

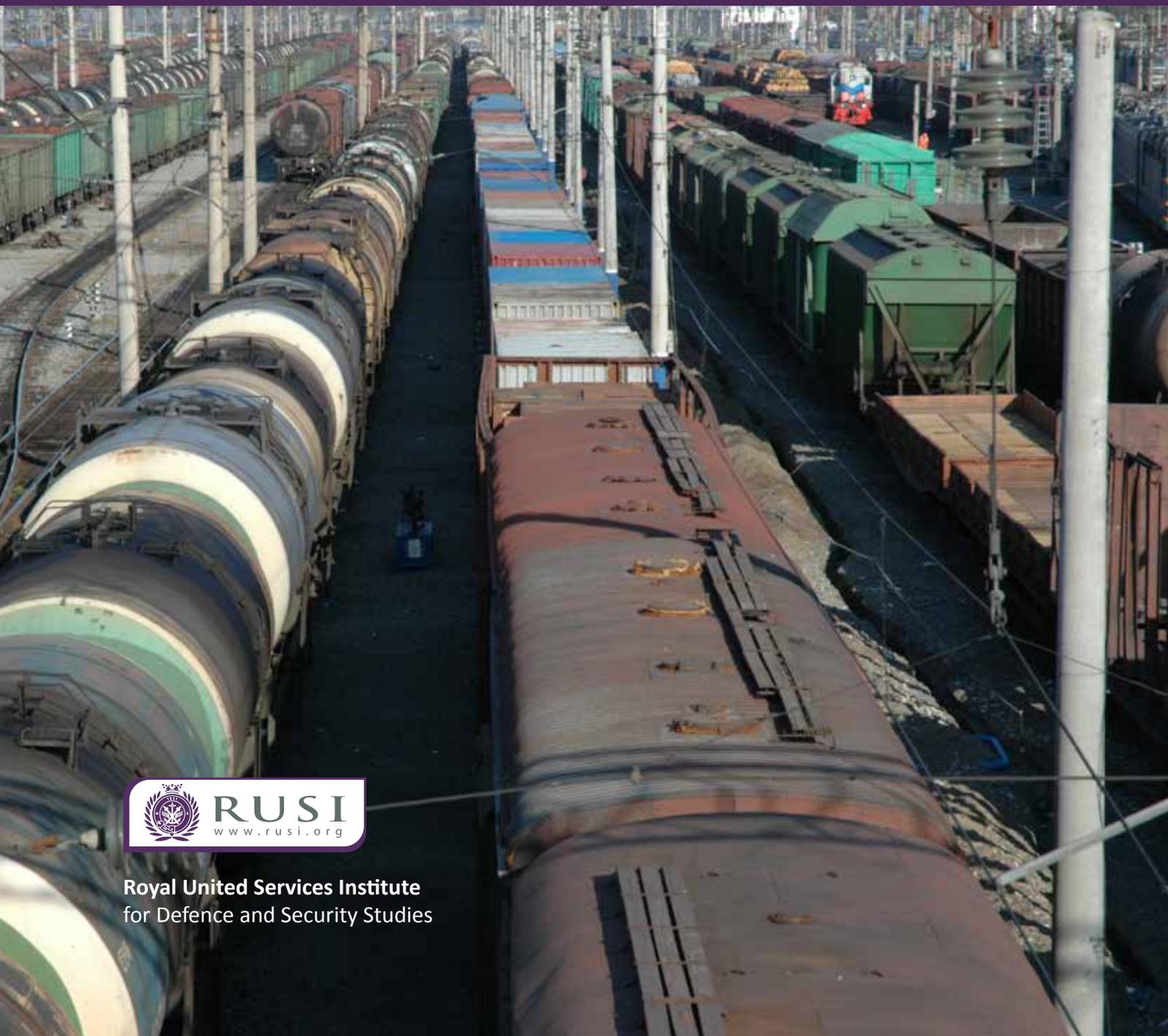
Whitehall Report 4-16



# If War Comes Tomorrow

## How Russia Prepares for Possible Armed Aggression

Julian Cooper



Royal United Services Institute  
for Defence and Security Studies

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**Note on website links:** some of the links to websites referenced in this report are not accessible via Google, but can be accessed via the search engine, Yandex. In cases where cited websites have been removed entirely, the author may be able to provide further information.



# Introduction

**W**HEN ANALYSTS CONSIDER the military potential of a country, they usually assess the strength of its armed forces, the quantity and quality of their armaments, and the effectiveness of the training and command structures of their personnel. However, there is another dimension that tends to receive less attention, and that is the extent to which a country is prepared for war, not only in strictly military terms, but also in relation to its economy and structures of governance. Is it ready to face the challenge of armed aggression in the event that it finds itself at war? This question is unusually apposite with respect to the Russian Federation, as its predecessor state, the USSR, possessed a system of preparation for possible war without precedent in the twentieth century in terms of its comprehensiveness and state of readiness for action at very short notice. This was the system of mobilisation preparation (*mobilizatsionnaya podgotovka*), dating back to the 1920s, that was put to existential test during the Second World War, and retained in a developed state until the final days of the Soviet Union in 1991.<sup>1</sup> This was the system inherited by the Russian Federation and the other newly independent states that emerged from the ruins.

This report describes and analyses developments in Russia's system for economic mobilisation for possible war since 1991 in order to illuminate its role in the country's present-day military capability. From the outset it must be emphasised that the focus of the report is not the armed forces and their preparedness for conflict; that is a topic for military specialists. It also leaves to one side the system of civil defence. We are concerned here with the system for preparing the economy of the country and maintaining its power structures in the event of war. This is a dimension that has received little attention in the literature on Russian national security, perhaps in part because it is considered by the country's leadership to be a matter of the highest level of secrecy. Nevertheless, in the author's view, there is sufficient information available in published Russian sources to provide an overview of the development of the mobilisation system since the end of 1991 and to make an assessment of the extent to which the country is ready to respond in the event that it is subject to armed aggression.<sup>2</sup>

The report opens with a brief discussion of the meaning of 'mobilisation' in Russian discourse, then sets the scene by describing the system of economic mobilisation that developed in the USSR from the 1920s to 1991. It then considers individually the three main pillars of the system in post-1991 Russia: economic mobilisation as such; the material reserves; and the structures to ensure the survival of government. Having established the principal systemic features of mobilisation, consideration is given to general issues, including the relationship of mobilisation to the military,

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1. *If War Comes Tomorrow (Esli zavtra voina)* is the title of a Soviet film of 1938, directed by Efim Dzigan, with a popular song of the same name; the message, the USSR is prepared!
  2. This report is based on research undertaken over a 30-year period. Material gathered during that time has been supplemented by articles accessed via the EastView database of Russian central newspapers.

its management and funding. The uniqueness or otherwise of Russia's system of economic mobilisation is discussed before conclusions are drawn as to its meaning and significance.

### On 'Mobilisation'

The word *mobilizatsiya* (mobilisation) in Russian has two basic meanings, one broad, the other narrow, and it is the latter that is relevant here. Mobilisation can apply to a whole economy, society and polity, and refer to a concerted effort to raise it to another state or level of development, exemplified above all by Stalin's rapid industrialisation and transformation of Russia from a predominantly rural country to a nuclear-armed superpower. Andrei Fonotov was one of the first to describe Stalinism as a 'mobilisation path of development', defining a mobilisation society as one with 'development, orientated to the achievement of extraordinary goals, with the use of extraordinary means and extraordinary organisational forms', and contrasting it with what he characterised as the innovation path of development possible in a post-communist Russia with a market economy.<sup>3</sup> This concept was developed by others, in particular the economist Dmitrii Mityaev, who promoted the idea of a mobilisation model of development of the economy, an approach that was developed further by the well-known economist, Sergei Glaz'ev, who has advocated this path for Russia since the late 1990s.<sup>4</sup> More recently, Glaz'ev and others, members of the conservative-nationalist Izborskii Club, have advanced a bold 'mobilisation project', devised to secure a 'great breakthrough' for Russia. As with Stalin's project, this is motivated to a large extent by the perceived need to strengthen the country's economic and military capability, and to mobilise the population behind the cause, to meet what was then seen, and is seen again now by the Izborskii Club, as the near inevitability of future war.<sup>5</sup>

In a narrow, more technical sense, mobilisation also involves centralised leadership by the state, but in this case it is solely to prepare the economy and structures of power to meet the challenge of possible military aggression against the nation. In Russia this idea was first adopted as policy shortly before the First World War, but was developed into a central component of Soviet military thought during the 1920s, with close study of approaches to mobilisation in other countries, notably Germany and France.<sup>6</sup> As outlined in Lennart Samuelson's pioneering study, mobilisation preparation became an integral feature of the planned economy of the Soviet Union during the 1930s, when all the main institutions and procedures associated with it were established.<sup>7</sup>

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3. Andrei Fonotov, *Rossiia: ot mobilizatsionnogo obshchestva k innovatsionnomu [Russia: From a Mobilisation Society to One of Innovation]* (Moscow: Nauka, 1993), p. 71.

4. Dmitrii Mityaev, 'Ekonomicheskaya politika pri vozvrate k mobilizatsionnoi modeli razvitiya [Economic Policy with a Return to a Mobilisation Model of Development]', *Rossiiskii ekonomicheskii zhurnal [Russian Economic Journal]* (No. 4, 1998), pp. 11–27.

5. Izborskii klub, 'Strategiya "Bol'shogo ryvka" [Strategy of a "Major Breakthrough"]' (No. 1, January 2013), pp. 46–73. See also Andrew Monaghan, *Russian State Mobilisation: Moving the Country on to a War Footing*, Chatham House, Research Paper, May 2016.

6. Aleksei Meliya, *Mobilizatsionnaya podgotovka narodnogo khozyaistva SSSR (1921-1941 gg.) [Mobilisation Preparation of the National Economy of the USSR (1921-1941)]* (Moscow: Al'pina Biznes Buks, 2004), pp. 25–45.

7. Lennart Samuelson, *Plans for Stalin's War Machine. Tukhachevskii and Military-Economic Planning, 1925-1941* (Basingstoke and London: Palgrave Macmillan, 2000).

# I. The Soviet Union's 'Structural Militarisation'

**D**URING THE 1920S, under the aegis of the brilliant military leader and theoretician, Mikhail Tukhachevskii, who later became Marshal of the Soviet Union in 1935, the USSR developed a system for military planning which linked preparing the armed forces for future war with central economic planning, and above all the development of the defence industry. This system became institutionalised during the three five-year plans which preceded the Second World War, and central to the system came preparation for mobilisation in the event of war, with the creation of spare capacities, stockpiles of materials and components, and contingency plans for the recruitment of labour. These plans all permitted a rapid expansion of the production of armaments during the initial period of conflict.<sup>1</sup> In the turbulent and often tragic years of the 1930s and early 1940s, far from all of them were implemented, but this keen awareness of and commitment to mobilisation preparedness no doubt played a role in the USSR's ability to counter the German invasion. As RW Davies concludes, with some understatement, 'the Soviet Union seems to have been more advanced than its rivals in mobilization planning'.<sup>2</sup>

Whatever the actual contribution of mobilisation preparation to the Soviet victory in the war, the country's leadership had no doubt that the system had proved its worth. For the remaining 45 years and more that the USSR was in existence, the basic institutions and procedures of the system were retained largely unchanged, the only significant difference being one of quantity not quality. As the prominent specialist on mobilisation, the late Vitalii Shlykov, argued, it developed to a degree that led to the 'structural militarisation' of the Soviet Union. Shlykov, a career officer in the Main Intelligence Directorate (GRU) of the Soviet General Staff, held leading posts for a number of years at the GRU's institute, working on analysis of the military-economic potential of foreign powers, above all of the US and other NATO member countries, until he was dismissed in 1988 for challenging its methods.<sup>3</sup> He became keenly aware that the estimates produced by the institute on the potential scale of output of weapons by potential adversaries

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1. RW Davies, 'Planning for Mobilization: The 1930s', in Mark Harrison (ed.), *Guns and Rubles. The Defense Industry in the Stalinist State* (New Haven, CT, and London: Yale University Press, 2008) (in co-operation with the Hoover Institution on War, Revolution and Peace, Stanford University), pp. 118–55.

2. *Ibid.*, p. 149.

3. Vitaly Shlykov, 'Chto pogubilo Sovetskii Soyuza? Genshtab i ekonomika [What Ruined the Soviet Union? The General Staff and the Economy]' Moscow: Mezhhregional'nyi fond informatsionnykh tekhnologii [Moscow: Mezhhregional'ny Fund Information Technology], *Voennyi vestnik [Military Gazette]* (No. 9, September 2002). The GRU institute was the Russian Ministry of Defence's Centre of Research of the Military Potential of Foreign Countries (military unit (v/ch) 54726), established in 1976; Vladimir Ivanov, 'Samye informirovannye lyudi v GRU [The Most Informed People in the GRU]', *Nezavisimoe voennoe obozrenie [Nezavisimoe Military Review]*, 12 October 2012, <[http://nvo.ng.ru/forces/2012-10-12/11\\_gru.html](http://nvo.ng.ru/forces/2012-10-12/11_gru.html)>, accessed 12 July 2016.

were out of touch with reality, based on highly implausible assumptions as to their mobilisation plans, as the institute seemed unable, or unwilling, to comprehend that other countries did not possess mobilisation systems of the Soviet type and scale. Thus it was concluded that the US, within six months, could be building 50,000 tanks a year, whereas in reality, as Shlykov was able to establish, the total was nearer 1,800 units, and that would take two years!<sup>4</sup> However, these exaggerated estimates were central to Soviet mobilisation planning as they determined the scale of the mobilisation capacities that had to be created and maintained not only by enterprises building end-product weapon systems, but also by their suppliers delivering systems, components and materials.

It was this phenomenon that led Shlykov to conclude that the extent of the militarisation of the Soviet economy could not be measured simply by the share of military expenditure in the output of the economy, but had to take account of the fact that the very structure of the economy was to a large extent formed by the commitment to plan for a rapid, massive expansion of military production in the event of war. In his view the Soviet economy was characterised, uniquely, by 'structural militarisation'. This impacted on many sectors of the economy. For example, the metallurgical industry, ferrous and non-ferrous, had to maintain capacities able at short notice to provide volumes of aluminium, titanium, quality steels and so on way beyond the requirements for domestic consumption or export. In turn, adequate supplies of raw materials and fuel had to be secured.<sup>5</sup>

A feature of the Soviet mobilisation system was the obligation of many ostensibly civilian enterprises to prepare to switch rapidly to the manufacture of military goods when required. In some cases this was relatively unproblematic, for example in the case of textile producers making uniforms or footwear enterprises making army boots. But, as the informed Russian journalist, Aleksandr Gol'ts, noted, 'It is no accident that until present day the diameter of our macaroni and our *papirosi* corresponds to the calibre of a rifle cartridge, and a champagne cork to the calibre of the projectile of an aircraft cannon'.<sup>6</sup> The fact that a large proportion of defence industry enterprises were engaged in the manufacture of consumer goods, especially electrical, electronic and mechanical products, is easily explained. It provided a means of maintaining mobilisation capacities whilst also offering opportunities to pass on in the prices of such items part of the overhead costs imposed on enterprises by obligatory mobilisation requirements. Some of the capacities were effectively dual use, used in peacetime on a so-called 'assimilation basis' to make civilian items.

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4. Shlykov, 'What Ruined the Soviet Union?', p. 140.

5. *Ibid.*, pp. 159–63; Julian Cooper, 'The Life and Death of the Soviet Economic System', in Martin Malek and Anna Schor-Tschudonowskaya (eds), *Der Zerfall der Sowjetunion [The Disintegration of the Soviet Union]* (Baden Baden: Nomos, 2013), pp. 242–47; Julian Cooper, 'From USSR to Russia. The Fate of the Military Economy', in Paul Hare and Gerard Turley (eds), *Handbook of the Economics and Political Economy of Transition* (London and New York, NY: Routledge, 2013), pp. 98–107.

6. Aleksandr Gol'ts, 'Strashnaya taina VPK [The Awful Secret of the MIC]', *Itogi [Results]* (No. 28, 1998), pp. 18–21. Gol'ts also notes that the anecdote about parts of a sewing machine on assembly becoming a machine gun was not entirely without foundation, a reference to the USSR's principal manufacturer, the vast Podol'sk mechanical works, also manufacturing infantry weapons.

Another dimension of the mobilisation system was the highly developed system of material reserves maintained by the USSR. These were of two kinds. First, there were state reserves maintained by a specialised government agency with a territorially spread network of secure storage facilities, often deep underground to provide protection even from nuclear attack. These contained food, medical supplies, transport equipment, materials and other goods regarded as essential to the maintenance of life in the event of war. Second, every enterprise with mobilisation assignments, which was almost all enterprises in the developed Soviet system, was obliged to maintain substantial reserves of components, production equipment and materials to be able to produce according to mobilisation plans in wartime conditions. According to Shlykov, the stocks held were intended to cover three months of autonomous work for an enterprise in the European part of the country, and four months in the Asiatic part.<sup>7</sup> In addition, of course, there were the reserve stocks of weapons and other military equipment held by the armed forces. Clearly, Soviet mobilisation preparation also had a labour supply dimension, but details of how this functioned have not been found. However, the fact that quite significant underemployment was a feature of the full-employment planned economy probably meant that many enterprises had slack that could be taken up if needed. As Shlykov observed, the civilian production activities of defence enterprises also served to provide a reserve of labour.<sup>8</sup>

This elaborate mobilisation system required a substantial bureaucracy for its planning and maintenance. Every government ministry had a mobilisation department, as did every regional and city administration, industrial enterprise and organisation involved with providing health, transport and other services for the population, the economy or the military. In addition, although not discussed in this report, there was the highly developed civil defence system. The total number of personnel directly involved in the system, including those responsible for the reserve system, must have been substantial. This vast system must have been a major burden on the economy, but no details of its cost have been traced. This is not surprising. It was regarded as a matter of the highest state priority, and subject to the top level of state secrecy. While some details of the system's development and functioning in pre-war years have been made accessible to historians, it is unlikely that post-war archives will be declassified in the near future, because many aspects of the system continue to exist.

Unfortunately, the legislation pertaining to the Soviet post-war mobilisation system is entirely classified and likely to remain so. It is known that in 1954 a 'first' mobilisation department was established by the State Planning Committee, Gosplan. This was followed on 11 September 1961 by a joint decree of the Central Committee of the Communist Party of the Soviet Union (CPSU) and the USSR Council of Ministers, entitled 'Basic Principles of Mobilisation Preparation of the National Economy of the USSR'. This was issued in an updated version by another joint decree of the same title on 29 September 1969.<sup>9</sup> No details of this basic decree have been traced, but it

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7. Vitaly V Shlykov, 'Economic Readjustment Within the Russian Defense-Industrial Complex', *Security Dialogue* (Vol. 26, No. 1, March 1995); Julian Cooper, 'Demilitarizing the Russian Defence Economy: A Commentary', *Security Dialogue* (Vol. 26, No. 1, March 1995), pp. 35–39.

8. Shlykov, 'What Ruined the Soviet Union?', p. 159.

9. Vitaly V Shlykov, 'The Soviet System of Mobilization Preparedness', in Vlad E Genin (ed.), *The Anatomy of Soviet Defense Conversion* (Walnut Creek, CA: Vega Press, 2001), pp. 72–73;

probably provided official definitions of some of the terminology typical of mobilisation, much of which appears still to apply.

One central term was ‘special period’ (*osobyi period*), dropped from post-1991 Russia legislation, but retained by Ukraine, the first independent country to adopt its own law on mobilisation. In Russia the phrase remains in informal use, especially by the older generation. The definition of ‘special period’ used in Ukraine, which is probably taken directly from Soviet practice, is:

The period of functioning of the national economy, organs of state power, other state organs, organs of local self-management, the armed forces ... other military formations, forces of civil defence, enterprises, establishments and organisations, and also the fulfilment by citizens ... of their constitutional duties, for the defence of the Fatherland, independence and territorial integrity, which enters into force from the moment of the declaration of a decision on mobilisation or the communication of it to executors if a covert mobilisation, or from the moment of the introduction of a military situation in Ukraine or in individual locations and covers the time of mobilisation, wartime and, partially, the restoration period after the completion of military action.<sup>10</sup>

This definition confirms the all-embracing scope of mobilisation, including the fact that obligations are imposed on citizens as well as state agencies, the armed forces and enterprises. Another term which had currency in discussion of possible mobilisation is ‘period of threat’ (*ugrozhaemyi period*), although this does not feature in any open post-Soviet legislation.<sup>11</sup> According to one authoritative lexicon of the terminology of war and peace, this is:

The period of a gradual or sudden worsening of the situation, as a rule directly preceding the start of a war. It is characterised by extremely tense relations between adversarial states ... It is used by both sides for the completion of military preparation, augmenting the personnel and raising the combat readiness of the armed forces, their deployment, and the transfer of the economy to a military situation.<sup>12</sup>

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Gosudarstvennyi komitet RF po oboronnoi otraslyam promyshlennosti, TsNII ekonomiki, informatsii i system upravleniya [State Committee of the Russian Federation for the Defence Branches of Industry, Central Research Institute of Economics, Information and Control Systems], *Programma razvitiya oboronno-promyshlennogo potentsiala do 2000 goda i osnovnykh napravlenii razvitiya oboronno-promyshlennogo potentsiala do 2010 goda* [Programme of Development of the Defence-Industrial Complex to 2000 and the Basic Directions Development of the Defence-Industrial Potential to 2010]; Blok B, ‘Mobilatsionnaya gotovnost’ promyshlennoi bazy, razdel B-1, Obespechenie mobiliatsionnoi gotovnosti oboronno-promyshlennogo potentsiala’ [Block B, ‘Mobilisation Preparedness of the Industrial Base, Section B-1, Securing the Mobilisation Preparedness of the Defence-Industrial Potential’], 1994, pp. 15–16.

10. Zakon Ukrainy ot 21 Oktyabrya 1993 goda No. 3543-XII, ‘O mobilizatsionnoi podgotovki i mobilizatsii’ [Law of Ukraine, 21 October 1993 No. 3543-XII, ‘On Mobilisation Preparation and Mobilisation’], <[http://base.spinform.ru/show\\_doc.fwx?tgn=16975](http://base.spinform.ru/show_doc.fwx?tgn=16975)>, accessed 25 February 2016.
11. It was mentioned, however, in Russia’s military doctrine of 2000 (section I, 10b), ‘Safeguarding Military Security’, but not in the 2014 version, available at <<http://archive.kremlin.ru/text/docs/2000/04/30844.shtml>>, accessed 12 July 2016.
12. Dmitrii Rogozin (ed.), *Voyna i mir v terminakh i opredeleniyakh* [War and Peace: Terms and Definitions], <<http://voyna-i-mir.ru/article/116>>, accessed 11 July 2016.

Reference to these terms is not uncommon in present-day Russia.

Given the all-embracing scope of mobilisation, it is no surprise to learn that mobilisation planning was integrated into the general system of economic planning. Gosplan prepared five-year mobilisation plans which took as the basis for their projections the first year of a new five-year plan for the economy. Thus, in the final years of the Soviet Union, mobilisation plans were based on 1971, 1976, 1981 and 1986. The base year was the so-called 'year of calculation' (*raschetnyi god*). For each enterprise that was subject to mobilisation assignments the plan specified the items to be produced and their volume in physical terms during the first year of war, from the beginning of a 'special period'. In the words of a post-Soviet directory of military terms, the mobilisation plan for defence enterprises 'usually involves an increase in [the output of] military production by several times'.<sup>13</sup>

The Soviet mobilisation system had its origins in efforts to prepare the country for a large-scale conventional war in Europe. This continued to be the focus in post-war years, but now the possible adversary was above all NATO, and in particular the US. With the new threat of nuclear war, planning was made for this eventuality. Reserve centres of government, strategic stockpiles and other mobilisation infrastructure were located deep underground so as to be invulnerable to nuclear blasts. At the same time, it is likely that the breakdown of relations with China, the Vietnam War, an unsigned peace with Japan, and other strategic uncertainties in Asia prompted a more comprehensive approach to mobilisation preparation in the east of the country.

It is not surprising that the Soviet-type mobilisation system was adopted by the socialist countries of Central and Eastern Europe, apparently from the late 1940s. The research of Hungarian Pál Germuska makes it clear that the basic principles and methods were the same as those in the USSR, and also that, while the economic model of Hungary underwent quite far-reaching change from the late 1960s, thinking on mobilisation went unchanged. The system was considered to be an integral component of the defence structures of the Warsaw Treaty Organisation and was implemented in part through the Standing Committee for Defence Industry Cooperation, part of the Council for Mutual Economic Assistance (COMECON).<sup>14</sup> Yudit Kiss observes that, as in the USSR, enterprises were obliged to retain large reserves of raw materials and components and substantial 'cold' or 'M' capacities, that is unused workshops, equipment and labour that could be mobilised at any time.<sup>15</sup> As Kiss observes, the existence of these capacities to some extent hindered the restructuring of the defence industry enterprises of the region during the 1990s, but later mobilisation systems were abandoned as some of the countries moved towards membership of the EU and NATO.<sup>16</sup>

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13. *Ibid.*

14. Pál Germuska, 'Military-Economic Planning in Socialist Hungary: The History of the General Organisational Department of the National Planning Office, 1948-1971', *Europe-Asia Studies* (Vol. 60, No. 5, July 2008), pp. 814–34.

15. Yudit Kiss, *The Defence Industry in East-Central Europe: Restructuring and Conversion* (Oxford: SIPRI/Oxford University Press, 1997), pp. 135–42.

16. *Ibid.*, pp. 140–45.

Vitalii Shlykov was the first person to raise the issue of the USSR's mobilisation system as a matter for open public debate during the period of *glasnost* in the late 1980s. Given the almost total shroud of secrecy that covered the topic this was an act of civic courage. He first raised it in 1988 as a rather specialised issue of Soviet pre-war history, but in 1991 he addressed current issues directly in an interview in a short-lived but influential weekly of the time, *Soyuz*, arguing that the process of converting defence industry enterprises to produce civilian goods was being obstructed by the determination of the military to retain all existing mobilisation capacities.<sup>17</sup> He returned to the theme later in the year, calling the Soviet mobilisation system a 'sacred cow' that no-one was prepared to challenge.<sup>18</sup> Frustrated by the unwillingness of the authorities even to acknowledge openly the existence of the mobilisation system, his tone sharpened:

Throughout the country stand deserted, idle production shops, whole factories, with beautiful equipment, the very latest machine tools and technological lines. Our economy is being squeezed in a vice, choked by a lack of everything – new capacities, raw materials, modern means of production – but here, if you please, there is everything.<sup>19</sup>

Shlykov had no doubt that the mobilisation system played a fateful role in the collapse of the Soviet economy.

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17. Vitalii Shlykov, 'I tanki nashi bystry [And Our Tanks are Fast]', *Mezhdunarodnaya zhizn' [International Life]* (No. 9, 1988) and 'Bronya krepka. Tankovaya asimetriya i real'naya bezopasnost [The Armour is Strong. Tank Asymmetry and Real Security]', *Mezhdunarodnaya zhizn' [International Life]* (No. 11, 1988); Interview with Vitalii Shlykov, 'Dekabr'skii variant: gnat' 'zaitsa' dal'she? [December Variant: To Drive the "Hare" On?]', *Soyuz* (No. 5, January 1991), p. 16; Viktor Rassadin, *Oboronno-promyshlennyy kompleks v makroekonomicheskom aspekte [The Defence-Industrial Complex in a Macroeconomic Perspective]* (Moscow: MAKS-Press, 2013), p. 239. According to the economist Viktor Rassadin, the majority of enterprises undergoing conversion were obliged to retain 80–90 per cent of capacities freed from military production in a working state for mobilisation purposes. This meant that investment in new capacities was required to manufacture civil goods under the conversion programme.
18. Interview with Vitalii Shlykov, 'Dvazhdy mertvyi kapital. Ne tol'ko otsustvie programmy konversii meshaet dvigat'sya ekonomike po puti real'noi demilitarizatsii [Twice Dead Capital. Not Only the Lack of a Conversion Programme Hinders Moving the Economy to A Real Path of Demilitarisation]', *Soyuz* (No. 24, June 1991), p. 11.
19. Interview with Vitalii Shlykov, 'Mertvye deng'i na sluchai voyny [Dead Money in Case of War]', *Demokraticheskaya Rossiya* (Vol. 13, No. 19, June 1991), p. 12.

## II. The Economic Mobilisation System in the 1990s

IN THE EARLY post-Soviet years the mobilisation system in Russia suffered neglect as the government grappled with more pressing issues of market transformation, privatisation and attempts to stabilise the economy. The leadership of the Ministry of Defence was concerned above all with shaping the armed forces of the newly independent country and grappling with the consequences of an acute contraction of budget funding. On 21 March 1992 President Yeltsin signed edict (*ukaz*) No. 288, 'On Mobilisation Preparation of the National Economy of Russia'. This was classified, but according to Shlykov, decreed that the basic features of the Soviet mobilisation system would remain in force under the new regime. Organs of executive power and enterprises, regardless of ownership, were ordered to retain their mobilisation assignments and material reserves, as set in Soviet times.<sup>1</sup> The March edict made it very difficult, if not impossible, for any defence enterprise to switch fully to civil work.

There was, however, an attempt to persuade the leadership to reconsider the system and to release the country's mobilisation reserves in order to help finance economic transformation. Shlykov, then deputy chair of the State Committee for Defence, appealed to Yeltsin and Acting Prime Minister Yegor Gaidar on more than one occasion to use their strategic reserves, valued at more than the \$24 billion of aid granted to Russia by the IMF and the World Bank, but 'did not meet with any understanding on their part'.<sup>2</sup> It appears that Gaidar, perhaps poorly briefed, questioned Shlykov's appreciation of the importance of the system of mobilisation preparation, to Shlykov an insulting suggestion given his unrivalled inside knowledge of the system's operation.<sup>3</sup> That the new Russian government was seeking to retain mobilisation capacities has been confirmed by then Minister of the Economy Andrei Nechaev.<sup>4</sup> However, in his memoir he also notes that the Ministry of Defence, the Ministry of Industry, and its successor for the defence industry, Rosoboronprom, continually attempted to retain the highest possible

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1. Shlykov, 'What Ruined the Soviet Union?', p. 147. Shlykov adds that the edict was instigated by Acting Prime Minister Yegor Gaidar. That the edict decreed the retention of the system is clear from measures adopted at a regional level after its appearance, for example in Chelyabinsk oblast', *Postanovlenie, ot 30 aprelya 1992 g.N 152, 'O mobilizatsionnoi podgotovke narodnogo khozyaistva Chelyabinskoi oblasti'* [Chelyabinsk oblast, Decree of 30 April 1992, No. 152, 'On Mobilisation Preparation of the National Economy of Chelyabinsk Oblast'], Information Portal of the Ural Region, <<http://www.ural-region.net/>>, accessed 18 April 2016.
  2. BBC, *Summary of World Broadcasts*, SU/1372 B/5, 5 May 1992.
  3. Shlykov, 'Economic Readjustment Within the Russian Defense-Industrial Complex'.
  4. Andrei Nechaev, *Rossiya na perelome. Otkrovennye zapiski pervogo nminsterstva ekonomiki [Russia at a Turning Point. Frank Notes of the First Minister of the Economy]* (Moscow: Rus'-Olimp, Astrel', 2010), p. 148.

capacities for the production of armaments, even if, as Nechaev tried to convince them, they were clearly excessive in the new environment.<sup>5</sup>

Amidst the chaos of 1992 the Soviet mobilisation system began to disintegrate. The legal framework had been rendered inoperative, many enterprises felt free to sell off reserve stocks of materials as a means of securing their own survival, and spare capacities were switched to civilian production in pursuit of often futile 'conversion' initiatives. Shlykov was convinced that the sale of metals and other materials belonging to the mobilisation reserve played a large role in the survival of many enterprises at this time.<sup>6</sup> There was no new military doctrine to shape mobilisation priorities, the collapse of the USSR rendered many of the inherited mobilisation assignments meaningless, and budget funding of the system had collapsed.<sup>7</sup> Those responsible for the system in the former USSR's Gosplan who were now working in the Russian Ministry of Economics and Industry argued for a reshaping of the system in accordance with the new economic and security environment. They advocated the drawing up of new mobilisation plans in two ways, with and without the retention of links with enterprises in other former Soviet countries. They argued that the basic principle of the participation of enterprises in mobilisation activities had to be that it was voluntary, and financed in such a way as to be in their interests.<sup>8</sup>

Speaking in the Supreme Soviet at the end of November 1992, Gaidar noted that work was underway on a new mobilisation plan that would reflect the priorities of the new defence doctrine of the country and this would permit the approval in the first quarter of 1993 of new company mobilisation capacities, presumably on a more modest scale, allowing them to release and restructure facilities no longer required for military work.<sup>9</sup> This was never implemented. As a number of commentators observed, enterprise directors were still obliged, under threat of five to ten years' imprisonment, to retain in full volume mobilisation capacities decreed for the conditions of the USSR (and the Warsaw Pact), according to a system of mobilisation preparation that had existed for over 40 years.<sup>10</sup> In the absence of new legislation the basic principles of mobilisation preparation were still those of the USSR, as approved by the above-mentioned

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5. *Ibid.*, pp. 153, 155.

6. *Ibid.*

7. On the issue of mobilisation preparation and its background in the early 1990s, see Julian Cooper, 'Transforming Russia's Defence Industrial Base', *Survival* (Vol. 35, No. 4, Winter 1993–94), pp. 147–62.

8. Yu A Glybin et al., 'Sravnitel'naya otsenka sovremennogo sostoyaniya mobilizatsionnoi podgotovki ekonomiki SShA i Rossii [A Comparative Assessment of the Present-day State of Mobilisation Preparation of the Economies of the USA and Russia]', *Voprosy ekonomiki i konversii [Questions of Economics and Conversion]* (No. 4, 1992), pp. 49–50. Yu Glybin was then head of the Ministry of Industry's Department of the Defence Industry and Conversion.

9. BBC, *Summary of World Broadcasts*, SU/1550 C1/1-5, 28 November 1992. Shortly after this speech, Gaidar was replaced as acting prime minister by Viktor Chernomyrdin.

10. See, for example, Andrei Volokhov, 'Lyuboi tsenoi otkrytye AO privodyat v otchayanie elitu oboronki Rossiya [Opening of Joint Stock Companies at Any Price Will Lead to the Despair of the Elite of the Russian Defence Industry]', *Nezavisimaya gazeta [Independent Newspaper]*, 18 May 1993.

decree of September 1969.<sup>11</sup> This was acknowledged explicitly in a document of 1994 written by the State Committee of the Defence Branches of Industry.<sup>12</sup>

The first real sign of change came in July 1994 when Yeltsin signed an edict, 'On the Reduction of Mobilisation Capacities and Mobilisation Reserves'.<sup>13</sup> This declared that after two months the government would present for approval by the legislature the basic indicators of a new mobilisation plan for the economy, aimed at bringing it in line with the transformed political and economic environments at home and abroad. The level of mobilisation capacities and reserves would be considerably reduced. The mobilisation plan would apply to a narrower range of armaments and other military hardware and exclude items with long production cycles. Meeting a frequently voiced demand from industry, mobilisation capacities and reserves that were found to be part of the formal statement of an enterprise's property would no longer be included in the value of property for the imposition of property tax, and amortisation deductions would no longer be applied to capacities retained for mobilisation purposes. In principle this amounted to far-reaching change, but from the evidence available it is not at all clear that the edict was implemented fully. A critical article of March 1995, for example, argued that many enterprises were still burdened by vast mobilisation capacities that had to be maintained, even though funding was not available.<sup>14</sup> This was done by charging all costs associated with mobilisation to overheads, increasing the prices of goods produced, lowering sales and pushing enterprises close to bankruptcy.

A new law on mobilisation preparation and mobilisation was being drafted by the Ministry of Economics, working with the Ministry of Defence, but had yet to be approved by the government. According to the first deputy minister of the economy, Yakov Urinson, two ideologies were in contention in drafting the law. One school of thought held that at the beginning of war all enterprises possessing mobilisation capacities should be subordinated to the state, financed through a single bank and obliged to fulfil state orders. A second school, which had come out on top, argued for the retention of market conditions with enterprises accepting orders from the state on economic terms.<sup>15</sup> At this stage there was still no overall Russian legal framework for mobilisation and mobilisation preparation. The legislative process was slow: while the draft law was approved by the government in April 1995, it was not until July 1997 that the law was signed by the president. It appears that one of the causes of the delay was the issue of the appropriate scale of, and funding procedures for, mobilisation capacities and reserves.<sup>16</sup>

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11. State Committee for the Defence Branches of Industry, Central Research Institute of Economics, Information and Control Systems, *Programme of Development of the Defence-Industrial Complex*.

12. *Ibid.*, pp. 15–16.

13. *Sobranie zakonodatel'stva Rossiiskoi Federatsii [Collected Legislation of the Russian Federation]* (No. 11, Article 1195, 1994).

14. Aleksandr Bekker, 'Mobilizatsionnye moshchnosti budut zhit' po zakonu [Mobilisation Capacities Will Live According to the Law]', *Segodnya [Today]*, 31 March 1995.

15. *Ibid.*

16. IG Demina, 'V nashe vremya bronepoezda na zapasnykh putyakh ne derzhat [In Our Time the Armoured Train Does Not Keep to Spare Tracks]', *Moskovskie novosti, MN-Biznes [Moscow News, MH Business]*, 12 April 1995. It passed through its first reading in the Duma in April 1996,

In November 1996 mobilisation was discussed at a meeting of the Defence Council, which considered the preparation of a new mobilisation plan for the country, the first since the USSR's 1986 plan. This meeting attracted a level of publicity unprecedented for this sensitive topic, with comment by the prime minister, Viktor Chernomyrdin, the Defence Council secretary, Yurii Baturin, and Defence Minister Igor' Rodionov. Chernomyrdin observed that during Soviet times the mobilisation plan applied to almost 100 per cent of enterprises and organisations and made it clear that he favoured transition to a less extensive system.<sup>17</sup> Baturin noted that the last such mobilisation plan was elaborated with 1991 as the base year but was not completed 'for understandable reasons' because of the break-up of the USSR.<sup>18</sup> Chernomyrdin and Baturin both argued in favour of the wide introduction of dual technologies, facilitating adaptation to wartime conditions. Rodionov is reported as being blunt: 'It is necessary to acknowledge the bitter truth: our mobilisation system lies in ruins'.<sup>19</sup> But not all members of the Defence Council took the same view that the mobilisation system required a complete overhaul. According to the defence journalist, Pavel Fel'gengauer, the Ministry of Economics proposed to allocate a given sum of money for financing mobilisation capacities and any capacities for which funding was not available would be liquidated or converted to other uses. However, Fel'gengauer said, many disagreed with this approach. The meeting had 'once again' been unable to take a 'final decision on the partial demobilisation of the Russian economy'.<sup>20</sup> Nevertheless, according to Baturin, a decision was taken to complete the elaboration of a new mobilisation plan at the beginning of the following year.<sup>21</sup> This does not appear to have been achieved, however, as an advisory letter of the Ministry of Finance, dated August 1999, states firmly that prior to the adoption of a new mobilisation plan enterprises should be guided by the mobilisation assignments of the 1986 base year, in other words the USSR's plan, as refined in 1992.<sup>22</sup>

## A New Law on Mobilisation Preparation

The next major development was the adoption on 26 February 1997 of a law 'On Mobilisation Preparation and Mobilisation in the Russian Federation'. This was a comprehensive document providing definitions of basic concepts and outlining procedures and institutions.<sup>23</sup> After insubstantial amendment, the law remains in force.

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- according to Vladimir Ermolin, 'Zakonproekt o mobpodgotovke sdvinulsya s mesta [The Draft Law on Mobilisation Preparation Has Moved Forward]', *Krasnaya zvezda [Red Star]*, 26 April 1996.
17. Pavel Fel'gengauer, 'Sovet oborony poka ne smog demobilizirovat' ekonomiku [The Defence Council Has Not Yet Been Able to Demobilise the Economy]', *Segodnya [Today]*, 21 November 1996.
  18. Federal News Service, Press-briefing sekretarya Soveta oborony RF Yuriya Baturina ob itogakh segodnyashnego zasedaniya Soveta oboronym [Press Briefing of the Secretary of the Council of Defence Yurii Baturin on the Results of Today's Meeting of the Council of Defence], 20 November 1996.
  19. *Nezavisimoe voennoe obozrenie [Independent Defence Review]*, 28 November 1996, p. 1.
  20. Fel'gengauer, 'The Defence Council Has Not Yet Been Able to Demobilise the Economy'.
  21. Press Briefing of the Secretary of the Council of Defence Yurii Baturin on the Results of Today's Meeting of the Council of Defence, AS FN 44.
  22. <<http://bouvarov.narod.ru/10431.HTM>>, accessed 4 March 2010.
  23. Originally published in, 'Federal'nyi zakon O mobilizatsionnoi podgotovke i mobilizatsii v Rossiiskoi Federatsii [Federal Law On Mobilisation Preparation and Mobilisation in the Russian Federation]',

Mobilisation was defined as the complex of measures for switching the economy of the country and organs of state power (at both the federal and regional levels) and the armed forces to the conditions of wartime. It could be either full or partial. The basic principles of mobilisation preparation were identified as centralised leadership, timeliness, planning and monitoring, comprehensiveness and interconnectedness.

Measures outlined include the creation, development and maintenance of enterprises at mobilisation capacities for the production of goods required to satisfy the needs of the state, armed forces and population in wartime; the creation, protection and renewal of reserve stocks of material goods in mobilisation and state reserves, with irreducible stocks of foodstuffs and oil products; and the creation and retention of an insurance fund of documentation relating to armaments, vital civil goods, objects essential to life support and items regarded as part of the national heritage. Advance preparation must be made for the introduction of rationed food supply, and the provision of medical services, transport and communications in wartime conditions. Reserve centres of management (*zapasnye punkty upravleniya*) must be created for organs of government at the federal, regional and local levels and kept ready for use in wartime. Mobilisation plans are to be prepared and contracts drawn up for the implementation by enterprises and organisations of mobilisation assignments. This activity is presented as a matter of the highest state priority and obligations are imposed not only on organisations at all levels, but also on individual citizens, who are required to fulfil all instructions by the authorities in wartime and provide buildings, structures, means of transport and other property on request. Mobilisation preparation measures would be funded by the federal and lower-level budgets, but enterprises would also be provided with some compensation in the form of exemptions from value-added, property and land taxes on mobilisation capacities not in current use, which would also be exempt from depreciation charges. In later versions of the law this section of the document was reduced in length and detail, with funding arrangements left more at the discretion of the government.

Later in 1997 a presidential edict brought some other legislation into line with the new law and repealed the orders of March 1992 on mobilisation preparation and of July 1994 on the reduction of some mobilisation capacities.<sup>24</sup> After this burst of activity little of note happened until 1999, when it was announced that the Security Council had created a new interagency commission for mobilisation preparation and mobilisation, replacing an earlier commission of the Council on questions of mobilisation, preparation of organs of state power and ‘special objects’ (the term for reserve centres of power in the event of war), established by a presidential

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*Krasnaya zvezda [Red Star]*, 1 March 1997, pp. 2–3; in present form, ‘The Registration of the EMERCOM Licence’, <[http://www.mchs.gov.ru/law/Federalnie\\_zakoni/item/5378617/](http://www.mchs.gov.ru/law/Federalnie_zakoni/item/5378617/)>, accessed 10 March 2016.

24. ‘O privedenii nekotorykh normativnykh pravovykh aktov Prezidenta Rossiiskoi Federatsii v sootvetstvie s Federal’nym zakonom “O mobilizatsionnoi podgotovke i mobilizatsii v Rossiiskoi Federatsii” [On Putting Some Normative Legal Acts of the President of the Russian Federation into Accordance with the Federal Law “On Mobilisation Preparation and Mobilisation in the Russian Federation”], *Rossiiskaya gazeta [Russian Gazette]*, 15 October 1997, p. 4.

edict of 29 January 1998.<sup>25</sup> Members of the commission represented all the main government agencies involved in some way in mobilisation preparation, and the chair was Viktor Zorin, chair of the Main Directorate for Special Programmes (GUSP).<sup>26</sup> The commission was responsible for general policy for mobilisation preparation, analysis of the state of preparation of organs of state power at the federal and regional levels, and for supplying the president with an annual report. Attendance at its sessions, held at least on a quarterly basis, was obligatory.<sup>27</sup> This state of affairs existed until the appearance in October 2005 of a presidential edict reorganising the commissions of the Security Council. The mobilisation commission was disbanded and its functions transferred to an interagency commission for military security, with representatives of all relevant government ministries and departments, an arrangement that still applied in early 2016.<sup>28</sup>

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25. Presidential Decree of 30.09.1999, No. 1326, <<http://poisk-zakona.ru/174348.html>>, accessed 16 June 2016.

26. <<http://pravo.gov.ru/proxy/ips/?docbody=&prevDoc=102067339&backlink=1&&nd=102062041>>, accessed 16 June 2016. Zorin was chief of GUSP from May 1998 to June 2000; he was succeeded by Aleksandr Tsarenko, in post until October 2011.

27. <<http://www.bestpravo.com/rossijskoje/jm-postanovlenija/d3w.htm>> (statute of the commission), accessed 5 February 2016.

28. <<http://base.garant.ru/12142800/>> [‘Decree of the President of the Russian Federation of 28 November 2005, No. 1244, “On the Security Council’s Interdepartmental Commission for the Military Security”]’ and <<http://www.scrf.gov.ru/documents/7/39.html>> [‘Statute of the Security Council’s Interdepartmental Commission for the Military Security’], both accessed 5 February 2016.

# III. Economic Mobilisation Preparation under President Putin

**V**LADIMIR PUTIN BECAME president in 2000, but the issue of mobilisation disappeared from public view until November 2001, when the Security Council met to consider the state of the country's mobilisation preparedness. Few details were made available, except for Putin's introductory words. He observed that much had changed in the country's economy and in the organisation of defence: 'Our economy has ceased to be directive-planned, but the rules of mobilisation operate still as from time immemorial (*so 'tsarya Gorokhova'*). Therefore a great deal here is subject to change.'<sup>1</sup> According to the then defence minister, Igor' Sergeev, the meeting, chaired by Putin, was preceded by almost a year's work by the Council's interagency commission and resulted in decisions scaling back the measures adopted for mobilisation to match the real possibilities of the country's economy.<sup>2</sup>

Meanwhile, work was underway to prepare a new mobilisation plan for the country. According to a decree of April 2001, a decision was taken to draft a new mobilisation plan, taking 2000 as the base year.<sup>3</sup> As usual, details are sparse, but it is known that it was approved by the government at the beginning of 2002 for the base year (*raschetnyi god*) 2003. It was reported that, in accordance with the plan, the number of mobilisation capacities in industry would be greatly reduced, although scepticism was voiced as to whether that would happen, given the inertia in the system. When first reported, this was linked by Industry Minister Igor' Klebanov to a proposed significant reduction in the scale of the defence industry from approximately 1,700 enterprises to only 600, but in the event this reduction failed to materialise.<sup>4</sup> Klebanov also announced that, with the reduction in mobilisation capacities from 2003, these enterprises would

1. President of Russia, Vystuplenie na zasedanii Soveta Bezopasnosti [Speech at Meeting of the Security Council], 27 November 2001, <<http://www.kremlin.ru/events/president/transcripts/21415>>, accessed 26 July 2016.
2. Igor' Sergeev, 'Ot global'nogo protivosostoyaniya k lokal'nym problemam [From Global Confrontation to Local Problems]', *Otechestvennye zapiski [Notes of the Fatherland]*, (No. 8, 15 August 2002).
3. There was a classified government decree No. 305–20 of 21 April 2001, referred to at <[http://chelyabinsk.news-city.info/docs2/sistemsl/dok\\_pegheb.htm](http://chelyabinsk.news-city.info/docs2/sistemsl/dok_pegheb.htm)>, 'Postanovlenie Glavy goroda Chebarkulya ot 13.08.2002 N 768 "O razrabotke mobilizatsionnogo plana ekonomiki goroda (Plana g. Chebarkulya na 2000 raschetnyi god)" [Decree of Head of Chebarkul of 13 August 2002 No. 768 "On the Development of a Mobilisation Plan for the City's Economy"]', 13 September 2002.
4. Aleksei Nikol'skii, 'VPK sokrashchaetsya v tri raza [The MIC Will be Reduced by Three Times]', *Vedomosti [The Record]*, 13 March 2002. This was not a new proposal, but envisaged earlier in a programme of restructuring and conversion of the defence industry between 1998 and 2000, see Yakov Urison, 'Komanda dana: oboronke idti na pod'em [The Issue was Given to the Defence Industry to Grow]', *Rossiiskaya gazeta [Russian Gazette]*, 30 December 1997.

no longer be exempt from property tax, a proposed change that must have greatly concerned enterprise managers. There was speculation that the new mobilisation plan meant that Russia was no longer preparing for a lengthy war with the use of conventional weapons.<sup>5</sup> According to the journalist Aleksandr Privalov, the reality was that, burdened with the need to retain large mobilisation capacities, the average use of capacity in the defence industry was then no more than 20 per cent and in the munitions industry only 7 per cent. And, while in principle, the state was obliged to pay for the maintenance of these capacities, the level of funding was minimal. For example, in the 2002 budget only RUB500 million (around \$8 million) were reserved for the maintenance of mobilisation capacities, barely 0.15 per cent of the spending on defence. In practice, enterprises had no choice but to recover costs from their own resources, leading, it was claimed, to higher prices and lower competitiveness.<sup>6</sup>

An incident in May 2002 highlighted the sensitivities that exist between enterprises and government over the issue of mobilisation. The president of the Interros holding company, Vladimir Potanin, appealed to Putin to order the government to reduce the level of secrecy with respect to mobilisation capacities to a minimum, describing the prevailing practice as an 'anachronism'. In response, Putin declared that if this were done the state would require compensation from businesses, because revealing their previously secret mobilisation capacities, not taken into account when state enterprises were turned into joint stock companies, would raise their value 'at a stroke'.<sup>7</sup> Needless to say, the measure requested by Potanin was not implemented, but the retention of mobilisation capacities at former state enterprises, now private companies, remained a problematic policy issue. This was acknowledged later by First Deputy Prime Minister Sergei Ivanov. In March 2007 he expressed the view that the state should provide financial compensation to such companies for the costs of keeping mobilisation capacities in working order.<sup>8</sup>

In July 2002, the Ministry of Economic Development and Trade (MEDT), headed by German Gref, gained a new deputy minister, Colonel-General Vladislav Putilin, formerly chief of the organisational-mobilisation directorate of the General Staff. This was explained by the Defence Ministry as the need 'to refocus attention on the preparation of mobilisation resources of the

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5. Aleksandr Privalov, 'O mobilizatsionnykh moshchnostyakh [On Mobilisation Capacities]', *Ekspert* (No. 11, 13 March 2002). Privalov cites the case of an aircraft factory with a total area of 612,000 square metres, of which 500,000 were mobilisation capacities.

6. *Ibid.*

7. 'Gosudarstvo dolzhno poluchit' kompensatsiyu za rassekrechivanie mobilizatsionnykh moshchnostei rossiiskikh predpriatii, schitaet Puntin [The State Must Receive Compensation for the Declassification of Mobilisation Capacities of Russian Enterprises, Putin Thinks]' (original, AK&M information agency), <<http://i.vpk.ru>>, accessed 27 May 2002; 'Po kruglomu krugu. Magnaty khotyat revizii i ne khotyat sekretov [For a Round Circle. Magnates Want an Amendment and Don't Want Secrets]', *Izvestiya [News]*, 25 May 2002.

8. Rusbases (rb.ru) 'S Ivanov, 'Gosudarstvo dolzhno kompensirovat' chastnym predpriyatiyam sokhranenie mobilizatsionnykh moshchnostei [S Ivanov: The State Must be Compensated for the Reduction of Mobilisation Capacities by Private Enterprises]', 27 March 2007, <<http://www.rb.ru>>, accessed 12 July 2016.

country'.<sup>9</sup> Pavel Fel'gengauer voiced the fear that this move could be a threat to Russia's open economy: 'What, excuse me, is openness, if at practically all production units (regardless of the form of ownership) there are mobilisation assignments for the "special period" under the seal OV?'<sup>10</sup> He went on to observe that many industrial leaders, and not just the military, backed the idea of 'reinforcing' the mobilisation preparation of the economy because any enterprise written into the mobilisation plan could not be liquidated, 'even if its leadership steals everything and is up to its ears in debt'. However, this interpretation of Putin's appointment was overly dramatic. As Aleksandr Shokhin, chair of the Russian Union of Industrialists and Entrepreneurs, pointed out, it had been common practice since Gosplan for the Ministry of Economics to have a deputy with a military background to oversee its work connected with the military and mobilisation. Putin's appointment did not necessarily mean a policy change of a kind that would go against the logic of the country's development.<sup>11</sup>

Within the MEDT, Putin headed a department dealing with the economics of programmes of defence and security. This played a large role in drawing up the annual state defence order. The department of mobilisation preparation of the economy was located within the same ministry. In 2004, for example, the former department sponsored a project to create a single interagency automated system of management and monitoring of the implementation of the mobilisation plan of the economy and the state defence order known as EMAPU (*Edinaya mezhotraslevaya avtomatizirovannaya podsistema upravleniya formirovaniem i kontrolem ispolneniya mobilizatsionnogo plana ekonomii Rossiiskoi Federatsii*). The specification of the system was ambitious. It was to cover 15–25 federal organs of executive power, 89 subjects of the federation, up to 10,000 local government organisations, and more than 25,000 enterprises. This probably provides a fairly accurate indication of the scale of the country's mobilisation effort at that time, although the number of enterprises would appear to be too large in light of information that has since become known, perhaps because the specification allowed for possible future enlargement.<sup>12</sup>

After the adoption of the mobilisation plan of 2003 and Putin's appointment, for some time the topic of mobilisation preparation almost disappeared from public view. It re-emerged briefly in 2006 when there was an important organisational change. In March, Putin issued an edict on the formation of the military-industrial commission of the government (*Voенно-promyshlennaya komissiya pri Pravitel'stve, MIC*), to be chaired by Sergei Ivanov, who had been minister of defence from March 2001 and deputy prime minister from November 2005. Putin became its

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9. Pavel Fel'gengauer, 'Vladislav Putin – novyi general ot ekonomiki [Vladislav Putin – a New General of the Economy]', *Moskovskie novosti [Moscow News]*, 23 July 2002.

10. *Ibid.*; OV ('*osoboi vazhnost'*'), in other words 'of exceptional importance', the highest level of secrecy according to Russia's system of state secrets; Julian Cooper, *Russian Military Expenditure: Data, Analysis and Issues* (Sweden: FOI, 2013), pp. 33–36.

11. 'Mobilizatsionnaya ekonomika rasshiryatt'sya ne dolzhna – eto protivorechit logike razvitiya [A Mobilisation Economy Must Not be Extended – This Will Contradict the Logic of Development]', <<https://iq.hse.ru/en/>> (formerly [www.opec.ru/](http://www.opec.ru/)), accessed 18 July 2002.

12. Electronic Russia, <<http://www.elrussia.ru/files/39308/>>, accessed 27 February 2010.

first deputy, vacating his post at the MEDT.<sup>13</sup> In the MEDT, leadership of the department of the economics of defence and security passed to Lieutenant General Sergei Khutortsev (born 1951), who from 2001 had been chief of staff of the Strategic Missile Forces. Initially, the Commission was more a policy-making body than engaged in executive functions, but this changed in March 2008 when the edict forming the MIC was amended. Soon after, Khutortsev transferred to the MIC to head a new department of mobilisation preparation of the economy of the Russian Federation and of forming the state defence order.<sup>14</sup> With this organisational change, the MEDT lost its longstanding central role in the country's military economy. However, in March 2009, when Vladimir Putin was prime minister, Khutortsev's department was transformed into the Department for Supporting the Activity of the MIC of the Government and has retained this status to the present day.<sup>15</sup> In September 2014 the status of the MIC was changed. Putin took over its leadership, with the former chair, Dmitrii Rogozin, as his deputy.<sup>16</sup>

## Rethinking Defence and Mobilisation Preparation

After the transfer of responsibility for mobilisation to the MIC the issue dropped out of public view to a large extent. However, in January 2010 it became apparent that some rethinking was underway: Sergei Ivanov chaired a session of the MIC, which considered a draft concept for the improvement of mobilisation preparation of the economy to bring it in line with modern conditions. He revealed that the decision to draft the concept setting out principles for the improvement had been taken in December 2008, which probably means that it formed part of the general rethinking of the country's military capability that followed the August conflict with Georgia. According to Ivanov, the new concept was a response to both the changing security situation faced by Russia and changes in the armed forces, the economy and institutions of state power. After some reworking it was considered at a meeting of the Security Council in May.<sup>17</sup> Unsurprisingly, given the traditional secrecy in relation to mobilisation, no details of the new concept were revealed. The Security Council may well have discussed the document at

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13. Elena Lashkina, 'General'skoe popolnenie [A General Reinforcement]', *Rossiiskaya gazeta [Russian Gazette]*, 21 March 2006.

14. 'Presidential Decree of 2003 2006 N.231 (rev. 2006 2008) "On Military-Industrial Commission Under the Government of the Russian Federation"', <<http://www.lawmix.ru/prof/902>>, accessed 12 February 2016; <<http://viperson.ru/people/hutortsev-sergey-vladimirovich>>, accessed 9 February 2016.

15. 'Sergei Khutortsev naznachen direktorom departamenta obespecheniyu deyatel'nosti VPK pri pravitel'stve RF [Sergei Khutorstsev Appointed Director of the Department for Supporting the Activities of the MIC of the Government]', 18 March 2009, <<http://www.kp.ru/online/news/214975/>>, accessed 28 June 2016.

16. President of Russia, 'Soveshchanie po voprosu razrabotki proekta gosprogrammy voruzheniya na 2016-2025 gody [Meeting on the Question of the Elaboration of the Draft State Programme of Armament for 2016-25]', 10 September 2014, <<http://www.kremlin.ru/events/president/news/46589>>, accessed 28 June 2016.

17. Government of Russia, 'Zamestitel' Predsedatelya Pravitel'stva Rossiiskogo Federatsii S.B.Ivanov provel zasedanie VoЕННО-promyshlennoi komisii pri Pravitel'stve Rossiiskoi Federatsii [Deputy Chair of the Government of the Russian Federation SV Ivanov Conducted a Meeting of the MIC of the Government]', 27 January 2010, <<http://government.ru/docs/9146>>, accessed 12 July 2016.

a meeting in May, but no reference to such a meeting appeared on its website. However, it is known that the concept was approved by Prime Minister Putin on 29 September 2010.<sup>18</sup>

In 2011 Prime Minister Putin approved a decision to prepare a new mobilisation plan for the economy to come into force in 2014. Before considering this development it is helpful to look briefly at broader changes in Russia's approach to defence after 2008 and, most strikingly, since 2012, during Putin's third term of office as president. Central to this development was the major reform of the armed forces to give them a 'new look', initiated by Defence Minister Anatolii Serdyukov and continued by his successor from November 2012, Sergei Shoigu. These reforms involved an enhancement of the central co-ordinating role of the General Staff of the Armed Forces and of the Ministry of Defence.<sup>19</sup>

In July 2010 a reorganisation of the system of military districts was decreed, replacing the previous six with four: Western (headquartered in St Petersburg), Southern (Rostov-na-Donu), Central (Ekaterinburg), and Eastern (Khabarovsk). They were formed later in that year and became the bases for four operational strategic commands (OSK), generally known as Joint Strategic Commands (JSC). To the JSC are subordinated all forces on the relevant territory, including not only those of the Ministry of Defence, but also of other power agencies. As emerged when large-scale exercises were conducted to test the new arrangements, the commands also had powers in relation to the mobilisation system.<sup>20</sup> Thus the Zapad-2013 exercise, undertaken jointly with Belarus in September 2010, included tests of the mobilisation preparedness of the Ministry of the Interior troops, the Ministries of Transport and Power, and the administrations of the Nizhegorod and Smolensk oblasti (regions).<sup>21</sup> Mobilisation preparedness was also a feature of the Vostok-2014 exercise in September 2011. It appears that not all went well, as later Shoigu proposed to Putin that governors and mayors should be required to improve their skills in mobilisation matters, obliging regional leaders to undertake compulsory training in the General Staff Academy. Here they would learn the theory of managing federation subjects (or regional structures of the country) in the event of mobilisation for war, with practical training gained in future exercises.<sup>22</sup> However, it should be noted that testing the state of mobilisation preparedness is not just a feature of military exercises in recent times. In February 1996, for

18. Sergei Khutortsev, 'Osnovnye napravleniya sovershenstvovaniya mobilizatsionnoi podgotovki ekonomiki Rossiiskoi Federatsii [Basic Directions of Improvement of Mobilisation Preparation of the Russian Economy]', *Federal'nyi spravochnik, Oboronno-promyshlennyyi kompleks Rossii [Federal Directory: Defence Industry of Russia]* (Vol. 18, 2012), p. 123.

19. Bettina Renz, 'Russian Military Capabilities After 20 Years of Reform', *Survival* (Vol. 56, No. 3, June/July 2014), pp. 61–84.

20. On the subject of recent large-scale exercises, see Johan Norberg, *Training to Fight – Russia's Major Military Exercises 2011–2014* (Sweden: FOI, 2015). Norberg discusses the mobilisation dimension under the rubric of civil-military co-operation.

21. Viktor Litovkin, 'Esli zavtra voina [If War Comes Tomorrow]', *Nezavisimaya gazeta [Independent Newspaper]*, 30 September 2013; Yurii Gavrilov, 'Boi bez zrelishch [Combat without Spectacle]', *Rossiiskaya gazeta [Russian Gazette]*, 30 September 2013; Aleksandr Tikhonov, "'Zapad-2013": proverka boespособnosti ["Vostok-2013" – a Test of Combat Readiness]', *Krasnaya zvezda [Red Star]*, 30 September 2013.

22. 'Nachal'stvennaya voennaya podgotovka [Military Training for the Authorities]', *Kommersant Daily [The Businessman]*, 25 November 2014.

example, there was a command exercise in the Baikal region of Siberia with the involvement of the governor of Irkutsk oblast and local mayors in a test of the interaction of the armed forces, Ministry of Internal Affairs, Federal Security Service (FSB), and local administrations in the 'special period'.<sup>23</sup>

In 2013 a new statute was adopted for the General Staff of the Armed Forces. This enhanced its role in co-ordinating the work of all federal agencies of executive power in securing the country's defence. It also included a requirement that the General Staff should submit to the president for approval a Plan for Defence of the Russian Federation.<sup>24</sup> In fact, the first Plan for Defence was signed off by President Putin in January 2013. At a meeting it was presented to Putin by Shoigu and Valerii Gerasimov, chief of the General Staff. Shoigu underlined that it was a comprehensive document covering the defence-related activities of 49 ministries and government departments and that it was forward looking, taking account of risks facing the country and the implementation of the state programme of armament, 'the programme of mobilisation, and the programmes of all ministries and departments for the entire territory of the country'.<sup>25</sup> Gerasimov later provided more details: in his words, it specified the measures and resources required to 'prepare in good time plans for the transition of the country to wartime conditions'.<sup>26</sup> He also acknowledged that it was work on the Plan for Defence that revealed the need for improved regulation of the joint activities of federal agencies, and to this end the General Staff drafted a new statute on military planning, setting out the procedures and documents for preparing the Plan, approved by presidential order in 2013.<sup>27</sup> According to Gerasimov, the need for the timely and effective co-ordination of all agencies involved in the country's defence had become pressing because of changes in the international situation. Today's conflicts develop with great rapidity and involve the use of both military and non-military means, and 'the reaction time for transition from political and diplomatic measures to the application of military force has been reduced to the minimum'.<sup>28</sup> In November 2014, Putin approved an updated version of the Plan covering the period 2016 to 2020.<sup>29</sup>

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23. Aleksandr Davidyuk, 'Gubernator na uchenii [The Governor on Military Drills]', *Kransnaya zvezda [Red Star]*, 16 February 1996. A similar exercise took place in 1997 in Samara oblast; see Aleksandr Davidyuk, 'Igor' Budykin, "Trevoga" v voenokomatakh Samary [Igor Budykin, "Alarm" in the Military Commissariat of Samara]', *Krasnaya zvezda [Red Star]*, 11 March 1997.

24. Presidential Decree of 23 July 2013, No. 631, 'Issues of the General Staff of the Russian Armed Forces', <<http://www.garant.ru/products/ipo/prime/doc/70319514/>>, accessed 10 February 2016.

25. President of Russia, 'Prezident predstavlen Plan oborony Rossiiskoi Federatsii [Russia's Plan of Defence Submitted to the President]', 29 January 2013, <<http://www.kremlin.ru/events/president/news/17385>>, accessed 12 July 2016.

26. Valerii Gerasimov, 'General'nyi shtab i oborona strany [The General Staff and the Defence of the Country]', *Voенно-promyshlennyi kur'er [Military-industrial Courier]* (No. 4, 5 February 2014), <<http://vpk-news.ru/articles/18998>>, accessed 28 June 2016.

27. *Ibid.*

28. *Ibid.*

29. President of Russia, 'Rasshirennoe zasedanie kollegii Ministerstva oborony [Extended Meeting of the Collegium of the Ministry of Defence]', 11 December 2015, <<http://www.kremlin.ru/events/president/news/50913>>, accessed 28 June 2016.

## A New Mobilisation Plan

As noted, in 2011 Putin decided to draw up a new mobilisation plan, which was implemented from 2014. According to Khutortsev, the basic indicators of the plan were approved by Putin in 2013 and, in the second half of the year, eight government decrees, prepared by the MIC, were adopted for its implementation.<sup>30</sup> In Khutortsev's words, the mobilisation plan comprises the 'military-economic basis' of the Plan for Defence of the Russian Federation. The decrees relate to meeting the needs of the country in wartime for the production and repair of armaments and other military hardware, munitions and uniforms, plus meeting the needs of the population in terms of agricultural products, health services and production for medical purposes, transport and communications, and power. It is clear from the list of sectors that this plan also includes the production of basic resources essential for meeting these needs, in particular metals, chemicals and textiles.<sup>31</sup> With the aim of ensuring food security, the foodstuffs to be delivered will be of domestic production.<sup>32</sup> According to Khutortsev, the plan is more compact and less costly compared with earlier practice, with the aim of 'maintaining the competitiveness of the economy in peacetime'. The number of enterprises and organisations included in the mobilisation plan for the production of weapons and other military hardware has been reduced from 3,500 to 800, medical goods from 181 to 36, and the provision of resources from 364 to 91.<sup>33</sup> With this reduced scope, it was decided to fund all expenses incurred by enterprises in preparing to implement the mobilisation assignments under the plan from the federal budget. Khutortsev noted that the Ministry of Finance, jointly with other interested government departments, was drafting a government decree, 'On the Approval of Rules of Financing Measures for Mobilisation Preparation in the Russian Federation'.<sup>34</sup> At the time of writing this has not appeared, or only as a fully classified document.

The novelty of the new mobilisation plan, in Rogozin's view, lies in the possibility of sharply increasing the volume of production of military goods by increasing labour productivity, achieved

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30. Sergei Khutortsev, 'Mobilizatsionnyi plan ekonomiki Rossiiskoi Federatsii – vazhneishaya sostavlyayushaya plana oborony Rossiiskoi Federatsii [The Mobilisation Plan of the Economy of the Russian Federation – a Most Important Element of the Plan of Defence of the Russian Federation]', *Federal'nyi spravochnik, Oboronno-promyshlennyi kompleks Rossii [Federal Guide to the Defence Industry of Russia]* (Vol. 10, 2014), p. 143; Andrei Kots, 'Strana mobiliziruet ekonomiku [The Country Mobilises the Economy]', *Vechernaya Moskva [Evening Moscow]*, 15 January 2014.
  31. Dmitry Rogozin, 'Na puti k intellektual'nomu oboronno-promyshlennomu kompleksu [On the Path to an Intellectual Defence-Industrial Complex]', *Federal'nyi spravochnik, Oboronno-promyshlennyi kompleks Rossii [Federal Directory: Defence Industry of Russia]* (Vol. 10, 2014), p. 28; Khutortsev, 'Basic Directions of Improvement of Mobilisation Preparation of the Russian Economy'.
  32. Khutortsev, 'The Mobilisation Plan of the Economy of the Russian Federation', p. 146.
  33. *Ibid.*, p. 145. This gives a total of 4,045 enterprises before and 927 enterprises after the new plan. But according to the military specialist Nikolai Poroskov, in 2004 there were 4,500 enterprises in the earlier mobilisation plan. This suggests 455 enterprises in other branches of the economy before the change, reduced to approximately 110 if a similar rate of reduction applies, with a total of 1,035 enterprises retaining mobilisation capacities. See Nikolai Poroskov, 'Rezerv ischerpan. Rossii nuzhen novyi zakon o "zakromakh rodiny" [The Reserves are Exhausted. Russia Needs a New Law on the "Bins of the Motherland"]', *Vremya novostei [News Time]* (No. 88, 25 May 2004).
  34. Khutortsev, 'The Mobilisation Plan of the Economy of the Russian Federation', p. 145.

by the use of modern equipment, rather than the conservation of production capacities of defence enterprises for the 'special period'.<sup>35</sup> Mobilisation would focus not on all types of armaments in service with the armed forces, but only those specified in the current state armament programme, in other words those already in volume production. This represents a fundamental break with the Soviet past and the concept that lived on during the first two decades of independent Russia, according to which defence enterprises had to prepare for the production of the full range of armaments then in service. The new Russian concept is similar to the 'surge' capability approach of the US and other NATO countries, discussed below. The change may have been made because stocks of older weaponry, in particular Soviet-era equipment, were considered adequate to meet any likely needs, without supplementation by new manufacture.

The evidence suggests that this approach was set out in the above-mentioned 'Concept for Improving the Mobilisation Preparation of the Economy', drawn up by the MIC and approved in September 2010. Another new provision was that in placing mobilisation assignments for products, the manufacture of which required imported inputs, there had to be investigation of the possibility of securing import substitution or supply according to intergovernmental agreements. In most cases this would probably entail the organisation of supply of the needed inputs from Belarus or another close Commonwealth of Independent States (CIS) partner.

The national mobilisation plan appears to provide an overall framework for mobilisation. According to Rogozin, giving details in January 2014, over the next eighteen months branch and regional mobilisation plans would be adopted by subjects of the federation and federal ministries.<sup>36</sup> Thus, in early June it was reported that Krasnodar's department for mobilisation work had begun to issue mobilisation assignments to the town's enterprises. As the mayor emphasised, by law the assignments could not be rejected and their implementation was obligatory.<sup>37</sup>

But the mobilisation plan is not the only new government measure. According to Khutortsev, the government has been engaged in a very active process of preparing legislation relating to possible mobilisation. This activity has been pursued under a three-year plan preparing presidential edicts and government decrees. It is not clear when he was writing, perhaps early 2014, but he referred to more than twenty normative acts that had been submitted to the government, many of which had been adopted. One draft edict submitted to the president for approval was devoted to the issue of ensuring that enterprises with mobilisation assignments have the required labour resources available. Other drafts included 'On Financial and Banking Regulation in a Period When a Military Situation is in Effect', and 'On the Special Features of the Material-Technical Provision of the Needs of Defence and Security in the Russian Federation in Connection with the Declaration of Mobilisation'. Khutortsev concludes that the outcome of

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35. Kots, 'The Country Mobilises the Economy'.

36. *Ibid.*

37. RuFox News, 'Krasnodarskim prepriyatiyam "rekomendali" gotovit'sya "na sluchai voyny"', [*Krasnodar Enterprises "Recommended" to be Prepared "In Case of War"*], 2 June 2014, <<http://news.rufox.ru/texts/2014/06/02/0276064.htm>>, accessed 28 June 2016.

the measures implemented in recent times, together with those planned, will be a significant enhancement of the readiness of the country's economy to resolve tasks in a period of a military situation, in other words, after the declaration of mobilisation.<sup>38</sup>

Perhaps because weaknesses in the system were revealed by the large-scale military exercises that have been a feature of the military under Shoigu's leadership, attention has turned to the territorial dimension of mobilisation preparation. This was the theme of a meeting organised in autumn 2015 by the Federation Council Committee on Defence and Security, which examined the status and adequacy of legislation.<sup>39</sup> It was acknowledged that exercises had revealed shortcomings, partly arising from the fact that existing legislation did not make adequately clear the direct responsibility of regional leaders and regional governing bodies for the level of mobilisation preparedness of the territories for which they were responsible. Analytical materials prepared for the meetings were critical of the formal approach to mobilisation plans on the part of the executive bodies of subjects of the federation, often simply rewritten year to year without any real change, and based on calculations with limited relevance to local conditions.

In addition, formal approaches predominated in the economic 'stimulation' of mobilisation preparation, and in relation to reporting reserve stocks of materials, in other words claims being presented without any evidence of real action. The creation of alternative, protected centres of government, discussed below, had been barely implemented, and existing centres were in a poor condition, requiring modernisation and new equipment.<sup>40</sup> The chair of the Defence and Security Committee, Viktor Ozerov of Khabarovsk, using the term 'special period', observed that mobilisation preparation was one of the vitally important questions of national defence, but 'this sector is one of the most tense, especially on account of the fact that large-scale privatisation and transition to market relations has to an extraordinary degree weakened the earlier well-organised system, with firm leadership on the part of the state'.<sup>41</sup> The meeting recommended reinforcement of legislation in relation to securing the needs of the armed forces in a period of mobilisation or wartime with local resources, and also the procedures for the acquisition and delivery in wartime conditions of agricultural products, raw materials and foodstuffs. It is likely that in the future governors and other local leaders will find their responsibilities in relation to mobilisation more clearly defined and more easily monitored by the central authorities.

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38. Khutortsev, 'The Mobilisation Plan of the Economy of the Russian Federation', p. 146.

39. Federation Council Committee on Defence and Security, 'Materialy k soveshchaniyu na temu "Sostoyanie i problemy pravogo regulirovaniya mobilizatsionnoi podgotovki i mobilizatsii v sub"ektakh Rossiiskoi Federatsii" [Materials for the Conference on the Theme "The State and Problems of the Legal Regulation of Mobilisation Preparation and Mobilisation in Subjects of the Russian Federation"]', 14 October 2015, <[http://defence.council.gov.ru/activity/activities/other\\_activities/61629/](http://defence.council.gov.ru/activity/activities/other_activities/61629/)>, accessed 12 July 2016.

40. *Ibid.*, 'Informatsionno-analiticheskii material [Informational-analytical Materials]', pp. 6–11.

41. *Ibid.*, 'Vstupitel'noe slovo na soveshchanii [Opening Remarks of the Meeting]', pp. 2–3.

## Pipelines, Railways and Communications

Three important elements of the Russian mobilisation system for the economy require brief mention, all relating to basic infrastructure. First, there is the rail network, vital in wartime for providing transport services for the armed forces. In Russia this is run by the state-owned RZhD (*Rossiiskie zheleznye dorogi*) and supplemented by the activities of the rail troops, since 2004 part of the rear services of the Ministry of Defence Armed Forces. The latter can repair existing rail lines and build new ones rapidly in the event of need, a current example being the building of a 125 km line from Voronezh oblast to Rostov oblast in the south, bypassing the existing line, which passes through Ukraine.<sup>42</sup> According to a former commander of the rail troops, Lieutenant General Sergei Klimets, in normal conditions the railway system accounts for over 80 per cent of total freight transport, but in a 'special period' it is up to 95 per cent.<sup>43</sup> The troops are charged with ensuring that the rail network will operate smoothly in wartime conditions and are regarded as a key component of the system of mobilisation preparation. They often participate in military exercises, facilitating the transport of troops and equipment. Road transport is also covered by mobilisation demands. In a period of mobilisation it is subject to 'military transport obligations', meaning that trucks and other vehicles must be made available to the armed forces if requested.

Similarly, the pipeline system for oil, oil products and natural gas is regarded as part of the mobilisation system and the armed forces have pipeline troops involved in ensuring supplies to the military as required. As has been observed, full pipelines constitute a national reserve of fuel in the event of an emergency, available for use by the military or other state structures, and for this reason, there is a strong preference for state ownership of the main pipeline network, especially for oil and oil products, mainly in the hands of Transneft and Transnefteprodukt.<sup>44</sup> The latter, handling oil products, works closely with what used to be the Ministry of Defence's Central Directorate for Missile Fuel and Lubricants, but is now part of the Combat Support Staff of the Armed Forces. According to Gennadii Ocheretin, then chief of the directorate, the aim is to have a system in a state of readiness for transition from peacetime work to fulfilment of tasks in the 'special period'.<sup>45</sup> There are occasional exercises of the system, for example, in 2005 the major Strategicheskaya magistral-2005 involved the then Siberian military district, Transnefteprodukt, pipeline and rail troops, and other rear services.<sup>46</sup> The activities of the

42. Rostov News, 'Doroga v obkhod Ukrainy doidyet do Bataiska [Russia Will Construct the Railroad Bypassing Ukraine to Bataysk]', 26 April 2015, <<http://rostov-news.net/politics/2015/04/26/37323>>.

43. Aleksandr Aleksandrov, 'Zheleznodorozhnye perpektivy [Rail Perspectives]', *Krasnaya zvezda (Red Star)*, 30 May 2008.

44. Dmitrii Mun, "'Krovenosnaya sistema" strany. Razvitie truboprovodov – eto ne tol'ko ekonomkia. Eto i natsional'naya bezopasnost' i geopolitika [The "Blood Circulation System" of the Country. The Development of Pipelines Is Not Only the Economy, It Is National Security and Geopolitics]', *Krasnaya zvezda [Red Star]*, 19 June 2004.

45. Gennadii Ocheretin, 'Rol' truboprovodnogo trasnporta v obespechenii natsional'noi bezopasnosti [The Role of Pipeline Transport in Providing for National Security]', *Voennaya mysl' [Military Thought]* (No. 2, 2003), pp. 45–50.

46. Taras Rudyk and Evgenii Shal'nev, 'Uchenye. "Strategicheskaya magistral" [Exercise. "Strategic Main Line"]', *Krasnaya zvezda [Red Star]*, 14 July 2005.

pipeline troops are directed towards supplying armoured formations of some magnitude, indicating that they are intended above all to serve the needs of large-scale conventional war.<sup>47</sup>

Finally, there is the country's system of communications. The armed forces have their own system of communications and specialised communications troops, but in the event of war national networks are subject to mobilisation and controls on the use of the system by civil agencies. In Russia there is a marked reluctance to permit the privatisation of key components of the transport, pipeline and communications infrastructure.<sup>48</sup> In the author's view this can be explained to a large extent by security considerations. Regardless of any case that can be made in terms of greater economic efficiency, for the Russian state mobilisation considerations remain to the fore and in the foreseeable future there is little prospect of this view undergoing any change.

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47. The author is grateful to Johan Norberg for this observation.

48. The state owns 100 per cent of the ordinary shares of RZhD, Transneft and Transnefteprodukt, and maintains a majority stake in Rostelecom, the telecommunications company.



## IV. Russia's System of State and Mobilisation Reserves

**A** VITAL COMPONENT OF Russian mobilisation preparation is the extensive system of state material reserves, administered since 2004 by the Federal Agency for State Reserves, generally known as Rosrezerv. This is an agency that normally operates in the shadows, much of its activity being covered by the law on state secrets, but emerges during serious natural disasters, not only in Russia but sometimes abroad too, as a provider of aid to the population or as a source of urgently needed strategic goods, when sudden acute shortages arise, as with aviation fuel in 2011. Rosrezerv has its origins in Soviet times, founded in October 1931 as the Committee of Reserves of the Council of Labour and Defence. It changed its name and status several times and in late 1991 was converted into a set of republican agencies, in 1992 becoming the Committee for State Reserves in Russia.<sup>1</sup> In 1999 it became the Russian Agency for State Reserves and then in 2004 the Federal Agency for State Reserves, subordinated to the Ministry of Economics, a status retained to this day. Its leader since 2009 has been Dmitrii Gogin, who has a background in the fuel and energy business.<sup>2</sup> His predecessor from 2001 to 2009, Aleksandr Grigor'ev, was previously a deputy director of the FSB.<sup>3</sup> No data have been found on the current scale of employment in the agency, but in the early 2000s there were approximately 16,000 employees.<sup>4</sup>

Russia's reserve system works within the framework established by the Law on State Material Reserves adopted in December 1994 and amended on a number of occasions. It specifies that the state reserves consist of stocks of strategic materials and goods for the mobilisation needs of the country and for meeting immediate needs arising from emergency situations. According to Khutortsev, head of the MIC, state reserves have played a significant role during the Ukraine conflict, supplying food and other vital goods to people suffering from military action, probably meaning they were responsible for the many aid convoys that have been sent to the Donbas region.<sup>5</sup> It is also permitted to use reserves to provide state support to branches of the economy,

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1. For a history of the reserve system, see Dmitrii Gogin, '80 let na kruglosutochnom dezhurstve [80 Years on Round-the-Clock Duty]', *Federal'nyi spravochnik. Oboronno-promyshlennyy kompleks Rossii [Federal Directory: Defence Industry of Russia]* (Vol. 8, 2005), pp. 125–32.
  2. Federal Agency for State Reserves, <[http://rosreserv.ru/Agentstvo/Rukovodstvo/Gogin\\_Dmitrij\\_JUrevich](http://rosreserv.ru/Agentstvo/Rukovodstvo/Gogin_Dmitrij_JUrevich)>, accessed 15 February 2016.
  3. Evgenii Verlin, 'Aleksandr Grigor'ev: "Polnykh analogov sistemy Rosrezerva vmire ne sushchestvuet" [Aleksander Grigor'ev: "A Full Analogue of the System of Rosrezerva Exists Nowhere in the World"]', *Profil' [The Profile]* (No. 27, 17 July 2006).
  4. Aleksandr Grigor'ev, 'O sisteme gosudarstvennogo material'nogo rezerva [On the System of State Material Reserves]', *Federal'nyi spravochnik [Federal Directory]* (Vol. 14, no year of publication indicated), p. 378.
  5. Sergei Khutortsev, 'Gosudarstvennyi zapas prochnosti [The State Reserve of Stability]', *Federal'nyi spravochnik. Oboronno-promyshlennyy kompleks Rossii [Federal Directory: Defence Industry of Russia]* (Vol. 11, 2015), p. 136.

organisations or subjects of the federation in order to stabilise the economy when disrupted by some unforeseen circumstance which has led to an imbalance of supply and demand on the domestic market.<sup>6</sup> In 2013 the government approved rules for commodity interventions: if prices of a foodstuff rise by more than 20 per cent during a month of any given subject of the federation, and prices of oil products rise by 10 per cent, the local administration has the right to request intervention from the strategic reserves to stabilise the market.<sup>7</sup> The reserves are renewed on a regular, planned basis and their supplementation is undertaken within the limits of the annual broad state defence order.<sup>8</sup>

The Federal Agency has seven regional directorates, reflecting the federal districts, each having control over an extensive network of storage facilities and other enterprises. There is much secrecy shrouding these bases, many located deep underground or in the sides of mountains to be secure from nuclear attack, and some clearly of a very considerable scale, with refrigerated storage for foodstuffs and other perishable goods.<sup>9</sup> According to Gogin, the network of bases was created in the main by the mid-1970s. In recent years there has been a programme of reconstruction and repair, but only recently has the ministry considered building new facilities.<sup>10</sup> Bases are located far from centres of population, but in areas with well-developed rail connections.<sup>11</sup> Before the creation of the National Guard in April 2016, the main facilities of the agency were under the protection of Ministry of Internal Affairs troops.

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6. Federal Agency for State Reserves, 'Federal'nyi zakon o gosudarstvennom material'nom rezerve ot 29 dekabrya 1994 g. No.79-FZ [Federal Law on the State Material Reserve, 29 December 1994, No.79-FZ]', <[http://rosreserv.ru/upload/site1/document\\_file/xil1bBXjYt\\_d1.pdf](http://rosreserv.ru/upload/site1/document_file/xil1bBXjYt_d1.pdf)>. Examples of commodity intervention in recent years include salt (2006), sugar (2011) and aviation fuel, released from the reserves when serious shortages arose; interview with Dmitrii Gogin by Tat'yana Zykova, 'Tol'ko v "RG" [Only in "RG"]', *Rossiiskaya gazeta [Russian Gazette]*, 28 October 2010; Yuri Selivanov, 'Vosem'desyat let na kruglosutuchnom dezhurstve [Seventy Years on Duty]', *Rossiiskaya gazeta [Russian Gazette]*, 17 October 2011.
  7. Igor' Aleksandrov, 'Strategicheskii zapas karman ne tyanet [Strategic Stocks Will Not Stretch Pockets]', *Rossiiskaya gazeta [Russian Gazette]*, 16 October 2014.
  8. The state defence order in narrow terms covers new and modernised weapons and other military hardware, plus military R&D, for the Ministry of Defence and other armed forces of the country. The broad state defence order includes uniforms, food, fuel and lubricants and other supplies required by the armed forces, plus construction work and purchases for the state material reserves.
  9. One company engaged in trading food and other goods released by the Agency, S-gosrezerva, lists 114 *kombinaty* (bases) under Rosrezerv, but this probably excludes some storage facilities, for example those for fuel; see <[http://s-gosrezerva.ru/index.php?ukey=auxpage\\_kombinaty-rosrezerva](http://s-gosrezerva.ru/index.php?ukey=auxpage_kombinaty-rosrezerva)>, accessed 15 February 2016. A 2004 source gives a total of 128 storage bases, see Poroskov, 'The Reserves are Exhausted'. For a description of a large food storage base 125 metres underground, see Anna Potekhina, 'Nash strategicheskii rezerv [Our Strategic Reserve]', *Krasnaya zvezda [Red Star]*, 15 July 2011 and Sergei Podkuiko, 'K vsemu gotovaya pishcha [Preparing Food for All]', *Ogonek* (No. 31, 12 August 2013), p. 30.
  10. Dmitrii Gogin, 'Edinaya federal'naya sistema gosudarstvennogo material'nogo rezerva: priority razvitiya [The Unified Federal System of State Material Reserves: A Priority of Development]', *Federal'nyi spravochnik, Oboronno-promyshlennyi kompleks [Federal Directory: Defence Industry of Russia]* (Vol. 9, 2013), p. 138.
  11. Mariya Mikeli and Vladimir Zmeyushchenko, 'Koridory vlasti. Bol'shaya zanachka [Corridors of Power. A Large Stash]', *Profil' [The Profile]* (No. 1, 14 January 2002).

According to the former leader of Rosrezerv, Aleksandr Grigor'ev, practically all the goods constituting the mobilisation reserve are held not at the agency's own bases, but on a contract basis at the facilities of other organisations, in other words those obliged to implement mobilisation assignments.<sup>12</sup> The military specialist, Nikolai Poroskov, maintains that in 2004 there were 12,000 storage points at 4,500 enterprises and organisations included in the mobilisation plan.<sup>13</sup> Thus the stocks of weapons, plus materials and components for their production, held by companies of the defence industry, whether in state or private ownership, constitute part of the state material mobilisation reserves overseen by Rosrezerv. Grigor'ev implemented an elaborate system of control to ensure that these stocks are properly managed, with the involvement of security, law and order agencies and the procuracy, with more than 1,500 on-site inspections a year.<sup>14</sup> It is possible that the strategic reserves have been drawn on in recent times to maintain defence industry production affected by sanctions imposed by NATO and EU member countries. This is hinted at by one author, who notes the importance of the reserves on an earlier occasion when external supplies were curtailed at short notice, such as in the 1950s when China ceased the delivery of some strategic materials to the USSR.<sup>15</sup> Khutortsev has also drawn attention to the potential importance of the reserves to the work of strategic enterprises at a time of threats of foreign economic isolation and mounting 'crisis phenomena' in the economy.<sup>16</sup>

Under the agency is the Research Institute for Questions Storage (*NII problem khraneniya*), the country's leading research establishment in the field of long-term storage, dating back to 1939.<sup>17</sup> There are also at least two enterprises, Podol'sk Rosrezervstroii, producing special materials for warehouses and refrigerated stores, and Khomyakovskii eksperimental'nyi mekhanicheskii zavod, Tula oblast', making specialised equipment for loading and unloading goods and equipment for the petrochemical industry, although it is not clear whether the latter is still functioning.<sup>18</sup> Personnel for the agency are trained by its own Torzhok polytechnic college.<sup>19</sup> The range of goods stored by Rosrezerv and its contract partners appears to be extremely broad, including armaments ('special products'), components and materials for their production, production equipment, fuels and lubricants, rails, pharmaceuticals and other medical goods, food and drink, footwear, and any other goods vital to human life and survival in wartime conditions.<sup>20</sup> According to one informed source, writing in 2006, stocks were held then

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12. Verlin, 'Aleksander Grigor'ev'.

13. Poroskov, 'The Reserves are Exhausted'.

14. Vladislav Gasumyanov, 'Chelovek iz osobogo rezerva [A Man of the Special Reserve]', *Rossiiskaya gazeta [Russian Gazette]*, 19 January 2009.

15. Aleksandrov, 'Strategic Stocks Will Not Stretch Pockets'. Aleksandrov notes that Rogozin had recently proposed supplementing the state reserves with a special fund of rare metals needed to secure stable military and civil production.

16. Khutortsev, 'The State Reserve of Stability', pp. 137–38.

17. See NIIPH Rosreserva, <<http://niiphrosreserv.ru/>>, accessed 15 February 2016.

18. Mikeli and Zmeyushchenko, 'Corridors of Power', <<http://www.neft-gaz-prom.ru/catalog/37/47/khomyakovskiy-eksperimentalnyy-mekhanicheskii-zavod-khoemz/>>, accessed 16 February 2016.

19. Gasumyanov, 'A Man of the Special Reserve'.

20. On the production of rails, in 2012 when the West-Siberian Metallurgical Combine, Russia's sole producer, planned to halt production for six months in order to undertake reconstruction, the government was asked to consider the release of 18,900 tonnes of rails from Rosrezerv. It

of approximately 13,000 different items.<sup>21</sup> The nomenclature of goods stockpiled is periodically reviewed, according to one source every five years.<sup>22</sup> It is known that this was done in 2001 and at the same time the volumes held were revised. It was reported that a large-scale review would be undertaken in 2006, but no details are available.<sup>23</sup> The period of time that reserves are expected to cover is not known, but under the Soviet Union it was three months in the European part of the country and four months in the Asiatic part.<sup>24</sup> This may be the same now, as Aleksandr Grigor'ev claims that the food reserves held by the agency are sufficient to feed the entire population of the country for three months,<sup>25</sup> although the volume of the stocks held by Rosrezerv is top secret. One well-informed author states that only three people know: the president, the prime minister and the leader of Rosreserv.<sup>26</sup>

According to Dmitrii Gogin, during the difficult years from 1992 to 2002, there was no budget to maintain strategic stocks and it was only resumed in 2003. The limited funding was sufficient only to maintain the central administration of Rosrezerv.<sup>27</sup> It can be assumed that they managed to survive by selling off surplus stocks and replacing outdated items on favourable terms, exploiting the market distortions widespread during those years. Indeed, Gogin has confirmed that in the 1990s the government decreed that Rosrezerv could sell non-ferrous metals, fuel and rare earth elements in order to fund purchases of foodstuffs, used in part at least to supply certain regions in short supply during the troubled economic transformation.<sup>28</sup>

Although it is a highly secretive state body concerned with national security, Rosrezerv is also a commercial structure, which may explain why it is overseen by the MEDT and not one of the security-related government agencies. It buys goods for the reserve at market prices and sells stock which has reached its storage time limit also at market prices, with wide use of competitive tenders. In these activities it is assisted by trading companies such as S-gosrezerva and Torgovyi dom 'Reserv', but these must have a licence from the FSB in so far as activity in this sphere is covered by the law on state secrets.<sup>29</sup> The volumes of trade must be quite substantial, but there

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is not known whether this was done. See Milana Chelpanova, 'Rezervnye rel'sy [Reserve Rails]', *Vedomosti [The Record]*, 6 April 2012.

21. Mikhail Falaleev, 'Rosrezerv nachinaet reviziyu strategicheskikh resursov, khryanyashchikhsya na "chernyi den" [Rosrezerv Will Begin a Revision of Strategic Resources Held for a "Black Day"]', *Rossiiskaya gazeta [Russian Gazette]*, 19 May 2006.
22. Mikeli and Zmeyushchenko, 'Corridors of Power'.
23. Falaleev, 'Rosrezerv Will Begin a Revision of Strategic Resources Held for a "Black Day"'. Falaleev notes that spirits and tobacco were long ago removed from the reserves.
24. Shlykov, 'Demilitarizing the Russian Defence Economy', p. 28.
25. Vasilii Fatigarov, 'Reviziya v "zakromakh Rodiny" [A Revision in the "Bins of the Motherland"]', *Krasnaya zvezda [Red Star]*, 11 July 2006.
26. Poroskov, 'The Reserves are Exhausted'. Poroskov was then military observer at *Vremya Novostei [News Time]*, which ceased publication at the end of 2010.
27. Gogin, '80 Years on Round-the-Clock Duty', p. 131.
28. Sergei Dobrynin and Dmitrii Gogin, 'Natsional'naya zanachka [A National Stash]', *Profil' [Profile]* (No. 38, 17 October 2011), p. 53.
29. Fatigarov, 'A Revision in the "Bins of the Motherland"'; Verlin, 'Aleksander Grigor'ev'. For details of S-gosrezerva, see <<http://s-gosrezerva.ru/>>, accessed 12 July 2016, and for details of Torgovyi dom 'Reserv', see <<https://sites.google.com/site/tdrezerv/kompan>>, accessed 12 July 2016.

is no information about their scale or whether Rosrezerv covers its costs from its commercial activities. It cannot be ruled out that it has to cover any losses made from selling some goods for which market prices will not pertain from within its budget. Since the imposition of sanctions affecting the work of the defence industry, plus cost increases arising from the depreciation of the rouble, there has been discussion of the possible use of state regulated prices when supplementing the reserves and supplying goods to military producers. However, the author is not aware that this proposal has been implemented.<sup>30</sup>

One principle of the activity of Rosrezerv has particular relevance at a time when Russia is experiencing externally imposed sanctions, has domestically decreed counter-sanctions on foodstuffs, and is pursuing an active import substitution policy. As Gogin has emphasised, Rosrezerv is orientated towards domestic producers. Imported goods are acquired only if domestic production is lacking or of inadequate volume.<sup>31</sup> According to one author, 'in the framework of the realisation of the Doctrine on Food Security', Rosrezerv is introducing long-term contracts with Russian producers, and incentives for them to re-equip their production capacities.<sup>32</sup> However, the thirst for self-sufficiency clearly goes way beyond food products. Domestic suppliers have to meet both state quality standards and the tough requirements of Rosrezerv that the goods will keep their quality over the period in which they are held in the reserves. And, according to Deputy Minister of Economic Development Oleg Savel'ev, Rosrezerv is 'an inseparable part of the system providing for national security, both military and economic'.<sup>33</sup> It can therefore be assumed that Rosrezerv is a strong lobby within government for measures promoting import substitution.

Work on the new mobilisation plan, adopted in 2013, involved a review of policy for the range of goods held in the state reserves. According to Gogin, the new strategy for improving mobilisation preparation of the economy, adopted in 2010, proposed a review of the range of goods held in the reserves.<sup>34</sup> By a government decree of August 2012 new rules were approved for fixing the nomenclature and the norms of accumulation of goods in the reserves. The range of goods and their volumes are established on the basis of proposals by federal organs of executive power. They are obliged to establish the case for the retention of the goods, their purpose, the rate of their accumulation, the volume of the absolute minimum reserve for national security, and an estimate of their cost. Each organ of power must review regularly the stocks relevant to its sphere

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30. Khutortsev, 'The State Reserve of Stability', p. 137.

31. *Ibid.*

32. Potekhina, 'Our Strategic Reserve'. The Doctrine on Food Security, adopted in January 2010, explicitly calls for the formation of strategic reserves of food products and the volume of these reserves constitutes one of the indicators by which the implementation of the doctrine is assessed. See Security Council of the Russian Federation, 'The Doctrine of the Russian Federation Food Security', January 2010, <<http://www.scrf.gov.ru/documents/15/108.html>>, accessed 18 February 2016.

33. Selivanov, 'Seventy Years on Duty'.

34. Dmitrii Gogin, 'Edinaya federal'naya sistema gosudarstvennogo material'nogo rezerva: priority razvitiya [The Unified Federal System of State Material Reserves: A Priority of Development]', *Federal'nyi spravochnik, Oboronno-promyshlennyi kompleks [Federal Directory: Defence Industry of Russia]* (Vol. 9, 2013), p. 137.

of competence and make sure that all items are still required. According to Khutortsev, this approach was adopted in preparing the new mobilisation plan, which involved a major review of all the previously accumulated stocks. The work was led by the Collegium, a meeting of top officials of the MIC with the involvement of many government agencies. 'As a result', explains Khutortsev, 'we obtained a range of goods held in the mobilisation reserve corresponding to the modern level of development of the technology of production of armaments, military hardware and special equipment and other goods for securing the needs of the state in the period of a military situation'.<sup>35</sup> This probably means that, in line with the latest mobilisation plan, materials, components and production equipment for the production of older types of weapons are no longer held, or only in sufficient quantity to provide a reserve stock of spare components for repair needs. Indeed, Khutortsev goes on to suggest that quite a large volume of goods was released from the reserve as a result of the review and notes the potential benefit for the revenue side of the federal budget.

Some military exercises include tests of the readiness of Rosrezerv, as in September 2015 as part of preparations for the major Tsentr-2015 exercise. A surprise check of the central military district involved a number of civil agencies, including Rosrezerv, the ministries of Health, Agriculture, Industry and Trade, and Fisheries, plus the administrations of Bashkortostan, Novosibirsk, Samara and Chelyabinsk.<sup>36</sup>

Before leaving the Russia reserve system, it is worth noting that it retains close links with most CIS partners. At the end of 2004, a consultative council of leaders of state reserve systems of CIS member countries was formed and there is regular exchange of information.<sup>37</sup> In 2013 Mongolia was granted observer status.<sup>38</sup> The Research Institute for Questions of Storage became the basic organisation of its kind for the whole CIS. It is likely that the principles of the management of the reserve systems of these countries are much the same, still based on their common Soviet heritage, greatly facilitating co-operation. The Consultative Council has been working towards the creation of a joint reserve of food and other vital necessities to be drawn on in the event of natural disasters and other emergencies.<sup>39</sup>

## Unified Insurance Fund of Documentation

Another component of the Russian mobilisation system is the *Edinyi Rossiiskii strakhovoi fond dokumentatsii* (ERSFD – Unified Insurance Fund of Documentation). This is a documentation depository relating to the production of armaments and other goods included in the mobilisation plan of the economy, potentially dangerous objects, structures concerned with life support of

35. Khutortsev, 'The State Reserve of Stability', p. 138.

36. MK.ru, 'Proverka voisk Tsentral'nogo okruga – prelyudiya k glavnym ucheniyam goda [A Check of the Troops of the Central District – a Prelude to the Main Exercise of the Year]', *Moskovskii komsomolets [Moscow Komsomolets]*, 8 September 2015.

37. Vasillii Fatigarov, 'Tri chetverti veka [Three Quarters of a Century]', *Krasnaya zvezda [Red Star]*, 18 October 2006.

38. Alena Uzbekova, 'Priglasheyut k obshchenu stolu [Invitation to the Common Table]', *Rossiiskaya gazeta [Russian Gazette]*, 6 December 2013.

39. *Ibid.*

the population, objects of national heritage, and important documents constituting part of the national scientific, cultural and historic heritage. As such, it could be regarded as a highly specialised component of the system of reserves. It was first established in the mid-1950s. Microfilmed documents were kept in underground stores designed to withstand a nuclear blast and guarded round the clock by Ministry of the Interior troops.<sup>40</sup> In its present form the fund has been established in accordance with a government decree of January 1995, 'On the Unified Russian Insurance of Documentation'. It is clearly regarded as an important component of the mobilisation system, ensuring that military and other production vital to the country's survival can be restored after crippling war damage.

The head organisation for research and technical provision for the fund is the Scientific Research Institute of Reprographics (Nauchno-issledovatel'skii institut reprografii, NIIR) in Tula, created according to a decree of the USSR Council of Ministers in December 1975, and then subordinated to the MEDT by a government decree in 2005. It is now a branch of the Research Institute of Standardisation and Unification under the Federal Agency for Technical Regulation and Metrology, Rosstandart.<sup>41</sup> From the evidence available from the mid-2000s, the Fund was traditionally held on microfilms, but NIIR is now actively engaged in the development of digital methods.<sup>42</sup>

## Preparing to Govern in Wartime

A significant dimension of Russian preparation for wartime conditions is the system of reserve centres of power from which the country will be governed, an elaborate network of what in Russia are termed 'special objects' (bunkers), overseen by the Main Administration of Special Programmes of the President of the Russian Federation (Glavnoe upravlenie spetsial'nykh programm pri Prezidenta – GUSP), the country's most highly classified government agency. It was the last government agency to have its own website, but it provides very little information on the agency's work. It 'helpfully' describes the functions of GUSP as 'realising in the limits of its competence functions providing for the implementation of the powers granted to it by the president in the sphere of mobilisation preparation and mobilisation in the Russian Federation'.<sup>43</sup>

This system was established in Soviet times, originally as the fifth directorate of the administrative department of the Russian Soviet Federative Socialist Republic (RSFSR) Council of Ministers, dating from 1977, and was charged with building reserve structures for government. Bunkers and other underground facilities for the top leadership of the country were serviced by the 15th directorate of the State Security Committee, the KGB. In 1992 the fifth directorate was

40. Andrei Chernakov, 'Deti podzeml'ya [Children of the Underground]', *Kommersant [The Businessman]* (No. 24, 5 July 1994), pp. 44–49.

41. Reprograf, <<http://www.reprograf.ru/news.html>>, accessed 18 February 2016.

42. Ministry of Economic Development, Department of the Economics of Defence and Security, <<http://www.economy.gov.ru/>>, last accessed in 2007. The website of this disbanded department no longer exists; see also <<http://www.reprograf.ru/company.html>>.

43. See General Directorate of Special Programs of the President of the Russian Federation, <<http://www.gusp.gov.ru/>>, accessed 18 February 2016.

transferred to the presidential administration of Russia and in 1994 became GUSP.<sup>44</sup> During the Cold War there was nothing unusual about nations making provision for alternative centres of government in the event of nuclear war, but the system developed in the USSR and clearly maintained in present-day Russia would appear to be exceptionally comprehensive in scope.<sup>45</sup>

The current leader (*nachal'nik*) of GUSP is Aleksandr Linets (born 1963), appointed in April 2015, formerly chief of the FSB for the Southern Military District. This was a typical appointment as most leaders of the agency have had security backgrounds. His immediate predecessor, Vladislav Menshchikov, in post for only a year, previously worked for over a decade as general director of Almaz-Antei, one of Russia's leading defence industry corporations, but his earlier career was with the KGB and then the FSB.<sup>46</sup> The current scale of employment within GUSP is not known, but the well-informed military specialist Viktor Baranets put it at around 20,000 personnel in 2000, and from many published government decrees and orders relating to GUSP (usually of a coded, formal nature, depriving them of any meaningful content), it is known that many are uniformed servicemen.<sup>47</sup>

The most prominent structure within GUSP is the Service of Special Objects of the President, currently headed by Georgii Kaetchenko, who previously worked in the Federal Agency of Special Construction (Spetsstroi), overseen by the Ministry of Defence.<sup>48</sup> The Service is also known as Military Unit (*voiskovaya chast'*) 95006, Moscow.<sup>49</sup> It can be assumed that the Service is responsible for the construction of 'special objects' (bunkers), other underground facilities and transport systems, notably Moscow's Metro-2 and the surrounding district. According to Baranets, the personnel of the Service are known colloquially as 'moles' (*kroty*), whereas those who work for the 'exploitation-technical' administration of GUSP are the 'cocks' or 'roosters' (*petukhi*).<sup>50</sup>

44. For further information, see the official site of the GUSP, <<http://www.agentura.ru/dossier/russia/gusp/>>, accessed 8 February 2016; <<https://ru.wikipedia.org/wiki/>>, 'Glavnoe upravlenie spetsial'nykh programm Prezidenta Rossiiskoi Federatsii [Main Administration of Special Programmes of the President of the Russian Federation]', accessed 4 March 2016.

45. Peter Hennessy, *The Secret State. Whitehall and the Cold War* (London: Penguin Books, 2003), pp. 186–205. Hennessy discusses the equivalent during the Cold War in the UK for the national seat of government – Corsham, code name TURNSTILE. It was not a well-kept secret. While a student in nearby Bath in the 1960s, the author found that many Bath citizens knew its location, purpose and even details of its extensive underground facilities. It is perhaps a universal conceit of governments that such matters can be kept secret.

46. Ivan Safronov and Elena Kiseleva, 'Ot mobilizatsii k kontrrazvedke [From Mobilisation to Counter-Intelligence]', *Kommersant Daily [The Businessman]*, 8 April 2015. After leaving GUSP, Menshchikov was appointed chief of counter-intelligence of the FSB. For a biography of Linets, see <<http://www.gusp.gov.ru/pages/gusp/3729/3776/>>, accessed 12 July 2016.

47. Viktor Baranets, 'Geraldika. U supersekretnoi zluzhby Rossiii poyavilas' svoya emblem [Heraldics. The Ultra-secret Service of Russia Has Acquired its Own Emblem]', *Komsomol'skaya pravda [Komsomol Truth]*, 12 April 2000. Baranets mentions the new emblem of GUSP, approved by Putin, which unsurprisingly features a shield.

48. *Ibid.*; RBC.ru, 'Russia's Federal Protection Service (FSO) to Be Headed by Major General G Kaetchenko', <<http://www.rbc.ru/rbcfreenews/20120730160709.shtml>>, accessed 30 July 2012.

49. See <<http://wikimapia.org/6708209/ru/>>, accessed 19 February 2016.

50. Baranets, 'Heraldics. The Ultra-secret Service of Russia Has Acquired its Own Emblem'.

The second, 'secret', underground system of Moscow, generally known as Metro-2, but in Soviet times as D-6, is part of the empire of the Service of Special Objects of GUSP. While supposedly top secret, as the author found during visits to the USSR in the 1970s, many Moscow residents seemed to know a lot about it and saw no problem in raising the topic with a foreigner, even providing details of its purpose and route, not without a hint of pride. It is an extensive network linking the Kremlin, the General Staff, Ministry of Defence, Foreign Ministry and government with Vnukovo-2 Airport and an alleged underground town in the Ramenki region of the city (best known as the location of the main site of Moscow State University). It is able, according to unofficial data, to accommodate 12,000–15,000 people 100–200 metres below the surface. Another line, it is claimed, goes to the settlement of Barvikha in the Odintsovo region, southwest of Moscow, allegedly the location of a bunker for the government. The total length of Metro-2 may be 150 kilometres. The tunnels are deeper underground than the normal public metro, up to 200 metres beneath the surface, and are surfaced in such a way that normal wheeled vehicles can also use them. Clearly, in a situation of war it provides the country's civil and military leadership with an alternative exit from the capital.<sup>51</sup> According to one author, President Putin occasionally uses one of the lines to avoid traffic jams.<sup>52</sup>

As it is known that GUSP facilities in Moscow exist, it can be assumed that there are bunkers and other 'special objects' in other regions of Russia, in particular the centres of federal districts. In the words of two informed journalists, 'GUSP answers for the state of mobilisation preparedness in the country and possesses an enormous economy (*khozyaistvo*): this is a network of secret bunkers, underground tunnels and structures all over Russia'.<sup>53</sup> Examples are apparently found in Crimea in the vicinity of Foros, the well-known sanatorium where Mikhail Gorbachev was kept incommunicado for a time during the August 1991 attempted coup, also known as 'Object Zarya [Dawn]'.<sup>54</sup> In Soviet times it belonged to the Central Committee of the Communist Party of the Soviet Union. In the complex of state facilities in the region was a reserve underground complex for the management of the country during the 'special period', apparently abandoned

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51. Georgii Aleksandrov, 'Sekretnoe metro [The Secret Metro]', *Argumenty i fakty [Arguments and Facts]* (No. 42, 15 October 2008); Aleksandr Rogoza, 'Pustyat li passazhirskie poezd po sekretnomu metro? [Let There Be Passenger Trains on the Secret Metro?]', *Komsomol'skaya pravda [Komsomol Truth]*, 21 March 2013. Both of these articles provide detailed maps of the metro's lines and stations. The system is known in part because of the activity of Moscow 'diggers', or amateur underground explorers, as outlined by Rogoza. This is a risky hobby. In 2014 and 2015 a group of young people were charged by the FSB with illegally obtaining and disseminating information considered a state secret when they entered an unguarded underground bunker, see 'Diggerov, zalezshikh v podzemnyi spetsob'ekt, presleduyut za razglashenie gostainy [Diggers Who Climbed Into the Underground Special Facility Are Being Investigated for Divulging State Secrets]', <<http://www.newizv.ru/accidents/2016-04-20/238330-diggerov-zalezshih-v-podzemnyj-specobekt-presledujut-za-razglashenie-gostajny.html>>, 20 April 2016.

52. Aleksandrov, 'The Secret Metro'.

53. Safronov and Kiseleva, 'From Mobilisation to Counter-Intelligence'.

54. Konstantin Shevchanko, 'Ob'ekt Zarya. Dacha Gorbacheva [Object Dawn. The Gorbachevs' Dachas]', <[http://nash-kirim.at.ua/publ/krym\\_segodnja/obekt\\_zarja\\_dacha\\_gorbacheva/1-1-0-64](http://nash-kirim.at.ua/publ/krym_segodnja/obekt_zarja_dacha_gorbacheva/1-1-0-64)>, accessed 10 April 2016.

after the end of the USSR when the facilities ended up in Ukraine.<sup>55</sup> It can reasonably be assumed that similar underground complexes exist in the vicinity of Sochi, which is frequently used by the president and military leaders for meetings on military and defence matters.

The involvement of specialist builders of the underground with GUSP and its Soviet forebears is no surprise. During the Second World War, an alternative control centre for Stalin was built by the construction company Metrostroï on the outskirts of the city of Kuibyshev (Samara).<sup>56</sup> GUSP has its own affiliated civil engineering company with expertise in building underground railways and other underground structures, Transinzhtroi (known colloquially as TIS or Desyatka). In Soviet times this company was the Directorate 10A of Glavtonnel'metrostroï of the USSR Ministry of Transport Construction, founded in 1955, engaged in the building of Metro-2 and other facilities.<sup>57</sup> This is clearly a very substantial business of nationwide scope, also much involved in non-secret work, including building lines and stations of the normal Moscow metro system, as well as housing, offices and social facilities. Although open to conjecture, for reasons that are unclear Transinzhtroi seems to have played a major role in the development of the town of Odintsovo, southwest of Moscow, not far from Vnukovo-2 Airport and perhaps in the vicinity of an important installation of the system. In 2007 the head of the company, Nikolai Tuzanov, boasted that 'Odintsovo is our pride!'<sup>58</sup> This suggests that GUSP does not rely exclusively on government funding.

During the 1990s there appears to have been some contraction of the infrastructure controlled by GUSP. With the end of the Cold War and a lack of funding, some of its facilities were declassified and found other uses, or fell into neglect.<sup>59</sup> Thus in 1994 it was reported that the underground refuge intended for the leadership of Sverdlovsk oblast in the 'special period' had been converted into a vault with safe boxes for customers for one of the Ekaterinburg banks.<sup>60</sup> However, as Russia's economy recovered and awareness grew that the post-Cold War situation was not as risk free as originally hoped, budget funding was restored and it appears that at least the basic facilities were renovated and modernised.

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55. Boris Bronshtein, Irek Murtazin and Valerii Shiryaev, 'Foros – mazhor [Foroz – Major]', *Novaya gazeta [New Gazette]*, 5 February 2016. The article discusses how Foros has ended up in the hands of the Federation of Trades Unions of Tatarstan.

56. Sergei Kazovskii, 'Tak zasekretili, chto rassekretit' ne mogut [They Classified So Much, They Could Not Classify Any More]', *Novye izvestiya*, 16 February 2002. As Kazovskii recounts, there have been attempts to locate the whereabouts of this wartime bunker, but when asked GUSP claimed to have no knowledge.

57. Elena Kiseleva, 'Pod Kiev tyanut sekretnuyu vetku [A Secret Branch is Being Drawn Under Kiev]', *Kommersant Daily [The Businessman]*, 5 April 2013; see <<http://www.diggipedia.ru/index.php?title=%D2%C8%D1>>, accessed 22 February 2016.

58. 'Nachal'nik SEU OAO "Transinzhtroi" Nikolai Tuzanov: "Odintsovo – nasha gordost!" [Head of Transinzhtroi Nikolai Tuzanov: "Odintsovo – Our Pride"]', *Moskovskaya pravda [Moscow Truth]*, 6 September 2007.

59. Sergei Ptichkin, 'Direktor po zashchite [Director Under Protection]', *Rossiiskaya gazeta [Russian Gazette]*, 20 March 2014.

60. Serei Nedostup, 'Zaroite vashi denezhki [Bury Your Money]', *Krasnaya zvezda [Red Star]*, 17 May 2004.

# V. The Place of Mobilisation Preparation in Russia's Military Policy

**T**O WHAT EXTENT can mobilisation preparation be considered an integral component of Russia's military policy? One way of exploring this question is by examining relevant doctrinal and strategic documents and definitions of military-related terms that have wide currency in the country. Starting with the latter, the authoritative *War and Peace: Terms and Definitions*, under the general editorship of Deputy Prime Minister Dmitrii Rogozin, includes 'the level of combat, operational and mobilisation readiness of the armed forces, the degree of mobilisation preparation of the economy of the state, the existence of stockpiles of strategic raw materials, production reserves, and other material means' as indicators of the 'military potential of the state'.<sup>1</sup> Mobilisation preparation of the economy as such did not figure in the Strategy of National Security of the Russian Federation to 2020 adopted in May 2009, but there was reference in the section on 'national defence' to the importance of the maintenance of stockpiles of material means in state and mobilisation reserves.<sup>2</sup> However, in the 2015 version it was much more prominent.<sup>3</sup> In the section 'Defence of the Country', enhancing the mobilisation preparedness of the country is included as one of the basic means of achieving the strategic goals of the country's defence (Article 34) and is the topic of a separate paragraph (39) on the preparation of the economy at the federal, regional and local levels, organs of state power at all levels, and the armed forces, to meet the needs of the state and population in wartime. This approach is reflected in the Law on Defence, originally adopted in May 1996, but frequently amended thereafter. In the 2015 version, Article 2 on the organisation of defence includes mobilisation preparation and the creation of mobilisation and state reserves, while Article 6 sets out the authority of the government in this sphere.<sup>4</sup>

Just as the most recent version of the National Security Strategy places more emphasis on mobilisation preparation than the original variant of six years earlier, the same is true of the military doctrine of the Russian Federation. In November 1993, President Yeltsin approved basic principles of a military doctrine. The section on 'military-technical and economic bases' of the doctrine includes just fifteen words on measures for securing the mobilisation readiness

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1. Rogozin, *War and Peace: Terms and Definitions*.
  2. President of Russia, 'Strategiya national'noi bezopasnosti Rossiiskoi Federatsii do 2020 goda. [Strategy of National Security of Russian Federation to 2020]', 13 May 2009, <<http://www.kremlin.ru/supplement/424>>, accessed June 2016.
  3. President of Russia, 'Strategiya national'noi bezopasnosti Rossiiskoi Federatsii', ukaz Prezidenta No.683, 31 December 2015 [Strategy of National Security of the Russian Federation, edict of President No. 683, 31 December 2015]', *Sobranie zakonodatel'stva Rossiiskoi Federatsii* [Federal Assembly of the Russian Federation] (No. 1, 4 January 2016).
  4. Federal'nyi zakon ot 31.05.96 N 61-FZ, "Ob oborone" [Federal Law of 31 May 1996 No. 61-FZ "On Defence"], <<http://base.garant.ru/135907/>>, accessed 20 July 2016.

of the economy and the creation of mobilisation reserves, in a subsection on directions of development of the defence-industrial potential.<sup>5</sup> In April 2000, a military doctrine of the country finally appeared, explicitly based on the 1993 principles. This contained a section specifically devoted to the economic foundations of the doctrine, with a subsection on 'Basic directions of mobilisation preparation of the economy' of more than 130 words. It covered the three main aspects of mobilisation preparation, namely the economy, organs of state power and reserves, plus the insurance fund of documentation, and indicated that the aim was to create a system of management of the economy for its stable functioning in both a period of transition to a military situation and in wartime. To this end, mobilisation preparation was to include measures to provide for the functioning of systems of finance and credit, taxation and monetary turnover in conditions of a military situation.<sup>6</sup> In December 2014 the military doctrine was reissued in a new version. Now 'mobilisation preparation and mobilisation readiness' appeared not in a section on the economy but in 'Military policy of the Russian Federation'. At over 270 words it was more than twice the length of the 2000 version. The content was similar but contained two new dimensions: first, organisation of restoration work on objects damaged or destroyed as a result of military action, including capacities for the production of weapons and other military hardware and transport-communications facilities; and second, organisation of the supply of food and non-food goods to the population in wartime conditions.

This analysis indicates that for Russia the system of mobilisation preparation represents an integral component of military policy. As the country's military doctrine has evolved since the early 1990s it has come to occupy an increasingly prominent place, especially in 2014 after changes in the role of the General Staff, the new emphasis on territorial defence, and the adoption of an up-to-date mobilisation plan based on a revised concept of mobilisation preparation. A notable outcome of this evolution is a significant institutional innovation in the system of management of the country's defence.

## The National Defence Management Centre (NTsUO)

In keeping with the enhancement of the powers of the General Staff and the transition to a new concept of mobilisation, the president issued an edict on 10 December 2013 to upgrade the central management capability of the armed forces. This was a briskly implemented project; a year later a new National Defence Management Centre of the Russian Federation (NTsUO RF) was declared functional.<sup>7</sup> This centre was a top priority for Minister Sergei Shoigu and appears to be modelled on the National Crisis Management Centre that he created in his previous post at the Ministry of Emergencies. The centre can be regarded as a central innovation of the drive

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5. 'Osnovnye polozheniya voennoi doktriny Rossiiskoi Federatsii [The Main Provisions of the Military Doctrine of the Russian Federation]', *Rossiiskaya gazeta [Russian Gazette]*, 19 November 1993.
  6. President of Russia, 'Voennaya doktrina Rossiiskoi Federatsii', ukaz Prezidenta No.708 [Military Doctrine of the Russian Federation, edict of President No. 708.], <<http://www.worklib.ru/law/218810/>>, accessed 21 April 2000.
  7. Tass, 'Natsional'nyi tsentr upravleniya oboronnoi RF budet koordinirovat' vse federal'nye vedomstva [National Centre of Defence Management of the Russian Federation Will Co-ordinate All Federal Agencies]', 20 January 2014, <<http://tass.ru/politika/898610>>, accessed 12 July 2016. The edict must have been classified.

to enhance the readiness and effectiveness of Russia's military capability and to integrate its various strands, including mobilisation planning.

The earliest reference traced by the author to a proposed new national centre dates to March 2013.<sup>8</sup> According to the *Izvestiya* journalist Denis Tel'manov, a project for the creation of a National Centre for the Management of the Defence of the State (then known as NTsUOG) was approved by Chief of the General Staff of the Armed Forces Valerii Gerasimov. It would link all departmental systems concerned with the management and monitoring of defence.

Via the new centre the top leadership of the country would receive real-time information about the military and political situation in the country and the state of preparedness of military districts and the armed forces. The centre would also support the day-to-day activities of the armed forces by forming a single system of data on the financial and material means of the country, force staffing levels, the implementation of the state defence order, as well as information on the activities of structural units of the Ministry of Defence. The information would be subject to automated analysis and presented in visual form on screens and, on its basis, proposals made for decisions to be taken by the highest state and military leaders.

According to Tel'manov's source, Shoigu already had experience of the National Crisis Management Centre, which linked all regions of the country in an online regime, but the new centre would require more secure channels of communication. In the words of then chief of the main operational Directorate of the General Staff, Vladimir Zarudnitskii, the new national centre would resemble more the State Committee for Defence of the Soviet Union, which during the Second World War co-ordinated the supreme civil and military leadership of the country.<sup>9</sup>

In a ceremony on 20 January 2014, Shoigu laid the new NTsUO's symbolic foundation stone, and revealed a few details of its future work. He likened the new centre to the Stavka of the supreme commander of the Soviet era, now equipped with the most modern technology securing real-time information across the entire territory of the country.<sup>10</sup> The centre would have several components, he revealed, including the Centre of Management of the Strategic Nuclear Forces, the Centre for Combat Management and the Centre for Management of the Daily Activity of the Armed Forces. It would also incorporate the Central Command Post of the General Staff. Furthermore, the centre would have branches in the headquarters of each military district.<sup>11</sup>

According to Chief of the Directorate of Operations of the General Staff Andrei Kartapolov, the new centre was to have a total staff of more than 1,000 military and civilian specialists working

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8. Denis Tel'manov, 'V Rossii sozdayut Natsional'nyi tsentr upravleniya oboronoj [A National Centre of Defence Management Will be Created in Russia]', *Izvestia*, 28 May 2013, <<http://izvestia.ru/news/551033>>, accessed 12 July 2016.

9. Oleg Andreev, 'Blizhe k Tsntru [Closer to the Centre]', *Itogi [Review]* (No. 31, 5 August 2013), p. 15.

10. Yurii Gavrilov, 'Dom na naberezhnoi. Strogo sekretno... [The House on the Embankment. Strictly Secret...]', *Rossiiskaya gazeta [Russian Gazette]*, 21 January 2014, p.7.

11. Viktor Litovkin, 'General'y utverdili plany na 2014 god [Generals Approved Plan for 2014]', *Nezavisimaya gazeta [Independent Newspaper]*, 22 January 2014, p. 1.

in four shifts.<sup>12</sup> The selection and training of personnel to staff the centre and its branches began in April 2014. It is envisaged that an institute of management will be organised in the Academy of the General Staff to provide specialists for the new system.<sup>13</sup> All of the centre's equipment and software is of domestic origin, including the supercomputers, although Kartapolov declined to give any further details.<sup>14</sup> At some point, apparently in early 2014, the centre was renamed, no longer the Centre for Defence Management of the State (NTsUOG), but of the Russian Federation (NTsUO RF). This may have been in order to bring the designation into line with that used for other related initiatives, for instance the Plan for Defence of the Russian Federation. The total cost of the centre was reported to be almost RUB40 billion (the equivalent at the time to \$1.2 billion).<sup>15</sup> The chief of the NTsUO RF is Lieutenant General Mikhail Mizintsev (formerly chief of the General Staff's Central Command Post), appointed in August 2012.<sup>16</sup>

As Vladimir Zarudnitskii has explained, the creation of the NTsUO RF would make possible the creation of a system covering all links of the leadership of the armed forces and also make it possible in an operational regime to co-ordinate the efforts of 49 ministries and government departments participating in the fulfilment of the Plan of Defence.<sup>17</sup> These comments indicate that the NTsUO RF would be involved closely with mobilisation preparedness. From the public part of the federal budget it is known that as of 2011 there were 41 ministries and departments covered by the initial concept of state programme No. 31, 'Securing the defence capability of the country'. From the limited data available it is clear that for many of the agencies identified the budget funding, modest in volume, was related to the costs of so-called 'special objects', both the remuneration of their personnel and subsidies for funding their activities.<sup>18</sup> It can be assumed that there are other ministries and departments whose equivalent funding is classified and not shown in the available breakdown of funding under the draft state programme, making a total of approximately 50 departments with mobilisation responsibilities an entirely plausible figure.

It would seem, therefore, that the NTsUO RF would play a leading role in the implementation of the system of mobilisation in the event of war or another major national emergency, serving as the principal body for managing its practical implementation. With the creation of the NTsUO RF it is likely that GUSP, the Military-Industrial Commission (VPK) and Gosreserva will retain

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12. Yurii Gavrilov, 'Prikaz postupit iz Tsetra [The Order Will Come From the Centre]', *Rossiiskaya gazeta [Russian Gazette]*, 27 October 2014.
  13. Yurii Gavrilov, 'Vse rakety na monitore [All Missiles On the Monitor]', *Rossiiskaya gazeta [Russian Gazette]*, 2 April 2014.
  14. Gavrilov, 'The Order will Come from the Centre'. The computers are probably El'brus systems, developed and built in Russia; their users include the nuclear industry.
  15. Vasilii Vetlin, 'Takimi kamnyami ne brosayutsya [Do Not Throw Such Stones]', *Trud [Labour]*, 21 January 2014, p. 2.
  16. For biographical details of Mikhail Mizintsev see <<http://www.zamos.ru/dossier/m/20828/>>, accessed 29 October 2014.
  17. Andreev, 'Closer to the Centre'.
  18. 'Analiticheskoe raspredelenie byudzhernykh assignovaniy federal'nogo byudzheta po gosudarstvennym programmam Rossiiskoi Federatsii na 2011-2013 gg. [Analytical Distribution of Budget Allocations of Federal Budget According to State Programmes of the Russian Federation for 2011-13]', was available at <[http://minfin.ru/ru/budget/federal\\_budget/index.php?&](http://minfin.ru/ru/budget/federal_budget/index.php?&)> from 4-15 July 2011, but has been removed from the redesigned Ministry of Finance website.

their current roles, but the centre will serve as a national body charged with ensuring the overall co-ordination of the practical implementation of mobilisation measures, just as the State Committee for Defence did during the Second World War. Given the vulnerable location of the NTsUO RF in central Moscow, it cannot be ruled out that there is also a secret reserve centre for use in the event of a major conflict.

As noted, there has been concern that the mobilisation system does not always function as it should at the regional level. The Moscow centre is now at the heart of an expanding network of regional defence management centres being created in each of the country's military districts and in major territorial subdivisions within them. The regional centres are structural components of the NTsUO RF.<sup>19</sup> There is now a central regional defence management centre (TsUO) in Ekaterinburg covering 29 subjects of the federation, plus Russian military garrisons in Kazakhstan, Kyrgyzstan and Tajikistan, a southern regional centre in Rostov-on-Don, and an eastern centre in Khabarovsk. Territorial centres are also being organised; early examples include those of Samara and Novosibirsk.<sup>20</sup> It is likely that these regional centres will play an active role in monitoring the state of mobilisation preparation throughout the country, reporting directly to the NTsUO RF Moscow to ensure that remedial action is taken where necessary.

## The Economics of Mobilisation Preparation

Under the Soviet Union, as Shlykov argued, the mobilisation system had a significant impact on the economy, both structurally and in terms of the resources committed to its development and maintenance. At the enterprise level, especially in the defence industry, vast spare capacities had to be kept in working order, with inevitable overhead costs, partly offset by earnings from the manufacture of civilian goods, some produced using part of the spare capacity on an 'assimilation' basis. But the Soviet economy was one of administratively determined prices. Artificially low prices were set for weapons and the high-quality resources used for their production, but for civilian goods, especially consumer items, relatively high prices were set. This economically irrational pricing probably rendered it impossible to assess the true cost of the mobilisation system and its impact on the performance of the economy. To the Soviet authorities it must have seemed a normal dimension of the planned economy not open to question until the final years of perestroika and the emergence of informed critics such as Shlykov, who had the civic courage to open up the taboo topic to public discussion.

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19. Tass, 'Shoigu proveril regional'nyi tsentr upravleniya oboronoi na yuge Rossii [Shoigu Checked Regional Defence Management Centre in Southern Russia]', 11 March 2015, <<http://tass.ru/armiya-i-opk/1821099>>, accessed 12 July 2016.

20. 'Regional'nyi tsentr upravleniya oboronoi RF otkroetsya v Ekaterinburge [Regional Centre of Defence Management of the Russian Federation is Opened in Ekaterinburg]', 16 December 2014, <<http://topwar.ru/64895-yuzhnyy-regionalnyy-centr-upravleniya-oboronoy-rossii-zastupil-na-boevoe-dezhurstvo.html>>, accessed 12 July 2016; 'Regional Defense Control Center BBO Increased Command and Control Efficiency', Baikal Finance, 20 December 2014, <<http://baikalfinans.com/lichnyie-dengi/regionalnyiy-tsentrupravleniya-oboronoy-vvo-povyisil-effektivnost-upravleniya-voyskami.html>>, accessed 28 June 2016; MK.ru ['New Uniform of *Siloviki* – Coloured Shirt With Epaulettes'], 31 March 2014, <<http://www.mk.ru/politics/army/article/2014/03/31/1006393-novaya-forma-silovikov-tsvetnyie-polo-s-pogonami.html>>, accessed 22 July 2016.

In post-communist Russia, with the development of market relations, the situation changed. Prices became more meaningful and enterprises became concerned about their profitability and the competitiveness of their products. While state ownership of enterprises continued to predominate in the defence industry, in the rest of the manufacturing industry private companies played a major role, and the new private owners were not enthusiastic about the requirement to maintain mobilisation capacities, particularly because of the costs associated with them and the extremely strict regime of secrecy pertaining to them, which, among other things, can hardly have facilitated co-operation with foreign partners.

Under these circumstances it is not surprising that there was pressure from the business community to scale back mobilisation obligations and secure adequate funding so that the overhead costs of mobilisation capacities did not undermine profitability and competitiveness. The new concept of mobilisation adopted in 2010 and the reforms to the system that have followed would appear to address some of these concerns. The number of enterprises involved in the mobilisation plan has been reduced and there would appear to be better funding for those still burdened with mobilisation obligations.

Nevertheless, in the defence industry in particular, the mobilisation system must still be associated with a considerable amount of unused capacity, higher costs, secrecy, and it can be assumed, not infrequent inspections by external agencies to ensure that the capacities are being maintained and reserve stocks held by enterprises are not being misused.

Given the secrecy surrounding all aspects of mobilisation preparation it is probably not surprising that it is an area in which financial abuses are not uncommon. This has long been a concern of the authorities, with claims that enterprises have been obtaining budget funding by illegal means. In 2012 it was announced that the Ministry of Finance and the Federal Tax Service were undertaking a wholesale investigation of companies participating in mobilisation preparation and seeking to obtain tax refunds on part of the value added tax paid in relation to equipment and other goods ostensibly purchased in order to maintain conserved mobilisation capacities in full working order. According to the rules, compensation can be claimed for 20 per cent of the costs associated with the maintenance of properties kept solely for mobilisation purposes. A review of declarations over the period 2007 to 2010 revealed substantial abuses, with claims relating to equipment and other items that clearly had no connection with mobilisation capacities.

A detailed check was then undertaken of 65 metallurgical companies with mobilisation assignments and it was found that many claims were illegitimate.<sup>21</sup> Out of this arose a major case that received considerable and likely unwelcome publicity, that of the Chelyabinsk pipe-rolling factory (AO ChTPZ). The main shareholder of the company, Andrei Komarov, was charged with illegally obtaining RUB1.8 billion (around \$28 million) for the maintenance of mobilisation capacities which, it was claimed by the investigators, did not exist. It was also claimed that the management of ChTPZ had bribed Promresurs, the company engaged by the Ministry of Industry

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21. Ekaterina Karacheva, 'FNS vyavila khishcheniya milliardov pod predlogom podgotovki k voine [Federal Tax Service Revealed Theft of Billions Under Pretext of Preparation for War]', *Izvestiya [News]*, 30 July 2012.

to check the mobilisation capacities of metallurgical works, to ensure a positive outcome. The case dragged on for some time, with Komarov under house arrest, and his legal adviser in detention, before the case was finally dropped for lack of reliable evidence. The article under which Komarov would have been charged if the case had been pursued carries a sentence of six years in jail or a fine of up to RUB1.3 billion (\$21 million).<sup>22</sup> While business people may sometimes complain about the secrecy associated with mobilisation preparation, there may be some complicity in its maintenance, as it is likely that it makes the authorities reluctant to pursue cases that could give rise to unwelcome publicity of the kind that developed in the case of ChTPZ. If abuses are found, it can be assumed that they are usually resolved by agreement behind the scenes.

An issue not openly addressed in the literature is the supply of labour in the event of mobilisation. This may be because it is not considered a serious problem. Most defence industry companies also undertake civil activities or are within holding companies which include non-defence enterprises. This presumably gives scope for switching personnel to other work. What is not known is whether mobilisation preparation at the company level includes any training of shopfloor workers or technical and managerial staff in some of the skills required for work on military goods.

The existence of such a developed mobilisation system with the maintenance of large reserve stocks in the event of war also serves to reinforce an economic policy stance that has long existed in security-related circles in Russia and was central to Soviet thinking; namely the urge for self-sufficiency, with minimum dependence on suppliers in countries that could in some circumstances become adversaries.

For the Soviet Union, the other Warsaw Pact countries were regarded as dependable partners, although probably to varying degrees; in present-day Russia, the same applies to the CIS, above all Belarus, although certain frictions have appeared in recent times. With the imposition of sanctions by NATO and EU member countries following the Ukraine events, import substitution policies have come to the fore, especially in relation to foodstuffs and medicines, but it is possible that some within the security community took the view that such policies were long overdue. As noted by Silvana Malle, Honorary Senior Research Fellow at Birmingham University, import substitution measures for foodstuffs, adopted after the imposition of sanctions by NATO and EU member countries in 2014, were very much in line with the doctrine on food security approved by President Medvedev in January 2010, and with subsequent action by the government.<sup>23</sup>

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22. Pavel Kochegarov, 'Aktioneru ChTPZ Andreyu Komarovu gotovyat novoe delo o moshenichestve [A New Case of Fraud is Being Prepared for the Owner of ChTPZ Andrei Komarov]', *Izvestiya [News]*, 29 April 2014; Vladimir Baranov, 'Sovladel'sta ChTPZ obinili v podkupe [Co-owner of ChTPZ Accused of Bribery]', *Kommersant Daily*, 18 February 2015; Roman Asankin and Il'ya Rozhdestvenskii, 'Dva goda bez poldstvi [Two Years Without Consequences]', *RBK Daily*, 26 February 2016.

23. Silvana Malle, 'Economic Sovereignty. A Militant Agenda for Russia', University of Verona, Department of Economics, Working Paper Series, November 2015, WP No. 27, pp. 7–8.

The Soviet system of economic mobilisation was developed within the framework of a centrally planned economy, with mobilisation plans, as noted above, linked to five-year plans. Following the end of the Soviet system central planning was abandoned, but the mobilisation system was retained; the economy underwent market transformation and large-scale privatisation. It might be thought that this systemic change could render the mobilisation inoperable, but management of the mobilisation system remains highly centralised and a large proportion of the enterprises and institutions covered by mobilisation plans are state owned. In principle, the system should still function much as in Soviet times, but it is well known that the so-called 'vertical of power', in other words the centralised command structure, in today's Russia is far from being fully effective.<sup>24</sup> This was also true of the USSR.

## The Budget Funding of the Mobilisation Preparation System

While it is impossible to assess the volume of spending on mobilisation preparation and the accumulation of reserves by enterprises from their own earnings, it is possible to identify funding of the system from the federal budget. In recent years the funding of mobilisation preparation of the economy has been a subchapter of the 'national defence' budget, which accounts for most spending on the armed forces of the Ministry of Defence and their equipment.

The budget funding of Rosrezerv is divided into two components: an open part, presumably covering the basic administrative costs and the work of the agency connected with natural disasters and other emergencies; and a classified part, which can be assumed to cover activities relating to mobilisation preparation. The budget funding of GUSP is entirely classified. However, from a lapse of secrecy in the mid-1990s that revealed how its funding is treated in the budget, it has proved possible to establish the total volume of funding in each year. Table 1 shows the funding for mobilisation preparation during 2015 and 2016 under these three headings: mobilisation preparation of the economy<sup>25</sup>; state reserves; and GUSP. It also shows the combined share of spending on mobilisation preparation out of total federal budget expenditure.

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24. See, for example, Andrew Monaghan, 'Defibrillating the Vertikal? Putin and Russian Grand Strategy', Chatham House Research Paper, October 2014.

25. Note that there is some spending under the 'Mobilisation Preparation of Economy' heading in local budgets. In 2014 this amounted to RUB1.581 million and in 2010 it was RUB1.248 million. See <[http://minfin.ru/ru/budget/federal\\_budget/index.php?&from\\_4=4](http://minfin.ru/ru/budget/federal_budget/index.php?&from_4=4)> and <<http://www.roskazna.ru/ispolnenie-byudzheto/konsolidirovannyj-byudzheto/>>.

**Table 1:** Funding of Mobilisation Preparation in the Russian Federal Budget: Actual Spending 2005–15 and Budget Spending in 2016 (Million Current Roubles)

	Mobilisation Preparation of Economy	Classified State Reserves	GUSP	Total	Total Budget Expenditure	Mobilisation % Total Expenditure
<b>2016B</b>	3 835	72 682	36 116	112 633	16 098 659	0.70
<b>2015</b>	4 020	85 960	36 495	126 475	15 610 901	0.81
<b>2014</b>	3 951	83 247	34 884	122 082	14 831 576	0.83
<b>2013</b>	4 659	99 137	35 137	138 933	13 342 922	1.04
<b>2012</b>	4 877	89 711	37 118	131 706	12 894 987	1.02
<b>2011</b>	4 893	79 641	34 642	119 176	10 925 617	1.09
<b>2010</b>	4 888	49 693	30 958	85 539	10 117 455	0.85
<b>2009</b>	4 590	44 551	29 395	78 536	9 660 061	0.81
<b>2008</b>	4 707	60 070	24 488	89 265	6 279 780	1.33
<b>2007</b>	5 629	59 127	21 549	86 215	5 986 562	1.44
<b>2006</b>	3 542	37 713	18 503	57 758	4 284 803	1.39
<b>2005</b>	3 493	18 371	13 543	35 407	3 514 348	1.01

Source: 2005–15: Federal Treasury Report, <<http://www.roskazna.ru/ispolnenie-byudzhetrov/federalnyj-byudzheto/>>, accessed 7 March 2016, supplemented for 2008–10 by reports of the Accounts Chamber on draft laws on budget implementation, available from the State Duma's automated system for supporting legislative activity, <<http://asozd2.duma.gov.ru/>>, accessed 20 July 2016.

As shown, spending on mobilisation preparation of the economy has been relatively constant, but has fallen since 2013, probably because, under the mobilisation plan for 2014, the number of enterprises obliged to maintain mobilisation capacities has been reduced. Funding of the classified components of the state reserve system fluctuates in a manner which indicates that account is taken of the state of the economy. Thus spending fell in 2009–10 when the economy was severely affected by the global financial crisis and then increased as the economy began to recover. The marked increase in spending in 2013 is striking but probably too early to be explained by stockpiling in expectation of a breakdown of relations with Ukraine and possible externally imposed sanctions. Since 2013 funding has fallen again as the performance of the economy has deteriorated. Spending on the activities of GUSP is fairly stable and increases broadly in line with the performance of the economy. Overall, approximately 1 per cent of total federal budget spending is devoted annually to activities under the broad heading of mobilisation preparation. In 2015 this spending amounted to only 0.2 per cent of GDP, but 4 per cent of total spending under the federal 'national defence' budget. Given that these activities are undoubtedly perceived by Russia's leadership as essential to the country's defence they

should perhaps be included in total military expenditure.<sup>26</sup> However, the series presented is in current prices. If converted into constant prices by the use of the GDP deflator, the total volume of funding of mobilisation preparation in 2015 was approximately 28 per cent more in real terms than in 2005, with an annual average rate of growth of only 2.2 per cent.

## Not Only Russia

Given their common Soviet inheritance, it is unsurprising that many other former Soviet states have retained the basic Soviet institutions and principles of functioning relating to mobilisation in the post-communist era. Almost all the countries of the CIS have adopted laws on mobilisation preparation and mobilisation similar in title and basic content to those adopted in Russia in 1997. First was Ukraine in 1993 and in the author's view this was probably achieved by simply drawing on Soviet practices. In that way the Ukrainian legislation might provide insight into the form of the equivalent (and unavailable) Soviet legislation, particularly with regard to the term 'special period'.<sup>27</sup> Next was Russia in February 1997, followed by Kazakhstan (June 1997), Kyrgyzstan (September 1998), Turkmenistan (December 1998), Armenia (March 1999), Tajikistan (December 1999), Belarus (October 2000),<sup>28</sup> Moldova (July 2002), and finally Azerbaijan (June 2005). No equivalent laws have been traced for Georgia and Uzbekistan, but this may be because they go under different titles.<sup>29</sup> Ukraine has the most detailed of these laws and Kyrgyzstan's is the most concise. They all outline requirements for mobilisation capacities and state reserves.

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26. The modest spending on mobilisation preparation of the economy is included under the budget for 'national defence', which covers most spending on the Ministry of Defence forces. However, under the NATO/SIPRI definition this is not included in 'military expenditure'.
27. As might the law of Transnistria, adopted in July 2000. See 'Law of the Pridnestrovian Moldavian Republic "On Mobilisation Preparation and Mobilisation"', <<http://www.vspmr.org/legislation/laws/zakonodateljnie-akti-v-voennoj-sfere-i-v-sfere-oboroni/zakon-pridnestrovskoy-moldavskoy-respubliki-o-mobilizatsionnoy-podgotovke-i-mobilizatsii.html>>, accessed 28 June 2016.
28. This was surprisingly late, because as a 'Union state' Belarus tends to follow Russian practice closely.
29. For details on Ukraine, see The Law of Ukraine for 21 October 1993 No. 3543-XII "On Mobilisation Preparation and Mobilisation", <[http://base.spininform.ru/show\\_doc.fwx?rgn=16975](http://base.spininform.ru/show_doc.fwx?rgn=16975)>; Kazakhstan, The Law of Kazakhstan of 16 June 1997 "On Mobilisation Preparation and Mobilisation", <[http://online.zakon.kz/Document/?doc\\_id=1007928](http://online.zakon.kz/Document/?doc_id=1007928)>; Kyrgyzstan, The Law of the Kyrgyz Republic of 30 September 1998 No. 125 "On Mobilisation Preparation and Mobilisation in the Kyrgyz Republic", <[http://base.spininform.ru/show\\_doc.fwx?rgn=327](http://base.spininform.ru/show_doc.fwx?rgn=327)>; Turkmenistan, The Law of Turkmenistan of 10 December 1998 No. 329-1 "On Mobilisation Preparation and Mobilisation in Turkmenistan", <[http://base.spininform.ru/show\\_doc.fwx?rgn=15747](http://base.spininform.ru/show_doc.fwx?rgn=15747)>; Armenia, The Law of Armenia of 29 May 1999 No. 3P-289 "On Mobilisation Preparation and Mobilisation in the Republic of Armenia", <[http://base.spininform.ru/show\\_doc.fwx?rgn=7466](http://base.spininform.ru/show_doc.fwx?rgn=7466)>; Tajikistan, The Law of the Republic of Tajikistan of 11 December 1999 "On Mobilisation Preparation and Mobilisation", <[http://base.spininform.ru/show\\_doc.fwx?rgn=2231](http://base.spininform.ru/show_doc.fwx?rgn=2231)>; Belarus, The Law of the Republic of Belarus of 26 October 2000, "On Mobilisation Preparation and Mobilisation", <<http://zakonby.net/zakon/63114-zakon-respubliki-belarus-ot-26102000-n-449-z-red-ot-04012012-quoto-mobilizatsionnoy-podgotovke-i-mobilizaciiquot.html>>; Moldova, The Law of the Republic of Moldova of 3 June 2002 No. 1192-XV "On Mobilisation Preparation and Mobilisation", <[http://base.spininform.ru/show\\_doc.fwx?rgn=5118](http://base.spininform.ru/show_doc.fwx?rgn=5118)>; Azerbaijan, The Law of the Republic of Azerbaijan of 10 June 2005 "On Mobilisation Preparation and Mobilisation", <<http://nis-army.org/ru/laws/zakon-azerbaidzhanskoi-respubliki-o-mobilizatsii-i-podgotovke-kmobilizatsii-v-azerbaidzhanskoi>>. All accessed 16 February 2016.

All but two countries, Moldova and Turkmenistan, outline measures such as an insurance fund of documentation. And Moldova's is the only law not to outline military transport obligations in the event of war. Only in the case of Ukraine is it explicitly specified that mobilisation may be hidden, in other words not publicly declared, perhaps following Soviet practice. That this possibility is not specified either way in the Russian law perhaps reflects a decision to classify the option in so far as it may give rise to speculation abroad during threatening periods.

While there is some co-operation between CIS member countries in the field of material reserves, no evidence has been found of co-operation in mobilisation preparation as such, perhaps because in all states it is seen as an exclusively domestic matter. This also seems to apply to the Collective Security Treaty Organisation (Organizatsiya Dogovora o kollektivnoi bezopasnosti, ODKB, in Russian) of Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia and Tajikistan. The documentation made available on the ODKB website makes no reference to mobilisation, although this does not rule out the possibility of a classified agreement between members, or a number of bilateral agreements between Russia and individual member states.<sup>30</sup>

## Is Russia In a Class of Its Own?

The USSR maintained an extraordinarily comprehensive system for preparing the state and economy for possible war, a system that over time had a negative impact on the structure of the economy and probably played a significant role in the planned economy's loss of momentum from the 1960s until its collapse by the end of 1991. As Shlykov persuasively argues, the hypertrophied development of this mobilisation system owed much to the General Staff's belief that the US and its leading NATO allies also possessed their own mobilisation systems that made possible a very rapid expansion of military production in the event of war. But, as Shlykov became aware, this perception was profoundly mistaken, based on massively inflated assessments of the reserve mobilisation capacities held by the Soviet Union's potential adversaries. It is worth considering briefly at this point the actual state of affairs in the US and Western Europe during the Cold War years and more recently, in order to better appreciate the uniqueness not only of the Soviet mobilisation system but also of contemporary Russia's.

During the Second World War the US and the UK quite rapidly adapted civilian production facilities for the manufacture of armaments, and after the war in many cases reconverted them to civilian use. To some extent this reassignment of capacities was planned in advance. This was mobilisation and the policy option was maintained in the early years of the Cold War. However, as new generation armaments became more complex, with less in common with civil engineering goods, the mobilisation option fell out of favour and this policy shift was accentuated by an understanding that in the nuclear age any major conflict would likely be too shortlived to make mobilisation a practical possibility. Instead, attention turned to measures that would make possible, in emergency situations, an increased output of defence production

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30. The author is grateful to Johan Norberg for pointing out Russia's preference for bilateral agreements.

at existing factories; in other words, the development of 'surge' capabilities, with little direct impact on the civilian economy.<sup>31</sup>

It is understandable that since the collapse of communism, attention to mobilisation and the maintenance of surge capabilities have diminished in the US and other NATO member countries. With the existence of surplus capacity the priorities have been downsizing, restructuring and civil-military integration, although in recent years in Europe there has been some concern that these processes may have been undertaken to the point that surge capability has been threatened.<sup>32</sup> There is no doubt that the Soviet system of mobilisation preparation was unique in its scale and comprehensiveness or that present-day Russia possesses a system that has no equivalent in any NATO member country. The system represents a unique inheritance from an earlier age.

## Has Russia Mobilised?

At the time of writing Russia is involved in military action in Syria, and the conflict in eastern Ukraine, while much subdued, remains unresolved. Since spring 2014 Russia has been subject to sanctions and, to quite a large extent, has been isolated by Western powers and institutions. There is talk of a new Cold War, exaggerated in the author's view, but testimony to the fact that there has been a serious deterioration in relations between Russia and the US and its NATO and EU allies.<sup>33</sup> The Moscow military and civil leadership evidently perceives that the country is going through a 'threatening period'. This raises the question: has some form of mobilisation been declared, if not openly, then covertly? Occasionally, the term 'special period' has been used by political figures, most notably by Deputy Prime Minister Dmitrii Rogozin, who is responsible for oversight of the defence industry. In December 2015, speaking in Ulan-Ude in the southeast of the country, he said 'today we already live in a special period, when the country is obliged to participate in military actions'.<sup>34</sup> In September, the head of the Just Russia faction in the State Duma, Sergei Mironov, referring to Ukraine and sanctions, declared that Russia was living through a 'special period', adding that this meant that legislators had to approach their work with special responsibility.<sup>35</sup> In a similar spirit, Dmitri Trenin, Director of the Carnegie Moscow

31. Jacques S Gansler, *The Defense Industry* (Cambridge, MA: MIT Press, 1982), pp. 109–11. In Gansler's view, 'America's planning for industrial mobilisation has always been inadequate (and often non-existent), and timely surge in production of military goods has always been deficient', p. 109. US mobilisation policy in the 1980s is set out in US Department of Defense, Office of Industrial Base Assessment, 'A Guide for Industrial Mobilization', AD-A211 385, March 1989.

32. Ann R Markusen and Sean S Costigan (eds), *Arming the Future: A Defense Industry for the 21st Century* (New York, NY: Council on Foreign Relations Press, 1999); Christina Balis and Henrik Heidenkamp, 'Prospects for the European Defence Industrial Base', RUSI Occasional Paper, September 2014, pp. 9–10.

33. Andrew Monaghan, 'A "New Cold War"? Abusing History, Misunderstanding Russia', Chatham House Research Paper, May 2015.

34. Rambler.ru, 'Dmitrii Rogozin: OPK stal' lokomotivom ekonomii RF [Dmitrii Rogozin: The Defence-Industrial Complex Has Become the Locomotive of the Russian Economy]', 15 December 2015, <<https://news.rambler.ru/politics/32127084/>>, accessed 27 July 2016.

35. Mila Pivovarova, 'Antisanktsionnaya sessiya [Anti-Sanctions Session]', *Argumenty nedeli [Arguments of the Week]*, 18 September 2014.

Centre, has observed, 'Since February 2014, the Kremlin has been de facto operating in a war mode, and Russian President Vladimir Putin has been acting as a wartime leader.'<sup>36</sup>

Here it is instructive to look at developments in Ukraine. On 17 March 2014 Acting President Olexandr Turchynov signed an edict, 'On partial mobilisation', according to which the country, in accordance with its law on mobilisation, entered a 'special period'. As of March 2016 this regime was still in force and it can only be ended by another presidential edict.<sup>37</sup> However, when this measure was adopted, the situation in Ukraine was clearly very different from that in Russia: the Kiev government considered Russian action constituted the beginning of an interstate war.

In the author's view, notwithstanding occasional rhetorical references, such as those made by Mironov and Rogozin, Russia is not in the same situation, and mobilisation has not been declared, certainly not openly, but also not covertly. This is supported by the budget evidence presented above: if mobilisation had been declared one would have expected signs of increased allocations in 2014 and 2015. However, with the development of the conflict in Ukraine, Russia does appear to have been in a state of 'heightened readiness', that began, as claimed by Trenin, in February 2014 with the ousting of Yanukovich, although this author would date it from the end of July, after the downing of the MH17 aircraft and the imposition of sanctions by NATO and EU member countries – sanctions of a much more comprehensive nature than those imposed after the annexation of Crimea. It cannot be ruled out that at some point in 2014 a precautionary warning was issued to all structures of government, at both federal and regional levels, that they should be alert to the possibility of a mobilisation declaration. This could probably be enacted by presidential order without the need for formal legal authorisation of the kind envisaged in the law on mobilisation and mobilisation preparation. The rapid construction of the NTsUO RF in 2014, evidently treated as a matter of the very highest state priority, would also accord with such an initiative. This state of heightened readiness has been maintained and the military engagement of Russia in Syria from late 2015 probably means that this state of 'pre-mobilisation' will remain in force for some time.

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36. Dmitri Trenin, 'A Five-Year Outlook for Russian Foreign Policy: Demands, Drivers, and Influences', Task Force White Paper, Carnegie Moscow Center, 18 March 2016, <<http://carnegie.ru/2016/03/18/five-year-outlook-for-russian-foreign-policy-demands-drivers-and-influences/ivkm>>, accessed 12 July 2016.

37. Buhgalter911.com, 'Whether to Continue the Special Period in Ukraine: the Ministry of Defence Clarification', 16 November 2015, <<http://buhgalter911.com/showArticle.aspx?a=289526>>, accessed 28 June 2016. A letter from the Ukrainian Ministry of Defence, 1 October 2015, explains the nature of the special period.



## VI. Conclusion

**T**HE RUSSIAN FEDERATION inherited from the Soviet Union an extraordinarily comprehensive system of advance preparation of the economy and structures of power for the possibility of armed aggression from an external power or powers. Having its origins in the 1920s, this system became deeply institutionalised, and its unchecked development during the Cold War years had an impact on the structure and performance of the country's economy. Its institutionalisation was also manifested at the attitudinal level; political and military leaders alike accepted it as the norm that maintenance of the system of mobilisation preparation was absolutely vital to defence and security. Notwithstanding some doubters in the ranks of those committed to an alternative, democratic path for the country after the collapse of the communist system, such as former intelligence officer Vitalii Shlykov, the new leadership of independent Russia retained a firm belief in the indispensability of the mobilisation system. During the chaotic years of the early 1990s, with weak state institutions, limited budget funding, and enterprises concerned with survival and actual or potential privatisation, the system began to disintegrate and the disposal of mobilisation reserves became a means of keeping enterprises afloat.

As the economy began to stabilise, interest in the mobilisation system revived and once again it became a state priority. This renewed attention was given additional impetus by the military reform process that followed the brief war with Georgia in 2008, and more recently by the breakdown of relations with the US and the EU after Russia's annexation of Crimea. The upgraded, more compact, mobilisation system, together with the new powers of the General Staff, exercised through the NTSUO RF and its expanding territorial network, mean that Russia is now more ready for war, if it should come, than at any time since the depths of the Cold War. The resource costs of the system are probably substantial, but clearly considered by the country's leadership to be a burden worth bearing in the interests of national security. Shrouded in almost total secrecy, the system is developed and maintained without any question of democratic accountability, usually by presidential edicts and government decrees, generally subject to classification.

This lack of accountability raises another issue. Those involved with the system of mobilisation preparation tend to be of a conservative, statist disposition, with at times a very evident nostalgia for the Soviet past, as exemplified by Viktor Ozerov, chair of the Federation Council's Committee for Defence and Security, or Deputy Prime Minister Dmitrii Rogozin.<sup>1</sup> This is not a natural sphere for liberal-minded Russian citizens of democratic inclinations. It is perhaps not surprising that the question of mobilisation preparation has become more prominent at a time when patriotic, conservative and nationalistic sentiments have become so widespread, as testified by opinion polls in recent years. As the system once again becomes deeply institutionalised, so the attitudes associated with it become more firmly rooted in Russian society.

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1. Ozerov has a military background, and Rogozin, while he began his career as a journalist, comes from a family with long experience of the armed forces and the defence industry. See pp. 23, 35.

In all likelihood shaped to a considerable degree by its Soviet origins, the present-day system of mobilisation preparation in Russia appears to be rather traditional in character. The class of war for which readiness is being enhanced looks to be conventional interstate conflict of a relatively protracted nature. Russia is not preparing for a major nuclear conflict on the one hand, or military action of limited scope on the other. It is only the new emphasis on territorial defence and mobilisation at the local level that indicates awareness that the traditional system needs to be modified to meet potential new challenges, such as large-scale inter-ethnic conflict, concerted terrorist action or war of a relatively localised nature. With the changing character of armed conflict one can expect policies for advance preparation to also change and the Russian system of mobilisation preparation to undergo further evolution.

In Soviet and Russian approaches to national defence, perceived national weaknesses have often been compensated for by resorting to asymmetric responses. Offset strategies can be seen, for example, in the country's strength in air defence technologies, to some extent compensating for relative weaknesses in capabilities for conventional air warfare and bombing, while electronic warfare has been given prominence as compensation for perceived inadequacies in armed defence against technologically more developed adversaries. Having lived through more than two decades with relatively ill-equipped armed forces, now being modernised under an ambitious state armament programme, it is perhaps not surprising that Russia's leadership should be prioritising an ability to respond rapidly and effectively to any possible armed attack, hoping to deter military action by the certainty of a rapid, concerted response by not only the country's armed forces, but also by institutions of government, economic agents and society as a whole, at both the federal and territorial levels. The state of mobilisation readiness must now be considered seriously when making any assessment of present-day Russia's military capability.

# About the Author

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