

RUSSIAN ECONOMIC DELUSION AND MILITARY ATTRITION

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The summer economic forum in St.

Petersburg used to be a vanity fair of Russian opulence and corruption as “Russia’s Davos.” But last week’s (6/14-17) modest, if not frugal, event was rather an exercise in self-reassurance of sustainable stagnation.

The international profile of the event was seriously curtailed, and the guest of honor was Algerian President Abdelmadjid Tebboune, who was eager to agree “with everything Comrade Putin said” and to sign the declaration of an “enhanced strategic partnership” between the two countries (Kremlin.ru, June 15).

United Arab Emirates President Mohamed bin Zayed also opted to make a working visit but abstained from partaking in Russian President Vladimir Putin’s keynote session, providing instead a bit of entertainment in the exhibition hall (Kommersant, June 16). The guest whom Putin would have been happy to embrace but could only honor with a moment of silence was Silvio Berlusconi, former Italian prime minister, who passed away on June 12 (RBC, June 16).

Putin’s speech was entirely devoted to amplifying positive news about Russia’s economic performance, which according to his estimates, is still capable of delivering the volume of weapons necessary for sustaining the “special military operation” and providing broad prosperity (Kommersant, June 17).

Unemployment is indeed low, due to extra-high out-migration, but as for the alleged decline of poverty, that has been achieved primarily by doctoring the data (The Insider, June 16).

Economic statistics have indeed become scarce and carefully “improved,” thus enabling Putin to assert the diminishing dependency on oil revenues and the benefits of high war expenditures without any concern for a seeming departure from reality (Moscow Times, June 16).

It takes the diligent collection of fragmented data to make an accurate estimate of the depth of economic de-modernization, but even the governors of the most impoverished regions are not going to object to Putin’s surrealistic guidelines (Moscow Times, June 16).

Later in his address, the Russian president painted the picture of robust growth—not only for the well-trained audience in St. Petersburg but also for the noisy “military-patriotic” bloggers who openly question the rationale for the “liberal,” if not that lavish, forum in a time of hard fighting against Ukraine (Svoboda, June 16).

The official propositions that a new and wider mobilization is not needed and that the military-industrial complex is producing better weapon systems faster than North Atlantic Treaty Organization (NATO) members are able to supply similar systems to Ukraine may be convincing for eager propagandists, but less so for other media influences who post from the trenches (Forbes.ru, June 16).

Putin granted a special audience to a select group of loyal bloggers last week, but his reciting of the reasons for launching the invasion and blaming NATO for the delays in reaching its unalterable goals were far from inspiring (Izvestiya, June 13). Defense Minister Sergei Shoigu sought to reinforce Putin’s message by inspecting the tank-producing plant in Omsk, but the claims of the superiority of Russian armor against the Leopard-2 tanks and M2 Bradley infantry fighting vehicles ring progressively false (SuperOmsk, June 17).

For the loud legion of “patriots,” even the slight worries expressed in St. Petersburg by ministers in Mikhail Mishustin’s cabinet amount to sabotage, but Putin retains confidence in the professionals who succeed in keeping inflation in check despite the fast increase of budget expenditures (Republic.ru, June 16).

He is also reluctant to answer the shrill demands for firing Shoigu and Valery Gerasimov, chief of the Russian General Staff, despite the apparent loss of the initiative on the battlefield and the easily verifiable falsity of reporting from the Russian Defense Ministry regarding heavy Ukrainian casualties and hundreds of destroyed NATO-supplied tanks, artillery pieces and air defense systems (Novayagazeta.eu, June 15).

Yevgeny Prigozhin, boss of the notorious Wagner Group, leads the virtual attack on Shoigu and Gerasimov, accusing them of incompetence and cowardice, and the Kremlin has allowed him significant information space for vicious criticism and self-promotion (Svoboda, June 16).

Yet, with the completion of the assault on Bakhmut and the withdrawal of the remaining Wagner troops in the region, Prigozhin’s usefulness may have expired, and his derision of the St. Petersburg forum as a feast during a time of plague could compel his handlers in the special services to get him muzzled (Riafan.ru, June 16).

Putin’s readiness to proceed with the “long war” and his confidence that the Ukrainian offensive has no chance to succeed are challenged not only by jingoist bloggers but also by some mainstream experts who argue that a victory cannot be achieved without nuclear strikes (Profile.ru, June 13).

What makes such mind-boggling proposals more alarming than the usual propaganda escapades is that they are

underpinned by sound analysis of the strength and sustainability of Western support for Ukraine, which is set to be reconfirmed at the forthcoming NATO summit in Vilnius in mid July (Meduza, June 15).

Putin seeks to counter this doomsday discourse by referring to the doctrinal guideline that a nuclear response is “theoretically possible” if Russia faces an existential threat and by declaring that tactical nuclear warheads are being transported to Belarus (Current Time, June 16). Yet, the construction of a nuclear storage facility in Belarus has not been completed, and there is no material confirmation of Putin’s declaration.

Even so, his desire to turn nuclear weapons into useful political instruments remains persistent and irresponsible (New Voice of Ukraine, June 17). As long as Russian High Command is able to reassure the commander-in-chief of the impenetrability of Russian defensive lines, his nuclear bluffs will remain transparent. Nevertheless, a breakthrough may place nuclear options on the table (Carnegie Politika, June 16).

Russia appears settled on the track of partial domestic mobilization for a protracted war aimed at exhausting the Ukrainian will to resist and eroding Western unity in confronting Moscow’s aggression, which poses no threat to NATO territory but is aggravated by the risk of nuclear escalation.

This coveted stability is, nevertheless, inherently fragile and exposed to external shocks. The Russian economy may strive for the pattern of slow stagnation and de-modernization, but the fast accumulation of profound problems in technological backwardness and demographic decline set a short expiration date for this model.

Putin may believe that his denials would push these problems beyond the horizon of strategic planning, which extends no further than a few months and is based on the premise of solid defense. The Russian fortifications stretching across southern Ukraine seem formidable, but the troops in the trenches await orders for retreat.

The strategy of self-deception, whether economic or military, dooms Russia to a chain reaction of defeats, and a successful Ukrainian attack will serve as the trigger.

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