

## Chapter 13

# Transformation of Russian Military Enterprise in the Geopolitical During the Putin Era

**Fei Wu**

*China Guangzhou Jinan University, China*

### **ABSTRACT**

*Vladimir Putin's annual address as president in 2006 neatly summaries the reason why Russia had to press forward with long-overdue reforms of its armed forces. Two decades after the fall of the Soviet Union, Russia was still left with an oversized military organization built for large-scale mobilization and the demands of the Cold War, but highly ineffective for the type of conventional military conflicts that Russia was most likely to become involved in. The rationale behind Russia's reforms of the armed forces were thus clear long before the war in Georgia, which has often been pointed to as the reason why the reforms were launched in October 2008. President Vladimir Putin's current period runs out in 2024, when he is due to step down, according to the constitution. Given the fact that the current political system has been carefully crafted for almost 20 years, it is evident that there is uncertainty about its future. First, it no longer produces wealth for the population. For five years in a row, the real disposable income has been decreasing.*

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## INTRODUCTION

*I remember the conversation with the then chief of the General Staff very well. ... In order to give an effective answer to the terrorists, we needed to gather a force numbering at least 65 000 men. But in all of the Ground Forces, there were 55 000 in battle-ready units, and these were scattered all over the country. An army of 1 million 400 thousand men, but there was no one who could go to war (Vladimir Putin's Annual Address to Parliament in 2006).*

The quotation above, taken from Vladimir Putin's Annual Address as President in 2006, neatly summarizes the reason why Russia had to press forward with long-overdue reforms of its Armed Forces. Two decades after the fall of the Soviet Union, Russia was still left with an oversized military organization built for large-scale mobilization and the demands of the Cold War. However, this military organization is highly ineffective for the type of conventional military conflicts that Russia was most likely to become involved in. The rationale behind Russia's reforms of its Armed Forces was thus clear long before the war in Georgia (Emerson, 2008), which has often been pointed to as the reason why the reforms were launched in October 2008. President Vladimir Putin's current period runs out in 2024 when he is due to step down, according to the Constitution. Given the fact that the current political system has been carefully crafted for almost 20 years, it is evident that there is uncertainty about its future. First, it no longer produces wealth for the population. For five years in a row, the real disposable income has been decreasing (IMEMO, 2019). Second, the legitimacy of the system could be questioned, since Putin's popularity figures are going down, and the surge from 2014–2015 has been eradicated.

War (indeed, the Soviet Union helped fuel conflict and instability), as well as, the communist ideology and groups that professed it lost their main backer with the fall of the Soviet Union. The demise of the Soviet Union also contributed, not only to weaken some African states, but resulted in the influx of arms on the global market. Thus, it was easy for disparate individuals and groups to carve out areas of influence under the barrel of the gun. Furthermore, in the U.S., private military companies (PMCs) (Westerlund & Norberg, 2016) emerged as a function of decades of decisions underscored by both the strategic requirement for resources and neoliberal thinking. The desired result is to reduce costs, gain efficiencies, and create economies of scale (Spearin, 2018).

This chapter focuses on the use of private military companies (PMCs) by the Russian state to achieve both its military and political objectives, through the Eurasian geopolitical space, in the international realm. The chapter is structured into four sections. Section one gives a background to the Russian military industrial complex and section two describes the Russian's military and state defense industries

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