

Background

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How the Obama Administration Should Deal with Russia's Revisionist Foreign Policy

Ariel Cohen, Ph.D.

Barack Obama and Joe Biden will address the challenge posed by an increasingly autocratic and belligerent Russia by pursuing a new, comprehensive strategy that advances American national interests without compromising our enduring principles.

—“Meeting the Challenges
of a Resurgent Russia”
<http://www.barackobama.com>

President Barack Obama has expressed concerns over Russia's increasingly truculent behavior and the threat it poses to the current international system. These concerns are valid and the threat of a resurgent Russia is palpable.¹ Moscow's efforts at carving out a “sphere of privileged interests” throughout Eurasia and rewriting the rules of European security have negative implications for U.S.–Russia relations, international security, the autonomy of the newly independent former Soviet states, and Europe's independence.

Despite these circumstances, the Obama Administration seems to be rushing ahead with a “carrots-and-cakes” approach to the Kremlin, judging by Vice President Joe Biden's recent speech at the annual Munich international security conference. In this speech, the Vice President outlined the Obama Administration's foreign policy vision for the first time on the world stage and suggested that America push “the reset button” on relations with Russia.² Notably absent from this speech was any mention of recent events in Eurasia.

Talking Points

- As the Obama Administration seeks to re-engage the Kremlin, Russia's efforts to carve out a “sphere of privileged interests” throughout Eurasia and rewrite the rules of European security are having negative implications for U.S.–Russia relations.
- Russia's policies endanger international security, the sovereignty of Eurasia's newly independent states, as well as Europe's energy security.
- By 2030, Europe will depend on Russia's Gazprom monopoly for more than 60 percent of its gas consumption. The Kremlin continues to use this dependency as a tool of foreign policy to divide Europe and the U.S.
- The Obama Administration should conduct a comprehensive assessment of U.S.–Russian relations and implement a foreign policy agenda that protects American interests.
- This agenda should also protect American friends and allies, foster their independence from Russian energy, check Russian efforts to create a sphere of influence, and encourage Russia to adhere to the rule of law.

This paper, in its entirety, can be found at:
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214 Massachusetts Avenue, NE
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(202) 546-4400 • heritage.org

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While in Moscow, U.S. Under Secretary of State for Political Affairs William Burns mirrored this approach. Burns stated that the U.S. was willing to review “the pace of development” of its missile defense shield in Europe in exchange for Russian cooperation on dissuading Iran from pursuing a nuclear weapon, and downplayed the importance of a U.S. air base in Kyrgyzstan from which the U.S. military has just received an eviction notice.³ Other diplomatic efforts to thaw U.S.–Russian relations are underway as well.

According to *The New York Times*, President Obama sent a secret, hand-delivered letter to President Dmitry Medvedev one month ago. The letter reportedly suggests that if Russia cooperated with the United States in preventing Iran from developing long-range nuclear-missile capabilities, the need for a new missile defense system in Europe would be eliminated—a *quid pro quo* that President Obama has denied. The letter proposes a “united front” to achieve this goal.⁴ Responding to the letter, Medvedev appeared to reject the offer and stated that the Kremlin was “working very closely with our U.S. colleagues on the issue of Iran’s nuclear program,” but not in the context of the new missile defense system in Europe. He stated that

“no one links these issues to any exchange, especially on the Iran issue.” Nevertheless, Medvedev welcomed the overture as a positive signal from the Obama Administration.⁵

Secretary of State Hillary Clinton met with Sergei Lavrov, Russia’s foreign minister, in Geneva on March 6, following a gathering of NATO foreign ministers in Brussels.⁶ President Obama is also likely to meet President Medvedev in London at the G-20 summit in April.⁷ These meetings occur in a context where both the Obama Administration and Russia want a new legally binding treaty for limiting strategic nuclear arms. Ostensibly, this new treaty would be designed to replace the 1991 Strategic Arms Reduction Treaty (START).⁸ START is scheduled to expire late this year, which both Washington and Moscow see as problematic.

Recent Russian media leaks seemed to reciprocate American overtures and suggested that the Kremlin may not deploy its Iskander short-range missiles in Kaliningrad. Prime Minister Vladimir Putin’s statements in Davos on January 28 that great powers need to cooperate to find an exit from the current global economic crisis may be signals that Moscow is exploring ways to improve

1. Ariel Cohen, “The Russian–Georgian War: A Challenge for the U.S. and the World,” Heritage Foundation *WebMemo* No. 2017, August 11, 2008, at <http://www.heritage.org/Research/RussiaandEurasia/wm2017.cfm>; Ariel Cohen and Owen Graham, “European Security and Russia’s Natural Gas Supply Disruption,” Heritage Foundation *WebMemo* No. 2194, January 8, 2009, at <http://www.heritage.org/Research/RussiaandEurasia/wm2194.cfm>; Ariel Cohen, “U.S.–Russian Relations After Manas: Do Not Push the Reset Button Yet,” Heritage Foundation *WebMemo* No. 2286, February 10, 2009, at <http://www.heritage.org/Research/RussiaandEurasia/wm2286.cfm>.
2. Joseph R. Biden, “Speech at the 45th Munich Security Conference,” February 7, 2009, at http://www.securityconference.de/konferenzen/rede.php?menu_2009=&menu_konferenzen=&sprache=en&id=238& (February 27, 2009).
3. Ross Colvin, “U.S. May Moderate Shield Plan if Russia Helps on Iran,” Reuters, February 13, 2009, at <http://uk.reuters.com/article/usTopNews/idUKTRE51C5GN20090213> (February 27, 2009).
4. Peter Baker, “Obama Offered Deal to Russia in Secret Letter,” *The New York Times*, March 2, 2009, at <http://www.nytimes.com/2009/03/03/washington/03prexy.html?partner=rss&emc=rss> (March 3, 2009), and “Russian President to Face Questions Over US letter,” *International Herald Tribune*, March 3, 2009, at <http://www.ihf.com/articles/ap/2009/03/03/europe/EU-Spain-Medvedev.php> (March 3, 2009).
5. Peter Baker, “Russian President Reacts to U.S. Offer on Iran,” *The New York Times*, March 3, 2009, at http://www.nytimes.com/2009/03/04/washington/04russia.html?_r=1&hp (March 3, 2009).
6. Robert Burns, “Clinton Aims for New Era in U.S.–Russian Relations,” Associated Press, March 6, 2009, at <http://www.baltimoresun.com/news/world/bal-clinton-russia0306,0,2029458.story> (March 10, 2009).
7. “Obama, Medvedev Likely to Meet in London,” United Press International, February 14, 2009, at http://www.upi.com/Top_News/2009/02/14/Obama_Medvedev_likely_to_meet_in_London/UPI-18201234647724/ (February 27, 2009).
8. Baker Spring, “Concerns on Proposed Reduction of U.S. Nuclear Stockpile to 1,000 Weapons,” Heritage Foundation *WebMemo* No. 2274, February 5, 2009, at <http://www.heritage.org/Research/NationalSecurity/wm2274.cfm>.

relations with Washington, albeit driven by the plummeting economy at home.⁹

While an improvement in U.S.–Russian relations is certainly desirable, haste is ill advised for the Obama Administration, which has not yet announced its key officials in charge of Russia policy, nor conducted a comprehensive assessment of U.S.–Russian relations. Foremost, the Obama Administration must not allow Moscow to rewrite the geopolitical map of Europe or to pocket the gains that it has recently made in Georgia, including expanding military bases on its territory and evicting the U.S. from an air base in Kyrgyzstan.

Privileged Sphere of Influence

Since the watershed war with Georgia last August, Russia has been on the offensive across Eurasia and has been seeking to re-impose itself over much of the post-Soviet space. So concerned is the Kremlin with the expansion of its “privileged” sphere of influence that even the severe economic crisis—which has sent the ruble plunging 50 percent against the dollar and dropped Moscow stock market capitalization 80 percent—has not slowed Russia’s push into the “near abroad.”

Currently, Russia has a number of military bases in Europe and Eurasia. (See Map 1.) The Russian military recently announced the establishment of three military bases in the secessionist Abkhazia (a naval base in Ochamchira, the Bombora air base near Gudauta, and an alpine Special Forces base in the Kodori Gorge) and is building two more in South Ossetia (in Java and in the capital, Tskinali).

(See detail of Map 1.)¹⁰ Not only do these deployments violate the spirit and the letter of the cease-fire¹¹ negotiated by French President Nicolas Sarkozy after the 2008 Russo–Georgian war, but they extend Russia’s power projection capabilities into the Southern Caucasus, threatening the already precarious position of Georgia and the East–West corridor of oil and gas pipelines and railroads from the Caspian Sea to Turkey and Europe.¹²

More recently, Washington received an eviction notice for the U.S. military by Kurmanbek Bakiyev, president of Kyrgyzstan. With Russian President Medvedev at his side, Bakiyev announced in Moscow last month that he wants the U.S. to leave Manas Air Base, a key military cargo hub at the airport of the Kyrgyz capital Bishkek used by NATO and U.S. troops in Afghanistan since 2001.¹³ With this move, the Kremlin signaled the West that to gain access to Central Asia, Western countries must first request permission from Moscow and pay the Kremlin for transit. This stance further reflects the thinking behind Russian calls for an “exclusive sphere of interests”—geographically undefined—formulated by Medvedev during his August 31, 2008, televised address.¹⁴

Closing Manas Air Base for the U.S. military will complicate efforts to send up to 30,000 more troops to Afghanistan—a key objective of the Obama Administration. Russia’s pressure on the Kyrgyz government to evict the U.S. from this base raises questions about long-term strategic intentions of the Moscow leadership and its willingness to foster a NATO defeat in Afghanistan.

9. “Russia: Missile Plans Depend on U.S.,” *International Herald Tribune*, February 6, 2009, at <http://www.ihf.com/articles/ap/2009/02/06/europe/EU-Germany-Security-Conference-Missile-Defense.php> (February 27, 2009).
10. Ariel Cohen, “Swords and Shields: Russia’s Abkhaz Base Plan,” *Georgian Daily*, February 4, 2009, at <http://www.heritage.org/Press/Commentary/ed020409a.cfm>; Ariel Cohen, “Russia Regains Key Air Base to Project Power in Caucasus,” *United Press International*, February 5, 2009, at http://www.upi.com/Security_Industry/2009/02/05/Russia_regains_key_air_base_to_project_power_in_Caucasus/UPI-81131233856206/ (February 27, 2009).
11. U.S. State Department, “Russian Bases in Georgia,” February 6, 2009, at <http://www.state.gov/r/pa/prs/ps/2009/02/116247.htm> (February 27, 2009).
12. Svante E. Cornell, “Pipeline Power: The War in Georgia and the Future of the Caucasian Energy Corridor,” *Georgetown Journal of International Affairs*, Vol. 10, No. 1 (Winter/Spring 2009), at <http://www.isdp.eu/files/publications/scornell/GJIA-2009.pdf> (February 27, 2009).
13. Cohen, “U.S.–Russian Relations After Manas: Do Not Push the Reset Button Yet.”
14. “Interview given by Dmitry Medvedev to Television Channel One, Rossia, NTV,” Sochi, August 31, 2008, at <http://www.un.int/russia/new/MainRoot/docs/warfare/statement310808en.htm> (February 27, 2009).

Russia's Expanding Military Presence in Eurasia

With the pending closure of a second U.S. base in Eurasia, Russia will further expand its military clout in the region. Russia is considering proposals to construct several new bases in Georgia.



Source: The Heritage Foundation.

Map 1 • B 2246 heritage.org

Russia has taken additional steps to secure its clout from Poland to the Pacific. It initiated a joint air-and-missile defense system with Belarus, which may cost billions, and initiated a Collective Security Treaty Organization (CSTO) Rapid Reaction Force (RRF), intended to match the forces of NATO's Rapid Response Force. The CSTO's RRF not only could be used to fight external enemies, but is likely to be available to put down "velvet revolutions" and quell popular unrest.¹⁵ Russia also announced the creation of a \$10 billion stabilization fund for the seven countries that are the members of the Eurasian Economic Community (EEC), most of which (\$7.5 billion) Moscow will front.¹⁶ The reason for the spending spree is simple: Money and weapons consolidate control over allies.

Russia's effort to secure a zone of "privileged interests" is consistent with policies formulated almost two decades ago by Yevgeny M. Primakov, leader of the Eurasianist school of foreign policy, Boris Yeltsin's intelligence chief, later a foreign minister, and then prime minister. In 1994, under Primakov's direction, the Russian Foreign Intelligence Service published a report calling for Russian domination of the "near abroad"—referring to the newly independent states that emerged from the rubble of the collapsed Soviet empire.

Since the Iraq war, the Kremlin championed the notion of "multipolarity," in which U.S. influence would be checked by Russia, China, India, and a swath of authoritarian states. Today, Putin and Medvedev are calling for a new geopolitical and economic architecture—not only in Europe

but throughout the entire world—based on massive spheres of influence.

Global Revisionism

Despite the economic crisis that provided a reality check for Moscow, Russia is doing its best to continue a broad, global, revisionist foreign policy agenda that seeks to undermine what it views as an U.S.-led international security architecture. Russia's rulers want to achieve a world order in which Russia, China, Iran, Syria, and Venezuela will form a counterweight to the United States. Moscow is doing so despite the dwindling currency reserves and a severe downturn in its economic performance due to plummeting energy and commodity prices.¹⁷

In December 2008, the Russian navy conducted maneuvers in the Caribbean with Venezuela, while the Russian air force's supersonic Tupolev TU-160 "Blackjack" bombers and the old but reliable TU-95 "Bear" turboprop bombers flew patrols to Venezuela, as well as close to U.S. air space in the Pacific and the Arctic.¹⁸ Russia is also developing the Syrian ports of Tartus and Latakia in order to manage an expanded Russian naval presence in the Mediterranean, and may possibly revive an anchorage in Libya and Yemen. (See Map 2.)¹⁹ These are only some examples of how Moscow is implementing its global agenda. While some of these moves may be mostly symbolic, combined with a \$300 billion military modernization program they signal a much more aggressive and ambitious Russian global posture. Russia is also overtly engaging the Hezbollah and Hamas terrorist organizations.

15. "Russia, Belarus to Create Joint Air Defense System," *International Herald Tribune*, February 3, 2009, at <http://www.iht.com/articles/ap/2009/02/03/europe/EU-Russia-Belarus.php> (February 27, 2009); Vladimir Isachenkov, "7 Ex-Soviet Nations to Form Rapid Reaction Force," Associated Press, February 4, 2009, at http://www.google.com/hostednews/ap/article/ALeqM5i9hq6TxHN5DC7kp04b_XqkNHcywwD964OOVG0 (February 27, 2009).

16. Sergei Blagov, "Russia Pledges to Rescue Post-Soviet Economies," *Eurasia Daily Monitor*, February 13, 2009, at http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=34510 (February 27, 2009). The EEC includes Russia, Belarus, and the five Central Asian republics.

17. Catherine Belton, "Russian Economy: The Putin Defense," *The Financial Times*, December 28, 2008, at <http://www.ft.com/cms/s/0/95f1c0d4-d501-11dd-b967-000077b07658,s01=1.html> (February 27, 2009).

18. "Russian Strategic Bombers Land in Venezuela," *Novosti*, September 10, 2008, at <http://en.rian.ru/russia/20080910/116695660.html> (February 28, 2009).

19. David Eshel, "Russian Mediterranean Naval Build-Up Challenges NATO Sixth Fleet Domination," undated, at http://defense-update.com/analysis/analysis_091207_navy.htm (February 28, 2009).

If Moscow's vision were to be realized, given the large cast of state and non-state "bad actors" currently on the international stage, Russia's notion of "multipolarity" would engender an even more unstable and dangerous world. Additionally, the very process of trying to force such a transition risks destabilizing the existing international system and its institutions while offering no viable alternatives.

Russia's Strategic Energy Agenda

On the energy front alone, the Obama Administration will face a multiplicity of challenges emanating from Moscow. The Bush Administration signed a "123 agreement" on civilian nuclear cooperation and non-proliferation with Russia in May 2008, before the war in Georgia. The 123 agreement, so called because it falls under section 123 of the U.S. Atomic Energy Act, is necessary to make nuclear cooperation between the countries possible. The agreement would facilitate Russia's foray into the international nuclear waste management and reprocessing business by potentially providing Russian access to U.S. commercial technologies.²⁰

The agreement, however, ran into severe congressional opposition: Representative John Dingell (D-MI), then-chairman of the Energy and Commerce Committee, announced that, "Even without Russia's incursion into Georgia, Russian support for Iranian nuclear and missile programs alone is enough to call into question the wisdom of committing to a 30-year agreement to transfer sensitive nuclear technologies and materials to Russia."²¹ As

the Obama Administration is signaling a new thaw in the relationship, senior Russian officials hope that the Administration will revive the agreement, which could bring billions of dollars to the lean Russian coffers.²²

Europe's Dependence on Russian Gas. The Europeans, especially the Germans, are concerned with carbon emission reductions, while downplaying nuclear energy and coal as alternative sources of energy to natural gas. Russia is the primary source of Europe's gas habit. Thus, an environmental concern becomes a major geopolitical liability. Bulgaria,

Russian Bases in the Middle East



Source: The Heritage Foundation

Map 2 • B 2246 heritage.org

20. Guy Faulconbridge, "Russia Hopes U.S. Congress Will Pass Nuclear Pact," Reuters, February 19, 2009, <http://www.reuters.com/article/politicsNews/idUSTRE51140320090219> (March 9, 2009)

21. Steven Lee Myers and Brian Knowlton, "U.S. Backs Off Civilian Nuclear Pact With Russia," *The New York Times*, September 9, 2008, at http://www.nytimes.com/2008/09/09/washington/09nuclear.html?_r=2&pagewanted=print (March 9, 2009).

22. Faulconbridge, "Russia Hopes U.S. Congress Will Pass Nuclear Pact."

Primary Russian Oil and Gas Pipelines to Europe



Source: U.S. Department of Energy, Energy Information Administration, "Russia," Country Analysis Brief, May 2008, p. 11, at <http://www.eia.doe.gov/emeu/cabs/Russia/pdf.pdf> (March 6, 2009).

Map 3 • B 2246 heritage.org

Slovakia, and Finland depend on Russian gas for up to 100 percent of their imports, and are not pursuing alternatives, such as liquefied natural gas (LNG). Germany depends on Russian gas for 40 percent of its consumption, a share that is set to increase to 60 percent by 2020.

Russia strives to dominate Europe, particularly Eastern and Central Europe, including Germany, through its quasi-monopolistic gas supply and its significant share of the oil market and of other strategic resources. (See Map 3.) Russia controls a network of strategically important pipelines and is attempting to extend it by building the Nord Stream pipeline along the bottom of the Baltic Sea to Germany, building the South Stream pipeline across the length of the Black Sea, and even controlling gas pipelines from North Africa to Europe.

Moscow has shown a pattern of using revenues from its energy exports to fuel its strategic and foreign policy agendas. It grants selective access to Russian energy resources to European companies as a *quid pro quo* for political cooperation and government lobbying on the Kremlin's behalf. It has selectively hired prominent European politicians, such as former German Chancellor Gerhard Schroeder and former Finnish Prime Minister Paavo Lipponen, to promote Russian interests and energy deals and has offered positions and lucrative business deals to other European political heavyweights, such as former Italian Prime Minister Romano Prodi.

Russian energy giant Gazprom has been on a shopping spree, acquiring European energy assets. Europe is projected to be dependent on Russia for over 60 percent of its gas consumption by 2030, with some countries already 100 percent dependent on Gazprom.²³ Russia has shown a willingness to use this dependency and its energy influence as a tool of foreign policy, shutting down or threatening to shut down the flow of gas to countries perceived to be acting against Moscow's interest, as in the cases of Ukraine, Georgia, and Azerbaijan.

The Kremlin is in the process of creating an OPEC-style gas cartel with Iran, Qatar, and other leading gas producers, to be headquartered in Moscow. This cartel would allow Moscow and Tehran to dictate pricing policy, weigh in on new projects, and oppose any new pipelines they want. This may bring about even greater domination of Europe's gas supply than they currently enjoy, and eventually, domination of the global LNG markets as well.²⁴ Any EU dependence on such a cartel will diminish its ability to support gas-exporting countries whose pipelines bypass Russia, will challenge EU energy liberalization and gas deregulation policies, and may have dire foreign policy consequences.

The U.S. certainly should explore all available diplomatic avenues to curb Russian anti-American policies, yet the new Administration must be prepared for the contingency that the United States may have no choice but to counter Russian revisionism through disincentives, rather than limiting itself to trying to persuade the Kremlin to embrace the international system.

Russia Policy for the Obama Administration

To meet today's challenges and preserve the security of Europe and Eurasia, the Obama Administration should conduct a comprehensive assessment of U.S.–Russian relations and then prepare a detailed foreign policy agenda that protects American interests; checks the growing Russian influence in Europe, the Middle East, and Eurasia; deters aggression against the U.S., its allies, and its strategic partners; and encourages Russia to adhere to the rule of law at home and abroad and to act as a responsible player in the international system.

Specifically, the Obama Administration should:

- **Maintain and expand transatlantic unity.** The Obama Administration should use its political capital and show leadership within NATO. Russia is seeking to divide the United States and its European allies, not only through energy

23. Jeffrey Mankoff, *Eurasian Energy Security* (Washington, D.C.: Council on Foreign Relations Press, 2009), p. 12, at http://www.cfr.org/content/publications/attachments/Eurasia_CSR43.pdf (February 18, 2009).

24. Ariel Cohen, "OPEC Redux: Responding to Russian–Iranian Gas Cartel," Heritage Foundation *WebMemo* No. 2118, October 27, 2008, at <http://www.heritage.org/Research/EnergyandEnvironment/wm2118.cfm>.

sources, but also by exploiting existing differences over missile defense, the Iraq war, and other issues. In its attempt to undermine the global posture of the U.S. and its allies, the Kremlin offers incentives for European powers to distance themselves from the United States. Germany's growing dependence on Russian natural gas and its opposition to further NATO enlargement and missile defense deployment in Central Europe is a good example. Essentially, in order for Russia to successfully carry out its foreign policy agenda it needs to delay and thwart any strong, unified energy-policy response from the United States and its allies. Moscow is seeking to gain power and influence without being countered by any significant challenge.

- **Refrain from resubmitting the 123 nuclear agreement with Russia for congressional approval until Russia meets the following three conditions:**

1. The Obama Administration should compel Russia to discontinue support of Iran's military nuclear energy program and provide full disclosure. Indeed, it is Russian nuclear fuel that undermines Iran's claim that it needs uranium enrichment. Russia must discontinue any efforts that advance Iran's heavy-water-reactor program, enrichment activities, spent-fuel reprocessing programs, missile technology transfer, or engineer and scientist training for nuclear and missile technology. Russia must disclose its past activities in support of the Iranian program, as well as what it knows about any third party assistance. Russia should work with the United States and other nations to compel Iran to discontinue any fuel enrichment or spent-fuel reprocessing, which would give Iran access to bomb-grade material. The U.S. should use the prospect of the 123 agreement as

an incentive to halt Russia's interactions with Iran on nuclear issues.²⁵

2. The Obama Administration should also request that Russia provide adequate liability protection for U.S. companies doing business in Russia. Even with a 123 agreement in place, U.S. companies would likely forgo commercial activities in Russia due to a lack of liability protection. Indeed, many countries use the lack of liability protection for U.S. companies as a means to protect their domestic nuclear industry from U.S. competition.²⁶
 3. The Obama Administration should demand that Russia provide two-way market access to American companies. This agreement should not be simply an avenue to bring Russian goods and services to the U.S. market; it is equally important that U.S. companies are allowed to compete for business in Russia. While Russian nuclear technology is second to none, foreign competition will assure that the highest quality standards are maintained throughout the country.²⁷
- **Work with American allies and partners to diminish dependence on Russian energy.** This is a vital component of any strategy designed to stem Russian aspirations to neutralize and "Finlandize" Europe by weakening its strategic alliance with the United States. The U.S., under President Obama's leadership, should encourage its European allies to diversify their sources of energy, to add LNG and non-Russian-controlled gas from the Caspian, and nuclear energy and coal, as well as economically viable renewable energy sources. The U.S. should also encourage Russia to act as a responsible supplier of energy by opening development of its resources to competitive bidding by Russian and foreign companies, whether private or state-owned. Since the U.S. is interested in a level playing field in the energy and natural resources area, the Obama

25. Jack Spencer, "Russia 123 Agreement: Not Ready for Primetime" Heritage Foundation *WebMemo* No. 1926, May 15, 2008, <http://www.heritage.org/Research/EnergyandEnvironment/wm1926.cfm>.

26. *Ibid.*

27. *Ibid.*

Administration should offer political support by encouraging European and American companies' efforts to bring natural gas from the Caspian to Europe. Washington should also encourage Moscow to decouple access to Russia's natural resources sectors from the Kremlin's geopolitical agenda in compliance with the Energy Charter that Russia signed, but did not ratify.

- **Oppose the Kremlin's support of anti-American state and non-state actors (Venezuela, Cuba, Iran, Syria, Hamas, Hezbollah).** Russia's revisionist foreign policy agenda has extended to cultivating *de facto* alliances and relationships with a host of regimes and terrorist organizations hostile to the United States, its allies, and its interests. Even as the United States seeks Russia's assistance in ending Iran's nuclear program, Moscow is selling Tehran sophisticated air-defense systems and other modern weapons and technologies, including dual-use ballistic missile know-how, ostensibly for civilian space purposes. Russia cannot improve relations with the United States while maintaining ties with aggressive powers and terrorists. The Obama Administration should advise Russia to distance itself from the likes of Hugo Chavez, Mahmoud Ahmadinejad, and other troublemakers with global reach.
- **Undertake necessary strategic planning before initiating new strategic nuclear arms control negotiations with Russia.** The White House and the Kremlin appear eager to negotiate a new arms control treaty governing strategic nuclear forces on both sides. But at this early juncture in the Obama Administration, the White House has not conducted the necessary reviews of the broader national security strategy, let alone more technical analyses regarding the future military requirements of the U.S. strategic nuclear force. At the outset, the Obama Administration needs to establish a new policy that pledges to the American people and U.S. friends and allies that it will serve to "protect and defend" them against strategic

attack. The Administration, therefore, should defer negotiations on a new strategic nuclear arms treaty with Russia until after it has drafted the national security strategy and the national military strategy, issued a new targeting directive, and permitted the military to identify and allocate targets in accordance with the protect-and-defend strategy.²⁸

Further, the Obama Administration need not be overly concerned about the expiration of START. U.S. and Russian strategic nuclear weapons, specifically those that are operationally deployed, will be controlled under the 2002 Strategic Offensive Reductions Treaty (SORT, commonly called the Moscow Treaty for the city where it was signed). The Moscow Treaty requires both sides to reduce the number of operationally deployed strategic nuclear warheads to between 1,700 and 2,200. The treaty will not expire until the end of 2012. Thus, there is no reason for the U.S. and Russia to negotiate a new treaty limiting strategic nuclear arms against the artificial deadline of START's expiration. Indeed, it would be unwise to do so because an effective arms control treaty requires careful planning and preparation.

- **Maintain missile defense plans for Poland and the Czech Republic.** The Obama Administration should not cancel America's ballistic defense program in response to Russian threats—or in response to recent promises by President Medvedev not to deploy short-range ballistic missiles to the Belarussian–Polish border or to the Kaliningrad exclave. To cancel this program as a concession to the Russians would send a clear signal of American weakness, encouraging further aggression against Russia's neighbors. Russia must not come to believe it can succeed in altering U.S. policy through threats, or it will continue to use these and other destabilizing gestures more consistently as tools of foreign policy—to the detriment of American and world security. Backing down on missile defense would also strengthen the pro-Russian political factions in the German

28. Spring, "Concerns on Proposed Reduction of U.S. Nuclear Stockpile to 1,000 Weapons"; Baker Spring, "Congressional Commission Should Recommend a Damage Limitation Strategy," Heritage Foundation *Background* No. 2172, August 14, 2008, at <http://www.heritage.org/Research/NationalSecurity/bg2172.cfm>.

Foreign Ministry, dominated by Social Democrats, in the German business community, and elsewhere in Europe. However skeptical some in the Obama Administration may be of the functionality and cost-effectiveness of the missile-interceptor system, the fact is that it is the only defense the U.S. and its allies currently have against a potential Iranian ballistic missile launch, as well as a powerful symbolic bargaining chip in discussions with Russia. The U.S. should also engage Russia in discussions on ballistic missile cooperation—without granting Moscow a veto over missile deployment in Europe.

- **Support Georgia's and Ukraine's territorial integrity and sovereignty.** During the presidential campaign, Candidate Obama made multiple laudable statements expressing firm support for Georgia's territorial integrity, denying the validity of Russia's recognition of Abkhazia and South Ossetia, and expressing a willingness to extend NATO Membership Action Plans (MAPs) to Georgia and Ukraine (which were recently replaced by the Bush Administration with Strategic Cooperation Charters). President Obama should now provide the firm foundation for a policy devoted to deterring Russia from taking similar action in the future, for example against Ukraine or Azerbaijan. The Obama Administration should implement the Strategic Cooperation Charters signed with Ukraine and Georgia on December 19, 2008, and January 9, 2009, respectively. While there is little chance that Russia will renounce its recognition of Abkhazia or South Ossetia, the Obama Administration should explore every option for making Russia pay a diplomatic and economic price for its recent acts of aggression against Georgia's territorial integrity, its sovereignty, and against international law. To do otherwise will only invite Russia to try more of the same in the future. The White House should rethink the format of the G-8. It should expand the current G-8 to G-20, in which Russia, China, Brazil, India, and other major powers participate, while holding future

meetings of the leading industrial democracies in the G-7 format. This will send a clear signal to Moscow that if it chooses to remove itself from the boundaries of acceptable behavior in the club of the largest democracies, it will no longer enjoy the benefits of being part of that club.

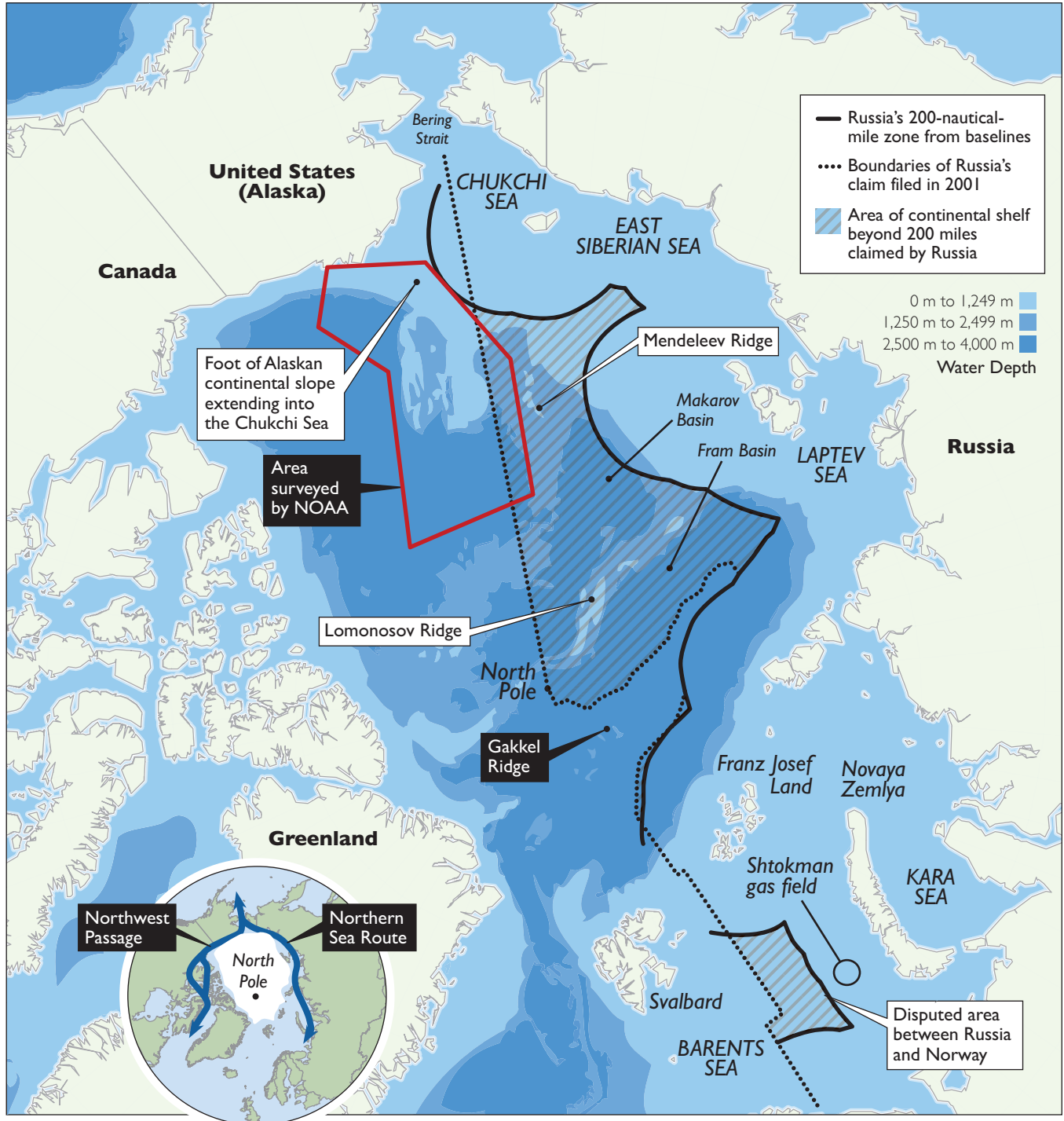
- **Boost American presence in the Arctic.** Russia has designs on a great part of the Arctic—an area the size of Germany, France, and Italy combined. (See Map 4.) Recently, the deputy chairman of the Duma, the polar explorer Artur Chilingarov, announced that Russia will control the Northern Sea Route, which is in international waters.²⁹ The Arctic has tremendous hydrocarbon and strategic mineral reserves. Controlled by Moscow, the Arctic would offer Moscow another means of consolidating Russia's global energy dominance. The United States should ensure that its interests are respected in the region by modernizing and expanding its icebreaker fleet, updating its surveys of strategic resources, and expanding efforts with NATO and other Nordic states (Canada, Norway, and Denmark, etc.) to develop and coordinate Arctic policy. As much as the Arctic may seem a distant priority given the economic and defense challenges facing the Obama Administration, the United States cannot afford to ignore this strategically vital region.

Conclusion

Russia is and will remain one of the most significant foreign policy challenges facing the Obama Administration. Despite the recent toned-down rhetoric stemming from the economic downturn, the Kremlin needs an “outside enemy” to keep its grip on power at home. Yet, this truculence clashes with Russia's need to fight the financial crisis in cooperation with major economic powers; attract foreign investment; switch the engine of its economic growth from natural resources to knowledge and technology; and ensure steady commodities exports. From the Kremlin's perspective, and due to the democracy deficit in Russia, the legitimacy and popularity of the current regime necessitates con-

29. Paul Goble, “Moscow Moves to Assert Russian Control of Northern Sea Route,” *Georgian Daily*, February 17, 2009, at http://georgiandaily.com/index.php?option=com_content&task=view&id=9981&Itemid=65 (March 2, 2009).

U.S. and Russian Interests in the Arctic



Source: Jeannette J. Lee, "New Seafloor Maps May Bolster U.S. Arctic Claims," *National Geographic News*, February 12, 2008, at <http://news.nationalgeographic.com/news/2008/02/080212-AP-arctic-grab.html> (March 6, 2009).

Map 4 • B 2246 heritage.org

frontation with the West, especially with the United States. The image of an external threat is exploited to gain popular support and unite the multi-ethnic and multi-faith population of the Russian Federation around Prime Minister Putin and President Medvedev.

Despite the need to attract investment, the Kremlin is likely to pursue an anti-status quo foreign policy as long as it views the United States as weakened or distracted due to the combined effects of the economic crisis, U.S. involvement in Afghanistan and Iraq, the presence of the Taliban and al-Qaeda in Pakistan, the need to deal with the fast-developing prospect of a nuclear-armed Iran, and preoccupation with the Arab–Israeli conflict.

The Obama Administration must raise the profile of Russian, Eurasian, and Caspian affairs on the U.S. foreign policy agenda. Further failures to stem Russia's revisionist efforts will lead to a deteriorating security situation in Eurasia and a decline of American influence in Europe and the Middle East.

If Russia, however, reconsiders its anti-American stance, the United States should be prepared to pursue matters of common interest, such as the recent agreement on military supplies to Afghanistan and the strategic weapons limitations agreement.

History has shown that the most dangerous times are the ones when new powers (or in this case, resurgent ones) attempt to overturn the status quo. The United States and its allies must remain vigilant and willing to defend freedom and prevent Russia from engendering shifts in the global power structure detrimental to U.S. national security interests.

—Ariel Cohen, Ph.D., is Senior Research Fellow in Russian and Eurasian Studies and International Energy Security in the Douglas and Sarah Allison Center for Foreign Policy Studies, a division of the Kathryn and Shelby Cullom Davis Institute for International Studies, at The Heritage Foundation. Owen Graham, Research Assistant at the Allison Center, contributed to this paper.