Western treatment of Russia signifies an erosion of reason

Vlad Sobell
44 20 7597 8466
vlad.sobell@dir.co.uk

- The treatment of the murder of Alexander Litvinenko has provided further proof of the bankruptcy of the prevailing Western interpretation of Putin’s Russia. This paper shows that the theory can exist only with the suspension of the standard faculty of rational thinking. For example, President Putin was widely assumed to be guilty without any evidence being considered necessary.

- The causes of this alarming failure should be sought in the gradual ossification of Western liberal democratic ideology into an unbending orthodoxy. In particular, the orthodoxy is failing to accommodate the spontaneous, internal liberation in Russia and China, treating them as anti-democratic. However, the costs of this failure will grow, in proportion with the economic weight of these post-totalitarian giants.

- The examples of Russia and China show that continuity and evolution may be preferable to discontinuity. These lessons should have been incorporated in the West’s strategy in the Middle East and Afghanistan, where a futile struggle against civilisational continuity is being waged.
Western faculty of reason under attack?

Recent weeks have witnessed new levels in the long-standing incomprehension – actually often deliberate misrepresentation – of contemporary Russia. Following the (apparent) murder in London of former FSB officer Alexander Litvinenko, the bulk of Western media and officialdom promptly concluded that the obvious culprit was President Putin, allegedly eager to send a tough message to exiled “dissidents”.

Although some of the more serious media stopped short of actually implicating the Russian president directly, they still joined in the general chorus, which placed the murder firmly at Putin’s door, either because it was in his interests to intimidate his enemies or that he has created a climate of lawlessness as well as the structures, with the mission to commit such outrages at the president’s behest. The idea is that Putin merely needs to blink or nod – or perhaps even just think the thought! – and the said murderous commandos spring into action. In case anyone still had doubts, the conclusive proof that Putin killed Mr Litvinenko, was the fact that the victim said so himself on his deathbed. The assumption here is that dying people would not possibly tell lies.

The idea that Putin or his underlings actually may not have killed Litvinenko, or that his murder may have been committed by the regime’s enemies (or have been an accident), received only cursory attention, and tended to be treated with disdain. Indeed, anyone cautioning that judgement be postponed until the case is properly investigated risked being dismissed as an apologist of (increasingly murderous) authoritarianism.

Bizarre episodes of this kind come and go. Unfortunately, as documented by the Politkovskaya and now Litvinenko murders, they will likely continue to come, as the culprits have now been amply reassured that their deeds help to rattle the regime ahead of the crucial presidential election in early 2008. But what most likely will not go away is the catastrophic lapse of reason on the part of Western commentary. Apparently, in the developed democracies evidence is no longer needed for the journalistic community to swiftly conclude that the head of state of a major global player stands guilty of murder – and not just an ordinary murder, but one committed by bizarre, unimaginably evil methods. A new era has commenced.

This is an issue of utmost importance. More than any other of its attributes, it is the tradition of disciplined, rational, sceptical thought, underpinned by rigorous examination of facts, which has made the West the most successful modern civilisation. Yet, alarmingly, the treatment of Putin’s Russia suggests that this faculty is now being surrendered. It is as if the FSB has developed a new secret weapon. Forget about Soviet tanks, gas, blackmail and polonium. Neutralise the West’s most precious asset – its ability to think straight – and hey presto, the Kremlin’s global domination is assured.

The belief in Muscovy conspiracy is another symptom of the demise of reason

Instead of a reasoned analysis leading to proper, nuanced understanding accorded to most other countries, Russia tends to be depicted in crude, almost biblical terms, as the fulcrum of global evil, where conspiracies to dominate the world cannot help being spun. Its perceived propensity for evil may be structural, cultural, genetic or all simultaneously. But whatever its roots, one thing is certain. Russia’s propensity for global mischief is eternal. The sweeping political and economic changes since the demise of the communist system need not have bothered materialising. (Indeed, have they really happened, and if so, what has been their significance? Has all that “energy” just vanished into thin air?) In fact, whatever the regime does or does not do is evil, period.

1 Unsurprisingly, the most credible and intelligent commentary tended to come from the Russian media – but that does not count, because the Russian media are assumed to be state controlled.
The belief in conspiracy to dominate the world, such as the Zionist conspiracy which underpinned the Nazi ideology, or the communist belief that individual capitalists actually conspire to exploit the workers, was one of the key attributes of the anti-thesis of open society – totalitarianism, resting on superstition and propaganda rather than reason and critical discourse.²

Inasmuch as the West indulges in fantasies about a resurgent, evil Russian hegemon, it will be sinking in the morass of superstition-based political theory, not dissimilar to that of totalitarianism. Equally, it will run the risk of its strategy and policies being catastrophically misconceived. The irony is that most of the resulting damage would be inflicted not on Russia, but mainly on the West itself.

The origins of Western orthodoxy

Unfortunately, the roots of the malaise appear to be systemic and, hence, are very hard to overcome. Challenged by the 20th century’s totalitarianism, the West stuck to its own liberal democratic ideology, needed to buttress and legitimise its protective alliance. However, what initially was an invaluable asset has gradually, and inevitably, mutated into a burden. Although fundamentally contrasting with the mystical belief systems of fascism or communism, and thus approximating the ideals of open society, the liberal ideology has gradually ossified into an increasingly inflexible and dysfunctional orthodoxy.³

This was not really noticeable when the Cold War was still raging. The fight was still on and the orthodoxy had to be supported. But as totalitarianism vanished down the plughole of history, with liberal democracy triumphing as the only viable system, its ossification became glaring. While the emerging post-totalitarian giants of China and Russia ditched their ideology and opted for pure pragmatism (successfully driving their economic revival), the West remained stuck with its unchanged and unchanging beliefs. If anything, the orthodoxy was further entrenched by the perception that, having won the epic fight against totalitarianism, it must forever remain the only game in town. The Theory has even come out with the notion of “the End of History”, suggesting – like countless closed creeds before it – that this is humankind’s final and definitive pronouncement, the ideal state of governance, which cannot be surpassed.⁴

The ossification of orthodoxy became evident after the Cold War

Incidentally, the West’s curious misunderstanding of Russia suggests that deep seated psychological factors may also be at work. Someone/something apparently must perform the role of supreme evil: If the West is the incarnation of progress, reason and all things good, then someone/something on this planet must represent the opposite.

With its recent Soviet past, Russia is the most suitable candidate for the latter role. (Communist China does not count, because, having stayed behind its walls, it had not engaged in a global competition and an arms race with the West). The other competing candidate – Islamist terrorism – will also not fit the bill for several reasons. First, terrorism cannot be nailed down to a tangible physical point in the universe, as it is essentially a mindset, with transient and decentralised organisation. The entity qualifying for the title of the evil empire needs to be a specific country on this planet. Secondly, the main terrorist enemy, Osama bin Laden, who was influenced by Qutbism, and the Wahhabist brand of Sunni radicalism have been incubated in Saudi

² The classic and perhaps the most influential analysis of the role of conspiracy theories in totalitarian systems has come from Karl Popper in “The Open Society and its Enemies”.
³ A quote by the admirer (but also a critic in his later years) of American democracy, Alexis De Tocqueville, shows eloquently that even he considered it prone to ossification: “When an opinion has taken root in a democracy and established itself in the minds of the majority, it afterward persists by itself, needing no effort to maintain it since no one attacks it. Those who at first rejected it as false come in the end to adopt it as accepted, and even those who still at the bottom of their hearts oppose it keep their views to themselves, taking great care to avoid a dangerous and futile contest”.
⁴ This came in the celebrated work by Francis Fukuyama, published in 1992, “The End of History and the Last Man”. This work, however, should not be trivialised, as Fukuyama did not argue that actual history ended; merely, that liberal democracy became the universally desired state of governance – not an unreasonable proposition. Fukuyama subsequently criticised the crude attempts by the neocons to use his ideas in support of their global policies.

Western treatment of Russia signifies an erosion of reason
Arabia, the key US ally in the strategically all important Middle East. The Theory holds that such anti-American evil cannot evolve in a US-friendly environment.

**Russia-driven revisionism, Part I: The orthodoxy cannot accommodate Russia and China**

Arguably the greatest challenge posed by the likes of Russia and China is not how successful (or unsuccessful) they have been in developing their own capitalist and democratic systems (any sane person will accept that this cannot be done overnight), but how these structurally and, supposedly, culturally and “genetically” autocratic civilisations could come up with such alien ideas at all.

The notion that liberal democracy could be engendered by, and born of, the totalitarian system, without being implanted from outside, is revolutionary in the context of the Western orthodoxy. It suggests that the evolution of democracy has not been a special gift of the Western – but specifically Anglo-Saxon, US-British – alliance, but that something very much like the Western liberal democracy can evolve in parallel, and even wholly independently, of this Mother of All Democracies.

The Western theory is uncomfortable about democracy emerging from totalitarian systems

The notion conveys a sense of polytheism, which would be seen as representing a step back to the dark ages before the arrival of the Judeo-Christian civilisation. It also implies a kind of mega pluralism – the idea that the globe could evolve competing versions of democracy, instead of faithfully copying the Anglo-Saxon models. Ultimately, this spells the risk of the enunciation of so called “universal democratic standards” – held to be the prerogative of the West – being delegated to “less deserving” civilisations.

Clearly, the mere existence of post-totalitarian, if not fully “democratic”, Russia and China, freed by their own internal dynamics has been an act of profound subversion. And given both countries’ spectacular economic revival, the orthodoxy is facing an unprecedented challenge, whose proportions will grow in the decades ahead, in line with China and Russia’s expanding economic weight.

**Russia-driven revisionism, Part II: Communism was not defeated by the West**

Received wisdom claims that Soviet totalitarianism was overcome chiefly by Western fortitude and resolve. However, this interpretation is seriously flawed. Far from resolute opposition, the settlement of post-war Europe between the victorious Axis and Stalin’s USSR, signed in Yalta in 1945, essentially amounted to an appeasement of Soviet totalitarianism. Indeed, as dictated by the agreement, the West failed to intervene when the Soviet Union invaded a rebellious Hungary in 1956, Czechoslovakia in 1968 or when the Polish communist regime declared a martial law in 1981. (Cynics might argue that the West was actually pleased to have the Yalta escape route, as by the 1950’s and 1960’s it had become far too comfortable to fight a war against the Soviet Union in Europe).

The West “fought” the communist totalitarianism merely by arming itself sufficiently, chiefly by nuclear missiles, to deter a Soviet attack, and by becoming economically prosperous, thus decisively winning the parallel war of ideas. But becoming rich and supporting armies (never actually tested in direct action against the Soviet enemy) was not a real sacrifice. In comparison with the war against Hitler, this was playing at war rather than waging war. The West has “won” merely by existing and being itself, not due to any special effort on its part.²

² It could, of course, be argued that activities such as support of East European dissident movements or broadcasting by Radio Liberty and Radio Free Europe played a key role. However, while these activities probably speeded up the demise of communism and were no cheap affairs, it would be preposterous to conclude that communism collapsed because of them. Similarly, while it could be argued that the US defence spending constituted a decisive, selfless effort in the Cold War confrontation, the story is more complex. While pursuing the arms race certainly was a massive effort, helping (as President Reagan claimed) to “arm the USSR to death”, the arms race itself has not been the cause of Soviet downfall. Furthermore, it now appears that it was not some unique, anti-Soviet effort, as the US continues to maintain inordinately
If the West did not cause the demise of the Soviet system, then who did it? The simplest, but probably the most persuasive answer is: No one in particular; and certainly no single person or country, including the United States. The centrally planned economic system and its political “superstructure” simply collapsed under the weight of its own wild irrationality and inefficiency. This happened despite communism actually being financially and technologically supported by its “Western enemy”, as the system desperately fought for survival in its terminal phase. The “infection” that was totalitarianism had simply exhausted itself as it ran full course.

And who bore the greatest and true sacrifice in this final battle against the 20th century’s totalitarianisms? Its victims – the peoples of the Soviet bloc and the Soviet Union, including the Russian people (who in addition also confronted, together with the West, the Nazi menace). It was they, and not the Western populations and armies, who faced the daily struggle with chronic shortages of everything and who never enjoyed even a semblance of the fundamental civic and economic freedoms widely taken for granted in the developed West.

Russia-driven revisionism, Part III: Spontaneous internal liberation
While it can be concluded that the totalitarian disease in Russia exhausted itself as it had run its course, with exogenous factors playing a mere ancillary function, the gradual erosion of the communist system and its replacement with its anti-thesis – the market economy and democracy – necessitated more active, “conscious” efforts. In the Soviet Union/Russia this materialised through a cumulative and eventually profound change in the mindset of the Communist Party officials and ultimately even of hardcore would-be servants of totalitarianism, such as the KGB.

This change sprung spontaneously and voluntarily (that is, without listening to things such as the RFE/LR broadcasts, see Note 5) in thoroughly ideologised minds of persons such as Mikhail Gorbachev and his associates and gradually percolated down through the entire party-state gamut, eventually finding widespread resonance among the populace at large. The pathetic anti-Gorbachev coup of August 1991 fizzled out within days, largely because of this profound change. Democracy and market economy in Russia had arrived – and the Soviet/Russian empire disintegrated – because the pillars of the system themselves engineered, or at least acquiesced with, this outcome.

It cannot be denied that Gorbachev set out to “perfect”, not to destroy, the communist system and he certainly struggled to prevent the disintegration of the Soviet Union. He, of course, was a true believer. However, this does not weaken the above point. At (virtually) every juncture in his career as Soviet leader, when faced with a choice of either having to return to totalitarianism or move towards more democracy, Gorbachev opted for the latter, even at the risk of compromising his Soviet-inspired ideals. It was his mysteriously implanted liberal mindset, that finally buried the system. To Gorbachev, liberalism and the economic prosperity it promised were more important than the system and its utopian nonsense.

The experience of Gorbachev and his growing band of associates can be treated as typical of the Soviet/Russian society at large. While there were, of course, dissidents and closet opponents of the regime, who enthusiastically supported the perestroika reforms, there were also conservative doubters and outright reactionaries. However, their resistance was gradually peacefully overcome through debate and political ferment – that is, through processes familiar in any thriving democracy.

The experience of Russia’s future president, the KGB operative Vladimir Putin too is highly symbolic, for he personifies the metamorphosis of the former “sword and shield” of the totalitarian power into the protector of Russia’s new democracy. While working in East Germany, Putin already came to understand that the system was doomed unless it underwent a fundamental change. Subsequently, he became a close
Western treatment of Russia signifies an erosion of reason

collaborator and admirer of the doyen of Russia’s liberalism, the mayor of St Petersburg Anatoli Sobchak, after the latter solicited Putin’s services in the fight against the rampant criminality in the city. This episode provides an uncanny insight into a microcosm of what was to occur in the macrocosm, following Putin’s ascent to the presidency in 2000 and his assault on the rapacious Yeltsin-era oligarchy.

**Internal liberalisation has been the standard mode**

Far from being an anomaly, internally driven change has in fact been the standard mode of liberation. Before Soviet disintegration, the system was also challenged from within in Czechoslovakia in 1968, Poland in 1980 and Hungary (gradually over the entire period). The liberation of these countries was speeded by the changes in the Soviet Union in the 1980’s, when Moscow ceased to support its orthodox East European clients.

However, perhaps the most important case is that of China, where liberation has occurred through the introduction of market reforms in the late 1970’s. Following the most destructive communist excesses (the so-called Cultural Revolution unleashed by Mao Tse Tung in the 1960’s) China embarked on a gradual construction of full-blooded capitalism, which is still only in its early phase. But, amazingly, like it or not, this is being done under the aegis of Marxist theory and the continued political hold of the Communist Party, thus further supporting the belief that totalitarianism can voluntarily dismantle itself.⁶

**Continuity vs. rupture: is internal change the preferable mode?**

While internally driven transformation tends to be a prolonged process, available evidence – and certainly that offered by Russia and China – suggests that it is the preferable, if not the optimal path. This applies in particular to large countries – in fact civilisations – such as these two examples, because they are particularly averse to external “infections”.

To start with, while the gradual internal change may be frustrating in the eyes of reformist radicals, its ability to prevent excessive destabilisation is a valued quality. Russia experienced such a collapse in the 1990’s, when the overseers of perestroika finally lost control and the Soviet political and economic system crashed. While this may have been an inevitable and democratic turn, there can be no doubt that such rupture caused untold economic and social misery. It cannot be ruled out that the same democratic and economic reform achievements might have been realised without such a precipitous erosion of state functions and authority.

Continuity also equips the new regime with greater legitimacy, with the transformation materialising through greater or lesser internal consensus. These circumstances may well give the new democracy a better start, as it represents the evolution of the given country’s political culture, rather than a disruptive rupture, invariably imposed with external assistance.

While it could be argued that one needs to “break eggs” in order to make the democratic omelette, the problem is that the advocates of this course have probably never actually tasted the “omelette”, either in terms of enduring the attendant hardship or having to cope with the ensuing chaos. Indeed, the overarching, ultimate objective of liberal reforms is not the making of “omelettes”, but the emergence of stable democratic governments and prosperous market economies. The objective is not chaos but stability and prosperity, and any path that allows the latter to be achieved without even transient chaos should be fully explored.

---

⁶ It can be argued that contemporary China is “communist” only in the strictly nominal sense. Equally, the Communist Party’s ideology is, above all, a tool for helping maintain the country’s integrity and social peace at a time of sweeping socio-economic transformation. It is no longer a traditional Communist-style ideology with an overarching anti-Western and anti-capitalist purpose. Thus, Cheng Enfu, the president of the Academy of Marxism at the Chinese Academy of Social Forces, has recently claimed that the main task of present day Marxism is “to study how to reconcile Marxist theory with free-market reforms.” Under earlier leaderships, this would have been the equivalent of the Pope stating that the purpose of Catholic theology is to reconcile it with the works of the Devil.
Western treatment of Russia signifies an erosion of reason

Where Russia stands now

The above considerations can throw a fresh light on contemporary Russia. While Putin is being accused of restoring authoritarianism (and the Russian empire), in actual fact his regime has rebuilt a measure of continuity with the Soviet past, repairing the damage wreaked by the uncontrolled rupture of the 1990’s. In this sense we are witnessing a continuation of Gorbachev’s perestroika: Something like Putin’s “controlled democracy” (but most likely without the Soviet Union) might have evolved had Gorbachev not lost control in 1991.

This is very different from making the absurd claim that this mildly authoritarian, and somewhat paranoid rather than repressive, regime signifies a return to Sovietism. Although the political system Putin has built does resemble the Soviet system (it could hardly be otherwise, as the system had been entrenched in Russia for seven decades), the cumulative change has by now become so profound as to render the Soviet reality a very distant memory. (Actually, Soviet restoration was the main worry in late 1998, in the wake of the financial crisis, to early 1999, with the acting Prime Minister Evgeny Primakov bringing in Soviet era officials. This wobbly period ended when President Putin turned to Yeltsin’s reformers to manage the economy).

Although there is a genealogical link with the past, the new reality is overwhelming. The Communist Party has been irrevocably sidelined and substituted by a new nomenklatura of modernising officialdom (at least at the top where it matters the most) and industrialists (Kremlin friendly oligarchs), whose Weltanschauung and experience is the direct opposite of the dinosaurs who ran the USSR (and who were “selected” by the system precisely for their lacking talents). Unlike the USSR, Russia has a booming, market-based economy, apart from enjoying unprecedented civic freedoms. Unlike the Communist government, the regime is genuinely popular. The list could go on.

From the viewpoint of the unbending Western orthodoxy, the unashamed continuity with the communist Soviet Union is precisely one of the reasons why Putin’s regime must be held in such disdain. The Theory does not permit such deviations and classifies them as decidedly heretical and, hence, anti-democratic. It prohibits the “evolution of species”, elevating discontinuity as the true method. Thus whatever Putin does, or does not, must constitute the building of authoritarianism. On the other hand, if continuity is accepted as the superior path, than it becomes obvious that the regime is developing an increasingly mature democracy and a market economy, deepening the process commenced with the start of perestroika.

Western orthodoxy on the march

Following its “victory” over communism, the Western orthodoxy continues to march towards new vistas. Having liberated Iraq and Afghanistan (as well as former Soviet countries such as Ukraine and Georgia), the West (or rather, the US and its allies) is currently struggling with the consequences of the “omelette” they have created there.

This is not necessarily to argue that these countries should not have been liberated. The point is merely that the liberation probably was the easy part. The truly difficult part is the (re)building of the new, democratic state. Ignoring the power and advantages of continuity, the Western theory unfortunately has failed to warn the liberating alliance of the risks and hardships ahead, naively assuming that a viable liberal democracy would just automatically spring into being upon the dictators’ fall.

Unfortunately, the world will likely soon witness yet another escalation in the hopeless war on the “axis of evil”, this time focused on the checking of regional ambitions of Iran (which, incidentally, have been encouraged by American failures in Iraq). Instead of attempting to engage Iran (as recommended by James Baker’s Iraq Study Group), thus gradually strengthening its democracy and turning it into a responsible regional player (as China has become in the Far East), Washington will likely advocate a “temporary” escalation of its futile effort to pacify Iraq. Had the Western orthodoxy been able to adjust to the challenges of Russia and China discussed above, such a fateful dispensation of “more of the same” might have been avoided.

The United States might benefit from taking the Russian and Chinese experience on board

The above considerations can throw a fresh light on contemporary Russia. While Putin is being accused of restoring authoritarianism (and the Russian empire), in actual fact his regime has rebuilt a measure of continuity with the Soviet past, repairing the damage wreaked by the uncontrolled rupture of the 1990’s. In this sense we are witnessing a continuation of Gorbachev’s perestroika: Something like Putin’s “controlled democracy” (but most likely without the Soviet Union) might have evolved had Gorbachev not lost control in 1991.

This is very different from making the absurd claim that this mildly authoritarian, and somewhat paranoid rather than repressive, regime signifies a return to Sovietism. Although the political system Putin has built does resemble the Soviet system (it could hardly be otherwise, as the system had been entrenched in Russia for seven decades), the cumulative change has by now become so profound as to render the Soviet reality a very distant memory. (Actually, Soviet restoration was the main worry in late 1998, in the wake of the financial crisis, to early 1999, with the acting Prime Minister Evgeny Primakov bringing in Soviet era officials. This wobbly period ended when President Putin turned to Yeltsin’s reformers to manage the economy).

Although there is a genealogical link with the past, the new reality is overwhelming. The Communist Party has been irrevocably sidelined and substituted by a new nomenklatura of modernising officialdom (at least at the top where it matters the most) and industrialists (Kremlin friendly oligarchs), whose Weltanschauung and experience is the direct opposite of the dinosaurs who ran the USSR (and who were “selected” by the system precisely for their lacking talents). Unlike the USSR, Russia has a booming, market-based economy, apart from enjoying unprecedented civic freedoms. Unlike the Communist government, the regime is genuinely popular. The list could go on.

From the viewpoint of the unbending Western orthodoxy, the unashamed continuity with the communist Soviet Union is precisely one of the reasons why Putin’s regime must be held in such disdain. The Theory does not permit such deviations and classifies them as decidedly heretical and, hence, anti-democratic. It prohibits the “evolution of species”, elevating discontinuity as the true method. Thus whatever Putin does, or does not, must constitute the building of authoritarianism. On the other hand, if continuity is accepted as the superior path, than it becomes obvious that the regime is developing an increasingly mature democracy and a market economy, deepening the process commenced with the start of perestroika.

Western orthodoxy on the march

Following its “victory” over communism, the Western orthodoxy continues to march towards new vistas. Having liberated Iraq and Afghanistan (as well as former Soviet countries such as Ukraine and Georgia), the West (or rather, the US and its allies) is currently struggling with the consequences of the “omelette” they have created there.

This is not necessarily to argue that these countries should not have been liberated. The point is merely that the liberation probably was the easy part. The truly difficult part is the (re)building of the new, democratic state. Ignoring the power and advantages of continuity, the Western theory unfortunately has failed to warn the liberating alliance of the risks and hardships ahead, naively assuming that a viable liberal democracy would just automatically spring into being upon the dictators’ fall.

Unfortunately, the world will likely soon witness yet another escalation in the hopeless war on the “axis of evil”, this time focused on the checking of regional ambitions of Iran (which, incidentally, have been encouraged by American failures in Iraq). Instead of attempting to engage Iran (as recommended by James Baker’s Iraq Study Group), thus gradually strengthening its democracy and turning it into a responsible regional player (as China has become in the Far East), Washington will likely advocate a “temporary” escalation of its futile effort to pacify Iraq. Had the Western orthodoxy been able to adjust to the challenges of Russia and China discussed above, such a fateful dispensation of “more of the same” might have been avoided.

The United States might benefit from taking the Russian and Chinese experience on board

Where Russia stands now

The above considerations can throw a fresh light on contemporary Russia. While Putin is being accused of restoring authoritarianism (and the Russian empire), in actual fact his regime has rebuilt a measure of continuity with the Soviet past, repairing the damage wreaked by the uncontrolled rupture of the 1990’s. In this sense we are witnessing a continuation of Gorbachev’s perestroika: Something like Putin’s “controlled democracy” (but most likely without the Soviet Union) might have evolved had Gorbachev not lost control in 1991.

This is very different from making the absurd claim that this mildly authoritarian, and somewhat paranoid rather than repressive, regime signifies a return to Sovietism. Although the political system Putin has built does resemble the Soviet system (it could hardly be otherwise, as the system had been entrenched in Russia for seven decades), the cumulative change has by now become so profound as to render the Soviet reality a very distant memory. (Actually, Soviet restoration was the main worry in late 1998, in the wake of the financial crisis, to early 1999, with the acting Prime Minister Evgeny Primakov bringing in Soviet era officials. This wobbly period ended when President Putin turned to Yeltsin’s reformers to manage the economy).

Although there is a genealogical link with the past, the new reality is overwhelming. The Communist Party has been irrevocably sidelined and substituted by a new nomenklatura of modernising officialdom (at least at the top where it matters the most) and industrialists (Kremlin friendly oligarchs), whose Weltanschauung and experience is the direct opposite of the dinosaurs who ran the USSR (and who were “selected” by the system precisely for their lacking talents). Unlike the USSR, Russia has a booming, market-based economy, apart from enjoying unprecedented civic freedoms. Unlike the Communist government, the regime is genuinely popular. The list could go on.

From the viewpoint of the unbending Western orthodoxy, the unashamed continuity with the communist Soviet Union is precisely one of the reasons why Putin’s regime must be held in such disdain. The Theory does not permit such deviations and classifies them as decidedly heretical and, hence, anti-democratic. It prohibits the “evolution of species”, elevating discontinuity as the true method. Thus whatever Putin does, or does not, must constitute the building of authoritarianism. On the other hand, if continuity is accepted as the superior path, than it becomes obvious that the regime is developing an increasingly mature democracy and a market economy, deepening the process commenced with the start of perestroika.

Western orthodoxy on the march

Following its “victory” over communism, the Western orthodoxy continues to march towards new vistas. Having liberated Iraq and Afghanistan (as well as former Soviet countries such as Ukraine and Georgia), the West (or rather, the US and its allies) is currently struggling with the consequences of the “omelette” they have created there.

This is not necessarily to argue that these countries should not have been liberated. The point is merely that the liberation probably was the easy part. The truly difficult part is the (re)building of the new, democratic state. Ignoring the power and advantages of continuity, the Western theory unfortunately has failed to warn the liberating alliance of the risks and hardships ahead, naively assuming that a viable liberal democracy would just automatically spring into being upon the dictators’ fall.

Unfortunately, the world will likely soon witness yet another escalation in the hopeless war on the “axis of evil”, this time focused on the checking of regional ambitions of Iran (which, incidentally, have been encouraged by American failures in Iraq). Instead of attempting to engage Iran (as recommended by James Baker’s Iraq Study Group), thus gradually strengthening its democracy and turning it into a responsible regional player (as China has become in the Far East), Washington will likely advocate a “temporary” escalation of its futile effort to pacify Iraq. Had the Western orthodoxy been able to adjust to the challenges of Russia and China discussed above, such a fateful dispensation of “more of the same” might have been avoided.
Conclusion: An outdated, useless computer?
The function of intelligent thinking is not to force the precepts of orthodoxy onto a changed environment, but to adjust and modify the theory, as demanded by fresh evidence thrown up by the changing environment. There have been numerous signs that Western political theory is primarily pursuing the former, while increasingly disregarding the latter. Its treatment of post-totalitarian Russia (and China) has been a very telling case in point.

It may be helpful to illustrate the orthodoxy’s failure to evolve by means of an analogy. The image that springs to mind is that of a large, 1970’s-vintage mainframe computer, placed next to a modern laptop. Resembling the mainframe, the Western treatment of Russia remains stuck in another age, consuming a lot of energy and making a lot of noise, but delivering little meaningful insight (along with a lot of wholly useless garbage as a by product).

Anyone who has taken care to actually read the thinking of the modernising Russian officials will agree that they are the equivalent of the laptop. This is not an accident. These officials have had to cope with real and very daunting problems of democracy and economic construction on the wreckage of totalitarianism. Unlike their Western counterparts, they had to think intelligently and improvise. Despite its enormous intellectual prowess, and perhaps unawares, the West is lagging behind.
Disclaimer
This material was produced by Daiwa Institute of Research Europe Limited for and on behalf of Daiwa Securities SMBC Europe Limited. Daiwa Institute of Research is the trading name of Daiwa Institute of Research Europe Limited. Daiwa Institute of Research Europe Limited is an appointed representative of Daiwa Securities SMBC Europe Limited which is regulated by The Financial Services Authority and is a member of the London Stock Exchange. This material is distributed in the United States by Daiwa Securities America, in Japan by Daiwa Securities SMBC Co. Ltd, Tokyo, and elsewhere in the world by Daiwa Securities SMBC Europe Limited, or another authorized affiliate of Daiwa Securities SMBC Europe Limited (such entities and their associated persons, the “Companies”). The Companies may, from time to time, to the extent permitted by law, participate or invest in other financing transactions with the issuers of the securities referred to herein (the “Securities”), perform services for or solicit business from such issuers, and/or have a position or effect transactions in the Securities or options therefore and/or may have acted as an underwriter during the past three years for the issuer of such securities. In addition, employees of the Companies and of Daiwa Institute of Research and its affiliates may have positions and effect transactions in such securities or options and may serve as Directors of such issuers. Daiwa Securities SMBC Europe Limited may, to the extent permitted by applicable UK law and other applicable law or regulation, effect transactions in the Securities before this material is published to recipients.

This document is intended for investors who are not private investors within the meaning of the Rules of The Financial Services Authority and should not, therefore, be distributed to private investors in the United Kingdom. This document is not to be used or considered as an offer to sell or solicitation of an offer to buy any securities. Information and opinions contained herein have been compiled or arrived at from sources believed to be reliable, but none of the Companies, Daiwa Institute of Research and/or its affiliates accepts liability for any loss arising from the use hereof or makes any representation as to their accuracy or completeness. Any information to which no source has been attributed should be taken as an estimate by Daiwa Institute of Research. This document is not to be relied upon as such or used in substitution for the exercise of independent judgement. Should you enter into investment business with Daiwa Securities SMBC Europe’s affiliates outside the United Kingdom, we are obliged to advise that the protection afforded by the United Kingdom regulatory system may not apply; in particular, the benefits of the Financial Services Compensation Scheme may not be available.

Additional note to our U.S. readers: Daiwa Securities America is distributing this document in the United States and, in connection therewith, accepts responsibility for its contents. Any U.S. customer wishing to effect a transaction in any Security should do so only by contacting a representative at Daiwa Securities America in the U.S.

Recommendation Guidance
1 - expected to outperform by more than 15%, 2 - expected to outperform by between 5% and 15%, 3 - expected to deviate no more than plus or minus 5%, 4 - expected to underperform by between 5% and 15%, 5 - expected to underperform by more than 15%. All DIR recommendations are made on a 6 months basis. Our benchmark is the DJ STOXX 600 index.

Hong Kong
This publication is produced by Daiwa Institute of Research Europe Limited, and distributed by Daiwa Institute of Research (Hong Kong) Limited and/or its affiliates. This publication and the contents hereof are intended for information purposes only, and may be subject to change without further notice. Any use, disclosure, distribution, dissemination, copying, printing or reliance on this publication for any other purpose without our prior consent or approval is strictly prohibited. Neither Daiwa Institute of Research (Hong Kong) Limited, nor any of its affiliates, nor any of its or their respective directors, officers, servants and employees, represent nor warrant the accuracy or completeness of the information contained herein or as to the existence of other facts which might be significant, and will not accept any responsibility or liability whatsoever for any use of or reliance upon this publication or any of the contents hereof. Neither this publication, nor any content hereof, constitute, or are to be construed as, an offer or solicitation of an offer to buy or sell any of the securities or investments mentioned herein in any country or jurisdiction nor, unless expressly provided, any recommendation or investment opinion or advice. Any view, recommendation, opinion or advice expressed in this publication may not necessarily reflect those of Daiwa Institute of Research (Hong Kong) Limited, except where the publication states otherwise.

Daiwa Institute of Research (Hong Kong) Limited, its parent, holding, subsidiaries or affiliates, or its or their respective directors, officers, servants and employees may have positions in or may be materially interested in the securities in any of the markets mentioned or may have also performed investment banking and other services for the issuers of such securities.

This document is distributed in Germany by Daiwa Securities SMBC Europe Ltd, Niederlassung Frankfurt which is regulated by BaFin (Bundesanstalt fuer Finanzdienstleistungsaufsicht) for the conduct of business in Germany.

Additional information may be available upon request.