I approaching this from the view of an international analyst for a business contemplating doing business in two countries across the world. The two countries we are looking into are The United States of America and Russia. I have been following current events and issues facing the countries to see if we think doing business would be a smart move for the company. The issues I looked at concern domestic political events. These are very important for a company to look at because often times the government can play a large role in the success of a company. Also a company can play a role in helping the government out of some of its economic problems. I am looking at the United States because it is a well formed and established country that is home to many successful businesses. Then looking at Russia because while it is a rather new country just coming out of communism it has potential to be a major powerhouse in the future with its location near Europe. Most of the issues will fit into one of the following categories: nation building, political stability, democratic governing, and political economy. I will be discussing each countries individual problems, how they should solve them, and then comparing both countries similar problems and how their solutions are different.

Russia is a different type of democracy than most in the world. They have a democracy that has a parliament with a prime minister along with a president. Russia is also a country that just recently became a democracy so they face issues of trying to switch from communism to democracy. Recently on September 18th Russia had an election to elect a new state duma, which is their legislative branch. Putin gave a special message to the country urging them to take
advantage of their right to vote and how important the right to vote is for citizens of the country. (Druzhinin 2016) Putin talks about how important the elections are for the people to take part in. For this election alone over 38,000 vacancies will be filled which is why it is so important for people to get involved in the election. He describes that this election is a chance for the people to decide what they want in the country and for them to make an impact in the future. He describes that even if the results of the election go against what he believes are parties he does not want to win; wins he says that people having the freedom to choose who runs their country is the most important thing. Putin issuing this message should be shown as a very large and a very good step in the right direction for a new democracy. For many countries getting out of communism is very tough because not many people in the country are used to anything different. The countries head of state pushing this election shows that he is doing what he cares about this transition from communism to democracy. The results of the election came in and it was shown that the United Russia party won 76% of the seats in the new state duma. The election had a decent turnout with 47% of eligible voters showing up to the polls as an emerging democracy this is a very good sign. I think that this is something that will solve itself as time goes on. As the democracy becomes more common and proven that it is legitimate more people will have faith in it and will be more likely to participate in voting. A few days after the election the Russian Election Commission was able to confirm that the election results were legitimate and valid and once again this will help the whole process of democracy in the country. This is because it will restore people’s faith in the system which will result in more people going to vote which is what is supposed to take place in a democracy. Russia is an emerging democracy and I believe that they are moving in the right direction and the problem they have of not ideal number of people showing up to vote will be something that sort of solves itself as people see that the elections are
legitimate and fair since they will build faith that the system works and is a good system. The problem may require a little bit of support from current leaders such as what Putin did before this election. The only downside is this could work in the opposite way and turn them off from the system if the person who is pushing for people to vote is untrusted it could give the wrong look to the citizens.

The next issue facing Russia is Putin is pressing the new state duma to work on the budget for 2017. Putin expects the duma to begin work on the budget immediately and that although it is difficult they will be able to do it because many of them have become professional financers. The budget the duma makes is vital and will play a large role in the development and the future of the country. Putin hopes that although the parties may have very different ideas of where money should go they are able to put those differences on the back burner and not play politics with the future of the country. The Russian finance ministry expects the budget to take a very conservative look. This would mean lowered spending as a whole from the country and because of this it is expected that the country will get an upgrade in its investment level rating. The S&P’s decision to upgrade the rating is a big step and a very good look for the country as it is the first positive rating since September 2010. The decision reflects the non-biased process of finalization of adjustment of the Russian economy to new external conditions. This shows that the country is continuing to develop and the market will be improving over the next few years for the country. One of Russia’s main problems is that they rely heavily on one main resource and export. That one resource is oil which is a non-renewable resource. The reason this is an issue is due to the fact that they will not always have it and also that the price can change so much. Right now they are basing their budget off of a $40 per barrel of oil. If the price for oil stays this price for the year they will be fine. However, if the price of oil takes a decrease of any
amount they will instantly be taking in less money than they planned on taking in. We saw this sort of thing happen in Venezuela and their economy suffered drastically. Russia should be worried about something like this happening to them as it is a real possibility. One good thing that could come from this is that if for some reason the price of oil increase they will be bringing in more money than they had expected and will be running a surplus. In my opinion if this were the case since often times we see the market act as a wave I think they should throw all this money into a special savings area and just save it. I think they should do this for in the future if the price of oil goes under what they expect it to be they will have extra money in storage to make up for the difference. I also think that for the future Russia needs to make their economy more dynamic and not just rely on this one resource since the price can change drastically and since it is nonrenewable they will not always have it at their disposal. Also along with working on the economy of the country Russia is trying to add support for small and medium size businesses because currently they do not have enough and they are vital for the development of the economy. The Russian prime minister says that paying attention to small and medium size business is important because they are what keeps the economy stable (Astakhov 2016). Especially for a country still in the process of developing keeping a stable economy is extra important. Right now Russia already has a project called the Business Navigator Project, this is a project designed to simplify the process of opening a business. The government is also doing more to improve the number of small and medium size companies in the country and so they can provide more jobs to the people of Russia. To help create more small businesses Putin is demanding that small businesses be given state procurements. He says that this is necessary that the small and medium businesses have access to these procurements if they want to grow and become stable. The work Russia is putting in to benefit small and medium businesses is working
and you can see it based off of some of the statistics they have. “Putin said that natural monopolies and state owned companies have purchased goods and services for over 1 trillion rubles” (Druzhinin 2016). This shows that small businesses are growing in a way that they are able to take some work away from big business. This means that they are becoming more stable and it is almost a domino effect that the more stable they become the more business they will get which then makes them more stable. Russia’s work with small business is not done yet though. The country wants to increase the number of small to medium size businesses by 10% by 2018. I think that they are definitely on the right path to do this based off of the work they are putting in and the progress they are showing. It is also a good sign for any international company small or large that Russia is moving away from the communist economic system they previously had to a more liberal capitalist system that encourages private business and private goods. This being said I think that it is very likely they achieve their goal as it will become easier for people to open up a business and they will be getting support so that they are able to grow and become a stable business. I do think that the Russian government should do certain things to make it easier for small business such as limit regulations they place on them as this often times cost the companies more money and can make it harder to do business. Also I think that they should make it so their tax system supports small business owners, by making it easier to write off expenses and making it easier to pay back the expenses they should see improved growth in the businesses inside of the country. This will then make the economy as a whole more stable and influence trade along with the creation of more businesses along with more businesses choosing to go to Russia.

The United States of America is a well-established democracy and world powerhouse. Even though this is the case it does not mean that they do not still face problems just like the rest of the world does. One of the biggest problems the United States is currently facing is how
The country's division span very wide and cover a lot of the democratic institutions that the United States has been using for decades. The recent election that took place in the United States highlights these divisions very well and allow us to view most of them. The first statistic that stands out is that eight out of ten Americans said that they believe the country is more deeply divided on major issues this year than in recent years. (Agiesta 2016) 80% of people believing that the country is deeply divided on major issues is a huge number and shows that this is a huge problem for the country but there is more than just this. Possibly even more startling than that stat is the fact that about half of all Americans say they are dissatisfied with the way democracy is working in the U.S. The reason for this could be because of many reasons. The first reason could be due to the first statistic listed about how many people think we are divided. They could feel that the democracy system is the reason for the division and this could make them question how effective our democracy is. It could also be due to the fact that people are not happy with our current leaders. The president elect Donald Trump only holds a 47% favorability rating meaning that less than half of the country favors him being the one in power for the country. Another factor that could play into the results of the survey is that 51% of Americans think that there should be a constitutional amendment to get rid of the electoral college and make the voting solely popular vote. Most countries do not have the electoral college but in America it is a core democratic institution on how we elect our executive leaders. The fact that people are this unhappy with the system does not look well for how we elect people in this country and shows just how upset people are with one of the oldest democratic institutions in America. Also fueling the divide is the fact that a very low amount of republican voters think that they should include democratic policies in their agendas. Only 54% of republicans think both party’s ideas should be in the agenda compared to 2008 when 74% of democrats said that
republican ideas should be part of their agenda. (Agiesta 2016). This divide in views is one of the biggest in history for America, one of the countries often looked to as the goal for a democratic government. The country being this divided can lead to many more problems if it continues to stay this way. We have already seen many protest about the results of this election and how unhappy many people have been. While so far most of the protest have been peaceful they could very easily get out of hand and become violent. It could start out simply as attacks on individuals and small groups, but this could escalate very quickly and become more and more violent. This could happen until we have some true political violence in the country. While it is unlikely a full blown revolution similar to the American Revolution it could be very likely people make certain groups that try and change the way things are done in America. The same is true for terrorism while it is unlikely a group like ISIS forms here in the United States it could be possible that some violent groups form that attack civilians possibly based off of how they voted or because of their ideologies. One-way political violence is often counter is by the government increasing restrictions and taking away rights which creates a surveillance state. I do not think that this is the way the situation should be handled in America at all. I think this would lead to even more people being upset with the government leaders and then creating more of a divide in the country. This is because people in America enjoy their right to protest and their right to freedom of speech to take this away people would make citizens furious at the government and the violence would most likely become much worse. I think that the main solution for this problem should be some revisions to the political system in America. I think it would be nice to see more political parties that have a greater variety of how to handle different problems and have a greater mix of agendas. I think that this would lessen the divide because instead of only having two choices for everything and you pretty much having to believe everything one party says or
nothing in it you have the choice to blend more ideas together to find your perfect mix. I also think that allowing for more people to actually have a chance at winning a spot in office is a good solution for this problem. I think this because often we are stuck with candidates we may not like simply because they have the money it takes to run a campaign. If it were easier and less expensive to run a campaign and also major funding advantages were removed from the picture it would encourage more political participation and allow people to feel that they can actually make a change in the system without resorting to violence. Making it easier to participate in the political system will also help prevent some violence due to the fact that some of the violence could be from minority groups that feel they are not being represented well enough in the government. Making it easier to participate for minorities can help please them and allow them to feel more fairly represented. I also do not feel term limits is a good solution for this problem. I think this because if you find yourself in a situation where people really like who they have representing them they should not have to get rid of that person and risk bringing in someone who is not as good or is less liked than the person before. I feel that the divide in The United States of America is due to how difficult it can be to actually be politically involved and also the fact that there are not many choices when it comes to deciding which party or candidate to vote for and often times you are forced to share all of one party’s ideas even if you dislike some of them.

Another issue The United States of America is facing is the issue of illegal immigration and dealing with minorities national and ethnic identities. One of the most talked about topics recently in the United States is dealing illegal immigration from Mexico. Donald Trump has brought this issue into the spotlight and has attempted to come up with solutions to it such as deporting all of the illegal immigrants. These immigrants are illegal in the country because they
do not have citizenship meaning they do not have a strong relationship to the state and are not fulfilling the obligations other citizens are. This is an issue because of the fact that these people are receiving benefits from the United States such as military protection and the ability to find jobs while not putting in the obligations other citizens are. Another reason this is an issue is that many of these immigrants do not have a national identity connected to the United States. Many of them still carry a national identity of the country they came from. This being the case they are very unlikely to ever develop patriotism or pride to the United States. Without this form of patriotism these people may not truly care for the betterment of the country. Also without this form of patriotism these immigrants could be more likely to become radicalized and become violent against the United States. Added to this problem is the issue of covering the border to prevent illegal immigrants from entering the country in the first place. The Department of Homeland Security released a report saying that immigration authorities caught just over half of the people who entered the country illegally (Associated Press 2016). The report stated that only 54% of people who entered the country between border crossing were caught, which is much lower than the 81% the department stated first using a different counting method. The current border control spending has reached $14 billion which is a massive increase compared to years’ prior. The increase in spending could explain why the percent of people getting caught crossing has increased so much. This past year we saw 54% of people trying to enter the country illegally get caught which is a huge improvement from 2005 when only 36% of people crossing the border got caught by border patrol. The Department of Homeland Security also says that we should expect to see more people attempting in the upcoming years due to the fact that more jobs are coming back and being created since the recession hit in 2007-2008. Since more people are likely to be attempting to cross the border spending on the border may have to increase to keep
up with the amount of people attempting to come to the country. I feel that the solution to removing and keeping out undocumented illegal immigrants goes far beyond the physical border. Obviously making sure the actual border is secured is an important thing to do but not necessarily the most important thing. The whole process will require an even larger increase in spending, but I feel that the spending will be worth it in the long run for the country. To secure the physical border I think that building a wall or at least finishing the original fence is a good start as it will simply make it more of a challenge to get across the border. Another step to secure the physical border is to spend money on sensors and cameras to aid the border patrol agents in trying to stop people from crossing the border. Along with the new technology I think we should hire more border patrol agents since we are expected to have more people attempt to enter the country illegally in the upcoming years. Going beyond the border is a step that must be taken as it will aid in tracking down who is in the country illegally and will give them more incentive to come legally or become legal. One thing I think should be done is make it mandatory for companies to use E-Verify in hiring new employees. E-Verify is a system that checks if the person is a United States citizen or not. Putting this into place will make it much harder for illegal immigrants to get jobs until they become legal which is the main reason they come to America in the first place. We should also have a visa entry-exit tracking system so that the government is able to see when a person’s visa expires so that they are not staying in the country longer than they are supposed to on expired visas. The last thing I think should be done beyond the border is ending the funding the sanctuary cities. These are cities that basically protect illegal immigrants and will not arrest or report them to the authorities. Ending government funding to these cities will make it so that the cities will make it so they will not have money and the only way they will get money back is by ending the protection of illegal immigrants. This is almost
force them to crack down on illegal immigrants which will result in many more being reported to
authorities so that they can then get deported or become legal citizens. The issue of illegal
immigration is a major one in America because many people will receive the benefits and take
jobs from legal American citizens. On top of them doing this they also tarnish the national
identity of America and are more likely to become radicalized and act violently towards
America.

While Russia and The United States of America are very different countries they have
many problems involving the same type of topics. The United States is a country that is
considered a very well established and developed democracy while Russia is a democracy they
are still considered to be developing since they just recently got out of communism. The first
problem both countries face that is similar has to do with the trust in their government. Russia is
a country that has somewhat been known for corruption in their government. While the United
States does not have corruption on the same level Russia does many citizens are unhappy and do
d not trust the government to the level they should. Russia is a country that has a corruption rank
of 105 compared to all of the countries in the world. 105 out of about 200 is not a good ranking
at all. When citizens feel this way about the government they are very likely to lose support in
the system and could act violently or stop participating at all. They may stop participating
because they see no point in participating because they are not able to make true change if
politicians will win the election no matter what. The way this is relatable to the United States is
that politicians could be bought and will vote on things the way big corporations want them to
not the way the citizens want them to. Putin recently talked about this issue in his state of the
union address. He talks about this issue and how he is declaring war on it and that it is not a
show it will be a legitimate effort to end or help the corruption in the government (Korotaev
The United States has more of a problem with too much outside influence in the government. Corporations and lobbyist will try and basically buy politicians votes. This can make the public very upset and not trust the government because they will start to feel that they do not really have a say in what happens in the government. They could also feel that their representatives do not have their best interests in mind. When the public feels this way about their government officials they will begin to not trust the system at all which once again can lead to lack of political participation or eventually political violence in the country. Citizens of countries that have corruption in their political culture do not like it and often times this is what influences many revolutions and can spark protest or other forms of political violence because the citizens want to change the system that they do not trust. I think that Russia should continue to crack down on corruption in their government if they want to remain legitimate. As for the United States ending lobbying is something that may not be possible or even if it is it would be extremely difficult. I believe that companies should be able to talk to congressmen about the issues however I do not think that they should be bribing them with money or gifts. This is something that can get very out of hand and make the government become illegitimate very quickly. If these problems are not addressed the countries risk political violence and risk their governments becoming illegitimate figures of power.

The main difference between the countries of the United State and Russia is the fact that Russia is still trying to develop and build an economy while the United States is already developed and focuses mostly on maintaining and building their already strong economy. Putin also mentioned in his state of the union speech a plan for the country so they can continue to develop and build up their economy. (Metzel 2016). He talks about how building better relationships with other countries will help build their economies so that they can trade with each
other and help each other out when it is needed. This is different from the United States which at this point is not trying to build from the ground up but rather add on to the building that has already been built. The United States has one of the strongest economies in the world and considered to be one of the strongest countries too. I do think that it is very possible to see Russia close to even with us at some point in the future as long as they continue to develop at a good rate. I think that one big step that would help Russia is to build better ties with the United States. I think this because since the United States is already developed country building better ties with them would allow them to get advice and do things the way we have proven them to work. On top of just getting ideas it would allow for more trade in the country and open up new markets for businesses in Russia that wish to expand and grow which would in turn help the Russian economy.

From the perspective of an analyst for an international business it is important to look at the domestic problems the country faces and think about how they can solve them and how big of a role the problems may be for the business. I looked at two problems Russia has those being their lack of high political participation mainly due to lack of trust in the elections and the need to expand the country’s economy from just one non renewable resource. I provided solutions to these problems and do believe that the country can solve them. These solutions were to continue giving the public a reason to trust the system which would influence more political participation. The other solution was to make it easier for small businesses to get started and make it easier for them to grow by providing tax breaks and making it easier for expansions to be done. Since these problems can and I believe will be solved they would not stop my company from doing business in the country, in fact setting up the business in the country would help one of the current problems. For The United States of America, the problems I outlined for them is the major
division in the political system and how it could lead to violence and people being upset with the
democratic institutions and the illegal immigration and national identity crisis. I believe that the
first problem could be solved by allowing for more political participation and also giving voters
more options in who to vote for. For the second problem I listed many things that must be done
but it focuses primarily on securing the physical border and doing much more in the actually
country that would encourage immigrants to come legally or become legal. Both countries deal
with a lack of trust in the government however, they have somewhat different solutions. In
Russia they need to continue with the war on corruption and work to build back people’s trust
this way. For the United States I think that more laws should be placed on lobbyist so that
politicians are not bought into voting certain ways that do not have the publics best interest in
mind. The countries are different because Russia is still developing while the United States is
already proven and developed. I think that in order for Russia to catch up they need to improve
relations with other countries as this will open up more trading opportunities and create more
markets for businesses in the country which will also boost their economy. Overall I think doing
business in both countries would be a good move because the problems the countries have can be
solved by the government and the countries would be a great place for business.
Works Cited