

U.S.-Russia Relations: Return to Realism; Fewer Bear-hugs Expected

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What a difference a year makes. As the year 1999 turned over into 2000, the question being asked in the United States was: who is Mr. Putin? Now, as 2000 rolls over into 2001, many in Russia are asking the question: who is Mr. Bush? Specifically, what does a Bush administration mean for Russia? A Bush administration will most likely entail a return to a pragmatic policy based on realism and on the national interests of the United States. The relationship will no longer be based on the chummy relationship of Bill Clinton and Boris Yeltsin; as one analyst wrote, "there will be fewer bear-hugs." Bush's new foreign policy team has already suggested that there will be a fundamental change in the way the U.S. formulates Russia policy. Coincidentally, when Putin became president a year ago, he also outlined a foreign policy based on the "real national interests" of Russia. This could herald an era of increased strain between the two nations. However, a clear enunciation of policy by both sides could also enhance the possibility of progress in arms control and in economic relations. Much of this depends on the new policymakers in Moscow and Washington. Quadrilateral relations in East Asia (including China and Japan) could also be in for a big change under the Bush administration.

Bush's New Foreign Policy Team: Good or Bad for Russia?

Two of the first nominees for the Bush shadow cabinet were for the foreign policy team, and they came as no surprise. The nomination of Colin Powell as Secretary of State was forecasted more than a year ago. Powell represents a return to the realist-minded foreign policy of the Reagan years. Shortly after his nomination, Powell announced that Russia and China were foremost on the national security agenda, and though they were not to be treated as competitors, they were also not to be considered "strategic partners," a deliberate jibe at the Clinton administration's policy of the last several years. Of more interest to Russian observers was the nomination of Condoleezza Rice as Bush's National Security Advisor. Known in Moscow as a hard-liner, Rice made clear her views on Russia early in the campaign. She stated that U.S. policy toward Russia under a Bush administration would be much tougher in the areas of economic assistance and arms control, but that this policy would be pragmatic and in the interests of both nations. President-elect Bush also put forward Donald Rumsfeld, Secretary of Defense under Gerald Ford, as his candidate to head the Pentagon. Rumsfeld is seen as a strong

supporter of the development of a national missile defense (NMD) system. In the last months of the Clinton administration, the “Forget Russia” school seemed on the ascendency in Washington. The daily *Nezavisimaya Gazeta* suggests that with a Republican administration, Russia will no longer remain on the periphery of U.S. interests. “Is this good or bad for Russia?” it asks.

Many politicians in Moscow, including Vladimir Putin, consider a Republican administration in Washington a better deal for Russia. “We have always been able to find a common language with the Republicans,” stated Putin in a recent television interview. Many politicians in both countries point to the fact that most of the major arms control agreements were initiated and signed by Republican presidents. “Our relations will become more clear now. The Democrats left much shrouded in fog. Sometimes Russia was a friend, sometimes it represented a threat,” stated Gennady Seleznyov, the Communist speaker of the Duma. Ironically, some economic reformers (including President Putin’s economic advisor Andrei Illarionov) also commend a Bush triumph, because less aid from the West means that Russia will be forced to deal with its economic fundamentals, which are still in shambles in spite of the seven percent GDP growth rate expected for 2000. Even many hard-liners in Moscow favor a Republican administration because Republicans are seen as less prone to interfere in Russia’s internal affairs. This has become significant in the last year, particularly regarding the conflict in Chechnya, and could become even more so given Putin’s crackdown on independent media in Russia. An article on *Strana.ru*, a quasi-official Kremlin mouthpiece, applauded Rice’s talk of Russia getting its own economic house in order before it can expect significant aid. “This is what President Putin is doing right now,” the article added.

However, other observers in Russia suggest that Russia should not begin celebrating a Bush victory too soon. First and foremost will be the issue of an NMD system, the development of which President-elect Bush says he strongly supports. Even if the Bush administration puts NMD development on hold, theater missile defense (TMD) could be the next option. This could have a tremendous impact in East Asia, where Japan is expected to contribute to the development of such a regional missile defense system. U.S. relations with China will become aggravated, which will force both Russia and Japan to make some difficult decisions.

Arms sales in East Asia, South Asia, and the Middle East will also be an issue of contention between Moscow and Washington. The Russian Foreign Ministry recently announced its intention to back out of the secret “Gore-Chernomyrdin” deal of 1995, and to continue selling arms to Iran. This decision was severely criticized in Washington, particularly by Republicans on Capitol Hill. The harsh rhetoric coming from Washington has stung many in Moscow. In an interview on the radio station Echo Moscow, Deputy Speaker of the Duma (from the liberal Yabloko faction) and former ambassador to Washington, Vladimir Lukin, strongly criticized the U.S. position. He argued that now that the U.S. has cornered a big majority of the international arms market, it does not want Russia to trade with the countries where Moscow has established clientele--such as in the Middle East (which is now awash in petro-dollars). Further qualitative arms sales to China (to whom Russia hopes to send a version of an AWACS system) could also

escalate tensions between Moscow and Washington. Putin's recent penchant for reaching out to "states of concern" (Cuba, Iran, Iraq, Libya, North Korea) has not won high marks in Washington either. Even the Nunn-Lugar program, the one area of bilateral cooperation that seems an unqualified success in both capitals, has had its recent setbacks and its future is by no means assured, as it apparently has its enemies in Congress. NATO expansion is also purportedly high on the agenda of many in Bush's shadow cabinet. NMD and NATO expansion can be expected to be the locus of disagreements between the two sides, and could threaten to irreparably damage relations if policymakers on both sides are not careful.

Putin's Priorities

Putin's agenda for his first year focused on economic and political reform at home. Putin wants to centralize power, heel in the regions, quiet political opposition, emasculate the oligarchs (at least those with whom he does not see eye-to-eye), and carry out economic reform so as to attract foreign investment. So far the report card is mixed. The only area he seems to have had success in is quieting opposition. His support ratings continue to hover between 60% and 70%, in spite of the fact that real economic reform still exists only on paper. The success of the trumpeted tax reform will only be known when taxes are collected, and the high GDP growth rate is more a by-product of uncontrollable macro-economic factors (the weak ruble and the high price of oil). Admittedly the passing of comprehensive legislation on production-sharing agreements (PSA) is a step in the right direction, but this concerns resource development, and Russia has never had a problem attracting foreign investment for resource extraction. Russia's economy is still a long way from being healthy. Realizing that economic reform will take years, Putin wants to maintain the appearance (either to his countrymen or to himself) that he is keeping busy. As such, he has had a travel schedule that has taken him to North America, Latin America, East Asia, Southeast Asia, South Asia, Central Asia, and all over Western Europe.

There is a coherency to his itinerary, and it seems calculated to make a statement. Putin has studiously avoided travelling to nations that strongly criticize Russia's actions in Chechnya--he did recently travel to France but only because it was the rotating head of the European Union for 2000. Putin also pointedly bypassed the U.S. on his recent North American tour (though admittedly the press in Russia made more of this than was warranted). In his speeches in both Cuba and Canada, Putin lashed out at NMD and at the U.S. penchant for "unilateralism." Putin has also made efforts to establish rapport with leaders of nations he feels he can count on for economic assistance (Germany, Great Britain, Japan). He also has reached out to nations to whom he hopes Russia can sell weapons (China, India, Iran, Iraq, and selected ASEAN states).

This fits in well with his plan for economic reform (based on increased foreign aid and investment, and on a renaissance of Russia's high-tech military-industrial complex), and minimal opposition (at home or abroad) to his policies, however heavy-handed they may be.

Energy and the Near-Abroad

An area of contention between the U.S. and Russia over the past several years has been the policy of the Clinton administration to support the nascent countries of the Caucasus and Central Asia. But events of the last several months have put this situation in an entirely new light. Putin has forcefully made it known that he plans on keeping the former Soviet republics in Moscow's orbit. He has traveled frequently in the region and supports a strong Russian political and military presence. Also, the increasingly apparent dictatorial nature of these regimes has deflated romantic notions in the U.S. State Department of building a network of liberal democracies on Russia's periphery. The recent presidential election in Kirghizstan, once the democratic poster-boy of Central Asia, was as big of a farce as past elections in the other "republics." Furthermore, as the major Western and American oil companies continue to question the feasibility of the Baku-Ceyhan pipeline route and as Iran continues to improve its image abroad, the whole foundation of the recent U.S. policy in the region is thrown into doubt. The ideas of keeping Russia and Iran out, and of building democracies alongside an east-west pipeline, are now up for debate. Russian analysts are speculating that the Bush administration is less keen on the Baku-Ceyhan route and will be no friend of Central Asia's republics.

One area of Russia's southern periphery where Washington and Moscow's interests do seem to overlap is in Afghanistan. Both nations see Afghanistan as one of the principle training grounds of the world's terrorists. There was even speculation this fall in the Russian press of U.S.-Russian military cooperation in carrying out air strikes against terrorist training camps in Afghanistan. The recent UN resolution (December 19) to enact economic sanctions against the Taliban regime was co-sponsored by Moscow and Washington. It will be worth watching how the Bush administration deals with Central Asia, and whether this region will turn from an area of competition to an area of cooperation between the U.S. and Russia.

East Asia, the United States, and Putin's Russia

Vladimir Putin is actively seeking a new place for Russia in the East Asian region. Russia has been seriously weakened in the region over the past ten years. Russia's marginalization has become even more apparent in the face of the continued geo-political dominance of the U.S. Russia has also had to witness the rise of the economic and military power of its once junior partner, China. Former Russian President Yeltsin hoped to ameliorate Russia's position by forging close military ties with China, and by agreeing to improve relations with Japan, from which he hoped Russia could obtain significant economic largesse. However, weapons sales to China only seemed to make Beijing more capable, and Japanese economic largesse actually seems more tied to economic fundamentals in Russia than to political or territorial issues.

Putin seemed to find the answer in the most unlikely of places, North Korea. By travelling to Pyongyang this summer he hoped to restore DPRK-Russian relations and show that Russia deserved a place at the negotiating table on the Korean Peninsula's future. Putin's visit turned out to be premature, as Russia has little to offer North Korea.

Nevertheless, it demonstrated Russia's ardent desire to become a player again in Northeast Asia. Putin hopes that by neutralizing the North Korean missile threat, the primary *raison d'être* for an East Asian TMD system will vanish. Putin is also seeking to increase contacts with the nations of Southeast Asia, and he held a series of bilateral meetings with leaders of ASEAN nations during the Asia Pacific Economic Cooperation (APEC) Leaders' Meeting in Brunei in November.

Putin also plans on continuing to build on links with both China and Japan. Consequently, Russia could find itself in a difficult position if the Bush administration pushes for the development of an East Asian TMD system. Japanese cooperation is deemed indispensable in Washington, and the Japanese themselves are extremely interested. Thus far, Russia has supported China's denunciation of a TMD system in Northeast Asia. However, many analysts in Moscow say that Russia's position is *pro-forma* and that it is not strongly opposed to an Asian-based system. But China's opposition could cause serious friction in the Beijing-Tokyo-Washington triangle, which would have ramifications for Russia in East Asia. Taiwan is another issue that threatens to further complicate quadrilateral relations. If Russia strongly backs China on TMD and Taiwan, we could see the beginnings of a new Cold War system in East Asia, reminiscent of the 1950s, if tensions grow. In such a case, U.S.-Russian regional cooperation in East Asia would come to a halt, and Russian-Japanese relations would be pushed back into a deep-freeze (as would perhaps a timetable on Korean reunification). Russia would have to forget about significant Japanese or South Korean economic assistance. Japan would be expected to increase its share of the regional defense burden in line with the United States, and normalization with Moscow would lose its priority status in Tokyo. But if Russia decides to sit on the sidelines, relations with China would suffer, and one of its biggest arms clients might look elsewhere.

How Vladimir Putin responds to such a situation could tell us a lot about his vision of Russia's future, not only in East Asia, but in Europe, North America, and at home as well. Much will also depend on how Russia's relations with the incoming Bush administration evolve.

Chronology of U.S.-Russia Relations October-December 2000

Oct. 16, 2000: Russia, formally a co-sponsor with the United States of Middle East peace talks, is conspicuously absent from Middle East Peace Conference at Sharm el-Sheik. Many in Moscow consider this a blatant snub

Oct. 16, 2000: Trial of U.S. businessman Edmond Pope, convicted of espionage, begins in Moscow. Analysts view it as both an internal and external political tactic by the Kremlin.

Oct. 16, 2000: Russian Foreign Minister Igor Ivanov travels to Teheran to meet with Iranian officials.

Oct. 24, 2000: Eleven former high-ranking presidential advisors publish a letter criticizing Vice President Albert Gore's "secret deal" of 1995 with then-current Russian Prime Minister Viktor Chernomyrdin that allowed Russian arms exports to Iran to continue until 1999.

Oct. 31, 2000: Two Russian cosmonauts and one American astronaut are launched into space from Russia's Star City, Baikonur, to open up the International Space Station.

Nov. 2, 2000: Japanese Foreign Minister Kono Yohei arrives in Moscow in a last-ditch attempt to solve the territorial issue and sign a peace treaty before the arrival of the self-imposed deadline of Dec. 31, 2000. He comes away empty-handed.

Nov. 3-4, 2000: Russian Prime Minister Mikhail Kasyanov visits Beijing. China expresses interest in Russian-version AWACS.

Nov. 7, 2000: The U.S. presidential election ends in a dead heat. No winner is declared.

Nov. 14, 2000: It is publicly acknowledged that two Russian warplanes buzzed and photographed the U.S. carrier *Kitty Hawk* while on maneuvers in the Sea of Japan a month before.

Nov. 14-15, 2000: U.S. President Bill Clinton and Russian President Vladimir Putin meet on the sidelines of the APEC Leaders' Meeting in Brunei. In marked contrast to Clinton-Yeltsin, both presidents were cordial, but stiff.

Nov. 15, 2000: A senior official at the Russian Ministry of Foreign Affairs denies that Moscow has softened its opposition to a proposed U.S. national missile shield.

Nov. 15, 2000: Putin calls for a bilateral U.S.-Russian reduction in nuclear weapons to the 1,500-warhead level by the year 2008.

Nov. 23, 2000: Russia announces plans to withdraw from the 1995 Gore-Chernomyrdin agreement and to resume military-technical cooperation with Iran.

Nov. 23-24, 2000: Several Russian newspapers report that the United States has asked several Central Asian states (with Russian knowledge) to host U.S. warplanes so that they may carry out air raids against terrorist training camps in Afghanistan.

Nov. 30, 2000: The Pentagon announces that the Russian air force has moved bombers to air bases in northern Siberia and may be planning to fly maneuvers close to U.S. airspace off Alaska.

Dec. 5, 2000: A Russian parliamentary delegation said at a meeting of Franco-German-Russian legislators in Berlin that Russia would “immediately” withdraw from the START II Treaty if the United States renounces the Anti-Ballistic Missile Treaty.

Dec. 10-19, 2000: Putin visits Cuba and Canada.

Dec. 11-13, 2000: U.S. Chairman of the Joint Chiefs of Staff Henry H. Shelton meets with his Russian counterpart, Anatoly Kvashin in Moscow to address issues such as NATO expansion and national missile defense (NMD).

Dec. 13, 2000: U.S. Vice President Albert Gore concedes the presidential election to George W. Bush. President Putin, on his way to Cuba and Canada, immediately sends his congratulations to Bush.

Dec. 14, 2000: Putin, in Cuba, announces a presidential pardon of Edmond Pope, the U.S. businessman who had been tried and convicted of espionage in early December. Move seen as a political gesture to President-elect George Bush.

Dec. 18, 2000: President-elect Bush declares his candidates for the posts of Secretary of State (Colin Powell) and National Security Advisor (Condelezza Rice).

Dec. 19, 2000: Washington and Moscow co-sponsor UN resolution calling for sanctions against Afghanistan’s Taliban regime.

Dec. 21, 2000: In Brussels, U.S. Secretary of State Madeline Albright and Russian Foreign Minister Igor Ivanov sign a memorandum on the early notification of rocket launches, strengthening further an agreement signed in 1998 by Clinton and Yeltsin.

Dec. 26, 2000: Russian Defense Minister Igor Sergeyev begins a three-day visit to Iran.

Dec. 28, 2000: President-elect Bush announces Donald Rumsfeld Secretary of Defense-designate.

