprofit, nonpartisan public policy organization — a think tank — based in New York. IMR's mission is to foster democratic and economic development in Russia through research, advocacy, public events, and grant-making. We are committed to strengthening respect for human rights, the rule of law, and civil society in Russia. Our goal is to promote a principles-based approach to US-Russia relations and Russia's integration into the community of democracies.

IMR is a federal tax-exempt Section 501(c)(3) public charity, incorporated in New Jersey