

## Why Russia Matters

Ten reasons why Washington must engage Moscow.

BY JAMES F. COLLINS, MATTHEW ROJANSKY | AUGUST 18, 2010



A year and a half after Barack Obama hit the "reset" button with Russia, the reconciliation is still fragile, incomplete, and politically divisive. Sure, Russia is no easy ally for the United States. Authoritarian yet insecure, economically mighty yet technologically backward, the country has proven a challenge for U.S. presidents since the end of the Cold War. Recent news hasn't helped: The arrest in July of a former deputy prime minister and leader of the Solidarity opposition movement, Boris Nemtsov, provoked some of the harshest criticism of Russia yet from the Obama administration. Then last Wednesday, Russia [announced](#) that it had moved anti-aircraft missiles into Abkhazia, the region that broke off from Georgia during the August 2008 war. The announcement was hardly welcome news for the United States, which has tried to defuse tensions there for the last 24 months.

Yet however challenging this partnership may be, Washington can't afford *not* to work with Moscow. Ronald Reagan popularized the phrase, "Trust, but verify" -- a good guiding principle for Cold War arms negotiators, and still apt for today. Engagement is the only way forward. Here are 10 reasons why:

**1. Russia's nukes are still an existential threat.** Twenty years after the fall of the Berlin Wall, Russia has thousands of nuclear weapons in stockpile and hundreds still on hair-trigger alert aimed at U.S. cities. This threat will not go away on its own; cutting down the arsenal will require direct, bilateral arms control talks between Russia and the United States. New START, the strategic nuclear weapons treaty now up for debate in the Senate, is the latest in a long line of bilateral arms control agreements between the countries dating back to the height of the Cold War. To this day, it remains the only mechanism granting U.S. inspectors access to secret Russian nuclear sites. The original START agreement was essential for reining in the runaway Cold War nuclear buildup, and New START promises to

cut deployed strategic arsenals by a further 30 percent from a current limit of 2,200 to 1,550 on each side. Even more, President Obama and his Russian counterpart, Dmitry Medvedev, have agreed to a long-term goal of eliminating nuclear weapons entirely. But they can only do that by working together.

**2. Russia is a swing vote on the international stage.** As one of the five permanent members of the U.N. Security Council, Moscow holds veto power over any resolution that the body might seek to pass -- including recent efforts to levy tougher sanctions on Iran or, in 2009, against North Korea following that country's second nuclear test. Russian support for such resolutions can also help persuade China and others not to block them. The post-reset relationship between Moscow and Washington works like a force multiplier for U.S. diplomacy. Russia plays an equally crucial role in the G-8 and G-20 economic groups, helping to formulate a coordinated approach in response to economic threats. In 2008, for example, Russia supported a G-20 resolution promising to refrain from protectionism and avoid new barriers to investment or trade.

**3. Russia is big.** The country's borders span across Europe, Central and East Asia, and the Arctic -- all regions where the United States has important interests and where it cannot afford destructive competition. With an ongoing counterinsurgency campaign in Afghanistan, the United States has a strong interest in Central Asian stability and relies on Russia not only for direct assistance with logistics and information sharing, but to help manage threats like the recent political upheaval and sectarian violence in Kyrgyzstan. In the former Soviet space, Moscow's historical ties to newly independent states are still fresh and powerful. Moscow is the linchpin to resolving "frozen conflicts" that prevent countries like Moldova, Georgia, and Azerbaijan from prospering economically and moving toward European Union membership. Recently, for example, Moscow signaled renewed interest in resolving frozen conflicts in Nagorno-Karabakh and Transnistria. And despite recent troop movements into Abkhazia, a [negotiated settlement](#) is still very possible, one that returns some territory to Georgia but preserves its autonomous status, along with that of its fellow breakaway republic, South Ossetia.

**4. Russia's environment matters.** As the catastrophic fires across Western Russia have dramatically illustrated, Russia is both a victim of global climate change and a steward of natural resources -- including many of the forests now badly burned -- needed to reverse the global warming trend. With more than one-tenth of the world's total landmass, vast freshwater and ocean resources, plus deposits of nearly every element on the periodic table, Russia is an indispensable partner in the responsible stewardship of the global environment. On climate change, there is work to be done, but progress is evident. Russia today is the world's fourth-largest carbon emitter, but as a signatory to the Copenhagen Accord, it has pledged to reduce emissions to 20 to 25 percent below 1990 levels. Another black spot is Russia's use of "flaring" -- a technique that burns natural gas into the open atmosphere during oil extraction, but Medvedev agreed to capture 95 percent of the gas currently released through flaring. Last year he also signed Russia's first law on energy efficiency, which takes such steps as requiring goods to be marked according to their energy efficiency and banning incandescent light bulbs after 2014. True, most of Russia's other commitments are short on deadlines and concrete deliverables. But like China's cleanup for the Beijing Olympics, Moscow could transform resolve into reality with surprising speed, given the right amount of international engagement. And in the meantime, Russia's natural climate-cleaning properties are vast; the Siberian provinces alone contain more clean oxygen-producing forests and reserves of freshwater than continental Europe.

**5. Russia is rich.** As the "R" in the famous BRIC grouping of emerging economies, Russia is the 12th-largest market in world, with the third-largest foreign currency reserves. And the country's role in world markets is only growing. Russia is a big player in commodity trading,

the country boasts a volatile but increasingly attractive stock exchange, and it is open to foreign investment -- even in state-owned industries. Russian businesses are increasingly looking abroad to form strategic partnerships, acquire assets, and sell their products. And as a country that felt the global financial crisis viscerally -- economic growth fell by almost 8 percent in 2009 -- Russia has a strong interest in making sure there is no repeat. Despite occasional retrenchments, such as the ban on grain exports after the summer fires, Russia is committed to becoming a free-trading World Trade Organization member, and wants more access to U.S. and European technology and management know-how to drive its modernization. Excessive bureaucracy and widespread corruption are the biggest challenges to Russia's further economic growth, but these are already top talking points in Medvedev's modernization drive, and engagement with more transparent Western countries such as the United States can only help.

**6. One word: energy.** The American way of life depends on stable and predictable commodity prices -- gasoline, natural gas, and coal in particular -- and Russia plays a large role in the global production and pricing of these fossil fuels. Russia alone possesses roughly one-quarter of the world's known gas reserves, and it is currently responsible for over a fifth of global exports. It is the second largest oil-producing state after Saudi Arabia and has the second-largest coal reserves after the United States. The even better news for Washington is that Russia is not a member of OPEC, the cartel of oil-producing countries. This gives the country far more freedom to focus on increasing exports rather than reducing them to keep prices down. When it comes to bringing supply to market, many will no doubt remember the so-called gas wars between Russia and Ukraine and Russia and Belarus that left Eastern Europe in the cold several times in recent years. Much of the trouble is attributable to the legacy of Soviet energy infrastructure in Russia's western neighbors, which put a choke-hold on Russia's gas pipelines. Moscow is currently working with the United States, China, and Western Europe to find a way around this problem, which will entail building new pipelines through the Baltic Sea, Black Sea and Siberia.

**7. Russia is a staunch ally in the war on terror (and other scourges).** Even during the dark days after the 2008 Russia-Georgia war, Moscow and Washington cooperated effectively on counterterrorism, counternarcotics, infectious disease prevention and response, and other shared security priorities. Recently, the two have worked together under the auspices of the Bilateral Presidential Commission to coordinate relief strategies for catastrophes such as the Haiti earthquake and the violence in Kyrgyzstan. Both Washington and Moscow recognize that swift, well-organized responses to such crises are key to preventing weaknesses from being exploited -- for example by extremist groups who are happy to fill the vacuum of government authority. Russia is also a critical partner in U.S. law enforcement efforts to defeat organized crime and terrorism financing. The two countries are currently working to map smuggling routes in Central Asia. And Russia has shared information with the United States on the informal financial networks used to fund Taliban and Afghan warlords.

**8. The roads to Tehran and Pyongyang go through Moscow.** Russia maintains unique relationships with Iran and North Korea -- both top concerns on Washington's nuclear nonproliferation radar. In the past, the Kremlin has used its leverage to keep the path open for negotiations, sending senior diplomats to Tehran and offering carrots such as civilian nuclear assistance and weapons sales (though it has deferred the sale of advanced S-300 ground-to-air missiles that could be used to blunt a U.S. or Israeli air strike). Now more than ever, Washington needs allies with that kind of leverage to help punish violators and discourage cascading nuclear proliferation worldwide. Leading by example on nonproliferation is also a must; as the world's biggest nuclear powers, the United States and Russia are looked to as the standard-setters. If they fail to ratify their latest modest step

forward on bilateral nuclear arms control, it will be difficult to push other countries to take similar counter-proliferation measures.

**9. Russia can be a peacemaker.** Moscow has the potential to play a role in the settlement of key regional conflicts -- or if it chooses, to obstruct progress. Russia is a member of the Middle East "Quartet," the six-party talks dealing with North Korean denuclearization, and each of the working groups addressing conflicts in the post-Soviet space, such as the OSCE Minsk group on Nagorno-Karabakh, and the 5+2 group on Transnistria. In such post-Soviet regions in particular, Russia has a unique capacity to contribute to peaceful resolution of territorial disputes by facilitating trade and economic engagement with and between former adversaries, and acting as a peacekeeper once a final settlement is reached. In the Middle East, Russia still controls a network of commercial and intelligence assets and has substantial influence with the Syrians, who should be pushed to play a more productive role in the Arab-Israeli peace process.

**10. Russians buy U.S. goods.** As the U.S. economy stops and starts its way out of recession, most everyone agrees that boosting exports is a key component in the recovery. And Russia is a big market. U.S. companies such as Boeing, International Paper, and John Deere have invested billions in Russian subsidiaries and joint ventures. In all, there are more than 1,000 U.S. companies doing business there today. They are in Russia not only to take advantage of the country's vast natural resources and highly skilled workers but also to meet the demand for American-branded goods. The Russian middle class wants consumer goods and the country's firms increasingly seek advanced U.S. equipment and machinery. Between 2004 and 2008, before the financial crisis hit, U.S.-Russia trade grew by more than 100 percent to over \$36 billion annually, and although that figure dropped by a third in 2009, there is potential for an even better, more balanced trade relationship in the coming decade.

In short, Russia is indispensable. As long as the United States participates in the global economy and has interests beyond its own borders, it will have no choice but to maintain relations with Russia. And good relations would be even better.

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