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## BRINGING RUSSIA INTO AN ANTI-SADDAM COALITION

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As President George Bush prepares for the upcoming summit with Russian President Vladimir Putin in St. Petersburg on May 22–23, he must look for ways to encourage Russia to become a full ally in the war on terrorism and a strategic partner in the new global security environment. This means encouraging Russia to support an effort to make the world safe from the growing threat posed by Saddam Hussein and his weapons of mass destruction (WMD).

In recent private interviews with the author in Moscow, top Russian parliamentary leaders and presidential policy advisers indicated that protecting Russia's multibillion-dollar interests in Iraq remains a priority, regardless of who is in power in Baghdad. But when asked to choose between Saddam's friendship and America's good will, they indicated they would support a U.S. policy to remove Saddam from power. This major policy shift would entail Moscow's breaking the friendly ties with Saddam's regime that it has maintained since the 1960s, especially under former Prime Minister Evgeny Primakov (the top Arab affairs expert in Moscow and the former chairman of the USSR Supreme Soviet's upper house).

A U.S.-led coalition to change the political landscape in Iraq would benefit from Russia's participation. At the summit, the Administration should secure Moscow's support by focusing on ways to expand security and intelligence cooperation and to

assure the repayment of Iraq's debt to Russia by any future post-Saddam government.

**Breaking with Baghdad.** Moscow has supported the U.S.-led war on terrorism. In Afghanistan, for example, it provided U.S. troops with high-quality intelligence and the Northern Alliance with timely arms supplies. It is working with Washington to secure, by May 30, U.N. Security Council approval of a new list of goods restricted for export to Iraq.

Moscow, long Baghdad's main arms supplier and business partner, began supporting the United States against Iraq after the Soviet Union began to implode. It supported the U.S. coalition in the Gulf War despite Primakov's efforts to protect Saddam, although the Iraqi dictator was still able to curry diplomatic and economic favor in Moscow throughout the 1990s by providing preferential treatment for Russian companies in oil drilling and refining and by promising billion-dollar contracts to the influential Russian military-industrial complex.

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Moreover, according to an aide to former President Boris Yeltsin, Vyacheslav Kostikov, Saddam has bought the support of politicians such as Vladimir Zhirinovskiy and his Liberal Democratic Party. Saddam also paid for the lobbying efforts of Russian business tycoons and former senior officials who make millions of dollars reselling Iraqi oil in the gray market and supply Iraq with legal and illicit goods, including military equipment banned under U.N. resolutions. Representative Curt Weldon (R-PA) is among those who have accused Russia of supplying Baghdad with ballistic missile gyroscopes, biological warfare manufacturing equipment, and sophisticated surface-to-air missiles, a financial tie that will require deep determination to break. Others report that Ukraine has sold Baghdad an anti-stealth aircraft radar system called Kolchuga.

Moscow also has important economic interests in Iraq:

- A Soviet-era debt of \$7 billion to \$8 billion, generated by arms sales to Iraq during the Iran-Iraq war. Adjusted for inflation, that debt is worth from \$10 billion to \$12 billion today.
- Lucrative contracts to operate and develop giant oil fields in Iraq, signed by Russia's major oil company, LUKoil, and the government-owned Zarubezhneft and worth as much as \$30 billion over 20 years. These include the Western Qurna oil field and wells already developed by Russian oil companies Slavneft and Tatneft.
- Trade in Russian goods under the U.N.-sponsored oil-for-food program, worth between \$1 billion and \$1.5 billion a year.

Such interests pose significant impediments to Moscow's severing its ties with Iraq. However, Moscow must understand that its economic interests will not be secure as long as Saddam remains in power.

#### **What the Administration Should Propose.**

U.S. and Russian policymakers clearly recognize the growing threat Saddam poses to global security. What is needed is a strategy for removing him from power and ushering in a pro-democracy government. To assist the United States, Putin must confront the lingering pro-Iraqi sentiment in the Foreign Ministry, military-industrial complex, and oil lobby. He must demonstrate how Russia's cooperation in the coalition would benefit Russia. To

make Moscow a full partner in the anti-Saddam coalition, the Administration should:

- **Offer to support the repayment of Iraq's Soviet-era debt by a future pro-Western government in Baghdad.** Alternatively, Washington may consider brokering a deal in which the \$100 billion Soviet debt to the Paris Club is reduced by the amount of Iraq's debt to Russia, or about 12 percent, when Saddam is removed.
- **Offer to support Russian companies' contractual rights to Iraqi oil fields with the post-Saddam government.** Russia may fear that these contracts could be annulled by a future government in Baghdad. The United States could improve its long-term security dividend and enhance Russia's role in the anti-terrorism coalition by recognizing existing Russian energy interests in Iraq.
- **Begin a more transparent and reciprocal data exchange with Russia on black market oil sales and arms and military technology transfers.** For example, Washington and Moscow should exchange data on export licenses and illegal arms transfers to Iraq, including WMD procurement through Russian companies.
- **Appoint a senior Administration official to negotiate U.S.-Russian understandings on a post-Saddam Iraq.** This person should be well-versed in Middle East geopolitics, energy economics, and finance issues. Putin should be asked to appoint a similarly qualified high-ranking official for these negotiations.

**Conclusion.** U.S.-Russian cooperation on a regime change in Iraq should be mutually beneficial. Helping Putin secure Russia's economic interests in Iraq would weaken domestic criticism of his support for President Bush's Iraq policy. Such cooperation would also lessen criticism of the Bush policy toward Iraq in Europe and the Arab world. Finally, it could lay the foundation for a fruitful partnership in the war against terrorism and in efforts to reduce the threat posed by WMD proliferation.

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