

GLOBAL AND REGIONAL ORDER

A NEW TRANSATLANTIC RUSSIA POLICY

Can the U.S. and Europe work together?

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A new strategy towards Russia will require a more adversarial stance than practiced by recent administrations. The objective of a more confrontational approach is to reestablish clear redlines both to deter many of Russia's malign activities and to create an eventual basis for better engagement.



This new approach should be multifaceted and deal with issues such as sanctions, illicit finance, and Russian military aggression. But it will also require the West to engage Russia on issues of global importance such as nuclear security and climate change.



Such a policy will be pursued by Washington regardless of whether Berlin, Brussels, or Paris is fully on board. But the Biden administration should seek to establish a common transatlantic approach.

INTRODUCTION

Few issues on the foreign policy agenda for the incoming president are as important or as precarious as Russia. The former Cold War rival turned middling global power has cast a shadow on American politics for the last six years following its invasion of Ukraine and its interference in the 2016 election. Washington may want to shift focus to the long-term challenge posed by China, but the coming reckoning with Russia will be just as critical in determining the success of the Biden administration. This is because how America handles relations with Moscow will have implications far beyond Russia, to include such critical issues as taking steps to strengthen democracy at home, bolster the transatlantic alliance, and crackdown on corruption and illicit finance.

IGNORE, RESET, OR CONFRONT?

There are a number of different views within the foreign policy community about what a Russia strategy should look like moving forward.

Some foreign policy »realists« who focus on a state's ability to wield power argue Russia is largely a geopolitical side-show relative to China. After all, by any standard measure of national power, Russia is far from a peer competitor to the US. It has a GDP¹ roughly the size of New York², yet it has nowhere near the complexity and vibrancy of the Empire State given the Russian economy's dependence on energy extraction. Russia has an aging population, decreasing faith in its public institutions, and no real opposition party to perform oversight and debate ideas. A strain of realist thought has emerged that the US should in fact try to improve relations with Russia to create a wedge between Moscow and Beijing an effort to prevent an authoritarian alliance from solidifying and strengthening America's hand in a narrow focus on China. How exactly this is supposed to be achieved in practice is not spelled out.

Unfortunately, these calculations underestimate Russia's position in world affairs, which is bigger than one might expect from traditional measurements, in large part because of its rogue behavior and willingness to violate international law, norms, and decency. Russia invaded and continues to militarily occupy neighbors, including large portions of Ukraine and Georgia. Russia is still home to about half of the world's nuclear weapons (the other half mostly housed by the US). The Kremlin has fostered a network of oligarchs and kleptocrats loyal to Putin who are able to exert nontraditional influence in capitals around the world, including Washington and most European capitals. It has invested in an extensive intelligence apparatus that exploits the openness of democracies, hacks international institutions, and

supports military coups.³ Perhaps most importantly, it is one of the leading figures in a global trend towards authoritarianism that is willing to violate long held norms about what responsible states do, such as killing journalists, dissidents, and opposition leaders. This is behavior that is exceptionally hard to ignore.

Increasingly, some Russia observers have recognized these threats and dangers posed by the Kremlin, and yet argue for intensive US diplomatic engagement. The argument, put forth by many important thinkers and experienced practitioners in an open letter published in Politico,⁴ argues that Russia's nuclear arsenal and the legacy of the Cold War creates a country too dangerous to deal with through the escalation of tensions. Meanwhile the global challenges the planet faces – from pandemics to climate change – are too big to address without Russia's participation. Therefore we must work closely with Russia with a new strategy of engagement. Matthew Rojansky and Michael Kimmage argue that Washington should not just restore diplomatic engagement but invest heavily in cultural exchanges of the past.⁵

While many of these recommendations are sensible, Robert Frost's line »good fences make good neighbors,« also applies. That clear contours and boundaries of a relationships can actually help two sides get along better. The problem in US-Russia relations is that there are no longer any fences. The red lines that used to guide Cold War-era political warfare no longer apply. Russia has crossed line after line in illegal action in multiple Western states; from using chemical weapons on UK soil, to assassinating dissidents in a Berlin park, to being the likely culprit behind directed energy attacks on US diplomats. Meanwhile, the barriers to interfering in the internal affairs of the US and its democratic partners have been lowered. Political interference is also much easier in the internet age. Russia is taking advantage of a new technological and media landscape through cyber-attacks on political campaigns, online propaganda, and social media manipulation. This action greatly impacted the 2016 US election, contributing to Donald Trump's victory. There have been similar campaigns, with varying degrees of success, across Europe and elsewhere in the world.

At the end of the Cold War, the Berlin Wall and Iron Curtain fell, and the existing fences were dismantled. Western engagement with Russia was intended to integrate Russia into the democratic west. Francis Fukuyama's »The end of history« encapsulated the victorious outlook of the immediate post-cold war. The path to prosperity was liberal democracy. All other political systems were inferior, therefore democratic systems had nothing to fear and everything to gain from dismantling barriers, opening up, engaging, trading, and integrating globally. Opening up trade would lead to democracy – because business requires contracts, contracts

¹ <https://data.worldbank.org/indicator/ny.gdp.mktp.cd?locations=ru>

² <https://www.osc.state.ny.us/reports/finance/2018-fcr/economic-and-demographic-trends?redirect=legacy>

³ https://www.foreign.senate.gov/imo/media/doc/SPrt_115-21.pdf

⁴ <https://www.politico.com/news/magazine/2020/08/05/open-letter-russia-policy-391434>

⁵ <https://nationalinterest.org/feature/third-neighbor-can-america-live-putins-russia-163806?page=0%2C2>

need enforcement and rule of law, and rule of law ultimately requires democracy. Engagement would change the autocrats, not the democrats. The West thought engagement was a one-way street, and this concept of convergence became the consensus foreign policy thinking for decades. But as Thomas Bagger, the director of foreign policy in the Office of the Federal President of Germany, observed »what a difference a generation makes.«

Russia has turned the tables on engagement. The Kremlin has exploited the West's openness, flipping the script of convergence by taking the very means of engagement and using it against the west. The Internet, the free flow of financial assets, and western legal structures have all been turned on their head and turned into the tools that Moscow uses as geopolitical weapons. Unless the west wants to change its values and identity, it must confront Russia.

The rationale for »confronting Russia« is really about building new fences, reestablishing redlines, and managing and untangling Western engagement to mitigate the negative blowback on our societies. This policy approach is both about responding to Kremlin outrages and taking real tangible steps to bolster our democracies and societies, whether that's improving regulations over the internet or cracking down on illicit finance. This outlook also recognizes that there will be no real advances in US-Russia relations as long as the Kremlin continues on its current course. The neighborhood will be tense, fences will need to go up, and yes – we will need to deal with each other like neighbors, but neighbors with clear boundaries.

WHAT STANDING UP TO RUSSIA LOOKS LIKE

A Biden administration will seek to implement a tougher policy toward Russia. But they will face a challenge. For a truly effective response, the United States will need to forge a common approach toward Russia with Europe. And that will mean convincing Germany of the need for a stronger stance.

A new strategy towards Russia will be multifaceted and exist across a variety of issues. The US and Europe will need to confront Russia on its malign interference operations which hang over all other issues in the western relationship with Russia but which has largely gone unaddressed. The good news is that this interference not the insurmountable threat that it is often made out to be. The United States and its European allies need to make clear, and credible, that this behavior will not be tolerated. This is a message for Russia, and anyone else that might be watching.

Joe Biden put out a lengthy statement in June during his presidential campaign outlining what a future Biden administration's response to Russian interference in the election would be. The idea was to serve as both a warning and a deterrent against Russia interfering in the 2020 election the way it did in 2016. We should expect the Biden administra-

tion to follow through on the campaign's promise to remain credible and to communicate this resolve to America's adversaries. The administration's strategy will likely include some combination of financial-sector sanctions and asset freezes, retaliatory cyber strikes, and wide-ranging diplomatic and economic measures.

Beyond the response to election interference, a broader review and streamlining of sanctions on Russia is needed. Skeptics of a harder line toward Russia argue that sanctions have been in place and they haven't worked. But sanctions over the past few years have simply been a mirage. Over-time sanctions lose their bite as the targeted economies adapt and companies restructure. While the US Congress prevented Donald Trump from getting rid of Obama-era sanctions, the Trump administration failed to update or maintain these sanctions and instead systematically undermined the sanctions regime against Russia through lapses in maintenance. The European Union has dutifully extended sanctions against Russia again and again, but the Russian economy has adapted.

There is currently a complex web of sanctions imposed on Russian entities for a number of offenses, including but not limited to human rights abuses, chemical weapons use, interference in elections, and militarily occupying sovereign countries. That many of these sanctions are written into law have some Russians and Russia observers claiming that even if they alter their behavior, the sanctions will still be in place, thus there is no incentive for Russia to pursue changes in policy or action.⁶ This concern is overblown since most of the legislation has specific steps built in for the sanctions to be rolled back in response to changes in behavior, such as allowing international chemical weapons inspectors into Russia. More to the point, Russia has not tried altering its behavior, nor has it taken any of the specific steps outlined for the provisions to be rolled back. The burden is on them to do so if they want sanctions relief.

However, the web of sanctions is messy and the messages around individual sanctions can sometimes be muddled. With a new administration in Washington coming in January and the anticipation that it will bring a rejuvenation to the transatlantic relationship, this is a natural time to assess the sanctions regime against Russia, and to develop a coherent strategy for moving forward that aligns with a broader strategy towards the country. The strategy should include clear and measurable goals, and specific steps for Russia to take to achieve sanction relief. For example: withdraw from Crimea and pull out Russian-led forces from Eastern Ukraine, finding a deal that respects Ukraine's territorial integrity; allow international inspectors to verify that Russia is not making preparations to use chemical weapons and that it pays restitution to the victims of the Salisbury attack; and immediately stop its interference in western democracies and come clean about past efforts, including the 2016 election.

⁶ <https://www.politico.com/news/magazine/2020/08/05/open-letter-russia-policy-391434>

This may seem redundant in many cases, but it will send a clear message to Moscow about intentions and the fact that actions are aligned with specific goals and behavior. It will also undermine their grievance narrative, even if there is no legitimacy behind it.

Cooperation needs to go beyond sanctions alignment. The United States and Europe should work together to build a common transatlantic approach to counter corruption, kleptocracy, and illicit finance. Russia uses strategic corruption as a tool of geopolitics, deploying the wealth of its international oligarch class in order to contribute to efforts undermining democratic systems in target countries. Given this threat to national interests from strategic corruption and illicit finance, it is important that countries and localities – especially in the US, UK, and EU, where much of this laundering takes place – put up a united front against this scourge on democracy. There are measures that can be taken at the domestic, bilateral, and multilateral levels to strengthen existing authorities (such as the Global Magnitsky Act), increase financial transparency (such as legislation cracking down on shell companies), and enhance multilateral engagement (such as information sharing, intelligence cooperation, and sanctions coordination).

Furthermore, anti-corruption efforts can also be used to hit back at the Kremlin. The release of the Panama Papers⁷ and the Paradise Papers⁸ by the International Consortium of Investigative Journalists exposed massive corruption among Putin and his network and was a significant embarrassment for him. Greater legal enforcement and exposure of Kremlin corruption and money laundering could help create the incentive structure for him to behave as a more responsible leader.

Aside from establishing working relations on these new issues, the transatlantic relationship will still retain the core of its traditional relationship: containing Russian military aggression. In 2021, this will mean renewed diplomatic efforts for a solution to the war in Ukraine along the lines of the Minsk agreements and a willingness to increase the costs of Russia's continuing violations of Ukraine's sovereignty. At the same time, Washington will likely strengthen its assistance to Ukraine to ensure it can defend itself, including in the form of lethal weapons.

Globally, the US and Europe may invest political capital when and wherever possible to prevent and contain the spread of Russian military strongholds abroad, especially in places where they could challenge interests.

While establishing these new redlines and creating a unified transatlantic front will be crucial, Russia is simultaneously too big and important on too many critical global issues to not engage with when common interests align. This does not mean engagement for engagement's sake, but substan-

tively working together on issues of global significance. First on the agenda will need to be arms control. Without renewal or extension, the New START Treaty is set to expire on February 5, 2021, which is just two weeks after inauguration day. There is not a lot of time to waste for the Biden administration: the US will need to extend New START immediately and work with Moscow to negotiate a comprehensive follow-on treaty. Meanwhile, the Trump administration has thrown away other landmark arms control agreements – like the Intermediate-Range Nuclear Forces (INF) Treaty – that will need to be revisited.

Another critical issue that is going to require dialogue with Russia is the Arctic: as the seas and oceans are warmed by climate change, new opportunities and challenges are already arising. Changes such as access to previously inaccessible resources, the opening of new trade routes, and land claims from multiple arctic countries (including the US, Russia, and several European states), are just some of the issues which will present potential new flashpoints in relationships with Russia. These developments are already fostering distrust between NATO and Russia,⁹ which is likely to grow in the coming years, including potential new areas of militarization. Russia, the US, NATO, and other stakeholders should maintain open lines of communication to manage risk and avoid potential escalations, while disputes should be handled in diplomatic fora.¹⁰

Additionally, the US shouldn't shy away from contact and should promote people-to-people relations. America, Europe, and Russia must not allow their political differences to get in the way of the contact and progress among their people. Therefore, with an eye towards the future, we should also promote people-to-people relations among Americans, Europeans, and Russians, especially younger generations who share many of the same liberal democratic values as the American and western European youth.

THE TRANSATLANTIC CHALLENGE

Russia's rogue behavior has gone largely unanswered during the course of the Trump administration by both the United States and Europe. President Trump embarrassingly ingratiated himself to Putin, refused to confront the Kremlin on any significant issues, and even deferred to Putin over his own intelligence community on critical issues of national security. While Russian intelligence operatives were evicted from embassies from around Europe following the attempted assassination of Sergei Skripal in the UK, the Kremlin has faced little more than tepid diplomatic isolation from Europe. Indeed, French President Emmanuel Macron has sought to reengage Moscow; and Germany, despite outcries from its neighbors to the east and sanctions from the United States, has continued with the Nordstream II pipe-

⁷ <https://www.icij.org/investigations/panama-papers/>

⁸ <https://www.icij.org/investigations/paradise-papers/>

⁹ <https://www.foreignaffairs.com/articles/russian-federation/2020-07-27/there-no-scramble-arctic>

¹⁰ https://www.rand.org/pubs/research_reports/RR1731.html

line. During the Trump era, Europe has trended toward a softer more accommodationist line toward Russia.

The poisoning of Alexei Navalny appeared to shift attitudes in Europe, with some Green Party and CDU candidates in Germany voicing opposition to Nordstream II and the general direction of warming relations with Russia. In France, Macron has shifted gears, potentially supporting action against the Nordstream II project.¹¹ Yet as the shock of the attempted assassination of Navalny fades, pressure to finish the pipeline will build in Germany. Seeing the sincere desire by President-elect Biden to restore transatlantic relations, German diplomats will inevitably say that it is impossible to restore relations as long as the US maintains sanctions against German entities.

This will put a new American administration in a bind. While the new administration will certainly seek to forge strong ties with Berlin, there is genuine outrage from both sides of the political aisle in Washington directed at Germany for continuing the pipeline. Nordstream II sanctions passed Congress with bipartisan support and the Biden administration is not going to want to use limited political capital to remove sanctions blocking a pipeline that it does not support. Post-Trump Republicans on Capitol Hill will likely resort back to their hawkish approach to Russia. But now there will be a bipartisan consensus, as Democrats – still outraged over Russian interference in 2016 – are even more determined to confront Russia. There will therefore be little sympathy for German complaints about Nordstream. The pipeline is seen in Washington as betrayal: an example of Germany putting its narrow economic interests above the strategic interests of European solidarity and the concerns of its neighbors. In short Washington sees Nordstream as an example of Germany being a bad ally, foregoing its leadership potential in Europe and on the international stage.

Now a Biden administration will not seek to dwell on these issues, and will, unlike President Trump, treat German Chancellor Merkel with the respect and cordiality that she is due. But the difficulties in bilateral relations are not just about the obscene personal behavior of the current American president. There are also clear issues that divide Washington and Berlin. This is not so different than in 2009 when the new American President, Barack Obama, found that he had stark economic differences with German Chancellor Angela Merkel. While the US stimulated its economy, Germany pushed austerity.

The problem for Washington is that Berlin drives Europe's Russia policy. Therefore, forging a common approach with Berlin on Russia will be key to forging a strong transatlantic approach toward Russia. Importantly, this does not require Berlin to be as hawkish as the Biden administration will likely be. But it does require Berlin to move toward Washington in some areas. Perhaps Berlin could back EU efforts to

strengthen banking regulations that crack down on illicit finance – Russian money laundering in particular. Another possible area is defense spending, where Germany could perhaps either spend more on its own defense or contribute more to EU defense efforts, which in turn, Washington could support. On energy, both sides should seek to reduce bilateral tension around Nordstream, with Germany doing more to alleviate concerns of its neighbors, perhaps by increasing support to the Three Seas Initiative supporting North-South infrastructure development. On sanctions, the US, Germany, and the EU should work together to update sanctions, perhaps letting some lapse, while strengthening others.

Furthermore, the US should brief Berlin and other allies and partners on what it has learned from the past four years of investigating Russian interference. After the Mueller report was released, the State Department did not brief its allies on the relevant sections of the report, such as on the activities of Russian cyber hackers and the roll of the Russian troll farm. The US should engage its allies and partners more regularly and exchange notes and lessons learned. Additionally, any sanctions the US does levy against Russia, independent of Europe, should be fully coordinated with European counterparts.

CONCLUSION

The relationship with Russia is a mess. The Kremlin continues its dangerous, rogue behavior, pushing the boundaries of its relationship with the West to see how far it can go before there is meaningful resistance. With a new Biden administration coming in, there is an opportunity to clearly establish those boundaries, thus creating an eventual basis for a more productive engagement.

What this means in practice is there will initially be a more adversarial stance toward Russia, one that seeks to reestablish clear redlines and deters many of Russia's malign activities. Only by making clear what is acceptable and what is unacceptable can we move forward with a more productive and mutually beneficial relationship. But first we will have to go through an uncomfortable period, one that Europe may not be eager to enter.

But a common transatlantic stance towards Russia will be critical for its success. The new American government will confront Russia regardless of whether Berlin, Brussels, or Paris is fully on board. But it should seek to establish a new approach in meaningful partnership with Europe. That begins with both sides of the Atlantic engaging each other with the goal of achieving such just that. This will require some give and take and may not be achieved overnight, but in the end, it is the most effective way for both sides of the Atlantic to achieve their goals.

¹¹ <https://www.businessinsider.com/putin-call-to-macron-on-navalny-disaster-hurt-russia-sources-2020-9>

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A NEW TRANSATLANTIC RUSSIA POLICY



There is an ongoing debate about how the incoming Biden administration should approach Russia, which over the last few years has increased its malign activities and rogue state behavior. This debate often either underestimates Russia's importance or overestimates Russia's intentions to work as a responsible partner. The West needs a strategy that confronts Russia on its dangerous behavior, re-establishing redlines and boundaries. Once that is established, we can move forward with a more productive relationship.



A policy of confronting Russia will be multifaceted and exist across a variety of issues. The US and Europe will need to confront Russia on its malign interference operations which currently hang over all other issues in the western relationship with Moscow, but which has largely gone unaddressed. It will also have to streamline the Euro-Atlantic sanctions strategy, pursue a common approach towards combatting corruption, kleptocracy, and illicit finance, and contain Russian military aggression. The West will also need to engage with Russia on global issues that are fundamentally too important and too big to confront without Russian participation. These include things like nuclear security, climate change (especially as it relates to the arctic), and global pandemics. We should also promote the people-to-people relations that should exist between two rich cultures.



In order for this strategy to succeed however, there needs to be real, and meaningful transatlantic alignment. But Europe has been mixed in its willingness to stand up to Russia – vividly demonstrated by the continued pursuit of Nordstream II in Germany. During the Trump era, Europe has trended toward a softer more accommodationist line toward Russia, the question now is how it will respond to a Biden administration that will simultaneously seek to rebuild the transatlantic relationship and stand up to Russia. Both sides will need to work together on a common approach that demonstrates transatlantic solidarity. This will require a healthy amount of give and take on both sides, but ultimately is how all sides can get to a productive end result.

Further information on the topic can be found here:
dc.fes.de