A Power Vertical Policy Brief

THE SPOILER:

Containing A Revisionist Russia

by Brian Whitmore
Not since Ronald Reagan took the oath of office in January 1981 has a U.S. president entered the White House with a more adversarial relationship with Moscow than the one President Joseph R. Biden inherited. But unlike Reagan, who came to office with the entire U.S. national security infrastructure and the transatlantic alliance calibrated to containing the Soviet Union, the new administration will need to reconstruct that architecture almost from scratch. This policy brief aims to propose a new grand strategy for containing the security threat emanating from the Kremlin.
The United States and its allies face a broad, deep and evolving threat from a revanchist Russia. The Kremlin seeks to weaken the rules and norms of the international system, undermine the cohesion of NATO and the European Union, corrode democratic institutions and processes in the West, and establish what the Kremlin sees as a “privileged sphere of influence” in the former Soviet space.

This threat is not unique to Vladimir Putin’s regime and it will not go away when Putin eventually departs the scene. Instead, it is a direct outgrowth of Russia’s authoritarian domestic political system, which is based on webs of informal patronage networks, unwritten codes, and complex kleptocratic clan structures. The corruption flows abroad too, through monopolistic oil and gas exports, preferential trade deals, money-laundering and organized crime. This weakens public confidence in government in neighboring countries and also creates direct opportunities for the Kremlin to influence decision-making. Not only is kleptocracy a vector of influence for Russia’s imperial expansion, but the Kremlin views good government in ex-communist countries as a threat to the regime’s internal stability. A key goal of Kremlin policy, therefore, is to undermine good governance within its neighbors and beyond. Democracies on Russia’s borders that espouse transparency and accountability represent an existential threat to the sustainability of a regime dependent on corruption.

The conflict between Russia and the West is at its essence a standoff between two normative systems; a Western one based on institutions, transparency, accountability, the rule of law, individual rights, and the sanctity of contracts; and a Russian one based on the subordination of law to power. The struggle pits a system that plays by the rules against one that plays with the rules.

Russia is not a monolith and its politics are not stagnant. Putin’s regime is crossing an important and potentially perilous watershed. Its shaky handling of the covid-19 pandemic has eroded Putin’s mystique of omnipotence and competence, caused rifts between the Kremlin and regional leaders, and weakened Russia’s already faltering economy. Amid this, and with Putin’s approval at historic lows, Russians recently approved constitutional amendments in a deeply flawed referendum that could potentially keep him in power through 2036. And most recently, nationwide street protests following the arrest of opposition leader Aleksei Navalny have rocked the Kremlin.

Whether this ultimately strengthens the regime, weakens it, or leads to its decline and fall, Russia is likely to remain revisionist, revanchist, and a security threat. The only question is to what degree. If the Putin regime is replaced with a figure who appears more “liberal” and open to accommodation with the West, we need to be clear eyed, vigilant, and skeptical.

The United States and its allies do not just have a Putin problem, we have a Russia problem — we have a systemic problem with the post-Soviet Russian state. Its revisionist and revanchist foreign policy transcends one Russian president or administration; rather, an underlying system of institutionalized corruption demands a foreign policy agenda that allows such a system to thrive. The long-term security challenge requires a strategic and coordinated transatlantic response, which we call “Hybrid Containment”: responding adequately to the military and non-military threats faced by neighboring states, both within and outside NATO, but also Kremlin political warfare directed against countries in the “old West”, including the United States. Fixing these vulnerabilities — to subversion, weaponized corruption and state-sponsored disinformation — not only increases resilience and deterrence against Kremlin aggression.

Corruption is the New Communism

The normative challenge emanating from Russia represents a severe — and possibly existential — threat to our democratic institutions, the security of the United States and its allies, and the stability of the international system. The West’s internal woes such as falling public trust, political polarization and international disunity cannot be blamed on Russia. But the Kremlin’s political warfare against the West exploits and intensifies these problems.

Unlike in the Cold War, when Western democracy and Soviet Communism were two hermetically sealed political-military-ideological blocs, today’s normative conflict is more multifaceted and is taking place in a globalized, integrated, and interdependent world. Amid the heady optimism of the early post-Cold War years, many in the West believed that only liberal and democratic values would spread on the backs of globalization and interdependence. To a large degree they have. But it has become painfully evident that illiberal values can also spread far and wide in an integrated world. A comparison with the Soviet Union is instructive here. The Kremlin in the Cold War era had few points of purchase in the world economy. Its information-warfare efforts mostly required sophisticated clandestine intelligence operations. Its representatives and proxies in the West were few in number and mostly subject to sustained scrutiny by counterintelligence services. None of these constraints apply to Russia now. Russian foreign trade allows it to build bastions of influence through preferential and politicized treatment of imports and exports. Lax treatment of onshore and offshore shell companies allows Russia to disguise its activities through impenetrable webs of corporate ownership. The internet’s built-in anonymity allows the frictionless and nearly risk-free spread of disinformation. Free movement of people across borders enables influence operations ranging from long-term espionage to assassination. The architects of globalization did not consider the way in which it could be weaponized by a revisionist power.
The currency of this system is graft. Russia’s rulers have historically used sanctioned corruption as a tool to control the elite.

Not only did we get globalization wrong: for the past three decades, all of our assumptions about Russia, that have underpinned U.S. policy since the end of the Cold War, have been wrong too. Since the early 1990s, we assumed that as Russia integrated with the global economy and joined international institutions, it would adopt and internalize the norms and values of the rules-based international order. That optimistic assumption underpinned repeated (and unsuccessful) attempts by U.S. and European policymakers to “re-set” their relations with Russia. The correct combination of incentives, carrots, and, if necessary, sticks, would, they believed, entice and nudge Russia into behaving like a status quo power that it wanted to be, under the leadership of officials we considered to be “reformers.”

In fact, Russia has proven to be incorrigibly revisionist. Increased integration with the West has not caused it to adopt Western norms and values. Instead, the opposite has happened. Russia has gained an opportunity to export antidemocratic and illiberal norms and values to the West. It is time to rethink our assumptions and our Russia policy.

Russia’s revisionism results from its domestic governance, which has been remarkably consistent from the Grand Duchy of Muscovy to the Russian Empire to the Soviet Union to the post-Soviet Russian Federation. For centuries, whether formally governed by Tsars and boyars, commissars and politburos, or presidents and parliaments, Russia has, in essence, always been ruled by informal patronage networks, unwritten codes, and complex kleptocratic clan structures.

The currency of this system is graft. Russia’s rulers have historically used sanctioned corruption as a tool to control the elite. Officials are permitted to seek rents and monetize their positions, so long as they remain politically loyal. The disloyal risk prosecution. Corruption is not a bug in the Russian system, it is a feature.

In a globalized world, this institutionalized graft has become a conveyor belt for Russian malign influence abroad. In a 2012 report for Chatham House, James Greene explained how Putin effectively weaponized corruption by turning it into an “extension of his domestic political strategy.” The carrot of corruption and the stick of kompromat (compromising material) are used to establish “a natural, captured constituency” of patron-client political relationships.

This represents a security threat to the United States and its allies. The fundamental features of Russian governance — patronage, duplicity, subterfuge, and arbitrary rule — are anathema to the West and its values of the rule of law, accountability and transparency. They provide a vector for Moscow to sow discord in the United States and other Western countries, interfere in elections, undermine cohesion of NATO and the European Union, corrode international institutions, and foster instability in regions like Latin America, Africa, and the Middle East.

These kleptocratic networks of influence and patronage, which operate in sync with traditional kinetic force, disinformation campaigns, cyber-attacks,
and the use of state-sanctioned organized crime groups, reinforce and facilitate Russia’s imperial ambitions to dominate the former Soviet space and extend Moscow’s power and influence beyond. The networks will spread beyond Russia’s borders, undermining the security of allies and partners and corroding Western democratic institutions, until they meet firm and coordinated resistance.

A New Grand Strategy

U.S. policy toward Russia should be formulated with three broad goals in mind:

1) Protecting the United States and its NATO allies from military, below threshold, or hybrid aggression from Moscow. This is most urgent for the Atlantic alliance’s frontline states that share a land border with Russia, are vulnerable to attack via Belarus, or are Black Sea littoral states sharing a sea border with Russia. These include Estonia, Latvia, Lithuania, Poland, Romania, and Bulgaria;

2) Finding creative ways to provide for the defense of non-NATO partners such as Georgia, Moldova, and Ukraine against military, below-threshold, or hybrid aggression from Russia. Ideally, this would be provided by NATO membership, but this is unlikely given the current politics of the alliance. Given this, other bilateral and multilateral formulas need to be crafted;

3) Shore up defenses against Russia’s non-kinetic political warfare against the United States, NATO allies, and non-NATO partners.

In short, U.S. policy needs to move away from seeking to change Russia and toward a policy of containing it. Indeed, crafting an effective policy response to the long-term security challenge posed by a revisionist and revanchist Russia requires reviving, updating, and building upon the containment doctrine that was the foundation of Western policy during the Cold War. Writing in 1947, the father of that doctrine, George Kennan called for “a long-term, patient but firm and vigilant containment of Russian expansive tendencies” with “the adroit and vigilant application of counter-force at a series of constantly shifting geographical and political points, corresponding to the shifts and maneuvers of Soviet policy.”

Kennan's containment doctrine, forged in the early days of the Cold War, was primarily military in nature. A new containment policy would certainly have a military component. The United States and NATO need to maintain and strengthen a credible deterrent to a kinetic threat from Russia on one of its members or partners.

But Moscow's broader threat to the West is also purely non-kinetic. It's essentially a civilizational challenge to the Western liberal order. It is a long-term political war. In a 2015 report, veteran Kremlin-watcher James Sherr noted that "two normative systems" have emerged on the Eurasian landmass, "the first based on rights and rules, the second on connections, clientelism, and the subordination of law to power." Vladimir Putin's regime, he added, "is applying its tools of influence to circumvent the European normative system and undermine it."

And toward this end, the Kremlin has taken advantage of Russia's integration into the global economy to undermine the West's institutions. This has effectively allowed the Kremlin to weaponize globalization. Moscow has weaponized international finance and business to establish a pro-Moscow lobby abroad. It has weaponized corruption to capture Western elites and make them dependent on Moscow. State-backed organized crime groups have been used to carry out unsavory tasks like arms smuggling and assassinations with plausible deniability for the Kremlin, as well as generating untraceable black cash that can be used to finance black ops.

It has sponsored and unleashed an army of trolls to poison discourse in Western media and conducted a series of brazen cyberattacks on Western targets, And it has weaponized electoral politics by supporting and financing extremist parties like Marine Le Pen’s National Front in France, Lega Nord in Italy, and AfD in Germany.

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Russia poses a comprehensive and joined-up threat that combines kinetic and non-kinetic assaults, and it requires a comprehensive and joined-up response. Kennan’s 20th century military containment needs to be revised and updated to a hybrid containment of the 21st century that would defend the United States, its allies, and partners from both the kinetic military threats like that faced by Ukraine and the non-kinetic threats being unleashed against Western Europe and North America. Nothing short of the survival of the West’s democratic institutions as we know then are at stake.


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The Components of Hybrid Containment

The main components of a policy of hybrid containment would include, but not necessarily restricted to, the following:

1. **Getting the kinetic piece right**

   **by strengthening military deterrence in Eastern and Northern Europe and the Black Sea.** Military deterrents to protect NATO allies who, due to geography and proximity, are vulnerable to Russian military aggression needs to be augmented. NATO’s Enhanced Forward Presence in the Baltic states, Poland, and Romania should be beefed up with more boots — preferably American boots — on the ground and potentially with permanent military bases. The United States also needs to work to establish a consensus within NATO to establish a more permanent presence on the Black Sea, possibly in the form of the Black Sea Flotilla that was debated at the 2016 Warsaw Summit. Such a force has the strong backing of Turkey and Bulgaria.

2. **Recognizing the importance of the security and independence of Georgia, Moldova, and Ukraine.**

   The normative struggle and the war of governance between Russia and the West is most pronounced in the former Soviet republics of Georgia, Moldova, and Ukraine. If these three countries can establish successful, transparent, accountable, and democratic governance; if they can develop prosperous economies; and if they can become firmly embedded in Western institutions; this would not only improve the lives of their citizens markedly, but also strike a potentially fatal blow to the authoritarian kleptocratic system the Kremlin is attempting to spread. In this sense, Georgia, Moldova, and Ukraine are the West Berlins of our time and should be treated as such. This means devoting serious resources to incentivize and assist reform-minded officials and civil society activists in these countries to combat corruption and establish transparent accountable government. A Marshall Plan-style program could transform these countries, reshape the geopolitical map in the former Soviet space in the West’s favor, and generate goodwill and soft power that would endure for generations. The United States should also renew its efforts to get Georgia and Ukraine admitted to NATO, something that was promised at the 2008 Bucharest Summit. Barricading that, new bilateral and multilateral formulas need to be crafted to provide security for these three vital partners. Moreover, these countries are not just consumers of Western security, but are also potential contributors. Georgia and Ukraine, in particular, can provide vital anchors for Black Sea security.

3. **Learning from the frontline states.**

   Pay attention to what Russia does to its neighbors today, because it is often a harbinger of what it will do to countries farther West tomorrow. The Estonians, Lithuanians, Georgians, and Ukrainians were all getting hacked by the Russians before it became common in the West. They have faced disinformation and electoral meddling before these things were on our radar. And because of this experience, these frontline states have developed best practices that the United States and NATO can learn from. Lithuania and Estonia have developed stellar cyber defenses and counter-disinformation strategies. Georgia has successfully neutralized Russian organized crime groups on its territory. And due to their experience fighting Russia in a hot war in the Donbas, Ukraine’s armed forces have amassed experience and firsthand knowledge about Russia’s battlefield tactics.

4. **Expanding the national security discussion.**

   The national security discussion needs to be expanded beyond the defense arms of government. This means closely integrating finance, law-enforcement, and regulatory agencies into national security structures on both sides of the Atlantic and in transatlantic institutions. As Sherr notes: “Unless nondefense arms of government (judicial, financial, regulatory) understand the defense and security implications of their responsibilities, they will not be fit for purpose.” NATO, for example, could consider expanding its ministerials, which currently include just defense and foreign ministers, to also include finance and interior ministers.

5. **Cleaning up the City of London and the State of Delaware.**

   In many ways, hybrid containment begins at home. Any serious effort to mount a defence against Russia’s non-kinetic political assault against the West needs to prioritize domestic reform in the finance and regulatory areas. This means tightening up beneficial ownership and anti-money laundering legislation on both sides of the Atlantic and in transatlantic relationships. Most legislation on these matters was drafted in another era and did not anticipate hostile outside powers exploiting loopholes to corrode our institutions.

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2Sherr, “The New East-West Discord: Russian Objectives, Western Interests.”
Moreover, since the end of the Cold War, Western societies in general and the United States in particular, have deregulated their economies to an extent that is now a security threat. Putin did not invent shell companies, offshore banking, or money laundering. But he is using these things to undermine Western security.

6. Strengthening and updating the Foreign Agent Registration Act. The Foreign Agent Registration Act, which was passed in 1938 to combat Nazi propaganda, needs to be reformed, refined, and fine-tuned with an eye toward today’s threats. In a recent article, Nick Robinson of the International Center for Not-For-Profit Law wrote that: “FARA is so poorly written, and the stigma of being labeled a foreign agent so great, that just increasing enforcement without reforming the underlying law is likely to lead to confusion and abuse.” Australia recently updated its foreign agent legislation with an eye toward addressing today’s threats.

7. Establishing an early-warning-and-response system for non-kinetic threats. We have early-warning systems for terrorism. We have early-warning systems for nuclear war. We need an early-warning system for hybrid threats. Part of this needs to be aimed at detecting when a non-kinetic attack such as cyber assault or disinformation is a move to prepare the battlefield for kinetic warfare. In Russia’s attacks on Ukraine and Georgia, for example, cyber and information warfare preceded military invasions. In other cases, such non-kinetic attacks are part of a long-term political war that will not go kinetic, but is nevertheless damaging. Just as the U.S. armed forces use the Defense Readiness Condition, or DefCon, to determine alert levels for kinetic threats, a new updated system of alert levels need to be established for Putin’s non-kinetic warfare.

8. Enhancing deterrence. From kinetic aggression in the former Soviet space to non-kinetic political warfare against Western democracies, Russia has been able to operate without fear of serious retaliation. An effective and credible deterrent needs to be established, specifically in areas where the U.S. and its allies have hegemony and escalation dominance -- most notably in the financial sphere. Effective policies in this toolkit could include snap financial exercises that demonstrate and publicize how the United States and its allies will seize and freeze assets in the event of Russian aggression (kinetic or non-kinetic) and snap cyber exercises that demonstrate and publicize retaliatory measures that the United States and its allies are capable of taking in the event of Russian aggression (kinetic or non-kinetic). Effective deterrence also needs to keep “nuclear” options on the table such as banning the buying and selling of Russian sovereign debt in US dollars, CoCom style export restrictions, and full blocking sanctions including potentially a SWIFT ban.

9. Punitive Measures Against Russia’s Proxies and Cutouts. Much of Russian foreign policy is carried out through proxies and cutouts who are not formally connected to the Russian state. Effective policy remedies to this should include sanctioning Russia’s human assets who are undermining the sovereignty of U.S. partners in the former Soviet space, such as Bidzina Ivanishvili in Georgia and Viktor Medvedchuk in Ukraine. They would also include naming, shaming, stigmatizing and intimidating Kremlin-connected oligarchs such as Yevgeny Prigozhin and Konstantin Malofeev who help finance Russian military aggression through proxies and mercenary armies. In addition to sanctions, such figures could be stigmatized with a “sponsor of terrorism” (or similar) designation.

10. Revive the Active Measures Working Group. The Active Measures Working Group was an inter-agency body created in 1981, early in the administration of Ronald Reagan, to monitor and counter Soviet disinformation and malign influence. It included representatives from the Departments of State, Defense, Justice, as well as the CIA, FBI, and other government agencies. The group was disbanded after the end of the Cold War in 1991, given the levels of Russian malign influence, reviving and modernizing this concept would enhance the security of the United States and its allies.

From kinetic aggression in the former Soviet space to non-kinetic political warfare against Western democracies, Russia has been able to operate without fear of serious retaliation.
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The Dangerous Illusion of the Grand Bargain

The argument that the United States and its allies need to contain Russia runs counter to the view that the West needs to recognize and respect Moscow’s “legitimate” interests, most notably in the former Soviet space, and find accommodation. Implicit in this argument is the assumption that if the West accommodated Moscow in its backyard, then Russia would be more cooperative and less disruptive elsewhere.

The problem with this approach is it obfuscates what Russia’s goals and “legitimate interests” actually are. In the former Soviet Union, the Kremlin equates its own security with the insecurity of its neighbors. It views a fully sovereign Ukraine and a fully sovereign Georgia to be a security threat. Russia’s authoritarian kleptocratic system is threatened by transparent democracies on its borders. Therefore, negotiating and finding common ground with Moscow effectively means bargaining with and sacrificing the sovereignty of Russia’s neighbors. But Ukraine’s sovereignty or Georgia’s sovereignty is not the West’s to trade or give away. It belongs exclusively to the Ukrainians and the Georgians.

If the history of the first half of the 20th century teaches us anything it is that great powers bargaining with the sovereignty of small states is a slippery slope to war. A world of spheres of influence in which the sovereignty of small nations is negotiable and limited is a dangerous world in which a major war always looms. In a rules-based world order, where the security of small states is no less sacrosanct than that of great powers, we are all safer.

Recognizing Russia’s claim to a privileged sphere of influence in the former Soviet space also validates Moscow’s imperial ambitions. Russia has a poor conception of statehood outside the context of empire. Accommodating the Kremlin’s ambitions in Ukraine and elsewhere in the former Soviet space perpetuates and encourages Moscow’s imperial impulses.

Likewise, those arguing that the West should reach an accommodation with Russia to confront a rising China, which constitutes a greater long term-threat, underestimate the costs and overestimate the efficacy of such an approach. The cost of such a “deal” would undoubtedly be to give Russia a free hand in the former Soviet space in exchange for an alliance against the party-state in Beijing. In addition to the drawbacks of such a concession outlined above, such an outcome would surely spark instability in Eastern Europe and could bring Russian military power right up to the borders of NATO members Latvia, Lithuania, and Poland. A more effective approach to the Sino-Russian relationship would be for the United States and its allies to seek to exploit wedges between Moscow and Beijing, particularly in Central Asia.

For a recent example of this school of thought, see The RAND Corporation’s 2019 report, “A Consensus Proposal for a Revised Regional Order in Post-Soviet Europe and Eurasia,” and Samuel Charap and Jeremy Shapiro, “Why We Must Talk to Russia,” The RAND Blog, January 2, 2020.

VIGILANT & SKEPTICAL

“OUR CONFLICT WITH RUSSIA IS NOT SIMPLY GREAT POWER COMPETITION...”

The West’s conflict with Russia is systemic and normative and it transcends one ruler. It is a challenge we must meet.

In order to do this, we need to enhance deterrence of NATO’s Eastern flank, modernize our concept of defense to more effectively address non-kinetic and below-threshold threats, and we need to enact domestic reforms to enhance our ability to meet those threats. We also need to fully understand – and communicate – the normative dimension of this struggle. Our conflict with Russia is not simply great power competition – it is also a contest about values and governance in which our Western liberal institutions are being attacked like never before. The United States, its allies, and partners need to be clear and forceful in articulating the high stakes of this normative struggle.

When the Putin regime ends, and it will end sooner or later, it may be replaced with a figure who appears more “liberal” and open to accommodation with the West. If and when this happens, we need to be clear eyed, vigilant, and skeptical.

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