

The Reality and Myths of Nuclear Regionalism in Russia

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May 2000

PONARS Policy Memo 133

Monterey Institute of International Studies

In 1998, retired General Aleksandr Lebed, governor of Krasnoyarsk krai, declared that he would assume control of a Strategic Rocket Forces division deployed on the territory of his region unless the federal government improved the financing of that division. Although his words were not followed by action, this statement raised the specter of what might be called nuclear regionalism--the possibility that Russia's regional leaders might establish de facto control over various nuclear assets on their territories, including nuclear power stations, caches of fissile materials, research and industrial facilities, export control (customs), and ultimately nuclear weapons.

The possibility that Russia might break apart--following the path of the Soviet Union and leaving several smaller nuclear states in its wake--is extraordinarily small, and for all practical purposes nonexistent. This kind of nuclear separatism is a myth, although a rather popular one.

Nuclear regionalism, however, is a reality. Regional authorities are gradually acquiring greater influence over the Russian nuclear infrastructure, both civilian and to a lesser extent military, as well as over the armed forces. The process is not one-dimensional, though, and does not boil down to straightforward devolution of authority from the center to periphery. Instead, it takes the form of an alliance between governors and powerful, highly institutionalized federal-level interest groups, first and foremost Russia's nuclear industry and the military. Thus, nuclear regionalism is not a sign of disintegration. Rather, it might be the first stage of a new type of integration--a merger of federal and local elites that can strongly affect the country's national security policy.

The State of the Game

A close look suggests that the following processes are taking place: First, there is a significant difference between region-level actions with respect to military and civilian nuclear assets. Governors' attitudes toward military units deployed in their territories, including forces with nuclear weapons, are in the realm of what would be classified as normal local politics. In particular, there is no evidence that regional authorities are trying to assume control over nuclear weapons.

Second, governors increasingly support the Ministry of Atomic Energy (Minatom) facilities located in their regions, vigorously defending the expansion of nuclear power generation and the development of spent fuel reprocessing. In effect, many regions and Minatom have formed an alliance vis-à-vis other interest groups and agencies. Federal control over Minatom, one of its own national agencies, has diminished. In the future, the federal government will likely be more inclined to pursue policies sought by Minatom because the agency will acquire greater influence through its reliance on the Federation Council (the upper chamber of the Russian parliament, which consists of governors and speakers of regional legislatures).

Third, financial and other forms of regional support for troops is characterized more by cooperation than control. Local commanders increasingly consult with governors and seek political assistance; the two sides develop a common agenda with respect to defense policy. In this area, an alliance similar to the one with Minatom is emerging as well. The alliances are interest-based, of course. Governors view nuclear industrial facilities and research centers (including military-related) as a valuable source of jobs, taxes, and investment. Depending on the region, they enjoy support or serve as targets in attempts to control and divert cash flows away from the federal budget to the region's coffers. Support of the military is an obvious element of politics, as well. For their part, Minatom and the military can increase their influence by tapping the political resources of individual governors and of the Federation Council.

Collusion of these interest groups has the potential to change the shape of power alignments in Russia. The most obvious and immediate consequence is the preservation and expansion of the civilian nuclear complex, including the plutonium-based cycle. Russia is likely to continue production of energy-grade (and maybe even weapons-grade) plutonium. Further, the overall position of Minatom will be strengthened as well, including with respect to international cooperation programs, such as that with Iran. The influence of the military will also grow, although this is likely to be a slower and less pronounced process, since there are fewer immediate political and material interests involved in the region-military relationship. It is likely that regional (military district) commanders will have greater influence and stature.

Promotion and Expansion of Nuclear Power Plants

At a recent meeting, the "Union of territories and enterprises of the nuclear energy complex" declared that their interests were the same as those of the nuclear industry and demanded to expand the construction of nuclear power stations and to adopt a law on storage and reprocessing of spent fuel imported from other countries. This union is chaired by the governor of Voronezh oblast Ivan Shabanov and includes the Voronezh, Kursk, St. Petersburg, Murmansk, Saratov, Sverdlovsk, Smolensk, Tver, and Ulyanovsk oblasts, and the Chukotka region.

Nuclear power plants offer governors a way to break the monopoly of the unified energy grid (RAO EES), which controls power generation and distribution in Russia and is

federally controlled. Nuclear power plants offer an independent source of energy. This policy is consistent with Minatom's own desire to reduce its dependency on RAO EES, which Minatom believes has established unfairly low prices for energy produced by nuclear power plants. An example of joint action is the campaign by both the leadership of Chelyabinsk oblast and Minatom to complete the Yuzhnoyuralsk nuclear power plant, whereas local ecological movements assert that expansion of an existing hydroelectric power station would be three times cheaper. The hydroelectric station would be under the auspices of RAO EES, whereas the nuclear power plant could provide an "independent" source of energy.

In some cases, regional authorities actively support nuclear power plants vis-à-vis federal agencies. In one 1999 case, Tomsk governor Viktor Kress intervened with the federal government on behalf of the Siberian Chemical Combine, which had one of its plutonium-producing reactors closed by Gosatomnadzor (GAN), the agency that supervises nuclear safety. As of early 2000, the reactor was working at full capacity, although it was not clear whether repairs had been performed to the full satisfaction of GAN. Ironically, the aspirations of this regions-Minatom coalition meet the goals of the International Monetary Fund (IMF), which wants to break the RAO EES monopoly over energy production and supply in Russia, and help create independent sources of energy.

Storage and Reprocessing of Fissile Materials

Many governors increasingly support Minatom's proposals to import spent fuel from abroad for reprocessing. Estimated earnings are as high as \$21 billion, \$7.2 billion of which represents Minatom's share. Regions are eager to take their share of profits, and many of them view nuclear facilities as liabilities that can be converted into assets in a few years--representing a remarkable change in attitude. In Krasnoyarsk krai, construction of an RT-2 plant in Zheleznogorsk for reprocessing spent nuclear fuel imported from abroad has been accelerated, although only a few years ago Krasnoyarsk governor Lebed opposed it and objected to importing spent fuel from Ukraine. A referendum on this plant was initiated by local ecological movements in 1997, but was overturned by the regional legislature.

Recently, the legislature of Chelyabinsk oblast adopted a new law that allowed importing of spent fuel from abroad for reprocessing under the condition that 25% of all hard currency earnings remain in the oblast. The law prohibited importing spent fuel for storage, but there is a trick here: fuel imported for reprocessing can be stored for 20-40 years before the work is done. It is significant that these laws are adopted by regional legislators in direct contravention to the still-existing federal laws that prohibit many of these activities.

The catch here is that existing Russian reprocessing facilities produce energy plutonium, meaning that the plutonium-based cycle of the nuclear complex will be preserved for a long time. Last February, Minatom informed the United States that it will not be able to close down plutonium-producing reactors (part of the reasoning is the high cost of

replacing them as a source of energy). These reactors will continue to operate until probably 2004, and maybe as long as until 2008.

The Emerging Relationship Between Regions and the Military

Regions increasingly interfere in what is supposed to be the exclusive prerogative of the federal government--the armed forces. For the military, this relationship is an important source of resources that the federal budget cannot provide, including food and housing, and often energy and other vital supplies, and some have assumed 100% of the funding for local military commissars who control reservists and drafting into the army.

Governors increasingly shield the military from RAO EES. Governors benefit from this relationship in terms of increased political support from the military and their families (particularly valuable in view of the upcoming elections), as well as greater visibility on the national level.

Top commanders of the Siberian Military District (MD) acknowledge that in the absence of federal financing their needs are mostly covered by assistance from regional governments, including call-up and training of reservists. The MD commander, Colonel-General Nikolai Kormiltsev, admitted that the district's activities receive the prior approval of the regional governments. Similarly, the Strategic Rocket Forces (SRF) unit deployed in Orenburg krai is so dependent on local assistance for housing, food supply, training of reservists and other activities that the army's commander initiated the process of naming it "Orenburgskaya" as a way to express gratitude. A similar relationship exists between an SRF division in Saratov oblast (the only division that boasts the most modern ICBMs, Topol-M) and its regional government.

The relationship between local military and civilian authorities in a number of regions, particularly Altai and Khabarovsk krai, was further strengthened by numerous cases in 1999 and 2000 when power was shut off to military bases, including the early warning systems of the SRF. In some instances military units even seized power supply facilities that belonged to RAO EES. In each case, governors intervened to restore electrical power to the military.

Attempts at Hostile Takeover

Of course, there are opposite cases in which regional authorities view facilities as opportunities and attempt to assume control rather than establish an alliance.

There are several instances of regions trying to capitalize on the Cooperative Threat Reduction (CTR), the Material Protection, Control & Accountancy (MPC&A), and the Initiatives for Proliferation Prevention (IPP) programs, and other forms of foreign assistance to Russian nuclear infrastructure. The best known method is attempting to levy local taxes on this assistance. In January 2000, the Nizhny Novgorod oblast government created a special council on foreign investment in Sarov (Arzamas-16), the "closed city"

that contains one of Russia's two nuclear weapons laboratories and a nuclear weapons assembly facility. The council is supposed to control all hard currency flows into Sarov, which could potentially affect US assistance programs. It includes 18 representatives of the regional government and only four representatives from Sarov, giving Nizhny Novgorod authorities full control over the city's financial and investment situation.

Similar attempts have been made with respect to military facilities. For example, last March the Communist-dominated regional legislature in Volgograd oblast attempted to confiscate the largest missile testing range in Russia, Kapustin Yar. The measure failed by the narrowest possible margin: ten voted for, eight against, and two abstained (eleven votes were required for passage).

Conclusion

To sum up, alarmist predictions about Russia disintegrating into several smaller nuclear states are unfounded. Instead, it might be more correct to speak of a new trend toward integration, at least in one area that directly bears on national security policy. The alliance between regional governors and Minatom facilities--as well as the alliance between governors and the military--will at minimum affect Putin's emerging policy of reigning in the regions. Regardless of how constitutional issues are resolved, governors will continue to be influential in routine daily policymaking. The realignment of the political landscape is only beginning, but in the future we will probably see an increasingly powerful nuclear industry and military, which will enjoy greater support from the Federation Council.