

*Center for Strategic and International Studies
Russia and Eurasia Program*

The Future of U.S.-Russia Relations: Economic, Political, and Security Factors

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Speakers:

Evgeny Savostyanov, *Board Member and Deputy Chairman, Center for Russia-USA Rapprochement*

David Yakobashvili, *Chairman, Russian-American Business Council*

Sergey Rogov, *Director, Institute of the USA and Canada Studies*

Viktor Esin, *Colonel-General (ret.), Former Chief of Staff of the Strategic Rocket Forces of the Russian Federation*

Ella Pamfilova, *Former Chairman of the Human Rights Council under the President of the Russian Federation*

Moderated by:

Dr. Andrew Kuchins, *Director and Senior Fellow, CSIS Russia and Eurasia Program*

Evgeny Savostyanov

Evgeny Savostyanov provided some opening remarks for the panel by highlighting the successful partnership between the United States and Russia in the past and the discussed the potential for future cooperation. He pointed to the historical legacy of U.S.-Russian cooperation to argue that, while America and Russia often have their differences, their interests generally align when it comes to confronting the major problems in our world today. Savostyanov then outlined the agenda of the Center for Russia-USA Rapprochement, which centers on promoting communication and contacts at a non-governmental level that will enable experts to identify possible areas for cooperation. Savostyanov pointed to cooperation in the economic sphere under the auspices of the U.S.-Russia Business Council as an example of the great untapped potential in U.S.-Russia relations. He concluded his remarks by noting that the Center for Russia-USA Rapprochement would be inviting a delegation of Americans to Russia in 2012 for a congress.

David Yakobashvili

David Yakobashvili continued the discussion on the potential for further U.S.-Russian cooperation over economic issues. Yakobashvili began his remarks by discussing the most recent achievement in U.S.-Russian economic relations, namely the agreement on Russian accession to the World Trade Organization (WTO). The inclusion of the Russia in the world's largest trading body provides a critical step towards bolstering U.S.-Russian trade, which, according to Yakobashvili, currently stands at only 0.6% of the United States' total trading volume. In addition to improving the overall volume of trade, Yakobashvili pointed to the potential for valuable exchanges of expertise and technology between Russian and American firms.

Yakobashvili then discussed two major issues that will shape the evolution of U.S.-Russian economic cooperation: the repeal of the Jackson-Vanik amendment, and the relationship between Moscow and Tbilisi. In Yakobashvili's view, most individuals and businesspeople in particular support the repeal of the antiquated Jackson-Vanik amendment, although certain forces in Congress insist on retaining "leverage" over Moscow on human rights issues. He cautioned, however, that American companies stood to lose the most from failure to repeal Jackson-Vanik, as those firms would lose competitive access to the Russian market now that the country might be integrated into the WTO. Yakobashvili also noted that the agreement between Moscow and Tbilisi on Russia's accession to the WTO was a major step forward for the relationship between the two countries. He expressed hope that business and economic ties could resolve conflict and tension where political relations alone could not.

Yakobashvili wrapped up his comments by pointing to two last issues. First, he emphasized that efforts at building a U.S.-Russian economic relationship should not distract from the importance of building the military aspect of that relationship as well. Certainly threats, from Iran to North Korea, are best solved, he argued, by the combination of Russian and American military strength. Finally, he discussed the importance of a proposed railroad running from Armenia to Russia through Georgia and Abkhazia. In addition to promoting integration in the region, Yakobashvili noted that the railroad would help develop Georgian infrastructure, boost Armenia's export market, and help provide raw materials to Russia in advance of the 2014 Olympics in Sochi.

Sergey Rogov

Sergey Rogov followed up Yakobashvili's discussion by focusing on political and security issues in the U.S.-Russian relationship. Rogov also appealed to the history of cooperation between the two countries, going back as far as the American War of Independence, when Catherine the Great declared "armed neutrality" and helped prevent a British blockade of the colonies. Rogov emphasized that, in the face of a common threat, the two countries have historically been capable of extensive and successful cooperation. Rogov noted, however, that cooperation has tended to occur under conditions of multipolarity in the international system,

whereas the bipolar environment of the Cold War was defined by intense mistrust and competition. Both parties assumed that this competitive atmosphere would make way for cooperation after the collapse of the Soviet Union in 1991, but the two countries were never able to create a strong foundation for strategic partnership.

Rogov progressed from his historical synopsis to a discussion of the U.S.-Russian relationship under the Obama administration. He pointed to the New START, the 123 Civilian Nuclear Cooperation Agreement and the recent agreement on Russian WTO accession as signs of great progress in the relationship. He noted, however, that relations between the two countries remained far from perfect. Rogov identified the lack of an economic foundation and the legacy of “mutually assured destruction” (MAD) as the primary culprits for this weakness. In particular, Rogov focused on the recent dispute over U.S. missile defense plans. The Anti-Ballistic Missile (ABM) Treaty was signed in 1972 between the Soviet Union and the United States in order to put limitations on defensive systems, although the Treaty was abrogated by the Bush administration in 2002. Rogov expressed dismay that another similar legally binding arrangement seems unlikely today, as U.S. politicians are divided in their assessment of the U.S.-Russia “reset” and of limitations on missile defense in particular. The U.S.-Russian relationship, in Rogov’s eyes, has become hostage to the current gridlock in American domestic politics. Rogov concluded his remarks by noting that, while a genuine alliance such as the one formed during World War II is impossible today, the depth of U.S.-Russian cooperation continues to grow, even in the military sphere. Russia has allowed the United States to transfer military personnel and cargo through Russian airspace and into Afghanistan, which is a significant change in policy for the Russian government and offers hope for future engagement.

Viktor Esin

Viktor Esin focused on U.S.-Russian ties in the military sphere, given his extensive experience in the field. Esin began his comments by arguing that it would be difficult to achieve deep relations in the economic and political arenas without normal relations on a military level. Thus one of the primary goals of the Center for Russia-USA Rapprochement is to deepen the trend started in this area by the New START. Esin noted that dialogue on missile defense cooperation between the United States and Russia, and between NATO and Russia, is largely at a stand-off stage at the official level. The Center for Russia-USA Rapprochement has therefore focused on introducing proposals to break through this gridlock and generate momentum in military cooperation. In light of these issues, Esin contended that non-governmental organizations like the Center for Rapprochement can play an important role in generating dialogue and stimulating new thinking regarding the U.S.-Russian relationship. The ultimate goal of the Center in regards to military ties is to encourage the Presidents of both countries to issue a joint statement on missile defense cooperation, which would set the stage for progress in other areas of the military relationship.

Ella Pamfilova

Ella Pamfilova made the final remarks for the panel, focusing on issues of human rights and political reform in Russia. Pamfilova expressed optimism that resentment and discontent among the Russian citizenry would mobilize civil society and eventually provoke genuine political change. She argued that fundamental and deep changes occurring at the social level were masked by the institutional political system, but, irreversible and significant shifts were occurring in Russia's political culture. While Pamfilova admitted that these shifts would not manifest themselves at a broader level before the upcoming elections, she contended that those currently holding political power must still take these changes into account. Pamfilova concluded her address by appealing to the necessity of increased cooperation between Russia and the United States and European Union. She argued that creating links between non-governmental organizations and other sub-political actors serves as a necessary starting point to move these relationships forward.

Questions and Answers

The question and answer period started off with a discussion of Prime Minister Vladimir Putin's views on missile defense and the future of U.S.-Russia relations. Dr. Kuchins, who had recently returned from a meeting with Putin at the Valdai Discussion Club in Kaluga and Moscow, recounted a discussion with Putin wherein the Prime Minister explained that his Generals had expressed genuine concern that American missile defense plans undermined Russia's deterrent and compared the situation to the United States' nuclear monopoly after World War II. Dr. Kuchins asked the panel for their reactions, and to comment specifically on whether or not Putin's presidency would be problematic for the U.S.-Russia relationship.

Rogov noted that Putin would be willing to cooperate with the United States on missile defense if properly assured that the system was not targeted at Russia's deterrent. He pointed to the Putin-Bush agreement on missile defense in 2002 as confirmation of this point. Rogov explained that Putin's concerns were genuine, as his proposal to create a shared system using Russian infrastructure had been previously rejected, and there had been no clarification regarding the end point of American missile defense plans. Even if current plans seem targeted only at Iran and would likely be unable to seriously impact Russia's deterrent capability, Moscow cannot be assured that the program would not continue to expand into a genuine threat.

Esin concurred with Rogov's assessment, explaining that American plans would not begin to impact Russia's deterrent until at least 2015. After that point, however, it is unclear to Moscow how the United States' plans will be implemented. Esin noted that serious economic constraints could limit the expansion of missile defense, but conceded that significant changes to threats in the international environment could nevertheless push Washington to adopt increasingly complex missile defense measures. For example, there is no need to deploy SM-3 interceptors if

Iran only maintains an arsenal of medium-range missiles, but this assessment would change if Tehran managed to acquire ICBMs. The necessary defensive systems would then pose a serious threat to Russia's arsenal, as well as Iran's. Esin concluded that Moscow and Washington must cooperate in order to prevent Iran from crossing that threshold, thus eliminating the need for more advanced missile defense systems.

Savostyanov began his response by noting that Putin, like any other national leader, has an obligation to prioritize the safety and security of his own people and nation, thus making his concerns over missile defense legitimate. He concluded, however, that some people in the Russian government are not actually concerned about the possibility of missile defense upsetting the balance of mutually assured destruction, but are instead instrumentally using the issue to incite conflicts and put pressure on the United States. Savostyanov noted that these exact types of situations are the reason why he and his colleagues created the Center for Russia-USA Rapprochement; as these types of non-governmental contacts allow dangerous misunderstandings to be resolved.

The discussion then proceeded to economic issues, with the first question being asked about the upcoming fight in the American Congress over the Jackson-Vanik amendment. Yakobashvili was asked what efforts had been undertaken by the Center and the U.S.-Russia Business Council to push for a repeal of the antiquated amendment. Yakobashvili explained that the primary obstacle to an improvement in U.S.-Russian trade is miscommunication between the two countries, as businesses themselves have been pushing for increased trade contacts. He emphasized Russia's need for increased access to technology and knowledge as well as human capital, arguing that more private partnerships between Russians and Americans would generate the support for strengthened ties at the formal level.

Esin was then asked to comment on Russia's views regarding potential military action by the United States or Israel against Iran. The former General succinctly explained that, like most of the world, Russia would view such an action as an unacceptable form of aggression. He further argued that it would destabilize the region while simultaneously failing to significantly slow down the progress of the Iranian nuclear program. Savostyanov added that Moscow had declared numerous times that Iranian acquisition of a nuclear weapon would be unacceptable. Despite Russia's genuine concerns about the risks of Iranian proliferation, however, Moscow does not want a military confrontation, and would instead prefer to find other diplomatic solutions to the crisis. Rogov added yet another perspective, arguing that the myopic focus on the proliferation threat posed by Iran distracts focus from the efforts needed to spark a genuinely comprehensive effort to revitalize the Non-Proliferation Treaty and other non-proliferation efforts. He proposed that the international community should find a more comprehensive solution to proliferation that avoids "double standards," and focuses on reducing the arsenals of the declared nuclear powers, rather than simply preventing new states from joining the nuclear club.

The discussion then turned to human rights concerns and, in particular, the anniversary of the Magnitsky scandal. The panelists were asked to provide their perspective on the American decision to impose visa penalties on Russian officials who are believed to hold some responsibility for Magnitsky's death. Pamfilova responded that most attempts by the United States to raise human rights concerns are ultimately deployed for political leverage, rather than out of genuine concern for improving the human rights situation in Russia. She argued that human rights issues should remain an important focus for the United States, but that they must be handled separately from broader political issues. Savostyanov argued that the Magnitsky incident was regrettable, but that the response by Washington had been improper and largely ineffective. He compared the visa blacklist to a Cold War-style response, where the United States would use any incident to blow up the relationship and put pressure on Moscow. Savostyanov remarked that people in Washington had used the Magnitsky case to advance personal political goals, and at best held naïve conceptions about their ability to influence Russian policy. Savostyanov concluded by echoing Pamfilova's suggestion that human rights issues should be engaged separately from other political disputes, rather than being deployed as leverage. Pamfilova added one last comment, noting that Medvedev had expressed genuine dismay over the Magnitsky case, but has yet to open any real investigation. Russian civil society groups have been putting pressure on the government over the Magnitsky scandal, but have been ineffective thus far. Pamfilova argued that cooperation between Russian and American human rights groups at a non-governmental level would serve as a better response than pressure by Congress.

The next question turned the focus back to security concerns and to the issue of Russian tactical nuclear weapons (TNWs) in particular. The question was raised about Moscow's willingness to make some sort of gesture, such as freezing numbers of TNWs or increasing transparency, in order to facilitate a broader arms control arrangement that put limitations on missile defense and strategic warheads. Esin replied that Moscow has always remained willing to discuss limitations on TNWs, but has asked for a gesture of good faith by the United States first. The primary concern for Russia is the deployment of American TNWs in European countries. According to Esin, Moscow would be willing to open up negotiations after the United States removes TNWs that are not deployed on its own territory. He also noted that Moscow had unilaterally reduced its deployment of TNWs numerous times since the end of the Cold War and has not developed any new non-strategic warheads. The onus, in his view, is thus on Washington and not Moscow to take the first step. Rogov added the view that comparisons of the number of deployed weapons provide an incomplete picture of the strategic balance of nuclear forces. The introduction by the United States of missile defense and advanced conventional strike forces, which have the capability of targeting Russian strategic assets, create difficulties for Russia's nuclear force. Because each part of the nuclear balance is linked together, it is impossible to negotiate separately on issues like TNWs without connecting those discussions to broader arms control efforts that include missile defense and conventional strike capabilities.