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DEVELOPING A NEW NATIONAL STRATEGY FOR U.S.-RUSSIAN RELATIONS

CDR WILLIAM J. WILKINSON

DR. GOODMAN / SEMINAR C

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## DEVELOPING A NEW NATIONAL STRATEGY FOR U.S.-RUSSIAN RELATIONS

Developing a national security strategy addressing U.S.-Russian relations should be the number one priority of the National Security Council. Collapse of the Soviet Union did more than remove U.S. public and governmental consensus regarding the existence of a threat to our vital interests. It has reopened the debate as to what our national interests should be on a global basis. In the absence of a grand security strategy, we will be forced to deal with international events on a regional or state case-by-case basis. Although this may prove satisfactory on a short term basis, it will prove inefficient in marshaling full U.S. power (military, economic, and political) to achieve our objectives. It also increases the probability of the U.S. pursuing policies counterproductive to other objectives in the area. Finally, piecemeal pursuit of U.S. interests increases the likelihood of sending mixed signals to the global community.

Why should our relations with Russia be the National Security Council's number one priority? Perhaps the most persuasive reason is that it affords us a unique opportunity to totally restructure our thinking regarding U.S. international interests, objectives, and policy. Additionally, some analysts argue Russia remains the only country capable of threatening the vital interests of the U.S. Missing in this argument, however, is an analysis of the combat effectiveness of the remaining Russian forces. Recent retreat of the Ex-Soviet surface fleet to local waters, the number of ships tied up at pier, reductions in the procurement of weapons systems, and dismal economic

conditions indicate declining combat effectiveness both now and in the future. Further analysis on this aspect is warranted. However, it appears difficult to obtain U.S. public consensus for a national security policy based on the existence of a Russian military threat.

Developing a national security policy focusing on the integration of Russia into the global economic community also faces several hurdles. There is no consensus regarding predictions of Russia's future political or economic landscape. However, two significant trends are becoming apparent which allow us to make certain assumptions regarding Russia. Two of the most significant trends include:

- \* Russia will be in an economic transition phase for the foreseeable future.

It is clear that Russia's political and economic evolution will consume the vast majority of Russia's attention and resources. On the economic front, we have no models to draw upon regarding how to move from a centrally planned command economy to a free market economy. Judging by the problems being experienced integrating the old East German economy, viewed by many experts as the most advanced of the Warsaw Pact countries, it's becoming clear that moving to a market oriented economy is more costly, difficult, and time consuming than originally envisioned.

Despite the absence of a model, Russia has made progress towards conversion to a market oriented economy especially in the area of removing price controls on goods. In January, 1992, price controls were lifted on about 90% of retail goods.<sup>1</sup> Privatization of state owned business and land continues to lag;

through April 1992, only 1% of retail stores and 2% of agriculture land had been privatized.<sup>2</sup> While the pace of privatization has recently increased, the basic problems of a lack of a legal framework, including both private and corporate ownership, and lack of a banking system have not been solved. Absent these basic requirements, no significant amount of much needed foreign investment capital will be forthcoming.

\* Russia will be in a political transition phase for the foreseeable future.

Russia's integration into the global economy will be much more difficult than East Germany's. While East Germany is being integrated under an established democratic government, Russia's government is in a transition stage itself. Since the collapse of the Soviet Union in December 1991, the original goal of forming a Commonwealth of Independent States (CIS) of the original 15 republics has produced few results. Only 11 Republics signed onto the plan and there has been little progress of consolidating power. Instead, power has shifted to the individual states. In Russia, there has also been tension between the power of the executive and legislative branches of government.

This tension has heightened as the Russian economy approaches hyper-inflation, which poses the most significant threat yet experienced to Russia's political and economic reforms. Last fall the inflation rate throughout Russia exceeded 25% a month.<sup>3</sup> This problem is worsening for numerous reasons. Corruption in government, crime, capital flight, lax credit practices, and the inability of new industries to shed

unnecessary workers all contribute to the inflation rate. It is estimated these factors have resulted in \$30 billion leaving Russia during 1991-1992.<sup>4</sup> This amount of capital flight exceeds the west's G-7 economic aid package of \$24 billion for Russia and has resulted in a deep political division within the Russian government.

President Yeltsin sees executive control of the central bank as the best solution. The parliament believes they should control the central bank and that additional powers should be concentrated in a prime minister elected by the parliament. It is unclear whether this situation will be resolved by a voter referendum this April or by a political compromise between the two branches of government.

Unless the inflation rate can be brought under control, however, both the Russian economy and government are in grave danger of collapse. What the NSC needs to consider during its policy formulation are the realistic alternatives for Russia, now and in the future, other than democracy and a market oriented society. Both trends appear irreversible, only the rate of change appears in question.

This irreversibility affords the U.S. a unique window of opportunity to redefine our interests towards Russia. President Clinton's State of the Union address provides a framework of global issues facing the U.S. in the future:

"Backed by an effective national defense and a stronger economy, our nation will be prepared to lead a world challenged as it is everywhere by ethnic conflict, by the proliferation of weapons of mass destruction, by the global democratic

revolution and by challenges to the health of our global environment."™

This list of future issues requiring U.S. leadership is especially pertinent in identifying U.S. interests and policy objectives towards Russia. Particularly the integration of Russia into the global economy. However, these challenges also pose the possibility of developing conflicting U.S. policies towards Russia. Therefore, the debate must begin now if we are to achieve the desired balance between them. Let's look at how each of the issues relate to Russia. Following each issue is a recommended U.S. policy framework based on two additional critical assumptions. First, no significant additional funds will be forthcoming from Congress to assist Russia. Secondly, any recommendation must be in principle compatible with required follow-up multilateral negotiations led by the U.S. on each of the challenges.

PROLIFERATION OF WEAPONS OF MASS DESTRUCTION: Clearly, it's in the U.S. interest to minimize the proliferation of weapons of mass destruction. Our objectives in this area must address both the transfer of actual weapons and nuclear weapons technology. As many as 30,000 nuclear weapons exist in the former Soviet Republics. The majority of these weapons and technology reside in Russia. While there is doubt that all nuclear weapons will be returned to Russia, all Republics appear to agree with the concept of nuclear arms reduction.

U.S. objectives do not appear in conflict with Russian desires. Some argue that Russia may sell nuclear weapons based

on their demand for cash. However, our policy should not be based on this possibility. Russia's demand for capital is enormous. Sale of nuclear weapons simply cannot generate enough cash to make a real difference or offset the increased threat to Russia's own security. U.S. policy should focus on the more probable scenarios of a non-state sponsored sale of one or two weapons or the inability of Russia to prevent the flight of nuclear technicians to countries desiring nuclear weapons technology.

RECOMMENDED U.S. POLICY FRAMEWORK:

- \* Continue diplomatic pressure to prevent proliferation and ensure destruction of mutually agreed upon nuclear forces.
- \* Provide increased economic incentives tied to destruction of existing weapons.
- \* Negotiate the establishment of two research centers (one in Russia, one in the U.S.) funded by the U.S. and jointly staffed to further research in disposal of nuclear waste.
- \* Increase intelligence efforts directed at non-state proliferation.

ETHNIC CONFLICT: This challenge represents the most significant threat to slowing Russia's progress towards global integration. Despite the problems Russia is experiencing, Russia appears ahead of most of its neighbors in moving to democracy and a market oriented economy. It's neighboring former Soviet Republics are all experiencing enormous problems during the transition, and 25 million Russians live as a minority population in these new states. During the transition to democracy, it is unclear if the rights of the Russian minority population in the neighboring

states will be protected. If Russian minority populations are significantly threatened or come under attack, the Russian political leadership may be forced to intervene militarily. U.S. policy must be structured to minimize this set of circumstances from occurring.

RECOMMENDED U.S. POLICY FRAMEWORK:

- \* Ensure most economic assistance to neighboring states is conditional on their success of providing a certain set of basic human rights to minority populations located in their territory.
- \* Consider an economic assistance program to assist Russia in accepting the return of Russians from areas where basic rights are not being provided.
- \* Consider allowing all former Warsaw Pact countries, including the former Soviet Republics, to join NATO provided they meet a certain set of criteria relating to democratic concepts and protection of human rights.

GLOBAL DEMOCRATIC REVOLUTION: Russia is the largest and most populous country presently undergoing a transition towards democracy. The speed at which democracy can be firmly established is dependent on the government's ability to better the quality of life of its citizens. A stable, democratic Russia is clearly in the interest of the U.S. as a potential market for U.S. goods, as a source of raw materials, and as a model for the Muslim dominated states on its southern border. Success of Russian democracy is most dependent on the successful conversion to a market oriented economy; opposition parties will seize on opportunities to slow down the economic conversion. Nationalism

will be used as a rallying call whenever the opportunity exists to place blame for the loss of Russian prestige and power. U.S. policy must take this factor into consideration.

RECOMMENDED U.S. POLICY FRAMEWORK:

- \* Develop and nurture communication with opposition groups in Russia.
- \* Include Russia in multilateral negotiations even in cases where Russia has only indirect or limited interests.
- \* Base future U.S. policies on continuation of democracy rather than on maintaining any specific individual in power. Avoid creating false expectations.
- \* Channel economic assistance through non-governmental organizations whenever possible.
- \* Increase joint military exercises between Russian and NATO forces.

HEALTH OF OUR GLOBAL ENVIRONMENT: Assisting Russia to identify and develop a plan to begin correcting decades of environmental abuses is also in the interest of the U.S. The effects of environmental contamination know no national borders. The extent of environmental damage inside Russia is unknown. However, sufficient data already exists to classify Russia as one of the most toxic and polluted environments in the world. A U.S. sponsored effort to identify the extent of environmental damage and develop a long term plan to address the most serious problems would have several benefits. It reasserts U.S. leadership in environmental issues while eliminating KNOWN problems. Also, it creates an environmental awareness within Russia to carry forward as it develops new industries. Finally,

it demonstrates to the Russian people that U.S. policy towards Russia is mutually beneficial.

RECOMMENDED U.S. POLICY FRAMEWORK:

- \* Offer Russia a U.S. sponsored environmental assessment team, comprised of U.S. and Russian specialists, to catalog the extent of existing environmental damage within Russia.
- \* Offer Russia technical assistance to develop a plan addressing environmental damage.
- \* Coordinate a cleanup fund and additional technical assistance for Russia within the G-7.

In conclusion, the U.S. must remain engaged globally if it desires to shape the future world favorable to U.S. interests. Future issues requiring U.S. leadership are increasingly global in nature and will require a multilateral approach to arrive at satisfactory solutions. The debate regarding U.S. interests, objectives, and policies should begin by focusing on our relations with Russia. During this debate we must not lose sight of the fact that any national strategy must capture public consensus. This will require defining our interests in terms important to the American public and being realistic in assessing how the ends relate to the means.

The U.S. has a window of opportunity to redefine its interests, objectives, and policies towards Russia. Basing a national security strategy on integrating Russia into the global economy is in the national interests of both the U.S. and Russia. Any national security strategy towards Russia must be based on a long term approach as Russia will remain in a transitional

state, both economically and politically, for the foreseeable future. We must be willing to accept some setbacks as the Russian government adjusts the speed of economic integration and democratization based on the desire of the Russian people. This is inevitable in a democratic society.

NOTES

- <sup>1</sup> United States. CIA/DIA. Intelligence Assessment, The New Russian Revolution- The Transition to Markets in Russia and the Other Commonwealth States (July 1992) iii.
- <sup>2</sup> Ibid. iii-iv.
- <sup>3</sup> Fred Hiatt, "On Brink of Promise--or Peril," Washington Post 4 Feb. 1993: A14.
- <sup>4</sup> B. J. Cutler, "Russia being robbed blind by Russians," Washington Times 21 Feb. 1993: B4.
- <sup>5</sup> Reuter, "The State Of The Union- President Clinton's Address," Washington Post 18 Feb. 1993: A25.