

Russian-US Relations in the *Post* Post-Cold War World

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Other than coining of clever titles and claiming something new, is there any value to asking whether Russian-US relations are entering a post-post-Cold War world? I think so, because we have to understand that we have a different Russia in 1999 and the legacy of nearly a decade of relations, with both positive and very negative effects. Furthermore, it is important to understand what was right in Western policy, what was wrong, and why. This enables us to preserve what remains right, dispense with what was wrong, and focus on policies that address the new situation.

Relations in the Post-Cold War World

During the eight years of the post-Cold War period (during both the Bush and Clinton administrations), America policy toward Russia was based on the premise that Russia could be integrated into the Western-based international system. That system does not require its members to take a specific form: there is considerable variation among the economic systems and political institutions of the leading advanced industrial countries. It does, however, include baseline assumptions about reliance on markets, competition, and private ownership in economic life, and on elections, human rights, and constitutional order in political life. While far from all members meet the theoretical ideals these assumptions imply, among the most important and successful participants in this Western-based international system are those countries that adopt essential elements of democracy and the market.

Integrating Russia into this system would have two benefits, according to this policy. First, the system itself would serve as incentive for both internal reform and the transition from Soviet communism. Countries that play by the system's rules generally do well. As a rule-taker, Russia would on balance have an interest in adapting its politics and economics to enable it to compete in the wealth-generating and influence-building activities dominated by those leading Western states that had opposed the Soviet Union during the Cold War. Russian economic and societal interests would have an interest in prosperity and the political openness that defines a modern society. Russian political elites competing for electoral support in an opening democratic system would have an interest in adopting domestic and foreign policies that responded to these societal demands. Of course, there are always winners and losers from internationalization, and every state negotiates its own compromises on international openness (protection for

European agricultural interests remains one of the obvious examples). But on balance, the attractions of international markets and political cooperation in management of the international system held the promise of powerful incentives for Russia's transition.

Second, by favoring these sorts of internal Russian changes--even if only at the margins--international integration would help to create a Russia with interests that would be generally more similar to those of the leading Western countries. Rather than having to rely on good will, personal friendships and skilled diplomacy, Russian-American relations would be positive because our interests would increasingly coincide, having removed the basis for fundamental conflict. The immediate post-Cold War world appeared to show the way to a truly substantial alignment of common interests: preventing proliferation through the denuclearization of the fourteen other post-Soviet states and by enhancing control and achieving destruction of post-Soviet nuclear stockpiles, as advanced by the successful Nunn-Lugar (Cooperative Threat Reduction) program.

The important point about these post-Cold War policy premises is that they were exactly right, and they remain so. International political and economic integration remain powerful incentives for a very broad range of Russian political, economic, and societal actors. If Russia can find its way into the international system in a way that preserves core Russian values and does so with the support of Russian society (which may mean compensating losers, or restricting certain forms of integration, as does every advanced Western country), Russia's interests and stake in the outside world will grow and become embedded within Russian institutions and culture. And as Russian economic interests that profit from the international economy (for example, high technology commercial space ventures) are able to compete and make demands on Russia's political leaders, they may come to defeat the Russian commercial interests that profit from the sale of weapons of mass destruction (WMD) or missile technology to states like Iraq.

If this is the case, what went wrong? We have to distinguish between the long-term logic and goal of Russian international integration and the short-term goals and policies of the past eight years. Integration was the right objective with the right ideas behind it, but it was mismanaged at almost every turn.

First, instead of emphasizing Russian access to the international trade system, promising wealth, and creating interests within Russia that have a stake in that system, the West focused on debt negotiations, IMF programs, and a very specific set of internal economic reforms. Economic stabilization was important because Russian reform was undoubtedly important to the goal of integration. However, it was questionable whether the West could micromanage the process of economic reform in the absence of Russian political institutions and actors with the capacity and interest to achieve it. Within the first few months of 1992, it was apparent that the Yeltsin leadership did not have the political power or coherence to implement a consistent program of radical reforms. By emphasizing financial and economic assistance as a way to bolster the political fortunes of one political group against broad political and social opposition, Western aid became a

resource in factional battles, rather than leverage for structural change with robust political support.

Furthermore, from the very earliest months of 1992 neither the IMF nor the international creditor groups had much credibility in demanding Russian political economic reforms in exchange for financing or debt servicing renegotiations. Russian officials in 1992 already had read the signs that the US considered Russia too big and important to fail and had begun to compromise IMF rules for Russia. They also knew that the last thing the German government wanted was for Russia to default on its debts, because that would mean those bad debts would go on the German government's budget at a time when it could barely keep pace with the costs of German unification. Without credibility, international creditors have no leverage, and without leverage, there was little incentive for Russia to implement costly policies.

Second, the West failed in the project of Russia's international political integration because it failed to think clearly and honestly about NATO's role in European security. Western analysts criticize Russians for their single-minded focus on NATO as a military alliance and for their neglect of NATO's political and integrative nature. This is in large measure true: much of Russia's opposition to the expansion of NATO's membership and mission arises from a myopic focus on NATO's military structures and activities.

But the West has been no less willful and incorrect in its single-minded focus on what we like about NATO and its failure to accept that there is much for excluded countries not to like, and even to fear. If the primary premise of our policy on Russia was integration, either NATO should have been the last security instrument to emphasize, or the priority should have been how to get Russia into NATO, with NATO able to integrate Russia. America's focus on NATO arises from our dislike of more diffuse political international institutions which we do not see as effective, such as the Organization for Security and Cooperation in Europe (OSCE) or over which we do not have overwhelming control, such as the United Nations (UN). Our happiness with NATO arises from our sense that it is effective, and from our confidence that we control its policies.

So we claimed that our priority was to integrate Russia politically and to establish it as a responsible partner in the management of important international security problems. But we refused to rely upon the institutions where that integration would make sense (the OSCE or UN), and we fell back upon the institution where Russia did not fit. Furthermore, the policy was doomed to failure because for NATO to be able to integrate Russia would have required the kind of changes--such as a reduction in American dominance of its military structures, emphasis on political security, and a better interface with the UN Security Council--that would have eroded American support for NATO in the first place.

These were difficult dilemmas, and it is far from clear that they could have been managed well by any foreign policy leadership. But to be managed they would have had to be faced honestly and directly. Instead, the US continued to claim Russia was our priority,

but then pursued priorities that created insurmountable obstacles to Russia's political integration.

And third, the West failed because it did not confront the increasingly obvious problem that it could not depend on reliable cooperation with "the reformers." On the political side, the failure of the Yeltsin government to devote its time and resources to building a competent post-Soviet state meant that it often could not implement the international security commitments it had inherited from the Soviet Union or that it had made itself. Early Russian interventions in Moldova and Abkhazia created suspicions about Russia's intentions and its promises to respect international rules concerning sovereignty and non-interference in foreign countries. Yet it is far from clear that these interventions were authorized by proper political authorities, and the Yeltsin government never took responsibility for them. Similarly, in every area of concern about Russia as a source of nuclear material and technology, biological or chemical weapons capacity, or missile technology control that arose during the post-Cold War period, it was difficult to hold the regime to its commitments and responsibilities because of doubts that the state could not control its borders, firms, or even its government agencies.

On the economic side, the US repeatedly blamed the Yeltsin government's failure to implement economic reform measures on the opposition: unreconstructed communists, new nationalists, or more generally, hard-liners and anti-reformists. While it is certainly true that these political groups opposed the reform measures, this fact obscured the ways in which "the reformers" profited from half-measures themselves and had a stake in distorted market rules which they could control and access through political privilege, rather than open competition. It would be a considerable exaggeration to say that all Western economic assistance was appropriated by the "reformers," but it has become clear that a very substantial amount of this assistance--as well as the focused efforts of those who worked for the Yeltsin government or supported it from their economic activities--went for the accumulation of private gain rather than investment in economic reforms.

The US could not have done anything about Russian state incapacity, corruption, and private rent-seeking under the guise of reform. But we could have confronted this reality in order to adjust our policies, rather than proceed as if we believed that those who made international commitments were able and willing to implement them.

Post-Post-Cold War Issues and Priorities

As a result of these mistakes and failures, Russia and US-Russian relations are fundamentally different at the end of the 1990s than they were at the beginning. First, we no longer face the problem of how to reform the communist state and economy, but rather how to deal with the political-economic system that Russia has developed over nearly a decade. On the political side, this means a country that is governed by elected officials, but in a system with little transparency or accountability. This means that political leaders have to respond to nationalist sentiments and resentment of Western

policies, because in Russia, public opinion and social demands do matter. But it also means that power can be wielded illegally or secretly to favor narrow interests or certain individuals. The result is that the US cannot deal with Russia as it does with other democracies: we cannot count on a well-ordered, constitutionally governed process of policy formation and implementation. But neither can we deal with Russia as we did with the communist Soviet Union: the US cannot assume that the leadership with which it negotiates is impervious to broader economic, political and social demands, nor that it can deliver on agreements about which the narrow elite alone cares.

Post-post-Cold War relations have to be based on an understanding that internal Russian politics will be unstable and obscure for some time to come. Any Western policy predicated on picking winners and sticking with them is doomed to failure, because even Russians do not know who the winners will be. The US needs to formulate policies that make sense and are sustainable with a broad range of Russian political leaderships and social-economic inputs, not just the "liberal reformers" with whom we like to talk.

Second, Russia is not a market economy, but it is no longer the Soviet economy, either. Much of its most valuable assets and potential is concentrated in oligarchic forms in the hands of politically powerful individuals or groups. Some of these groups have an interest in monetary stability, others have an interest in government subsidies and inflation. Some have an interest in trade with the West, others have a strong interest in trade in arms and weapons technology. Some have an interest in a restrictive trade regime for protection and import substitution, others have an interest in open capital markets to move their assets abroad. And despite the predominance of large economic interests and oligarchy, Russia also has an active and substantial small business and service economy.

In short, the question of Russia's economic future is no longer a question of reformers versus unreconstructed statist (if indeed it ever was). Western policy should be premised on the multiple economic actors with diverse and cross-cutting interests in markets, competition, and international integration. In such a context, the demand for--and form of--reforms is going to come from political-economic competition within Russia itself. The West has neither the resources nor the information to pick winners and structure the process.

In terms of economic and financial assistance, post-post-Cold War US policy should focus on opening international trade in areas where we want Russian interests to be active and integrated. The US should be among the most active and enthusiastic supporters of efforts to expand economic contacts between the European Union and Russia. We should be sympathetic to the idea of relieving the Russian economy of the burden of repaying Soviet-era debts, which were politically motivated rather than economically sensible anyway. And as the country that has been the source of half the world's economic growth in the current boom, we should be at least as interested in investment and trade with democratizing Russia as we are with communist China.

Finally, after a decade of failures in political and security relations, we are not only not strategic partners, we are on the brink of Russia officially adopting the view in its most

recent draft National Security Concept and military doctrine that the US is an "enemy" or a "threat." This is our greatest failure of all, because there is no good reason for it, and because nothing threatens our own security more than a fearful, mistrustful, and noncooperative Russia. Because we have so severely mismanaged the ambitious and creative post-Cold War security agenda, we must face that we have to fall back upon a traditional security agenda of nuclear and conventional arms control and state-to-state diplomacy and cooperation in areas of mutual interest, such as WMD nonproliferation and stability in the Middle East and Caucasus. Before leaping ahead to a brave new world in which national borders and state sovereignty are permeable and questionable because of the Internet and the global economy, we need to first be certain that we have established a secure set of practices and instruments for making sure that the new system does not fundamentally threaten less fortunate states--including Russia--which still face tangible issues of territorial integrity and physical security.

Before it is too late, we have to stop adopting policies that with plausible (if not indisputable) cause lead reasonable and responsible Russian leaders and analysts to question whether we seek conventional military superiority through NATO and strategic nuclear dominance by breaking out of the regime of assurance and security established by the ABM Treaty, Nuclear Nonproliferation Treaty, START process, and Comprehensive Test Ban Treaty. Perhaps the saddest, but most urgent, legacy of Russian-US relations at the end of the 1990s is that we are forced to salvage what we can of the limited, but vital traditional security agenda that we had thought was just a minimal achievement of the Cold War.

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