

Political Core with Economic Lagging: Eastern Europe

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4.3 CROSSROADS, IMPERIALISM, AND CULTURAL DIVERSITY

Russia and Neighboring Countries cover more than four times as much land surface as the European world region, but the region is divided into only 12 countries, compared to Europe, which has more than 30. The Russian Federation is larger than all the other countries in the region put together—nearly twice the size of the United States. The smallest country, Armenia, is only the size of Maryland and Delaware combined.

These differences reflect the cultural and political history of the region. The Russian Empire was one of Europe's great empires in modern times. Unlike the European empires such as France and the United Kingdom, which conquered lands overseas, the Russian Empire conquered peoples and land adjacent to it, extending its borders as it annexed new territories. As early as the mid-1800s, the Russian Empire had become very multinational, with Russians barely constituting a majority of their empire's population (Figure 4.9). Russia, however, retained con-

trol over most of its conquered lands. Siberia—a huge, resource-rich, yet sparsely populated area—represents most of the land that the Russians conquered in history. The other countries that declared independence from the Soviet Union in 1991, though much smaller, represent old cultures. Along with Russia, many of them lay along the crossroads of ancient migration and trade routes and never existed as separate countries.

Over the last two millennia, three major invading influences were Christianity, penetrating the region from the southwest; Islam, entering from the south; and Mongol culture, sweeping in from the east. Many tribal and ethnic groups moved in from all directions, especially the east. The semiarid steppe grasslands of southern Russia and Ukraine served as the main route for those who invaded Europe from the east. Some invaders settled for a time in the steppes before moving on to Europe, while others decided to remain permanently. Central Asia lay along the Great Silk Road (Figure 4.10), the pathway that brought many goods and ideas from East and South Asia that eventually helped to build the European empires. The Caucasus Mountains separated the ancient civilizations of Southwest



FIGURE 4.9 The National Groups of the Former Soviet Union. Note how the Russians spread across southern Siberia.

Asia and the cultures of the North European Plain. Trade routes between the Viking homelands in Scandinavia and the Byzantine Empire ran through the Slavic areas located on the North European Plain. Centuries of migration and imperial conquests created a region that is culturally very complex today.

Eastern Slavs

As early as 1500 BC, a Proto-Slavic people occupied land between the Vistula and Dnieper Rivers. From AD 400 to 900, they divided into three main branches. The

western and southern branches settled in East Central Europe (see Chapter 3). The eastern branch moved north and east, developing its own character as it encountered and exchanged ideas and practices with the Baltic, Finno-Ugric, and Viking peoples. Eventually, the Eastern Slavs subdivided further into Russians, Belarussians, and Ukrainians (see Figure 3.10a).

Rus'

From the 800s, Vikings (called *Varangians* in Russian) moved into the North European Plain along the Volga River. They established control and began trading the



FIGURE 4.10 The Great Silk Road. Note how Central Asia, with its cities of Tashkent, Samarkand, and Kashgar, serves as an important link in this old trading route, which existed in several variants. Source: From *Cultural Atlas of Russia* by Robin Milner-Gulland. Reprinted by permission of the author.

amber, beeswax, fur, and precious metals of their newly acquired lands with Byzantium, the Orthodox Christian realm to the south, with its capital at Constantinople. The Vikings ruled as overlords by establishing their own dynasties or by marrying into and taking over local dynasties. As Eastern Slavs mingled with Vikings, Balts, and Finno-Ugric peoples, *Rus'* came into being. The term *Rus'* applied to both the people and their land.

The most important of the earliest *Rus'* principalities were Novgorod and Kiev. Novgorod was founded first, but Kiev grew more quickly in power, exacting tribute from the other *Rus'* principalities. Kievan *Rus'* reached its zenith in the 900s and 1000s. In 988, Prince Vladimir brought Eastern Orthodox Christianity to *Rus'*, tying the Eastern Slavs to Constantinople and leading to the adoption of the Cyrillic alphabet, which was derived from the Greek alphabet. Over time, Kievan *Rus'* could not maintain its authority over the other principalities of *Rus'*. Each began to exert its individual authority. Novgorod and a newer principality called Vladimir-Suzdal, with its capital at Vladimir, were two of the most notable (Figure 4.11).

In the 1200s, the Mongols (or Tatars) swept in from the east and attacked the principalities of *Rus'*. Those in the south suffered most. Kiev was sacked in 1240. Novgorod escaped invasion, but it had to pay tribute to the Mongols. The Mongols established the Khanate of the Golden Horde, a state that stretched from the steppes to central Asia and Siberia. It included the southern *Rus'* principalities, and it extracted tribute from the others. The Mongol influence on the development of Russian culture was very strong. Centuries after the fall of the Mongols, Napoléon said, “Scratch a Russian, and you will wound a Tatar.”



FIGURE 4.11 The Rus' Principalities c. 900–1100. Kiev and Novgorod were initially the most powerful cities; the rise of Moscow dates from the fourteenth century, after the Tatar invasion. Source: From *Cultural Atlas of Russia* by Robin Milner-Gulland. Reprinted by permission of the author.

Muscovy

Moscow emerged in the principality of Vladimir-Suzdal on the trade route between the Baltic and Black Seas. It was an insignificant trading post at the time of the Mongol invasions, but its isolated, forested location offered some protection from the Mongols, and it soon grew in importance. When the southern Rus' principalities came under control of the Mongols, the Orthodox Christian metropolitan (provincial primate) of Kiev and all Rus' moved north from Kiev to Vladimir in 1299, increasing the authority of Vladimir-Suzdal. In the early 1300s the prince of Vladimir-Suzdal cooperated with the Mongols by collecting tributes from the other Rus' principalities on the Mongols' behalf. Around 1318 the prince married the sister of the khan of the Golden Horde and received the title of "Grand Prince." In 1327, the metropolitan of the Orthodox Christian church moved from Vladimir to Moscow. During the 1400s, the grand princes of Moscow conquered the other Rus' principalities. The consolidated territories governed from Moscow came to be known as Muscovy.

By 1480 Muscovy was so powerful and Mongol authority so weak that Grand Prince Ivan III (the Great) simply

stopped paying tribute to the Mongols. Ivan III married Sophie Paleologue, the niece of the last Byzantine emperor. After Constantinople fell to the Ottomans in 1453, Ivan was seen as the true inheritor of the Christian realm. He adopted the title "czar," derived from the Latin *caesar* for emperor. With the succession of Ivan IV (the Terrible), the patriarch of the Eastern Orthodox Church in Constantinople accepted Ivan's title of czar. Moscow claimed to be the "Third Rome," successor to Constantinople and Rome. Even today, Russians are familiar with the concept that Moscow is the "Third Rome."

The Russian Empire

Muscovy grew in power and influence. In 1613 Mikhail Romanov ascended the throne. The Romanov dynasty lasted until the last czar was deposed in 1917. From 1480, Muscovy's territory continued to expand (Figure 4.12), especially to the east, into Siberia and Central Asia, but also to the west, bringing the Russians into contact with Central and Western European culture. The greatest territorial expansions were made under Peter the Great (1682–1725), Catherine the Great (1762–1796), and Alexander I (1801–1825).



FIGURE 4.12 Russian Federation: History of Growth. The expansion of the Russian Empire from the 1600s to the early 1900s. The Trans-Siberian Railway was built through territories that were regarded as safely Russian. It was rerouted after territory was lost. The Baikál–Amur Main Line Railway (BAM) was begun in 1974 and opened in 1989. It opened up more of the vast mineral and forest resources of eastern Siberia and the Russian far east to greater exploitation.

Peter expanded Muscovy's boundaries to the Baltic Sea, where he founded the city of St. Petersburg and made it his country's new capital in 1712 in an attempt to Westernize his country. Peter built the first Russian navy, reorganized the military and government along European lines, and founded modern institutions devoted to the sciences and arts. Muscovy became the Russian Empire. Catherine continued to Westernize Russia in the late 1700s. As well as expanding farther east into Siberia, she conquered lands to the west, incorporating Poland, and to the south, gaining all of Ukraine, where she founded the Black Sea port of Odessa. She established Russian influence in the Balkans. By the end of Catherine's reign, Russia was clearly one of Europe's great powers.

Alexander I was considered the "Savior of Europe" for defeating Napoléon's attack on Moscow in 1812. The victory allowed Alexander to play a major role in redrawing Europe's boundaries at the Congress of Vienna in 1815. Russia's boundaries moved farther west with the acquisition of Finland, more of Poland, and Bessarabia (now Moldova). Around the same time, Russia expanded into the Caucasus, taking the area around Baku. Russia also took more interest in Alaska.

By the early 1900s, the Russian Empire achieved its greatest extent, stretching from Europe to East Asia and the Pacific Ocean. Russia was a world power, but its strength was derived from its sheer size. Internally, it had many problems. Politically, the czars remained in total control, continuing to claim to speak in the name of God, but their absolute power inhibited the creation of an efficient government. Technologically, Russia was decades behind Western Europe. The technology of the Industrial Revolution developed very slowly in Russia, leaving Russia further and further behind as time progressed. Most Russians remained feudal peasants farming with horses or oxen. At the same time, Russia had expanded its boundaries to include more than 100 different peoples. After the rise of nationalism in Europe in the mid-1800s, Russia's various nations began clamoring for independence. This situation worsened as Russians themselves became nationalistic and began suppressing non-Russians. They developed **Russification** policies to force Russia's minorities to become more Russian ("Russified").

The Soviet Union

Competing for Control

World War I (1914–1918) exerted great stress on the Russian Empire. By 1917, food shortages and a huge death toll combined with long-standing opposition to czarist rule. Revolutionaries deposed Czar Nicholas II and set up a provisional government that proved weak. A number of national groups staked their claim to territory and declared independence for Finland, the three Baltic countries (Estonia, Latvia, and Lithuania), Belarus, Ukraine,

the countries of the Caucasus (Georgia, Armenia, and Azerbaijan), and Central Asia (at the time called Turkestan). The Polish lands of Russia joined with the Polish lands of Germany and Austria-Hungary, and an independent Poland was declared. Bessarabia (now Moldova) was annexed by Romania.

By late 1917 the Bolsheviks, a group of Communists, also known as "Reds," overthrew the provisional government. Civil war ensued when anticommunists, called "Whites," tried to dislodge the Bolsheviks from power. By 1922 the Reds gained the upper hand, expelled their enemies, and reclaimed Belarus, Ukraine, the countries in the Caucasus, and Central Asia.

In 1922, under the leadership of Vladimir I. Lenin, the Bolsheviks established the Union of Soviet Socialist Republics (USSR), commonly called the Soviet Union. This new country succeeded the Russian Empire, but the Bolsheviks changed the old system of government and economy. They abolished the monarchy and government by a privileged few and replaced them with "soviets." Soviets were workers' and soldiers' councils that drew their members from the common citizens. Economically, the Bolsheviks despised capitalism, viewing it as a system that allowed a select few—the bourgeoisie (middle class)—to grow wealthy by exploiting the masses—the proletariat (the industrial working class). The Bolsheviks reversed the results of capitalism by putting the workers in charge of factories and businesses. They sought to create a "dictatorship of the proletariat" and, thereby, a "workers' paradise." Religion was seen as a tool of the oppressors because the clergy sanctioned the rule of political leaders and the capitalist exploiters who oppressed the common people. Consequently, the Bolsheviks attacked churches and mosques, dynamiting many and turning others into scientific centers such as planetariums to show the error of religious belief.

Five-Year Plans

Lenin died in 1924, and within a few years Joseph Stalin came to power and radically changed government policy. Stalin's heavy-handed form of governing became known as Stalinism, and some scholars question whether it was truly a form of communism. Stalin believed it necessary to transform the Soviet Union's economy forcefully into the Communist ideal of a "workers' paradise" based on industrialization. This was also necessary to overcome the technology advantages of Western countries. However, the Soviet economy was largely agricultural, and farmers could not relate to the urban-industrial ideology of communism. Therefore, Stalin implemented the first **five-year plan** in 1928.

The five-year plan called for collectivization and industrialization. Under collectivization, small family farms were merged to create large farms with thousands of acres. Unlike the small farms, large farms were better designed to

use modern farm machinery, then under production in the new factories. The government became the owner of the collectives and farmers became employees. With collectivization, farmers became more like factory workers, even living in tightly packed housing like urban factory workers. Thus they were more sympathetic to the Communist way.

The plan called for government ownership of all industries. In what is known as the **command economy**, the government set quotas favoring heavy industry over production of consumer goods. The five-year plans also established **central planning**. In contrast to capitalist economies, supply, demand, or profit did not dictate what would be produced. With central planning, the government decided how many goods and services were needed by society, almost without cost considerations. Rapid, forced industrialization prevented the Soviet Union from experiencing the world economic depression of the 1930s as the government kept investing in the economy and providing jobs.

World War II

In 1939 Stalin entered into a nonaggression pact with Hitler, allowing the Soviet Union to take control of territories that formerly belonged to the Russian Empire: the Baltic states, eastern Poland, and Bessarabia (now Moldova). Finland was also a target, but the Finnish forces successfully defended their country from the Red Army.

On June 22, 1941, Hitler launched Operation Barbarossa, the invasion of the Soviet Union. The campaign was initially

devastating. The Soviet Union survived largely because of its sheer size. A vast amount of land was lost and millions of people were killed, but even larger areas were left unconquered. The Soviets moved war production farther east, out of the range of the Nazi military, including its air force. With help from the United States and the United Kingdom, production increased. Finally, the harsh Russian winter stopped the German Nazi armies. In the meantime, Stalin moderated many of his harsh policies, including the persecution of the Russian Orthodox Church. After a fierce battle at Stalingrad in 1943, Soviet forces began rolling back the Nazi invaders and began winning what the Soviets called the “Great Patriotic War.” By May 1945 the Red Army swept through East Central Europe and occupied much of Germany, including the capital, Berlin.

Its victory in World War II allowed the Soviet Union to annex the Baltic countries and Moldova, former territories of the Russian Empire that they had also marched into in 1940, and new territory in East Central Europe never before governed by the Russians (East Prussia, the northern half of which is now Kaliningrad, and areas of Poland). Victory also allowed Stalin to establish and support Communist governments in East Central European countries. To counter NATO and the Marshall Plan (economic aid from the United States) and later the European Economic Community, Stalin created the Warsaw Pact and the Council for Mutual Economic Assistance (CMEA, also known as COMECON).

4.4 GLOBAL CHANGES AND LOCAL RESPONSES

In the decades following World War II, communism further transformed the political and economic systems of the Soviet Union. With the desire to spread Communist ideology around the world, the Soviet Union led a struggle to compete against the capitalist countries of the West, particularly the United States. The world's two superpowers initiated a "Cold War" as they attempted to undermine each other's systems. To do so, they supported foreign governments, movements, and insurgencies that represented their respective ideologies in other countries, primarily in poorer countries. By supplying arms, they turned local and regional conflicts into international conflicts that sometimes resulted in tremendous death and destruction.

Both superpowers were determined to prove the superiority of their respective systems. In 1957 the Soviet space program launched *Sputnik*, the first artificial Earth satellite, and set a number of other records in outer space. The United States geared up its own space program, setting records such as landing the first person on the moon. At the same time both countries competed in an arms race, building thousands of nuclear weapons, though the competition never developed into a "hot" war.

In its antagonism to capitalism, the Soviet Union and its allies closed off their economies and societies from the capitalist world. Refusing to get caught up in the inequities of capitalism, the Soviet Union and its satellite countries in East Central Europe sought to become economically self-sufficient. The closed Soviet society meant that people in the capitalist West knew less and less about life in the Soviet Union as time progressed. From the outside, the perspective of most Americans was that the Soviet Union was a powerful and hostile competitor, one that must be as strong as the United States because it financed Communist movements around the world and could build sophisticated nuclear weapons and rocket-based delivery systems. Americans and others in the West did not see that the Soviet system had calcified and become extremely inefficient. Inequities also grew within the Soviet Union, especially in relation to ethnic groups. Moreover, the support of Communist movements worldwide and the arms race were serious economic drains on the country.

Communism at an Economic Standstill

When Stalin died in 1953, his series of five-year plans had helped the Soviet Union to partially catch up to the West, despite the serious setbacks of World War II. The West itself, however, continued to develop economically so that

the Soviet Union was still behind despite spectacular scientific breakthroughs such as the space program. By the end of the 1950s, the Soviet Union had caught up only to the West of the 1920s, the time when Stalin began the five-year plans. Industry in the West now worked with new materials such as plastics and other synthetics and used new fuels such as petroleum and natural gas. The Soviet Union relied on materials such as metal and wood and almost exclusively used coal as a fuel. Realizing this change, Soviet planners implemented a shift in material and fuel use.

However, capitalist economies changed in other ways as well. Consumers in the West were now more demanding. For example, in the early 1920s Americans were forced to buy black Model Ts because Ford would not produce any other color. Lagging sales in the late 1920s forced Ford to produce Model Ts in other colors. By the 1960s Americans demanded many choices in the products they bought. American businesses responded, but this required industrial restructuring. Huge factories churning out massive quantities of the same item were replaced by smaller production facilities that were geographically spread out and capable of retooling to respond to constantly changing consumer demand. Production flexibility became the key to success. The Stalinist Soviet economy was so rigid that Soviet planners could not restructure, and consumers had little voice to change the system.

The weaknesses of the economic system only compounded over time. For example, the military accounted for a large portion of the country's economy and saw little need to be efficient. With the government owning all businesses and an absence of competition, managers saw no need to use fuel wisely or search for fuel alternatives in a country rich in natural resources. The Communist guarantee of a job for everyone meant that labor costs were high though wages were low, and no attempts were made to increase productivity by updating machinery and computers. Finally, the practice of central planning meant that government bureaucrats, not supply and demand, determined what was produced. The bureaucrats proved highly inefficient. As resources became scarcer because they could not be adequately exploited or delivered, the various ministries of the government hoarded them, attempting to become self-sufficient because other agencies could not supply them. This practice created further redundancies, shortages, and squandering of resources. Bureaucrats played it safe by locating new enterprises where they could best obtain supplies. In most cases, the locations were big cities. This led to excessive migration to cities, creating congestion, high living costs, and environmental problems. Ironically, though government bureaucrats helped ruin the Soviet economy, they became the unhappiest segment of society and greatly wanted change. As the privileged within the Soviet Union, they were displeased to see their standard of living drop below that of the poorer groups in the materially wealthy capitalist countries.

Perestroika and Glasnost

Mikhail Gorbachev became the leader of the Soviet Union in 1985. He immediately set out to reform his country's economic and political systems. In doing so he highlighted two concepts: *perestroika* (economic restructuring) and *glasnost* (informational openness). For *perestroika*, Gorbachev believed that it was necessary to divorce economics from politics, allow more local control, and introduce free-market practices. Such policies went against Communist ideals and established interests. The bureaucrats fought Gorbachev and his policies, creating great political turmoil.

As political battles raged, Gorbachev's economic policies ran opposite of what had been practiced since the 1920s. A crisis ensued as the economy attempted to reverse direction. Companies, having existed in a noncompetitive environment, now had to meet their own costs and find their own customers. No longer able to waste resources, they had to cut costs. To generate income, they cut production and raised the prices of their goods, but they soon found that they could not afford to buy supplies from one another. Not only were goods very expensive, but cash was also in short supply. For example, the Soviet Union previously sent machinery to Cuba and in return received sugar. With free-market reforms, Soviet factories wanted cash, not sugar. The same problem emerged between companies within the Soviet Union and the COMECON trading bloc of East Central Europe. Furthermore, the lack of a capitalist banking and financial system meant that cash could not flow easily. Poor transportation and communication systems only exacerbated the situation. Production declined. To cut costs, companies laid off workers, increasing unemployment. The Soviet economy continued to spiral downward with frequent labor strikes and rampant crime.

Gorbachev also stressed the concept of *glasnost*, the policy of providing government information to citizens. *Glasnost* was intended to have a positive effect on the country by empowering citizens with knowledge. Freedom of information allowed citizens to learn about corruption, government abuse, forced labor, and many of the other problems of the Soviet government. Non-Russians at last could vent their anger at the Soviet government for its Russification policies. In contrast, Russians complained that the Soviet government suppressed Russian culture, especially the Russian Orthodox Church, and distributed Russia's resources to the country's minorities. To avoid the wrath of citizens, many politicians echoed their anger, championed local and regional causes, and turned against the central government in Moscow. To curry favor with the citizenry, local and regional politicians helped to hoard resources for their people, further contributing to the country's economic crisis. Before long, government leaders helped their republics move toward independence. Even Boris Yeltsin, the elected leader of the Russian Republic in 1990, called for Russia's independence from the Soviet Union.

When Gorbachev became the leader of the Soviet Union in 1985, he believed in communism and tried to preserve the Soviet Union by implementing reforms. Ironically, in 1991, he became the Soviet Union's last leader as his policies led to the unraveling of the country. Gorbachev tried one last time to keep the country together with a new union treaty that relinquished much of Moscow's political power to the republics. On the eve of its signing on August 19, 1991, dissatisfied conservative Communists who wanted to restore the old system attempted to seize power in Moscow while Gorbachev was away. Massive public demonstrations supported Gorbachev. When Boris Yeltsin supported the demonstrators and protected them from a military crackdown, the coup failed. The coup attempt only accelerated the dissolution of the Soviet Union. Led by Lithuania, the Soviet republics all declared independence by December. While Gorbachev's policies led to the rapid demise of his country, his reforms paved the way for further changes, without which the country would probably have disintegrated anyway, perhaps more violently.

After the demise of the Soviet Union in 1991, many people around the world wondered if Russia would remain a world power (see Point-Counterpoint: Russia: Still a World Power? on page 156) because it did not have the economic strength of a world power. By 2000 Russia produced only 0.08 percent of the world GDP, and almost 40 percent of its people lived below the poverty line. The GDPs per capita within Russia and the other CIS countries were far below those of the capitalist countries of Europe and North America (Figure 4.13). Tremendous economic growth in the 2000s brought the economy back to where it was in 1990 and Russia's share of the world GDP to almost 2 percent.

The percentage of Russia's people living below the poverty level fell to 14 percent in 2010; poverty was defined as those earning less than \$174 per month in 2010. The average share of household budgets spent on food dropped from 73 percent in 1993 to 44 percent in 2010. Nevertheless, long periods of economic distress have resulted in low levels of ownership of consumer goods (Figure 4.14). TV set ownership is high, as television provided mass communication from the government to the people during the Soviet era.

4.5 SUBREGIONS

Russia and Neighboring Countries can be divided into subregions that share many similar characteristics:

- *The Slavic countries:* the Russian Federation, Ukraine, and Belarus
- *The Southern Caucasus:* Georgia, Armenia

4.6 THE SLAVIC COUNTRIES

The Slavic countries of this subregion are the Russian Federation, Ukraine, and Belarus. Moldova also is included because many Slavs live there, and it is closely tied to the Slavic countries (Figure 4.25). The Russian Federation is by far the largest in land area of any country in the subregion and in the world. It is nearly twice as large as Canada, the

United States, or China. In mid-2010 it had 77 percent of the world region's area and 50 percent of the region's population, though its share is slowly falling.

Though the Russian Federation and the other countries of the subregion experienced economic hardship in the 1990s, the Russian Federation continued to exert considerable power. The Russian Federation remains a nuclear power and continues to hold one of the five permanent seats on the UN Security Council, the most powerful organ of the United Nations. With substantial portions of the world's natural resources, the Russian Federation is developing its economic potential. The leaders of the Russian Federation pressed to have their country added to the Group of Seven (G7), an informal organization representing the world's most wealthy countries. Though no official rules for membership exist, Russian representatives have been regularly invited to meetings since 2000, leading many to refer to the organization as the Group of Eight (G8).

Countries

The Slavic countries seen on the map today became independent only in 1991 with the boundaries they had as

Soviet republics. This situation is also true for the Russian Federation, though the Russians controlled the Soviet Union and its predecessor, the Russian Empire. Prior to 1991, Ukraine was independent only for a brief period after World War I until it became part of the Soviet Union in 1922. Before that it was part of the Russian Empire. Belarus was never independent before 1991 and was usually part of either the Russian Empire or the Polish–Lithuanian Kingdom. Of the former Soviet republics, Belarus is the most closely tied to the Russian Federation. Since 1991, Belarusians have considered creating a Russian–Belarusian Federation.

Moldova, too, was never independent and has been a distinct territory for fewer than 200 years. It was part of the Romanian province of Moldavia until the Russian Empire annexed it in the 1800s and named it Bessarabia. Romania annexed the territory after World War I, but the Soviet Union annexed it again after World War II. Many Romanians and Moldovans hoped to unite their two countries after the dissolution of the Soviet Union in 1991, but the Russian military stationed in the country prevented this. Worried about a union of Moldova and Romania, Russians and Ukrainians living in Moldova declared their own republic in the Transnistria region. Other ethnic

minorities have made similar proclamations. The government has not been able to suppress these independence movements completely.

Culture: Ethnicity

Native Moldovans are closely akin to Romanians and are not related to the Slavs (see Table 4.2). Russians, Ukrainians, and Belarusians are Eastern Slavs, offshoots of the broader Rus' people and culture that emerged in the 800s and 900s when the Rus' adopted Eastern Orthodox Christianity (Figure 4.26). All three Slavic groups are closely related as seen, for example, in the name *Belarusian*, which translates as “White Russian.” Differences between them developed after Poles, Lithuanians, and Austrians ruled the western lands of the Rus' from the 1300s to the 1800s. During this time, Ukrainians and Belarusians developed separate identities from Russians. Polish, Lithuanian, and Austrian influences are seen in the fact that nearly 20 percent of Belarus's population is Roman Catholic. A number of Poles and Lithuanians live in Belarus today after Poland's boundary was relocated in 1945.

The name *Ukraine*, meaning “borderland,” illustrates history's shifting boundaries and influences. To the Russians,



FIGURE 4.25 Slavic Countries: Major Cities and Physical Features. Note the distribution of the major cities and their concentration in the western part of the subregion.

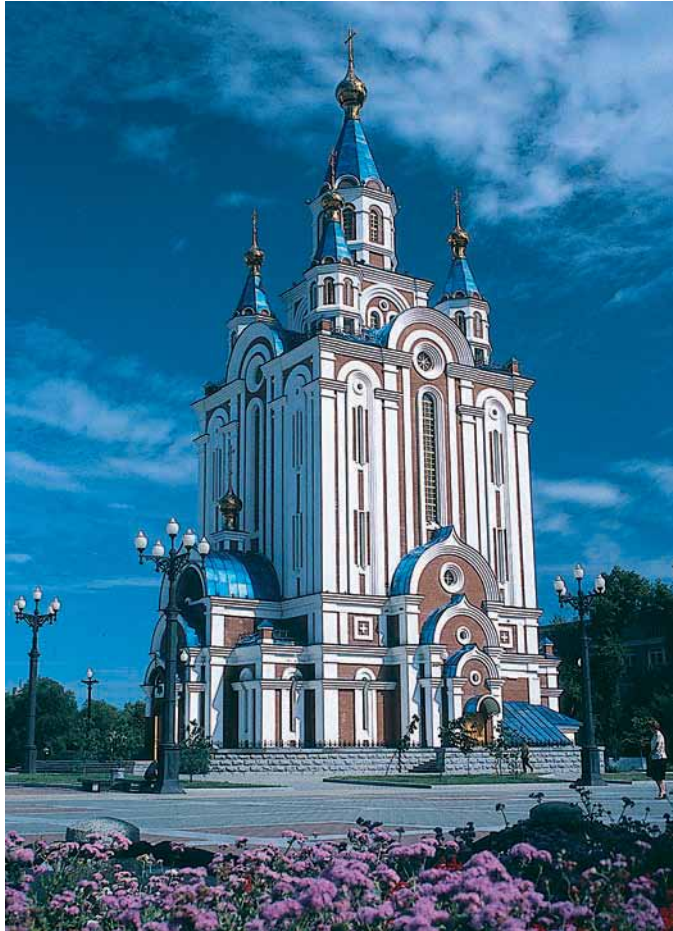


FIGURE 4.26 Russia. New Church, Kharbarovsk. Photo: © Ronald Wixman.

Ukraine is Russia's borderland, but to many Ukrainians, who have stronger ties with Europe than the Russians, Ukraine is Europe's borderland. Russian ties with Ukrainians and Belarusians were reestablished in the early 1800s when the Russian Empire extended west. Russification began soon afterward and was particularly strong during Soviet times. Today 78 percent of Belarus's population is Belarusian and 13 percent Russian, but 63 percent of the population regularly speaks Russian and not Belarusian. Not surprisingly, Belarus's leaders have expressed interest in uniting Belarus with the Russian Federation. In Ukraine, Russians, living primarily in the industrial areas of eastern Ukraine, account for 22 percent of Ukraine's population. Ukrainians, however, fear Russian domination and cultivate their ties with the West.

Economic Development

Soviet economic policies tied the Slavic countries closely together, but many Ukrainians, Belarusians, and Moldovans prefer greater independence for their countries. They seek new trading relationships with other countries, but old connections are hard to break and new relationships difficult to form. For example, during Soviet times, eastern Ukraine

was the most important iron and steelmaking region of the Soviet Union. Eastern Ukraine can provide for Ukraine's economic independence today, but the area's industries depend on imports of oil and natural gas, primarily from the Russian Federation, to meet 85 percent of their energy needs. Belarus also has much heavy industry that can provide economic self-sufficiency, but with more than half of its trade with the Russian Federation, it too depends heavily on Russia. Moldova likewise still trades more with the Russian Federation than with Romania, though many Moldovans desire closer ties to Romania.

The Slavic countries developed heavy industry during Soviet times but did not keep equipment up to date (Figure 4.27). Through much of the 1990s, the economies of the Slavic countries shrank with the transition to capitalism as inefficient and uncompetitive factories across most industries downsized dramatically, even shutting down. A global financial crisis in 1998 depreciated the Russian ruble and further lowered living standards.

The economies of the Slavic countries began growing again in the 2000s. GDPs have increased on average by 6–8 percent in most years. Growth in Russia has been driven by modest bureaucratic reforms and soaring global prices for oil and natural gas (Figure 4.28), which Russia exports. Russia now ranks as the world's tenth-largest economy. However, Russia has become more dependent on oil exports,



FIGURE 4.27 Kerch, Crimea. Following the end of the Communist regime in 1991, outdated, inefficient factories like this one were abandoned. In the 2000s they have been seen as sources of raw material. Thus they, like this one, have been stripped of their bricks, steel, and other materials, which were then sold. Photo: © Ronald Wixman.



FIGURE 4.28 Moscow, Russia. New office building for LUKOIL, financed by profits generated from high oil prices brought about by recent global demand. Notice expensive cars in foreground parking lot. Photo: © M. Blinnikov.

which now account for 80 percent of all its exports. Oil and gas only accounted for about 13 percent of Russia's GDP in 1999 but increased to almost 32 percent in 2007. The Ukrainian economy has been helped by rising global prices for steel. Belarus has done little to reform its bureaucracy and economy, but its economy has flourished with cheap Russian oil and natural gas and economic growth in neighboring Russia, Belarus's main trading partner. Highly dependent on Russia, Belarus's economy can easily be damaged if Russia demands higher prices for its oil and natural gas.

Foreign Investment

In the 1990s, corruption, poor infrastructure, and an unwieldy bureaucracy prevented much foreign investment from flowing into the Slavic countries. For example, from 1991 to the end of 2001, foreign direct investment (FDI) in Russia only amounted to US\$18.2 billion, small compared to the \$46 billion that was invested in China in 2000 alone. Adjusted for population size, only \$15 was invested per person in Russia in 2000. In comparison, FDI amounted to \$224 per person in Hungary and \$1,149 per person in the United States. Until the mid-2000s, Russia was capturing only about half of FDI in the CIS though it accounted for 70 percent of the population. After the mid-2000s, FDI in Russia expanded rapidly and reached a height of about \$70 billion in 2008. The world recession cut this total by at least half in 2009, though 2010 showed some recovery.

Cyprus, the Netherlands, Luxembourg, and the United Kingdom are investing the most.

The greatest amount of investment was mainly by foreign corporations interested in Russia's vast mineral wealth, namely oil, natural gas, and metal ores. The Russian automotive industry also received investment. For example, Volkswagen opened a new \$1.5 billion plant in Kaluga (southwest of Moscow) in 2007 to produce the VW Passat and Škoda Octavia. The company expanded the Kaluga plant in 2009 to increase capacity from 63,000 to 150,000 cars annually. Ford plans to boost its production of the Ford Focus in its plant near St. Petersburg. Mitsubishi, Toyota, Nissan, and Hyundai also plan to increase production at their Russian factories. In 2006, foreign cars outsold domestic Russian cars for the first time.

Other examples of FDI in Russia include Motorola, which is attempting to gain a huge share of the world's third-largest mobile phone market. Wrigley, the world's biggest chewing gum producer, has purchased A. Korkunov, a chocolate maker. In 2008, PepsiCo paid \$1.4 billion for a 76 percent share of a Russian juice maker named JSC Lebedyansky. Then in late 2010, PepsiCo agreed to pay \$3.8 billion for a two-thirds share of Wimm-Bill-Dann Foods, a Russian dairy and juice maker. If completed, it would represent the largest acquisition in Russia by an American company. IKEA has spent over \$2.5 billion in Russia (see Figure 4.24). Now with five stores outside of Moscow, IKEA is illustrating that wealth is beginning to spread beyond the capital city and St. Petersburg.

As noted previously (see the Point-Counterpoint box, p. 156), the Russian government forced many foreign companies to divest their holdings in Russia's natural resources, especially oil and natural gas. These actions have likely prevented some foreign investment. For example, the Russian government's attack on the oil company Yukos led Walmart to decide not to invest in Russia. The Russian government's bullying behavior is part of a set of larger problems. A corrupt bureaucracy and security services perpetuate themselves by skimming profits from natural resource industries. A variety of corruption indexes list Russia as one of the most difficult places to do business, more difficult than Nigeria and only somewhat better than Somalia. This may explain, for example, why IKEA suspended its investments in Russia. Nevertheless, foreign investment is growing dramatically in Russia despite the risks.

The Russian Federation

The Russian Federation is a large country with considerable geographic diversity. Its political and economic geography requires special treatment. The Russian Federation is

the modern political state representing the land known as Russia. To many Westerners, Russia is a mysterious land, hidden in cold, dark forests on the eastern and northern fringes of Europe. Europeans have regularly included the Russian heartland within Europe but at the same time have considered Russians too “Asiatic” to be European. Europeans struggled for centuries to understand Russia, exemplified by Winston Churchill’s remark that “Russia is a riddle wrapped in a mystery inside an enigma.” Depending on their relationship with Europe and their desire to be within Europe, Russians themselves have frequently alternated between emphasizing their European qualities and their wider role spanning eastern Europe and northern Asia.

Many Russians see their country as a world power (see the Point-Counterpoint box on page 156) though economic difficulties seriously challenge this perception. As the Russian Federation struggles to maintain its influence in world politics, its relationships with the former Soviet republics have changed considerably. While external relationships have evolved in new directions, Russia’s internal

political geography and its economic and social relationships have all dramatically altered.

Political Divisions

The internal political geography of the Russian Federation includes a mixture of political units. To a large extent the political geography of the country was inherited from the Soviet system, though some changes were made after 1991. The Kremlin, the center of government in Moscow, gave up much of its power over the political units in the 1990s but took it back in the 2000s.

The 89 political units fall into two categories: administrative and autonomous. The administrative units consist of 6 federal territories (*krais*), 49 regions (*oblasts*), and 2 federal cities (Moscow and St. Petersburg). Much like the states, counties, and municipalities of the United States, they were created to administer the large country. In contrast, the autonomous units, consisting of 21 republics, 1 autonomous region (*oblast*), and 10 autonomous districts (*okrugs*) (Figure 4.29), are able to craft many of their own laws and



FIGURE 4.29 Russian Federation and Its Administrative Divisions. Notice the uneven allocation of power.

govern themselves somewhat differently than in the rest of the Russian Federation. The resource-rich republics tend to exercise the greatest authority over their own governance.

The autonomous territories were established by the Soviet Union to reflect the presence of ethnic minorities such as the Tatars and Sakha (Yakuts). Soviet law protected minority languages, religions, and cultures. However, only 52 percent of the Russian Federation's approximately 30 million non-Russians live today in the autonomous territories. As a way of controlling their vast country, the Soviets drew boundaries for the republics that deliberately left many members of ethnic groups outside their intended territories and included many Russians within them (Figure 4.30). Also, many recognized nationalities did not receive republic status. Of the 90 numerically significant groups recognized in the 1989 census, only 35 had a homeland. In addition to the previously mentioned policies of Russification, boundary drawing was clearly a means that

the Soviets used to divide and dilute non-Russian groups. The situation is particularly true in the North Caucasus, where the native peoples have most fiercely resisted Russian rule through history. For example, the Karbardians were grouped together with the Balkars, though they had more in common with their neighbors the Cherkessians.

The autonomous political units can be summarized into four groups:

North European and Middle Volga-Urals: Both areas have been integrated into the Russian state since the 1500s. The peoples of the North European territories mostly practice Eastern Orthodox Christianity. Their territories are largely in the boreal forests, which are agriculturally poor and have low population densities. The economies are resource-oriented, producing fuels for electricity, wood products, and ferrous metals. The Middle Volga-Urals group represents the meeting ground between Finno-Ugrian, Turkic, and Slavic peoples. The large numbers of

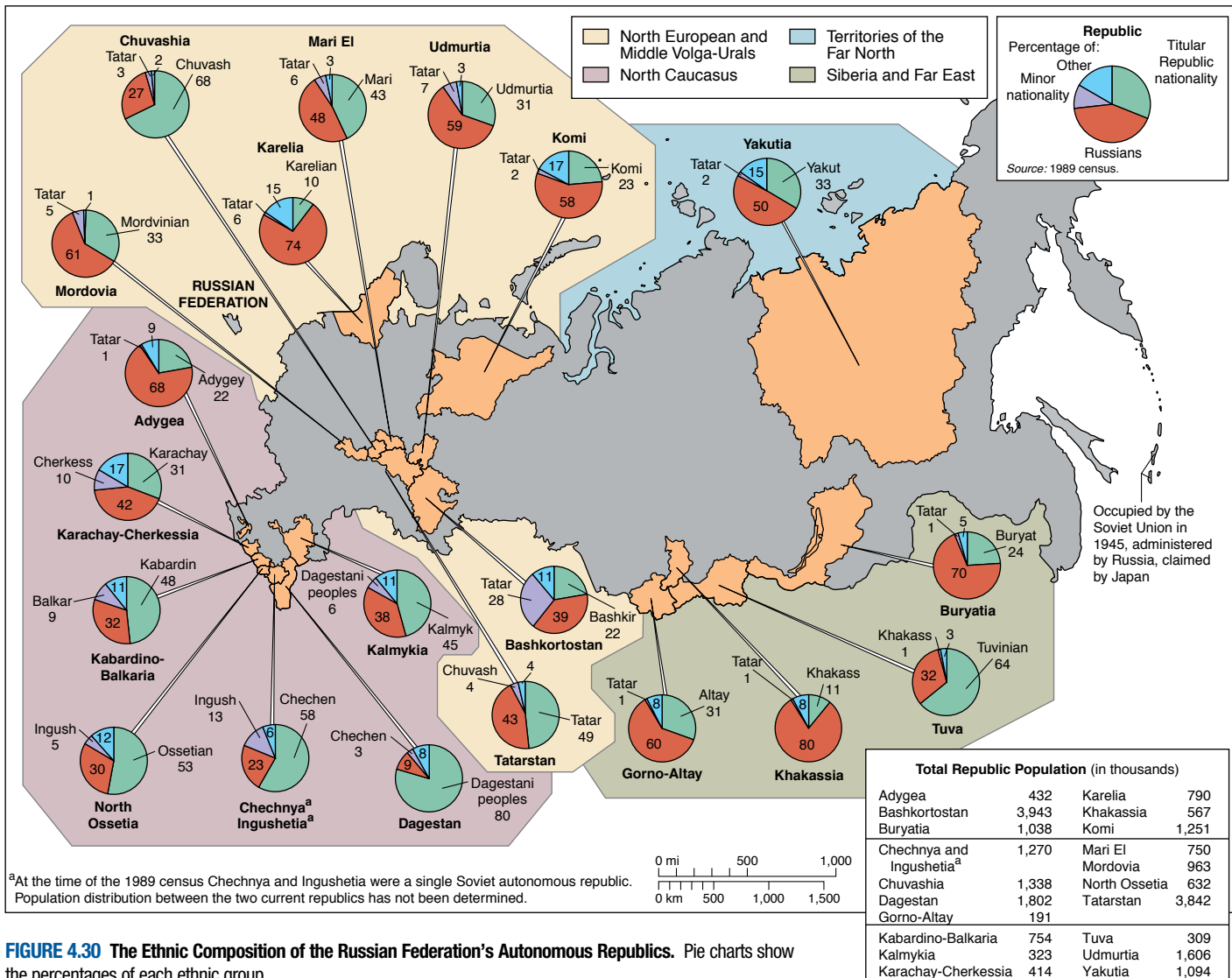


FIGURE 4.30 The Ethnic Composition of the Russian Federation's Autonomous Republics. Pie charts show the percentages of each ethnic group.

Russians are Orthodox Christians, but many of the indigenous peoples are Muslims. Located in the mixed forest and forest–steppe region, these territories have economies that vary considerably, from traditional agriculture to extractive industries and modern manufacturing.

North Caucasus: Several autonomous territories occupy the foothills on the northern side of the Caucasus Mountains. Some extend into the steppe. Most of the peoples are Muslims, but Christians live in the area, too. The Russians were not able to exert full control over the area until the mid-1800s. Ethnically and linguistically, the area is one of the most complex places in the world. The various peoples, however, share certain economic and cultural similarities that facilitate a “mountaineer” identity. Their shared opposition to Russian rule has fostered cooperation with one another. The Chechens in particular have resisted Russian rule. Their attempts to make Chechnya independent of Russia since 1991 have resulted in bloody military

Heartland and Hinterland in Russia

Another basis of regional differences in Russia is **heartland** versus **hinterland**. The heartland lies west of the Urals and includes many of the original territories of Rus’ and then Muscovy. It contains the greatest concentration of Russian people and accounts for much of the country’s economic and political activity. It is also known as the Russian homeland. The Moscow and St. Petersburg urban regions, the Volga River valley, and the Urals contribute to the heartland’s prominence. The Moscow region, approximately 400 km (250 mi.) square, is home to 50 million people and was the focus of Soviet central planning and transportation routes linking the entire country. Local manufacturing includes vehicle, textile, and metallurgical industries. St. Petersburg, a major Baltic port north of Moscow, is a smaller manufacturing center but still produces around 10 percent of the total Russian output, including shipbuilding, metal goods, and textiles.

Southeast of Moscow, the Volga River is lined by a series of industrial cities that use the river, linked since the 1950s by a canal outlet to the Black Sea. Around 25 million people

live in the Volga River region, which was developed for manufacturing during and after World War II—at a distance from advancing German armies and helped by the discovery of major local oil and natural gas fields. Manufactures include specialized engineering and the Togliatti car plant built by Fiat of Italy.

East of the Volga River basin, the Urals contain metal ores. Like the Volga region, the southern Urals were developed during and after World War II, principally as a metals center. Oil and natural gas fields are to the south and east.

Federation. In other areas, less than 10 percent of the population has attained middle-class income.

Science, Sports, and Society

The former Soviet Union strove to excel in science and sports and to improve life in society as never before seen in human history. Science and sport achievement was also a way to show that communism was superior to any other political-economic system. Scientists were pampered in terms of incomes and equipment and concentrated in new cities established for their work—some of which remained secret because they were dedicated to military purposes (see Figure 4.15). Akademgorodsk, outside Novosibirsk in the center of Russia, has around 30 research institutions. The Budker Institute for Nuclear Physics, for example, focused on abstract research on fundamental particle physics. As

already stated, the Soviets invested heavily in a space program as well to best the United States.

Like scientists, athletes were pampered and given the best sport facilities in which to train. Athletes were not expected to hold jobs, only train for sports. The Soviet Union sent its athletes to international events, especially the Olympics, where the Soviet Union usually won the most medals of any country.

Everyone in society was guaranteed a free university education and a job. Health care was provided without cost to everyone. Maternity leave was generous. The theater and arts received generous support. The average citizen could go to a play, see a ballet, or visit a museum for a low cost. The goal of the Soviet government was to improve society to the degree that all citizens received all their basic needs and much more, regardless of their social class. The Soviet government claimed to have eliminated unemployment and poverty. Though the Soviet system eventually failed, it brought about great political, economic, and social transformation in its 74 years of existence.

Following the end of Communist rule in 1991, public institutions and welfare support systems were the main losers as a result of the political and economic changes. Many things that Russians took for granted, such as a job and free university education, were no longer available to many. After losing support for their efforts, many scientists and athletes migrated to other countries. Not surprisingly, some Russians still support Communist ideals.

Soviet centralized planning often ignored the geography of resources and sited production facilities for political, rather than economic, reasons. Special defense-related factories, for example, were built in remote locations where it was expensive to maintain them. Workers were paid more to work in these faraway facilities, and the cities that grew up around them received many subsidies. The Russian Federation stopped giving financial support to these poorly located factories and cities. Without subsidies, many factories could not compete economically and had to shut down. In turn, unemployed people emigrated to the Russian heartland. Subsequently, regional differences and variations in local lifestyles are now greater within the Russian Federation.

The realities of such factors as closeness to consumer markets or ports with world trading connections are causing geographic shifts in regional production patterns. Moscow, for example, has succeeded the best in the transition to capitalism. As much as 20 to 25 percent of Moscow's population is middle class, the highest percentage in the Russian

4.7 THE SOUTHERN CAUCASUS

Georgia, Armenia, and Azerbaijan straddle the Caucasus Mountains and are frequently called the *Transcaucasus*, meaning “across the Caucasus” (Figure 4.33 and Table 4.2). This term reflects a Russian ethnocentric view of the region: these countries are on the other side of the Caucasus Mountains from Russia and were once Russian colonies. The more neutral term “Southern Caucasus” is used to refer to these countries, and “Northern Caucasus” is applied to the part of the Caucasus in the Russian Federation.

Armenia and Georgia are both mountainous with many peaks rising above 5,000 m (15,000 ft.). Azerbaijan is mountainous in the west along the borders of Georgia and Armenia, but the eastern areas of the country, formed by the Caspian Sea coast, are flat with areas below sea level. The origins of the word *Azerbaijan* are not clear, but one version derives from Persian words that mean “land of fire.” “Land of fire” could refer to the surface oil deposits that burned naturally in the past or to the oil fires in Zoroastrian temples that once dominated the region. Zoroastrianism is less prominent in this subregion today (although its modern-day adherents are in India and are known as Parsis), but it is a religious forerunner to Christianity and Islam, tracing its origins back to Azerbaijan. Zoroastrians believed that the Earth would be consumed in fire following judgment day. Interestingly, this belief developed in an area of the world where the Earth is oil-soaked and burns easily.

Countries

Though the three countries of the Southern Caucasus are relatively new, the peoples and political relationships

extend far back into history. Armenians, for example, trace their ancestors back to 6000 BC. In the 100s BC the Armenian empire controlled most of the Southern Caucasus and stretched across what is now northern Iran, Iraq, Syria, and eastern Turkey. Modern Armenia is small compared to its predecessors and does not even include a majority of all Armenians. Important historical places,



FIGURE 4.33 The Southern Caucasus: Countries, Cities, and Major Physical Features. Darkened areas within countries represent areas that have acted autonomously, often without the consent of their respective central governments.

such as the medieval capital Ani and Mount Ararat, the historically accepted landing place of Noah's ark, are now in neighboring Turkey. This situation illustrates that the modern Armenian state encompasses only the eastern portion of historic Armenia.

Georgians have lived in the Southern Caucasus almost as long as Armenians and likewise built empires that stretched across the subregion and beyond, reaching their height of power from the AD 1000s to 1200s. It was around this time that the Azerbaijanis (also known as Azeris) emerged as a people in the subregion.

Independence and self-rule are features of the distant past. Over the last 800 years, the peoples of the Southern Caucasus were ruled from the outside. The most notable foreign rulers were the Russians, who took control in

the 1800s and continued exercising their power until the Soviet Union dissolved in 1991. As former Soviet republics, Armenia, Georgia, and Azerbaijan struggle with establishing a viable political and economic existence (see *Geography at Work: Policy Analysis*). Located between Russia, Iran, and Turkey, these countries reflect the differing cultures and political views of their larger neighbors. Past outside political control and continuing outside influence create tension and conflict between the countries of the Southern Caucasus.

Culture

Though the Southern Caucasus is a small area of the world, the subregion is culturally very diverse (Figure 4.34), partly

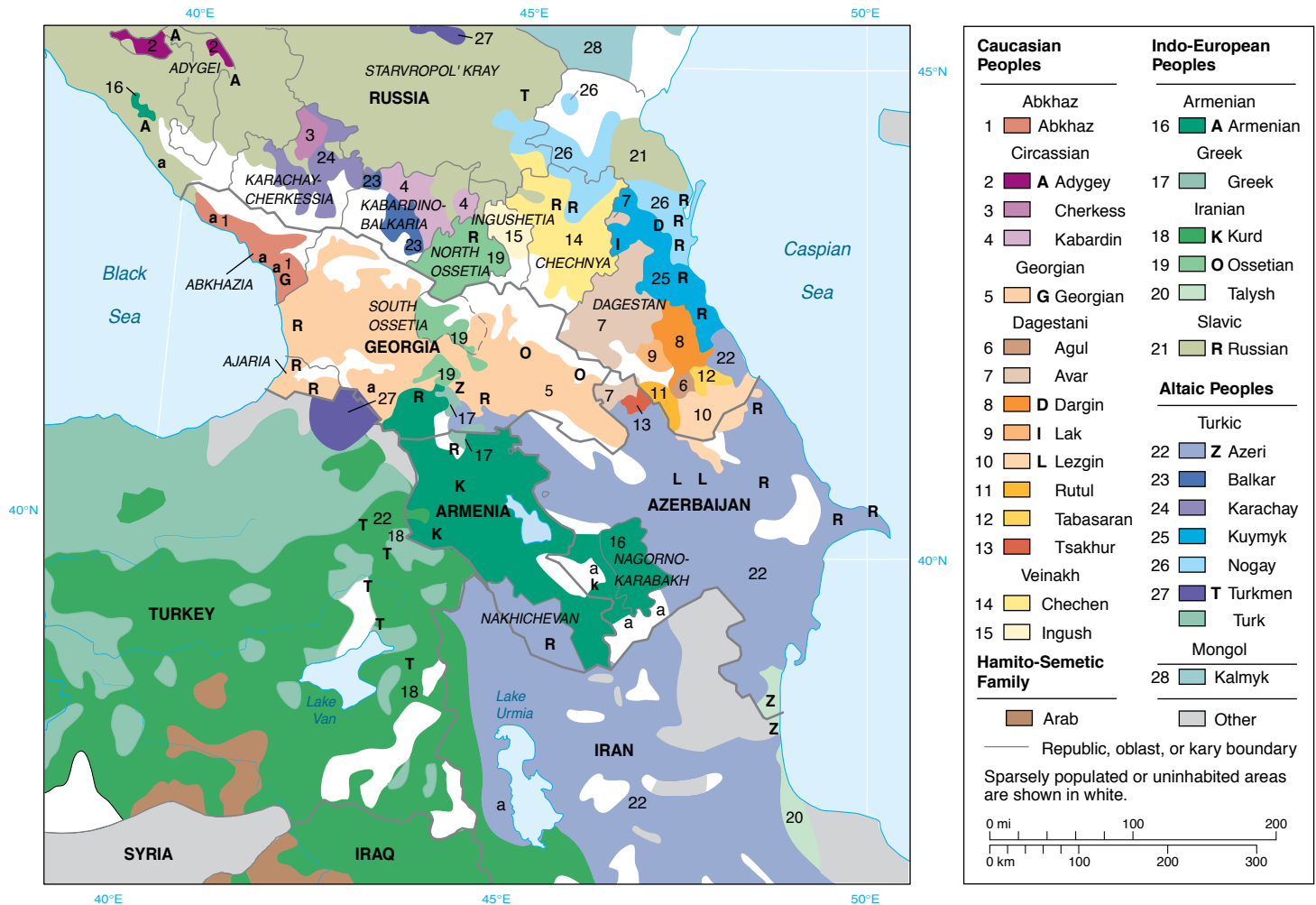


FIGURE 4.34 Ethnelinguistic Groups in the Caucasus Region. Compare the distribution of groups to the location of political boundaries. Do these comparisons help to explain conflict in the subregion?

because it lies at the historic contact zone between the Turkish, Persian, and Russian empires. Many languages are spoken in the subregion. They are of different language families, so most have little in common. The Georgian language is in the Caucasian language family and has a unique alphabet. Armenian is Indo-European but stands alone in its own branch and has a distinct alphabet of 38 letters, derived mostly from Greek. Azerbaijani is in the Ural-Altaic language family (see Figure 2.16).

The Georgians (see Chapter Opener) and Armenians are both Christian, and both adopted Christianity early in history, in the AD 300s. The Armenians claim their country was the first in the world to adopt Christianity officially. The Armenian Apostolic Church has been independent since the Middle Ages and expresses a unique view of Christianity. The Georgian Church is associated with the Eastern Orthodox Christian churches.

Ethnic Peace and Conflict

History has given rise to differing cultural combinations in the Caucasus. Some ethnic groups are closely related and others are not. Many live in peace, while others are locked in conflict. For example, the Ajarians, who have an autonomous

republic in Georgia (see Figure 4.33), live peacefully with the Georgians, though they are Muslims and the Georgians are Christians. Despite differing religions, the Ajarians are indistinguishable from Georgians, and most Ajarians consider themselves Georgians.

Relations among other groups have not been so peaceful. The Ossetians and Abkhaz both have their own autonomous republics within Georgia, but they distrust the Georgians and feel no loyalty to the Georgian state. Both groups sought independence for their republics in 1991 and 1992, but the Georgian military intervened and great bloodshed resulted. The Russian army helped to maintain a cease-fire in South Ossetia. Though Russian military personnel aided the Abkhaz cause, the Russian government worked with the UN to establish a cease-fire in Abkhazia.

The persecution of Armenians has had a lasting effect on this part of the world. In 1895 the Ottoman government massacred 300,000 Armenians within its realm. Again in 1915, during World War I, the Ottoman government tortured, exterminated, and deported its Armenian population, claiming that the Armenians were a threat. Somewhere between 600,000 and 2 million Armenians were exterminated out of a prewar population of about 3 million in what can be referred to as the “Armenian genocide.” Many Armenians became refugees, migrating across their traditional homeland or leaving it altogether. By 1917 fewer than 200,000 Armenians remained in Turkey.

It was not just this one period that inflicted a toll on Armenians. Over 1,000 years, foreign invaders wreaked havoc numerous times and scattered the population. Today over half of the Armenian population lives outside of Armenia in a diaspora. About half of the diaspora community lives in other CIS countries. The other half lives in communities from India across to Southwestern Asia, Europe, and North America, with a sizable number in the United States. Interestingly, many Armenians in the diaspora speak the western dialects of Armenian, associated with eastern Turkey, formerly in the Ottoman Empire. Armenians in Armenia speak the eastern dialects. Nevertheless, despite dialectical differences, the Armenian diaspora has close ties with Armenia. Many émigrés now serve in the Armenian government, and the Armenian government considers Armenians abroad to be members of the Armenian nation.

One of the largest conflicts since the dissolution of the Soviet Union in 1991 involved Armenia and Azerbaijan. In 1924 the Soviet government created an autonomous territory within Azerbaijan known as Nagorno-Karabakh. It was 94.4 percent Armenian. By 1979 Armenians represented only

76 percent of the region’s population. Armenians began to fear their loss of numbers and objected to Azerbaijani laws that restricted the development of the Armenian language and culture. Clashes between the Armenians of Nagorno-Karabakh and Azerbaijanis began in the 1960s and developed into war by 1992. Armenian forces of Nagorno-Karabakh seized most of the territory and advanced westward to link their territory with Armenia. Afterward they moved into Azerbaijan proper, but success brought condemnation. The Turkish and Iranian governments warned the Armenians to cease hostilities. Finally, peace talks sponsored by the UN, Russia, Iran, and a number of other countries met with success, and the shooting war ended in 1994. In addition to Nagorno-Karabakh, Armenian forces continue to control approximately 20 percent of Azerbaijan. An official agreement on the governance and the political status of territories has not emerged.

Another large conflict erupted when the Russian military entered Georgia in August 2009 to support South Ossetian separatists (see the Point-Counterpoint box on page 156). In the process, it took control of key transportation routes, destroyed Georgian military bases, sank Georgian ships, and blockaded its main port. The damage weakened Georgia both economically and politically.

Economic Development

The economies of Georgia, Armenia, and Azerbaijan suffered greatly from the ethnic conflicts, even in Armenia, where little fighting took place. In the 2000s, these three countries’ economies steadily improved. All three countries have climates warmer than those of the other former Soviet republics and can produce agricultural products not available to the north. Thus, during Soviet times, for example,

Georgia supplied over 90 percent of the Soviet Union's tea and citrus fruits. Armenia supplied fruits, especially grapes, and Azerbaijan produced tobacco, cotton, and rice.

While encouraging agricultural production, Moscow limited industrial development in Georgia, Armenia, and Azerbaijan. These policies made these republics heavily dependent on the other Soviet republics, especially Russia, for markets in which to sell their agricultural goods and sources for their industrial goods. Such policies also created a situation in which all three countries still have relatively low ownership levels of consumer goods (see Figure 4.14).

Since 1991, these countries have worked to reduce this dependency on Russia by greatly altering and increasing their industrial and service sectors. Georgia, located on the sunny, warm, eastern shores of the Black Sea, has great tourist potential. For example, an \$80 million Sheraton Hotel opened in Batumi in 2010 and a Radisson is planned for 2012. Azerbaijan, located on the Caspian Sea, will become one of the world's leading oil producers if it is ever able to exploit its oil fields fully. Until recently most pipelines ran through Russia via Grozny (Chechnya) to the Russian port of Novorossiysk (Figure 4.36). This is an example of the Russian Federation's attempts to continue controlling events in the Southern Caucasus. However, a new \$4 billion pipeline leads to Turkey's Mediterranean port of Ceyhan and has allowed a consortium of Western oil companies to pump 1 million barrels a day through it

since early 2006. This pipeline and others are also a source of income for Armenia and Georgia. To avoid continued Russian control in other ways, Georgia, Armenia, and Azerbaijan are developing trading relationships with other countries, most notably with Iran, Turkey, the United States, and those in Europe.

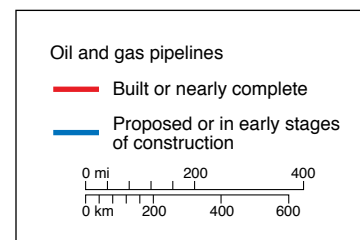


FIGURE 4.36 Russia and Neighboring Countries: Pipeline Outlets for Caspian Sea Oil and Gas. Russia wants oil and gas exports from the countries of the Southern Caucasus and Central Asia to flow through its Black Sea port of Novorossiysk via the Grozny (Chechnya) pipelines. The countries of the Southern Caucasus and Central Asia and their international oil company partners are examining the routes through Turkey and Ceyhan on the Mediterranean Sea or through northern Iran. How does this example illustrate the interdependence of countries in the world economic system and the importance of individual countries and their actions?