

# Fastforward: Russia in 2025

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While no one can say for sure what lies ahead for Russia's future, the ability to brainstorm about what Russia will become within the next quarter century will provide important clues and guidelines for today's business and strategic planners. Indeed, what general trends might define Russia by the year 2025? Will it become a thriving democratic state with a strong economic base? A state in decline, with erratic, single-sector growth spurts? Or somewhere in between?

It is my opinion that the tendencies that are manifested today of a strong state leadership, moving toward democracy and an improved, multi-sector, balanced economy and a political and foreign policy oriented towards Western states and principles will continue. The model of the presidency of a Putin-style leader--strong, credible, reform-oriented, determined to restore the power of the Russian state and fire up the engines of economic growth--will continue long after the current president departs the stage.

The growing pains of today experienced by a state in transition from prior chaos, inefficiency, corruption and bureaucracy due to an outdated state-owned economic structure will gradually subside as the Russian state matures. In its place, the seeds of the new institutions that have been planted and new order of things set in place gradually in the past decade will have taken root. From economics to politics and as seen in all of the standard institutions—including legal, law enforcement, banking, accounting, market-based rules of economic conduct and governance and so on—reforms will have jelled, and progress will be seen.

The time-consuming, painstaking, and seemingly impossible efforts to integrate Russia with global economic, political and even military institutions will have taken place. Now, with a stake in global standards and norms, and as an inside partner with a vested interest in stability, progress and growth, Russia will have successfully avoided the marginalization it so feared. As a respect member of the international community, it will enjoy a unique role as a bridge between West and East, and as an interlocutor to assist the West in better understanding and addressing challenges and problems in the Middle East, India and China. Russia will be viewed as an important and necessary partner for U.S. global strategic interests, because as the years go on, Russian national interests will meld more closely with our own. Inevitable competitive interests and foreign policy differences will remain secondary to the main goal held by both the U.S. and Russia: global stability and the need for the U.S. and the world's largest land mass to combine forces to maintain global stability and peace and contain chaos and disruption by smaller rogue state and non-state actors.

Russia's economy will grow slowly and modernize, and its strength will be based on diversity—a strong high-tech sector, the ongoing development of natural resources and their export, improved consumer products and an agricultural/food-producing sector based on advanced technology. Education in Russia will benefit, with improved funding to support the tradition of a highly literate population excelling in science and technology. Gradually, the crisis in medical care and population decline will reverse as funding becomes available to support these critical needs. Russia will understand it requires an influx of immigrants to populate its vast lands and it will design policies to encourage such immigration, and also to encourage Russian women to have more children.

Whether you agree with this scenario or not, companies should take much more seriously than they do now the need to forecast plans for Russia ten, twenty, and even fifty years out. This market has been overlooked and underestimated in the past because business planners simply have not undertaken the long-range view. An enormous growth potential for Russia exists, and companies can benefit by planning ahead.□