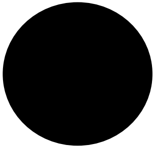
Ian Bremmer is president of Eurasia Group and a senior fellow at the World Policy Institute. Alexander Zaslavsky is director of research at Eurasia Group.



Bush and Putin's Tentative Embrace

Ian Bremmer and Alexander Zaslavsky

The emerging partnership between the United States and Russia is the most significant geopolitical realignment since the Second World War. It is not a matter of tactics, of smoke and mirrors, of pure convenience. The relationship is genuine. But the question is, Can it last?

The understanding achieved by Presidents Bush and Putin may result in a renewed effort to integrate Russia into Western security, economic, and political institutions, allowing Moscow and Washington to abandon their Cold War baggage. But as realpolitik replaces the sentiment ignited by the terrorist attacks on the United States, the momentum for cooperation will slow. Realignment will be resisted by domestic forces in both countries, leaving the ultimate outcome dependent upon the capacity of the two presidents to build a lasting alliance for their nations.

In Russia, forces favoring partnership include a small group of government reformers, business leaders keen to increase Russia's exposure to Western markets, and segments of society with a high stake in continued economic transition. They are opposed by both communist and nationalist constituencies, as well as by Russia's military and security bureaucracy.

President Bush's Russia advocates include the Departments of State and Commerce. However, Russia fails to inspire most others who count in politics and business. American investors—badly burned by their experience of the Russian economic crisis in 1998—are tentative. Secretary of Defense Donald Rumsfeld and National Security Adviser Condoleezza Rice are skeptical of anything beyond tactical support from the Russians.

In the short term, the extent of cooperation between the two countries depends primarily on international factors—America's immediate needs in the war in Afghanistan and Russia's capacity to serve them. But what happens next, and whether Russia and the United States can create permanence out of promise, will ultimately depend upon domestic politics. For now, neither country has a strong constituency in favor of building the partnership beyond the war.

U.S.-Russian Relations in the 1990s

The record of U.S.-Russian relations following the breakup of the Soviet Union is well documented. The 1990s witnessed significant achievements, most important of which were the opening of Eastern Europe and the relatively bloodless transitions to statehood for the former Soviet republics. And though implementation was far from perfect, Russia publicly subscribed to many of the West's basic values of democracy and market capitalism. Nonetheless, the hopes and enthusiasm evidenced by both sides at the time of Soviet collapse proved short-lived. As the nineties came to a close, mutual grievances in Washington and Moscow piled high.

Economically, the Russians felt they had been left to fend for themselves after the dismantlement of the USSR and withdrawal from Eastern Europe. For all the calls for "shock therapy," Western investment in Russia proved scarce; a Marshall Plan never materialized. Support for democracy

brought backslapping summitry for President Boris Yeltsin and his inner circle—in addition to several billion dollars in International Monetary Fund loans—but little capacity to address Russia's decrepit infrastructure and dramatic social problems.

The Clinton administration faced sharp domestic criticism for the coziness of its relationship with President Yeltsin and economic architects/oligarchs like Anatoly Chubais. Scandals were rife, between the biggest investigation of money laundering in American history over Russian transactions through the Bank of New York, the Russian Central Bank stashing billions of dollars of reserves offshore, and the misuse of state funds by members of the Yeltsin family. The prevalent opinion was that economic aid was being misallocated—or simply stolen—by corrupt Russian officials. In the words of a widely distributed congressional report, American policy "exported government instead of free enterprise and failed the Russian people."

National security issues led both sides to feel increasingly uneasy as the decade came to a close. The Russians were apprehensive about NATO expansion and the U.S. intervention in Yugoslavia, the Americans about Moscow's creeping imperialism in its "near abroad" and sales of weapons to rogue states. Despite the appearance of mutual respect, symbolized by a flurry of arms control agreements and Russian membership in the G-8 (Group of Eight industrialized nations), there existed a profound mutual mistrust between Moscow and Washington. Prime Minister's Yevgeni Primakov's famous U-turn over the Atlantic in March 1999, protesting the bombing of Yugoslavia, was a measure of the precariousness of relations apparent throughout much of the late 1990s.

Tensions rose to the surface following George W. Bush's presidential victory. Bush had campaigned against the artificial friendship of the Gore-Chernomyrdin Commission, turning a pragmatic eye to narrower national security interests of the two countries. Relations cooled as the new administration took Moscow to task for arms sales to Iran and the ongoing war in Chechnya, while also announcing its intentions to go forward with the development of a missile defense system.

What seemed a radical departure from the previous administration's policy, however, was rather a refusal to maintain the Democrats' tactful language. Substantially, American policy changed little; it was only presented less artfully, with less sensitivity for the Kremlin's wounded pride. Nonetheless, the recognition that U.S.-Russian relations had not lived up to expectations led to the greatest diplomatic rift between the two states in a decade. President Bush's "looking Putin in the eye" and liking what he saw during their first summit in Ljubljana last June brought the two countries out of their funk, but only superficially—there remained no concrete basis for cooperation.

What Changed on September 11?

The shock caused by the terror attacks of September 11 brought an immediate revision of U.S. foreign policy priorities. Unlike missile defense and economic assistance, which were effectively unilateralist policies, antiterrorist action required support from the widest range of actors in the shortest span of time. Securing the cooperation of practically all states in Eurasia became an immediate priority for the Bush administration. And despite his limited foreign policy experience, President Bush forged a coalition of unprecedented breadth in record time.

Moscow's support was essential to the effort. Russian intelligence assets in the region were far more extensive than those of the United States. Moscow's interest in and contacts with the Northern Alliance in Afghanistan were matched only by those of Iran, an unlikely candidate for cooperation given the severe anti-U.S. posture of Supreme Leader Ali Khamenei. Most

important, the United States badly needed a base for its troops. President Bush's only plausible option for a military staging ground was Pakistan, but basing Americans there would have seriously undermined the stability of Gen. Pervez Musharraf's government. To pursue a war in Afghanistan of any duration, the United States needed Russia.

While the need to forge a new relationship was felt far less urgently in Moscow, Russia nonetheless shared American interests in Afghanistan. The Taliban's support for Central Asian insurgencies had destabilized Russia's neighbors, Uzbekistan and Tajikistan. For Vladimir Putin, who had come into office on a wave of support for his decisiveness in the other conflict in Russia's "soft underbelly"—Chechnya—a war on terrorism to the south was a natural avenue. Russia would participate in the U.S.-led antiterrorism campaign by providing military support for the Northern Alliance, sharing intelligence from the region, and—most critical—giving the green light for American access to military bases in Central Asia.

Putin's reward, if not quite a quid pro quo, was supposed to be Russia's accelerated integration into Western political and economic institutions. There are signs that the new political environment is already bearing fruit for Moscow. President Bush has spoken of the link between the Chechen resistance and international terrorism, helping to legitimize the Russian military campaign in Chechnya, which had attracted considerable international criticism for its brutality. U.S. trade representative Robert Zoellick made a lightning trip to Moscow in late September, amid calls to speed up Russia's accession to World Trade Organization (WTO) membership, to repeal the Jackson-Vanik Amendment, which had limited U.S.-Russian trade, and to provide Russia with "market economy" status. And NATO officials from the United States and Europe stepped up cooperation with Russia, expanding consultations and inviting further dialogue within the NATO "twenty."

President Putin has responded in kind. Beyond his direct contributions to the war effort, he announced the withdrawal of Russian forces from the two last major Soviet-era overseas military bases—the electronic eavesdropping base in Cuba and the Cam Ranh Bay naval base in Vietnam. Both would likely have been closed eventually for financial reasons, but the timing was meant to convey an attitude of cooperation. And in a marked volte-face from Prime Minister Mikhail Kasyanov's continued efforts to renegotiate Moscow's international debt, Russia announced plans to meet its outstanding Paris Club obligations ahead of schedule.

Looking forward, the United States, together with its NATO allies, can offer Russia both economic and political benefits: fast-track WTO accession, debt restructuring, and direct investment, as well as a less critical (though perhaps more engaged) approach to Russia's policy in Chechnya. The West can also open a dialogue with the Kremlin over further NATO enlargement, both with regard to Moscow's concerns about the Baltic states' accession as well as the potential for Russia's own membership in a restructured alliance. Extending well beyond a convergence of views on Osama bin Laden's Al Qaeda network, the new spirit of cooperation could bring qualitative changes to the West's economic and security architecture.

Russian Domestic Constraints

Beyond President Putin, Russians most interested in integration with the West have little influence. Those parts of the public that support long-term alignment with the United States are not politically active and are far outnumbered by the anti-U.S. constituency. Indeed, a substantial minority (up to a third) of respondents in several polls conducted in Moscow soon after the September 11 tragedy said they thought the United States "deserved" the attack. The liberal

reformist parties in the Duma that have traditionally favored deep engagement with the West are weak and fragmented, while the communists and nationalists, though limited in their capacity to influence policy, do not hesitate to use the Duma as a visible forum for airing grievances. And, unlike in the Yeltsin era, business leaders in need of Western capital are no longer able to maintain a political "dialogue of equals" with the Kremlin: as a result of Putin's consolidation of power, their influence is indirect and limited in scope.

Despite President Putin's consolidation of political authority in his first year in office, and for all the talk of his authoritarian tendencies, his hand in both domestic and foreign policy is checked by powerful players. In carrying out his political reforms, Putin has relied heavily on state institutions—the civil bureaucracy and the military/security establishment. This is due in part to his own background as a foreign intelligence officer and in part to political calculation: a war on all fronts—against the oligarchs, regional leaders, and the state apparatus—would have been lethal. So while taking action against oligarchs who attempted to resist him and in reforming the Duma and the Federation Council, Putin treated the state bureaucracy with tact and respect.

The number of bureaucratic employees, and their salaries, swelled, and the long-expected government restructuring was put off indefinitely. Yeltsin-era heavyweights, such as Prime Minister Kasyanov and head of the presidential administration Alexander Voloshin, remained in office. Meanwhile, the security services flourished as their budgets and prestige were boosted and their alumni filled thousands of important governmental vacancies. In short, Putin built his power base in the state bureaucracy by promoting trusted friends and buying off dismissed rivals. The flipside of this reliance was a political dependence that senior government figures have not hesitated to exploit.

The military, for its part, is openly suspicious about inviting the Americans into Russia's backyard. Before Putin announced Russia's readiness to cooperate with the U.S.-led campaign against terror, Defense Minister Sergei Ivanov (one of Putin's most loyal supporters) bluntly suggested that he could not envisage even a hypothetical chance of U.S. deployments in the Central Asian republics. Afterward, his tone regarding the U.S.-led war on terrorism remained much cooler and more abstract than the Russian president's.

Privately, many Russian generals—who rose through the ranks of the Red Army—are deeply disturbed that U.S. troops are on the ground at former Soviet army bases in Central Asia, barely ten years after the breakup of the USSR. America's sudden strategic interest in Uzbekistan, including a bilateral security commitment, is particularly alarming. So is Washington's continued support for the Baku-Ceyhan pipeline, part of an energy strategy aimed at building an East-West energy corridor that bypasses Russia. On this last count, opposition exists throughout the Russian government—even moderate Foreign Ministry officials have privately warned that Russia's sympathy for the antiterror campaign will vanish if Washington is perceived to be pursuing geopolitical benefits on the pretext of mounting an antiterrorism campaign.

For the time being, Putin has significant flexibility in enforcing his will over both the military hierarchy and the public. Yet the warning signs of discontent are evident. The decision to close the two overseas bases, which represents a major downsizing in Russian security capabilities, attracted sharper and more direct government criticism than any previous decision of the Putin administration. Mileage gained from diminished U.S. criticism of the Russian military's conduct in Chechnya has assuaged the generals somewhat, yet this alone does not sell cooperation with the United States to those already against it.

A growing and increasingly public split between Putin and the Russian military and security services—his traditional bases of support—has been brewing. Over the last three months, military and security service officials have gone on television to air their concerns and to criticize Putin personally. This marks a significant break from the pattern of the last two years and demonstrates the extent to which Putin's recent decisions have antagonized these powerful institutions. Not only is the president's foreign policy out of step with the security and defense wings of his government, but it also seems that Putin does not always consult his Foreign Ministry: his speech in the Bundestag last September 25, in which he called for a radical reassessment of Russia-NATO relations in light of new security threats, was apparently prepared without any input from Russia's diplomatic service.

U.S. Domestic Constraints

President Bush's strong popularity in the aftermath of the September 11 attacks similarly insulates him from criticism. The new U.S.-Russia partnership's strongest advocate has been Secretary of State Colin Powell, a committed multilateralist. Secretary of Commerce Donald Evans has also built a solid rapport with Russian minister of finance German Gref, in what has been the only serious bilateral relationship beyond that of the two presidents.

But, as in Russia, there is no natural U.S. constituency for deeper engagement with the Kremlin. Of all the foreign policy priorities that have emerged in the wake of the September 11 bombing, it is the partnership with Moscow that makes members of the administration most uneasy. Politically, the perception of Russia is dominated by several powerful images: the country's 1998 economic collapse, Putin's alleged authoritarianism and his assault on the "independent" media, and the brutal war in Chechnya.

The Treasury Department took the lead in pursuing closer economic relations with Russia during the Clinton administration. Bush's Treasury did not intend to play such a role, however. In Secretary of the Treasury Paul O'Neill's view, his mandate was to foster international economic relationships based on trade, not to give handouts to bolster friendly regimes.

The business community similarly has expressed little interest in the turnaround in relations. Scores of U.S.-based multinationals had painful experiences with Russian asset stripping and corporate misgovernance in the 1990s. Portfolio investors are more willing to forgive and forget, especially given Russia's recent strong performance. But the timing is unfortunate: in the midst of a bear market, falling profits, and rising unemployment, there is scarce sympathy in America's private sector for expanding exposure to emerging markets. President Bush will undoubtedly support the programs of the Overseas Private Investment Corporation (OPIC), as well as those of international financial institutions, to help stimulate investment. But the simple fact is that Washington cannot force companies to invest in Russia.

Institutional mistrust of Russia remains particularly strong within the Bush administration's security establishment. One of Secretary of Defense Rumsfeld's highest priorities has been ending Russian arms and technology sales to states that support terrorism—particularly Iran. His efforts to scuttle Russia's cooperation with NATO led to public skirmishing with Secretary of State Powell in December. As a result, discussions of a future role for Russia in NATO have been tabled.

National Security Adviser Rice has been similarly committed to building East-West transportation corridors that would reduce reliance on Russian energy. Together with the secretary of defense, Rice had led the charge against the expansion of Moscow's influence upon its neighbors—thus Rumsfeld's snap trip to Kiev last June in the midst of Ukraine's presidential scandal, to

ensure the West did not "lose" Ukraine to Russia. Neither Rice nor Rumfeld wishes to tie the United States any closer to Russia than absolutely necessary.

Getting Past the Problems

While it is difficult to create momentum within either country for continued partnership across the board, there remains much that Presidents Bush and Putin can achieve. But both they and their supporters must be aware of the domestic constraints on the other. For its part, Washington must be particularly sensitive to Russian interests in Central Asia and the Caspian. Indeed, the geopolitical impetus behind America's Caspian policy could be changed by partnership with Russia. Shortly after the September attacks, State Department officials reiterated Washington's commitment to the trans-Caspian and Baku-Ceyhan pipelines. But promises of long-term involvement in the region without Russian engagement will undermine the U.S.-Russian relationship. Inviting Moscow into a multiparty dialogue on bringing the Caspian's reserves to market would be a logical step in the right direction. So would folding discussions of U.S.-Central Asian security agreements into a broader NATO agreement with Russia. With the Caspian a relatively low priority for Washington at the moment, such moderation should be possible to achieve.

The Russians need to be aware that the biggest irritant to Washington is their continued economic and military cooperation with Iran and Iraq, especially where nuclear and dual-use technologies are involved. In the aftermath of September 11, Moscow has persisted in its opposition to "smart sanctions" (which would be limited to specific items with clear military applications) against Iraq and agreed to a significant arms deal with Iran. Although Russo-skeptics in Washington have bitten their lips on these developments in the interest of the antiterrorism coalition, they are unlikely to maintain their silence in the future.

Russia's perceived laxity with respect to Iraq in the face of the anthrax attacks in the United States will not go down well even if Saddam Hussein cannot be shown to have been involved. Russia's desire to advance its economic interests in the Middle East is understandable, but President Putin must reconcile short-term economic gains with lasting stability in the region. He should be open about Russia's financial interests in Iran and Iraq, and show a willingness to do an about-face should the United States be willing to compensate Russia for its expected losses.

If these problems can be resolved, Russia and the United States can move on to broader issues. Economic cooperation is only modestly controversial and is an area in which Washington can be creative, providing support from financial institutions to stimulate long-term Western investment in Russia. Strategic issues and missile defense will bring greater controversy following the announcement in December of Washington's withdrawal from the 1972 ABM Treaty, yet it will not present a major long-term obstacle to partnership.

Getting past the problems will also be facilitated by new opportunities and incentives that have emerged since September 11. Oil price and supply are cases in point. Russia may emerge as an important energy supplier to the United States, given Washington's increasingly strained relationship with Saudi Arabia. Russia, which loses between $800 million and $1.2 billion revenue for each dollar decline in the price of crude, depends on energy revenues both to ensure domestic stability and to pay its international obligations. This is an obvious area for cooperation, and there are indications that Russia is increasingly viewed in Washington as a more reliable alternative to OPEC.

Russia's utility to the United States in fighting the war against terrorism has led to the emerging partnership between the two countries. But this alone will be insufficient to sustain it. The time factor is critical: the

benefits of cooperation to the United States will likely subside before more permanent Russian gains can be realized. Now that Afghanistan has been liberated from the Taliban, Russian support will continue to be useful in policing the region but is far less critical for rebuilding Afghanistan itself. Meanwhile, NATO enlargement is likely to move ahead. WTO membership carries significant costs, and most analysts expect a waiting period of several years before Russia can become a full-fledged member—assuming its economy remains on track.

Between these two points—as Russia's immediate value to Washington declines and before the emergence of tangible benefits to the Kremlin—domestic constraints in both countries may derail the budding partnership. To avoid this, the architecture for long-term cooperation between Russia and the United States needs to be put in place quickly. A range of agreements that lay out a schedule for NATO restructuring and Russia's involvement, and for Russia's further integration into global markets, must be constructed.

The chance to create an enduring alliance out of the friendship that has developed between Russia and the United States is the biggest opportunity the world has seen since the collapse of the Soviet Union in 1991. It has been promoted by two presidents with a war on their hands but little deeper support for a world-changing realignment. To reap the benefits of their tentative embrace, Presidents Bush and Putin will have to move fast. ●