

# The Political Forum

*A review of social and political trends and events  
impacting the world's financial markets*

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### ONCE UPON A TIME IN RUSSIA

Mark L. Melcher

In light of Gorbachev's on-going effort to keep Lithuania in the national gulag, and the fact that chances are excellent he will soon face similar intense demands for freedom from other Soviet Republics, I thought it would be instructive to look at how these entities got sucked into the U.S.S.R. in the first place.

This effort admittedly contains some chronological expediencies that will drive real historians crazy. But it offers a thumbnail look at Soviet history, and in doing so, I hope provides some insights into the legitimacy of the demands for sovereignty by the various Soviet Republics. So here goes.

People were living in the Ukrainian region north of the Black Sea as early as 1200 B.C. They were the Cimmerians. In the rest of the world, the Greeks were fighting the Trojans, Moses was leading the Israelites out of Egypt, and the Phoenicians were becoming the dominant Mediterranean trading power.

Between 1200 B.C. and 862 A.D., when modern Russian history begins, the area was invaded and ruled by a succession of pretty nasty folks, including the Scythians (from Iran), Sarmatians (more Iranians), the Goths (Germans), the Huns (Asians), the Avars (basically Huns) and the Khazars (more Asians).

But, let's begin our story in 862 A.D., when the Slavs living around the Ukrainian city of Kiev were confronted with a bunch of Vikings, called the Varangian Russes, headed by a guy named Rurik. These Vikings took over the Slavic city of Novgorod and by 882 one of their leaders, Oleg, captured Kiev.

Kiev was located on the main trade route connecting the Baltic Sea with the Black Sea and the Byzantine Empire, and Kiev's army defended Russia against invading tribes from the south and east. So, the Kievian prince became the Grand Prince during the 900s and ranked above the other Russian princes. It was Grand Prince Vladimir I who made Christianity the state religion in 988.

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Kiev's power waned after the turn of the century and local princes fought each other for the next couple hundred years. Then, in 1237, Batu, a grandson of Genghis Khan, led 200,000 or so Mongols into the area and began destroying towns. Kiev was leveled in 1240 and Russia became a part of the Mongol empire's Golden Horde. During this period, the Byzantine Empire was flourishing culturally south of the Black Sea, but was declining as a world power. The Holy Roman Empire dominated Europe.

The Mongols were mostly interested in collecting taxes and knocking the hell out of anyone challenging them. They let local princes run the political show. In the early 1300s, Prince Yuri of Moscow married the sister of the Golden Horde's big shot Khan and was appointed Grand Prince in 1318. This was a big Mongol mistake. The Moscow Grand Prince became increasingly powerful, while the Mongols fought among themselves and became weaker. In 1480, Grand Prince Ivan III (the Great) took firm control of the area around Moscow and told the Khans to go suck eggs.

So far so good. But during the period of Mongol rule, the European renaissance and reformation bypassed Russia, creating a cultural gap between the two regions that still exists.

Between Ivan the Great and 1547, when Ivan the Terrible (IV) became the nation's first Czar, Russia was confined to the area around Moscow and north to the Barents Sea. It was referred to as Moscovy. It had no territory on the Baltic Sea and didn't even control Kiev, or other areas just north of the Black Sea.

Ivan the Terrible, however, made some changes. Indeed, he can be considered the father of the modern Soviet state. He was the first of many certified nut cases to run Russia. He formed the first of many brutal special police units. He launched the first of many reigns of terror, killing hundreds of local princes, aristocrats and church leaders, and burning towns and villages.

He gave his victims' land to the guys who did the dirty work for him. Then, to assure that ownership of the land was worth something, he established serfdom, which bound the peasants to the land forever. This became the basis for Russian economics for hundreds of years and further differentiated that nation from Europe, where serfdom was dying out as an economic system.

In addition, Ivan the Terrible began Russia's aggressive program of territorial expansion that continued, with a few setbacks, for the next 450 years. Ivan captured a lot of land in the southeast from the Tartars, opening a route to the Caspian Sea. And he crossed the Urals and conquered western Siberia. He tried to expand westward to the Baltic Sea, but the Lithuanians, Poles and Swedes stopped him in the long, bloody Livonian war.

For ten years or so after his death in 1604, all hell broke loose. This period is still known as the Time of Troubles. The government fell apart; the Poles and Lithuanians invaded, capturing Moscow and running the place for a while. But the Russians united, drove them out and in 1613 Michael Romanov was made czar. His offspring ran Russia for the next 300 years, until the February Revolution of 1917.

During the 17th century, Russia under Mikie and two other Romanovs (Alexis and Theodore III) took control of much of the Ukraine after years of war with Poland, Lithuania and Sweden. They also expanded eastward to the Pacific. But, they could not meet the enormous demand for products from the eastern forests because hostile Swedes, Poles and Turks blocked sea and land routes to Europe. The only real outlet Russia had was the Barents Sea, but this was open only during the summer months.

Peter the Great went to work on this problem early in the 18<sup>th</sup> century. By 1721, he achieved his “window to the West,” by beating the Swedes out of Estonia and Livonia (part of Latvia) on the Baltic Sea. Catherine the Great completed the job, dividing up Poland with Prussia at the end of the 18th century, taking what is now the Republic of Byelorussia and most of Lithuania.

She also moved south, and by the end of the century had fought two major wars with the Turks, annexing the Crimea and the whole northern region around the Black Sea. Her grandson, Alexander I, took a great deal more Turkish land around the Black Sea and the Caspian Sea, parts of what is now Georgia and Azerbaijan.

In 1812, Napoleon invaded Russia. But he got caught in a Moscow snow storm and the rest is history. Russia emerged with control over another large chunk of Poland, including the Warsaw area. Poland ceased to exist.

Nicholas I, another real sweetheart who liked secret police and killing people, took over in 1825. He fought two wars with the Turks in the Balkans in an effort to gain access to the Bosphorus straits leading from the Black Sea to the Mediterranean. During the first, in 1828, he picked up some territory around the Black Sea. But in 1853, Great Britain and France joined the Turks, and Russia lost the Crimean War. In 1856, Russia agreed to give up land gained in 1828 and to keep no Black Sea navy. In 1877, Russia was back invading the Balkans again. But again it lost.

In the meantime, however, Russia looked eastward. It completed the acquisition of the whole of northern Asia as far as, and sometimes into, the great mountain chains which separate it from Persia, Afghanistan, India and China. Military domination over Kazakhstan east of the Caspian was completed by 1854. Mountain campaigns between 1857 and 1864 completed Russian control of the Caucasus in Georgia, Armenia and Azerbaijan. The armies then took Uzbekistan, Turkmenia, Tajikistan and Kirghizia.

In the Far East, Russia won land from China in 1858 and 1860 and immediately established Vladivostok on the Sea of Japan. In 1875, it traded the Kurile Islands with Japan for a piece of adjoining coastal land on the southern Sakhalin Peninsula, and in 1891 began building the Trans-Siberian railway to Vladivostok. Vladivostok, however, was not a warm water port, so in 1886 Russia leased Port Arthur (on the Yellow Sea across from Korea) from the Chinese, conned them into a strip of land across Manchuria, and began building a spur line of the Trans-Siberian.

The Japanese didn't like this, so they went to war with Russia in 1904 and won. Russia agreed to leave Manchuria and return southern Sakhalin to the Japanese. It didn't, however, get the Kurile Islands back. During this extraordinary latter half of the 19th Century, the ordinary Russian citizen was having a tough go of it under the harsh rule of Czars Alexander III and

Nicholas II. At the same time, a very dim future for this ordinary Russian's children was being put in place in the basement of London's British Museum, where a misanthropic German named Karl Marx, who drank heavily and rarely bathed, spent 34 years from 1849 until his death in 1883 inventing Marxism, the economic equivalent of cancer.

In 1914, World War I broke out. In 1917, before the war ended, Lenin and the Bolsheviks seized the Russian government and withdrew from the battle, signing a separate agreement with Germany called the Treaty of Brest-Litovsk, in which they gave up large areas, including Latvia, Estonia, Lithuania, Finland, Poland and the Ukraine. Also, after the war, Armenia, Georgia and parts of Azerbaijan declared independence and set up independent Republics. These latter independent Republics lasted only from 1918 through 1921. After the civil war between the Bolsheviks and the anti-communists, the Red Army took them back.

On the eve of World War II, August 23, 1939, Hitler sent foreign minister Joachim von Ribbentrop to Moscow to sign a secret "non-aggression" pact with Stalin. It provided that neither nation would attack the other, that each could conquer territories without interference from the other, and it divided Poland.

On September 1, 1939, Hitler began WWII by invading western Poland. On September 17, Stalin declared that Poland "ceased to exist as a state," and the U.S.S.R. invaded eastern Poland. On November 30, the U.S.S.R. attacked Finland, which surrendered in March, 1940. In June, 1940, the Red army moved into Bessarabia (then part of Rumania) and into Estonia, Latvia and Lithuania.

British historian Paul Johnson, in his best seller *Modern Times*, notes that "Stalin, who trusted nobody else, appears to have been the last human being on earth to trust Hitler's word." And on June 22, 1942, to the great surprise of Stalin, Hitler violated his pact with Stalin and invaded the Soviet Union.

At the end of World War II, the U.S.S.R. kept control of a big chunk of Poland, the Baltic states and Bessarabia. It incorporated the latter into a new Soviet Republic called Moldavia. And, of course, it established Communist puppet governments in Albania, Hungary, what was left of Poland, Bulgaria, Rumania, Czechoslovakia and East Germany.

On August 6, 1945, after the war in Europe was over, the U.S. dropped the first atomic bomb on Japan. Two days later, the Soviet Union declared war on Japan and invaded Manchuria and Korea and took back the Kurile Islands. It left Manchuria and Korea eight months later. But it holds the Kurile Islands to this day, despite howls of protests from Japan.

On December 27, 1979, Soviet troops invaded Afghanistan. In February, 1988 Soviet troops withdrew from that country. In January, 1990, Soviet Premier Gorbachev went to Lithuania to attempt to convince Lithuanians to remain a part of the U.S.S.R.

Now it is admittedly risky to generalize about 11 centuries of Soviet history. But this observer is struck by the constancy with which princes, czars and Communist dictators alike have all pursued similar violent territorial expansionism in an effort to gain access to seaports and trade routes, and to provide land buffers between Mother Russia and her neighbors.

The question now is whether modern transportation and communications, coupled with worldwide economic integration, have rendered obsolete this strategy for protecting the territorial and economic integrity of the Russian history; and thus whether Russia is about to take an entirely natural historical turn toward more peaceful coexistence with its neighbors. If this is the case, the eventual success of Gorbachev's perestroika and glasnost is assured regardless of his personal fate.

The alternative view, put forth by sovietologist Vladimir Bukovsky, is that a review of Russian history reveals that the current relaxation in Russian bellicosity is simply a necessary diversion in the continuum of its long expansionary history. Referring to the so-called courage of Gorbachev's recent actions, Bukovsky argues that "a man jumping from a sinking ship is not commonly described as courageous, even in the West."

In fact, he says sarcastically, such fits of courage "afflict Soviet leadership approximately every 20 years and they always coincide with a deep crisis in the Soviet system." If Bukovsky is correct, Gorbachev will simply be another in a long line of Russian "reformers," adept at hiding his long-term designs from a West that doesn't understand his nation.

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