

## *Chapter 2*

# **Western Dilemmas**

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Eastern Europe's future is likely to be shaped in large part by the interplay between the region's legacy challenges, Putin's *Ozero* maxims, and the precepts of the *Maidan*. Western engagement can make a difference. But Russia's assertiveness and Ukraine's tumult come at a time of immense strain on Western countries.

### **Doubts and Distractions**

The most dizzying confluence of domestic and foreign challenges in a generation is tearing the seams of European unity. Many of these challenges are not new, but their velocity, intensity and complexity have come together to generate a perfect storm. Terrorist attacks, refugee streams, high youth unemployment and uneven growth have given life to popular anxieties, nationalist voices and illiberal responses that are squeezing the political center and challenging some of the EU's most fundamental premises and structures. The Schengen agreement on open borders has been upended as EU member states slap border controls on each other. Greece's debt crisis continues. The 2016 British referendum on its EU membership will lead headlines, absorb energy and agitate markets for months. A UK exit from the EU would diminish both parties, including in their ability to respond to Russian aggressiveness. All of this plays into the hands of Vladimir Putin, who describes the EU as a failed project.

Europe today is turning from being an exporter of stability to an importer of instability. The vision of a Europe, whole, free and at peace is being tested as much by a Europe fractured and anxious.

Europe's west is less confident and prepared to reach out in any significant way to Europe's east than at any time in a generation. A European Union whose societies are once again defining and delineating themselves from each other is not a Union willing or able to integrate additional societies knocking on its door. Despite the EU's Eastern Partner-

ship and such initiatives as the DCFTAs, member states still suffer from “enlargement fatigue” and are preoccupied with their own problems. Many also wonder whether countries like Ukraine and Georgia—not to mention Azerbaijan, with its Muslim population and historical and cultural ties to Iran—are really part of Europe and European culture, and are uncertain as to why the EU should engage as an active partner for change in the region. The April 6, 2016 Dutch referendum rejecting the EU’s Association Agreement with Ukraine offers ample evidence of this sentiment and reflects as much the anti-EU mood in the Netherlands as anything about Dutch attitudes toward Ukraine.

EU hesitations are magnified by those of their American partner, who is preoccupied with its own problems and paralyzed by political polarization at home. As other world regions beckon and threaten, Americans are tempted to retrench from Europe, to ask why Europeans can’t tackle their own problems, why America is still needed, whether Europe matters as it may have in the 20th century, why Europe’s challenges should be more relevant and pressing than problems at home or elsewhere in the world.

Efforts to forge Western consensus on common or complementary strategies to Russia and the common neighborhood are further complicated by basic differences in U.S. and European perspectives, interests, capabilities and priorities.

The United States views Russia in the context of its global interests and perspectives. The bilateral relationship is strategic and symbolic, but relatively thin when it comes to economic relations, energy ties or links between American and Russian societies. EU countries focus on Russia’s actions through a regional perspective. EU-Russian economic and social ties are much more extensive than U.S.-Russian links, and because of their geographic location most Europeans are more concerned than most Americans about worsening relations with Russia. While EU members are themselves torn when it comes to the specifics of Russia policy, most are primarily interested in deterring Russian aggression while tying Russia into a predictable neighborhood; preventing illicit networks of criminals and trafficking from spilling over from Europe’s east into the EU, promoting economic links and ensuring secure energy supplies without becoming unduly dependent on Moscow.<sup>1</sup> These differences are

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<sup>1</sup> See Angela Stent, “The Lands In-Between: The New Eastern Europe in the Twenty-First Century,” in Daniel S. Hamilton and Gerhard Mangott, eds., *The New Eastern Europe: Ukraine, Belarus and Moldova* (Washington, DC: Center for Transatlantic Relations, 2007)

reflected in how each side perceives the relative cost of specific policies. Sanctions are relatively cheap for Americans but expensive for Europeans, whereas the overall costs of European defense have become relatively cheap for Europeans but expensive for Americans.

These differences in perspective can generate doubts among Americans whether Europeans will have the will or capacity to maintain a consistent policy of firmness towards Moscow, given their energy and economic interdependencies and their own internal squabbles. They also generate doubts among Europeans about U.S. guarantees of European security, despite Washington's repeated assurances and steps to make that guarantee more credible and real. They wonder whether the United States will prioritize issues of the region over other U.S. global interests related to Russia. Many European elites fear loss of influence and are worried that Washington will pay less heed to their concerns even as it demands more from them in terms of assistance with challenges far from their region, at a time when many European countries are struggling with considerable challenges at home.

These mutual doubts continue to gnaw away at the relationship like termites in the woodwork. Meanwhile, the Kremlin's penchant for exploiting such doubts and differences, not only between the United States and EU member states, but between EU members themselves, remains robust.

## **Shared Interests**

These hesitations, differences and doubts provide the setting within which the United States and its European partners each approach the question of Western strategy towards Europe's east. Nonetheless, there are compelling reasons for the United States and its European partners to prioritize their work on Russia and the common neighborhood.

Shared Western interest in a Europe that is hospitable to democratic and economic freedom is challenged by further deterioration of democracy in the EU itself and in eastern Europe, which could severely damage the normative foundation of Europe's integration and its close alignment with the United States.

Shared Western interest in a European continent that is at peace with itself is challenged by Russian military interventions in Ukraine and

Georgia, festering conflicts and continued tumult across much of eastern Europe.

Shared Western interest in ensuring that significant parts of Europe are not dominated by any power or constellation of powers hostile to the West is again at risk.

Shared Western interest in expanding oil and gas pipelines networks connecting the Black Sea and Caspian regions to Europe in ways that bolster competition, diversify suppliers, and facilitate production are challenged by continuing Russian efforts at disruption and energy blackmail.

Shared Western interest in a confident, capable, outward-looking Europe that can work together globally with the United States to confront illicit and illegal transnational flows of people, money and materials is challenged by a continent beset by turmoil or distracted by instability along its periphery.

Finally, eastern Europe's strategic importance has grown in relation to challenges in the broader Middle East. Western countries are keen on enlisting regional partners in a global campaign against terrorists and the networks that support them. They have an interest in the countries of the region acting as a stable bulwark resistant to encroachments or instability emanating from other parts of the broader Middle East, and preventing eastern Europe and central Asia from becoming a second vast space of turmoil abutting the tumultuous Middle East.

All told, the West's fundamental interests lie in stable, democratic societies integrated in the European mainstream, not a band of unsettled in-between lands that will continue to be a source of instability, conflicts and bad governance.<sup>2</sup>

These goals face several significant challenges. First, Russia's interest and political influence is much stronger and more pervasive in the common neighborhood than in central-eastern Europe or the western Balkans. Moscow regards the expansion of Western influence and insti-

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<sup>2</sup> Daniel S. Hamilton and Gerhard Mangott, eds., *The Wider Black Sea Region in the 21st Century: Strategic, Economic and Energy Perspectives* (Washington, D.C.: Center for Transatlantic Relations, 2008); F. Stephen Larrabee, "Western Policy Toward Wider Europe," Center for Transatlantic Relations/DGAP, January 2016; Ian Lesser, "Global Trends, Regional Consequences: Wider Strategic Influences on the Black Sea," Xenophon Paper No. 4 (Athens: International Centre for Black Sea Studies (ICBSS), November 2007).

tutions into the former Soviet space as a serious threat to its security and national interests. Second, the countries of the region are comparatively weaker and poorer than other countries of the former Soviet Empire. Third, festering conflicts threaten the ability of the region's societies to consolidate themselves as states, are obstacles to the integration of these countries into Western structures, and offer Moscow levers for manipulation, disruption and influence. Fourth, the common neighborhood lacks strong regional mechanisms that can promote cooperation and mitigate conflict.<sup>3</sup>

Despite these challenges and mutual hesitations, the United States and European governments have not worked so closely together on key security issues in quite a while. Russia's annexation of Crimea prompted a remarkable alignment of tactical responses by Western countries. They worked closely to lend economic support and secure an International Monetary Fund package for Ukraine. They reinforced the airspace and territory of NATO allies Romania, Poland and the Baltic states and tightened NATO partnerships with Sweden and Finland. They forged closer ties with the new Ukrainian government. They excluded Russia from the G8 and imposed targeted sanctions against a limited number of Russian officials, and on other individuals and commercial entities considered financially close to Putin, as well as on a number of Russian defense firms; placed restrictions on new financing to Russia's largest banks and energy companies; instituted stricter limits on the export of certain technologies to Russia; and put limitations on Russian access to certain U.S. facilities involved in developing cutting-edge technologies.<sup>4</sup> They have been united on the negotiations leading to the Minsk agreements, and have maintained their unity with regard to monitoring implementation of the accords. The United States has quadrupled the funding for its European Reassurance Initiative to increase the presence of U.S. forces in Europe and to improve the defense and security capabilities of allies, as well as partners Ukraine, Moldova and Georgia. The EU-Ukraine DCFTA came into force on January 1, 2016. The United States has also offered Ukraine \$1 billion in loan guarantees and technical assistance with financial, energy and political reforms. Several European countries have boosted their defense budgets.

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<sup>3</sup> Hamilton and Mangott, *op. cit.*; Larrabee, "Western Policy...", *op. cit.*

<sup>4</sup> Anne Applebaum, "Ukraine's war on two fronts," *The Washington Post*, October 30, 2015.

These tactics, however, have largely been ad hoc responses to Russian provocations. They are unlikely to be sustainable unless they are tied to a long-term Western strategy towards Russia and the common neighborhood.

The NATO Alliance has yet to develop a coherent strategy of projecting stability and resilience forward, beyond the bounds of NATO territory itself, to partner countries in wider Europe. NATO has acted to reassure nervous allies, but it is not prepared to engage militarily to protect Ukraine. Ukrainians have been left to doubt the credibility of commitments made by the United States and the United Kingdom in the 1994 Budapest Agreement to assure Ukraine's territorial integrity, and to the value of such instruments as the Partnership for Peace and the NATO-Ukraine Commission. U.S.-EU coordination has been patchy—and the transatlantic partners have yet to harness their assorted efforts to a more strategic effort to project stability and opportunities for integration to this region. The economic and technical assistance provided thus far to Ukraine is an important signal of support, but remains far below what Ukraine needs for success.

In short, Western instruments are out of tune with the times. There is a growing mismatch between the nature of our challenges, the capacity of our institutions, and the tools at our disposal. In this new era, Western societies must work differently with Russia, they must engage differently in the common neighborhood, and there is much they must do for themselves.

*Section II*

**What the West Must Do**





# 1. What the West Must Do with Russia

## A Realistic Western Russia Policy

The United States and its European partners need a realistic policy towards Russia and the common neighborhood that is based not on hopes or ideology but on a sober analysis of the nature of the Russian regime, the domestic challenges and foreign policy dilemmas of post-Soviet countries, and their own common and diverging interests. It should be guided by recognition that for the foreseeable future, Putin is here to stay, and that for the moment, a Europe whole, free and at peace is neither possible with or against Putin's Russia. Western policy thus must encompass short-term strategies to deal with Putin's Russia today, while laying the groundwork for a post-Putin Russia tomorrow. This calls for tactical flexibility and strategic patience. In this section we offer specific recommendations, a number of which are elaborated by our fellow authors in subsequent chapters.

Western policy toward Russia must be proceed along three mutually reinforcing tracks: deterring the regime where necessary; continuous communication and selective engagement with the regime where useful; and the broadest range of proactive engagement with Russian society as possible.

### Track One

The United States and Europe should make it clear that relations with Russia must be based on respect for international law, the UN Charter and the Helsinki principles, including respect for the sovereignty and independence of Russia's neighbors. The international community will hold the Russian leadership accountable for use of force to change borders, as in the case of Crimea; failure to meet agreements, as is currently the case regarding the Georgian and Ukrainian cease-fire arrangements; resorts to intimidation or attempts to assert any type of "privileged" sphere of influence that would undermine the integrity of another country.

Track One should encompass both clear signals to Moscow and independent measures that can reassure allies and partners concerned about Russian pressure and deter Russia from further intimidation. This should include steps to reinforce the credibility of NATO's own mutual defense commitment, invest more in the security of those states who feel threatened by Russia and who have both expressed interest and demonstrated commitment to draw closer to the EU and NATO, improve the resilience of Western societies to Russia's disruptive challenges and project resilience to weaker societies in the common neighborhood, diversify European energy resources, and other steps as we outline later.

The West must be alert to Kremlin initiatives and be prepared to address Kremlin responses to Western policies. Western efforts must be grounded in appreciation of the fact that as long as common neighborhood states are weak, dependent on Russia, and have no security guarantees, the current Russian leadership will not accept their sovereignty, and in fact would prefer their "Bozniazation" over their Europeanization.<sup>1</sup> Western states must reject any type of deal to negotiate the future of common neighborhood states over their heads. It is an illusion to believe that any such deal on the post-Soviet states would enhance Europe's security.

- ***Strengthen Western non-recognition of Russia's illegal annexation of the Ukrainian area of Crimea.*** The Ukrainian government has correctly focused its attention on resolving the conflict in eastern Ukraine and said that the issue of Crimea should be addressed in the longer term. That is a wise course, especially as it is difficult to see how Kyiv can muster the leverage in the near term to restore Crimea's status as part of Ukraine. While Crimea is not now the priority issue, it is important that the United States and the West not forget or move to "normalize" the question. Until such time as the status of the peninsula is resolved to Kyiv's satisfaction, the international community should sustain a policy of not recognizing Crimea's illegal incorporation into Russia. The West should:
  - maintain a strong policy of non-recognition of the illegal annexation;
  - continue to ensure the strict implementation of all possible measures aimed to address the legal consequences of the annexation, including

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<sup>1</sup> Meister, "Getting Putin right," op.cit.

those related to the economy, visa policy, trade, sports, transportation and finances;

- maintain Crimea-related sanctions regardless of developments related to the Donbas and Russia's compliance with the Minsk agreements;
- condemn violations of human rights and fundamental freedoms in Crimea by Russia and as appropriate increase sanctions as a consequence;
- press Russia to give international organizations, such as the OSCE, access to monitor the situation on the ground;
- continue to support Ukraine's economic and political transition, and, in the case of the EU, rapid delivery of a visa-free regime for Ukrainian citizens once Kyiv has met the relevant criteria.

This policy should be given content by, inter alia, maintaining official recognition of Ukrainian passports of the residents of the Crimean peninsula and ensuring that official maps do not show part of Ukraine belonging to another country. Crimea may appear a lost cause now, but the future may tell another tale.<sup>2</sup>

- ***Maintain Russian sanctions until full military and political implementation of the Minsk agreements has been secured, and be prepared to increase sanctions if Minsk is not fully implemented.*** Sanctions may not have altered Putin's calculus in Ukraine, but they have raised a cost to his actions, left Russia economically isolated, and underscored Western disapproval and resolve. As the Minsk process advances, the solidity of the sanctions front becomes more fragile. While the official line of both the EU and the United States is to insist on "full implementation" of Minsk, which has quite a number of components, political debate over maintenance of the sanctions is often being conducted in terms of whether there has been "enough progress" to warrant and end to the sanctions. Here Russian propaganda exploits Kyiv's political difficulties in passing legislation on special status for the separatist regions, with arguments that "Kyiv is not doing its part." It is therefore of great political importance that these complications do not erode prematurely the maintenance of the sanctions.

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<sup>2</sup> Steven Pifer, "Russian Aggression against Ukraine and the West's Policy Response," Testimony before the U.S. Senate Foreign Relations Committee, Subcommittee on Europe and Regional Security Cooperation, March 4, 2015; Amanda Paul, "Crimea one year after Russian annexation," European Policy Centre, March 24, 2015, [http://www.epc.eu/documents/uploads/pub\\_5432\\_crimea\\_one\\_year\\_after\\_russian\\_annexation.pdf](http://www.epc.eu/documents/uploads/pub_5432_crimea_one_year_after_russian_annexation.pdf); Paul Goble, "The West Needs a Non-Recognition Policy for Crimea Now," The Interpreter, April 21, 2014, <http://www.interpretermag.com/the-west-needs-a-non-recognition-policy-for-crimea-now/>

To avoid confusion over whether Minsk 2 is advancing adequately, Western officials should be clear about the bottom line condition, which is described as the final stage of the process, namely that Ukraine must regain control of its external frontier. This is surely a pre-condition for effective implementation of other provisions of Minsk 2. It is also here that there is greatest scepticism as to Russia's willingness to cooperate.

Instead of six-month reviews of sanctions, which generate recurrent strains on Western unity, the EU should keep the sanctions open-ended until conditions warrant change or additional review. Western actors should be prepared to ratchet sanctions up or scale them back in accordance with Russian actions in this regard. They should also clear that higher-end sanctions remain on the table, including expanded visa restrictions against key Putin allies, or sanctions targeting specialized imports important to Russia's defense industry or to entire sectors of the economy, as well as access to global financial networks, including through the SWIFT global electronics payments system.<sup>3</sup>

- ***Suspend Russia's membership in the Council of Europe.*** Russian membership in the Council of Europe, a body supposedly consisting of democracies, is an embarrassment. Russia has violated the convention of the Council's European Court of Human Rights numerous times since 2015. In the past, the argument that the Court has been an important tool for Russians to sue the Russian state has blunted discussion of Russian suspension from the Council. But in December 2015 Putin signed new legislation that gives Moscow a legal justification to defy verdicts by international courts—itsself a violation of Russia's obligations under the Vienna Convention on the Law of Treaties.<sup>4</sup> If Moscow refuses to accept decisions of the European Court of Human Rights, then Russia's membership in the Council of Europe should be suspended altogether. This same standard should be applied to other states, including Azerbaijan.

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<sup>3</sup> Bernstein, op. cit.

<sup>4</sup> Hannah Kozłowska, "Putin signs a law that allows Russia to ignore international court rulings that it doesn't like," Quartz, December 15, 2015; Human Rights Watch, "Dispatches: Russian Court Hopes to Thwart International Law Rulings," December 10, 2015, <https://www.hrw.org/news/2015/12/10/dispatches-russian-court-hopes-thwart-international-law-rulings>; Ivan Krastev and Mark Leonard, "Europe's Shattered Dream of Order," *Foreign Affairs*, May/June 2015.

- ***Prosecute Russian corruption*** where possible, cast a public spotlight on networks of influence, and target key figures of the Russian ruling elite if they participate in criminal business. A prominent opportunity is the July 2014 ruling of the Permanent Court of Arbitration in the Hague that Moscow's 2003 dismantling of the Yukos oil company violated international law, and that the Russian state owes former Yukos shareholders \$50 billion. The EU and the many other member states to the Court should insist that the Court's ruling be respected and that Moscow pay the compensation.
- ***Take action again Western enablers.*** Despite Western efforts to blunt Putin's aggression and tackle east European corruption, many Western institutions and countries enable those activities through legal loopholes, tax havens, shell companies and lax law enforcement of anti-corruption laws at home, or through their own activities in eastern countries. Western countries must crack down on the Western enablers of Kremlin operatives and eastern oligarchs.<sup>5</sup>

## Track Two

The United States and its European partners should make it very clear that they stand as willing partners with a Russia that decides to invest in its people, build a more sustainable economy grounded in the rule of law, tackle its health and demographic challenges, build better relations with its neighbors, and act as a responsible international stakeholder. They should set forth in concrete terms the potential benefits of more productive relations. They should also engage selectively in areas of mutual interest. Even during the tensest periods of the Cold War, communication channels were available and occasionally vital to prevent miscalculation and avoid escalation.

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<sup>5</sup> Confidential documents obtained by the International Consortium of Investigative Journalists, for instance, show that a clandestine network operated by Putin associates has shuffled at least \$2 billion through banks and offshore companies. Bank Rossiya, identified by the U.S. as Putin's personal cashbox, has been instrumental in building a network of offshore companies. Dozens of loans, some worth hundreds of millions of dollars, sold between offshore companies for as little as \$1 or less. See Bernstein, *op. cit.* For other examples, see Anne Applebaum, "Russia's Western Enablers," *Washington Post*, March 5, 2014, or Lucy Komisar, "Russian Sanctions Highlight Role of Western Enablers," 100 Reporters, May 21, 2014, <https://100r.org/2014/05/russian-sanctions-highlight-role-of-western-enablers/>.

- ***Continue non-corrupt transactional relations.*** In some cases this makes sense, for instance Western payments to Russian entities for space launch services, or reimbursement of Russian railways for logistical services in support of the NATO-led Resolute Support mission (and earlier, the International Security Assistance Force) in Afghanistan.<sup>6</sup>
- ***Engage selectively on geopolitical issues.*** Western actors should be prepared to engage with Russian interlocutors on a select range of issues, such as fighting terrorism and the so-called IS, stabilizing the situation in Syria, addressing potential nuclear provocations from North Korea, or possibly again Iran, working on issues of climate change or Arctic affairs.
- ***Revitalize the NATO-Russia Council as a regular channel of communication on security issues.*** Currently the Council is being treated as if its existence is a favor to Russia, yet it is in the interests of both parties to maintain communication, particularly at times of tension. A reconvened Council should begin by addressing ways to prevent dangerous incidents, as outlined below. If the relationship improves, practical cooperation could be resumed step by step. Contacts at military level might first be activated in politically uncontested areas of immediate benefit to both sides, such as maritime search and rescue.<sup>7</sup>
- ***Act to prevent dangerous incidents.*** Given the increased scale of military activities in the Euro-Atlantic area today, and the increased number of close military encounters, an agreement is needed between NATO and Russia to prevent accidental incidents or miscalculations leading to an escalation of tension and even confrontation. We endorse the proposal made by a high level Russian-Western task force, sponsored by the European Leadership Network, to use the NATO-Russia Council urgently to discuss a possible Memorandum of Understanding between NATO and its partners and the Russian Federation on Rules of Behavior for the Safety of Air and Maritime Encounters between the two sides. Such a memorandum of understanding would be modeled on a similar memorandum signed between the United States and China in November

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<sup>6</sup> See William Courtney's chapter in this volume.

<sup>7</sup> Margarete Klein and Claudia Major, "Perspectives for NATO-Russia Relations," Stiftung Wissenschaft und Politik, December 10, 2015, [http://www.swp-berlin.org/fileadmin/contents/products/comments/2015C49\\_kle\\_mjr.pdf](http://www.swp-berlin.org/fileadmin/contents/products/comments/2015C49_kle_mjr.pdf)

2014.<sup>8</sup> It would build on and expand two existing U.S.-Russia agreements, the 1972 Agreement on the Prevention of Incidents On and Over the High Seas and the 1989 Agreement on Prevention of Dangerous Military Incidents.

The agreement would:

- Set out the principles and procedures of communication that should be observed during encounters between military vessels and aircraft;
- Require each side to give timely hazard warnings if military exercises and live weapons firing are to take place in a vicinity where military assets of the other side are operational;
- Commit each side to communicate in a timely fashion about the maneuvering intentions of military vessels and military aircraft.

It would also contain a list of actions to be avoided, including simulations of attacks by aiming guns, missiles, fire control radar, torpedo tubes or other weapons in the direction of any military vessels and military aircraft encountered.<sup>9</sup>

Sweden and Finland, both of which are exposed to the dangers connected with increased military activities in the Baltic Sea region, should be included in the discussions. The agreement could be open to other members of the Partnership for Peace and OSCE.

- ***Review and upgrade where possible Europe's conventional arms control framework.*** All three pillars of the interlocking web of agreements that make up the European conventional arms control framework are either frozen or degrading. First, Russia has terminated its participation in the 1990 Treaty on Conventional Arms Control in Europe (CFE). Second, the 1990 Vienna Document, an agreement among 57 OSCE states that codified militarily significant and verifiable confidence- and security-building measures (CSBMs) to enhance transparency, exchange military information,

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<sup>8</sup> Memorandum of Understanding Between the Department of Defense of the United States of America and the Ministry of National Defense of the People's Republic of China Regarding the Rules of Behavior for Safety of Air and Maritime Encounters, Section 1, p.2. Available at: [http://www.defense.gov/Portals/1/Documents/pubs/141112\\_MemorandumOfUnderstandingRegardingRules.pdf](http://www.defense.gov/Portals/1/Documents/pubs/141112_MemorandumOfUnderstandingRegardingRules.pdf).

<sup>9</sup> For the original proposal and further details, see European Leadership Network, Task Force on Cooperation in Greater Europe, "Avoiding War in Europe: how to reduce the risk of a military encounter between Russia and NATO," <http://www.europeanleadership-network.org/medialibrary/2015/08/18/2f868dfd/Task%20Force%20Position%20Paper%20III%20July%202015%20-%20English.pdf>.

provide on-site inspections and notifications of certain types of military activities, is updated periodically to keep pace with changes in the European security environment, but has not been revised since 2011. Third, the 1992 Open Skies Treaty has been difficult to update to allow the use of modern equipment to reflect rapidly evolving technology.

- ***Rework the Vienna Document on Confidence and Security Building Measures (CSBMs).*** Many existing elements of the Vienna Document can be adapted readily to current conditions—if there is an interest to do so.<sup>10</sup>
  - At minimum efforts should be undertaken to reduce risks of accidents or incidents involving military forces and provide for military-to-military channels regarding prevention and management of such incidents. Such provisions could complement any NATO-Russia agreement in this area by broadening scope and country participation.
  - The current 13,000-troop threshold for automatic international observation of exercises should be reduced to a much lower level.
  - Consider new CSBMs for cyber, with a view to avoiding miscalculation and escalation.
  - Consider extending codes of conduct to spacefaring countries.
  - Western countries should press that the rules be amended to reflect Russia's snap exercises, which Moscow is using to sidestep the Vienna document transparency requirements.
- ***Review the CFE Treaty with a view to salvaging its confidence-building functions.*** A CFE Treaty review is slated for fall 2016. Although revitalization of the CFE Treaty appears unrealistic, its numerical limits on military forces have been undershot for some time. The more important CFE provisions, which bear reviewing with an eye to salvaging and updating, relate to verification, transparency and inspection provisions. Discussions on doctrine and defensive orientation of armed forces would also be useful.
- ***Review the Open Skies Treaty.*** The Open Skies Treaty calls for a review conference to be held every five years. The last such conference took place in 2010. A new review conference should be held.
- ***Reinforce the Architecture of Nuclear Security.*** Deteriorating NATO-Russia ties have the potential to threaten the architecture of nuclear security, built up over decades, that consists of an interlocking set of monitoring and verification procedures, communications channels and commitments to reduce nuclear stockpiles.

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<sup>10</sup>Ian Anthony, "Damage limitation for Vienna document," SIPRI, November 9, 2015, <http://www.sipri.org/media/expert-comments/anthony-november-2015>



The United States and NATO should review their policies for nuclear forces, missile defense, and arms control with the aim of putting in place stronger incentives to encourage Russia to cease nuclear intimidation and to return to INF Treaty compliance.

- **First is the New START Treaty**, which the United States and Russia should continue to implement.
- **Second is the challenge to the INF treaty system.** Washington asserts that Russia has breached the INF Treaty by testing a new medium-range, ground-launched cruise missile. Moscow has countered that U.S. long-range drones and missile-defense systems that are capable of launching cruise missiles also violate the treaty. In July 2014, the United States made known that Russia had begun testing in 2008 a ground-launched cruise missile that by 2011 the Obama Administration had concluded was prohibited under the 1988 Intermediate-Range Nuclear Forces Treaty.<sup>11</sup>
- **Third is the issue of missile defense.** Russia deems the deployment of U.S. missile defense systems to Europe as a threat to its ballistic-missile systems, putting them at a strategic disadvantage and thus destabilizing the region. Indeed, the threat of a missile defense system in eastern Europe is believed by some to have been the catalyst for the Russian development of the R-500 cruise missile for the Iskander system. This was the system initially suspected of violating the INF Treaty.
- **Fourth is the role of dual-use delivery systems and tactical nuclear weapons**, which remain unconstrained by international treaties, and information regarding their possible uses is scarce. Estimates are that about 200 US B-61 tactical nuclear systems are hosted by European NATO members, while Russia is estimated to have between 1,000-2,000 such weapons, a significant portion of which are deployed in European Russia, but whose precise location is unknown. U.S. and NATO efforts to engage Russia in information sharing and discussions of mutual verification mechanisms, both with regard to numbers and positioning of tactical nuclear weapons, have been rebuffed by Moscow. Still, the issue should be kept on the agenda.

### Track Three

The *Maidan* precepts are rooted in a belief in the agency of civil society and the power of societal transformation.<sup>12</sup> Western actors should sup-

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<sup>11</sup>“U.S. Says Russia Tested Cruise Missile, Violating Treaty,” *The New York Times*, July 28, 2014. [http://www.nytimes.com/2014/07/29/world/europe/us-says-russia-tested-cruise-missile-in-violation-of-treaty.html?\\_r=0](http://www.nytimes.com/2014/07/29/world/europe/us-says-russia-tested-cruise-missile-in-violation-of-treaty.html?_r=0)

<sup>12</sup>Constanze Stelzenmüller, “Transatlantic Power Failures,” Brussels Forum Paper, German Marshall Fund of the United States, March 2008.

plement the first two tracks of their approach, each of which is geared to the Russian regime, with a third track that engages as robustly as possible with the Russian people. It should supplement its communications with the regime with broad-based mechanisms of dialogue and exchange with alternative elites, civil society and opposition figures. Track Three efforts should help the Russian people maintain contacts with the West, have access to reliable information, and support civil society exchange between Russia and the West. Visa ease would be one important tool to improve people-to-people contacts and to send a strong signal that there is no conflict with Russian society. The West ought to

- sponsor more young Russians for education abroad and invest in exchange on all level of society and business, including entrepreneurs and innovators.
- employ Russian émigrés in various educational and information activities.
- help high-quality Russian journalists and experts in the West to develop various Russian-language media outlets, TV and radio stations, journals, newspapers and internet portals that can provide Russians and Russian speakers with reliable information and alternative viewpoints.
- expand opportunities for productive dialogue with influential elites in Russia, including at regional and municipal levels, as well for educational programs and for people-to-people exchanges.
- organize more roundtables with Russian civil society actors, journalists and experts and to learn more about domestic Russian developments
- support independent Russian-speaking journalists and media.

Track Three initiatives will be difficult as Moscow seeks to isolate its people from Western NGOs. But Russia is not the semi-autarkic Soviet Union. It is integrated in many ways in the global economy, and the digital age offers many points of access to Russian society. Over the past decade, a fledgling Russian middle class has begun to come of age that will invariably begin to demand political rights. Just as importantly, Russia has its digitally connected generation—what Richard Whitmore calls the “power horizontal.” While still in its infancy, over the long term it will make it very difficult for Putin’s “power vertical” to go on

with business as usual. Russian efforts to shut down such contacts should be met with persistent efforts at openness and engagement.<sup>13</sup>

Efforts along all three tracks of effort should be united by a vision of Russia as part of a new Europe, a Russia that embarks on a course of profound, systemic internal economic and political reform and modernization, a Russia that refrains from the use of force, a Russia that does not seek a sphere of influence but develops integration through cooperation and by increasing its own attractiveness.

Unfortunately, today's Russia is not that Russia. Yet it is important that Western interlocutors not engage in the zero-sum thinking that characterizes Kremlin policy, and to convey the consistent message that Western efforts to enhance stability in wider Europe are neither anti-Russian nor intended to expel Moscow from the region, and in fact have the potential to build a more secure and prosperous region that is a better partner for Moscow. Moscow decision-makers do not believe this, but there may be some opportunity at the margin to influence Russian thinking—if the message is clear and consistent, and matched by actions on the ground. While at any particular time Western policies are only likely to have marginal effect on Russian actions and on Russian society, the West should not discount its long-term influence in Russia, first by its example and second through its support for democratic governance and economic openness. Western policy ought to be resilient to political winds in Russia, but flexible enough to foster positive change if openings occur.

Keeping faith with our principles and holding true to our mutual commitments does not have to mean stumbling into a new Cold War. That is why all three tracks of a new Russia strategy are so important. For this overall approach to be effective, each track must be advanced via close transatlantic consultation. Inevitable differences will need to be addressed, and nations on each side of the Atlantic will need to make resource commitments and difficult political choices of their own to make the strategy work.

We have no illusions about the difficulty of such a strategy. The Putin regime today is in a self-confident and assertive mood. Putin's choices are his to make, but it is the West's responsibility to make the opportunities and consequences of those choices clear and credible—to him, and to the Russian people.

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<sup>13</sup> Richard Whitmore, "The Power Vertical vs. The Power Horizontal," Radio Free Europe/Radio Liberty, March 6, 2012, [http://www.rferl.org/content/the\\_power\\_vertical\\_vs\\_the\\_power\\_horizontal/24507183.html](http://www.rferl.org/content/the_power_vertical_vs_the_power_horizontal/24507183.html)

## 2. What the West Must Do with the Common Neighborhood

Pursuing an overarching Western policy towards the common neighborhood is difficult because of the region's great diversity. Each country is different and faces different problems. Nonetheless, some broad principles are relevant across the region. Western policymakers need to adopt specific policies for each of the individual countries in the region, within a broadly consistent short, middle-term and long-term approach that supports societal transformation.

This run is a marathon, but some quick sprints are necessary. The most pressing task for the West is to help Ukraine make its transition a success. Ukraine is a key state for the entire region. In the region more broadly, Western countries need to discourage Kremlin coercion of neighbors and encourage countries willing to make tough choices for reform. They will need to make more effective use of the tools they have, and acquire new ones relevant to current challenges. They need to tie short-term priorities to long-term perspectives. This will require persistence, patience, and consistent engagement.

A proactive policy along these lines might be best characterized as "Open Door, Straight Talk, Tough Love."

**Open Door.** The principle of the Open Door is affirmed in the foundational documents of NATO and the European Union. The Washington Treaty of 1949, which established NATO, states that "The Parties may, by unanimous agreement, invite any other European State in a position to further the principles of this Treaty and to contribute to the security of the North Atlantic area to accede to this Treaty."<sup>14</sup> The Treaty on European Union similarly states that any European state which respects the values of the Union and is committed to promoting them may apply to become a member.<sup>15</sup> The willingness and ability of EU and NATO members to act on these principles by bringing others

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<sup>14</sup>"The North Atlantic Treaty, Washington DC", NATO Official Text, April 4, 1949.

<sup>15</sup>Those values are defined as "respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities." Articles 49 and 2 of 'The Treaty on European Union', Lisbon, December 13, 2007.