

WebMemo



Published by The Heritage Foundation

No. 3321
July 21, 2011

“Reset” Regret: Russian “Sphere of Privileged Interests” in Eurasia Undermines U.S. Foreign Policy

Ariel Cohen, Ph.D., and Stephen J. Blank, Ph.D.

For many years, Russian diplomats have openly proclaimed that the former Soviet republics that make up the Commonwealth of Independent States (CIS) are not truly sovereign states. Russian analysts have stated that Russia regards the Obama Administration’s “reset” policy as a U.S. admission that the CIS is within Russia’s sphere of influence. The reset policy has hitherto conspicuously failed to address important U.S. interests in Eurasia, including preventing the emergence of a hegemonic power in Eurasia, maintaining a level playing field in access to markets and natural resources, and developing democracy and free markets based on the rule of law. Since the “reset,” President Obama has downgraded his meetings with post-Soviet heads of state, signaling a lesser U.S. involvement and interest. Some senior U.S. officials have even told their subordinates not to bother them with the problems of the Caucasus.

It is clear that Washington needs a new approach to Eurasian foreign policy to prevent an emergence of a Russian sphere of influence or another regional hegemony. The United States should boost its diplomatic support of sovereign states, such as Ukraine and Georgia, and expand a real commitment to the region. Specifically, Washington should provide political support to East–West energy pipelines and uphold sovereignty and territorial integrity under international law—even if this upsets Russia—while at the same time becoming an active mediator in the Transnistria and South Caucasus disputes.

In Search of Eurasian Hegemony. Since Boris Yeltsin demanded a sphere of influence in the CIS in

1993, that goal has been the driving force of Russian foreign policy. Toward that end, Russia employed every instrument of its power: energy, trade, investment, the linkage of these factors with Russian organized crime, political subversion, intelligence penetration, and expansion of military bases. Russia has threatened and even used military force, such as in Georgia in 2008. Today Moscow is pressuring Kyrgyzstan, Tajikistan, and Ukraine to join a Russia-dominated customs union that also includes Belarus and Kazakhstan.

Russia also controls military bases and key military industrial facilities in Moldova, Ukraine, Armenia, Tajikistan, and Kyrgyzstan. It has been trying to subvert the Georgian government and is using constant economic pressure to take control of Belarus’s natural gas company and pipelines. Moscow’s policy remains to pressure the CIS countries to turn their backs on Europe and preserve Russian leverage over its neighbors’ politics and economics. Concurrently, despite official disclaimers to the contrary, Moscow assiduously attempted to expel the U.S. from Central Asia even as the countries in the region assist the U.S. and NATO efforts in Afghanistan.

This paper, in its entirety, can be found at:
<http://report.heritage.org/wm3321>

Produced by the Douglas and Sarah Allison
Center for Foreign Policy Studies

Published by The Heritage Foundation
214 Massachusetts Avenue, NE
Washington, DC 20002-4999
(202) 546-4400 • heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

This adversarial view of the U.S., inherited from the Soviet past, helps Moscow ensure that the reset policy effectively reduces U.S. influence in Eurasia and Eastern and Central Europe. U.S. gains from the reset policy are limited to support in Afghanistan and the New START arms control treaty, both of which Russia would have pursued without U.S. concessions regarding the CIS.

The High Price of Reset. As Moscow is trying to block NATO missile defenses and arguing that sanctions and pressure against Iran are unnecessary, the reset policy is backfiring and needs to be reassessed. While the Administration and NATO have commendably acted to strengthen the defenses of the Baltic states, it has not done nearly enough in the CIS. Absent coherent U.S. policies in the CIS, the vast region is likely to destabilize. Central Asia is already highly unstable, and Moscow is seeking pretexts for inserting military forces into the area while simultaneously strengthening the autocratic regimes that rule there.

- In the Caucasus, Moscow is clearly working to subvert Georgia's government and destabilize the whole region. Since the 2008 Russia–Georgia war, Russia has continued to support the “independence” of Abkhazia and South Ossetia, building up air, naval, and army bases there.
- While Ukraine backtracked on its pro-Western position of the post-Orange era (2004–2010), Moscow's attempts to pressure Ukraine since the bilateral Russian–Ukrainian accords of 2010 have already led to a steady deterioration in Russian–Ukrainian relations, as Moscow's pressure upon it is unremitting.
- In Moldova, no progress has been made in restoring the country's territorial integrity and withdrawing the remaining Russian troops since 1992, when a Russian-backed army detached the Slavic-majority Transnistria region and instituted a criminalized rule there.
- In Nagorno-Karabakh, although Moscow mediated, with U.S. support, between Baku and Yerevan to achieve peace, it also attained a base in Gyumri, Armenia, until 2002 and secured the sales of up to 2 billion cubic meters of Azeri natural gas per year to Russia. Meanwhile, the

recent failure of the Russian-sponsored summit between Armenia and Azerbaijan opens the way to renewed hostilities in Nagorno-Karabakh that would undermine U.S. overall regional interests in the Caucasus.

New Policy for Eurasia Needed. Under the circumstances, it is very much in the U.S. interest to refashion a coherent policy to strengthen the CIS's sovereignty and security.

- The U.S. should emphasize its support for Ukraine's independence and sovereignty, reinvigorate its efforts at defense reform, and encourage U.S. investment and openness to trade and foreign investment in modernizing Ukraine's nuclear and natural gas sectors while exploring for shale gas in the country.
- In Georgia, the Administration should clarify to Russia that renewed war would cost Moscow dearly. It needs to make clear that Moscow's quite visible efforts to undermine the Georgian regime will facilitate a real U.S. commitment to Georgia, including the sale of defensive arms. The Administration should also refrain from pressuring Georgia to yield on letting Russia join the World Trade Organization (WTO) if Moscow is still unwilling to restore the *status quo ante* in Abkhazia and South Ossetia. Moscow should be made to understand that it cannot build closed trade blocs in the CIS while seeking membership in the WTO. In other words, the U.S. should stand for and uphold the sanctity of international law and treaties even if it upsets Russia.
- In addition, Washington needs to take much greater interest in Azerbaijan and the Nagorno-Karabakh issue. It must stop thinking about Azerbaijan exclusively as a flight stop on the road to Afghanistan and make it clear that the U.S. values its companies' participation in the development of main natural-gas-exporting pipelines. At the same time, Washington should become an active mediator and, if necessary, a co-guarantor of a potential future peace settlement. If the two sides do not make serious efforts to bring about peace, the situation will likely deteriorate further.
- Finally, the Administration should reassure local governments in Central Asia, which have sup-

ported the U.S. in Afghanistan and now depend on America to secure them against Russian and Chinese pressure. Though the U.S. may withdraw troops from Afghanistan by 2014, America will leave behind facilities, allowing them to train their forces to defend themselves against terrorism. The U.S. needs to convert the Northern Distribution Network into a permanently functioning regional transportation mechanism for economic development and cooperation with these states. And simultaneously, the U.S. needs to formulate plans not just for bilateral trade and investment but for overall regional development, boosting transparent political institutions, good governance, and the rule of law.

Invest Now, Save Later. Clearly, the paramount geopolitical interest of the U.S. remains prevention

of a return of a Eurasian empire or reversal of the post-Cold War settlement in Eurasia. Moreover, failure to invest the needed resources now all but guarantees that when the next crisis occurs—whether provoked by Islamism, Russian imperial overreach, or Chinese truculence—the cost of confronting it will be greater than any investments that America could presently make. Prevention is always cheaper than the cure.

—*Ariel Cohen, Ph.D.*, is Senior Research Fellow in Russian and Eurasian Studies and International Energy Policy in the Douglas and Sarah Allison Center for Foreign Policy Studies, a division of the Kathryn and Shelby Cullom Davis Institute for International Studies, at The Heritage Foundation. *Stephen J. Blank, Ph.D.*, is Research Professor of National Security Affairs at the U.S. Army War College.