The last quarter of 2009 proved to be a quiet one for US-Russia relations. Although there were no major bilateral rifts, several issues continue to fester, including the impasse over the Iranian nuclear program. The biggest disappointment, however, may have been the failure to reach an agreement on the replacement for the Strategic Arms Reduction Treaty (START) that expired on Dec. 5. Negotiations are set to resume in January, but end-of-year remarks by Prime Minister Vladimir Putin about the dangers of the US ballistic missile defense system threaten to throw a wrench into the discussions. Meanwhile, the long-awaited East Siberian oil pipeline destined for Asian markets has finally come on line.

The Iranian nuclear issue

The failure of Moscow and Washington (as well as the other parties concerned: China, France, Germany, and the UK) to agree on a strategy to oppose Iran’s incipient nuclear weapon program highlights the strategic disconnect between the two Cold War adversaries. Early in the fall, hopeful statements emanated from Moscow on the need to collaborate and hold Tehran accountable for any illegal nuclear program. After representatives of the six nations met with Iranian diplomats in Geneva in early October, Iran tacitly agreed to send its uranium fuel to Russia for enrichment. Iran also agreed to open its uranium enrichment plant near Qom for International Atomic Energy Agency (IAEA) inspection. This facility had been kept secret until this year. The Russian daily Kommersant wrote that, “For the first time there were no principal disagreements inside the six-party group itself,” and that “its members are ready to have a dialogue with Iran and resort to tough sanctions only in a worst case scenario.” Credit for this solidarity was given to the late September meeting between Presidents Barack Obama and Dmitry Medvedev in New York.

Shortly thereafter, US Secretary of State Hillary Clinton traveled to Moscow to seek further Russian cooperation and perhaps an agreement to push through UN-mandated sanctions against Tehran should it renge on its agreements. After a frosty meeting with counterpart Foreign Minister Sergey Lavrov, there were indications that Moscow was not fully on-board when it came to the Iranian nuclear program. Earlier that week, Deputy Foreign Minister Aleksey Borodavkin had said that Russia intends to continue its military-technical cooperation with Iran. Rumors also swirled that Russian scientists were helping Iran in the development of nuclear weapons. Israeli diplomats confronted the Russian Foreign Ministry with these accusations before Clinton’s visit, according to the Sunday Times in Britain. In what was perhaps an attempt at extending an olive branch, Clinton discussed the idea of the US jointly developing an ABM
(missile defense) system with Russia, but Lavrov gave no definite reply. Although he was in Beijing at the time, Russian Prime Minister Vladimir Putin did not hesitate to put his mark on the Clinton visit by publicly warning against threatening Tehran and backing them into a corner. Lavrov echoed Putin’s sentiments at a press conference with Clinton: “Threats, sanctions and threats of pressure in the current situation, we are convinced, would be counterproductive.”

By early November, Moscow seemed to have a slight change of heart and publicly encouraged the Iranian government to cooperate with the IAEA. This announcement came days after President Medvedev repeated (as he had stated in the US in September) that fresh sanctions on Iran could not be ruled out if there was no progress in the standoff over the nuclear program. He made this statement again in a joint announcement with President Obama in mid-November at the Asia-Pacific Economic Cooperation (APEC) leaders meeting in Singapore. Moscow also continued to withhold delivery of controversial S-300 antiaircraft missiles that Iran had contracted for several years prior. Furthermore, Moscow announced that the start-up of the reactor that Russian engineers had helped construct in the Iranian town of Bushehr would be held up until after year’s end due to “technical issues.”

Although by December press reports suggested that Russia was moving closer to support for sanctions against Iran, Moscow continues to play a cat-and-mouse with Iran and the US, recognizing that this is one area where it still has leverage with Washington. Expect Russia’s leaders to continue to do so. Should they ultimately agree with Washington on sanctions, they will be passing the leverage baton to Beijing, which will likely continue to oppose sanctions.

**START negotiations**

Throughout the fall, US and Russian negotiators met in an effort to come to an agreement for the replacement for the Strategic Arms Reduction Treaty (START-1) that expired on Dec. 5. The eighth round of talks began in November in Geneva and continued sporadically for several weeks. Both sides expressed confidence early that the talks would result in a replacement treaty by December. But as one Russian article put it: “For the most part, [everyone] believes that a new agreement is in order, but the situation is far more complex than putting signatures to parchment.” For one thing Moscow – now in a clear position of conventional inferiority – is in less of a hurry to make an agreement and is less taken with President Obama’s talk of a nuclear-free world. Russia made it clear in early November that once a replacement for START-1 is signed, they are not prepared to immediately launch into discussions on a wider-ranging reduction in nuclear weapons, although Washington appears eager to keep the momentum going. The two sides also recognize that any new treaty must be ratified by their respective legislatures, not normally a speedy process.

The discussions in Geneva started on the wrong foot when US National Security Advisor James Jones traveled to Moscow in late October to discuss the framework for the negotiations. US Under Secretary of State for Arms Control and International Security Ellen Tauscher later reportedly told the news agency *ITAR-TASS*: “[Russia’s] response to the suggestions James Jones took to Moscow … was a gross disappointment.” *The Washington Post* reported that the US included a compromise of 700 delivery vehicles (warheads, bombers, and submarines) for each side in the package of proposals, but Moscow rebuffed the offer.
By mid-December it was clear that there would be no new treaty in 2009, especially when a last-minute meeting arranged between Presidents Obama and Medvedev at the conclusion of the climate talks in Copenhagen failed to produce anything. Diplomats from both sides agreed to resume talks in Geneva in January with the goal of reaching an agreement in February at the latest. Both sides recognize the danger of leaving talks suspended until May when the Nuclear Nonproliferation Treaty (NPT) Review Conference is scheduled to take place in New York.

Moscow’s contention has long been that superiority in delivery vehicles (which the US also utilizes for conventional strikes) as well as verification and compliance measures listed in START-1 give the US an unfair advantage. START-1 gave the US the right to monitor the Russian facility where mobile intercontinental ballistic missiles were produced in the town of Votkinsk. A similar US facility in Utah has long since closed, eliminating the need for Russian monitors in the US. With the expiration of START-1 in December, the last US monitors left Russia, but the US reportedly wished to keep them there. Moscow also wishes to dispense with START-1 provisions that prohibit the encryption of missile telemetry (during missile tests). Russia is currently developing two new missile systems and wishes to keep the telemetry data off US monitoring instruments. Of course, if results from the most recent tests mean anything, the US may not care whether the telemetry is encrypted. The Bulava, a sea-launched ballistic missile (SLBM), has reportedly failed on 11 of 12 test launches, leaving the beleaguered Russian strategic arms complex even further in a cloud of self doubt. Other reports out of Russia (see below) indicate that the number of serviceable nuclear missiles could shrink to 300 (wielding 1,100 warheads) over the next decade.

Several articles in the Russian press leaked what are claimed to be the alleged sticking points in the START-1 replacement negotiations and what a new treaty may look like. Each side will agree to reduce warhead levels to no more than 1,500 over the next 10 years. US inspectors will return home, and missile telemetry will be encoded (Russia is concerned that the US has used the data to help with its missile defense technology). Russia insists that if the US is given information on mobile platforms (such as the Russian Topol missiles), then US submarines should be counted as mobile platforms, which was not the case under START-1, and that information on their whereabouts should be shared. Moscow will insist that conventional delivery vehicles be counted against the limit of 700, despite US objections. Russia also insists that new Russian weapons being developed will not fall under any new treaty, especially the RS-24 with MIRV capability.

In return, the US is insisting on the ability to retain nuclear redeployment capability (that is, redeploy disassembled warheads). The US still has more than 5,500 warheads and although many of them have no platforms, they can be put onto delivery systems on fairly short notice. Russia is unable to do so because almost all of the warheads that were pulled off-line were obsolete as are many of the currently deployed warheads. Russia currently has roughly 3,900 warheads. As for delivery vehicles, a limit of 700 is the figure bandied about the most. The US currently has over 1,100 such systems – many of these new, while most of Russia’s roughly 800 platforms are aging. One Russian daily, in a pointed reference to Russia’s deteriorating arms industry, stated that Moscow will be hard-pressed to keep up with the US in the coming decade: “Considering that mass production is out of the question for reasons too obvious and well-known to dwell on here, experts say that Russia will be lucky to retain 300 delivery means by 2017.”
Another issue that came up late in the discussions was the question of the planned US deployment of a missile defense system, parts of which are sea-borne and parts of which will be mobile and deployed throughout Europe. Although the Obama administration threw Moscow a carrot in the summer by declaring that a missile defense system that had been planned for Poland and the Czech Republic would not be deployed, after further investigation Moscow must have decided that the echeloned system planned in its stead presents a much more sophisticated challenge for Russia. Prime Minister Putin made his opinion clear during a talk while touring the Russian Far East in late December when he said, “If we don’t develop a missile defense system, a danger arises for us that with an umbrella protecting our partners from offensive weapons, they will feel completely safe,” he warned, adding that, “The balance will be disrupted, and then they will do whatever they want, and aggressiveness will immediately arise both in real politics and economics.” Although he stopped short of expressing opposition to a replacement for START-1, he has made it seem clear that he wishes any new treaty to cover missile defense, something Washington will never agree to.

Afghanistan

The US and Russia may have differences in arms control and the Middle East, but there is clear overlap in strategic thinking when it comes to Afghanistan. On the 30th anniversary of the Soviet invasion of Afghanistan, there were a number of articles and reports looking back on the lessons learned in the protracted Soviet conflict. There is also a sense of right and justification expressed in the Russian reporting in that the Soviet Union was battling the same forces that the US and ISAF/NATO partners are now. Moscow does not wish to see Afghanistan again sink into civil war and instability as it did during the 1990s. This raises the threat of instability in Central Asia and could bring more volunteers for a jihad in the North Caucasus where Moscow is already battling a new wave of instability in Dagestan, Ingushetia, and Chechnya. Additionally, Russia suffers greatly from the increased drug trade that is a result of an unstable Afghanistan.

In July 2009, Russian agreed to allow US military cargo aircraft fly over Russian territory en route to Afghanistan, although bureaucratic hang-ups in Russia have prevented a substantial airlift operation. Earlier in the year, the Russian government also began allowing the supply of US and NATO forces via rail through Russian territory as part of the so-called Northern Distribution Network meant to supply the war effort in Afghanistan with vital non-military resources. In November, Russia announced that NATO would purchase Russian-made transport helicopters to ferry troops and supplies within Afghanistan. Moscow has made great effort to help the US and NATO in the conflict and this has been the case since the fall of 2001.

There is still competition between Washington and Moscow for influence in the five nations of Central Asia and over the last few months, Washington has made strides in improving relations with key players Kazakhstan and Uzbekistan. Moscow recognizes the growing influence and power of China in the region and is perhaps less willing to oppose the US for the sake of prestige or perceived strategic benefit. This autumn a pipeline linking natural gas fields in Turkmenistan to China was completed, a blow to Russian efforts to control Turkmen gas. This is certain to worry strategic planners in Moscow and is perhaps behind the recent Russian decision to again buy Turkmen gas at market prices after nine months of refusing deliveries from that country.
Russia will continue to assist NATO and the US in Afghanistan to the extent that it is possible. But apart from allowing transit and easing its political pressure on Central Asian neighbors, there is little that Russia can actually do. Concern about China in Central Asia may become the greatest lever for an improvement in US-Russian relations in the region.

**Georgia**

Georgia, which is also supporting the war in Afghanistan by supplying troops, remains a sore point between Washington and Moscow. Russia has been greatly concerned about the possibility of Georgia’s accession to NATO and some observers saw the war between Russia and Georgia in August 2008 as a warning shot across the bow of Washington. The perception in Moscow was that the Bush administration would push for Georgian NATO membership. Georgian membership is seen as less of a threat during the Obama administration, but Russian leaders recognize that this may merely be a question of time.

Russia’s Permanent Representative to NATO Dmitry Rogozin has been one of the most vocal critics of Washington’s Georgia policy. In a recent interview, he said: “No one has abandoned the idea to use Georgia as a counterbalance to Russia … [Georgia is] a toothache or a headache for us in the Caucasus; as far as we are concerned, these attempts will continue.” Although the Obama administration has stressed its desire to “reset” relations with Russia, relations with Georgia will not take a back seat, certainly as long as the close military-to-military cooperation continues. US warships continue to make port calls to Georgia and US military advisors train Georgian troops, particularly those bound for Afghanistan. Should hostilities arise again in the Caucasus, the Obama administration will have to make tough choices about the “reset” in US-Russia relations.

**ESPO pipeline**

Moving further East, Russia again looks to make a splash in the Asia-Pacific region where it has been AWOL over the past few years. In late December, a big portion of the much-anticipated East Siberia-Pacific Ocean (ESPO) oil pipeline was completed and oil began flowing from oil fields at Taishet, northwest of Lake Baikal, about 3,000 km to the town of Skovorodino, near the Chinese border. From there, it will be loaded onto trains for the 2,100 km trip to Kozmino, a terminus on the Pacific coast near Vladivostok. Another stage of the ESPO pipeline will be completed in the coming years, linking Taishet in northeastern China with Kozmino directly by pipe. China is completing a pipeline from a refinery at Daqing to the Russian border where it will link to the ESPO near Skovorodino. Japan, South Korea, and other Asia-Pacific nations will benefit from an increase in deliveries of Russian crude and a lessening of dependence on oil imports from the Persian Gulf region.

The ESPO pipeline had been the focus of a much-publicized tug of war between China and Japan since 2004. It looks as if both sides will now benefit. Prime Minister Putin stressed Russia’s goals during a recent visit to the Russian Far East: “As for the ESPO pipeline, it is a strategic project because it will allow us to diversify our export risks … You know that Russia is so poorly represented in the Asia-Pacific hydrocarbon market, that it is an embarrassment to...
mention it. Arab countries account for 69 percent of oil in this hydrocarbon market, while Russia’s share is a meager 5 percent or 6 percent. This is too little. There is hard work ahead.”

If Russia is to become a major player in the Asia-Pacific region for the first time since the Cold War, then unlike that era when it was a military giant, Russia will have to become more of an economic player, not just in the hydrocarbon area, but in manufacturing (such as ships and airplane manufacturing facilities in the Far East), and other fields as well.

Looking Ahead

Over the next few months the Iranian nuclear program will play a major role in US-Russian relations as will the North Korean nuclear issue, although to a lesser extent. The primary issue to monitor in the coming weeks will be the START replacement negotiations in Geneva. All are hoping a new agreement can be inked before the spring.

Chronology of U.S.-Russia Relations
October - December 2009

Oct. 1, 2009: Representatives from the group of six nations (the UN Security Council permanent five plus Germany) hold talks with representatives of Tehran in Geneva about the controversial Iranian nuclear program.


Oct. 12, 2009: US Secretary of State Hillary Clinton travels to Moscow hoping to convince the Russian government to support the strong US stance on Iran’s nuclear program and to discuss the framework for a new arms control agreement.

Oct. 23, 2009: After meeting Vice President Joe Biden, Czech Prime Minister Jan Fischer announces that his government backs a reworked US missile defense plan meant to defend against threats from Iran and other nations. Biden completes his tour of the region; Prague is his last stop after Poland and Romania.

Oct. 27, 2009: Russian Foreign Minister Sergey Lavrov states that an indefinite presence of US troops in Afghanistan will benefit neither Afghanistan nor the region as a whole.


Nov. 3, 2009: General Motors decides to retain ownership of its German subsidiary Opel, reversing a September decision to sell a majority stake to a Russian-dominated consortium.

Nov. 9, 2009: The eighth round of START replacement consultations between Russia and the US begins in Geneva.
**Nov. 15, 2009:** At the Asia-Pacific Economic Cooperation (APEC) meeting in Singapore, Presidents Obama and Medvedev say in a joint statement that if Iran does not give clear answers to questions about its nuclear program, Russia and the US will consider sanctions.

**Nov. 16, 2009:** Moscow announces that there will be a delay in the activation of Iran’s first nuclear power station, claiming that “technical issues” will prevent its engineers from starting up the reactor at the Bushehr plant before the end of the year.

**Nov. 27, 2009:** The IAEA and the United Nations demand that Iran cease operations at a newly discovered secret uranium enrichment plant near the city of Qom.

**Dec. 3, 2009:** Prime Minister Vladimir Putin says that the US is blocking Russia’s efforts to join the World Trade Organization.

**Dec. 15, 2009:** Newly appointed NATO Secretary General Anders Fogh Rasmussen makes his first visit to Moscow, meeting both President Medvedev and Prime Minister Putin.

**Dec. 18, 2009:** Presidents Obama and Medvedev meet at the conclusion of the Copenhagen climate talks to discuss the negotiations on the replacement of START-1.

**Dec. 28, 2009:** At the port of Kozmino on the Pacific Ocean, Prime Minister Putin officially opens a portion of the long-awaited East Siberia-Pacific Ocean oil pipeline.

**Dec. 29, 2009:** In a visit to the Russian Far East, Prime Minister Putin criticizes the US ballistic missile defense system that is still in the planning stages, cautioning that Russia could be even more vulnerable to the US.