The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

From Superpower to Super Weakling

By Alexei Bayer

January 20, 2013



In 1992, I heard George Kennan, the eminent U.S. diplomat and author of the Cold War policy of containment against the Soviet Union, talk about the need for a strong, self-confident Russia to be the United States' partner on the global stage.

There was probably very little the U.S. could do to influence events in Russia anyway, but the administration of U.S. President Bill Clinton gradually backed away from regular summits with Russian leaders, something it had inherited from Presidents Ronald Reagan and George H.W. Bush. After the 1998 ruble devaluation and default on government bonds, Washington began to pay very little attention to Russia. Once the "global war on terror" began in 2001, Russia all but disappeared from the U.S. radar screen.

Today's Russia is a strange paradox. The country and its people are better off than at any time since at least the Bolshevik Revolution. But its great financial wealth coexists with remarkable weakness. True, it still has a large army and a nuclear arsenal capable of ending life on Earth. But by most measures of modern power, Russia is a lightweight. It has almost no influence in the world beyond some poor, backward former Soviet republics. It has no meaningful allies

with whom it shares interests and pursues coordinated policies. It may be able to play the spoiler by thwarting international cooperation on Syria or Iran, but it can play no constructive role or be a broker with those nations. It is neither feared nor respected.

Most important, its economy is highly unsteady and vulnerable, as its wealth is overly dependent on oil and gas. But even in the oil and gas markets, it plays a remarkably small role in setting either policy or prices, despite being a leading global producer. Over the past 15 years, Russia has been fully integrated into the world economy, becoming a major consumer of imports, which are paid for by petrodollars. It is dependent on the relentless printing of money by major central banks, which has cheapened these currencies and created an unsustainable bubble in commodities. The 2008 crisis demonstrated Russia's extreme economic vulnerability.

Contrast this with China, which has used the global liquidity to invest and develop a powerful manufacturing economy and an enormous middle class. China, which two decades ago was far weaker than Russia, has rapidly emerged as a true superpower. China is now a major economic and political player not only in Asia but also in Latin America and Africa, where it is now the largest provider of investment capital and credit. China, not Russia, is a true U.S. partner and rival. Washington may occasionally bash China about its human rights abuses and trade policy, but it is inconceivable that Congress would pass a Magnitsky law against Chinese officials.

Russia's response to the Magnitsky law shows how much the country is a global weakling. Its rage against Washington is all the uglier in light of such impotence. By banning adoptions of disabled orphans by Americans, the State Duma punishes Russian children, undermines Russia's reputation and exacerbates divisions within the country. A political movement called Communists of Russia, created in 2009 as an alternative to the Communist Party, proposed banning U.S. athletes from the 2014 Sochi Olympics.

Russia's actions remind me of a scene I once witnessed at a New York train station. A bloodied homeless man kept two heavily armed police officers at bay by hitting himself with a stick. Every time an officer took a step forward, he hit himself even harder.

Alexei Bayer, a native Muscovite, is a New York-based economist.

Related articles:

- Kremlin Running Out of Options as Protests Grow
- Expect More Anti-Americanism in 2013
- The Crisis of Putinism

The views expressed in opinion pieces do not necessarily reflect the position of The Moscow Times.

Original url:
https://www.themoscowtimes.com/2013/01/20/from-superpower-to-super-weakling-a20755