

**The United States and Russia in a New Era: One Year After “Reset”**  
**Center for American Progress**  
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Thank you for that kind introduction. I’m truly honored to be at the Center for American Progress, whose commitment to renewing America’s global leadership I deeply admire. I can’t think of a better forum for offering a few reflections on relations between the United States and Russia. Nor can I think of a better moment to take stock, a little over a year after President Obama launched an effort to “reset” our relationship with Russia, and just days after he and President Medvedev signed an historic arms control agreement in Prague.

Let me acknowledge at the outset my own abiding interest in relations between Russia and America. During the course of my checkered diplomatic career, including my most recent posting in Moscow, as U.S. Ambassador from 2005 until 2008, I have seen many ups and many downs in our relationship. Along the way, I have no doubt made my own share of missteps and misjudgments. I have learned that few things come quickly or easily in our relationship; that interactions between Russia and America are often an uneasy mix of competition and cooperation; and that navigating past the mistrust and misapprehensions of the past will take considerable time and effort, from both of us. But I have also learned to deeply respect Russians and their history, culture and language; to realize how much we have to gain by working together on the main challenges of a new century; and to understand that opportunities are unfolding before us that far outweigh our differences. Rarely has there been a time when getting relations right between our two countries, and between our two societies, mattered more than it does today.

**Where We Were**

I’ll start by taking a quick look backward. By the end of 2008, in the wake of the Russia-Georgia war, relations between the United States and Russia were as sour as they had been in more than twenty years. Mutual frustration obscured mutual interest. A steady adversarial drift threatened to lead us down paths that were neither in our own interests nor in those of the wider international community. Americans believed that Russians were too quick to assume the worst about American motives, and prone to bully their neighbors and manufacture images of enemies at the gate to justify over-centralization of power at home. Russians believed that Americans were too quick to lecture and preach, and prone to double standards; they were becoming convinced that Americans were fundamentally uncomfortable with the reemergence of Russia as a Great Power and determined to constrain it. While U.S. and Russian officials rightly noted that there was no ideological basis for a “new Cold War,” we lacked the diplomatic architecture, the political and economic ballast, and most of all the basic trust, that might have helped manage differences and preserve perspective. It was, all in all, an unhappy mix.

President Obama and Secretary Clinton came to office without illusions about our difficulties with Russia or the complexities of our relationship, but with a firm commitment to making a fresh start. Their approach was guided by several assumptions.

First, and perhaps most obvious, Russia and the United States matter to one another, and how well or how poorly we manage our interactions matters to the rest of the world. The two of us control more than 90% of the world's nuclear weapons, and our leadership can do more than anyone else's to help secure nuclear material globally and prevent the spread of nuclear weapons. Russia is today the world's biggest producer of hydrocarbons; America is still the biggest consumer. We are both permanent members of the United Nations Security Council. Russia sits astride Europe, Asia and the broader Middle East – three regions whose future will shape American interests for many years to come. And in an era in which common challenges – nonproliferation, climate change, energy security, the struggle against terrorism, and many more – demand common action more than at any other period in human history, the United States and Russia have a lot more to gain by working together than by working apart. As President Obama put it in Moscow last July, “on the fundamental issues that will shape this century, Americans and Russians share common interests that form a basis for cooperation.” And the President made clear that “America wants a strong, peaceful and prosperous Russia,” acknowledging that only if Russia “occupies its rightful place as a Great Power” can we achieve the partnership on key strategic issues that we both need.

Second, mutual respect must underpin a fresh start in relations. For America's part, that means acknowledging the greatness of Russia's contributions to human civilization over the centuries, in literature and science and many other fields. It means understanding what more its immensely talented people can contribute in the future. It means understanding what Russians have endured, in the unimaginable brutalities of Stalinism, in the enormous sacrifices that we honor once again in this year's 65<sup>th</sup> anniversary of our collective victory over Fascism, and in the troubles and humiliations that flowed after Soviet Communism collapsed of its own contradictions. And it means understanding that Russia is still in the midst of a complicated transition, still coming to terms with itself after hundreds of years of empire, 70 years as an ideological warrior, and decades as a military superpower. Mutual respect does not, however, mean that we cannot speak plainly about our disagreements. We can, and we do, on questions ranging from human rights to Russia's neighborhood, where we will continue to urge the same respect for the sovereign choices of Russia's neighbors that we will accord to Russia's own sovereign choices.

Third, it's important to build a structure for our relationship, based not only on personalities and rapport amongst leaders, but also on institutions and practical mechanisms at every level. As George Kennan once put it, the business of diplomacy and of advancing our interests with other countries is a little like tending a garden, with painstaking cultivation of a range of connections and common concerns, and careful attention to the weeds and differences that often obstruct progress.

And finally, we assumed that it was possible – indeed, essential – to try to pursue each of the issues before us on its merits. We were not so naïve as to think that areas of agreement and common ground could be fully insulated from areas of disagreement and friction, but our starting point was that problems in one area of our relationship should not preclude progress in others. In a more mature relationship between Great Powers, even one with all the historical baggage that Russia and America bring, we ought to be able to build on shared interests while not pulling our punches on differences, and take steps that benefit both of us without grand bargains or tradeoffs

that come at the expense of others. That is admittedly easier said than done, but it's the spirit and mindset in which the new Administration approached a badly broken relationship with Russia.

### **Where We Are**

At the beginning of 2010, we are in a significantly better place with Russia than we were at the beginning of 2009. Many challenges and difficulties remain, and we have a great deal of work to do together to widen and strengthen the base of cooperation, but we've made a promising start.

President Obama and Secretary Clinton have both invested substantially in relations with Russia, and made it a high priority. The President's meeting with President Medvedev in Prague last week was their seventh face to face discussion in a little more than a year; they've had some sixteen substantive phone conversations over the same period, and have developed a very effective pattern of communication. The same is true of Secretary Clinton and Foreign Minister Lavrov, and of U.S.-Russian contacts at many other levels. All this diplomatic effort has produced practical results. Let me describe briefly a few of them.

The first is renewed nuclear leadership by Russia and the United States. The new START agreement signed by President Obama and President Medvedev in Prague on April 8 enhances American security, reduces the threat of nuclear war, and sets a powerful example of responsible U.S.-Russian leadership in managing and reducing our remaining nuclear arsenals on the eve of the NPT Review Conference in May. New START reduces the number of deployed strategic nuclear warheads on each side by roughly 30%, from the upper limit of 2200 in the Moscow Treaty of 2002 to 1550. The allowable number of nuclear delivery vehicles will be reduced from the existing START level of 1600 to 800, with no more than 700 deployed at any one time. The new treaty contains modernized and streamlined verification and transparency measures that will build confidence and predictability on both sides. It does not constrain our own capacity to pursue missile defense programs. New START continues the vital work of arms reductions pursued by Administrations of both parties since the end of the Cold War, a moment when Russia and America together deployed some 20,000 strategic nuclear warheads.

Russia and the United States have also led the way in the crucial work of safeguarding nuclear materials. Building on the vision and determination of Senator Richard Lugar and former Senator Sam Nunn, we have helped Russia improve security at its facilities. The U.S. and Russia lead the Global Initiative to Combat Nuclear Terrorism, whose critical task was strongly supported at this week's Nuclear Security Summit in Washington. Yesterday, Foreign Minister Lavrov and Secretary Clinton signed a new bilateral agreement that will dispose of 34 metric tons each of weapons-grade plutonium, enough to make some 17,000 nuclear weapons.

Even as we have worked to reduce our nuclear arsenals and safeguard nuclear materials around the world, Russia and America have increased our cooperation to ensure that other countries do not acquire nuclear weapons. We are both key partners in the Six Party talks, and resolute in our determination to achieve the denuclearization of the Korean Peninsula. And we are equally committed to holding Iran to its international responsibilities and preventing it from developing nuclear weapons, which would have catastrophic consequences for stability in a part of the world

that matters enormously to both of us, and to the global economy. We have worked painstakingly from the beginning of the new Administration to build a habit of close consultation with Russia, along with our other partners in the P5+1 group which leads international diplomacy on the Iranian nuclear issue. We collaborated carefully with Russia on a creative confidence-building proposal regarding the Tehran Research Reactor, which the IAEA offered to Iran last autumn. We constructed this proposal with Russia in the sincere hope that it would be something to which Iran could say “yes.” It would have met an Iranian humanitarian need; enabled the Iranian leadership to offer tangible proof of the exclusively peaceful nature of its intentions, by using much of its stockpile of low-enriched uranium for a clear civilian purpose; and in the process it would have provided time and space for serious negotiation. The TRR proposal was meant both to test Iran’s intentions, and to invest in partnership with Russia.

After an initial positive reaction to our joint proposal in early October in Geneva, Iran’s actions have been uniformly negative. We and the Russians, along with the Chinese and our European partners, have begun serious work on a new UNSC sanctions resolution, aimed at taking intelligent, targeted measures to try to change the calculus of the Iranian leadership and produce the negotiated resolution to which we remain committed. That level of cooperation was unimaginable in the depths of U.S.-Russian acrimony at the end of 2008; while we will no doubt continue to have our share of tactical differences, we have come a long way in a relatively short time in our efforts together on Iran.

A second area of significantly improved cooperation is fighting violent extremism and resolving regional conflicts. The attacks on the Moscow Metro two weeks ago are a horrific reminder of what we have both suffered at the hands of terrorists, and of our common stake in defeating them. We have stepped up joint work among our intelligence and law enforcement authorities, and reinvigorated our Counterterrorism Working Group. At the same time, Russia has become a much more active operational partner in the collective effort to help stabilize Afghanistan, and prevent violent extremists from regaining a platform there from which they could once again threaten all of us. We negotiated an unprecedented military transit accord with Russia last spring, providing a new air corridor which now averages two flights a day, transporting nearly 20,000 American troops to Afghanistan so far. Most of those flights transit the Manas facility in Kyrgyzstan, an arrangement which remains of fundamental importance to our shared objectives in Afghanistan. We have stepped up counter-narcotics cooperation, also a crucial common interest. And Russia is exploring ways in which it can contribute to Afghan economic recovery, for example by supporting a joint assessment team to visit the Salang Tunnel.

We have worked well together on other regional conflicts. Russia hosted a valuable Ministerial meeting of the Quartet last month, and remains an important partner in the long and often frustrating struggle to foster Arab-Israeli peace. We have also been effective partners in encouraging reconciliation between Turkey and Armenia, and in promoting diplomatic progress on Nagorno-Karabakh.

A third advance is the creation of a new structure for more systematic cooperation between us, the U.S.-Russia Bilateral Presidential Commission. Overseen by Secretary Clinton and Foreign Minister Lavrov, the Commission now includes some 16 working groups, spurring engagement and new ideas for partnership that go well beyond the traditional Cold War confines of arms

control and security. The working groups have already stimulated a number of creative initiatives, on mutual interests ranging from energy efficiency to youth sports exchanges to health care to university partnerships to preserving the Arctic environment. A delegation of CEOs from leading American technology companies just returned from a long trip to Russia, excited by the prospects for cooperation in innovation, and full of new ideas for using social media to promote better governance, combat trafficking in persons, and improve education and health care. Much more is possible in the months and years ahead.

Many hard challenges obviously remain in the U.S.-Russian relationship, alongside the considerable gains of the past year. We disagree fundamentally about the situation in Georgia, and the status of Abkhazia and South Ossetia. Each of us has genuine concerns for the regions closest to our borders, but 21st century values and expectations -- and not 19th century views about spheres of influence -- should drive a frank dialogue over our interests in the world as a whole, as well as in areas closer to home. Even as basic differences persist, we both have an obligation to help ensure that tensions do not erupt into violence again.

The United States will also continue to be plainspoken and unapologetic about our interest in universal human rights, and our conviction that democratic institutions and the rule of law are the keys to unlocking the enormous human potential of Russia, America and any other society in the 21<sup>st</sup> century. We make those arguments with humility, and well-aware of our own considerable imperfections. Winston Churchill once remarked that "what I like most about Americans is that they always do the right thing in the end ... it's just that they always like to exhaust all the alternatives first." Churchill had a point; we make our share of mistakes, as recent history will attest. But our institutions, and our commitment to freedom of speech and equal administration of justice, have helped us correct those mistakes, and guard against corruption and abuse of power. We do not seek to impose our system on anyone else, but we do believe firmly, as President Obama put it in his speech to the New Economic School in Moscow last July, that "the arc of history shows that governments which serve their own people survive and thrive ... governments which serve only their own power do not."

Russia will make its own choices as it seeks to modernize, innovate, diversify beyond hydrocarbons, and compete effectively in a new century. It will not be easy to translate into practice President Medvedev's admirable emphasis on fighting corruption, empowering civil society and building respect for rule of law -- especially against a backdrop in which the murders of seven journalists in 2009 go unpunished, a high-profile lawyer apparently dies of neglect while being held in pre-trial detention, and peaceful expressions of dissent are met with intolerance. Russians, in my experience, generally contain their enthusiasm for the preachy and patronizing tone which we have sometimes employed on these matters, but that doesn't mean that we should shy away from expressing our concerns. And far more importantly than what Americans think, it is deeply in the self-interest of Russians and their future to address all of those challenges.

### **The Road Ahead**

Alongside the concrete accomplishments of the past year, the atmospherics of bilateral relations are improving. Pollsters report that over 50% of Russians now have a positive view of the

United States, compared to around 30% at the end of 2008. But we will not sustain that progress unless we build on the foundation which has been laid, and widen the arc of cooperation. We need a relationship that is about more than New START and nuclear security, important as those issues are. We need a relationship that connects us more actively and intimately on the other great challenges before us in the 21<sup>st</sup> century, from economic modernization to climate change and energy security. And we need a relationship that connects our societies, and especially our young people, in ways that can help shape a more hopeful future for both of us.

Nowhere is that task more important in 2010 and the years beyond than in economic cooperation. The truth is that this is one of the most under-developed areas of our relationship. In the wake of the battering that we've both taken during the global economic crisis, it's time to consider a more ambitious approach to strengthening our economic ties. In his state of the federation address last November, President Medvedev acknowledged that Russians have not freed themselves from a "humiliating dependence" on raw materials exports. Just as importantly, he cited Russia's weak rule of law and pervasive corruption as anchors on Russia's economic performance and potential. He noted that Russia remains the only G20 member outside the World Trade Organization, which serves neither Russia's long-term interests nor those of the rest of us. Both President Medvedev and Prime Minister Putin have pointed to demographic decline as another serious impediment to Russia's revival. That is hardly an academic problem for the barely 30 million Russians living east of the Urals, in all of the vastness of Siberia and the Russian Far East, sitting on just about everything in the periodic table of elements.

It is very much in the interests of the United States to contribute to Russia's economic modernization, to its full integration into international economic institutions like the WTO and OECD, and to the full development of its remarkable resources – not only those in the ground, but especially those in the minds and intellects of its talented people. Two way trade between our countries was a paltry \$24 billion last year, with two way investment even smaller. We can, indeed we must, do better, as Prime Minister Putin and Secretary Clinton discussed in Moscow last month. Major American firms like Boeing, Alcoa and Microsoft have expanded investments as a sign of confidence in Russia's long-term health, and the long-term promise of our economic relationship. Russian interest in the American market is rising, reflected in Aleksey Mordashov's multi-billion dollar bet on the U.S. steel industry. It is worth it for both of us to take a hard look at how we might reenergize Russia's WTO accession bid, despite the considerable complications posed by Russia's decision to enter into a customs union with Kazakhstan and Belarus, both of whom are also still outside the WTO. And it is long past time to repeal the Jackson-Vanik amendment, which has long since served its original purpose.

The visit to Russia of the American innovation delegation that I mentioned earlier highlights the promise of mutually-reinforcing, knowledge-based sectors in both our economies, essential to building a multi-dimensional relationship with Russia that takes us beyond the confines of government ministries. The tens of thousands of Russians who live and work in Silicon Valley, and the steadily increasing pool of young, tech-savvy entrepreneurs in Russia, are evidence of what Russia has to offer, and of the possibilities for much greater cooperation in science and technology. Energy efficiency is another area in which both of us have a lot to gain by working together. Russia can save significantly if it reduces wasteful gas flaring and increases

commercial energy conservation, and we can jointly develop the technology and practices to help make that possible. We can also do more together to pursue clean, renewable energy sources. Civilian nuclear cooperation is an area of particular promise, and reviving the effort to seek Congressional approval of the 123 agreement signed by Russia and the United States two years ago would be a concrete, positive step. Progress along these fronts would help Russia reduce carbon emissions, and help it protect the hugely important clean water and forest resources of Siberia.

As we seek to expand the base of the Russian-American relationship, and begin to put into it more of the economic ballast which is such a critical feature of some of our other Great Power relationships, we must also obviously continue to preserve and build upon the progress we've made in security and other areas over the past year. We have tough work ahead of us to sustain our partnership on Iran. We need to use New START and the successful Nuclear Security Summit as a springboard to strengthen the global nonproliferation regime at the NPT Review Conference, and set a careful agenda for further arms reductions.

Missile defense, which has been a source of such suspicion and tension between us, can instead be a transformative opportunity for the United States and Russia. Our two countries have devoted more study and resources than any other to defending against the threat from ballistic missiles. We have much to learn from each other. We have already begun a joint threat assessment. It would make sense to take a fresh look at the Joint Data Exchange Center initiative which we began a decade ago. And we can explore practical steps toward cooperation on missile defense, consistent with the new phased adaptive approach of the Obama Administration.

We have a chance to build better understandings on European security issues, preserving mechanisms which have worked well in the past and taking up President Medvedev's call to examine ways of improving transparency and preventing conflict. There is more we can do together on Afghanistan, and in counter-narcotics cooperation. We can enhance bilateral cooperation on disaster relief and emergency situations, and use that as a stimulus for wider multilateral cooperation, including through the G8. We can do much the same in expanding the G8 Global Partnership, completing ongoing projects to secure nuclear and chemical materials in Russia, and applying the lessons we've learned to other countries. We can further develop our partnership in the Arctic. We can focus more attention on our trans-Pacific connections, pursuing the possibility of a shared heritage area across the Bering Strait, designating protected parklands on the coasts of Alaska and Chukotka. We can continue the cooperation in space which our two countries have led for so many years. And we can seek to expand exchanges among students, athletes, scientists and artists.

### **A Final Note, and A New Start**

John Maynard Keynes once wrote that "the difficulty lies not so much in developing new ideas, as in escaping from old ones." The past has indeed been a heavy burden on the future of relations between Russia and America, from the complex inheritance of Cold War animosity to the perceived humiliations of the 1990s to the adversarial drift that emerged at the end of the last Administration. Over the past year, President Obama and President Medvedev have made a promising new start, beginning to move beyond past frustrations and grievances, and producing

tangible results. The New START agreement which they signed in Prague six days ago is the most impressive, and most fittingly named, example.

There is certainly much that is tentative and fragile about that progress. Sustaining a positive direction will take continued hard work, and a strong mutual commitment to widen our cooperation beyond nuclear and security issues, and to invest broader contacts with deeper content. The concept of “reset” carried with it the misleading notion that the slate could be wiped clean with the push of a button, starting anew unburdened by the past. Reality, of course, is a little more complicated. But for the first time in a long time, the possibilities before us outnumber the problems. That is a very good thing for Russians and Americans, and for the entire world.

Thank you.