In the five years of Anatoly Serdyukov’s tenure as defense minister, the Russian military underwent one of the most significant reforms of any period since the formation of the modern Soviet Army during and immediately after World War II. As part of this reform, the military shed most of its Soviet legacy in areas such as organizational structure and manpower. The transformation, however, alienated the officer corps, with most senior generals agitating for Serdyukov’s dismissal throughout his tenure. Although his eventual removal in November 2012 had more to do with corruption scandals and the interests of senior government figures with defense industry ties, the dismissal led many critics to hope that new Defense Minister Sergei Shoigu would reverse the Serdyukov reform.

In this memo, I briefly examine the achievements of the Serdyukov reform and the challenges he bequeathed to Shoigu, before focusing on the decisions made by Shoigu in the first months of his tenure and their potential impact on the development of the Russian military over the next several years.

Achievements under Defense Minister Serdyukov
Despite the criticisms faced by Serdyukov, the military reform he spearheaded transformed the Russian military in ways that are likely to improve its warfighting capabilities in the long term. The most important changes included implementing greater mobility, eliminating mass mobilization in exchange for higher levels of constant readiness, and improving inter-service coordination.

Working closely with Chief of the General Staff Nikolai Makarov, who masterminded much of the reform, Serdyukov succeeded in dismantling the Soviet-era structure of the Russian military and replacing it with a structure more suited to 21st century warfare. He substituted the unwieldy divisions geared toward fighting large-front wars with much more mobile and largely self-sufficient brigades.
The reform also ended the Russian military’s dependence on mass mobilization to fight its wars. During the post-Soviet period, many military units existed mostly on paper and were staffed by only a few officers in charge of warehouses filled with unusable weapons and equipment. It could take up to one year for most of these units to become combat-ready. Under Serdyukov, they were eliminated, and the military began a gradual transition to a structure based on fully staffed units that could mobilize in less than a week. Some of these units were expected to be able to respond to a sudden conflict within 24 hours.

The military also made great strides in becoming better coordinated in its operations. Under the previous command structure, inter-service cooperation on the battlefield required coordination from Moscow. This led to numerous incidents of miscommunication that resulted in losses to friendly fire and problems with essential combat requirements, such as the timely provision of air cover for advancing ground forces. The establishment of four regional unified strategic commands allowed local commanders to organize all military elements in their respective region, which greatly enhanced inter-service cooperation.

All of these organizational changes have been made in an effort to enable the Russian military to respond more quickly to unexpected local or regional conflicts, rather than the large-scale frontal wars that formed the basis for military planning during the Cold War. These are the only types of wars that the Russian military has been engaged in since the Afghanistan conflict of the 1980s. Military planners expect this to be the most common form of warfare in the foreseeable future as well.

Challenges Facing the New Defense Minister
Although he did a great deal to rid the Russian military of its Soviet legacy, Serdyukov was far less successful in interpersonal matters: the minister’s lack of military experience and his hard-charging style, which earned him the nickname “Bulldozer,” alienated most of the senior and junior officers under his command. Before Serdyukov became head of the Ministry of Defense, the military was widely known as one of Russia’s most corrupt institutions, with senior officers accumulating large amounts of money by redirecting procurement and construction funding and using conscript labor for personal needs. The circumstances surrounding Serdyukov’s removal suggest that his goal of stamping out corruption in the military during his tenure was far from being achieved.

Shoigu has maintained a relatively clean reputation throughout his previous tenures as minister for emergency situations and as the governor of the Moscow region. He also appears to have the support of senior officers, most of whom despised his predecessor. However, the military he has inherited is still facing a number of serious challenges.

The most pressing problem is the military’s lack of soldiers. A decline in childbirth in the early 1990s has resulted in a corresponding drop in the number of 18-year-old men available for conscription. At the same time, salary increases and
improvements in living conditions have done little to encourage Russians to serve in the military as contract soldiers. As a result, the military is facing significant personnel shortages. Moreover, the military’s inability to attract a sufficient number of contract soldiers also affects its battlefield readiness: conscripts who serve for only a year before demobilization do not have enough training to handle the modern weapons that the military hopes to acquire by 2020.

The most recent available information shows that the Russian military currently has 220,000 officers, 186,000 contract soldiers, and 296,000 conscripts, for a total force of just over 700,000 personnel. This belies official statements that Russia has one million men under arms and means that 25-30 percent of billets remain vacant. The military seeks to fix this problem over time by increasing the number of contract soldiers to 425,000 by 2017 through the recruitment of 50,000 net new soldiers per year. Recent data shows that just over 10,000 new contract soldiers were recruited in the first quarter of 2013. Given that individuals most inclined to join the military most likely signed up at the start of the recruiting period, the target of 60,000 for the year seems unlikely to be reached. And the likelihood of meeting these targets in subsequent years seems equally low. As a result, the manpower shortage is set to continue as an intractable problem for the Russian military for the long term unless the government revises the target size downward.

The second major challenge facing the new defense minister is the implementation of a highly ambitious ten-year rearmament program that is expected to modernize 70 percent of Russia’s weapons by 2020. Serdyukov and Makarov had made many enemies in the defense industry by insisting that the Ministry of Defense would not pay inflated prices for substandard, domestically manufactured equipment. Shoigu, at least initially, appears poised to take a softer line with the industry. This may win him friends, but it is also likely to burden the military with outdated and overpriced weapons systems.

Changes under Shoigu
In the six months since his appointment, Shoigu has rolled back some aspects of the Serdyukov reforms, while keeping its core innovations intact for the moment. Many of the changes have been primarily symbolic, in keeping with Shoigu’s goal of rebuilding trust between the Minister of Defense and senior officers by cancelling the decisions that were most upsetting to top generals. Actions such as the restoration of the Tamanskaia and Kantemirovskaia divisions (which had been transformed into brigades under Serdyukov) and Shoigu’s decision to wear a military uniform and epaulettes were calculated to please senior officers without undermining the changes enacted under Serdyukov.

The practical aspects of the repeal effort have largely focused on relatively peripheral issues such as military education and medicine. In the education sphere, Shoigu has restored the old training system that has top officers in school for a total of eight years during their careers instead of Serdyukov’s Western-style system of one stint
in a military academy followed by short courses to gain skills needed for specific positions. This is certainly a blow to modernization and may well lead to an excessive number of graduates coming out of the military academies without positions available for them. This outcome could lead to pressure to increase the number of officers in active service, which would be a big blow to the reform effort. It thus may be worth watching the number of students being admitted to the newly-reformed academies in the next year or two. Similarly, the shift in control over military training from the military branches to the recently reformed Main Combat Training Directorate will leave the branch headquarters with little to do. This has led some analysts to express concern that they will start getting involved in commanding the troops, which used to be their bailiwick but is now under the Unified Strategic Commands.

Some of the changes have been positive, especially the return of warrant officers, which were entirely eliminated in the early days of Serdyukov’s reforms.¹ Their abolition was justified at the time by the closing of reserve equipment storage bases where many served, but the wholesale elimination of the entire category meant that warrant officers serving in key technical positions were also forced to retire. Early in his tenure, Shoigu announced that warrant officers will be restored, although they will only be allowed to serve in a limited set of technical and command positions. Military officials have announced a target of 55,000 warrant officers in the military, which is half of the number serving at the start of Serdyukov’s reform.

Military training has also experienced some positive changes under Shoigu, with efforts under way to make it more frequent and complex. The main innovation in training so far seems to be spontaneity, with a recent burst of military exercises announced out of the blue. These included a Southern Military District exercise in February 2013 in which more than 7,000 military personnel were abruptly roused and sent out on exercises that had not previously been announced and a surprise Black Sea Fleet exercise ordered by President Vladimir Putin in late March. Troops involved in the February ground forces exercise received mixed marks, with several units unable to mobilize within the allotted time frame. According to press reports, the Black Sea Fleet’s performance was assessed more favorably. The transition from a training environment when all exercises were announced at least six months in advance to one that more closely approaches real-world scenarios may lead to improvements in the military’s capabilities in the long term.

Military procurement is the one critical area that has already experienced some negative trends under the new regime. One of the Shoigu-led Ministry of Defense’s early acts was to essentially take imports of military technology from foreign sources off the table. This is not surprising, given that one of the main reasons for Serdyukov’s removal was that his policies were threatening the income streams of key players in the defense industry. The new rules will ease pressure on the domestic defense industry to improve the quality of production while keeping prices from spiraling out of control. As a result,

¹ Russian warrant officers, called praporshchiki, are a type of non-commissioned officer, junior to all grades of commissioned officers but considered senior to sergeants and corporals.
the procurement of a new generation of military equipment in the quantities needed for the military is likely to be imperiled.

The Future of the Military under Shoigu

Although some analysts have already begun to declare the Serdyukov military reform dead, I believe that this assessment is premature. Other than in procurement policy, the key structural elements of the reform remain untouched. These include the shift to a three-tiered organizational structure for the military, with the brigade as the key unit; the establishment of unified strategic commands that are designed to enhance inter-service cooperation; the reduction in the number of officers; and the goal of shifting away from conscription to a primarily contract-based manning structure over time. As long as these remain in place, the Russian military will remain on track to be transformed away from the Soviet mobilization army to a more modern, more mobile, and more unified military force. All these elements have recently been affirmed by the country’s top political leadership and by top officials at the Ministry of Defense.

At the same time, the military is facing a host of problems and the rather cautious Shoigu regime may not have the wherewithal to truly turn things around. Part of the reason for Shoigu’s appointment was his popularity, both with the general population and with military officers. From the start of his tenure, the Russian media has highlighted the contrast between his cordial relations with senior officers and the contempt with which Serdyukov treated top generals. He has already shown signs that he values the generals’ respect. The question is whether this will lead him to avoid taking difficult decisions that would alienate senior officers.

Manpower policy is one area where such decisions may prove necessary. While the debate among senior officials and most military analysts has focused on whether the best way to staff the army of the future is to shift to a fully professional force or if conscripts should continue to play a role, the reality is that there are both an insufficient number of young men turning 18 who could serve as conscripts and a lack of potential recruits willing to sign up to serve as contract soldiers. By the end of the current decade, the already serious manpower shortage is likely to grow worse. The only realistic solution is to accept that a serious drop in the size of the military is inevitable and to begin planning for how to maintain as much of a military capability as possible with an army that has no more than 600,000-700,000 personnel.

While the organizational structure implemented under Serdyukov and so far retained by Shoigu is far preferable to the bloated and inefficient Soviet legacy command system that preceded it, it can only be fully effective in a network-centric environment where automated control systems (ACS) extend to at least the company level. While the Russian defense industry is making some limited progress in developing such systems, there is no chance that ACS will reach further than the brigade level by the end of this decade. Even at that level, it will be difficult for commanders who were not trained in a technology-centered environment to adapt to these systems. As a result, despite the

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2 The corresponding transition in the United States took well over a decade to complete.
new more streamlined command structure, the Russian military is unlikely to achieve its goal of matching leading Western militaries in the ability of its commanders to communicate with units in the field.

Military procurement is facing particularly serious problems. Even before the government decided it would remove the threat of import substitution from underachieving sectors of the defense industry, the key corporations by and large were already on a trajectory making them unable to modernize facilities in time to produce the weapons and equipment called for by the current ten-year State Armament Program. A large percentage of additional funding earmarked for defense industry modernization and the procurement of a new generation of military equipment is in the process of being squandered through corruption and inefficiency.

State financing does not necessarily flow to the companies best suited to produce the weapons and equipment sought by the Russian military. As with much of the rest of Russia’s economy, financial flows depend a lot more on the companies’ connections with top leaders and their ability to stay on the right side of changes in the political environment. As long as political considerations outweigh factors such as cost and quality in the Russian government’s military procurement decisions, the defense industry’s ability to meet its targets will remain suspect. Although the integration of a majority of sectors of Russia’s defense industry into monopolistic holdings may have initially been beneficial in eliminating the duplication of effort and promoting economies of scale, it is now hindering innovation, increasing costs, and reducing the quality of production. If the Russian military hopes to increase its prospects for receiving the armaments it says it needs in order to field a viable 21st century military, it will need to push the government to restructure monopolistic politically-connected holding companies into smaller privately-held, and therefore more nimble, corporations. It will also need to further restructure its procurement system in order to eliminate the potential for political connections to trump quality of production in deciding the allocation of state defense orders. Neither of these outcomes is likely to be reached in the current Russian political climate.