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# Nation- and State-Building in Eurasia

Ian Bremmer

The United States's increased interest in Eurasia over the past year has added confusion to an already muddled debate over nation- and state-building in the region. In particular, U.S. military involvement in Afghanistan drew global attention to what and who a post-Taliban regime would look like. But the Bush Administration's blanket caution over "nation-building" in Afghanistan blurred the crucial difference between state-building and nation-building: the former concerns developing institutions of governance; the latter concerns developing a shared identity.

Putting the issue this way suggests why states are usually easier to build than nations. Identities generally take time to develop; they cannot be easily "built" from scratch. On the other hand, institutions are concrete and constructing them is more a matter of effort. Of course, establishing institutions does not mean they will automatically be legitimate or effective, and this is why the real question concerns neither state-building nor nation-building per se, but the relationship between the two. Can states and nations be built simultaneously? Is a sense of nationhood necessary for effective state-building or is effective governance necessary for a sense of nationhood? Does pursuing either state- or nation-building help or hinder the pursuit of the other?

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After the collapse of the Soviet Union, the countries of Eurasia were suddenly confronted by these questions and others. How did these countries build their

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states? Was nation-building a priority, and did it subvert state-building? And how did nation-building and state-building interact with economic reform and recovery? The answers to these questions are of both theoretical and policy interest, especially in a post-9/11 world.

### Nations, States, and Economies.

We know from history that both states and nations have emerged without one another. In general, the experience of Western Europe reflects the rise of states before nations, while nations generally existed before states in Eastern Europe. Thus, France existed as a state long before the French nation came into being. Meanwhile, Estonians shared a common identity long before Estonia emerged as a state. Although neither phenomenon is a precondition for the other, states can facilitate the rise of nations by influencing socialization processes, and existing nations can help the emergence of states by providing them with legitimacy.

Both states and nations affect and are affected by economic reform; neither can be easily constructed during economic misery, where simple survival is the order of the day. It is similarly difficult to imagine how drastic economic reform, especially toward something as institutionally complex as a market econ-

law. While economic change can take place in the absence of full-fledged national identities, reforms are easier to implement and manage when they are legitimized by national—that is, communal—support.

Not surprisingly, the complex relationship between nation, state, and economy has had a direct impact on the stability of countries. According to the Lehman Brothers Eurasia Group Stability Index (LEGSI), the most stable countries in East Europe include Hungary, Poland, Bulgaria, and Croatia—all of which are more or less robust states, have strong national identities, and functioning economies. Azerbaijan, Russia, Ukraine, and Uzbekistan, each of which are creaky states with complex or weak identities and even weaker economies, lag behind.

No country develops in a vacuum, especially in today's highly interdependent world. Those countries with sought after economic resources, especially energy resources, invariably enjoy a better relationship with the West, and particularly the United States. Countries of some strategic importance to the U.S.-led war on terrorism are also especially likely to be successful. However, Western support is not necessarily beneficial to state- and nation-building, or even to stability in general. In

some cases, excessive attention from the West can afford leaders the flexibility to skew these processes, and actually set back progress towards building effective states and genuine nations.

### **Nations and States after the Soviet Collapse.**

Since the Soviet collapse left different countries in very different positions, it should come as little surprise that post-Soviet reconstruction has varied greatly in Eurasia. While most successor states emerged with minimal state institutions, four republics were exceptions. Russia, which served as the center of the Soviet totalitarian state and empire, had numerous governmental institutions, and an effective, well-trained elite. The Kremlin's writ may not have left Moscow, and regional governments were both weak and rambunctious, but something of a genuine state did exist in Russia. Similar institutions were left behind in the Baltics—Estonia, Latvia, and Lithuania. By the Soviet collapse in 1991, they had managed to evolve rudimentary state apparatuses, which given their small size, also proved capable of actually running the countries. Other Soviet republics enjoyed no such advantages, and emerged independent with almost nothing in the form of state institutions.

There were also substantial differences in terms of national identity. For a variety of historical reasons, virtually all ethnic Estonians, Latvians, Lithuanians, Armenians, and Georgians had a clear and consensual sense of who they were and where they came from. Meanwhile, Russians, Ukrainians, and Moldovans had varying degrees of national identity; some parts of their populations had a strong sense of identity, others did not. Azeris, Belarusians, Kazakhs, Turkmen, Kyrgyz, Uzbeks,

and Tajiks did not share as significant a sense of national identity.

Last but not least, the post-Soviet states were also left with different potentials for economic growth and reform. Once again, the Balts were especially advantaged, having acquired many market-oriented skills even during Soviet times. None of the other republics had any experience with free markets, but Russia, Azerbaijan, and Kazakhstan had substantial proven oil and gas reserves, which came to play an important role in their developmental strategies.

Despite all these differences, countries in this region still shared several similarities. First, all of the post-Soviet states have had to build states and reform their economies; second, most have also had to create a national identity to underpin their states and provide them with legitimacy; and third, both of these processes have been deeply affected by Russia's pre-eminent position in Eurasia.

The major fault line has been between Russia and the rest. Having suffered through Russian imperialism and Soviet hegemony, many of these countries cast themselves mainly in opposition to Russia, both in terms of national identity and state sovereignty. In turn, Russian nation-building has been strongly defined in terms of its past glory, which necessarily implies asserting some degree of superiority over non-Russians. Russian state-building has also involved an attempt to use its dominant military, economic, and demographic position to maintain some degree of control over Eurasia, the so-called "near-abroad."

### **Estonia, Latvia, Lithuania.**

Some countries expected—and have faced—little difficulty with nation-building. Those at the forefront of the

*perestroika*-era independence movements, such as the Estonians, Latvians, and Lithuanians, quickly consolidated their nations. Indeed, for these countries, national identity was far more advanced

one third of the population, mostly Russians and Russian speakers who reject its claims to sovereignty and long for Soviet times. In turn, corruption and weakness of state institutions has ham-

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than the incipient state. Local challenges to the broader national identity remained, especially Russian and Russian-speaking minorities. But the principal problem was to ensure that local institutions could manage complex societies and economies.

Over the last decade, these countries have largely focused on improving their political and economic performance. On this count, their successes have been impressive, and all three countries are set to join the European Union in late 2004. These economic successes have, in turn, been critical in making often-restrictive ethnic policies palatable to their Russian and Russian-speaking inhabitants.

**Ukraine.** Ukraine had a considerably larger and more dispersed population. Ukraine's population has significant regional, linguistic, and cultural differences, from the Russia-oriented industrial southeast to the more traditionally Ukrainian west. This combination of a weak state and disjointed nation has hobbled both state-building and nation-building in Ukraine.

The Ukrainian state continues to face dubious legitimacy among more than

pered efforts to create a common identity and overarching loyalties between the country's Ukrainian-speaking Ukrainians, Russian-speaking Ukrainians, and Russian-speaking Russians. Last but not least, weak state institutions and national unity have impaired economic reform. Necessary reforms would require closing down much of the eastern and southeastern rust belt industries, which would disproportionately disadvantage Russians and Russian speakers, further undermining both state- and nation-building efforts.

Ukraine's relations with Russia and the West reflect these complexities. Ukraine's elites desire integration into European structures, such as the European Union and NATO; however, they dare not risk alienating their Russian and Russian-speaking populations, and annoying Russia. As a result, early Ukrainian foreign policy had for the most part been characterized by a difficult tension—a simultaneous desire to remain on good terms with both the West and Russia. Most recently, with instability around President Kuchma and integration into international institutions appearing increasingly distant, Ukraine has moved closer into the Russian orbit.

**Armenia, Georgia, Moldova.**

With highly developed senses of national identity, Armenia, Georgia, and Moldova all shared the same task of constructing states on the rubble left behind by the Soviet collapse. None had any particular economic advantages, and all faced debilitating interstate ethnic struggles that only deepened their crises and complicated state-building efforts.

Armenia became embroiled in an armed struggle with Azerbaijan over its Armenian-populated province of Nagorno-Karabakh even before 1991. The conflict remains unresolved today, and remains a drain on Armenia's economic resources, a focus of nationalist mobilization, and an impediment to a shift from external policy to much-needed domestic reform.

After independence, Moldova quickly descended into genuine war with Russians and Russian speakers inhabiting the left bank of the Dniester River. The self-styled Trans-Dniester Republic was home to Russia's Fourteenth Army, and still remains beyond Chisinau's formal control. Economic malaise and incomplete state building continue to plague Moldova, and, as the 2001 electoral victory of the Communists showed, discontent with the current state of affairs is deep.

Georgia's circumstances may be even worse than those of Armenia and Moldova. Three of its regions, amounting to some half of its sovereign territory, confronted the state in open rebellion and have been effectively beyond central control at different times. Confrontation with the Ossetians in the northeast, the Abkhaz in the northwest, and the Ajars in the southwest placed Georgia's state- and nation-building efforts on hold. An oil pipeline connecting Baku to the

Black Sea through Georgia has helped ameliorate matters by promising the country economic resources with which to pay for its turmoil.

Not surprisingly, these internal complexities have affected these countries' relations with Russia. Armenia, which has traditionally looked to Russia as its patron and protector, continues to do so. Georgia, in contrast, sees Russia not just as a potential hegemon, but as a country that is directly promoting secessionist movements within its territory and even prepared to intervene if the exigencies of the Chechen conflict demand such a move. Meanwhile, Moldova, whose sovereignty and existence is threatened by Russians, Russian speakers, and the Fourteenth Army, similarly sees Russia as a major threat.

**Central Asia, Azerbaijan, Belarus.**

The states of Central Asia, Azerbaijan, and Belarus had a fundamentally different problem: the nation itself was a muddle. Tsarist and Soviet rule together had uprooted societies and cultures, arbitrarily drawn borders, and created fixed, definable nationalities with Western-style institutions. Moreover, their leaders had, almost without exception, come from the communist party apparatus, and inherited the political trappings of a state. Yet no sense of legitimacy came to these leaders alongside independent rule. Here, nation-building was the priority.

Without existing legitimate institutions to guide them, the new leaders confronted the problem of how to ensure authority. Although there was no lack of democratic language around the newly created governments, nation-building was a foreign process. These leaders have all addressed this problem

similarly, with perhaps one exception. President Niyazov of Turkmenistan has occupied one extreme, single-handedly building a cult of personality that has subsumed the national identity of the entire country. Islam Karimov of Uzbekistan, Nursultan Nazarbayev of Kazakhstan, Heidar Aliev of Azerbaijan, and Alyaksandr Lukashenka of Belarus have also chosen to build autocracies that, besides supposedly building states (in the manner of many of Europe's interwar leaders), are also supposed to serve as foci for national identity formation. Only Kyrgyz President Akaev has sought a more open, even-handed rule, but even here the temptations to move towards a consolidated authoritarianism have been high.

All these countries have also had significant difficulties implementing economic reform, and their weakness as both nations and states is largely accountable for this. But Azerbaijan, Kazakhstan, and Turkmenistan, have substantial energy reserves that have begun generating considerable incomes for their governments. Will this wealth also foster state- and nation-building? Oil, as history shows, can be a mixed blessing for states by creating seemingly boundless wealth while also promoting the formation of top-heavy, overly bureaucratized states that appear strong, but are in fact quite brittle. Equally important, oil wealth tends to increase economic inequality and social tensions, which hinder nation-building.

Not surprisingly, these countries have had ambivalent relations with Russia (with the notable exception of Belarus, which has effectively tied its fate to Moscow). As a rule, they have promoted nation-building at the expense of local Russians and Russian speakers, many of whom emigrat-

ed in the 1990s. Meanwhile, although these countries have actively attempted to develop strong institutions, most of them have had to accept some degree of Russian hegemony, including the stationing of Russian troops and border guards on their territory.

**Russia and the Russians.** The biggest question is the state of the Russian nation itself. Shocked and confused by the collapse of the Soviet Union, within which they enjoyed the exalted status of the "leading" nation, many Russians turned to nationalism as a substitute ideology. Although Russian nationalism could have had disastrous consequences, the worst possibilities did not materialize. Most importantly, Russians in the "near abroad" did not pose a real challenge to nation- and state-building efforts in the newly independent countries of Eurasia—a side-effect of Russian nationalism that could have engulfed the entire region in conflict.

Newly empowered nations were expected to create ethnically homogeneous states, relegating Russians to backwards position, and Russians were expected to resist. Yet almost without exception, the Russian question proved to be a dog that didn't bark. In many states, the Russians proved too fragmented, or had too few resources to make a difference. Some made the best of their new situation; others left for Russia. In places where Russians were a majority of the local population, such as parts of Latvia, Crimea, and northern Kazakhstan, they organized. However, they proved ineffectual; most Russians in the Balts saw better economic opportunities where they were than in neighboring Russia, and opted into the new system, however comparatively difficult.

Equally important, Russia chose not to get involved in the Russian issues of other countries. Instead, it chose to employ primarily economic leverage to ensure a close orbit to Russia and left internal politics to the discretion of local leaders. Even more encouraging has been the fact that President Vladimir Putin has given up the idea of Russian expansionism, allowing the United States to base troops in neighboring states (Uzbekistan and the Kyrgyz Republic), closing down bases in Vietnam and Cuba, and effectively accepting that the Russian nation will pursue regional interests.

There has also been an aggressive side to Russian nation-building, particularly inside the country. This has found its strongest expression in Chechnya, which has also become the most serious challenge to Putin's rule. Relatively unknown prior to his election, Putin made his way to the presidency largely because of his tough line on the Chechen conflict, and the promise of quick victory. Several months after his election, he indeed declared victory.

However, the downing of a military helicopter with over 100 Russian casualties in mid-2002, followed by the Chechen occupation of a Moscow theater in October, has mobilized an already hardened Russian sentiment against Chechnya. In some ways analogous to the U.S. war on Iraq, many criticize the Russian president's handling of the conflict, but few are prepared to suggest alternatives and President Bush himself recently recognized Chechnya as a domestic issue. Still, for the first time since he assumed power, Putin's rule faces a legitimate challenge. If he fails to respond firmly to the Chechen challenge, he risks looking weak; if he

responds too strongly, he risks alienating a war-weary population. Such is the delicate balance between nation-building, state-building, and economics.

**Eurasia's Challenges after 9/11.** The events of September 11, 2002 may or may not have changed the world, but they had a profound impact on many of the states and nations in Eurasia. For the past decade, U.S. involvement in Eurasia was dominated by two contradictory policies: maintaining a friendship with Russian President Boris Yeltsin and bringing Caspian energy reserves to market through a new East-West transit corridor that bypassed Russia.

After 9/11, U.S. policy towards Eurasia shifted dramatically, creating tremendous opportunities for the countries of the region. Rather than remaining a marginal part of the world where regional powers fought a "New Great Game," Eurasian politics are now driven by shared global interests and consensus. Two factors are particularly critical to the recent redesign of Eurasian politics.

First, the foundation of a new U.S. alliance with Moscow, based on long-term shared security interests (in the Caucasus, Central Asia, South Asia, and China), has created a link between U.S. interests and those of Eurasia's most dominant country. Second, the United States's new security interests have reversed the economic and political disparities created in the region by energy politics. Coincidentally, the countries most important to the U.S.-led war on terror (Afghanistan, Georgia, the Kyrgyz Republic, and Uzbekistan) were those that had the fewest natural resources and were among the poorest in Eurasia. International attention—especially direct security support, stepped up economic

aid, and diplomatic engagement—had been sorely lacking in these countries.

The consequences of recent U.S. interest in Eurasia have been mixed. On the positive side, many of the countries now receiving closer attention from Washington—Afghanistan, Georgia, and the Kyrgyz Republic—have been some of the least opaque economic systems in the

been relegated to Russian influence. More importantly, democracy and ethnic tolerance may lose out across the region if the United States chooses to overlook domestic problems in exchange for support for its war on terrorism.

One thing is certain: Should these countries be drawn closer into Russia's orbit, state and nation building in all

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region. Meanwhile, Uzbekistan, which has been considerably closed to economic reform, has moved to privatize the country's cotton industry, support development of small and medium enterprise, and regulate trade—significant surprises given deteriorating economic openness and investment climate in neighboring Kazakhstan.

Perhaps the most stabilizing post-9/11 development is friendlier relations between the United States and Russia, and the tacit agreement on a division of Eurasia into spheres of influence that seems to be in the works. Russia appears willing to permit the United States access to the Central Asian states (and to a lesser extent Georgia) as allies in the war against terrorism. Whether or not this bodes well for democracy and human rights in Central Asia, it surely bodes well for state- and nation-building in that region.

International attention has not been without road bumps. Ukraine has been transformed from strategic significance, as an ally of the United States and counterbalance against Russia, into strategic irrelevance in the new geostrategic environment. Belarus and Moldova have

three will be affected. Belarus is likely to lose all sense of a distinct identity, and its state may increasingly become a province of Russia. Ukraine's diverse population could well be polarized into pro- and anti-Russian components, a development that will not only undermine nation building but possibly also de-legitimize the Ukrainian state in the long run. With an already fractured population and weak state-building efforts, Moldova's fate will likely be similar to Ukraine's.

Meanwhile, the Eurasian states still have a considerable distance to travel to make their economies attractive to international investment. Afghanistan has reclaimed its position as the world's leading supplier of narcotics, and Prime Minister Karzai's position remains tenuous. The United State's inclusion of Iran in the axis of evil and continued comprehensive U.S.-led sanctions handicap economic development in the country. However, an increasing likelihood of regime-change may dramatically impact this situation. More generally, the downturn in the global economy has not helped matters, and has decreased interest in emerging markets worldwide. The



strategic importance of petroleum may also have a double-edged impact on the energy-producing states of Eurasia, enhancing their wealth on the one hand, but reinforcing authoritarian rule and widening income gaps on the other.

**Conclusion.** Eurasia's experiences suggest important lessons for the future of the region, and about the general relationship between state- and nation-building. Most significantly, while both processes can take place without one another, neither is very successful amid economic stagnation. The future looks most promising for countries like Estonia, Latvia, and Lithuania that have used national legitimacy and effective institutions to implement economic reforms. Moreover, these countries have been able to buy off their Russian minorities. Meanwhile, both countries with strong national identities, like Armenia and Georgia, and countries developing strong state institutions, like Kazakhstan and Uzbekistan, have had difficulties developing states and nations respective-

ly. Economic opportunities and reforms may not be a panacea, but they do appear to be a necessary part of state- and nation-building.

What the states, nations, and economies of Eurasia will look like ten years from now is difficult to predict. An impressive feature of the complex dynamics of state-building, nation-building, and economic reform in Eurasia over the past decade was that they were largely peaceful and internally managed. As a result, Eurasia was stable. Armed conflicts and ethnic tensions were not unknown, but state-building and nation-building proceeded in a more or less orderly fashion. The U.S.-led war on terrorism brings with it great economic and political opportunities, but it also delivers them unequally. At the same time, the era of Eurasian isolation and independence is unequivocally over. The future of Eurasian countries are now inextricably linked to broader political, strategic, and economic dynamics. Only time will tell how they will affect the region's future.