

40. Dealing with the Putin Challenge

THE U.S. and Russia share many global responsibilities and interests, but competition hinders progress in achieving common goals in some areas. For example, Russia has announced that it will supply surface-to-air missiles to Iran, which is likely to use them to protect its nuclear weapons program. President Vladimir Putin has invited Hamas leaders to visit Moscow with no prior conditions. Russia clearly is staking out a position different from that of the U.S. and the West. Despite the two countries' differences, however, many U.S. foreign policy priorities, such as Iran and nonproliferation, depend on cooperation with Moscow. The U.S. must engage with Russia constructively, striking a delicate balance between pursuing U.S. interests and upholding ideals of free markets and democracy. Cooperation proves beneficial to both countries in the spheres of the global war on terrorism, energy, regional stability, nonproliferation, and good governance. A pragmatic relationship with Russia that involves flexibility while maintaining essential free-market and democratic values is indispensable to the pursuit of U.S. economic and security interests.

by Ariel Cohen, Ph.D.

Notes

Recommendations

1. Expand nonproliferation cooperation that targets terrorists and rogue states. To combat illicit trafficking and proliferation of nuclear weapons and related technology by rogue states and non-state actors in the former Soviet Union, the U.S. and Russia should expand joint nonproliferation efforts beyond the Nunn–Lugar program, which is limited to the transport, securing, and storage of existing materials. New programs should aim at stemming illicit trafficking in weapons of mass destruction (WMD) and related technology across porous post-Soviet borders. Joint efforts should also be aimed at preventing Iran from acquiring nuclear weapons. Iranian possession of nuclear weapons is not in Russia's or America's interests. Russia's efforts have included cooperation on referral of the Iranian case from the International Atomic Energy Agency (IAEA) to the U.N. Security Council and offers to enrich uranium on its own soil for use by Iran.

2. Expand energy cooperation and investment. Russia is one of the world's foremost fossil energy suppliers. It is vital, for both economic and national security reasons, that the U.S. encourage the development

and transparency of Russia's energy sector. U.S. companies are active in developing Russia's oil and gas fields in Sakhalin Island, the Shtokman Field in the Barents Sea, and elsewhere. Fully incorporating Russia into the global economy, specifically through entry into the World Trade Organization, will help to create a secure investment climate in Russia, allowing for the fulfillment of global energy needs and providing a counterweight to the Middle East's traditional dominance of the global oil and gas economy. The U.S. could also consider joint programs with Russia to assess security threats to pipelines, wells, refineries, and other vital energy infrastructure. Finally, the U.S. should emphasize to Russia that maintaining strong trade relationships with Western partners will help to check China's rising economic power in Eurasia.

3. Work with Russia to resolve "frozen" conflicts in the former Soviet Union.

Instead of vying for hegemony, Russia and the U.S. should undertake a joint threat assessment focusing on militant Islamism, terrorism, nonproliferation, and energy security. Through co-chairmanship of the Minsk Group, the two countries have made collaborative efforts toward resolution of the Nagorno-Karabakh conflict between Armenia and Azerbaijan. Greater efforts should be applied to resolving the Transnistrian and Abkhaz conflicts in Moldova and Georgia, respectively. Pressing issues in Central Asia—promoting good governance, rule of law, open media and civil society; development of energy and transport infrastructure; fighting terrorism; and shoring up borders against illicit trafficking in heroin and WMD—can be addressed more efficiently through U.S.–Russian cooperation than through competitive squabbling and are vital to both Russian and U.S. national security.

4. Champion democracy and human rights.

Fundamental issues of human rights and democracy pose obstacles to U.S.–Russian cooperation. Under Putin, the Kremlin has curbed freedom of the press, abandoned local elections of regional governors, and restricted the activities of non-governmental organizations (NGOs). The Russian government has yet to address continued human rights abuses in Chechnya. Russia sees U.S. support for the growth of civil society as an attempt to foster instability in the former Soviet Union, and even in Russia itself, along the lines of an "orange revolution." To act in a manner consistent with its values, the U.S. must continue to support the development of democracy and the protection of human rights in Russia, but in a manner conducive to maintaining good relations with Russia. To the greatest extent possible, and despite new legal restrictions on NGOs, the U.S. should maintain programs that promote freedom of the press, local self-governance, growth of the non-government/nonprofit sector, rule of law, and transparency. Long-term, cooperative solutions to the conflict in Chechnya should stress the inviolability of Russia's borders

Notes

while requiring higher standards of behavior for Russian military and security forces.

Facts and Figures

- Russia's continental shelf holds one-fourth of the world's hydrocarbon reserves.
- The Shtokman fields hold approximately 3.5 trillion cubic meters of natural gas, 31 million metric tons of gas condensate, and 27 million tons of oil.
- The Sakhalin Island fields hold 1 billion barrels of crude oil and 500 billion cubic meters of natural gas.
- The Lukoil–ConocoPhillips partnership's projects include Timan–Pechora (16 fields), with hypothetical reserves of 10 billion barrels of oil, and West Qurna in Iraq, with 7 billion to 8 billion barrels of oil.
- Russia has seen a 12 percent increase in real incomes since 2000 and has averaged 6.8 percent annual growth since 1998. Russia's \$124 billion positive trade balance is larger than China's. Its foreign reserves have risen from \$12 billion in 1999 to \$184 billion in 2005.
- The United Nations Office on Drugs and Crime estimates that about 5 percent of the drugs smuggled through Central Asia are seized. In 2003, 8 metric tons of opium were seized in Central Asia.
- In January 2006, Russian President Vladimir Putin signed a law prohibiting foreign NGOs from providing financial support or otherwise engaging in activities deemed threatening to national security. The law, however, does not specify exactly which activities are considered threatening.

This chapter can be read online at issues2006.org/russia.

Notes

Additional Reading

Ariel Cohen, Ph.D., "Competition Over Eurasia: Are the U.S. and Russia on a Collision Course?" Heritage Foundation *Lecture* No. 901, October 24, 2005, at www.heritage.org/Research/RussiaandEurasia/hl901.cfm.

Ariel Cohen, Ph.D., "Preventing a Nightmare Scenario: Terrorist Attacks Using Russian Nuclear Weapons and Materials," Heritage Foundation *Backgrounder* No. 1854, May 20, 2005, at www.heritage.org/Research/NationalSecurity/bg1854.cfm.

Ariel Cohen, Ph.D., "After Maskhadov: Islamist Terrorism Threatens North Caucasus and Russia," Heritage Foundation *Backgrounder* No. 1838, April 1, 2005, at www.heritage.org/Research/RussiaandEurasia/bg1838.cfm.

Ariel Cohen, Ph.D., "Putin's Crisis: Dealing with Russia's Political Upheaval," Heritage Foundation *Web-Memo* No. 671, February 20, 2005, at www.heritage.org/Research/RussiaandEurasia/wm671.cfm.

Stephen Blank, "Is Russia a Democracy and Does It Matter?" *World Affairs*, Winter 2005, at www.findarticles.com/p/articles/mi_m2393/is_3_167/ai_n8691805.

Ariel Cohen, Ph.D., "U.S.–Russian Security Cooperation After Beslan," Heritage Foundation *Backgrounder* No. 1809, October 25, 2004, at www.heritage.org/Research/RussiaandEurasia/bg1809.cfm.