

RC THE RĪGA
CONFERENCE

2020



**POLICY
BRIEF**

**THE REVISIONIST:
WHY THE WEST HAS
A RUSSIA PROBLEM
AND WHAT TO
DO ABOUT IT**

Brian Whitmore

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POLICY BRIEF

2020

2020 began on a hopeful note, as all new years do. However, it soon changed to a year that brought us “the new normal” and a completely different understanding of “unusual times”.

Much has happened this year, beginning with the global pandemic, which affects all spheres of life – from healthcare, economy and politics to individual psychological aspects, not to mention the hectic U.S. presidential election campaign, unprecedented wildfires in Australia, the escalating conflict in Nagorno-Karabakh, the brutal and relentless suppression of peaceful protesters in Belarus in the wake of falsified presidential election, and all this against a backdrop where the international community also celebrated the 75th anniversary of the United Nations.

It has been estimated that a human brain processes about 70,000 thoughts daily, and 95% of them are the same as the day before. Small wonder that so many events are being framed in the context of Covid-19 this year, and thoughts are focused on it. However, this collection of Riga Conference Policy Briefs clearly demonstrates the complexity of international affairs and the fact that focusing on one of their facets is neither productive nor rational.

The influence of Covid-19 on international processes is quite considerable – starting from the questioning of World Health Organization’s operability and reputation, confusion in the European Union and the absence of resilience and solidarity, to an Infodemic, triggered by psychological factors and enabled by technology.

Meanwhile, the pandemic has not brought substantial changes to the Euro-Atlantic security policy in its classical sense. Russia has been pursuing large scale military exercises, developing its military capabilities and maintaining an active presence abroad. Strategic rivalry between the United States and China has spilled over from issues centering on the economy and international trade into an all-embracing ideological confrontation concerning values and technological dominance. The European Union has adopted its multiannual financial framework for 2021–2027 and approved a European Union Recovery Instrument; an intensive debate is underway on the goal of achieving climate neutrality by 2050, on digital issues, development of the Single Market, solutions to migration, as well as values and the rule of law.

I urge the reader to remain open and curious about a wide range of topics in international politics and pursue their broader interests. The desire to think critically about even the simplest of issues and tasks fosters the path towards both constructive and creative solutions. Let’s work for better times together!

Edgars Rinkēvičs
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The modern world is globally interconnected, and citizens, goods, and services are constantly moving. Therefore it is obvious to observers that Europe and the World at large are exceptionally vulnerable to the consequences of the world-wide pandemic which cuts contacts, affects business, halts economic activity and endangers the world security and peace.

Frequently, people and governments underestimate the probability of negative scenarios. Almost nobody was ready to face the sudden challenge of Covid-19. Many of us hoped for the best and totally ignored good old Murphy's Law, which says "if it can go wrong, it will go wrong". The same applies to international security issues.

Of course, there are well-known excuses why security and defence issues were not a top priority for state institutions and the public. There are numerous other issues like employment, infrastructure, education which seems more important than investments in defence or military. Younger European generations, particularly in the Western European societies, are overconfident that security is eternal and granted them for free. No wonder that under such conditions and dominating public opinion many countries across Europe are still acting naively when it comes to decision making about security and defence matters.

In the meantime, international organizations, which in many ways have been upholding the peace and post-World War II order, are increasingly dismantling or dismantled. Under such circumstances, in international relations, the role of the nation-states increases, and they are ready to rely on their economic power or even military might to reach their political goals.

Post-Cold War multilateralism is slowly shifting from institutionalism to realpolitik. COVID-19 crisis is only speeding up these changes. As an example, The World Health Organisation and the European Union, both of whom should have been at the forefront of a comprehensive international response to this pandemic, have largely taken a backseat while individual nations have responded unilaterally.

What are the ways to deal with increasing threats to global security posed by the nationalization of international politics? How to evade the principle that "Might is Right"? How to re-establish the working world order based on mutual agreement, justice, and humanity reflecting the realities and necessities of 21st. Century? These are only a few questions I hope we can tackle in Riga Conference, taking into account the number of prestige thinkers taking part in this event.

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With Moscow's tacit support, ethnic Russians in the Estonian city of Narva vote to declare autonomy and threaten to block rail lines, sparking fears of unrest. The Kremlin provides weapons and support to both sides in separatist conflicts in Georgia's Abkhazia and South Ossetia regions, destabilising its smaller neighbor. Russian officials and organized crime figures launder an estimated \$10 billion through the Bank of New York, corroding the U.S. financial system.

What all of these episodes have in common is that they happened not under the authoritarian and revanchist regime of Vladimir Putin, but during the purportedly democratic rule of Boris Yeltsin. They all happened in the 1990s under a Kremlin that was considered democratic, at a time when Russia's relations with the West were considered good, and when the United States and the NATO allies viewed Moscow as a partner. They all represented harbingers and early warning signs for serious security challenges that plague the West to this day.

What this suggests is that the West does not just have a Putin problem -- it has a Russia problem. It suggests that Moscow's revisionist and revanchist foreign policy transcends one Russian president, administration, or type of Kremlin regime. And it suggests that the security challenge emanating from Moscow is long-term and systemic -- and requires a long-term, coordinated, and systematic response.

The first step in forging such a response is recognizing that for the past three decades, all of our assumptions about Russia have been wrong. 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. We assumed that with the correct combination of incentives, carrots, and -- if necessary -- sticks, we would entice and nudge Russia into behaving like a status-quo power. We assumed that Russia wanted to be a status quo power. And we assumed that officials we considered to be Russian "reformers" could steer the country into the Western community of nations.

None of these assumptions, which have underpinned Western policy since

the end of the Cold War, have turned out to be correct. Russia has proven to be incorrigibly revisionist. Russia's increased integration with the West has not caused it to adopt Western norms and values. Instead, the opposite has happened - it has given Russia an opportunity to export antidemocratic and illiberal norms and values to the West. Our assumptions were flawed because we misunderstood and misread the nature of politics and power in Russia. We were fooled by the theater of Russian politics and missed its essence.

It is time to rethink our assumptions. And it is time to rethink our policy toward Russia. The security of the Transatlantic Alliance depends on it.

This is especially important to understand as the Putin regime goes through what appears to be an important and potentially perilous watershed moment and inflection point. The regime's 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, Putin's approval sits at historic lows, even after the Kremlin staged a deeply flawed referendum in July that would allow the Kremlin leader to remain in power through 2036.

THE DOMESTIC ROOTS OF RUSSIAN REVISIONISM

Regardless of how Russia's current political inflection point plays out; whether it strengthens the regime, weakens it, or ultimately leads to its decline and fall; Russia is likely to remain revisionist, revanchist, and a security threat with or without Putin. The only question is to what degree.

Fundamentally, this revisionism is a byproduct of the very nature of governance in Russia, which has been remarkably consistent for Russia's history, from the Grand Duchy of Muscovy to the Russian Empire to the Soviet Union to the post-Soviet Russian Federation. For centuries -- whether it has been formally governed by Tsars and boyars, commissars and politburos, or presi-

dents and parliaments -- Russia has, in essence, always been ruled by a web of informal patronage networks, unwritten codes, and complex kleptocratic clan structures. The formal institutions of governance are largely a facade.

In his seminal monograph on medieval Muscovy, "Muscovite Political Folkways," the late Harvard historian Edward L. Keenan noted that court culture was marked by "extreme forms of the ceremonial camouflage and secrecy" and "the assiduous production of 'noise'" in which "the realities of an informal, "corporate, and oligarchic political system were masked by a facade of complex protocol, hierarchic nomenclature, and ecclesiastical trappings elaborated with great inventiveness and false circumstance."¹ Keenan could have just as easily have been writing about the politics of Putin's inner circle and the contemporary Russian elite. Russian politics has always been defined by what the emigre political scientist Alena Ledeneva calls "sistema," a complex web of informal power networks, patron-client networks, unwritten codes, and sanctioned kleptocracy. In her 2013 book "Can Russia Modernize," Ledeneva writes: "This is not a system that you can choose to join or not – you fall into it from the moment you are born. There are of course also mechanisms to recruit, to discipline and to help reproduce it. In the Soviet Union there was more or less a consolidated state, whereas now it is impossible to disentangle the state from a network of private interests. Modern clans are complex. It is not always clear who is behind which interests."²

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. And if they are not, they are vulnerable to prosecution. Corruption is not a bug in the Russian system, it is a feature. When asked to describe the activities of Russia's rulers, Nikolai Karamzin, the poet, historian and courtier to Emperor Alexander I famously replied: "They steal."

1 Edward L. Keenan, "Muscovite Political Folkways," *Russian Review*, Vol. 45, No. 2, (April 1986): 129, https://www.jstor.org/stable/130423?seq=1#page_scan_tab_contents

2 Alena Ledeneva, *Can Russia Modernize? Sistema, Power Networks, and Informal Governance* (Cambridge: Cambridge University Press, 2013).

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 Russia's institutionalized corruption by turning it into an "extension of his domestic political strategy" of using the carrot of corruption and the stick of kompromat "to establish patron-client political relationships."³ According to Greene, "By broadening this approach to the corrupt transnational schemes that flowed seamlessly from Russia into the rest of the former Soviet space – and oozed beyond it – Putin could extend his shadow influence beyond Russia's borders and develop a natural, captured' constituency."

This represents a security threat to the Western alliance for several reasons. 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 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. They 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.

What this suggests is that Russia will remain surely a security challenge to the West even after Vladimir Putin departs from the scene. Russian political analyst and former Kremlin insider Gleb Pavlovsky notes that "despite his image as an all-powerful tsar, Putin has never managed to build a bureaucratically successful authoritarian state. Instead, he has merely crafted his own version

³ James Greene, "Russian Responses to NATO and EU Enlargement and Outreach," Chatham House Briefing Paper, (June 2012): 9, https://www.chathamhouse.org/sites/default/files/public/Research/Russia%20and%20Eurasia/0612bp_greene.pdf

of sistema, a complex practice of decision-making and power management that has long defined Russian politics and society and that will outlast Putin himself. Putin has mastered sistema, but he has not replaced it with 'Putinism' or a 'Putin system.' Someday, Putin will go. But sistema will stay." ⁴

In other words, the West doesn't have a Putin problem. It has a Russia problem. It has a sistema problem. And ironically, it was the end of the Cold War and the collapse of the Soviet Union -- the destruction of what Ledeneva called a "consolidated state" -- that has made sistema more of a security threat for the United States and its allies. During the Cold War, the Russian sistema was effectively hermetically sealed behind the Iron Curtain. But since the 1990s, it has been able to merge with globalized financial networks and infest Western economies and political systems.

The first hints of this came during the presidency of Boris Yeltsin, with the Bank of New York money laundering case in 1998-9, when an estimated \$10 billion in illicit cash, connected to Russian organized crime groups, was funneled through the venerable U.S. bank. ⁵ That case turned out to be a harbinger. In recent years, numerous Western banks, including Germany's Deutsche Bank, Denmark's Danske Bank, Sweden's Swedbank, Norway's Nordea Bank, France's Crédit Agricole, the Netherlands ING Group, and Austria's Raiffeisen have faced allegations of laundering illicit Russian money. ⁶

The sheer scale of Russian money laundering through Western banks illustrates how sistema has evolved and gone global under Putin. Pavlovsky notes that "under Putin, sistema has become a method for making deals among businesses, powerful players, and the people. Business has not taken over the state, nor vice versa; the two have merged in a union of total and seamless corruption." ⁷

4 Gleb Pavlovsky, "Russian Politics Under Putin: The System Will Outlast the Master," *Foreign Affairs*, (May-June 2016), <https://www.foreignaffairs.com/articles/russia-fsu/2016-04-18/russian-politics-under-putin>

5 Raymond Bonner and Timothy L. O'Brien, "Activity at Bank Raises Suspicion of Russian Mob Tie," *The New York Times*, (August 19, 1999), <https://www.nytimes.com/1999/08/19/world/activity-at-bank-raises-suspicious-of-russia-mob-tie.html>

6 "Factbox: European Banks Hit By Russian Money Laundering Scandal," *Reuters*, (March 8, 2019). See also, "The Russian Laundromat," *Organized Crime and Corruption Reporting Project*, (August 22, 2014), <https://www.reportingproject.net/therussianlaundromat/russian-laundromat.php>

7 Pavlovsky

Sistema's infestation of countries beyond Russia's borders is most pronounced, of course, in the former Soviet Union. The Kremlin has used murky energy schemes with opaque ownership structures like RosUkrEnergo, Eural-TransGas, and Moldovagaz as carrots to capture and control elites in former Soviet states like Ukraine, Belarus, and Moldova.⁸ Farther West, the Kremlin has deployed shifty shell companies like Vemex, an energy trading company with a dizzyingly opaque ownership structure ultimately leading to Gazprom, which has captured between 10-12 percent of the energy market in the Czech Republic and has ties to a pro-Russian lobby in that country's elite.⁹ Vemex is hardly the only such shell company operating in Western Europe. In testimony before the U.S. Senate's Foreign Affairs Committee in June 2008, the late energy analyst Roman Kupchinsky, former director of RFE/RL's Ukrainian Service said: "Gazprom, with the silent support of the Kremlin has set up 50 or so middleman companies, silently linked to Gazprom and scattered throughout Europe."¹⁰ In his testimony, Kupchinsky cited the Vienna-based Centrex group, owned by a Cyprus-based Holding company and RN Privatstiftung in Austria, as well as the Gazprom Germania network. Moreover, a September 2007 investigative report by German journalist Hans-Martin Tillack uncovered how Gazprom Germania was "something of a club for former members of the East German security services." Tillack wrote that "this is the story of an invasion. A massive campaign, planned well in advance. The General Staff is located far away in the east, in Moscow, the capital of Russia. The target area is Germany -- and the rest of Western Europe."¹¹

In addition to using shell companies and money laundering to build networks of influence in the West, the Kremlin also relies on another key component of Sistema -- organized crime. Putin's Kremlin has used organized crime to carry out the tasks it wants to keep its fingerprints off, including arms smuggling,

8 See Greene

9 Gregory Feifer and Brian Whitmore, "The Velvet Surrender," *The New Republic*, (September 17, 2010), <https://newrepublic.com/article/77397/russian-aggression-the-velvet-surrender-vladimir-putin-vaclav-klaus-czech-republic>

10 Oil, Oligarchs, and Opportunity: From Central Asia to Europe, Hearing Before the Committee on Foreign Affairs United States Senate, (June 12, 2008), https://www.foreign.senate.gov/imo/media/doc/061208_Transcript_Oil%20Oligarchs%20and%20Opportunity.pdf See also, James Kimer, U.S. Senate Hearing on Russian Energy, in robertamsterdam.com, (June 13, 2008), https://robertamsterdam.com/us_senate_hearing_on_russian_energy/

11 Hans Martin Tillack, "A Tale of Gazoviki, Money, and Greed," *Stern*, (September 13, 2007), <http://fliphtml5.com/asbl/ptbl>. See also, Robert Amsterdam, "The Gazoviki in Germany," robertamsterdam.com, September 17, 2007. (https://robertamsterdam.com/the_gazoviki_in_germany/)

assassinations, raising untraceable funds for black ops, or stirring up trouble in the former Soviet space. For example, Moscow relied heavily on local organized crime structures in its support for separatist movements in Transdnies-ter, Abkhazia, South Ossetia, Crimea, and the Donbas.¹²

In 2010, Spanish Prosecutor Jose Grinda briefed U.S. officials in Madrid about the activities of Russian organized crime groups in that country, informing them that the Kremlin used “organised crime groups to do whatever the government of Russia cannot acceptably do as a government.”¹³ According to one cable from the U.S. embassy, the prosecutor told the American officials that Putin’s Russia was a “virtual mafia” state where it was impossible to distinguish between the government’s activities and those of organized crime groups.¹⁴ In a widely circulated 2017 report, organized crime expert Mark Galeotti, author of the book *Vory: Russia’s Super Mafia*, noted “growing evidence of connections between such criminal networks and the Kremlin’s state security apparatus, notably the Foreign Intelligence Service (SVR), military intelligence (GRU), and the Federal Security Service (FSB).”¹⁵ He added that: “Organised crime groups have already been used by the Kremlin as instruments of intelligence activity and political influence and are likely to become an even greater problem as Russia’s campaign to undermine Western unity and effectiveness continues.”¹⁶

12 See Brian Whitmore, “Putinfellas,” Radio Free Europe/Radio Liberty, (May 3, 2016), <https://www.rferl.org/a/putinfellas-russia-putin-mafia/27713771.html>

13 U.S. Embassy Cables: Russia is a virtual mafia state, says Spanish investigator, *The Guardian*, (December 2, 2010), <https://www.theguardian.com/world/us-embassy-cables-documents/247712>

14 Wikileaks cables: Russia using mafia for its dirty work, *The Guardian*, (December 1, 2010).

15 Mark Galeotti, “Crimintern: How the Kremlin uses Russia’s criminal networks in Europe,” European Council on Foreign Relations, (April 18, 2017), https://www.ecfr.eu/publications/summary/crimintern_how_the_kremlin_uses_russias_criminal_networks_in_europe

16 *Ibid.*

TOWARD HYBRID CONTAINMENT

Due to the nature of its kleptocratic and authoritarian regime, Russia views transparent and stable democracies on its borders as a security threat and will use all the tools at its disposal to undermine them.

Western policy toward Russia should be formulated with three broad goals in mind:

1. Protecting the NATO allies from kinetic, 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, Western policy needs to move away from seeking to change Russia and toward a policy of containing it.

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. Kennan wrote that: "Soviet pressure against the free institutions of the western world is something that can be contained

by 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.”¹⁷

Kennan’s containment doctrine, forged in the early days of the Cold War amid the formation of two hermetically sealed and ideologically opposed blocs, 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 -- a military attack, hybrid or otherwise -- on one of its members or partners.

But Moscow’s broader threat to the West is also 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.”¹⁸

And toward this end, the Kremlin has taken advantage of Russia’s integration into the global economy to undermine the West’s institutions. This represents a crucial distinction with the West’s Cold War-era efforts to contain Moscow. Rather than a standoff between two hermetically sealed political-military blocs, today’s normative conflict is taking place in an integrated and interdependent world.

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

17 George Kennan, “The Sources of Soviet Conduct,” *Foreign Affairs*, (July 1947), <https://www.foreignaffairs.com/articles/russian-federation/1947-07-01/sources-soviet-conduct>

18 James Sherr, “The New East-West Discord: Russian Objectives, Western Interests,” *Clingendael Netherlands Institute of International Relations*, (December 2015), https://www.clingendael.org/sites/default/files/pdfs/The_New_East-West_Discord_JSherr.pdf. See also, Brian Whitmore, “Beyond Containment,” *Radio Free Europe/Radio Liberty*, (11, 2016), <https://www.rferl.org/a/beyond-containment-the-power-vertical-whitmore/27545950.html>

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.¹⁹

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.²⁰

It is 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 them are at stake

THE COMPONENTS OF HYBRID CONTAINMENT

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

- **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

¹⁹ Mark Galeotti, "Crimintern: How the Kremlin uses Russia's criminal networks in Europe," European Council on Foreign Relations, (April 18, 2017), https://www.ecfr.eu/publications/summary/crimintern_how_the_kremlin_uses_russias_criminal_networks_in_europe
²⁰ Anton Shekhovtsov, *Russia and the Western Far Right: Tango Noir* (London: Routledge Studies in Fascism and the Far Right, 2017), <https://www.tango-noir.com/>

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 Romania, but has faced opposition from Turkey and Bulgaria.

- **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. Barring 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.
- **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.

- **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."²¹ NATO, for example, could consider expanding its ministerials, which currently include just defense and foreign ministers, to also include finance and interior ministers.
- **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 crafting effective international regimes to combat financial malfeasance with an eye toward countering national security threats. Most legislation on these matters was drafted in another era and did not anticipate hostile outside powers exploiting loopholes to corrode our institutions. Moreover, since the end of the

21 James Sherr, "The New East-West Discord: Russian Objectives, Western Interests," Clingendael Netherlands Institute of International Relations, (December 2015), https://www.clingendael.org/sites/default/files/pdfs/The_New_East-West_Discord_JSherr.pdf

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.

- **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."²² Australia recently updated its foreign agent legislation with an eye toward addressing today's threats.²³
- **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 uses 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.
- **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

22 Nick Robinson, "The Foreign Agents Registration Act Is Broken," Foreign Policy, (July 22, 2019), <https://foreignpolicy.com/2019/07/22/the-foreign-agents-registration-act-is-broken/>

23 Kelsey Munro, "Australia's New Foreign Influence Laws - Who Is Targeted?" The Interpreter, (December 5, 2018), <https://www.lowyinstitute.org/the-interpreter/australia-new-foreign-influence-laws-who-targeted>

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.

- **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.

The West’s conflict with Russia is systemic and normative. And if Western democratic institutions and the rules-based post-Cold War international order is to survive this struggle, we need to win it decisively.



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 a great power competition – it is also a contest about values and governance in which our Western liberal institutions and values are being attacked like never before. The transatlantic community needs 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. The West's conflict with Russia is systemic and normative and it transcends one ruler.

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