## Russia in a Sea of "Rising Powers" THE VIEW FROM WASHINGTON, D.C.

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Ayşe Zarakol University of Cambridge

Since the start of the 2000s, it has become commonplace to speak of the so-called "Rise of the Rest." This theme skyrocketed after the global financial crisis of 2008-9, which disproportionately affected the economies of Western industrialized states. Although not everyone agrees that "the Rest" is rising to the extent that they seriously challenge Western dominance in the international system, it cannot be denied that "rising powers" now occupy a significant space in Western policy discourse about international relations and international political economy. This memo considers how the growing interest in "rising powers" has affected the perception of Russia in the United States.

The primary candidates to surpass the United States and the West were originally designated back in 2001 by Jim O'Neill, an economist for Goldman Sachs. These were Brazil, Russia, India, and China, summed up in the memorable acronym BRIC.<sup>4</sup> This acronym captured the imaginations of the West and "the Rest" to such an extent that in 2006 these four states began holding high-level governmental meetings, forming a quasi-international organization after 2009, which later in 2010 expanded to include South Africa as well (rechristening the group as BRICS). However, the cast of characters discussed as "rising powers" in Western capitals has not been restricted to the BRICS. Especially since the global financial crisis, analysts from both private and public foreign policy sectors (and academia) have been in a rush to identify the next crop of "rising powers," either as a complement or an alternative to the BRICS, an effort only hampered by the difficulty of finding an equally compelling acronym. Contenders have

<sup>&</sup>lt;sup>1</sup> See, for example, National Intelligence Council, Global Trends 2025: A Transformed World, Washington, DC: U.S. Government Printing Office, 2008.

<sup>&</sup>lt;sup>2</sup> See, for example, Rushir Sharma, "Broken BRICs: Why the Rest Stopped Rising," *Foreign Affairs*, November/December 2012.

<sup>&</sup>lt;sup>3</sup> By my estimate, the number of policy reports about "rising powers" issued by major U.S. think tanks has increased more than 10,000 percent in the last ten years.

<sup>&</sup>lt;sup>4</sup> Dominic Wilson and Roopa Purushothaman, "Dreaming with BRICs: The Path to 2050," Goldman Sachs Global Economics Paper No 99, 2003.

included: TIMBI (Turkey, India, Mexico, Brazil, and Indonesia) <sup>5</sup>, MIST (Mexico, Indonesia, South Korea, and Turkey) and N-11 or Next Eleven (Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, the Philippines, Turkey, South Korea, and Vietnam). <sup>6</sup> Many of these newer contenders are also members of the G-20, which consists of the original G-7 (United States, Great Britain, France, Germany, Italy, Canada, and Japan) and Russia (G-8) plus Argentina, Australia, Brazil, China, India, Indonesia, Mexico, Saudi Arabia, South Africa, South Korea, Turkey, and the European Union. The G-20 was established in 1999 but rose to prominence after the financial crisis incapacitated much of the original G-7. During the worst period of European financial troubles, both the BRICS and the G-20 were invited by the United States (and some European leaders) to take a more prominent role in international economic discussions.

What can be said about how concern over the new "rising powers" has influenced discussions about Russia in U.S. foreign policy circles? Given that attention spans in Washington, D.C. are limited, it is reasonable to assume that this newfound focus on such "rising powers" must have come at the expense of other traditional policy concerns. Does this emerging perception of the rise of the non-West help or hurt Russia? Over the last year, as a Council on Foreign Relations International Affairs Fellow with a placement at the Congressional Research Service, I have compiled a database of policy related work products issued by major U.S. governmental organizations and major foreign policy think tanks in the last ten years. Based on this research I can make the following generalizations about Russia's place in the U.S. policy discourse vis-à-vis other "rising powers."

## The Good News-Russia Still Gets a Lot of Attention

In terms of sheer numbers, it is hard to argue that U.S. policy circles do not pay attention to Russia. In terms of the number of reports, memos, and briefs produced, Russia is only second to China as a subject matter of U.S. analytical concern, and a close one at that. Russia still gets considerably more attention than, for instance, Iran, a major security concern for the United States and even a "rising power" by some accounts. Some of this interest in Russia can be attributed to path dependency. Given the history of U.S.-Russia relations, there are simply more analysts and experts prepared to write about Russia than Brazil or even Iran. Russia's second place showing is not unwarranted either, considering that it is comfortably ahead of all other members of BRICS in terms of GDP per capita (though in terms of overall GDP it has fallen behind not only China and Brazil but also possibly India). In terms of military spending, Russia is only behind the United States and China, another reason why it makes sense for U.S. analysts to continue their focus on Russia.

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<sup>&</sup>lt;sup>5</sup> As identified by Jack Goldstone in "The Rise of the TIMBIS," Foreign Policy, December 2, 2011.

<sup>&</sup>lt;sup>6</sup> Both MIST and N-11 were also coined by Goldman Sachs economist Jim O'Neill.

<sup>&</sup>lt;sup>7</sup> The views expressed in this memo are not necessarily endorsed by either CFR or CRS. This memo does not draw from any confidential or classified sources.

<sup>&</sup>lt;sup>8</sup> At the time of writing (June 2013).

## The Bad News – There is No More Russia Hype

Unfortunately, it is difficult to come away from a review of policy output on Russia with any kind of positive notion about Russia's future prospects, either as an "emerging market" or as a "rising power." Gone are the days of Thomas Friedman urging Americans to "keep rootin' for Putin." Indeed, notwithstanding the fact that Russia was one of the first economies to be designated as a "rising power" in the new millennium as a BRIC country (or that Goldman Sachs mutual funds based on Russian stocks have fared better than their Brazilian and Indian counterparts), most analysts in D.C. rarely talk about Russia as a "rising power" anymore, preferring instead to focus either on China or those potential "rising powers" like Brazil, India, and Turkey that are seemingly more favorably disposed toward the United States. In fact, much of the acronym game of late (BRICS vs. TIMBI and MIST, etc.) seems designed to leave Russia out as a designated "rising power."

In other words, despite the fact that high volumes of policy research continue to be produced about Russia, very few, if any, of these recent reports label Russia as a "rising power" or even as a "regional power," in marked contrast to countries such as Turkey, which has economic and military indicators that are much weaker than Russia's but which nonetheless plays a much bigger role in the U.S. policy imagination as a "rising" or "regional" power. Whereas recent analyses about Turkey emphasize economic potential and regional power, recent analyses about Russia focus mostly on Russia as an obstacle to U.S. foreign policy vis-à-vis Syria or Iran. In contrast to a decade ago, there is hardly any positive spin on Russia's foreign policy choices. Instead of discussions of Russia's involvement in the BRICS organization or its term leadership of the G-20, we get analyses of Russia's tolerance for domestic turmoil or Putin's long-term prospects. This is not to say that Russia does not have serious domestic problems or that Russian foreign policy is not an obstacle to U.S. interests in the Middle East or elsewhere. I am merely drawing attention to what gets emphasized in U.S. analyses of Russia vis-à-vis other states like Brazil or Turkey, which have hardly solved all their own domestic problems (as evidenced by the recent wave of protests in both countries) or lack their own regional agendas. The "policy relevance" story that is told about each is particularly telling in terms not only of what it mentions but also of what it leaves out.

Overall, two lines of argument can be discerned in policy related briefs and articles circulated in Washington about "rising powers" vis-à-vis Russia: it is either posited that the economies of states like Mexico, Indonesia, South Korea, and Turkey (and Brazil and India) are more dynamic than the Russian economy, as is possibly also the Chinese (which is supposed be hiding serious structural problems), or it is argued that the entire proposition of emerging markets is overblown, nobody is really emerging, and that Russia and China, as export economies, will be hurt most when "the Rest" fail to rise. It is not hard to see elements of ideology in such analyses, which should come as no surprise to anyone. Those who believe that "the Rest" is rising want those who rise to be similar to the United States, democratic and capitalist. States that

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<sup>9</sup> See Ian Salisbury, "Goldman Sachs bails on BRIC funds," The Wall Street Journal, October 12, 2012.

resemble this ideal type, however remotely, get extra hype from analysts, due to knowing or sub-conscious biases. This is why we also sometimes produce overly optimistic projections about a capitalist China salvaging and preserving the international order. Present-day Russia fits this mold even less than China does, on the one hand, and it is easier to ignore indicators of whatever remains of Russia's economic and military strength than China's, on the other. This is how Russia became the redheaded stepchild of the "rising powers" literature in less than a decade, despite the fact that surface political and economic indicators have remained more or less constant.

As the Ottoman Empire discovered in the nineteenth century when it was labeled "the Sick Man of Europe," perceptions of Western analysts have power to influence reality on the ground, regardless of their veracity. Back then, despite suffering from some similar domestic problems, Russia was spared the humiliations visited upon the Ottomans because of perception. Ironically enough, Turkey seems to be sheltered for the moment from the type of criticism that is routinely leveled against Russia about the quality of its democracy, corruption, and so forth, because it is considered a "rising power" whereas Russia is imagined as fading. Turkey was recently shaken by monthlong anti-government protests sparked originally by objections over the development of a centrally located park into a shopping mall. Turkish Prime Minister Recep Tayyip Erdogan's reaction to the protests was to amp up his authoritarian rhetoric and to condone the excessive use of force, tear gas, and plastic bullets against protestors. People have died and many activists have been arrested. These events demonstrate that an alternative narrative about Erdogan, one that is much more similar to the one about Putin, was available to the West, but for reasons identified above was not in circulation until facts on the ground made it impossible to ignore Erdogan's increasing authoritarianism. Despite this, the criticism from the United States vis-à-vis Turkey and Erdogan has been very mild.

All this is not to say that Turkey's problems are equal to Russia or that criticisms against Russia or Putin are unfair. I simply want to point out that no problem is entirely endogenous and much depends on whether the international environment is favorable, which in turn depends to some extent on how analysts in Washington and other Western capitals perceive a country. Furthermore, as I and others (like Andrey Tsygankov, Viatcheslav Morozov, and Iver Neumann) have shown in our academic work, Russia traditionally cares deeply about how it is perceived by the West. Russia might handle being cast in a negative light by the United States as long as it is taken seriously as a world power. This also suggests that the present tense condition brought about all the recent spying kerfuffle is more preferable to the Russian leadership than being sidelined entirely. If history is any guide, what Russia cannot abide is being ignored by the West or outshone by other powers, especially if those hail from the non-West. This has not happened yet, but given "the rebalance to Asia" and other trends in the United States, it may no longer be a question of if but when. Russian reaction to such an eventuality is unlikely to be pleasant.

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