

The Russia Factor in Transatlantic Relations and New Opportunities for U.S.-EU-Russia Cooperation

Foreign Policy
at BROOKINGS

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May 2010

WORKING PAPER
Number 4

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ACKNOWLEDGMENTS

I am grateful to Fiona Hill, head of the Center on the United States and Europe, Steven Pifer, Angela Stent, Ted Piccone and Jeremy Shapiro for their comments and suggestions on earlier drafts of this paper. I would also like to express my appreciation to Andrew Moffatt and Johanna Peet for their assistance. Finally, I would like to thank the Center on the United States and Europe at the Foreign Policy Program of the Brookings Institution which hosted

me as a visiting fellow from July to October 2009. I am aware that this has been too short a time. But my exposure gave me an appreciation for Brookings, its human resources, its great influence in policy making, and its role as a catalyst in intellectual debate. The views expressed in this paper are attributable only to the author and not to the Federal Foreign Office of Germany or the Brookings Institution.

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INTRODUCTION AND SUMMARY

In November 2009, Germany celebrated the 20th anniversary of the fall of the Berlin wall. Germany's reunification and the collapse of the Soviet Union ended the Cold War. And yet two major pieces of unfinished cold war business remain, two decades after the fall of communism: Fitting Russia into a pan-European security framework and finding a place for the other post-Soviet states.

These tasks have turned out to be much more difficult than expected. The assumption that a democratizing Russia would quickly integrate into Western structures has proven wrong. And the post-Soviet space has evolved into a space of geopolitical rivalry between the West and Russia. While reasserting itself as a great power, an ever more authoritarian Russia has made it clear that it is not willing to join the West unless "it is given something like co-chairmanship of the Western club."¹ Indeed, Russian Foreign Minister Lavrov once remarked that cooperation on an equal footing between Russia, the European Union (EU) and the United States was only feasible within "a system of collective security in which national strategic concepts are denationalized."² As neither an expanding NATO nor an expanding European Union has been willing to grant Russia membership or the role of a co-decision maker in matters of European security, Russia has remained outside the club.

The difficulty of anchoring Russia into Euroatlantic structures has been affected by the fact that Russia has proved to be one of the most divisive issues within the EU 27. Until the beginning of 2009 the lack of a coherent EU policy towards Russia was

fuelled by a lack of coordination and growing disagreements on Russia or Russian related issues (e.g. about the pace of NATO enlargement and missile defense) between the U.S. administration of George W. Bush and big EU member states such as Germany, France and Italy.

The chances for a new start in the West's relations with Russia are now better than they have been since 9/11. As U.S. Undersecretary of State William Burns recently put it in a remarkable speech, the reset approach by the Obama administration has moved U.S.-Russian relations beyond past tensions and grievances, and has produced tangible results. The New START agreement is the "most fittingly named example."³ The crucial question is whether the new spirit of cooperation can translate into a renewed impetus to anchor Russia more closely into European security structures.

This paper attempts to explore the opportunities for increased cooperation between the United States, the European Union and Russia in the Euro-Atlantic area. It focuses on priority topics, where interaction between the United States, the European Union and Russia is critical: European security including arms control; the joint EU-Russia neighborhood, including Central Asia; and energy security. True, the quality of the relationship between the United States and the EU with Russia will also be determined by many other issues outside the Euro-Atlantic area such as cooperation on Iran, Afghanistan, the Middle East, North Korea, global governance and climate change.⁴ But if disagreement and conflict between Russia and the West in the Euro-Atlantic area prevails it would

reduce confidence and trust necessary for the solutions of other problems.

This paper reaches the following conclusions:

- The impact of the global financial crisis on Russia and the Obama administration's "reset" policy create favorable conditions for a new and sustained phase of cooperation between the West and Russia. But Russia still needs its own reset to transform itself from a spoiler state reaping windfall energy profits to a constructive force seeking common solutions to common problems.
- To achieve U.S. and EU goals towards Russia, closer transatlantic coordination is needed. The United States and the EU should devise new mechanisms to coordinate their policies on Russia. For example, Russia-related issues should feature prominently on the agenda of EU-U.S. summits. The United States and Germany, in particular, should move forward with the creation of a joint working group on Russia at the governmental level.
- Given the fact that relations with Russia are still one of the most divisive issues within the EU, Brussels must think of practical steps to create greater coherence in its policy towards Russia. Careful consideration of Central European EU member states interests in joint EU/German policies towards Russia will be especially important. The key point of leverage the EU can bring to bear is its unity.
- Russian President Medvedev's proposal for a pan-European security treaty and the Corfu process within the OSCE create opportunities for added value in European security. In this vein, the United States, the EU and Russia should explore the potential building blocks for an overarching pan-European security system. These could be developed within the existing NATO-Russia and EU-Russia, including European Security and Defense Policy (ESDP)-Russia contexts. Progress on conventional arms control including revisiting the Treaty on the Conventional Forces in Europe (CFE) is essential in this regard.
- The Obama administration's 'delinking policy' will be impossible to maintain if the joint EU-Russia neighborhood develops into a conflict-prone space. Therefore, the United States and the EU should demonstrate their resolve to prevent Russia from overplaying its hand in this area. At the same time, the EU (through and beyond its "Eastern Partnership" approach) should more actively try to shape the region, and contribute to the prevention of conflicts by creating win-win solutions for the EU, the "Eastern Partnership" countries and Russia.
- In Central Asia, the EU together with the United States should try to engage Russia on preventing regional countries from becoming failed states and addressing the most burning issues such as poverty, low education rates, food security and conflicts over water resources.
- Energy will remain one of most divisive issues in relations between Russia and its European neighbors. While stepping up efforts to create an internal energy market, and strengthening solidarity mechanisms as well as diversification, the EU should try to engage Russia on the concept of cooperative energy relations, encompassing producers, transit countries and consumers. The EU—in close coordination with the United States—should also try to engage Russia in a dialogue on energy governance with a view to commit Russia to legally binding rules and procedures. Connecting the EU-Russia and U.S.-Russia dialogues on energy would be one mechanism.
- To further a common agenda and coordinate views, the United States, the EU and Russia should explore ways to develop new trilateral formats for dialogue and cooperation. These could include: core group meetings within the OSCE (tripartite EU-U.S.-Russia);

pre-coordination before G-20 summits; the establishment of a trilateral group of “wise men” on arms control and pan-European security: a “Russia 4” complementing the “U.S. 4” (Henry Kissinger, George Shultz, William Perry, Sam Nunn) and the “German 4” (Hans-Dietrich Genscher, Richard von

Weizsaecker, Helmut Schmidt, Egon Bahr); the gradual elevation of existing trilateral talks among government policy planners to a higher level, e.g., to include political directors; foreign ministers and the new EU High Representative for Foreign Policy; and trilateral presidential summits.

THE CHANGING INTERNATIONAL ENVIRONMENT

The international environment that frames the West's policy towards Russia has altered considerably over the past year. There have been four significant developments:

First, although the Russian-Georgian war in August 2008, as Robert Kagan prematurely depicted, was not “a turning point no less significant than November 9, 1989,”⁵ it was an important development. Russia's invasion of Georgia in response to Georgia's attack on South Ossetia and Russia's consequent recognition of Abkhazia and South Ossetia have considerably damaged relations between the West and Russia. The war demonstrated Russia's willingness to apply military means in a disproportionate manner when it feels its vital security interests in its immediate neighborhood are threatened, even at the risk of self-isolation. As the Independent International Fact-Finding Mission on the Conflict in Georgia, led by Ambassador Heidi Tagliavini, concluded in 2009, if Georgia fired the first shot by attacking South Ossetia, then Russia created and exploited the conditions that led to war.⁶

Second, the European Union, in bringing the parties to the negotiating table and brokering a ceasefire agreement and a peace plan, has begun to establish itself as a strategic player in the joint EU-Russia neighborhood. Contrary to the beliefs of critics on both sides of the Atlantic, the EU has been able to influence Russia's behavior. The European Union contradicted the perception prevalent among the Russian political elite that the European Union is not a political actor worth taking seriously because of its internal divisions. At an EU foreign ministers'

emergency meeting on August 13, 2008 and an extraordinary meeting of the European Council on September 1, 2008, the European Union spoke with one voice, and a coherent position was achieved despite the fact that, at the national level, initial reactions to the war diverged.

Shortly after the Russian-Georgian war, the European Union, through the initiative of the Polish and Swedish governments, accelerated efforts to draw the countries of the joint EU-Russia neighborhood closer to the European Union. With the “Eastern Partnership” summit in Prague in April 2009, the European Union signaled to the countries in its eastern neighborhood that it is keen to give new momentum to cooperation. A stronger European focus on its eastern neighbors is also in the interest of the United States as, from Washington's perspective, EU relations with “Eastern Partnership” member countries are strategically at least as important as EU-Russia relations. It is the EU that through its economic leverages can bring its transformative power to bear and draw these countries closer to the West.

Third, the global financial crisis in 2008-2009 put an end to the triumphant mood in Moscow. It openly revealed Russia's weaknesses and its vulnerabilities, its heavy resource dependency, and the deficiencies in its banking and governance systems. The crisis raised the awareness of decision makers in Moscow of the degree to which Russia's economy was linked to global financial markets. While Russia seeks to redefine the terms of engagement with the West, it also realizes it needs the West's cooperation for its modernization. An openly confrontational approach

risks trade relations and foreign investment from the European Union. Consequently, the widespread view among the Russian elite in 2008 that the European Union was more dependent on Russia than Russia on the European Union, is now heard less often in Moscow. However, the impact of the global financial crisis has still not resulted in really substantive change in Russia's strategic attitudes. Indeed, in the words of one Russian Commentator, the crisis may well increase "the isolationist/anti-globalist sentiments that are already visible in Russian politics."⁷

Fourth, and most importantly, the Obama administration's "reset" policy has de-escalated tensions with Moscow. The Obama-Medvedev summit in

July 2009 gave rise to a new positive U.S.-Russian agenda focused on opportunities rather than differences. Successful negotiation of a successor treaty to START and the reconfiguration of the Bush administration's plans for missile defense have opened new opportunities for cooperation, with potential spill-over effects for areas where disagreements still prevail, such as Iran. The remarkable change in U.S. policy has diminished Russia's ability to conjure up the image of the United States as a threat to Russia's interests, both domestically and internationally. In a certain sense, President Obama poses the biggest threat to Russian hardcore nationalists and conservatives who thrive in an atmosphere of confrontation.

RUSSIA'S PLACE IN THE FOREIGN POLICY STRATEGIES OF THE UNITED STATES AND EUROPEAN UNION

Americans and Europeans share the same or similar set of normative approaches when it comes to Russia. Nevertheless, Russia occupies a different place in the strategic thinking of the transatlantic partners.⁸

For the United States, as a world power with global security interests, Russia represents a vital security interest that has to be weighed against many others. This translates into a selective approach in which Russia is only important as a factor in resolving other pressing issues such as nuclear arms control, non-proliferation, Iran, Afghanistan, and Middle East peace. Put simply, Russia is important insofar as it can act as a spoiler or as a supporter of U.S. interests. U.S.-Russian relations lack the economic dimension and mutual dependencies that characterize EU-Russian relations. In comparison, economically, China is a much more important factor for the United States than Russia.

The Obama reset policy has not fundamentally changed this picture although the United States has been more willing to take Russia's security interests into account and has accorded Russia a higher place on its foreign policy agenda. The United States is also trying to broaden the basis of U.S.-Russian relations and to add substance, with the rationale that the more substantial the relationship, the higher the price Russia must pay for actions that threaten the relationship.

The establishment of a bilateral U.S.-Russian presidential commission with 13 working groups serves this aim. There are, of course, limits to this approach. There is no certainty that Russia will remain a top

foreign policy priority for Washington. If Russia is unwilling to deliver (e.g., on Iran and Afghanistan “in exchange” for the reorientation of U.S. missile defense and START negotiations), then Washington's interest in Moscow will certainly decrease.

For the European Union, Russia as a big neighbor is “the most important, if not the central task of European foreign policy.”⁹ With its great potential, for both harm and opportunities, Russia is a key factor. None of Europe's security problems can be solved without or against Russia. European-Russian links are multiple—historical, societal and economical. The current density of relations is unprecedented. Russian-EU trade volume (currently around \$250 billion) exceeds U.S.-Russia trade by a factor of eight. For the European Union, Russia is its most important trading partner after the United States and China. And for Russia, the European Union is its most important trading partner, accounting for 50 per cent of Russian trade. Eighty per cent of Russian exports go to the European Union, and over 75 per cent of foreign investment comes from the European Union. This makes the European Union the natural modernization partner for Russia.

With Russia the primary energy supplier for the European Union, mutual interdependency is most obvious in the energy sector. Despite growing concern in Europe about the EU's reliance on Russian gas and efforts to reduce it, the majority of the political elite in Europe perceive energy relations with Russia as a bond, not a liability. Especially in Germany, there is still a strong school of strategic thinking associated with the powerful business community

that sees the Russian energy relationship as a chance to bind Russia even more closely to Europe. This has led to the somewhat overly optimistic view in Germany and elsewhere in Europe that energy interdependence will spill over into the political realm and “civilize” or even transform Russia’s domestic and foreign policy behavior. Some argue that gas on the Russian side and technology on the European side could be accorded the same strategic function that coal and steel played in the German-French context when the creation of their steel and coal community started the process of European economic and political integration.

Given the density of links and the strategic importance of Russia, the European Union pursues a comprehensive approach—irrespective of different national attitudes toward Russia (see section V). In November 2008, the European Union and Russia restarted their negotiations on a new political agreement, to replace the 1997 partnership and cooperation agreement, that provides the legal framework for EU-Russian relations. Although it will not serve as a panacea for EU-Russian relations, the new agreement is meant to provide a new comprehensive framework, give EU-Russian relations strategic orientation, and bind Russia into legal obligations. In addition, the agreement seeks to create a free trade union, a common economic space and achieve the long-term goal of visa-free travel.

These goals are shared, in principle, by the new central European member states of the EU. However,

polarization between “new” and “old Europe” over how to deal with Russia persists.¹⁰ Large member states like Germany, France, Italy and Spain view Russia as a potential strategic partner that can be drawn into the EU’s orbit through a process of gradual integration, and they favor strong institutional ties. For example, in Germany, Russia is perceived as one of the countries most relevant for German interests. In a recent poll, 88 percent of Germans believed that Russia will be important for the future of Germany, with the United States at 83 percent. Sixty one percent favored even closer cooperation with Russia as compared to 63 percent for the United States.¹¹ As U.S. scholar Angela Stent put it in a 2007 article, “ultimately, there will be robust German-Russian relations irrespective of Washington’s choices—because of economic, historical, and geographic realities.”¹²

Other EU countries, like the Baltic states and to a lesser extent Poland (sometimes backed by Sweden and the UK), still perceive Russia more as a threat than a potential solution. These countries are more hesitant to involve Russia in European institutions, and sometimes argue for a policy of soft containment to hedge against the expansionism of an authoritarian Russia. Accelerating the pace of Ukraine’s and Georgia’s NATO membership and calls for an “Energy-NATO” stem from this approach. Consequently, close bilateral economic relations between Germany and Russia are often perceived in the Baltic states and Poland as directed against their interests.

WHO ARE WE DEALING WITH?

Joint U.S.-EU action on Russia requires a common understanding of Russia's domestic and external behavior and their driving forces. Pressed by the urgency of the day-to-day business of international affairs and the demand for quick policy prescriptions, policymakers sometimes underestimate the centrality of this issue. Conventional wisdom supposes that Americans and Europeans easily agree on their analysis of Russian developments but then differ on their responses because of divergent interests. However, this is not always the case. Differences in strategies often derive from real differences in the analysis of Russia's internal dynamics. Therefore, we need to ask ourselves hard questions. Is Russia's foreign policy revisionist, outwardly revanchist, defensive, or only mercantilist in nature? To what extent is Russia's foreign policy just a function of internal politics and the Russian ruling class's need to consolidate its power? How do we assess Russia's muscle flexing towards Ukraine? Does Russia value its commercial and military trade with Iran more than keeping Iran nuclear-free? Do we agree on the nature of the Medvedev-Putin tandem and of how much influence Medvedev really wields in Russian politics? What impact do long-term economic and societal trends have on Russia's policy?

Russia is not a revived USSR. A study of the "Foreign Policy Concept of the Russian Federation," approved on July 12, 2008 and the newly adopted "National Security Strategy for 2020" along with other relevant documents shows that Russia neither has an inherently aggressive foreign policy doctrine nor a defensive one. Rather, Russia's foreign policy is opportunistic. While lacking its own vision of Russia's place

in the world and focusing on "nyet" rather than on a more constructive "da," Russia's foreign policy ultimately is more about tactics than strategy. Russia seeks to expand its influence and claims to represent an independent pole in a multipolar world. Rather than being integrated, Russia wants to integrate. Its ability to shape favorable conditions in its "near abroad" is seen by Russia's political elite as a test of its great power resurgence. In its near abroad, Russia is a revisionist power. A case in point is President Medvedev's five points elaborated in an August 2008 speech in which he declared "a zone of privileged interests" in Russia's neighborhood.¹³ His letter to Ukrainian President Yushchenko in August 2009¹⁴ and his announcement that same month of new rules for the deployment of Russian military forces to protect the interests of Russian citizens abroad fall into the same category. Russia often follows a long-standing foreign policy tradition that favors coercive over accommodative approaches when dealing with perceived weaker neighbors in its near abroad.

Russian policymakers follow classical concepts of realpolitik but with one major modification: they tend to overestimate Russia's own strength and to underestimate the strength of its competitors and partners. In Russian leaders' distorted perspective, Russia is still strong despite the financial crisis, the European Union is struggling to get its act together, and the United States is declining. "Obama is seen as America's Gorbachev—a popular leader with good intentions, but one who signals not the revival of American influence but its further decline."¹⁵ However, it is Russia that is weak despite its ambitions. Today, Russia is a lonely power, which attracts

few allies beyond Hugo Chavez of Venezuela and the leaders of Nicaragua.

Russia today faces the dire consequence of its resource-based socio-economic structures: a non-diversified economy and an outdated infrastructure. Only in gas and raw materials production does Russia compete on a world scale. The economic and technological lead enjoyed by its neighbors—the European Union in the west and China, Japan and South Korea in the east—is growing. An accelerating demographic decline, of almost 800,000 per year, a corrupt state bureaucracy, as well as an inefficient political system add to the picture. These factors mean that Russia's economy, with GDP falling by 8 per cent in 2009, will not easily recover, even if oil prices rebound. Russian economist Andrei Illarionov rightly states in a late 2009 article that the “main reasons for Russia's current economic crisis most likely lie not so much in general international conditions, and world price behavior in particular, but in Russia's domestic specifics.”¹⁶

President Medvedev is aware of these weaknesses and seems to draw the political consequences from them more thoroughly than Prime Minister Putin. From his speech in Krasnoyarsk in February 2008 through to his unprecedented online article of September 10, 2009 in *gazeta.ru*,¹⁷ President Medvedev has lashed out against the deficiencies of the Russian political-administrative system. The Russian president has openly called for a stronger decoupling of the economy from the state, indicating a modern understanding of the need to adapt Russia's policies to the demands of a globalized world. For example, in his article in *gazeta.ru*, Medvedev argued that “society is becoming more open and transparent, even

if this displeases the ruling class.”¹⁸ Medvedev seems aware that Russia's path to modernization lies in its adoption of global best practices and international standards to diversify the economy beyond energy. (In an ironic sense he is just expressing what consumers in Russia want when they purchase goods: “evrostandart!”—a *European standard of quality*). Therefore, Medvedev strongly believes that Russia's economy belongs in the World Trade Organization (WTO), not outside it.

Medvedev's presidency offers those who stand for a reformist approach in Russia more scope of action. For Russian reformers, a benign international environment is the main prerequisite for progress at home. The economic imperative and the stance of the Obama administration strengthen reformists' arguments that Russia has more to gain than lose from cooperative relations with the West. But Medvedev's ability to shape the predominant views of the Russian political establishment is still limited, given the fact that he is an integral part of this establishment and thus still dependent on the “siloviki” directed by Putin, Medvedev's personal power base remains weak.

Further Russian muscle-flexing and continued political fixation on upholding its international status enables the political elite to conceal its weakness and preserve its power. For the foreseeable future, Russia will try to talk up its remaining advantages (nuclear weapons, energy, UNSC permanent membership) as a reaction to its less prominent role in the G-20 process. Russia will also continue its efforts to capitalize on the vulnerabilities of its weaker neighbors exploiting, for example, domestic instability in Ukraine.

FORGING A COMMON TRANSATLANTIC APPROACH TOWARDS RUSSIA

THE IMPORTANCE OF EU UNITY (AND THE ROLE OF THE UNITED STATES)

Agreeing on a common approach towards Russia has been one of the primary foreign policy challenges for the EU. This task became more difficult after the accession in 2004 of new members in Central Europe. Many of these countries have more conflicts with Russia than earlier members and are more concerned with maintaining security against Russia than developing closer relations with Russia. The Estonian-Russian dispute over the removal of a Soviet memorial at the beginning of 2007 and the consequent siege of the Estonian embassy in Moscow in April 2007, Russian-Polish quarrels over meat imports, and Russian-Lithuanian disputes about the Druzhba oil pipeline are just a few examples of recent conflicts. However, the European Union also made some progress in developing a common EU policy towards Russia agreeing in 2003, for example, to work with Russia on the “Four Common Spaces”: trade and economic cooperation; freedom; security and justice; external security; and research, education and culture. Another example of the EU’s common policy towards Russia is the negotiating mandate for the new EU-Russia agreement.

Forging a common approach to Russia will always be a challenge for the European Union given the double nature of relations. On the one hand, every single EU member state has a bilateral relationship with Russia; on the other, the EU as a whole has a bilateral relationship with Russia. This double nature is unavoidable, given the structure of the European Union and the continued existence of

nation states that pursue national foreign policies and interests based on their specific geography, history and experiences with Russia.¹⁹ Bilateral relations will continue in many areas, because the European Union cannot claim competence on all issues.

More EU coherence on Russia is essential, however. If it were able to speak with one voice, the European Union would be much more effective in its dealings with Russia. This is especially true for energy security and security policy. Bilateral energy deals between EU member states and Russia make it harder for the Union to forge a common approach.

Establishing guidelines for solidarity within the EU would be a step in the right direction. But solidarity is a two-way street: EU solidarity with individual member states and solidarity of individual member states with joint EU positions. One problem is the missing link between national policies and EU policy when bilateral conflicts between EU member states and Russia obstruct a common EU approach. For example, the quarrel between Poland and Russia over Russian import restrictions of Polish meat blocked the start of negotiations for a new EU Political Cooperative Agreement (PCA) with Russia for most of 2007-2008.

There is a clear consensus in the European Union that unity is a prerequisite for the EU to exert any influence over Russia and the Union should not give Russia the opportunity to play EU member states off each other. Unity, however, will require more strategic clarity within the European Union on Russia. In this regard, some informal pre-coordination of

positions among either the big member states or among member states with a special stake in Russia could be useful (e.g., the UK, France, Germany, Italy, Poland, Finland, and the respective EU state holding the rotating presidency). Smaller member states must not be excluded from this process. A strong EU-Russia legal and institutional framework ultimately is the best hedge against the ability of Russia to play EU member states off each other. Therefore, the successful conclusion of negotiations on a new agreement between the European Union and Russia should satisfy both European and U.S. interests.

Different attitudes in Europe on how to deal with Russia will nonetheless remain and this greatly complicates the role of the United States in Europe. As Russia is still perceived as a potential threat, Obama's reset policy in 2009 has raised concern among Central and Eastern European states ("German Marshall Fund letter" of June 16, 2009²⁰) about the implications for their interests and security. Wary of possibly losing the privileged partnerships with the United States, established during the Bush Administration, these states perceived themselves more exposed to Russia's influence by 'reset'. These countries need reassurance of continued U.S. and EU commitment to their security, and their interests must be carefully considered in any joint U.S.-EU/German policies towards Russia. Against this background, the visits of Vice President Biden to Ukraine in July 2009, and to Poland, the Czech Republic and Romania in October 2009 were important. A supportive U.S. policy aimed at strengthening rather than loosening the bonds of cooperation of the Central European members with the Union is essential for EU unity. The United States should encourage new members to invest more deeply in relations with Germany and other EU core members.

A strong Berlin-Warsaw axis vis-a-vis the EU's eastern neighborhood is a major step toward greater EU unity, and the first joint visit of a German and a Polish foreign minister to Ukraine in June 2009 provided an impressive example of joint Polish-German action. The United States should encourage this kind of European coordination. Poland should

be closely engaged in EU and U.S. strategy toward Ukraine both to bolster and react to Kyiv and to help dispel fears in Warsaw that Poland has become less important for the United States.

ADDRESSING VEXING QUESTIONS IN THE U.S.-EU DIALOGUE ON RUSSIA

In the transatlantic dialogue on Russia, the European Union and the United States should not shy away from addressing questions policymakers may prefer to avoid because they are difficult to answer, such as:

- Do we have a common understanding of legitimate Russian security interests? The Western mantra, that the West does not accept a Russian sphere of influence in its "near abroad," is not particularly helpful. What does this mean in concrete terms? Can we come up with a set of criteria to help us answer this question?
- Where does Russia's legitimate influence over the behavior of its neighbors end, and where does "neoimperial" behavior begin? To what extent is Russia's demand that Ukraine pay higher gas prices or have its gas supplies cut off, driven by legitimate economic and commercial interest? Is this politically motivated blackmail?
- To what extent do we tolerate infringements on democracy and human rights, and the violation of the rule of law in Russia? To the author of this paper this question seems especially pertinent given the current tendency in the West's relations with Russia to focus more on common interests than on disagreements. For example, there was a striking silence in Western capitals during the second Khodorkovskiy trial.

NEW MECHANISMS AND COORDINATION

Improved transatlantic coordination on Russia requires enhancing the existing U.S.-EU dialogue. More flexible mechanisms should also be explored. For example, there is an objective need to discuss

Russia-related matters within a format that encompasses the most important transatlantic players on this issue, such as the United States, UK, Germany, France and Poland. Multilateral formats will naturally be complemented by closer coordination on Russia between the United States and individual EU member states. Germany in this regard is the most important partner in the European Union given the depth of its relations with Russia.

From a German point of view, the Obama Administration's approach has once again accorded Russia an importance commensurate with German and American interests. The run-up to the Russia-U.S. summit in July 2009 saw increased dialogue between U.S. and German officials on Russia-related matters. Russia also featured prominently at the summit between President Obama and German Chancellor Merkel in July 2009. The Obama Administration sought out German experience in dealing with Russia on both governmental and non-governmental issues. The United States and EU/Germany should continue to coordinate their policies even more closely, and coordination should go beyond a mere exchange of views to produce more joint actions.

This coordination should continue and be institutionalized. A joint U.S.-German working group on Russia-related issues could be established, for example, covering arms control, discussions of Russia's proposals for a new pan-European security architecture, the joint EU-Russia neighborhood—especially Ukraine and Georgia—and the rule of law. The structure of this working group could encompass officials from the respective operational units and policy

planning staffs with the possible inclusion of think tanks experts who have previously served in government. A working group (with a suggested maximum contingent of six) would complement the regular exchange of views between the U.S. Assistant Secretary of State for European and Eurasian Affairs and their German counterpart. This working group could:

- work out joint declarations on core issues related to Russia;
- draw-up joint non-papers, such as the joint U.S.-German non-paper on the operations of the NATO-Russia Council written prior to NATO's summit in April 2009;
- explore opportunities for joint visits by U.S. and German foreign ministers to Ukraine;
- exchange views on the work of the U.S.-Russia presidential commission and German-Russian commission on governmental consultations;
- discuss perspectives on Germany's "St. Petersburg dialogue" and respective U.S.-Russian initiatives.

Closer U.S.-German coordination on the governmental level should be paralleled by more interaction between German/EU and U.S. think tanks. Existing activities such as joint conferences should be more focused on issues tied to the agenda of policymakers. Joint U.S.-EU research and papers as well as visiting fellowships for scholars working on Russia should be considered.

NEW OPPORTUNITIES FOR U.S.-EU-RUSSIA COOPERATION

More clarity about the U.S. and the EU's strategic interests in Russia, better transatlantic coordination on Russia, as well as a more coherent EU approach to Russia provide a solid basis for engaging Russia. The following chapters explore new opportunities for increased cooperation between the United States, the EU and Russia in the Euro-Atlantic area.

TOWARDS A PAN-EUROPEAN SECURITY SPACE

First advocated by American (James Baker) and German (Hans-Dietrich Genscher) politicians after the Cold War, the idea of an overarching security framework stretching from Vladivostok to Vancouver has not lost its appeal. There is no doubt that NATO enlargement and EU enlargement have greatly increased Europe's security and expanded the area of stability within Europe. Their continued expansion, however, does not seem to be the answer to Europe's security problems. The 2008 Russian-Georgian war revealed deficiencies in the current European security order. Mechanisms for conflict prevention did not prevent tensions from escalating into war. The current sense of renewal in relations between the United States, the European Union, and Russia should be channeled towards efforts to create a new security community in the Euro-Atlantic area.

From Berlin to Athens: Discussion of Medvedev's Proposal

The starting point for a dialogue with Russia on European security should be Medvedev's proposal for a new pan-European security treaty. The Russian

president laid out this proposal in a speech on June 5, 2008 in Berlin (with the author of this paper present), and again in Evian on October 8, 2008. Foreign Minister Lavrov and Deputy Foreign Minister Grushko later elaborated on the proposal but without really fleshing it out further. The proposal identified the following top priorities:

- respect for international law, sovereignty, and territorial integrity;
- inadmissibility of the use of force or threats of its use;
- guarantee of equal security along with not ensuring one's own security at the expense of others;
- not allowing acts that undermine the unity of Europe's common security space;
- no development of military alliances that threaten the security of other parties to the treaty;
- a new conflict prevention mechanism;
- a pan-European security treaty as a legally binding document; and
- a conference with all relevant organizations participating.

The initial reaction in Western capitals to the Russian proposal was more skeptical than welcoming. Some saw in Medvedev's speech a thinly-veiled attempt to halt NATO enlargement, undermine

NATO, or deconstruct the existing European security order. Others questioned the added value of the proposals, pointing out that many of the principles put forward by Medvedev (e.g. “no use of force”) are already enshrined in OSCE documents and the UN charter; and the fact that Russia had discredited itself on the principle of respect for the territorial integrity of other states by invading Georgia, applying disproportionate use of force, and recognizing Abkhazia and South Ossetia as independent states.

Within the European Union, Germany, France, Italy and other like-minded countries argued for not dismissing the proposal out of hand but engaging Russia in a dialogue—in part because it would be unwise to reject the first foreign policy initiative by the then new Russian President. The vagueness of the Russian proposal also allowed the European Union to contribute some of its own ideas to the emerging debate.²¹ Through informal talks with their Russian counterparts, European officials expressed interest in an intensified dialogue with Russia, but also pointed out its limits: the transatlantic link in European security was not negotiable; existing security structures such as NATO could not be questioned; soft security measures including the human dimension, the rule of law, energy and climate security also had to be addressed in discussions; and the Helsinki Accords with their broad approach to security had to be respected. EU officials communicated to the Russians that a legally binding document was not realistic and the OSCE offered the more suitable venue for discussing the proposal.

The informal OSCE foreign ministers meeting in Corfu on June 27-28, 2009 provided a clear signal for a structured and issue-oriented dialogue with Russia on the future of European security. It also led to the formal launch of the process at the OSCE foreign ministers meeting in Athens in December 2009. There is no doubt that this process will be difficult and painstaking. Disagreements between Russia and most OSCE member states will be unavoidable. While Russia still seeks a new legally binding European Security treaty and new mechanisms for conflict prevention, the majority of Western member states have concluded that the primary challenge

to European security is Russia’s unwillingness to fulfill existing commitments.

Despite these differences, opportunities should be seized in the best tradition of the Helsinki process and OSCE to produce some added value for European security. At the end of this process, a “Helsinki II” or a renewed Charter of Paris could be the result. It is thus important that the Corfu process be results-oriented and contribute to solving key problems in the Euro-Atlantic area. The test of a new quality of relations with Russia will not be statements of intent but the capacity to deliver concrete outcomes. The aims of the process should be:

- Revitalizing the OSCE in its three dimensions of politico-military, economic and human security and strengthening interaction with other organizations. This would reinforce the OSCE as a forum for security dialogue. Granting the OSCE legal personality as subject of international law should also be explored.
- Conflict prevention. Existing mechanisms (the OSCE Office for Democratic Institutions and Human Rights, the Conflict Prevention Center and the High Commissioner on National Minorities) should be strengthened as should the capacity of the OSCE Chairman in Office to react to crises. In addition, improved cooperation should be explored on the protection of minorities with the OSCE High Commissioner on National Minorities and the Council of Europe Commissioner for Human Rights.
- Revitalizing the OSCE discussion on the political-military dimension, and the modernization of the 1999 Vienna Document on Confidence and Security Building Measures.
- Strengthening OSCE capacity to respond to new threats and challenges such as climate change, environmental degradation and water scarcity.

The Corfu process should aim at bridging the gap between the fundamentally different perceptions of Russia and the West on the principle of “indivisibility

of security.” Russia perceives NATO enlargement, and to a lesser extent EU enlargement as a violation of this principle. Conversely, the West sees Russia’s treatment of its neighbors as a “privileged area of influence” (one of the five principles President Medvedev laid out in his August 2008 speech) as a sign that Russia perceives its immediate neighborhood as a zone of lesser security. In order to bridge the gap, the discussion should focus on new forms of security threats (cyber defense, organized crime, energy security). But controversial issues that lead to a sense of mistrust should be discussed, too. For example, these include the announcement on August 10, 2009 by Medvedev of new rules for using Russian military force outside the country to protect Russian citizens and defend Russian military units stationed abroad.

The OSCE’s competence for hard and soft security issues and the fact that the OSCE is the only security forum which encompasses all states in the Euro-atlantic area including all countries of the post-soviet space makes it the main venue for such debate on Euro-Atlantic security. However, it would not be realistic or even desirable to try to limit the debate to the OSCE. It is only natural that this will also take place in the EU-Russia and NATO-Russia context.

NATO-Russia

After a period of suspension, the NATO-Russia Council (NRC) is back on track. The informal NATO-Russia ministerial in Corfu on June 27, 2009 resumed the political dialogue and military cooperation. The United States and Germany largely contributed to this outcome. Now is the time to transform the NRC into an effective platform for strategic dialogue and action. This would entail joint work on major security issues that both NATO and Russia identify as important, including Iran, Afghanistan, Kosovo, security-related questions in the joint EU-Russia neighborhood, and arms control. Without a more focused agenda, the NRC may once again run the risk of becoming a workshop for addressing technical questions. Holding NRC meetings alternatively in Brussels and in Moscow would be more than just a symbolic step to underline the new nature of dialogue and cooperation.

NATO and Russia could also consider the creation of joint NATO-Russia agencies in areas not linked to Article 5 (arms control, civil emergency planning, terrorist intelligence sharing) with a view to joint decision-making. The NRC’s resumption also provides the opportunity for Russia to express its view on the development of NATO’s new strategic concept, which is scheduled for completion by the end of 2010.

The Obama Administration’s September 17, 2009 announcement of its plan to reconfigure the Bush Administration’s plans for missile defense sites in Poland and the Czech Republic removed a major irritant in the U.S.-Russia relationship. It created the opportunity for greater cooperation between NATO and Russia on missile defense. The new U.S. plan for protecting Europe from short- and medium-range missiles is a great opportunity for European security, creating the possibility for NATO and Russia to link their missile defense systems in a joint effort to deter and protect against missile attacks from potentially nuclear-armed nations such as Iran. Work on a joint European missile defense system can build on already successful cooperation on theater missile defense in the NATO-Russia context. Combining experiences in missile defense even further and working together to create a joint Euro-Atlantic missile defense system would be a major breakthrough for regional security. Joint work on such a system could create a sense of confidence that has been absent in recent years. And it could create a new sense for Russia of being part of a shared security community while addressing joint threats.

Joint work on a European missile defense system could create favorable conditions for more far-reaching agreements between NATO and Russia. For example, one could envision a more formal security arrangement which goes beyond the NATO-Russia Council. In a 2009 article in *Foreign Affairs*, Zbigniew Brzezinski suggested a formal pact between NATO and the Russian-led Collective Security Treaty Organization (CSTO).²² Founded in 2002 on Russia’s initiative the CSTO encompasses Russia, Belarus, Armenia, Kazakhstan, Uzbekistan, Kyrgyzstan and Tajikistan. According to Brzezinski,

this pact should include the provision of respecting the right of current non-members to eventually seek membership in either NATO or the CSTO, or perhaps in a more distant future in both. This proposition however is questionable because a formal NATO-CSTO treaty would somewhat legitimize Russia's grip over CSTO member states. This would not be in NATO's interest. Nor would it be in the interest of Russia's co-members in the CSTO. These countries, in spite of close cooperation with Russia, resent Russia's dominance. It is therefore improbable that CSTO members would be interested in a treaty between NATO and the CSTO.

Instead, one could think in the medium or long term of other kinds of more formal agreements between NATO and Russia. Former UK Prime Minister Tony Blair in a letter to the NATO Secretary General shortly after 9/11 suggested a kind of semi-membership for Russia in NATO on matters not related to Article 5. At the present juncture in the West's relations with Russia, NATO should reaffirm its official position that membership in NATO is also open to Russia. This should not be done solely with the tactical calculation that keeping Russia's membership open would make NATO enlargement more digestible for Russia. It should derive from the strategic rationale that such a perspective could stimulate a productive discussion on an overarching Euro-Atlantic security system that explicitly includes Russia.

EU-Russia Cooperation in the Framework of ESDP

The strengthening of NATO-Russia relations can and should be flanked by a deeper cooperation between the European Union and Russia in the area of the European Security and Defence Policy (ESDP). In the "Four Common Spaces" agreed in 2003 and in more detail in 2005, the EU and Russia have already agreed on a common space of security. This foresees, for example, joint approaches to crisis management. However, disagreements between the EU and Russia over the modalities of joint peacekeeping operations have so far blocked progress. According to its "Sevilla provisions," the EU insists on a single

EU command for a joint operation, which is not acceptable for Russia. However, Russia's recent active participation in an EU-led operation in Chad has proven that disagreements can be overcome by flexible ad hoc arrangements.

Russian officials have signaled on many occasions Russia's interest to go further in cooperation with the EU.²³ For example, Moscow seems keen on establishing a joint institutionalized mechanism for decision-making on urgent foreign policy matters. According to Moscow, this could take the form of an EU-Russia Council similar to the NRC. Russia also seems to want this included in the new EU-Russia agreement that is being negotiated. For the time being, a joint EU-Russia decision-making body that goes beyond the existing EU-Russia framework agreement for crisis management seems unacceptable for the EU as it would restrict the EU's independence in decision-making. However, Russia's interest in closer cooperation should be used to explore areas where joint action in crisis management and peacekeeping is possible. For example, the EU could explore the possibility of replacing Russia's peacekeeping force in Transnistria with an EU-Russia peacekeeping force. Steps toward stronger EU-Russia cooperation in the area of security could also be closely pre-coordinated with NATO and the United States.

New Impetus on Arms Control

Progress on arms control will be crucial for an invigorated European security architecture and an integrated Euro-Atlantic security policy. The joint understanding on lowering the limits on strategic nuclear warheads and delivery systems reached at the July 2009 U.S.-Russian summit in Moscow is an important step in this regard. And successful negotiations on a follow-on agreement to START, signed by Presidents Obama and Medvedev in April 2010 in Prague can build up momentum for moving toward putting conventional arms control in a much more promising context than in the last several years.

The main task now is to find new perspectives for the centerpiece of conventional arms control—the Trea-

ty on Conventional Armed Forces in Europe (CFE) which is in crisis. The Adapted CFE Treaty signed in 1999 was an attempt to adjust the content and future membership of the treaty to a changed security landscape after the Cold War. However, adapted CFE has yet to be ratified, and Russia has suspended the implementation of the old CFE Treaty.

Overcoming the present CFE crisis and bringing the Adapted CFE Treaty into force would be a major step. Otherwise the CFE's current stagnation could lead to the erosion of Europe's entire network of conventional disarmament and arms control regime. The consequences would be far-reaching, as states would no longer be subject to contractual arms-control limitations. Given the complexities of the matter and the divergence of interests, the first step toward progress should be to accord conventional arms control the attention it deserves.²⁴

The "High Level Meeting on the Future of Conventional Arms control in Europe," conducted on the initiative of the German Foreign Ministry on June 9, 2009, was such an attempt. The meeting, attended by 160 participants from 45 states, ended in an agreement by all parties to give new impetus to efforts to overcome the impasse. For example, there seemed to be agreement that the "Parallel Action Plan"²⁵ developed in 2007 could continue serving as the basis for further discussion. Against the background of the Georgia war, there was also consensus that effective instruments must be developed to avert or at least minimize the dangers of military conflicts in smaller regional settings.

The United States, its major European allies, and Russia should intensively explore more possibilities to find common ground on this issue. This will inevitably involve some trade-offs (e.g., on the CFE flank issue and inspection regime in the northern Caucasus), and recognition that, with the "independence" of South Ossetia and Abkhazia, realities on the ground have changed. The Obama Administration should speed up the policy review process on the CFE treaty. The Georgia issue should not be allowed to pose an obstacle for new thinking in this respect. This process could include a review of the so-called Istanbul

Commitments as a precondition for the ratification of the Adapted CFE Treaty. A first step to break the ice could be for the United States, Europe and Russia to agree on a resumption of the information and inspection regime of the old CFE treaty, while postponing the question of resuming the observation of CFE's limitations. Another possibility would be a "trial application" of the adapted treaty.²⁶

There is an additional motivation to speed up work on an agreement on CFE—a link between nuclear and conventional arms control that works in the reverse direction. Tactical nuclear weapons are set to become an issue in the next round of arms control talks after the successful completion of START. However, tactical nuclear weapons are seen by Russia as a necessary counterweight to perceived conventional weakness. If progress were made on the CFE treaty, this could reassure the Russians that they can reduce their reliance on tactical nuclear weapons. The military scenarios for which they might have provided some deterrent value would become more and more unlikely. In this sense nuclear and conventional disarmament are two sides of the same coin.²⁷

THE JOINT EU-RUSSIA NEIGHBORHOOD

The joint EU-Russia neighborhood encompassing Belarus, Ukraine, Moldova, Armenia, Georgia and Azerbaijan will be the proving ground for the sustainability of U.S.-EU-Russian cooperation. This area remains a permanent source of possible tension and friction. Russia could overplay its hand in the southern Caucasus or in Ukraine, for example, by openly undermining the legitimate government in Georgia or by stirring up conflict in the Crimea.²⁸ If such a scenario materialized, it would be hard for the United States to maintain the concept of "delinkage," of making progress with Russia in one area such as arms control, while still disagreeing on others such as Abkhazia, South Ossetia or Ukraine.

One of the weaknesses in the U.S. and EU strategy toward the post-Soviet space has been more attention to what is *not* desired, namely that these countries do not once again become part of a restored Soviet empire, than to what *is* desired. The basic

choice the United States, Europe and Russia face is between a region divided into an EU and a Russian sphere of influence with more competition and tension, and a region where all parties, despite some inevitable competition, see the advantages of multiple cooperative endeavors.²⁹

To bring about the second scenario, several points should be considered:

- An “either us or them” approach must be avoided. Given Russia’s strong historical, cultural and economic ties with countries of the joint EU-Russia neighborhood, efforts to draw these countries closer to Europe should not be presented as if the EU is acting to the detriment of Russia’s interest.
- There is an understandable hesitancy on the part of the United States, to a lesser extent the European Union, and to a large extent by the Russians, to have a structured dialogue on the countries of the post-Soviet space. But what is needed is an open discussion about how each side sees its own and others’ interests, concerns and role. Open differences must be managed in a better way, and a forum to discuss them openly must be found.³⁰
- What is important in this regard is greater transparency among all parties when discussing developments in the post-Soviet states. The Russians, NATO, the United States and the EU need to keep these states fully informed about the nature of the discussions.

The EU’s Eastern Partnership

The EU’s newly created “Eastern Partnership” lends new momentum to the effort to bring countries in the joint EU-Russia neighborhood – Ukraine, Belarus, Moldova, Georgia, Armenia, Azerbaijan – closer to Europe and encourage reform in those states. The “Eastern Partnership” builds upon an invigorated European Neighborhood Policy and the EU’s Black Sea Synergy, which were inaugurated during Germany’s EU Presidency in 2007.³¹ The European Union

should continue taking the lead in this region, given the fact that an accelerated pace of further NATO enlargement in the past decade proved to be a divisive issue, antagonizing Russia.

The “Eastern Partnership” goals will be implemented both bilaterally and multilaterally. Bilaterally, the European Union will offer Eastern partners the following: developing strong political ties with the European Union, economic integration and convergence with the EU through association agreements, deep and comprehensive free trade areas, increased citizen mobility, energy cooperation and aid for institution-building and regional cohesion. The multilateral track envisages integration among the Eastern neighbors. Work will be carried out along four thematic platforms: democracy, good governance and stability; economic integration and convergence; energy security; and people to people contacts.

There is an inherent danger that the Eastern Partnership will develop into another black box. The well-known ritual in the European Union, which takes rhetoric for actions and focuses on processes and structures instead of results, must be avoided. This requires several steps:

- The Eastern Partnership needs political commitment at the highest level. In this regard an opportunity was missed when German Chancellor Merkel was the only head of state of a big EU country who attended the “Eastern Partnership” summit in Prague in May 2009.
- The Eastern Partnership requires more EU funding. At present, it is being financed mainly through the EU contribution available for the European Neighborhood Policy (ENP) partners through the European Neighborhood and Partnership Instrument (ENPI) (which between 2009 and 2013 accounts for only 600 million Euros). The European Union also depends on contributions by the European Investment Bank and EBRD.
- The Eastern Partnership requires a more structured system of incentives that supports

reforms and rewards them with financial resources. In effect it offers few incentives for the Eastern ENP front-runners (Ukraine, Moldova) and rewards for the laggards (Armenia, Azerbaijan, Georgia) such as a free trade zone are too long term to outweigh the immediate costs of reform and convergence. In addition, there is no real mechanism which monitors progress in the implementation of reforms.

- The Eastern Partnership must become more attractive for citizens in Eastern Europe through a liberal visa policy. Europe must become more of a 'practical experience' than a theoretical concept.
- The Eastern Partnership requires a clearer differentiation from parallel efforts to intensify cooperation in the same geographical area, such as the Black Sea Synergy.
- The Eastern Partnership should be presented in a way that does not antagonize Russia.

More effective marketing is crucial in order to avoid new dividing lines in Europe. In recent years, Moscow saw the main danger to its interests not arising from EU activities in its neighborhood, but from U.S. influence and further NATO enlargement. It watched, in a strikingly passive way, the deepening of relations between the European Union and Ukraine. Before and after the May 2009 European Partnership summit, Moscow altered this stance and turned to open criticism. Apparently, Moscow only then became aware of the depth of the EU's engagement in the region.

The European Union has made it clear that Moscow does not have a veto over the Eastern Partnership. But, at the same time, the European Union should make clear that the Eastern Partnership is not a zero sum game when it draws these countries "to our shore," as one prominent European foreign minister put it. Instead, Russia should be continuously invited to identify projects of its own in the region where it can cooperate with the EU (infrastructure, energy, trade, migration) and attend meetings of the thematic platforms.

Moscow's sensitivities should not be a reason for the United States to stand by. On the contrary, the Eastern Partnership needs U.S. attention and support. As the Partnership keeps open the possibility of the participation of third parties on a case-by-case basis, the United States is invited to contribute. A much more effective and subtle approach for U.S. efforts would be to push both EU member states and partner countries in Eastern Europe to use the opportunity the Eastern Partnership offers.

A major deficit of the Eastern Partnership is a lack of strategic incentives. The biggest carrot that has been successfully used in previous rounds of EU enlargement—an EU membership perspective—is missing. Neither the association agreement, which is currently being negotiated between the European Union and Ukraine, nor the agreement being negotiated with Moldova, carries an EU membership perspective. With big EU member states such as France and Germany opposing EU membership, there is currently little chance to reach a common view on this issue within the EU. This picture may eventually change as the Lisbon Treaty, which went into force on November 2, 2009, begins to consolidate the Union internally. Those voices that argue for a more flexible approach on EU enlargement could grant a greater say. In its commitment to support Ukraine's European aspirations, the EU should not lag behind NATO, which, at the NATO Bucharest summit in 2008, declared that Ukraine will eventually become member.

In the long run, only the success of the EU in helping its neighbors prevent crisis and cope with longstanding conflicts will decide whether the EU is a strategic actor in this region.³² The European Union needs a higher-profile role as an honest broker between ENP states and Russia. In this regard, the EU together with the United States should explore ways of playing a greater role in solving the longstanding frozen conflicts in the region: Transnistria and Nagorno-Karabakh. A more active EU approach requires, *inter alia*, a greater readiness by EU heads of state and government to devote more diplomatic resources and presence to the region.

The United States should assist the European Union in its efforts to ease tensions between Russia

and its neighbors in the West. For example, along with the EU, Washington should encourage channels of communication and face-to-face contacts between high-level politicians and interlocutors in Russia, Poland, the Baltic states and Ukraine with the aim of confidence building. For example, there has not been a state visit by a Russian president to a Baltic country since the collapse of the Soviet Union. In a new and innovative format, the German, Polish and Russian planning departments of the respective foreign ministries are exploring new confidence- and security-building measures in the Euro-Atlantic area. The United States should support these efforts and, if appropriate, link into them.

Ukraine

Ukraine presents one of the most challenging tasks for a joint U.S.-EU approach toward the post-Soviet space. It will also be a test for U.S.-EU-Russia cooperation. If Ukraine develops into a major bone of contention between the West and Russia, or if a major military confrontation between Russia and Ukraine occurs, the discussion of a pan-European security order would become superfluous.

The stakes are extremely high. Much of the Russian ruling elite appears unready to accept Ukraine as a fully independent state. Therefore, the Russian political establishment would probably do whatever it could to prevent Ukraine from falling into the perceived sphere of Western influence. Putin's remarks on the fringes of the 2008 NATO summit in Bucharest that Ukraine is not a state, and his reference to Ukraine in a speech in May 2009 as *Malaya Rossiya*³³ is more than telling.

While the EU's interest in Ukraine might be more geo-economic in nature compared to the geostrategic interests of the United States, the stability and independence of a Ukraine closely tied to Euro-Atlantic structures is a vital security interest for both. A Ukraine with a political leadership drifting back into the Russian orbit and unable to make choices independently from Moscow would be a major setback for EU policy towards Eastern Europe.

The victory of Viktor Yanukovich in Ukraine's presidential elections in February 2010 was a pivotal development for Ukraine. It is still too early to fully assess its impact on Ukraine's domestic and foreign policy. Yanukovich wants to normalize Ukraine's relations with Russia while continuing to strengthen ties with the EU as well as with the U.S. During his visits to Brussels in March 2010 and to Washington in April 2010 for the nuclear security summit, Yanukovich assured the EU and the U.S. administration that improving ties with Moscow would not be to the detriment of ties with the West.

Since Yanukovich's inauguration in February 2010 he has met five times with Russian President Medvedev. Yanukovich's attempt to normalize relations with Ukraine have culminated in the agreement at Charkiv on April 21. Under this agreement, Ukraine will receive cheaper gas in exchange for extending Russia's Black Sea Fleet presence in Crimea through at least 2042. Neither the EU nor the United States has so far voiced open concerns about the deal. Some concerns may exist about the deal's polarizing effect on Ukraine's domestic politics and its negative effects on energy sector reforms, but as both Brussels and Washington are interested in improved Russian-Ukrainian relations, they seem to have given Yanukovich the benefit of the doubt.

Against this backdrop the EU and the United States should now redouble their efforts to jointly reach out to the new Ukrainian leadership, with a view to helping Ukraine steer a course of reform and to support the declared aspirations of the new leadership to integrate the country more closely into European structures. It is important for Yanukovich³³ to know that the West is prepared to work with his government, and that by cooperating with the West, Ukraine stands to gain a lot for its security, prosperity and independence.

In this situation, the United States and Europe must bring to bear a mix of policies directed toward helping Ukraine steer a course of reforms and integrating it more closely in Euro-Atlantic organizations.

While NATO should uphold its decision from the Bucharest summit that Ukraine will eventually

become a member of the Alliance, this is a long-term solution. NATO membership will not be the answer for solving Ukraine's current security problem. The current Ukrainian leadership has put NATO membership on the backburner. Therefore it would be strategically and tactically unwise to try to push this issue and force a choice on a state that is also split internally on this issue. Given Russia's fierce opposition to such a step, Ukraine's membership in NATO would only be conceivable in a security environment in which the NATO-Russia relationship had entered a totally new quality, with Russia itself coming closer to membership in NATO. Instead, NATO should continue strengthening ties with Russia through the agreed annual national cooperation programs and the strengthening of Partnership for Peace.

Bilateral security guarantees for Ukraine are also not a solution to Ukraine's security problem. This is not to say that there would not be an added value for a security assurance by the United States, Russia and other permanent members of the UNSC which could build on the 1994 Budapest Memorandum on Security Assurances for Ukraine as it was affirmed between the two countries in the joint statement after the meeting in Washington between U.S. President Obama and Yanukovich on April 12, 2010. In a joint statement the Europe and the United States should, however, press Russia to once again publicly reaffirm the territorial sovereignty of Ukraine and/or distance itself officially from remarks made by Russian politicians such as Moscow Mayor Luzhkov that put the territorial integrity of Russia's neighbors into doubt.

The biggest risks to Ukraine's security come from within: Ukraine's internal weakness, its opaque and poorly reformed economy, and the corruption and political disunity of its elites. This allows Russia to get further embroiled in Ukraine, economically and politically. The widespread 'Ukraine fatigue' in Western capitals is a result of the inability of the political elite in Kyiv to get its act together. However, Ukraine is too important for the EU and the United States to afford to be overwhelmed by this fatigue. The West must maintain its engagement.

In this situation, the EU must take the lead in close coordination with the United States. Gradual economic integration and deepening the political association between the EU and Ukraine should be accorded a high strategic priority for the EU. As a sign of its commitment to Ukraine, the EU should speed up its negotiations with Kyiv on an association agreement with its far-reaching goal of creating a free-trade zone. The EU, together with the United States and the international financial institutions (especially the IMF), should also maintain its assistance and commitment to Ukraine to overcome the financial crisis and to assist Ukraine in reforming its economy (including the pivotal energy sector). Sustained, unified and clear messages by the EU and the United States to Ukraine's new leaders on the need to take urgent political and economic reform measures would be very useful. In this context a joint visit of the U.S., German and Polish foreign ministers in Kiev could be envisaged. After all, the EU and leading representatives from European member states need to communicate with Yanukovich and the Ukrainian government more frequently. There is still a striking discrepancy between the rhetoric of European politicians on the importance of Ukraine and the actual time European leaders spend talking to their Ukrainian counterparts. Therefore, efforts aimed at engaging Ukraine's leaders in a dialogue must be enhanced. The invitation of Ukraine to meetings in the framework of the Weimar Triangle (made up of Germany, France and Poland) is commendable in this regard.

Crimea

The situation in Crimea requires specific attention from the EU and the United States. While there are no signs that Crimea will turn into a conflict comparable to the frozen conflicts in other parts of the former Soviet Union, recent incidents have demonstrated that tensions in Crimea are on the rise. Russia seems to be interested in keeping these tensions alive to remain influential and retain Crimea as a potential lever for influence in its relations with Ukraine. Russia can use and intensify these tensions when needed. For example, Russia could do so to counter Ukrainian efforts to draw closer to

NATO or press for NATO Black Sea Fleet withdrawal. Based on a German and Czech initiative, a debate within the EU has started on how to prevent conflict in Crimea and get the EU more involved. Thus far, the discussion has centered on enhancing European presence in Crimea (individual EU and OSCE countries), including strengthening a sense of European identity there (e.g., through providing alternative forms of information), as well as the promotion of economic and social development. The latter seems of great importance from the perspective of providing the inhabitants of Sevastopol with alternative sources of income after the withdrawal of the Russian Black Sea Fleet, previously scheduled in 2017. Without question, the agreement between Ukraine and Russia to prolong the Black Sea Fleet deployment term in Sevastopol by an additional 25 years has undoubtedly altered the conditions of EU actions in Crimea. However, the EU would be ill advised if it decided now to abandon all efforts to increase European presence in the Crimea and to assist Kiev in promoting economic and social development there. More than ever, Crimea needs exposure to European values and strategies for modernization.

Georgia

The situation in Georgia, including the breakaway entities of Abkhazia and South Ossetia, remains volatile and dangerous after the August 2008 war. Russia's recognition of the independence of Abkhazia and South Ossetia and its decision to reject, by veto, all forms of international monitoring in the breakaway entities has aggravated the situation. At any moment, hostilities can flare up again. A lasting resolution to the conflict is not in sight. It can be brought about only by a multi-pronged approach that tries to connect the prevention of further hostilities, confidence building, conflict management, peacebuilding and the stabilization of the larger region.

First, the EU observer mission must stay in place in order to prevent further hostilities on the border between Abkhazia, South Ossetia and the rest of Georgia. At the same time, the European Union and United States must continue to press the Russians to constructively participate in the Geneva talks.³⁴

The European Union and the United States should explore ways to overcome the opposition by Ossetia and Abkhazia to having international observers monitor the situation in their territories. For example, the EU could suggest to the Russians a mixed group of experts from the EU and Collective Security Treaty Organization (CSTO) composed on the basis of parity. This could serve as a first confidence-building measure. Such a step could then be embedded into a wider strategy to overcome the division between Tblisi and the two separatist entities by practical means. This would require that the European Union persuade Georgia to change its strategy of isolating Abkhazia and South Ossetia. The German experience of overcoming the division of Germany into two separate states during the Cold War could possibly be helpful in this regard.

Second, within the multilateral track of its "Eastern Partnership" as well as its Black Sea Synergy where Russia is included, the EU could suggest cross-border projects tailored to specific security problems and the needs of the crisis-prone region.

Third, the European Union could lead a stability initiative for the Southern Caucasus and Black Sea region, in close coordination with the OSCE. This initiative could build on the "Eastern Partnership" and the Black Sea Strategy. Its objectives would be threefold:

- overarching coordination of the many bilateral and multilateral commitments in the region, bringing together all important stakeholders;
- internationalization of different forms of cooperation in the Caucasus/Caspian region (including confidence-building, and economic links) with the goal of committing regional actors (especially Russia) to a shared regional agenda, attaching political and economic costs to non-compliant behavior;
- creating a regional process including neighboring states (Turkey), thereby also providing a broader framework for the Turkish initiative to create a "platform for cooperation" in the

southern Caucasus. This process would not compete but would complement bilateral efforts (most importantly the bilateral Turkish-Armenia rapprochement). It could build on positive experiences with the Stability Pact for the Balkans.

The added value of such a stability initiative would be its focus on creating a regional security framework, along with economic cooperation and civil society led efforts toward reconciliation. Within this security framework, the results of the Geneva process could be implemented, and a regional regime of enhanced security and arms control measures could be built.

One argument against this proposal could be that there is no need to come up with an accord for the region. The Black Sea Synergy that includes Russia and Turkey, as well as the Eastern Partnership that foresees the participation of third parties on a case-by-case basis (e.g., Russia and Turkey), are already in place. But the Black Sea Synergy is so far an ‘empty box,’ underfunded and lacking a hard security dimension. The same is true for the Eastern Partnership.

At any rate, a regional security framework with a special arms control regime, in which both Russia and Georgia would be embedded, could be a partial, although still imperfect answer to Georgia’s near-term security problem. It could also complement further NATO-Georgia cooperation.

Coming to Terms with the Past in Europe’s East

Along with security and energy, history has turned out to be one of the most divisive issues in Eastern Europe. The long shadows of Europe’s totalitarian past have not yet faded. The legacy of Nazism and Stalinism, the Soviet Union’s role in the Hitler-Stalin pact, and the occupation of the Baltic countries are still extremely fraught public issues.

The violent clashes in Tallinn in January 2007 over the Estonian decision to remove a Soviet memorial, and the row it sparked between Russia and Estonia have shown how things can very easily escalate. The

Russian-Ukrainian controversy about the genocidal nature of the “Holodomor” or great famine—the death from starvation and other causes of several million Ukrainian peasants during forced collectivization in Ukraine in the early Soviet era—has revealed deep divisions between Russia and Ukraine. Moscow’s establishment in 2009 of a “commission for counteracting attempts to falsify history to the detriment of Russia’s interests” as well as a draft law outlawing the “rehabilitation of Nazism in former Soviet republics” has aggravated tensions.³⁵ Tensions were not alleviated by Putin’s recent attendance of the remembrance day commemorating the 70th anniversary of the outbreak of World War II in Warsaw. His remarks that the Hitler-Stalin pact was “immoral” but on par with the Munich agreement of 1938 revealed the reluctance on the part of Russia to come to terms with its past.

It will be hard to overcome the divisions between Russia and its neighbors, created by specific national remembrance cultures and aggravated by the Russian leadership. Coming to terms with the past is something that cannot be forced upon society by politicians. It should be left to historians and to debates between, and within, the respective civil societies. But this is not to say that politics cannot play a role. The European Union and the United States should encourage countries in Eastern Europe and Russia to discuss these memories and national experiences, openly. An international conference of historians on the 70th anniversary of the Hitler-Stalin-Pact in Warsaw on May 25-26, 2009 served as a good example of this approach.³⁶ The conference sponsored by the German, Polish and Russian foreign ministers and attended by Polish President Kaczynski and former German President von Weizsaecker, led to an open and necessarily controversial discussion among Russian, German, Polish, Baltic, Ukrainian and American historians on the causes of the Second World War. This kind of effort should be continued.

Central Asia

Compared to Eastern Europe, the EU and the United States have much less clout in Central Asia, if only for the reason that Central Asian countries,

though interested in closer relations with the EU and the United States, are neither willing nor prepared to embrace a European model. For cultural and economic reasons, Russia has and will continue to have comparative advantages and more leverage to bring to bear in this region than the EU or the United States for a considerable period. As shown by its behavior in the competition with the United States over the Manas base in Kyrgyzstan in the spring of 2009, when Moscow granted Kyrgyzstan major economic aid in return for the shutdown of the Manas base, Russia is keen and able to reassert its influence in Central Asia. The popular upheaval in Kyrgyzstan in April 2010 that led to the fall of the Bakiyev regime is a case in point. There is no evidence that Moscow directly influenced the events in Bishkek on the basis of a prefabricated strategy. However, several weeks before the upheaval Russia put itself in a very favorable position with the new provisional government in Bishkek by distancing itself from the Bakiyev regime.³⁷ The provisional government in Bishkek will rely considerably on economic assistance from Russia. Though Russia gave the U.S. administration the assurance that it will not exert pressure on the Kyrgyz leadership to close Manas, it is evident that Moscow would favor a closure of Manas sooner rather than later.

Moscow monitors every U.S. step in Central Asia with great suspicion. Though Russia and China work with each other in Central Asia in the framework of the Shanghai Cooperation Organisation there is also some suspicion in Moscow towards the increasing economic influence of China in Central Asia. Moscow in particular resents China's grip on the energy resources in Central Asia. Suspicions in Moscow about EU activities exist, too, though they are less deep than in the case of the United States as the EU is not considered by Russia as a security actor in the region.

Instead of representing a geopolitical space marked by great power rivalries, Central Asia can and should become a territory where the United States, the EU and Russia interact more positively. Despite a divergence of interests over security and energy, there is a strong common denominator that manifests itself

ever more powerfully in the wake of spill-over effects from Afghanistan: preventing the Central Asian states from becoming failed states and preventing them from providing fertile ground for Islamist radicalism. Such a scenario could severely damage the West's efforts to stabilize Afghanistan and Pakistan.

What is at stake is whether Central Asian states will be capable of resolving the most critical issues of increasing poverty, low education rates, inefficient food security, conflicts over water resources, as well as severe governance deficits. And it is exactly in these areas that increased cooperation between the United States, the EU and Russia is possible.

EU instruments for such increased cooperation are in place. With its Central Asia strategy adopted in 2007 the EU has increased its depth of involvement in the region and provided a coherent framework to meet the EU's policy objectives in the region: closer relations between the EU and regional states; strengthened cooperation between the countries of the region; strengthening democracy, rule of law, and good governance; addressing key threats with direct implications for Europe (drug trafficking), and enhancing the EU's visibility in the region. The implementation of the strategy is underway and has brought some modest but tangible results. The political dialogue in both bilateral and multilateral formats has become intensive and more efficient since questions of regional importance are being discussed simultaneously with all five countries at EU-Central Asian ministerial levels. Afghanistan is an increasingly important theme in the EU-Central Asian dialogue. National priority papers for all Central Asian countries have been finalized. Regional initiatives for the rule of law, education, environment and water, as well as a fully fledged dialogue on human rights, have been put in place.

One area where the United States, the EU and Russia could cooperate more closely in Central Asia is water security. The water issue is likely to become more contentious over the next several years. The EU and the United States should try to help the Central Asian states to depoliticize the issue. The EU stands ready to offer its technical and administrative

experience to facilitate solutions that are based on scientific knowledge and reconciliation of interests. These efforts can build upon the “Water Initiative for Central Asia” launched at a conference in Berlin on April 1, 2008, and initiated by the German Foreign Office. The conference aim was to improve cross-border water management in Central Asia. Current projects in this regard center around the strengthening of Central Asian water institutions such as the International Fund for Saving the Aral Sea (IFAS) or the Interstate Coordination Water Commission (ICWC) and the establishment of a regional research and education network.

The United States could consider playing a role in these efforts, including the funding of programs. Given Russia’s strong links with the water sector in Central Asia, Russia could play an important role here too. The EU and the United States should try to engage Russia on a high-level diplomatic initiative in which all major external parties would make a call for cooperative solutions.

Another area in which Russia could be engaged more is education (e.g., by providing textbooks/manuals for under-educated people) and the cooperative management of the flow of migrant workers.³⁸

Moreover, with the participation of Russia, the EU and the United States should think of ways to support Kazakhstan as the 2010 chair of the OSCE. Despite shortcomings, Kazakhstan is a model for other states in the region as regards integration into the international community. It is important to ensure that its chairmanship does not become a failure.

A COOPERATIVE ENERGY SECURITY ARCHITECTURE

Energy security has turned out to be one of the major divisive issues in relations between Russia and its neighbors. Russia in the last years has shown great willingness to strengthen its monopoly on gas resources, control transit routes, and impede the implementation of competing pipeline projects. Russia has not shied away from undertaking a number of politically motivated actions in the energy sector,

including limiting the West’s role in upstream regional investment projects while seeking a greater downstream role in Europe; and pressuring Georgia and Ukraine, while cutting off supplies to EU member states.

But the Russian strategy has backfired: The Russian-Ukrainian gas crises in 2006 and 2009, as well as the Russian-Belarus gas crisis in 2008, have cast major doubts on Russia as a reliable energy provider to Europe. This was the case even in Germany, which has the closest energy relationship with Russia. In addition, the crises have highlighted the lack of an internal EU solidarity mechanism that provides immediate assistance in case of disruptions of energy supply for those EU member states in Central and Eastern Europe that are almost completely dependent on imports from Russia.

This has led to calls for the development of a coherent EU energy policy. The EU has learned a lesson and now accords energy security a higher place on the agenda, both internally and externally. Enhancing energy security is being achieved by measures to complete the EU’s internal energy market; promote energy efficiency, energy savings and renewables (and reopening the debate on nuclear energy); and improve the internal EU solidarity mechanism. At the same time, the EU has taken steps to diversify its external energy resources by signing the intergovernmental agreement on Nabucco on July 15, 2009 in Ankara to bring gas directly from the Caspian region to Southern Europe.

However, speaking with one voice has proven to be extremely difficult for Europe given the strong bilateral energy relationships of EU member states with Russia and the tendency of the relevant companies to strike lucrative energy deals with Gazprom rather than consider wider EU interests. The United States could, as one U.S. analyst recommended, “play the role of a disinterested consensus builder among the Europeans.”³⁹

As Russia’s role as the most important external gas source for the Union’s gas supply is firmly established, it is in the interest of the EU to further structure the energy relationship with Russia.

In the short term this means rebuilding confidence, and ensuring predictable uninterrupted supply. In the medium and long term this means trying to commit Russia to commonly agreed and legally binding principles, rules and procedures. In establishing cooperative energy relations with Russia, the challenge will be to convince Russia to view energy security as a public good for consumers, transit countries and producers alike. Therefore, Russia should be offered a cooperative concept of energy security which aims at depoliticizing the issue. The goal would be to achieve a genuine European and global energy governance structure that can take preventive action to avoid disputes, defuse escalating conflicts, create investment security, and define a binding legal framework. Only then will it be possible to bridge the gap between Russia's interests (a less volatile price system, access to markets downstream) and U.S. and EU interests (investment protection, supply stability).

The building blocks of such a cooperative approach could encompass the following elements:

- The G-8 Declaration on Global Energy Security was adopted under Russia's G-8 Presidency in St. Petersburg on July 16, 2006. The declaration includes support for some principles of the 1991 Energy Charter Treaty (ECT) and includes key principles that are in line with the European agenda such as open, transparent, efficient and competitive markets for energy production; transparent, equitable stable and effective legal and regulatory frameworks; diversification of energy supply and demand; and promotion of energy savings and energy efficiency.
- President Medvedev put forward suggestions for "a new legal framework for global energy cooperation" on April 21, 2009.⁴⁰ The proposals aim at reconsidering the energy arrangements signed at the end of the Cold War, especially the ECT, which the Russians seek to update or replace. Medvedev's suggestions have gone relatively unnoticed and have not received a serious answer. Attempts by some European

capitals to put the issue on the agenda of the G-8/20 have so far yielded limited results.

The proposal seems to deserve more attention as it provides the opportunity to engage Russia in a serious dialogue on energy governance. This should be in the interests of both the European Union and the United States. The Medvedev proposal contains many unacceptable demands for Europe that reflect the interests of Russia as a producing country—among these, the principle suggested by Moscow of "unconditional state sovereignty over national energy resources." But the proposal also contains elements that could provide the basis for engaging Russia in a constructive dialogue. These proposals include: a legally binding energy framework applicable to consumers and producers alike; equal access to energy markets and relevant technologies; and comprehensive transit regimes with institutional frameworks in place to regulate emergency situations.

The EU and the United States should jointly engage Russia on these issues. This is especially important as Russia has stated very clearly that it will not ratify the Energy Charter, as the document did not take its interests as producer fully into account. The way forward could be to put the Medvedev proposals in the context of the Energy Charter review process. From an EU point of view, this would also compliment the negotiations on a new EU-Russia Strategic Partnership and Cooperation Agreement. The new agreement should, in the opinion of the EU, enshrine the ECT principles Russia has agreed on.

A closely coordinated position between the EU and the United States is needed to engage Russia in a serious conversation about European and global energy governance. The German government could take the lead in the EU to encourage such a close coordination—especially given the appointment of a German representative as the EU's Energy Commissioner.

As a next step, one could think of connecting the EU-Russia energy dialogue with the U.S.-Russia energy dialogue. The United States and Europe are the biggest markets for hydrocarbon resources, especially for oil and gas. Russia is the biggest supplier. The three parties should coordinate their energy policies more closely in order to ease tensions in the markets and reduce volatility. A joint strategy is needed for more investment in exploration and for winning access to deposits in Russia that are difficult to exploit. In addition, a reliable regulatory framework is needed to bring fresh capital and technological know-how into the Russian resource sector, based on fair ground rules, reciprocity and a joint long-term vision. The United States and the EU, together, should further develop the LNG sector in order to make the global market more flexible.

Another attempt should be made to put the question of energy cooperation with Russia on the agenda of the G-20. The 2009 summit in Pittsburgh for understandable reasons focused on the reform of the global financial architecture. But energy security is an important topic, too.

- A serious dialogue with Russia on this issue could also contribute to an atmosphere in which disputes between Russia and transit countries could be better solved. In the case of Ukraine the question is whether it will be possible to create win-win solutions between the EU, Ukraine and Russia: for the EU, this means increasing security of supply, for Ukraine improving efficiency by modernizing the pipeline system and stabilizing its transit relationship with Russia.

The reconfiguration of the Ukraine trunk pipeline from Russia to Europe with a long-term concession leased to a tripartite EU-Russia-Ukraine consortium supported by a tripartite treaty has been one suggestion.⁴¹ However, it is uncertain whether Ukraine would agree to such a proposal, as selling Ukraine's pipeline infrastructure is forbidden by Ukrainian law.

A more promising first step could be to build on the implementation of the joint declaration on the modernization of Ukraine's gas transit system between the EU and Ukraine as agreed on March 23, 2009 in Brussels. The Ukrainian authorities could be urged to provide more efficiency and transparency as well as to create an independent gas transmission operator. In exchange, Ukraine could identify bankable projects in order to allow European financial support. An expert group composed of representatives from Naftogaz (UkrTransgaz) Gazprom and European companies could be established with the aim of giving advice from the perspective of international investors. The group could also provide capital for modernization and technical know-how. It could further advise Naftogaz how to unbundle the pipeline grid. The primary goal would be to establish confidence through cooperation. This proposal could be offered to Russia as a test case of its own energy governance proposal as it brings consumers, transit countries and producers together. Furthermore, it counters Russia's accusation after the March 2009 Brussels conference that Russia was not included in the EU-Ukraine deliberations.

- An important part of a cooperative approach towards energy security is cooperation in the area of energy efficiency, a win-win game for all parties. Russia wastes 40 per cent of its produced energy. With greater efficiency measures, Russia could bring more energy exports to the market and the EU would increase its security of supply. Both the EU and the United States have offered Russia closer cooperation on this matter. During the last summit between Chancellor Merkel and President Medvedev in July 2009, the two parties established a joint Russian-German energy agency. As a result of the 2009 United States-Russia summit, the United States and Russia have also formed a working group on energy, in which energy efficiencies is included on the agenda.⁴² Germany and the United States could exchange views on the respective work of these groups and their outcomes.

NEW TRILATERAL FORMATS AND MECHANISMS OF DIALOGUE

The current momentum of renewed cooperation between the United States, the EU and Russia could be underpinned by the creation of new formats and mechanisms for trilateral dialogue and cooperation. Specifically, the following ideas could be explored:

- core group meetings within the OSCE (tripartite EU-U.S.-Russia).
- some pre-coordination (at the level of Political Directors) before G-20 summits;
- a trilateral group of “wise men” on arms control and pan-European security: “Russia 4” complementing the “U.S. 4” (Kissinger, Shultz, Perry, Nunn) and the “German 4” (Genscher, Weizsaecker, Schmidt, Bahr).
- continuation of trilateral (United States, EU, Russia) talks of policy planners, and the gradual elevation of these talks to a higher level (political directors);
- trilateral meetings between the foreign ministers and new EU High Representative for Foreign Policy, and trilateral summits of the presidents;
- connecting the group of “global transatlantists” (a project of the Friedrich Ebert Foundation) with Russian counterparts;
- connecting representatives of the United States Congress, members of the German Bundestag/ European Parliament with members of the Russian Duma and the Federation Council;
- trilateral conferences between U.S., German/ European and Russian think tanks;
- promotion of exchanges of diplomats between the United States, EU member states and Russia; and trilateral training programs for young diplomats.

CONCLUSIONS

Former U.S. Senator Sam Nunn, in a visionary speech on June 12, 2008 at the American Academy in Berlin, set the tone for a reset policy toward Russia by asking “whether NATO wants Russia to be inside or outside the Euro-Atlantic security arc?” The same question, of course, must be asked by the Russians. If the answer is inside, we and the Russians must make adjustments in strategy and tactics.”⁴³ Almost a year before that, Russian Foreign Minister Lavrov struck a similar tone when he asked for “a new definition of Atlanticism which does not exclude Russia.”⁴⁴

Intensified trilateral cooperation and the joint solution of problems in the Euro-Atlantic area will not create “a new definition of Atlanticism” as desired by Lavrov, because Russia does not share the same values as the West. But it can incrementally create a new sense of “togetherness”—a sense of being part of a common security community in which shared interests override existing divergences. However, this would require that Russia gradually but steadily overcome its unwillingness or inability to make strategic choices. For example, it would require a clearer sense among the Russian leadership that the true threat to the country’s interests does not come from the west at all, but from the south and over the longer term maybe from the east.

Chances for more strategic cooperation between the United States and the EU with Russia in the Euro-Atlantic area are improving. This window of opportunity will only stay open if:

- all sides have realistic expectations of the other side’s intentions. In this vein it would be a

wrong assumption on the Russian side to perceive the advances of the Obama Administration (decelerated pace of NATO enlargement; nuclear arms control; scrapping of the Bush Administration’s plan for missile defense in Central Europe) as a sign of weakness and to exploit them to the detriment of U.S. and EU interests. It would also be a wrong assumption on the Russian side to assume that Obama’s reset policy is the offer of a U.S.-Russia condominium the Russian elite is dreaming of. On the part of the West it would be a wrong assumption to think that Russia will pursue its national interests less vigorously. Russia’s tendency to capitalize on the weaknesses of its neighbors, especially Ukraine, its intransigence over conflict settlement in Georgia as well as its hesitance to accommodate U.S. concerns on Iran, are cases in point.

- the United States and the EU agree on and devise joint approaches towards Russia. Security in Europe is at risk if Russia perceives rifts between the U.S. and EU positions. Agreeing on a joint transatlantic approach does not mean molding the respective policies towards Russia into a Procrustean bed of exacting conformity. The United States and the EU will continue acting unilaterally in their relations with Russia if their interests compel them to do so, especially in the economic and energy sphere. But in all security-related questions including NATO enlargement, missile defense, CFE and the post-Soviet states, the United States and the EU should come up with common approaches. The great progress in transatlantic

coherence achieved as a result of the Obama Administration's reset policy has to be secured.

- Russia embarks on a path towards cooperation and pursues a foreign policy that serves its real needs, not its nostalgia. Its readiness to do so will greatly depend on a cost-and-benefit analysis by its leaders of whether cooperation or selective confrontation is the better strategy. The answer to this question will to a great extent depend on the internal configuration of forces in Russia. If Medvedev succeeds in enlarging

his still small power base, the chances for a cooperative approach by Russia could grow. The EU and Germany have a specific role to play in convincing the Russian leadership of the enormous opportunities from cooperation and providing incentives for the Russians to cooperate. But both the United States and the EU should not be naïve. For every concession it makes, Russia will try to extract a price. The West should remember that, for historical and politico-cultural reasons, Russia often tends to act against its enlightened self-interest.

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