

Russian ruling class set to vastly increase spending on military, domestic repression

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In late September, the Russian government submitted to the State Duma (the lower house of the Russian parliament) a draft federal budget for 2024-2026, which provides for a scale of defense spending that is unprecedented in the history of modern Russia. This year's military spending has already outstripped all previous spending on the army since the restoration of capitalism in 1991, totaling 10.77 trillion rubles (approximately \$110 billion). Next year's spending on the army is expected to total a record 13.5 (approximately \$140 billion) trillion rubles, which is up to 6.31 percent of Russia's gross domestic product (GDP). This is 25 percent more than last year's figures.

In addition to the spending on the armed forces, 3.5 trillion rubles (roughly \$38 billion) are scheduled to be spent on "national security". Together, the combined spending on warfare and increased repression will total 17 trillion rubles (roughly 175 billion dollars), which is 41 percent of budget spending or 8 percent of the country's GDP.

Already, the Russian Oversight Committee (which is subordinate to Russia's Ministry of Digital Development) has planned to spend nearly 60 billion rubles (about \$620 million) to block Virtual Private Networks (VPNs) and other ways to circumvent the growing internet censorship. And just recently, Roskomnadzor blocked Discord, a messenger popular with gamers in Russia.

The budget itself provides for total spending of almost 41.5 trillion rubles (about \$428 billion). Of these, spending on defense and security is significantly more than the total spending on education and health care combined. Thus, the draft allocates 1.58 trillion rubles (\$17 billion) or 0.7 percent of GDP for education and 1.86 trillion rubles (\$20 billion) or 0.87% of GDP for health care.

This year's spending on social welfare (pensions, various social benefits, etc.) is already among the lowest in the history of modern capitalist Russia (the lowest since 2011), but spending on these items will be cut even more next year. Total social spending is to fall by 16 percent — from 7.7 trillion rubles this year to 6.5 trillion in 2025.

Total budget revenues in 2025 will increase by 12 percent compared to this year, while expenditures will increase by 5 percent. It is assumed that the income coming into the budget will increase due to an increase in corporate income taxes from 20 to 25 percent. The cuts to social spending in the budget make clear that the ruling class as a whole will shift these expenses to the working class, further increasing their exploitation.

This budget has already been approved by the Economic Policy Committee of the State Duma and there is no suggestion that the entire State Duma will revise the spending on the army downward in any way. This was also the case last year, when only the Stalinist Communist Party of the Russian Federation (KPRF) and Just Russia voted against the draft budget, saying it was not a "victory" budget. Both of these parties function as a "loyal opposition" to the Putin regime. They fear that the cutting of social spending so dramatically might have serious political consequences for the regime, but are saying nothing against the extraordinary amounts of money spent on the armed forces.

Nevertheless, Russia's military spending still lags far behind the total U.S. military spending of roughly \$1 trillion, which is more than the combined military spending of the next 11 countries on the list.

The Russian budget is being adopted against a backdrop of worldwide escalation of war and the threat of World War III. The expected authorization by the

US for Ukraine to strike deep into the territory of Russia with high-precision missiles and the US-backed military rampage of Israel in the Middle East are part of an emerging new world war.

A large section of the US ruling class, led by the Democratic Party, is preoccupied with the escalation of the war with Russia, which it sees as an indispensable stepping stone to a war with China. The military crisis of the Zelensky regime's war effort has only deepened their frenzy to bolster the war effort against Russia. They are also concerned that a potential second Trump presidency could result in a tactical shift of US war policies abroad.

However, both factions of the US establishment agree on the necessity of war with Iran and, above all, the need to prepare for war against China. The contradictions of the capitalist system in the centers of imperialism have been brought to the breaking point and the imperialist states see the way out of the situation only in a new redivision of the world, threatening the nuclear annihilation of mankind.

Therefore, the military budgets of all countries involved in one way or another in the conflicts will grow, and the economies will be transferred to the military rails. This is especially true for Russia, which is currently the most immediate target of imperialist aggression. While the Putin regime, which emerged out of the Stalinist destruction of the USSR, is still trying to find a negotiated settlement with imperialism, it is at the same time preparing for a protracted military conflict with the imperialist powers. The budget underscores that the oligarchy is determined to make the working class pay for this, and is gearing up to violently suppress any opposition to war and austerity from below.

But this is bound to provoke a backlash from the working class. The principal task is to channel the inevitably emerging movement of the working class in a socialist direction, combining the struggle against austerity and the attack on democratic rights with the struggle against imperialism and the capitalist system as a whole. This task is now more urgent than ever. The war in Ukraine and the genocide in Gaza have already claimed the lives of several hundred thousand people, and the likely casualties of a regional expansion of the conflicts, let alone a nuclear war, defy imagination. Only the working class, armed with socialist and

historical consciousness and a new revolutionary leadership, can prevent such a catastrophe.



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