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RUSSIA IN THE 21ST CENTURY: **VISION FOR THE FUTURE**

Abridged Report

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The question of Russia's future is a central focus of society's attention. Experts, politicians and the country's leaders all discuss this question and write about it. This emphasis on future forecasts and scenarios is a sure sign that the country is in need of change. What will these changes be? Much depends on the country's leaders, but first and foremost, it depends on society itself. Twenty years after the beginning of society's transformation, we can acknowledge that political and economic development has proven difficult. The numerous crises have consistently placed before us the question as to whether the chosen path is the right one. The goals of Russia's development agenda have only been implied or technocratic in nature. We have moved forward without determining where we are going and what our "vision of the future" is.

Now, Russian society and its leaders must make a choice: how do we see ourselves, our country and our government in the future, and for the sake of what exactly are we prepared to work in order to not let this historic chance pass us by?

We all understand that Russia is at a crossroads and that Russian society must clearly define its goals and make a conscious decision to move past this point, down the right path and without irreversible losses. Whether Russia finally becomes a modern country in every respect depends on this choice. Standing before us again is the threat of instead becoming helpless witnesses to the collapse of a great power. Russia cannot allow itself yet another period of stagnation, after which the country once and for all comes to rest on the periphery of civilization.

In this situation, of particular importance are visions of the future — normative models — that show how we would like to see our country in the foreseeable future. This is not a dream, but a rational attempt to understand how we can avoid the usual turmoil caused by stagnation and backwardness, and reach the level of development befitting our history and our potential.

1.

In order to avoid this threat and respond to the challenges of our time, modernization in Russia should be:

- a) **deep** — climbing out of the rut of resource-based development means overcoming a century-long tradition, which is comparable to the tasks of building a planned economy or rebuilding a civilized market in ruins (i.e., departing one system for another);
- b) **systemic** — economic and technological progress cannot be ensured at the cost of making politics and social life more archaic; this dooms the modernization agenda to fragmentation and instability, with temporary surges followed by historic failures;
- c) **decisive** — when lagging behind reaches such a critical stage, the accelerated processes of innovation should become irreversible; the country's point of no return is right now.

Insofar as the current market creates inertia, modernization has to be carried out with the “vision of tomorrow in mind,” which to a great extent relies on intuition and political will. This reinforces the need to abandon technocratic illusions, which reduce everything to economics, technologies and “hands-on” control.

Modernization begins with the right mentality. The human component takes on a special importance: values and principles, morals and motivations, orientations and system of rules.

At the beginning of the new century, Russia is faced with the task of resolving a fundamental values conflict. The resource-driven system, which is based on a raw-materials economy, is traditionally oriented toward societal worship of the state and its authorities as the supreme benefactor of blessings. An official attitude develops toward the population that partly sees it as a burden and partly as a renewable resource (expendable material), which can contribute historic achievements, record production, etc. – all of which lead to an understanding of society as the subject of political and social manipulation. A “lowest common denominator civilization” is formed based on a culture of incompleteness; the country is thus eternally an unrefined part of an unrealized modern existence in the future.

But unlike the periods of industrialization, urbanization, etc., full-fledged modernizations of the post-industrial era cannot be realized in principle without freedom. In the modern world, the main resources become human creativity, human energy and human initiative. An inclination toward statism, cults of authority and communal values are obviously unproductive in the new world. Development rests on basic freedoms and rights. Only on this basis is it possible to achieve ambitions related to state power, geopolitics, security and others. Dependence and lack

of rights for citizens, on the contrary, exposes the country to perpetual backwardness and geostrategic failures — irrespective of the patriotic and innovative urgings of its leadership.

Upgrading the political system has become an indispensable component of modernization on several grounds.

First, democracy as a system of discussion, agreement and "feedback" between the state and society reduces the risk of policy mistakes. International comparisons show that eight out of the ten best and ten worst experiences of economic transformation happened under authoritarian regimes — showing that authoritarian modernization can either go extremely well or catastrophically badly. Russia simply cannot take the risk of it going badly.

Second, modernization today is, to a large extent, built on "human capital." A highly qualified worker is the main secret of its success. Accordingly, such capital requires a "replacement" mechanism (i.e., a system of education) and its support (i.e., a healthcare system and a pension system) — without these it loses any stimulus for preservation. Implementing these mechanisms also requires openness — dialogue with "consumers" — taking into account both their objective interests, as well as their subjective assessments of the social fairness of the measures undertaken.

Third, business activity and citizen activism needs to be released from the bureaucratic pressure "from above," otherwise "technological" modernization will simply have no effect. For example, advances in information and communication technologies will remain "toys" without a multiplier effect if administrative barriers are not simultaneously reduced and corruption curbed. Information and communication technologies offer an advantage when it comes to speed in information processing and decision-making, but this effect is easy to negate by corrupt bureaucrats who demand bribes or long negotiations. The same applies to increasing energy efficiency: lowering costs to producers will be read by bribe-taking bureaucrats as an opportunity to impose higher rents on businessmen. Add to this the common practices of raiding and disregard for property rights. It is obvious that such a system of relations with the state cannot create a business environment supportive of modernization.

Liberalization, beginning in politics and spreading to everyday practices, will open possibilities for self-realization of more active and productive categories of citizens and for attracting large-scale investment of money, as well as intellectual and labor resources.

2.

The task is to create an economy that generates innovations rather than to generate innovations that are painfully implemented into an outdated economy.

The new global competition is taking place in two main directions:

- people, their qualifications, knowledge and talents; their activity levels, spirit of innovation and enterprise; and their ability to work as a team – and not only for the sake of money, but for the achievement of common national goals;
- institutes and practices, agencies, legislation, law enforcement, etc. – those actors that make the ideological and political environment either conducive to realizing a spirit of innovation or to blocking it.

At the level of official rhetoric it has already been acknowledged that the main value and the main potential for future (and, strictly speaking, current) development is so-called human capital, its presence, dynamics and its quality.

If these words begin to take life, human capacity will be preserved and built along two main fronts.

First, the problem of reproducing our “human capital” stands before us. Our education system must be overhauled, not only in terms of orientation to new knowledge and innovative techniques, but also in terms of the focus on values and ethics that distinguish the innovative social environment from the raw materials society. The formation of a new generation is a process with a definite time lag, so there is virtually no time left to waste in reforming our educational institutions.

Second, for all the ambiguity surrounding the topic of “brain drain” for scientific development as such (i.e., “global intelligence”), this is a real problem that has already become critical. To prevent the exodus of intellectuals and to support their return, it is necessary at the very least to form a competitive environment for self-realization. No less important is the creation of an appropriate political and social environment that does not cause one to blush or result in offense to any rational thinking, reasonable and self-respecting person. Right now this is more important than money.

At the same time, there is a whole line of “external” conditions without which any attempt to begin and promote innovation in a systemic fashion is doomed to fail. These conditions have been outlined for quite some time but remain quite relevant. Among them:

- economic freedom;
- absence of corruption;
- absence of bureaucratic barriers;
- necessary conditions to support small business;
- competitive advantage;
- the availability of venture capital;
- a non-judgmental social attitude toward commercial success;
- protection from criminals and bureaucratic despots;
- mechanisms to execute contracts.

Therefore, any strategic developments and plans to promote innovation should begin and end with changes in these conditions.

3.

The image painted below is not an ideal to which we aspire. Every normal person wants to see his country be the best: the most just, the most secure, the most beautiful, the most prosperous, and the most respected in the world. Actually, there is nothing to add here, which is why we have set a different task for ourselves: to describe Russia after successful modernization. Modernization is a complex process of change in all spheres of public life that lasts for decades. Therefore, beyond this most general comment, we do not set timeframes. The most important point is this: completion of modernization is a public consensus that the main goal of a “modernizing breakthrough” has been achieved in general and that the country can then gradually improve in all areas of life. In other words, that modernization has become self-replicating and that there is no need for fundamental changes.

This Russia will not be ideal. When exiting the modernizing breakthrough, the country might not achieve the highest performance in terms of quality of life, productivity and economic competitiveness, or a fully functioning and responsive political system. The main criterion for the success of modernization is not in this, but rather in the country’s correlation to the challenges of today. These challenges can be defined as follows:

- quality of life, in comparison with the leading countries of the world according to all major parameters;
- competitive economy that enables a high quality of life and realizes all the advantages of natural resources and human capital in the country, is recognized as one of the world’s industrial leaders, and demonstrates a consistent ability to innovate and respond to the challenges of competitors;
- a just social system that provides for the preservation and reproduction of human capital, a level playing field for all citizens and reliable protection for the most vulnerable members of society;
- advanced and dynamically developing science; national cultural achievements that are sustainable and can be accrued;
- an effective state that is accountable to its citizens, and a just social system that provides each citizen personal freedom and protection of his interests, adheres to basic human rights and liberties and the rule of law;
- the creation of law and order inside the country and security in the international arena, achievable through inclusion in universal systems of international security, constructive cooperation with all neighbors and leading global powers; modern and

effective armed forces that are capable of preventing and suppressing any possible hostile actions against the country;

- a healthy environment, as well as preservation and rehabilitation of the country's environmental resources and potential.

And so, in taking a look at the bright noon of some point in the 21st century, which Russia do we see?

3.1. Russian Democracy

Russia is a federated republic with a strong presidential government and an effective, independent parliament predicated on a healthy system of checks and balances.

The presidential term is reduced to five years. The Duma is returned to a four-year election cycle.

The country has a functioning multiparty system. There are several dozen registered parties with a diverse political orientation. Registration of candidacies, party sponsorship by Russian businesses and running for office differs little from how things work in European countries; small scandals happen, cases of shady financing exist, but in general, this does not destabilize the system. In the Northern Caucasus and a few other republics there are still candidates receiving up to 70% of the vote, but such cases occur with less and less frequency.

The parliamentary system is mixed: half the seats in the State Duma, or lower house, are allocated according to the results of voting for party lists; the other half are awarded to the winners of elections in single-member constituencies. About fifty seats in each Duma are won by single-mandate candidates who form a "Regional Politics" group. However, most of the single-mandate candidates are seated in the Duma with the support of parties. The practice of creating electoral blocs is quite widespread. Turnout in presidential elections is 60%, and turnout for Duma elections is slight more than 50%. Regional elections draw 40-60% of voters.

Center-right and center-left parties form the core of the party system. The first relies on the support of businesses (both large and medium), which have been lifted up as a result of modernization. The social base of this party is a large part of the middle-class, which mostly works in the private sector, as well as small businesses. The center-left party is supported by businesses in traditional industries (primarily energy and agricultural businesses), "state employees," rural residents, and older voters. Each of these parties gains 30-35% of the vote in elections. Party programs actually differ from one another, and there is real competition of ideas. The center-right party does better in more modern regions and in larger cities; the center-left party is in power in many of the non-Russian republics and in small towns. Exceptions to this general rule also occur regularly.

Right-wing populists from the Patriotic Party with a moderate nationalist program regularly clear the 4% threshold to secure seats in the Duma (although after Zhirinovskiy's departure from active political life they cannot exceed 5-6%), along with the United Civic Party – a social-liberal coalition of human rights and environmental social movements that has kept the party emblem in the form of an apple (Yabloko). On the edge of the 4% threshold sits the New Left Party – the successor to the Communist Party. Other parties get 1-2% of the vote and this fail to gain seats in the Duma.

Popularly elected senators serve in the upper house of parliament, the Federation Council.

Governors are directly elected by the voters in their regions. Regional authorities still play a strong role in local government, conflict occurs between governors and mayors of capital cities (who commonly are members of different parties), but these conflicts are resolved through legal institutions and procedures. In general, local government has become considerably stronger.

The judiciary has become significantly stronger and (by all accounts) independent. It was a long and difficult process, with a crucial role played by the country's leaders, who actively supported the independence of the judiciary as an institution for conflict resolution during the course of the country's modernization. Judges, together with prosecutors, became "federal" -- standing guard over federal law and the rule of law in every Russian city and village.

Russia still ranks among the bottom 10 European countries in terms of corruption, although it is gaining ground against European outsiders and no longer resembles a corrupt "third-world" country.

Civil society has been significantly strengthened. Registration of nonprofit organizations has been simplified and is handled through a notification procedure. Reports on their activities are published in the media or posted on special websites. In the process of society's modernization, the protection of consumer rights has been significantly strengthened, as have socially oriented community organizations. New trade unions and unions in the liberal professions have spontaneously emerged. All political parties work to support NGOs and activist networks of social organizations.

3.2. The Russian Social Welfare State

Russia has truly become a social welfare state in accordance with its main constitutional character. The path to attainment of Russia's own vision of the social welfare state was not quick and easy.

Successful modernization of the economy has created a demand for "smart" and skilled labor. A growing number of people saw the connection between their own efforts to obtain education and professions, their dedication and the benefits they attain. This, in turn, has created a demand for quality education, healthcare, and a pension system based on the principle of equality of opportunity rather than "leveling." Such a shift in society's values system had already begun in the first decade of the 21st century -- with roughly a decade-long lag after the start of market reforms, although it took on the mandatory feature of public demand only with the success of modernization. The main criterion for the effectiveness of the welfare state has been providing the highest possible level of social services precisely to those groups that need them. In other words, there is actual targeting of social policy that gives both maximum social and financial impact.

As a result, not a single significant social group - whether the disabled or the elderly -- is lost from society. Each contributes to social development, thereby enriching their lives as full members of society.

The largest social stratum is Russia's middle class, which covers at least 50% of the population (households).

Regional differences in the level and quality of life exist, as in any developed society, but these are not as significant as they were during the 20th century. This ensures a relatively uniform distribution of economic activity across the country's regions. Thus, there exist objective prerequisites for high mobility of labor, which allows people to move wherever there are high-paying jobs.

Thanks to the development of road infrastructure and communications, as well as the mass spread of jobs that do not require daily physical presence on the jobsite, residents of large cities will gradually leave them for the suburbs. At the same time, this process facilitates the flow of high-tech employment to the suburban agriculture and recreational (tourist) industries.

Improving the quality of life will have translated into concern for health as one of the main values of society. The healthcare system consists of two segments:

- social (public financing) insurance that is free of charge and accessible to everyone (irrespective of material and social situation or place of residence);

- supplementary insurance (at a cost), which is financed by household income and employer contributions.

Public healthcare is based on a system of mandatory medical standards of treatment and their economic dimensions, which include a set of procedures and necessary drugs, medical substances, and their cost (including expenses related to staff, depreciation of equipment, utilities).

Regarding education, both in public policy and in public demand for it, the most important consideration is its quality and the correlation between knowledge gained and the needs of the economy and the labor market.

The core component of state policy is its ability to provide young Russians with maximum opportunities to obtain a professional education free of charge.

In a modernized society, the most important thing is the ability to learn continuously throughout life. For this to happen, opportunities for primary and secondary professional education must expand and a system of “adult education” must be implemented, which involves both the state and employers.

The demand for skilled “blue-collar” labor, which is born of modernization, has fundamentally changed the system of secondary vocational education: it is completely free (except for refresher courses financed by employers) and is in high demand.

In the field of higher education, a rigid social and state certification process exists to ensure that public and private universities impart knowledge that is considered competitive by world standards. This applies not only to traditional areas of specialization for Russia (natural sciences, technical, medical), but also to the humanities (law, economics and business education). The prestige of Russian diplomas on the world labor market has grown enormously.

Institutes of higher education (both public and private) are increasingly becoming research centers comprised of the most promising scholars from among their own graduates.

The pension replacement rate reaches 60-65% due to three sources:

- participation in a mandatory pension insurance system;
- participation (jointly with employers) in a system of supplementary private pension insurance;
- individual supplementary participation in a system of private pension insurance.

3.3. The Russian Economic Miracle

Already in the first 10 years of the 21st century, the global economy has become the fundamental basis for national economic systems and financial systems. Responding adequately to this challenge, drawing on the benefits of globalization and insuring itself against its risks, Russia has taken a steady position among the world's economic leaders.

The country did not follow the traditional path from an over-industrial to a post-industrial society. This is due to adherence to the stated priorities at the outset of modernization, on the development of: nuclear technologies, energy efficiency and conservation, pharmaceuticals and medicine, the space complex and nano-bio-information technologies. Using Russia's competitive advantage in the production of raw materials, energy and value-added processing has allowed growing incomes to be channeled to the development of high technology. The result was a positioning of Russia in the global economy whereby a new and innovative sector combined organically with old "zones" of international competitiveness, developing through broad diversification and providing an effective technology transfer based on a new legal framework in the areas of subsoil use, resource conservation and environmental protection. Thus, Russia's most important competitive advantage is the high quality of human capital accumulated, which is a stable driver of social and economic development.

Expanding the innovation potential of the energy and commodities sector, Russia invested 4-5% of GDP annually for this purpose. The achieved effect of reducing energy consumption by more than half was used for the development of new priority sectors and to accelerate the development of the agricultural sector. Russia has become one of the leading exporters of agricultural products and guarantors of world food security.

Relying on its prominent position on the world stage, our country has turned out to be global innovator in the field of ecology and climate protection. A rational, efficient and innovative approach was the principle underpinning Russia's public policy. Large international projects to build recreational and protected areas of global importance on Russian territory are quite effective.

Russia has overcome the "Russian disease" – the "resource curse" of commodity dependence and weakness/rigidities in both the market and public institutions. The state has reduced its direct involvement in the economy by at least 50% (its share of GDP does not exceed 30%). At the same time, it has significantly increased its role in ensuring the flexibility of the regulatory environment, which is capable of quickly and reliably adapting to new challenges. The main principle of such a reboot is to promote competition, protect and strengthen the private ownership of companies and citizens, and promote entrepreneurship and private investment. In regulatory practice, internationally recognized standards are used along with targets on the subject of inter-governmental monitoring of macroeconomic stability and the health of the financial sector.

A competitive environment has become an important institutional condition for quality organic growth. Situations where up to 40% of industrial enterprises lacked any competitive dimension are a phenomenon of the past. This happened to a large degree thanks to a rigid but predictable competition policy, which is focused not on the size of companies but on their market behavior and adequate remedies transparently applied when necessary. As in tax policy, the actual practice of antitrust administration has allowed for the creation of normal business conditions.

3.4. Internal and External Security

Russia is a country where the army and law enforcement agencies work effectively and enjoy a strong reputation in society for the proper execution of their mission: defending the country against external threats and maintaining law and order within the country.

The armed forces are formed exclusively on a voluntary basis. The military budget is analyzed thoroughly by the parliament: the State Duma Committee on Defense and the Federation Council have the necessary financial and political tools to influence the state's military policy. They have all the information to analyze and guide the development of Russia's armed forces. This ensures true civilian control over the military sphere.

Russia's army has become professional not only by its method of formation, but also in terms of how it is equipped and the competence of its personnel. Its armaments correspond to the global revolution in military affairs. The widespread use of information technology provides comprehensive information on enemy actions and allows strikes to be made with precision-guided weapons from locations hundreds or thousands of kilometers beyond the conflict zone. Robotic tools of warfare have been intensely developed.

The number of people serving in the armed forces during peacetime has been reduced to 500,000-600,000 troops. The number of trained reservists has been reduced to 700,000, although the armed forces' qualitative composition and constant retraining (reservists receive a small stipend) allow the army to be deployed for any potential conflict.

Reform of the judicial system has become a major modernization project that fundamentally determined the approach to internal security in the country. A transition from a repressive police state to the protection of citizens and lawful expressions of freedom has taken place.

The main police agency of the country – the Ministry of Internal Affairs – has been dissolved. The various functions of law enforcement are clearly separated by levels of public authority, and the “vertical power” of the police, which formerly combined the fight against crime with the maintenance of public order, has therefore been eliminated.

The functions of law enforcement are adequately decentralized and run by several departments and services. At the lower tier, the municipal police are controlled by local governments.

The legal successor of the Ministry of Internal Affairs has become the Federal Criminal Police Service. Its main tasks are combating serious violent and theft-related crimes, i.e., “qualified” (“classical”) crimes, including organized crime.

In both urban and rural communities, there is a municipal police force that is subordinate only to the local community. It is funded from local budgets, as the only way to ensure that law enforcement upholds the rights of citizens and remains under civilian control. Municipalities that

lack their own income receive subsidies from regional budgets for the amount of funding established by law.

The functions of the long-since eliminated State Road Safety Inspectorate have been divided between the regional police (on roads outside densely populated areas), the municipal police and a civilian traffic service that oversees the technical condition of vehicles, issuance of drivers' licenses and consistent traffic management.

The internal troops of the Ministry of Internal Affairs have been transformed into a national guard that reports directly to the President of Russia.

To ensure civilian control of the police and special services, an independent public body – the Committee of Civil Investigations – has been set up in order to comply with citizens' requests that law enforcement officials be investigated if there is a suspicion of illegality.

3.5. A Great Power of the 21st Century

Russia is a leader in building the world order of the 21st century and is a full participant in all major global organizations. As one of the leading economies in the world, it occupies a prominent position in the WTO and the OECD. The status of Russia as a strategic ally of the EU in the foreseeable future also places the conversation regarding EU membership in a new, forward-looking context. With a substantially changed NATO, Russia has successfully concluded negotiations on its accession to the alliance, which will stimulate its further positive transformation. A qualitatively new contractual Russia-NATO partnership has already been created, leading to significant reform of the OSCE.

The main objectives of Russia's foreign policy are oriented toward the formation of an external environment conducive to internal development within the country. The country believes that the key to achieving this objective is the preservation of peace, the resolution of interstate conflicts, and the avoidance of confrontation with major international players while avoiding imbalances and dependence on them.

Fast and powerful internal modernization has allowed Russia to drastically reduce the degree to which it lags behind the leading world powers in terms of state institutions, the pace of development and economic diversification. Real successes in overcoming crisis without social upheaval and moving on to the next level of socioeconomic development based on innovation and high technology; the successful fight against corruption; the development of genuine democratic institutions and civil society; progress in addressing population and environmental problems; the revival of Siberia, the Far East and the Far North; and the effective implementation of military reform -- all of these positive developments have been seen abroad as an expression of Russia's political will to modernize the country and cultivate not only respect in the international arena, but also a sense of entry into a system of common values. In these circumstances, the political classes of the Western countries have coped with their own "hawks" and have made their own halfway movement toward establishing new relations with Russia. The struggle between the "doves" and the "hawks" in both Russia and the West became particularly complex during the formation of an alliance between Russia and NATO, but a major breakthrough has been achieved thanks to the success of joint peacekeeping operations in an important developing country.

As a result, Russia has gained the image of a country that should be respected in the West for its military and economic strength, as well as for its successful modernization and constructive approach to finding cooperative solutions to global problems. Attitudes around the world toward Russia have changed dramatically.

Russia is linked with the European Union through its status as a strategic ally on a qualitatively new legal framework -- a "big contract." The prospects for full membership in the EU are being developed, but this takes into account both the establishment of a multilateral free trade area in

the CIS and the position of the EU regarding the adherence to its standards of other CIS members, which Russia is working with as part of a common market.

Along with the "big contract," a new agreement on Security and Cooperation in Europe (Helsinki-2) has been enacted.

A common humanitarian space has long since been established, which includes visa-free travel for all Europeans. Russians are included in all student, academic and cultural exchanges on an equal basis with nationals of EU countries.

Russia and the EU have moved steadily toward a common market, free movement of goods, capital, services and labor, and have removed technical barriers and other regulatory obstacles. A common market for transport services has been created, and it has been integrated into the global transportation system. Russia and the EU jointly develop and provide sales in global technology markets, as well as products and services in the most advanced sectors (e.g., aviation, space, nuclear energy, information and communications, nanotechnology, etc.).

Russia and the United States are connected by a strategic partnership. These relationships were built gradually through the improvement of dialogue, conclusion of agreements on military-strategic stability on a global level, construction of a new European security system, as well as successful partnership in countering global terrorism and extremism. From the Russian side, the driving force was the modernization imperative to revamp Russia's economy based on high technology.

Despite difficult negotiations, mutual understanding was reached regarding the rules of interaction in the former Soviet Union. Rejection by the United States (and its NATO allies) of forced expansion of the NATO alliance to the East and the resumption of a normal dialogue on democracy and human rights – along with Russia's joining the efforts of the Western coalition in Afghanistan (without the dispatch of Russian military personnel) – have allowed those relationships to be built.

The notion of a "post-Soviet space" has been left in the distant past, but the term "near abroad" is still widely used. The CIS has been preserved, but the Commonwealth is no longer a "club for heads of state," but rather a network with a qualitatively new and effective framework to coordinate relations, which all states consider beneficial and useful to maintain.

Russia perceives the "near abroad" as a common civilization, a geographic area of peoples and nations, but does not identify historically conditioned and mutually privileged relations with these countries as a sign of its "sphere of influence." It clearly defines guarantees of territorial integrity, respect for their independence and sovereignty, as well as peaceful resolution of ethnic conflicts in the CIS, but it operates mainly through "soft power" – successes achieved in modernization provide a reasonable basis for this.

The Collective Security Treaty Organization (CSTO) has retained its vitality, but its mission has been somewhat transformed. It is primarily engaged in the fight against terrorism, religious

extremism (in Central Asia) and drug trafficking, though it also serves to protect against new threats and to support the development of military and technical cooperation.

The shift of the center of gravity in global economic development to the Asia-Pacific region (APR) and the rapid rise of China have changed the traditional system of international security that was constructed on trans-Atlantic issues. The Pacific Ocean is gradually becoming the “Mediterranean” of the 21st century. The Asia-Pacific region is constructing a new model of relations with elements of cooperation and competition, particularly in the U.S.–Japan–Russia–China quadrangle. It is precisely this dialogue among these four countries on Pacific and global security that defines the basic contours of interaction in the region and enhances the pan-European security architecture.

4.

After everything written above, certain questions arise: when do all these panoramic images of the future become reality for Russia? And who will deal with all of this?

Regarding the first question, we are in no hurry to succumb to the temptation of setting specific dates (2020, 2030, 2100, etc.). We believe that history is not made by selecting convenient round numbers and dates. There is an internal logic and sequence of events that is much more important for success to be real and final. We try to describe this sequence at least in the form of immediate steps.

In answering the second question, it seems wrong to us to rigidly divide society into those who support and those who oppose modernization. Under certain conditions (which will have to be created by the political leadership, when it begins to move along the “road map” proposed below) using, in particular, the principles of coalition and compensation, the majority of the population can be engaged in the process of modernization.

With regard to priority steps, it should be noted that we have described above various higher spheres of public life with different degrees of readiness to embark on modernization. However, this does not mean that we can, for example, start with economic modernization while setting political reform aside “for later.” If we compare the situation with the preparation for the launch of spacecraft, then all the directions listed above (i.e., the political system, social sphere, economy, defense and security, and foreign policy positioning) must begin their countdown to launch simultaneously.

Table 1

Conditions for Launching Modernization in Individual Spheres of Russia’s Socio-Political Life

Direction of Modernization	Conditions for the Launch of Necessary Transformations
Political system	Preparation and enactment of new legislation; alignment of law enforcement policy strictly on this basis
Social sphere	Preparation of legislative changes
Economy	Legislative and political positioning of the state and business in the economy
Armed forces and law enforcement agencies	Continuation of reform in the armed forces already underway, reorganization of law enforcement agencies
Foreign policy	Preparation and enactment of new foreign policy doctrines for Russia

Table 1 shows us that nothing is preventing the following from taking place – assuming political will – as early as tomorrow, at least in terms of first steps:

- begin preparing the reorganization of law enforcement agencies;
- continue to steadily reform the armed forces;
- start drafting a new foreign policy doctrine for Russia;
- recognize that the political system, economy and social sphere must be reformed.

The second set of steps should be devoted to the launch of reforms in the political, economic and social spheres. In this case, we repeat, it is important to do so in a way that is virtually simultaneous and interconnected due to the fact that the investment climate in particular depends on the state of political institutions in the country, and state social services are largely determined by the economic situation.

Between the first and second sets, there is obviously a very short interval – months rather than years – that should be devoted to preparing for upcoming political reforms. For example, during these months both formal and informal structures are formed that are responsible for the legislative, organizational and staffing reforms, as well as changes in the media's information policies, which depend either directly or indirectly on the state. All registered and nonregistered political and social organizations should be invited to participate in a national discussion on the subject of modernization, which could become one of the most important aspects of political reform.

