

Russia and the Other Former Soviet Republics in Transition

Lesson 6: U.S. INTERESTS UPDATE

The September 11, 2001, terrorist attacks on the United States and subsequent wars in Afghanistan and Iraq marked an important turning point in U.S. relations with many of the former Soviet republics. Several became key U.S. allies in the “war on terrorism.” These new security developments became intertwined with other United States interests in the region, as discussed in *Russia and the Other Former Soviet Republics in Transition*. These interests include: improving military security; promoting political stability and reform; and assisting economic development.

IMPROVING MILITARY SECURITY

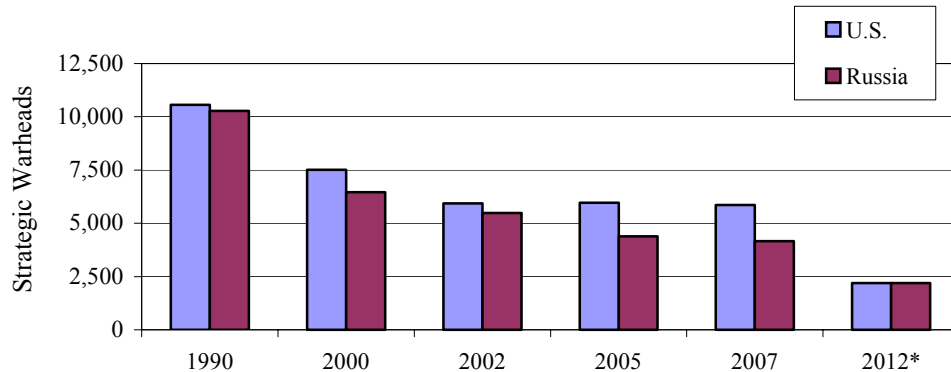
There have been a number of important, even historic, twists and turns in U.S. security relations with the region in recent years. Here, we look at weapons of mass destruction (WMD), the Nunn-Lugar Program, Russian relations with NATO, the war on terrorism, and the war in Iraq.

Weapons of Mass Destruction. Reducing the number of WMD in the former Soviet Union and preventing their spread to other regions remain top priorities for the United States. Though relations have not always been smooth, Russia has been an ally in these efforts. In April 2000, the Russian Duma ratified the START II Treaty, which banned the use of multiple warheads on intercontinental ballistic missiles, and the Comprehensive Test Ban Treaty, which banned the testing of nuclear weapons. In May 2002, Presidents Bush and Putin signed the Strategic Offensive Reduction Treaty (SORT), also known as the Moscow Treaty, which aims to reduce the number of deployed nuclear warheads from 6,000 in each country, to less than 2,200 by 2012 (see Chart 1). But in June 2002, a day after the United States withdrew from the 1972 Anti-Ballistic Missile Treaty (ABM) in line with its pursuit of a missile defense system, Russia withdrew from START II. Tensions between the United States and Russia over the proposed U.S. ballistic missile defense system have continued, and in February 2007, President Vladimir Putin accused the United States of upsetting the military balance in Europe and provoking a new nuclear arms race.

The Cooperative Threat Reduction (Nunn-Lugar) Program and Other WMD Initiatives. The Nunn-Lugar Program was established to secure and dismantle nuclear weapons and associated infrastructure in the former Soviet states, including Russia, Ukraine, Georgia, Azerbaijan, Uzbekistan, and Kazakhstan. The program has also focused on preventing the proliferation of weapons of mass destruction and related technology out of the former Soviet Union. Since its inception in 1991, the United States has spent over \$10 billion on this program.¹ It has led to the deactivation or destruction of at least 6,760 nuclear warheads; 587 intercontinental ballistic missiles, (ICBMs); 483 ICBM silos; 32 ICBM mobile missile launchers; 150 bombers; 789 nuclear air-to-surface missiles; 436 submarine missile launchers; 549 submarine-launched missiles; 28 nuclear submarines; and 194 nuclear test tunnels.² In recent years, Presidents Bush and Putin have reaffirmed their commitment to securing nuclear weapons and materials.

Chart 1

Reducing Nuclear Weapons



* Goals set by Treaty of Moscow

Sources: Defense Treaty Inspection Readiness Program, "Memorandum of Understanding Text," 1990. U.S. Department of State, "START I Aggregate Numbers of Strategic Offensive Arms," 2000, 2002, 2005, 2007.

[\(click here for enlarged version of chart\)](#)

In 2002, the leaders of the G-8 countries formed the G-8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, an initiative aimed at increasing nonproliferation funding and efforts. The G-8 committed to raise \$20 billion over ten years to pursue nonproliferation and threat reduction programs in the former Soviet states. By 2006, the Global Partnership had expanded to include the G-8 countries, the European Union, and thirteen other donor states, and participants had pledged over \$17 billion.³ Since its inception, the program has completed security upgrades to protect highly enriched uranium and plutonium, which can be used in WMD, and committed funds to destroy chemical weapons, prevent the proliferation of biological weapons technology, and counter bio-terrorism.

Despite these efforts, some former Soviet republics still store huge quantities of weapons or nuclear material in unsafe conditions. For example, it is reported that only about half of the buildings containing nuclear material have undergone security upgrades (such as installing perimeter fences, cameras, and radiation monitors) since 1990, and up to 134 tons of excess plutonium set aside to be destroyed are still in storage.⁴

Relations with NATO. Another key security issue is the region's relationship with NATO. In 1999, Russia-NATO relations were strained by NATO's bombing campaign to force Yugoslavia to end its war in Kosovo. As NATO peacekeeping operations in Kosovo got underway after the bombing campaign, Russian troops seized the airport in the provincial capital and refused to let NATO countries use it. The standoff was quickly resolved and Russian troops were woven into the peacekeeping operation, but tension between Russia and NATO over the Balkans continued.

The Russia-NATO relationship has also been strained by NATO enlargement. In 1999, NATO added the Czech Republic, Hungary, and Poland. By 2002, NATO sought to include the Baltic

states and four additional Eastern European countries, bringing the alliance to Russia's doorstep. To ease tensions, the NATO-Russia Council (NRC) was created in December 2002. The NRC allows Russia to take part in NATO discussions on significant issues, such as peacekeeping operations, counterterrorism, and the proliferation of weapons of mass destruction, without giving Russia a binding vote. With its new role in NATO, Russia relaxed its opposition and in March 2004, NATO expanded to twenty-six members. The 2006 NATO Summit in Riga, Latvia, was the first NATO summit held in a country that had been part of the Soviet Union.

Despite Russia-NATO cooperation in some areas, there remains mistrust between the two sides. For example, during the Munich Conference on security policy in February 2007, Russian President Vladimir Putin said that NATO's expansion to Russia's borders is "a serious provocation that reduces the level of mutual trust."⁵ Russia strongly opposes NATO expansion to Ukraine and Georgia. Also, as Serbia's ally, Russia warns that it will oppose any moves toward Kosovar independence. NATO has more than 16,000 peacekeepers stationed in Kosovo.⁶

"War on Terrorism." The U.S.-led war on terrorism added a new element to U.S. interests in the former Soviet republics. This change can best be seen in the attention the United States gives to the Central Asian states, which were thrust into the global spotlight by the war in Afghanistan. In the first few years of the war, all of the Central Asian states except for Turkmenistan allowed the United States to use their air space for military overflights. Uzbekistan and Kyrgyzstan provided air bases for U.S. forces; Kazakhstan and Tajikistan gave permission for U.S. forces to use their airports; and Turkmenistan offered land and air corridors for humanitarian relief supplies to Afghanistan while maintaining a policy of neutrality.

By mid-2005, the United States had about 2,000 troops stationed in Uzbekistan and Kyrgyzstan, manning bases and training local antiterrorism troops.⁷ However, after the United States criticized the Uzbek government's violent response to peaceful demonstrations, Uzbekistan retaliated by ending all counterterrorism cooperation with the United States and asking that U.S. troops be removed, a move which was completed in a matter of months. The United States still maintains its troops in Kyrgyzstan, and has committed millions of dollars to improve Kyrgyz security, including infrastructure and the operational effectiveness of its border guards.⁸ Also, the U.S. has worked to strengthen its relationship with Kazakhstan, especially in the areas of nonproliferation and combating terrorism.

Security in the Caucasus is also a U.S. concern. Before September 11, the United States developed plans to enhance the military capabilities of Georgia and Azerbaijan, partly because this was the region where the Baku-Tbilisi-Ceyhan Oil Pipeline was being built. After September 11, the U.S. focus in the area shifted to the war on terrorism, and Azerbaijan and Georgia became U.S. allies in the region. Azerbaijan granted the United States overflight, landing, and refueling rights on its territory, and initiated cooperation on information sharing. It supported the U.S. war in Iraq and contributed 150 soldiers to the coalition.⁹ Georgia has worked closely with the United States on security and counterterrorism issues, and has also deployed a contingent to Iraq. In 2004, the U.S. concluded the Georgia Train and Equip Program, which focused on training and reforming Georgia's military, but it continues to strengthen its ties with the Georgian military.

After September 11, Russia also became a U.S. partner in the war on terrorism, sharing intelligence and opening air corridors to U.S. forces. Russia's own encounters with Islamic radicals in Chechnya and its proximity to unstable Afghanistan helped prompt its cooperation. The depth of the new U.S.-Russian relationship was shown by Russia's restrained reaction to several U.S. initiatives, such as the renunciation of the Anti-Ballistic Missile Treaty, the placement of U.S. troops along Russia's border in Central Asia and the Caucasus, and the new round of NATO expansion that included the Baltic states. In return for cooperation and restraint, Russia hoped to gain increased trade and investment, support for its entry into the World Trade Organization, closer ties with NATO, and a stronger voice in the international security arena. Also, by linking the global fight against terrorism to its ongoing war in Chechnya, Russia hoped to counter international criticism of its abuses in the region.

Still, there have been a number of areas where the United States and Russia have faced significant differences in recent years. For example, in the late 1990s and early 2000s, the U.S. strongly criticized Russia for its arms sales and technical assistance to Iraq, charging that Russia was providing Iraq with know-how and materials that would aid Iraq's development of weapons of mass destruction. Russia denied the charges. Indeed, in the run-up to the war, President Putin argued that the United States should allow UN inspectors more time to find proof of weapons of mass destruction in Iraq, which have still not been found despite being a key reason for the war.

The War in Iraq. Russia strongly opposed the Iraq war when it began in 2003, although its response was somewhat muted because of the importance of good relations with the United States. The Iraq war has increased concerns among many Russians that the United States is too powerful and cannot be trusted. Conversely, Russia's opposition to the war undermined much of the goodwill that it had generated in the United States by its prior support of the war on terrorism.

Both Russia and the United States have tried to reduce the damage that disagreement over the Iraq war did to their relations. In May 2003, Russia voted for the U.S.-sponsored UN resolution giving the United States extensive authority in administering post-Saddam Iraq. And in June 2003, then-Secretary of State Colin Powell visited Moscow to discuss weapons of mass destruction, Iraq, the war on terrorism, and Russia's nuclear cooperation with Iran. After Powell's trip, Russia ratified the 2002 Strategic Offensive Reduction Treaty. Despite their disagreements, Putin openly supported Bush during his 2004 reelection campaign, expressing confidence in more effective collaboration in the war on terror. Yet by 2005, President Putin was again heavily critical of the Iraq war, stating that it was President Bush's biggest mistake, and his criticisms of the United States have continued since. In 2007, U.S.-Russian relations remain a mix of cooperation and tension.

PROMOTING POLITICAL REFORM AND STABILITY

Political stability and democratization in the region remain key American priorities, but as discussed in the update for Lesson 2, "Politics and Government," only a few countries are fully democratic. Establishing democratic cultures in some of the newly independent states could take decades. Even in Russia, a 2005 survey indicated that only 28 percent of the people believed that a democratic system would be good for their country.¹⁰

Since 1992, the United States has provided more than \$28 billion in aid to the twelve former Soviet Union states outside the Baltics, and it continues to provide \$2 billion annually.¹¹ This assistance promotes democratization, market reforms, and security. The United States has spent \$11 billion on its democracy promotion efforts, which are tied to the United States Freedom Support Act (FSA).¹² U.S. assistance to the former Soviet republics has been conditioned on progress in democratization and human rights, and on a number of occasions since 1992, the United States has withheld some of its aid to Russia and other states.¹³

The United States has been increasingly concerned about President Putin's crackdown on political opposition, consolidation of power, control over the media, and restrictions on the operations of NGOs and civil society organizations. In 2002, the Peace Corps was forced to abandon its activities in Russia when the government refused to renew visas for American volunteers amid charges of espionage. The United States has demanded that Russia give humanitarian NGOs access to Chechnya, but to no avail. In May 2006, U.S. Vice President Dick Cheney scolded the Russian government for rolling back democracy, restricting the rights of the people, and using its extensive oil and gas resources as "tools of intimidation or blackmail."¹⁴ Russian President Putin reciprocated during the Munich Conference in February 2007, chiding the United States for "hyper use of force in international relations," and "plunging the world into an abyss of permanent conflicts."¹⁵

In several other countries of the former Soviet Union, such as the Central Asian states, Belarus, and Azerbaijan, civil and political liberties are weak or nonexistent. This limits the United States' ability to fund pro-democracy projects. The U.S. hopes that its military presence in Central Asia and the Caucasus will improve democratization and stability in these regions over time. Conversely, critics fear that the United States will turn a blind eye to human rights abuses and other excesses in exchange for cooperation by autocratic rulers in the war on terrorism. They also fear that without persistent U.S. pressure, leaders of these countries will continue to use threats of Islamic extremism to suppress legitimate opposition and strengthen their grip on power.

ASSISTING ECONOMIC DEVELOPMENT AND REFORM

As mentioned above, since 1992, the United States has provided more than \$28 billion in assistance to former Soviet republics to help their transition to market economies, promote democracy, and security.¹⁶ In the economic realm, U.S. aid targets areas such as privatization of state-owned enterprises, making credit available for small businesses, and providing expertise to farmers and businesspeople. However, assistance devoted to economic reform has diminished over time. In 1995, it represented 44 percent of total aid, while in 2005 that number was only 14 percent.¹⁷

Despite U.S. aid to the region, the results of economic reforms have been mixed. For example, Russia's 1998 economic crisis prompted the country to implement new reforms, including far-reaching tax reform, new land and labor codes, pension reform, and basic judicial reforms. Partly as a result of such efforts, Russia has developed a nascent middle class, though it remains very small compared to those found in Europe or the United States. Moreover, many in the middle class are employed by the state, which has reaped the benefits of high oil prices, and are not part of an independent small business sector. In addition, inequality has risen in Russia, with a new

group of super rich, often owing their wealth to patronage from the state and not their own creative devices, taking a large role in the economy. Indeed, President Putin and his allies seem to have slowed further market reforms in favor of increased government control over certain segments of the economy. The story is similar throughout much of the rest of the region, with countries showing only a limited commitment to the economic reform process. Scandals concerning the misuse of foreign aid have been frequent.

Foreign direct investment (FDI) in Russia has increased considerably in recent years. It totaled just \$3 billion in 1998, but grew to nearly \$15 billion in 2005,¹⁸ including \$1.6 billion from the United States.¹⁹ However, the country still attracts less than 2 percent of the world's FDI, and investment is somewhat concentrated in the natural resource sectors.²⁰

For more recent information, please visit the timelines at www.southerncenter.org.

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² Richard G. Lugar, "2005 Nunn-Lugar Report," <http://lugar.senate.gov/nunnlugar.html> (accessed May 15, 2007).

³ The Department of Trade and Industry, "Global Partnership Nuclear Non-Proliferation Global Partnership Annual Report 2006," <http://www.dti.gov.uk/files/file36634.pdf> (accessed May 22, 2007).

⁴ Op. cit. Michael Crowley.

⁵ Martin Wolf, "As Long as It Is Trapped, the Bear Will Continue to Growl," *Financial Times*, February 21, 2007.

⁶ North Atlantic Treaty Organization, "NATO in Kosovo," May 2, 2007, <http://www.nato.int/issues/kosovo/index.html> (accessed May 22, 2007).

⁷ Andrew Tully, "Central Asia: Is It Time to Withdraw U.S. Troops?" *Radio Free Europe/Radio Liberty*, July 7, 2005.

⁸ U.S. State Department, "U.S. Assistance to the Kyrgyz Republic—Fiscal Year 2006," November 28, 2006, <http://www.state.gov/p/sca/rls/fs/2006/77764.htm> (accessed May 23, 2007).

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¹¹ Curt Tarnoff, "U.S. Assistance to the Former Soviet Union," *CRS Report for Congress*, March 1, 2007.

¹² Ibid.

¹³ Op. cit. Curt Tarnoff.

¹⁴ U.S. Vice President Dick Cheney, speech at the Vilnius Conference 2006: Common Vision for Common Neighborhood, Reval Hotel Lietuva, Vilnius, Lithuania, May 4, 2006.

¹⁵ "Echoes of Cold War in Missile Arguments," *BBC News*, April 26, 2007.

¹⁶ Op. cit. Curt Tarnoff.

¹⁷ Op. cit. Curt Tarnoff.

¹⁸ United Nations Conference on Trade and Development, "Foreign Direct Investment Database," <http://stats.unctad.org/FDI/>, (accessed May 15, 2007).

¹⁹ Bureau of Economic Analysis, "U.S. Direct Investment Abroad: Country Detail for Selected Items," 2005, <http://bea.gov/international/xls/longctry.xls> (accessed May 17, 2007).

²⁰ UNCTAD, "Foreign Direct Investment Database," FDI Flows, http://stats.unctad.org/fdi/ReportFolders/ReportFolders.aspx?CS_referer=&CS_ChosenLang=en (accessed May 15, 2007).