

Russia, one year after the coup: What has changed?

by Konstantin George

One year ago, on Aug. 19-21, communism came to an end in the Soviet Union. In one sense, the collapse of the Soviet Union is irreversible: The re-creation of a Bolshevik form of empire is certainly ruled out. But the rise of a new post-Bolshevik Russian Empire remains a distinct threat. The threat of new Russian imperial forms will rise exponentially over time if there is no reversal of current policies, but any return of the Bolshevik system as such is a myth. The reason is the historical irony that while the Bolshevik system was, in a physical sense, most repressive against the captive non-Russian nations, yet the very harsh persecution along national lines forged a new, stronger sense of national identity and purpose among the native peoples of the non-Russian republics. Simultaneously, while Bolshevism perpetrated, in the statist-administrative sense, the rule of the Russian elite over a vast multi-national empire, its destruction of the traditional Russian national sense of identity caused a destructive malaise in large parts of the Russian population that can be seen now in the yawning vacuum of leadership, ideas, and initiatives confronting the country.

Since August 1991, in one fundamental sense, almost nothing has changed. The hardline putsch was crushed by the counter-coup that brought Russian President Boris Yeltsin to power. Fifteen new states, juridically independent, have appeared, although they cannot be described as truly independent. The institutions that took the lead in ensuring the success of the Yeltsin counter-coup were the Russian military and the church, and this phenomenon will definitely contain very major and probably decisive implications for the future course of Russian history. The ease with which the counter-

coup was victorious, however, reflected a decision taken by a very different sort of powerful institution, which can be identified as the majority grouping of the old *nomenklatura*, who, realizing the futility of keeping the communist system alive, abandoned the plotters to their fate. This *nomenklatura* is still very much running the show.

The 'nomenklatura': a caste identity

The *nomenklatura* operates on the basis of a caste identity, where policies are determined on the basis of continuing and reinforcing the power of this caste over society, regardless of the cost to the nation. In terms of world outlook, the members of the *nomenklatura* are the present-day descendants of the Boyar class of backward landed nobility of the czarist period, who recurrently brought Russia to the brink and sometimes over the brink of national cataclysm. The political neutralization of this caste is the key to instituting the type of policies developed and elaborated by Lyndon LaRouche and the Schiller Institute, which would develop and transform Russia, and make it an anchor of Eurasian stability and cooperation.

At the top today, you have a new President, a new government, etc., but the ruling fabric of the society is still directed by the same people, the same ponderous bureaucracy. As a broad rule, the same names and faces who staffed and ran the machinery of government, from the center down to every region, district, and city, are still in charge. Only the labels of the committees directing the regions, districts, and cities of Russia have changed. The labels on the faces have indeed changed. The communist privileged caste of yesterday is

becoming the "capitalist" privileged caste of today.

It is becoming so through the policies of what the International Monetary Fund (IMF) calls "shock therapy." Shock therapy, by eliminating the accumulated ruble-based savings and other wealth of all but the most privileged layers of society—those possessing foreign exchange—has closed the doors to economic gain to all but this privileged group. That fact is the secret to why the majority of the Russian elite has accepted the ruinous shock therapy policies, and why a Yegor Gaidar, a Russified Tatar with no power of his own and the chief executioner of these policies, has been elevated to the post of prime minister. Gaidar, a former editor of *Pravda*, typifies the phenomenon of this caste having abandoned the ideology of Marxism-Leninism for the ideology of the "free market."

This period of the "free market," however, is transitional. It has unleashed, because of its ruination of Russia's ability to rejuvenate itself as a great power, an inevitable and ever-increasing, irreconcilable conflict with those sections of the elite which, because of their function, have national or Russian state identity. These forces are centered above all in the military, the military-industrial complex, powerful forces in the church, and in the state administration. Their arrival on the scene has been indicated by the May-June government reshuffle, which for the first time brought their representatives into high government posts, and by the creation of the Russian Armed Forces and the new leadership of the Russian Defense Ministry.

This theme of an irreconcilable conflict between the caste-identity component of the Russian elite, versus a national-interest directed part of the elite, with, in the latter case, very divergent ideas of what policies are in the national interest, has been a *leitmotif* of Russian history for centuries. It always erupts in full force during times of extreme national crisis, such as now.

The conflict will ultimately be settled, as it always has in the Russian past, in favor of the state interest elite, and that power shift will mark the actual post-Bolshevik Revolution. Possibilities regarding the post-free market period range from a successful, progressively based national rejuvenation, to a resurgence of empire through brutal despotism.

The economic crisis: hyperinflation

The political future of Boris Yeltsin himself will be decided by what he does or does not do in the next few months. He has already lost much of the popular support he once enjoyed. If he does not break with shock therapy policies, and does not launch a national reconstruction program to end the spiraling collapse of the economy and living standards, then Yeltsin is doomed.

Already now, in the summer, the non-stop hyperinflationary price hikes have come very close to breaking the last remnants of popular patience and reserve. The decision by the regional authorities in the South Russia grain belt in the

third week of July to free bread prices, which resulted in the doubling in price of a loaf of bread from 20 rubles to 40 rubles, may prove to be the straw that broke the camel's back, since bread had formerly been the last relatively cheap, subsidized, basic food item. The decision was made following a revolt by farmers, who refused to sell the newly harvested grain until a realistic price, matching production costs, was paid. The price rise was seen as the only means to avoid an imminent catastrophic total disappearance of bread from the shops.

The bread price explosion has now spread to the entirety of Russia, after a Yeltsin announcement that the procurement price for grain will "not be raised beyond the price obtained at private commodity exchanges." This meant that the price of grain is freed of all controls. Statistics released at the beginning of August by the Russian Agriculture Ministry reveal how close Russia had come to a nationwide urban bread shortage. Russian state procurement of grain from the 1992 harvest stands at only 1 million tons, compared to 9 million tons procured by the end of July in last year's harvest. The Agriculture Ministry also gave its second revised downward estimate within two weeks for the 1992 Russian grain harvest, now estimating it at 93-94 million tons. Two weeks before, the estimate had been 104-108 million tons, and one week before, it had dropped to 98 million tons.

The unknowns concerning the final harvest provide one crucial illustration of the variables which prevent any specific forecast as to exactly when the mass explosion will come. No estimates yet exist for the vital Ukrainian and Kazakhstan grain harvests—vital not only for their own populations, but also as the main source of non-hard currency grain imports for Russia. In the case of Kazakhstan, the same point can be stressed concerning the supply of grain for the Muslim populations of the newly independent states of Central Asia. The critical variable for the harvest is, of course, the weather between now and the September-early October harvest phase, which includes the harvesting of potatoes and other winter vegetable staples.

The 'arc of instability'

What does all this mean for the rest of the Community of Independent States? Given the domestic situations, ranging from unstable to highly volatile, in nearly all of its member states, coupled with conditions of outright conflict between some of its members, the CIS is a strictly transitional phenomenon. The Baltic republics and Georgia have never joined the community; Azerbaijan has quit in all but name; and the future membership of other republics, such as Ukraine, is questionable.

The CIS is indeed a hotbed of inter-ethnic and inter-republic conflict. The conflicts that have erupted and those likely to occur given present conditions, coupled with the war in the Balkans, define a zone of conflict threatening the entire Eurasian continent, and containing the seeds of a future

global conflict. The domain of the CIS as a whole, however, is not and will not be in the immediate future a zone of war. There exist today two very distinct belts, regarding the question of inter-republic conflicts.

A sort of a core-state grouping has emerged, consisting of Russia, Belarus, Kazakhstan, and Kirghizstan, where relations are normal and devoid of any serious conflict. In the latter two republics, for reasons of the large Russian populations (in Kazakhstan, Russians still form the largest population group), and their geographical proximity to a potentially unstable and incalculable China, close collaboration with Russia has become one of the guiding axioms of foreign policy. For reasons of economic dependence and historic reasons reinforced by the severity of the Polish crisis and the unpredictable possible consequences of it, Belarus is similarly intent on maintaining close ties with Russia, and simultaneously with its large neighbors to the west and south, namely Poland and Ukraine.

Ukraine, the most important nation of the CIS after Russia, but in some ways just as important, is not in this core, as the Moscow-instigated conflicts with Ukraine over the Black Sea Fleet and the territory of Crimea illustrate. This Moscow strategy of tension will persist, with periodic escalations. However, a Russo-Ukrainian war is not to be expected, since neither side—and this includes most emphatically the Russian military leadership—has or will have any such intention. The strategy of imperial-minded Russians is not to attack Ukraine, but to weaken it through economic and other sabotage, and through loud verbal clashes over the fleet and Crimea, and pave the way for a future reconquest without or with a minimum of force.

Ukraine, with 52 million people, the only non-Russian economic and military power in the CIS, is the bellwether for the future of the region. Just as it was the victory of the Ukrainian independence movement that decided the fate of the Soviet Union, so it will be Ukraine and how it develops or fails to develop that will determine the fate of most of the non-Russian republics. Similarly, the course taken by Ukraine will be decisive in shaping whatever course Russia takes. As in the Russian case, the Ukrainian course can go one of several ways. To Ukraine's credit, it has, unlike Russia, refused to accept IMF shock therapy demands, but the battle is by no means over, and the crisis is now coming to a head.

There can be no stable core if its largest member, namely Russia, is being drawn into, or, as the case may be, is willingly entering the conflicts in that other zone of the CIS—the “arc of instability” along the entire western and southern rim of the former U.S.S.R.

This “arc of instability,” far more dangerous than the “arc of crisis” defined by U.S. National Security Adviser Zbigniew Brzezinski in the 1970s, has emerged along the western and southern borders of the former U.S.S.R., from the Baltic to Central Asia, and including the nearby Balkans,

where the chain reaction of present and future conflicts could trigger a global war later in this decade.

Wars are already raging in Moldova, sandwiched between Romania and Ukraine; in the Transcaucasus between Armenia and Azerbaijan; and in the Georgian region of South Ossetia, bordering on the Russian Federation. Armed conflict could break out at any time in Abkhazia, the other Georgian autonomous region bordering on Russia, following its declaration of independence from Georgia on July 26. In Central Asia, the republic of Tajikistan is, to quote Russian television of June 30, “on the verge of civil war.” Aside from the Ossetia and Abkhazia flashpoints, potential civil war conditions exist inside Georgia, and in various parts of the Russian North Caucasus. Tensions between Russia and the Baltic states, especially against Estonia, are rising.

The human toll

Already by July 1, the cumulative human toll generated in this “arc of instability” was rivaling that exacted in the rampant butchery in former Yugoslavia. Figures released on June 30 by Tatyana Regent, head of the Russian Immigration Authority, reveal that during 1991, some 500,000 Russian refugees fled to Russia from conflict areas, or in the anticipation of war or violence, from non-Russian republics, and that at least 600,000 more Russians will arrive this year. These statistics only concern ethnic Russians. She added that since Jan. 1, 1991, a further 200,000 people, belonging to non-Russian ethnic groups such as Ossetians, had fled into the Russian Federation.

If one adds the cumulative refugee total of Armenians and Azerbaijanis who have fled to their native republics, the stream of Georgians from South Ossetia into Georgia, and of Slavs from Moldova's Dniestr Region into Ukraine, then we are speaking of a total of some 2 million refugees, a figure comparable to the number of people displaced by the Serbian-caused war in Croatia and Bosnia.

Thousands have been killed. Several thousand have died so far in the Armenia-Azerbaijan war. In South Ossetia, nearly 1,000 have been killed, and in Moldova, over 1,000 have died, mostly the result of the barbaric shelling by Romanian-supported Moldovan forces, on June 19-22, of Bendery and other Russian- and Ukrainian-inhabited cities in the Dniestr region. The Bendery slaughter provoked the first application of the “Grachev Doctrine,” named after Russian Defense Minister Gen. Pavel Grachev, where Russian forces intervene directly to protect ethnic Russians in other republics.

To conclude, we have the most explosive mix possible: a boiling arc of instability intersecting Weimar-style destabilization of the entire CIS region and the adjacent nations of eastern Europe. The lessons of the interwar years tell us exactly what form and scale of dangers this holds. What will happen will depend mostly on how well the leading circles of the Eurasian nations understand and act on these lessons.