



RUSSIA REFORM MONITOR

The American Foreign Policy Council's Review of
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A GOOD YEAR FOR RUSSIA'S OLIGARCHS

Russia's richest individuals enjoyed a particularly lucrative year in 2019. According to Bloomberg's index of the world's 500 wealthiest billionaires, only one of Russia's 23 billionaires reported a loss in his net worth last year, while the other 22 benefited immensely from gains in "emerging market assets from currencies to stocks and bonds." The other billionaires on the index, including those from the United States and Ukraine, also experienced significant growth in their holdings; collectively, all 500 individuals increased their cumulative wealth by 25 percent, to a total of \$5.9 trillion. (*Radio Free Europe/Radio Liberty*, December 30, 2019)

PUTIN'S DEFENSE OF MOLOTOV-RIBBENTROP

During a recent press conference, Russian President Vladimir Putin engaged in some notable historical revisionism by defending the pact struck between the Soviet Union and Adolf Hitler's Germany in August 1939, shortly before their joint invasion of Poland. Downplaying the USSR's part in that invasion, Putin instead suggested that it was collusion between the Nazis and Poland, as well as other European governments, that was actually to blame for the outbreak of World War II. Warsaw responded furiously, with the Polish Prime Minister calling Putin out for lying about his country "on numerous occasions... It usually happens in a situation when the authorities in Moscow feel international pressure caused by their actions."

Tony Barber of the *Financial Times* writes that Putin's comments represent a "weaponizing of history" meant to burnish Russian pride prior to this year's 75th anniversary commemoration of the war's end. He also argues that Putin is backpedaling on prior efforts to engage in "historical truth-telling" that he sees as harmful to the stability of his authoritarian system. The sentiments may run deeper than the Kremlin walls, Barber suggests, citing polling data from the Levada Center in which nearly half of Russian respondents "fully or somewhat approved" of the pact – an indication that "Russians and their neighbors really do have different readings of 20th-century history." (*Financial Times*, January 5, 2020)

A NEW ROUTE FOR RUSSIAN GAS

President Putin traveled to the Turkish capital of Ankara earlier this month to celebrate the completion of the new TurkStream export pipeline, an ambitious multibillion-dollar project that fulfills major foreign policy goals for both Russia and Turkey. TurkStream connects Russian gas exporters to Turkey's western provinces via the Black Sea. It has the capacity to carry 31.5 billion cubic meters of natural gas per year, much of which will be exported beyond Turkey to Central Europe and the Balkans once additional connecting pipelines are completed. The opening of the \$7.8 billion pipeline represents a coup for Putin, who for years has sought an alternate path for Russian gas to Europe that cuts out Ukraine. All Russian gas that previously transited west to Turkey via overland pipelines in Ukraine can now be routed through the new pipeline, a development that energy analyst Margarita Assenova says "directly undermines Ukraine as a gas-transit country and directly undermines Ukrainian security." The pipeline is also a win for Turkish President Recep Tayyip Erdogan, who is seeking to transform Turkey into a new energy hub for Europe. (*Radio Free Europe/Radio Liberty*, January 7, 2020)

A MEETING OF THE MINDS IN DAMASCUS

Russia's president recently visited Damascus for the first time since 2017 as tensions in the Middle East spiked in the wake of the U.S. killing of Iranian general Qasem Soleimani. In addition to greeting Russian troops stationed in the country, Putin met with Syrian President Bashar al-Assad to discuss the evolving regional security picture. Now that virtually all of Syria's territory has been reclaimed by forces loyal to Damascus, the state of Assad's coalition is coming under question. Iran's ability to influence events in the country may be in jeopardy in the aftermath of Soleimani's death, while Russia is now forced to contend with a growing Turkish presence in the country's northeast - something that, while currently under control, could lead to renewed hostilities in the future. (Reuters, January 7, 2020)

MOVING FORWARD ON HYPERSONICS

Russia's hypersonic weapons programs are back in the spotlight as the country's military incorporates the advanced systems into its activities. The *Kinzhal*, an air-launched hypersonic cruise missile that is still technically under development, was launched during recent joint exercises in the Black Sea. Russian President Vladimir Putin personally oversaw the exercise, which involved over 30 ships, 40 aircraft, and one submarine from the combined forces of the Black Sea and Northern Fleets. The *Kinzhal's* appearance in the exercises took place shortly after the reported deployment of the *Avangard*, a hypersonic long-range boost-glide vehicle that is Russia's first officially operational hypersonic system. (CNN, January 9, 2020)