

## A TRANSATLANTIC STRATEGY FOR RUSSIA

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Crafting a transatlantic approach in response to Russia's aggressive behavior over the last two years hasn't been easy. European countries continue to differ on the degree to which the West should pursue punitive measures. Some countries, particularly those closer to Russia's borders, have advocated for more assertive and robust policies. Others are at least sympathetic to Russia's argument that the speed with which the West enlarged both NATO and the EU is in part to blame for the rising tensions. Washington has also been divided on how best to craft a new grand strategy for Russia. It is therefore with considerable pride that policymakers on both sides of the Atlantic have managed to put together and maintain a series of steps aimed at shaping future Russian behavior and reassuring partners in the region. From their sanctions policy in the wake of Russia's annexation of Crimea to the creation of a series of reassurance and deterrence measures through NATO to their ongoing cooperation with Russia vis-à-vis Iran and other shared challenges, the transatlantic partners feel relatively confident they have achieved the best balance between deterring Russian aggression and engaging Russia when it is in their interests. Is this strategy effective, though? With Russian President Vladimir Putin expected to stay in office through 2024, do the transatlantic partners need a longer-term alternative strategy? And what changes to the current Russia policy might be possible in light of the widening fissures across the European continent? This publication examines some of the challenges with the current transatlantic strategy toward Russia and outlines some midcourse corrections that could be pursued in 2017.

### CHALLENGES WITH THE CURRENT TRANSATLANTIC STRATEGY

Few would disagree that European and U.S. sanctions (conveniently paired with a drop in oil prices and Putin's economic mismanagement) have issued a sizeable blow to the Russian economy. By any indicator—the value of the ruble, capital flight, living standards, growth, investment, access to foreign capital markets, or federal budget constraints—the Russian economy is weaker and more unstable than it was just a few years ago. At best, it faces slow growth; at worst, prolonged stagnation.<sup>1</sup>

The theory behind the economic sanctions was that they would eventually bring Putin in line. Forced to choose between Russia's economic future and international adventurism, the West assumed that at some point Putin would wisely choose the former. Despite two years of economic pressure, though, that strategy has failed to alter Russia's behavior in any meaningful way. Russia remains engaged in eastern Ukraine, shows no sign of meeting its commitments under the Minsk agreements, and continues to intimidate its neighbors through probing missions, cyberattacks, and strategic messaging campaigns.

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Beginning in fall 2015, Russia also undertook an ambitious military mission in Syria to save Syrian President Bashar al-Assad's regime while targeting the very forces the West was trying to support. And at home, Putin continues to crack down on dissent. While Putin has started to admit that the sanctions are hurting Russia economically (something he has denied for the last two years), it does not appear that he has any interest in trading sanctions relief for a foreign policy rooted in cooperation with the West and peaceful relations with Russia's neighbors.<sup>2</sup>

Is it too early to expect such a shift, though? U.S. President Barack Obama, a firm believer in strategic patience when it comes to world affairs, is betting that Putin will eventually succumb under the weight of economic hardship. That is why the Obama administration has repeatedly stressed the importance of maintaining transatlantic unity on the sanctions policy. But this highlights another challenge with the current strategy: the transatlantic unity that sits at the heart of the transatlantic partners' Russia strategy is fraying as Europe grapples with a number of internal and external challenges.

Within their borders, policymakers in European capitals are struggling to come to grips with the UK's decision to leave the European Union, a historic migration crisis, and terrorist attacks either inspired or directed by the Islamic State. Those same policymakers are looking for ways to address Russian aggression in and around Europe, and instability across the Middle East. And the list of challenges doesn't end there—Europe is also facing weak economic growth, democratic backsliding in a handful of countries across the continent, and the rise of populist political parties. Both Germany and France are scheduled to hold elections in 2017, the outcomes of which are uncertain and could lead to a change in both leaderships and possibly shifts in their foreign policies. At the very least, the political campaigns promise to cause a slowdown in both countries' policymaking.

Thankfully, to date, the EU has succeeded in extending its sanctions each time they come up for renewal. With each passing month, however, European calls for at least a partial lifting of sanctions grow louder, particularly in light

of the challenges listed above and the lack of demonstrable results from the sanctions. In short, it is unclear how much longer EU member states will be willing and able to stand together with each other and the United States to support the sanctions regime on Russia.

Another challenge with the current transatlantic strategy toward Russia lies with the West's efforts to resolve the conflict in eastern Ukraine. The leaders of Germany and France have been working on negotiating a political settlement with their counterparts in Ukraine and Russia since the summer of 2014. Quite deliberately, the United States was not included (although it has publicly supported the process from the outside). The thinking behind that construct was simple: Europe would be given an opportunity to showcase its diplomatic prowess, and Russia might be more receptive to a resolution without the United States at the table. Germany and France have done a remarkable job managing these complex and often tense negotiations.

However, the most recent meeting in May 2016, which lasted over three hours, was described by German Foreign Minister Frank-Walter Steinmeier as "a mixed bag."<sup>3</sup> The four countries made modest progress on increasing security in eastern Ukraine, but the political process to resolve the breakaway territory's status within Ukraine remains deadlocked while the level of violence in the territory has steadily ratcheted up in recent months. As a result of this—as well as Ukraine's political turbulence earlier in 2016, which highlighted the fragility of the ruling coalition in Kyiv and its inability to reach a compromise with opposition parties on constitutional changes required to meet the terms of the Minsk accords—skepticism is growing in Europe and Kyiv, as well as in the United States, about the ability of the Minsk process to fulfill its promise. While it is recognized widely as far preferable to renewed fighting in eastern Ukraine, the Minsk process is likely to prove a temporary measure necessary to bridge the gap until a new arrangement is developed by the next U.S. administration and its counterparts in France and Germany.

Finally, in the category of shortcomings, neither Europe nor the United States have dedicated much thought or significant resources to engaging the Russian public. Some individual

countries run exchange programs, and Radio Free Europe/Radio Liberty continues its Russian-language broadcasts, but many of the programs in Europe and the United States designed to foster deeper dialogue haven't been expanded or strengthened since Putin returned to the presidency in 2012. In some cases, opportunities to engage Russians have actually decreased. Putin expelled the U.S. Agency for International Development (USAID) in 2012, cutting off an important channel for U.S. engagement with Russian NGOs, journalists, and parliamentarians dedicated to human rights, democracy promotion, and freedom of the press.<sup>4</sup> Given that the Russian public is fed a healthy diet of propaganda through the state-controlled media, which fuels anti-American sentiment and a sense of victimhood, engaging in a frank and open dialogue with Russian citizens comes with plenty of challenges. But the West can't allow the limited connections it does have with the Russian public to atrophy. As former U.S. ambassador to Russia Michael McFaul stated before Congress in mid-June 2016, "There is no better way to undermine Russian propaganda than a three-week trip to Palo Alto."<sup>5</sup>

### MIDCOURSE CORRECTIONS

The challenges highlighted above—Putin's unwillingness to alter course under the weight of economic sanctions, uncertainty about the degree to which Europe can maintain unity on the sanctions policy over the medium term, the lack of transatlantic engagement and progress on Ukraine's future, and limited opportunities or ideas for engaging the Russian public—do not suggest that the current strategy is failing. They do, however, raise the question of whether it is time to identify some midcourse corrections to make that strategy more durable, innovative, and effective. Fortunately, the U.S. election presents the transatlantic partners with a natural window of opportunity to do just that. Once the next U.S. president has moved into the Oval Office, he or she should work with Europe to craft a new strategy toward Russia rooted in the four pillars of unity, resilience, deterrence, and engagement.

In light of the countless transatlantic achievements since the end of World War II—the institutions and treaties that make up the liberal order, the policy victories in the areas of

democracy and human rights, and the joint military missions around the world—making unity the first pillar of a new transatlantic strategy toward Russia may seem superfluous. In truth, both sides of the Atlantic have lost sight of the importance of maintaining this unity, especially as it relates to Russia.

Over the last two decades, the United States has been distracted by a string of crises in the Middle East and Asia that have drawn its attention away from Europe and Russia. Europe has also been distracted by a compounding list of economic, identity, and military challenges that vary by country. In addition, both sides of the Atlantic have experienced a generational shift that has ushered in a new cohort of practitioners who lack both the personal relationships and historical context that served as the bedrock of the transatlantic relationship for decades. The rationale that drove the founders of the EU, the OSCE, and NATO to create such institutions is often lost on many of today's policymakers. The end result is a transatlantic relationship that has become much more transactional and more susceptible to fissures and neglect.

Putin is capitalizing on these divisions—both within Europe and across the Atlantic. He is also capitalizing on rising populism and disaffection with globalization more broadly. And he knows that European countries and the United States look at Russia through different lenses based on history, geography, energy policy, and long-standing trade relationships. That is why Europe and the United States should reaffirm their commitment to transatlantic unity. Within the first six months of the next U.S. administration, the heads of state and government associated with both the EU and NATO should meet in a joint session somewhere in Europe. Given the long-standing barriers associated with EU-NATO cooperation and the finite resources available, no one should expect this meeting to produce lists of flashy and expensive policy proposals or new capabilities. Instead, convening leaders associated with both the EU and NATO, something that has never been done before, would breathe fresh life into the transatlantic relationship, showcase resolve and agility, and stress solidarity in the face of a wide range of security threats.

The second theme of the strategy should be deterrence, which sat at the core of the West's strategy during the Cold War. Since then, and in the face of what appeared to be a Russia that was genuinely interested in enhancing ties with the West, Europe and the United States have allowed a number of their deterrence measures to atrophy and age out. The transatlantic partners must therefore redefine and reinvest in deterrence for the twenty-first century. NATO's Warsaw Summit in July 2016 made some important contributions in this regard, particularly the deployment of multinational battalions in the three Baltic states and Poland.<sup>6</sup> NATO members will have to ensure they don't lose sight of the importance of sustaining, resourcing, and reinforcing those new measures in the medium and long terms. They should also increase pre-positioning, develop stronger deterrence measures for the Black Sea, focus on the readiness of NATO forces, and exploit technologies including longer-range aircraft, unmanned aerial vehicles, and stealthy platforms to address Russian anti-access/area denial (A2/AD) capabilities.

The third theme should be a focus on resilience. Investing in resilience would improve Europe and the United States' abilities to anticipate and resolve disruptive challenges to their critical functions and to minimize the dangers associated with high-level corruption, increased Russian intelligence activities, and other, more shadowy forms of subversion. Europe, particularly the Baltic states, needs to do more to not only prevent but also contain and recover from Russian attempts to disrupt the core functions of society. For instance, an attack within the cyberrealm can and should be met by allies providing lines of communications through other routes; rapidly reinitiating basic and increasingly complex networked services; rebuilding disrupted services such as electricity, water, and communications; and repairing any infrastructure damaged by a cyberattack. Because both the EU and NATO have unique capabilities and comparative advantages when it comes to countering hybrid tactics, future resilience measures should be rooted in EU-NATO cooperation.

Finally, any new strategy vis-à-vis Russia must emphasize the importance of engagement. Policymakers and

analysts on both sides of the Atlantic sometimes interpret engagement with Putin and his advisers as a reward for violating international norms and aggressive behavior. Viewing engagement through this lens is a mistake. Instead, engagement with Russian policymakers should be viewed as little more than an insurance policy against seemingly small events escalating in unexpected ways. Should a crisis erupt due to unforeseen events, it is imperative that the West maintain at least one or two mid-level channels of communication to find a way out. Personal relationships and regular dialogue—however unpleasant and tense at times—can also help both sides avoid miscalculation.

Engaging Putin and his advisers has the added advantage of allowing Russia and the West to cooperate on global challenges where their interests intersect. As demonstrated by both the Iran deal and the collaborative efforts to rid Syria of chemical weapons, Russia has the potential to occasionally play an important role. European and U.S. leaders just have to be careful to avoid giving the Russians the impression that cooperation in one area can be traded for acquiescence in another. Even if the Russians succeeded in persuading Assad to step down tomorrow, no one should assume that a breakthrough in Syria would in any way affect the West's sanctions policy concerning Ukraine.

In addition to agreeing to and messaging a broad strategy built on the four pillars of unity, deterrence, resilience, and engagement, the United States and Europe should make a handful of short-term policy changes. First on that list should be a review of the Minsk peace agreements, which have failed to bring about an end to the conflict in eastern Ukraine. The EU's foreign policy chief, Federica Mogherini, suggested in late May 2016 at a joint press conference with NATO Secretary General Jens Stoltenberg that Germany and France, together with the EU, should conduct an assessment of the Minsk process in order to develop a way forward.<sup>7</sup> The United States should be included in any such review if the two sides of the Atlantic are intent on making any adjustments to the current agreements and structure of the negotiations. Participants in the review should examine where progress has actually been

made, the conditions and factors that made that possible, where progress has faltered, and what structural or substantive changes are needed to either pressure or incentivize the Russians and the Ukrainians to end the conflict.

As the allies review the results of the Minsk process and consider the possibility of a new joint approach to the conflict in eastern Ukraine, they will also need to review their overall strategy for Ukraine. The new post-Maidan Ukrainian government has a number of important accomplishments to its name, including presidential and parliamentary elections that met international norms, police reform, improvements in economic policy making, and deregulation, to name just a few. However, major shortcomings remain in key areas such as curbing corruption and the power of the oligarchs, bolstering the rule of law, and reforming the judiciary and the military. To support Ukraine's reform efforts and vibrant civil society, the United States and its European allies and partners need to develop and fund a long-term strategy to sustain their engagement in Ukraine, maintain Ukraine's Euro-Atlantic orientation, and encourage Ukrainian President Petro Poroshenko's government to prioritize reforms that can demonstrate to the people of Ukraine tangible gains from the pain they have endured.

The next thing on the list should be a concerted effort to strengthen European and U.S. efforts to engage the Russian public. The best forum for such a gathering, perhaps one or two levels below ministerial, is through EU-U.S. channels. The goals of such a meeting should be to mine national efforts in the areas of student travel, academic conferences, fellowships at universities, research institutions and think tanks, and peer-to-peer dialogues for best practices. Reestablishing or expanding military-to-military exchanges should also be considered as a means of both expanding contacts and developing an important channel of communication in the event of a crisis. Which countries have had the most success in this regard? Why? What about efforts to engage civil society leaders that have left Russia? How might the West better support their work outside of Russia? What programs does the EU have in this regard, and how do those programs supplement or build on similar programs run

by individual member states? And which countries in Europe are not pursuing efforts like this but should be?

Lastly, the government strategy shops in national capitals on both sides of the Atlantic should do more joint analysis, perhaps in cooperation with think tanks, on the long-term strategic challenges regarding Russia. Understandably, European and U.S. efforts to date have focused heavily on the immediate challenge that Russia poses to Ukraine and its other neighbors. However, knowing that Putin's tenure is unlikely to come to an end anytime in the near future, Europe and the United States should conduct joint forecasting. Trying to predict the future is a fool's errand, especially in regards to Russia, but engaging in a transatlantic dialogue about the ways in which Russia may try to dominate new domains (cyber or space, for example) or regions that are not capturing collective attention at the moment (such as the Arctic) would no doubt be time well spent.

Beyond near-term responses to the Russian challenge, the United States and its European allies need to invest in their capabilities to follow and understand developments in Russia, its domestic and foreign policies, and the drivers behind them. The years since the Cold War have seen a dramatic erosion of the West's analytic capabilities devoted to Russia, both in government organizations and in the academic and think tank communities. This decline needs to be reversed as an essential element of the West's strategy for meeting the Russian challenge.

Europe and the United States deserve kudos for the series of measures they have taken together in response to Russia's aggression. Although those policies have not (yet) succeeded in significantly improving Russia's relations with its neighbors or the West, no one should conclude that the policies themselves should be abandoned. The transatlantic partners just need to ensure that they are doing everything they can to position themselves for long-term success. That means they should assess both their policy victories and policy failures over the last two years, reaffirm and message the tenets of their shared strategy, and make some adjustments in both substance and style.

Ultimately, both Russia and the West are playing the long game, hoping that, at some point, the other side finds that it can no longer sustain the status quo. On the Russian side, Putin hopes that the West's interest in Ukraine will fade (much as it did in Georgia), allowing him to walk away from his obligations under the Minsk agreements, or blame its failure on Kyiv, and persuade the West to lift sanctions. By contrast, the West is hoping Putin will eventually come to view the costs associated with his adventurism as unbearable. In many ways, the West has the bigger challenge. Maintaining unity among more than two dozen different countries—each with its own set of interests, historical relationship with Russia, and priorities—will only get harder over time, which Putin knows. It is therefore imperative that Europe and the United States surprise him in early 2017 with a renewed sense of purpose, resolve, and unity rooted in a long-term strategy.

## NOTES

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*The task force will assess the strengths and weaknesses of U.S. and Western policy toward Russia, Ukraine, and Eurasia since the end of the Cold War and offer a set of guiding principles for a durable U.S. policy framework. The task force is a joint effort with the Chicago Council on Global Affairs and is supported, in part, by the Carnegie Corporation of New York.*



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