Policy toward Russia has been one of the greatest and most controversial challenges for four administrations in Washington since the end of the Cold War. Presidents Bill Clinton and George W. Bush, whose administrations were responsible for US Russia policy for most of the period from 1993 to 2009, each devoted a great deal of time and energy toward improving ties with Moscow. Yet each left office frustrated and disappointed and with a bilateral relationship worse than at the beginning of their administrations. Given the deep acrimony and near absence of trust between Washington and Moscow when President Barack Obama entered office, one can only hope that analysts will not be drawing similar conclusions at the end of his tenure.

Given that Russia was undertaking the monumental tasks of simultaneously democratizing, developing a market economy, and changing from being an empire to a nation-state—the virtually unprecedented “triple transformation” of a great power—it should not be surprising that Russia would present a massive challenge requiring a lot of “strategic patience,” as Deputy Secretary of State Strobe Talbott put it near the end of the Clinton administration. The precipitous decline in Russia’s status virtually overnight from superpower to recipient of international humanitarian assistance in 1991–92 and the radical restructuring of the international system from one of bipolar confrontation to unipolar US dominance
presented enormous challenges demanding inordinate wisdom and empathy, qualities that Washington policymaking—to be fair, Washington is hardly alone—is not renowned for.

Like his predecessors, President Obama has also made improvement of relations with Moscow one of his higher foreign policy priorities, and his administration has made considerable efforts in its first year to achieve this goal. I have argued elsewhere that as long as the Obama administration keeps its expectations modest, the less likelihood there will be of disappointment.1 My argument for low expectations is based on the view that Moscow’s interests in the three key issues for the Obama administration—Iran, Afghanistan, and nuclear security—are conflicted and not fully aligned with those of the United States. Perhaps just as significantly, rightly or wrongly, the leadership in Moscow feels “burned” by previous disappointments with Washington, especially the short-lived honeymoon with the George W. Bush administration in the wake of 9/11 and collaboration to defeat the Taliban. The residue of distrust is palpable.

Despite this troubled inheritance, as this book goes to press in the spring of 2010, there is no question that the Obama administration has been considerably successful in substantially improving US-Russia relations. President Obama’s policy toward Russia, in addition to addressing the three issues noted earlier, has focused on promoting the sovereignty of Russia’s near neighbors after the shock of the Georgia war as well as broadening the bilateral relationship and giving it new organizational structure through the establishment of 16 working groups under the leadership of a commission led by Secretary of State Hillary Clinton and Russian Foreign Minister Sergei Lavrov.2 The most tangible “deliverable” so far has been the successful conclusion of the negotiations over the Strategic Arms Reduction Treaty (START I) replacement treaty signed by Presidents Obama and Dmitri Medvedev in Prague on April 8. The reversal of trajectory of the bilateral relationship is a significant achievement for which Moscow and Washington should be commended. However, major constraints remain in the relationship.

Most fundamentally, for now, Moscow and Washington hold incompatible strategic outlooks and threat assessments. US strategic interests and concerns have moved considerably beyond the eurocentric focus of the Cold War to instability in the Islamic world, how to manage the rapid development of Chinese power and global challenges of nonproliferation, terrorism, climate change, and others. Even though Russia, which tenu-


ously clings to great power status and privileges, is more vulnerable to many of these persisting and emerging global challenges, its security policy remains burdened by its enduring fixation on the United States and the West more broadly as the source of greatest threat. Until there is greater congruity in their strategic outlooks, cooperation between Moscow and Washington will remain painstakingly labor intensive. Given the plethora of major domestic and foreign policy challenges for the Obama administration, it is not clear how much political capital the US president will be ready to invest in a fairly intransigent and declining power in Moscow.

The Obama Administration’s “Reset Button” for Russia: Back to Pragmatic Engagement and Multilateralism

In the last year of the George W. Bush administration, US-Russia relations reached their lowest point since the 1980s. The relationship was fraught with major cleavages over Kosovo’s independence, NATO enlargement, and plans for deployment of missile defense “third site” components in the Czech Republic and Poland. Communication between Washington and Moscow virtually ceased after the war in Georgia in August 2008. But the breakdown in relations in the second half of 2008 was years in the making. The brief honeymoon in the fall of 2001 after 9/11 rapidly eroded with a series of conflicting issues highlighting both different interests and absence of trust despite the allegedly close personal relationship between presidents Bush and Putin. Perhaps fortunately for the beleaguered US-Russia relationship after the Georgia war, US and world attention was quickly overwhelmed in September 2008 by the global economic crisis, the repercussions of which contributed to the election of Barack Obama as president of the United States.

Obama assumed the presidency in January 2009 facing the greatest challenges of any US president since Franklin Delano Roosevelt during the Great Depression in the 1930s. The global economic system was still in free fall from a financial crisis catalyzed in the United States—a dramatic difference from the last global crisis that began in Asia in 1997 and resulted in the Russian default of 1998. The United States was also mired in two very difficult wars in Afghanistan and Iraq, with security in the former deteriorating rapidly. Putin’s view that the unipolar moment was over found many supporters around the world, including in the United States. Obama promised a return to multilateralism in US foreign policy and assumed the demeanor of a pragmatic and deliberate problem solver facing some daunting challenges—a striking turn away from his neoconservative predecessor.

Whatever one thought about the origins of the Georgia war, a growing consensus in the moderate or pragmatic middle of the US political spectrum on both sides of the aisle viewed this if not as evidence of failure of US
policy toward Russia and Eurasia, then at least as evidence that something had gone badly awry and needed to be corrected. Regime transformation looked far from imminent in Russia, and the growing centrist consensus in Washington argued for a more constructive relationship with Russia to deal more effectively with growing regional and global challenges.

Three compelling factors principally drive the interests of the Obama administration in improving ties with Russia, a policy metaphorically first described by Vice President Joe Biden in February 2009 as “pressing the reset button”: (1) the heightened urgency of resolving the Iranian nuclear question; (2) the need for additional transport routes into Afghanistan to support larger US military presence; and (3) a return to a more multilateral approach to ensuring nuclear security and strengthening the nonproliferation regime. Broader global policy goals of the administration, including addressing the climate change challenge, energy security, health, and others, also require heightened cooperation with Russia, but urgency is not as intense as with the three main issues.

Critics on the left and the right in Washington argued that Russia was either too weak for or fundamentally antagonistic toward Obama’s anticipated efforts to woo the Russians. The deeper concern has been that the Obama administration might be willing to compromise core values and interests to secure Russian support on the above issues. Russia’s near neighbors are particularly sensitive to Washington’s possibly compromising their interests.3

The Washington policy community in the winter and spring of 2009 issued a plethora of reports and analyses calling for improved relations with Russia.4 Critics of one of the most noteworthy of the reports, the


Hart-Hagel Commission, categorized many of the recommendations for improved ties with Russia as “realist” compromises of American values of liberty and democracy.5 This critique, however, misses the crux of the reason why Eastern and Central European neighbors are especially nervous. The problem, as captured in the recent German Marshall Fund brief,6 is that Russia is mostly a status quo power globally, but in its neighborhood it is a revisionist power. No American administration can give Russia what it wants without committing political suicide: an acknowledgement of “privileged relations” or a “sphere of influence” in its neighborhood. If that circle cannot be squared, the future of US-Russia relations is bleak.

Unfortunately for US policymakers, however, the core problem in US-Russia relations today is deeper than US differences over the post-Soviet space, although Moscow’s obsession with geopolitical competition with Washington there is symptomatic. The root of the problem is Moscow’s failure to accurately identify threats to Russian interests in a rapidly changing international environment. Without accurate assessment of the threats, the current Russian leadership cannot develop policies that facilitate rather than retard Russia’s reemergence as a great power in a multipower world—the leadership’s repeatedly stated core foreign policy goal.

Russia’s Relative Strategic Decline and Core Miscalculation

The demise of the Soviet Union is the most decisive setback for Russian control over territory in modern history. Explaining why gets to the crux of the challenges in Moscow’s current strategic environment. For the first time since its emergence from the dark forests of Muscovy, Russia finds itself surrounded by states and political groupings that are economically, demographically, and politically more dynamic than itself.7

The most obvious case is the rapid growth of China in the East. China’s rise and Russia’s fall over the past 30 years are the starkest in a short period during peacetime for any two neighboring great powers in modern history. To its South, India has sprinted by Russia to try to keep pace


with its main peer competitor, China. While the Muslim world remains deeply cleaved, the power of political Islam is also exposing vulnerabilities of Russia. The European economic and political union, a process that through ebbs and flows has moved forward, has proven far more attractive to Russia’s neighbors. Finally, while the Kremlin gleefully documents and seemingly encourages the erosion of America’s unipolar moment in spasmodic fits of schadenfreude, Russia’s strategic decline has been continuing for nearly three decades.

While Russia’s strategic decline is bad news, the good news is that, unlike during the Soviet period, none of the great powers against which Moscow’s power has relatively declined find promotion of Russian weakness, let alone disintegration, remotely in their interests. However, the Russian government not only seems willfully blind to this but in fact promotes a contrary view based on the alleged threat of the United States and the West. The thorniest problem for US-Russia relations remains the totally anachronistic assumption that US power, especially as manifest via NATO enlargement and missile defense deployments in Europe, constitutes the greatest threat to Russian security. This assumption is the unmistakable core thrust of the “new” Russian military doctrine released by the Kremlin in February 2010. The conceptual framework for this document seems more apt for the strategic environment of the Soviet Union in 1970 than the Russian Federation in 2010. Not only is threat identification misplaced but so is the identification of the key international institutions supposedly most useful for advancing Russian interests in the world: the Commonwealth of Independent States (CIS), the Collective Security Treaty Organization (CSTO), and the Shanghai Cooperation Organization (SCO). It is almost as if the Russian National Security Council exists in some strategic virtual world with Alice in Wonderland. NATO General Secretary Anders Fogh Rasmussen was absolutely right in describing Russia’s military doctrine as not reflecting the real world and based on “a very outdated notion of the nature and role of NATO....” But he was further correct in pointing out that “we can’t let this hold the whole relationship with Russia to ransom.”

Obama’s Three Core Motivations for the “Reset Button”

In the latter section of this chapter I examine more closely the progress made in the past year in improving US-Russia relations, with close attention to cooperation on preventing Iran from acquiring nuclear weapons
capability, stabilizing Afghanistan, and reenergizing bilateral and global nuclear security and nonproliferation cooperation. In each area, progress has been achieved, but I argue that it has been slower and more painstaking because of powerful forces in the Russian political system that continue to view the United States as the principal threat.

Iran

The Iranian nuclear and ballistic missile programs have been, along with differences over their shared neighborhood, the most persistent bones of contention between Russia and its Western partners since the collapse of the Soviet Union. In an effort to avert near-term challenges posed by Iran’s nuclear program, Russian and European governments continue to urge Tehran to comply with UN Security Council resolutions to suspend its enrichment and reprocessing activities. While Russia joined with other UN Security Council members in supporting sanctions in 2006 and 2007, it remains an unenthusiastic backer of punitive measures, and Russian diplomats often work to weaken proposed sanctions.

The urgency for Washington to resolve the challenge of the Iranian nuclear program is great as Tehran has already demonstrated the capability to enrich uranium, and the capacity to weaponize this material is not far off. Russian efforts in recent years to serve as an intermediary with Tehran—e.g., a proposal to take back spent fuel to Russian territory—were tacitly supported by the Bush administration, but ultimately they were unsuccessful. Moscow’s leverage with Tehran is very limited, and the Russians have shown signs of being nearly as frustrated with Iran’s intransigence on the nuclear question as the Americans and Europeans. The Obama administration promised a new approach to engage Tehran in direct negotiations, but this has not been possible since the disputed Iranian presidential elections in June 2009.

While there has always been a link between missile defense plans and Iran, the Obama administration made this linkage more explicit to Moscow since taking office in January 2009. This topic was reportedly in a not-so-secret letter from newly inaugurated President Obama to Russian President Medvedev in February: the less of a threat Iran poses, the less theaterwide missile defense capabilities in Europe will be needed, thus giving greater incentive for Moscow to exercise more leverage on Tehran.10 In the second half of September 2009, there was dramatic movement on issues tied to missile defense and the Iranian threat.

First, on September 17 the Obama administration abruptly announced plans to scrap the Bush administration’s proposed antiballistic missile shield consisting of a missile-tracking radar facility in the Czech Republic

---

and 10 ground-based interceptors in Poland in favor of smaller Standard Missile-3 (SM-3) interceptors deployed on land and aboard warships using the sea-based Aegis system to shoot down short- and medium-range Iranian missiles. The administration justified this new, reconfigured system citing more rapid development of Iranian short- and medium-range ballistic missiles; lack of evidence of significant progress in its long-range missiles (ICBMs), which the Bush administration’s system was more suited for; technical developments in alternative missile defense components; timeliness of system deployment; and cost factors. The administration emphasized this decision was not made because of Russian objections to the Bush administration’s proposal but understood the Russians would receive it positively.

The second development concerns the dramatic revelation on September 24 by President Obama, announced with French President Nicolas Sarkozy and British Prime Minister Gordon Brown, that US intelligence sources confirmed that Iran had built another uranium enrichment facility near the city of Qom, which had not been revealed to the International Atomic Energy Agency (IAEA) in a timely manner, thus constituting a clear violation of its obligations to the Non-Proliferation Treaty. It is widely believed that the Russian government and its intelligence services were unaware of this facility and only learned about it from Washington.

While the Bush administration may or may not have overestimated how much Moscow could do to support the United States on Iran, the consensus in the Obama administration is that Moscow has very little leverage over Tehran. Principally, Obama wants Moscow’s support on any UN Security Council decision for much tougher sanctions on Iran; Washington also hopes the support from Moscow may help China reconsider its position on sanctions so as not to be isolated from the five permanent members of the Security Council.

The United States has defined the possibility of Iran acquiring nuclear weapons capabilities an “existential threat,” and Iran has been the most problematic issue in US-Russia relations for more than a decade. For Russia, a nuclear-armed Iran is clearly not an existential threat. It is not Moscow’s preferred outcome, but the Russians are not prepared to sacrifice significant treasure, let alone blood, to try to prevent the Iran “threat.” The Russians often justify their position by their belief that Tehran would never target Russia, and since it is mainly a threat to the United States and Israel, they should take the responsibility for preventing it.

A modified perception of its interests should make Moscow more concerned about the Iranian nuclear weapons program and thus more active in preventing it rather than persistently hedging. First, the assumption that Iranian nuclear missiles would never be targeted toward Moscow is dubious and likely wishful thinking. One would think Moscow would be more concerned by Turkey, Saudi Arabia, Egypt, and even other states and ac-
tors near Iran’s borders possibly developing nuclear weapons capabilities in response to Iran. Russia’s core security vulnerability is the volatile and mostly Islamic Northern Caucasus. Given Russia’s own internal security vulnerabilities, Moscow might have even more incentive than the United States and its European allies to prevent further proliferation in the Islamic world. Russia’s struggle with preventing terrorist attacks on its own territory over the past decade suggests that a catastrophic terrorist attack would be easier to carry out in Russia than in Europe or the United States.

If history is a guide, however, the Russians will seek to create the impression they are supporting the Obama administration while making every effort to water down efforts of the United Nations to take a tougher and more unified stance. The Russians have been successful in the past in “working with” the international community while maintaining their interests with Tehran. Such a strategy may not be possible this time, and finally Moscow may be forced to make a clearer decision to support the United States and the West to isolate Iran.

It would be especially interesting to see what China would do if Russia were to make a clear-cut decision to support tough sanctions on Iran. While Beijing has been perfectly happy to stand behind Moscow’s vocal opposition on this and a number of other issues promoted by Washington, over the past year China has become far more confident and more willing to independently oppose US interests and policies. Some US officials have privately told me that Iran is the litmus test for the success or failure of the US-Russia relationship, but that is not the case for the US-China relationship. This is a stark indication of China’s growing leverage in ties with the United States and declining importance of Russia in Washington.

**Afghanistan and the Northern Distribution Network**

Many Russian government officials as well as nongovernmental experts believe that Afghanistan is the most promising area for US-Russia cooperation. Indeed, it was on Afghanistan in the fall of 2001 that US-Russian security and intelligence cooperation probably reached its high point in the post-Soviet period. US attention to Afghanistan has renewed in the context of the deteriorating security environment there as well as the reduction of violence in Iraq.

As a presidential candidate in 2008, Obama promised to deploy more US forces in Afghanistan. Because of increasing problems on the Afghani-

---

11. I travelled to Moscow four times in 2009 (February, April, June, and July) to consult with government officials as well as nongovernment experts on Afghanistan and broader US-Russia relations. There was a strong consensus that it is on Afghanistan that US and Russian security interests most coincide.
stan-Pakistan border, in the second half of 2008, US Central Command (CentCom) began to explore the possibility of opening a transit corridor from the north into Afghanistan, which came to be called the Northern Distribution Network (NDN).12 Even if US force presence remained stable, opening the NDN would likely be required, but with increased troop presence, the required goods and materiel for the troops are estimated to grow by up to three times in 2010.13

The opening of the NDN increased the attention of US policymakers to Central Asia and the Caspian as well as Russia. As initially conceived, the NDN will be composed of two transit corridors. NDN North starts in the port of Riga, where goods are loaded into rail cars for shipment through Russia, Kazakhstan, and down to Heraton on the Uzbek-Kazakh border. NDN South would come in through the Caspian to either Kazakhstan or Turkmenistan then to Uzbekistan. The NDN rail route from Riga to Afghanistan became operational in the spring of 2009. Trains were making the trip to the Uzbek-Afghan border in only nine days with full support from Russia and Kazakhstan. Privately, US government officials laud Russian cooperation to expedite the trains.

Russian intentions, however, have been far more questionable on the issue of US access to Manas, the air base in Kyrgyzstan from which the US military had been transiting troops and goods into that country since 2001. In early February 2009, Kyrgyz President Kurmanbek Bakiev announced that the United States would lose access to Manas at virtually the same time as the Russians and Kyrgyz reached agreement on an economic assistance package of $2.25 billion.14 While the Russian government denied any link between the base decision and the loan package, there was widespread speculation that the loan was contingent on Bishkek closing the base to the Americans.

Negotiations with Kyrgyzstan continued into June 2009 until Washington and Bishkek finally reached agreement to allow the United States to use Manas as a “transit center,” paying more than three times the previous rent. The agreement was reached shortly before Obama’s trip to Moscow in early July, but questions remained about the extent to which Moscow supported this decision.15

12. I met with CentCom planners to discuss NDN in May 2009.


In the run-up to the Moscow summit, US government officials were pleasantly surprised when the Russian government raised the idea of reaching agreement on transportation of lethal materials over Russian airspace. Although not a high priority of the Pentagon at the time, the agreement on transit of lethal materials over Russian airspace was acclaimed in both Washington and Moscow as the most significant achievement of the July meetings in Moscow between Obama and Medvedev.

For US policymakers, Moscow’s influence on Kyrgyzstan’s decision about Manas highlights the question whether Moscow views supporting allied efforts in Afghanistan as a higher priority than maintaining and extending its own military influence on Central Asian neighbors. Later in the summer of 2009 Moscow lobbied for the CSTO to agree to establish a military base in Osh located in the volatile Ferghana Valley in Kyrgyzstan. Uzbekistan adamantly opposed it, so the agreement for the base was reached on a bilateral basis between Bishkek and Moscow. Tashkent views the establishment of this base as a security threat to Uzbekistan, and policymakers there are very skeptical about Russian policy in the region and even whether Moscow would like to see Afghanistan stabilized.

Moscow’s focus on the United States as the principal threat to its security interests is jeopardizing advancement of its power and influence in Afghanistan and more so in the Central Asian states between Russia and Afghanistan. Moscow seems overly concerned about the temporary US military presence in the region. It should be more concerned about the dramatically changing geoeconomic balance of power in Central Asia, where it is rapidly losing ground to China. Two events in 2009 highlight Russia’s strategic miscalculation. First was the failed effort to buy off Kyrgyzstan with loans and credit in return for Bishkek denying Washington access to the military air base in Manas. Second was the Russians’ loss of near monopoly control of Turkmen gas exports with the opening of the China-Turkmenistan gas pipeline. Russia’s soft power comparative advantages of language, culture, and personal relationships are virtually nullified by its clumsy, intimidating, and ultimately self-defeating policies, and the principal beneficiary is China.

---

16. That this agreement was Moscow’s initiative has been confirmed in the author’s private discussions with US officials in Washington and Moscow. The NDN is designed to facilitate the transit of nonlethal goods, which constitute more than 80 percent of what the US forces require, and all of the goods are shipped on a commercial basis.

17. In private discussions with very high-level government officials in Tashkent in July 2009, the view was expressed that Moscow prefers to see Afghanistan unstable so as both to justify Russian military presence in Central Asia and to prevent Central Asian states from accessing global markets through southern transit corridors. See Andrew C. Kuchins and Thomas Sanderson, “Northern Exposure in Central Asia,” New York Times, August 4, 2009, www.nytimes.com.
Nuclear Security and Nonproliferation: The Return of Arms Control

Many policy experts in Washington before and after the Obama administration assumed office argued that nuclear security and nonproliferation are areas where the Obama and Medvedev administrations should be able to “press the reset button.” Even though Russia has become more reliant on its nuclear arsenal due to deteriorating conventional forces in the 1990s, the continued aging of its nuclear arsenal leads Moscow to be interested in deeper cuts in strategic weapons.

In his speech in Prague in April 2009, President Obama announced that his administration would be committed to making significant progress toward “zero” nuclear weapons in the world. President Medvedev endorsed this goal in his speech in Helsinki in the spring of 2009, and the two presidents agreed in London in April that their negotiating teams would convene discussions for a replacement to START I, which was due to expire in December 2009.

Given the pressing time constraints to negotiate, the START replacement treaty called for a fairly modest reduction in offensive arms and launchers while maintaining many of the monitoring and verification measures of the original START. The Russians indicated that to get to deeper cuts, there would have to be some agreement about the limitations of ballistic missile defenses as Moscow was concerned that the combination of deep cuts, US developments in missile defenses, and powerful conventional weapons with near-nuclear capabilities would upset the strategic balance. Both Moscow and Washington also agreed that in order to make greater strategic reductions below a certain level, bilateral negotiations would have to become multilateral to include the other nuclear weapons states.

Progress in negotiations over the past year on the new START treaty was initially quite brisk, and on March 26, 2010 President Obama could announce that he and President Medvedev had reached a new agreement. The limits of strategic offensive arms are 800 launchers and 1,550 deployed warheads seven years after entry into force of the treaty and thereafter. Differences over verification measures, sharing of missile telemetry, and role of missile defenses in the treaty were the last issues to be settled. During the negotiations, Obama administration officials expressed frustration that when the two presidents met or talked, conclusion seemed imminent, but when negotiators sat down, the Russian position had toughened, as if the Russian government was not singing from the same song sheet and/


or they believed they had more leverage in the negotiations because of the perception that the Obama administration “needed” it more.

Another lingering nuclear arms control problem is intermediate-range weapons, those with ranges of 500 to 5,000 kilometers. The 1987 Intermediate-Range Nuclear Forces (INF) Treaty bans the two countries from developing, manufacturing, or deploying ground-launched ballistic and cruise missiles with these ranges. Russian dissatisfaction with the INF Treaty stems in part from how this bilateral agreement uniquely discriminates against Russia and the United States. In October 2007, Putin warned that Moscow would find it difficult to continue complying with the INF Treaty unless other countries ratified the agreement as well. Washington and Moscow subsequently agreed jointly to encourage other countries to join the INF Treaty, but their efforts have fallen on deaf ears. The most serious concern for Moscow in this regard is China, and privately Russian officials express frustration with the lack of transparency in their “strategic partner.”

Russia’s strategic miscalculation about the United States being its principal threat has prevented Moscow from developing a more enlightened and self-interested policy on nuclear security. The recently published Russian military doctrine categorically states that maintaining nuclear parity with the United States is imperative, yet the entire document says nothing about China, including its nuclear program. Given China’s geographic proximity and hundreds of intermediate-range missiles, which could reach Russian territory, one can argue that Moscow should be just as concerned about being vulnerable to Beijing as to the United States. The best way this vulnerability can be mitigated is if US-Russia bilateral nuclear reductions progress rapidly so that international multilateral negotiations can start and hopefully reveal Chinese strategic nuclear plans and developments.

While the interests of Washington and Moscow may not be as closely aligned on the three issues as one would like, I strongly argue that on all three major security priorities for the Obama administration, Moscow’s interests and policies are closer to the United States than to Beijing. Perhaps more overt recognition of this situation on the part of Washington and Moscow may facilitate more US-Russia cooperation. By no means am I advocating a China containment policy, but certainly Moscow could advance its interests with a more balanced and accurate assessment of its strategic challenges and potential threats.

**Conclusion**

Despite the tumultuous, nearly two-decade post–Cold War history in US-Russia relations, one dramatic conclusion is that Russia does not matter nearly as much for Washington’s strategic goals today; the same can be
said of the United States for Russia. The United States no longer considers Russia a strategic adversary, and Washington’s 20th century eurocentric focus is rapidly shifting to East Asia and the Greater Middle East as well as to global challenges such as climate change and infectious diseases. Unfortunately, however, as I argue in the first part of this chapter, Russia continues to view the United States more as a strategic adversary than partner, and its strategic focus remains highly eurocentric. While in principle Washington and Moscow share some common concerns about the threat of radical Islam and terrorism in the Greater Middle East and the implications of the rise of China in the East, their security paradigms are far from being in sync.

The ongoing shift in the global balance of power to a genuinely multipolar structure contrasts the relative strategic decline of Russia, the United States, Europe, and Japan with the dramatic rise of China and to a lesser extent India. Russia’s strategic decline dates back nearly three decades and is by far the most precipitous despite the boom years of Putin’s presidency. The peak of US power may well have been at some point during the first term of George W. Bush. Fighting wars in Afghanistan and Iraq has proven far more challenging after initial successes, but the most worrisome development for US power in the world is economic in nature; specifically, fiscal irresponsibility on a massive scale. If the US political system does not soon muster the will to decisively address what looks now to be long-term unsustainable deficits, US power may erode more quickly and add considerable stress to the stability of an already fragile global order. Russia, meanwhile, will face gargantuan tasks of modernization to stem its own strategic decline. Perhaps this new environment will encourage Moscow and Washington to find a more constructive *modus operandi* in the challenging years ahead.

Ultimately, when Russia genuinely takes its own economic modernization goals seriously, the unsustainability of a security policy based on the West as the primary threat will be exposed and the policy adjusted. Russia’s most important partner in achieving its best case “innovation scenario”—as articulated in the core economic goals to 2020—is the West, first and foremost Europe, but the United States and Japan have key roles to play as well.20 That Moscow continues to promote a foreign policy strategy in which its most important economic partners by far are simultaneously members of a security alliance—NATO—that is supposedly its greatest security threat borders on the absurd. NATO General Secretary Rasmussen is absolutely correct in asserting that security ties between the West and Russia cannot be allowed to remain hostage to Moscow’s obsolete view of its threat environment, but one also must be realistic and

understand that until the Russian leadership clearly discards this view, efforts to work together, particularly in the US-Russia bilateral context, will remain quite limited.

The Obama administration has been successful in improving ties with Moscow and can point to several areas of tangible progress and cooperation. It can also point to things that did not happen, such as another war in Georgia in 2009 as some feared. In addition, the administration has made some progress in broadening the bilateral dialogue with the establishment of a range of working groups on health, counternarcotics, and others. But the administration must at the same time be prepared to ratchet down prioritization of the relationship in the event of Russian intransigence. The current Russian leadership appears to be operating under the illusion that Washington “needs” Moscow more than the other way around. The logic of my argument leads to the opposite conclusion if Moscow were to adjust its strategic outlook to be more consistent with its goals of modernization and prosperity. The Obama administration should also be more vocal in rebutting the false assumptions of Russia’s strategic outlook that identify the United States and the West as its greatest threat. Such assumptions on the part of Russia not only are detrimental to the bilateral relationship but also support a deeply corrupt, dysfunctional domestic political system.