

EXECUTIVE SUMMARY

A decade after the end of the Cold War, U.S.-Russian relations are less friendly and close than many Americans hoped they would become after the demise of Soviet communism and the breakup of the Soviet Union. Many areas of disagreement exist between the two countries—from U.S. plans for a national missile defense to Russian nuclear exports to Iran. Yet despite the tensions, the United States and Russia are on fundamentally different, and better, terms than the United States and the Soviet Union ever were. With the current leadership transition in the United States and the recent one in Russia, U.S.-Russian relations are moving into a new period. One cannot talk of a “clean slate,” as much of what has complicated relations in the recent past—from Russian misuse of International Monetary Fund (IMF) credits to NATO expansion—is still very much on people’s minds. But the leadership transition in both countries—coincident with the start of a new century—represents a potentially critical juncture in what is arguably still the most consequential bilateral relationship in international politics.

The new U.S. administration will confront a Russia at a crucial stage of its own history. Vladimir Putin, Russia’s forceful but still opaque president, manifests the complexities and contradictions of Russia’s entire post-communist path. On the political front he is centralizing power and weakening Russia’s already shaky democratic institutions. Yet on economics he has assembled the most pro-reform team since the start of the 1990s and has already pushed through some ambitious market-oriented reforms. In foreign policy he seeks a more independent, assertive role for Russia while trying to come to terms with the sobering reality of the weakness of the Russian military and the need to maintain a positive relationship with the West. Despite the startling shrinkage in Russia’s economic, political, and military weight in the past ten years, Russia still matters very much to the United States. This is true not just because of manifold issues relating to nuclear security but also because of Russia’s role in matters ranging from the future of NATO and European security to the new challenges arising in Central Asia and the Caucasus.

As it seeks an appropriate framework for its Russia policy, the new administration should eschew the temptation just to continue the policy status quo or to shift to a more limited, “black-box” conception of Russia as merely a bundle of security problems. Instead it should pursue an agenda for the renewal of U.S.-

Russian relations. This policy should aim at the consolidation of a cooperative, productive relationship based on the significant confluence of interests between the two countries, and it should affirm a long-term vision of Russia's integration into Western economic, political, and security structures. Implicit in this approach is placing a significant value on the U.S.-Russian relationship and not sacrificing it for the sake of special issues that arise, based on a misguided assumption that Russia will always end up falling into line no matter what the United States does.

The core of a policy of renewal must be bold steps in the security domain, to break away once and for all from Cold War habits and mindsets. Simply stated, the U.S.-Russian nuclear relationship must be put on a new footing, one that does not assume mutual enmity. Our recommendations in this domain include:

- Augment the traditional, bilateral arms control treaty framework with a broader agenda, including unilateral steps to reduce nuclear arsenals and enhance cooperation on strategic stability and threat reduction;
- Replace the Cold War hair-trigger operational deterrence posture, thus reducing the danger of an inadvertent nuclear strike;
- Double the resources allocated to the dismantlement of Russian weapons systems and the prevention of the proliferation of weapons and fissile materials from the former Soviet Union;
- Sustain the Anti-Ballistic Missile (ABM) treaty unless the missile threat environment changes substantially;
- Refrain from extending NATO membership to states on the territory of the former Soviet Union before 2005; and
- Shift away from reflexive rivalry to real cooperation with Russia in Central Asia and the south Caucasus, including the adoption of a genuine "multiple-pipeline" policy on Caspian oil.

At the same time that it revitalizes and advances the security agenda with Russia, the new administration should revise and strengthen its support for Russia's domestic transformation. American expectations about the speed and ease of Russia's attempted transition to democracy and market economics were clearly unrealistic in the initial years after the end of the Cold War. Yet the goals are the right ones for Russia, so the United States should now reaffirm a commitment to

helping Russia achieve these goals and reshape U.S. support to fit the current context. Among the steps we recommend:

- Sharpening U.S. diplomatic efforts to support democracy in Russia and greatly increasing U.S. democracy assistance to the country;
- Focusing an enlarged democracy assistance effort on Russian society rather than the Russian government, with programs that give Russians a greater role in design and implementation and that stress exchange and education;
- Deemphasizing IMF support for Russia's economy and focusing on increasing trade and investment in Russia, such as through efforts to encourage Russia's entry into the World Trade Organization;
- Revitalizing rule-of-law assistance to Russia, by focusing on the challenge of helping turn law-on-the-books into law that is reliably enforced in practice; and
- Undertaking a special initiative to support the renovation of Russian higher education.

These two halves of a policy of renewal will necessarily involve different institutions and tools and will move at different speeds. The security issues are of undeniable urgency and consequence. Russia's political and economic evolution is inevitably a very long-term process and one in which the United States' role will be modest. Nevertheless, the two halves of the policy are mutually reinforcing. In the years ahead, America's many security concerns with respect to Russia will find real resolution only to the extent that Russia achieves a healthy, well-functioning economy and a stable, deeply rooted democracy.

A policy of renewal will require significant American leadership, engagement, and initiative. And this must occur at a time when issues of great importance from other regions all demand high-priority attention. It will also require not only a sustained vision of the long-term goal but a clear sense of priorities along the way. As differences and tensions arise between Russia and the United States, as they will, the United States must pursue its interests forthrightly. At the same time it must treat policy differences as predictable elements of a complex relationship, not crises that call into question the overall nature and value of the relationship. Finally, a policy of renewal must be built on a rediscovery of bipartisanship on policy toward Russia. More than almost any other major area of U.S. foreign policy in recent years, Russia policy has been subject to partisan infighting that does little to contribute to the advancement of America's core interests.