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THE FRAGILE 'RESET'.
The balance and the prospects for changes in Russian-US relations

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Theses

1. The 'reset' policy proposed by the USA has brought Russia a number of geopolitical, prestigious and economic benefits. The most important of those are: the resumption of arms control, the USA's withdrawal from plans to locate elements of its strategic missile defence system in Poland and the Czech Republic, and the entry into force of the Civilian Nuclear Co-operation Agreement.

2. In response, Russia has assisted the United States in resolving the Iranian crisis, and offered help with the Afghanistan operation, covering the transit of supplies and supporting the Afghan government. Moscow has also eased up on its anti-American rhetoric.

3. The changes which have taken place in Russian-US relations are not durable. The two parties have not resolved their major disputes (for example, regarding missile defence), and any differences are hushed up for tactical reasons. In effect, some of the benefits Russia has gained appear to be temporary.

4. In this situation, the 'reset' is unlikely to cause Russia to reformulate its strategic goals and enable deeper rapprochement with the United States. Moscow is not ready to accept the US' global leadership aspirations, even in the form proposed by Barack Obama. Therefore, both countries are likely to resume their rivalry if international crises which would affect their fundamental interests arise.

Introduction

Since the beginning of 2009, Russian-US relations have been undergoing an important transformation, which has the shorthand expression of the 'reset'. This paper is intended to present the essence of the changes which have taken place in relations between Moscow and Washington over the past two years, and to analyse the prospects for the further development of these changes. The United States is still the most important point of reference in the Kremlin's foreign and security policy; thus the shape of Russia's relations with the USA will affect its general behaviour on the international stage.

The analysis of the changes in Russian-US relations will be based on answers to the following questions:

1. What is the balance of the 'reset' for Russia, and what benefits has it obtained?
2. What is the Russian response, and in which areas Moscow has chosen to co-operate with the USA?
3. How has the 'reset' changed the nature of Russian-US relations?
4. How durable are these relations, and how will they develop?

This text primarily analyses Russian interests and policy, and, as such does not aspire to draw a comprehensive picture of Russian-US relations. As a consequence of this approach, US policy has been presented here in a selective manner.

I. The genesis of the 'reset'

Russian-US relations started their gradual deterioration with the Iraq conflict in 2003. They had reached their lowest level in the entire post-Cold War period by the end of George W. Bush's presidency. Russia's war with Georgia, which – given the degree of American engagement in Georgia – was seen by the Russian elite as a kind of clash with the United States, became a symbolic manifestation of the crisis in relations between these two powers. The election of a new US president at the beginning did not change the Kremlin's confrontational stance, one sign of which was the annual address, full of anti-US references, which President Dmitri Medvedev gave soon after President Obama's election on 5 November 2008. It took some time for Russian politicians to start noticing opportunities to improve relations with the USA.

The new US administration revised its previous perception of Russia's importance for the USA. It was assumed that Moscow would be able to help (or at least would not impede) the attainment of priority goals such as ending the war in Afghanistan and halting the Iranian nuclear programme. Moreover, since President Obama indicated nuclear disarmament as one of the long-term goals of US foreign policy, this naturally entailed the need to intensify the dialogue with Russia. The war with Georgia, which added credibility to Russia's assertive foreign policy and demonstrated that the Kremlin was ready to use military force to protect its interests, was certainly an essential factor which contributed to the new approach. The first effect of the Obama administration's new approach was the proposal to "push the reset button" and look for potential areas of co-operation between the West and Russia, which the US Vice President Joseph Biden made in February 2009 during the annual security conference in Munich. Although this was apparently just a tactical concept at that time, and the US' governing class was divided over its evaluations of Russia, the 'reset' became a symbol of improving bilateral relations in the following months, and started to play a growing part in Obama's policy, also because of the lack of successes in its other directions.

II. The Russian benefits from the 'reset'

From the Russian point of view, one of the main causes of the tension between Russia and the USA was Washington's disinterest in starting a real dialogue on issues which Moscow believed infringed upon its interests. The new US administration's rhetoric and subsequent actions were perceived in the Kremlin as a sign of the USA's readiness to reformulate its previous policy. From this perspective, the most important benefit Russia has gained as a result of the 'reset' is the USA's withdrawal from actions which Russia saw as most harmful to its geopolitical interests and damaging to its prestige as a global power.

The most serious (and at the same time the most durable) benefit for Russia has been the resumption of arms control, which was manifested in a new START treaty.

The Obama administration decided to discontinue the unilateral nuclear arsenal building policy, which had been initiated upon George W. Bush's withdrawal from the ABM treaty in December 2001, and resume real joint supervision of offensive arms in co-operation with Russia[1]. The new START was signed by the two countries on 8 April 2010 and ratified in January 2011. It replaced the START I (which expired in December 2009) and the SORT, which was signed in 2002. The new treaty consists of sixteen articles, and is supplemented by a protocol of over one hundred pages which regulates technical issues, and a unilateral Russian statement regarding mis-

[1] In an interview for ITAR-TASS on 19 January 2009, Russia's deputy minister for foreign affairs Anatoly Riabkov stated that the talks concerning a treaty to supersede START had been in place for three years and had been initiated by Russia. Presumably, these were tentative consultations, as the Bush administration (despite pressure from Russia) did not start the negotiations proper; proof of this was how the Kennebunkport summit in July 2007 was conducted. According to Riabkov, the US administration wanted to remove most of the provisions included in START-I and leave only the top limit for nuclear warheads, which would mean a treaty similar to SORT, which was signed only "not to lose face" (quotation from: Johnson's Russia List, 2009-#11, 19 January 2009). The SORT treaty of 2002 did not provide for any means of verification, and so the arms control was merely formal and not real.

sile defence. The treaty imposes the following strategic nuclear arsenal limits on the two countries: 1550 for deployed nuclear warheads (on inter-continental ballistic missiles, submarines and bombers) and 800 for launchers (only 700 of which can be deployed). The parties are obliged to reach these limits within seven years of the treaty's entry into force, while the treaty itself was signed for a ten-year term, and can be extended.
The treaty has proved beyond any doubt that the United States has recognised Russia's status as a global power in the strategic balance. No other element of Russia's presence in global institutions and regimes, including the UN Security Council, offers Moscow as exceptional a status as does the strategic arms treaty, which it signed with the USA as an equal partner. This impression is magnified by the fact that it was the USA who has backed down from its previous policy. The Russian analytical centre, INSOR, which is believed to be linked to President Dmitri Medvedev, has pointed out that being involved in negotiations with the USA (and not the mere fact of having nuclear weapons) is a source of prestige for Russia, and makes it an equal and exceptional partner of the United States.
As regards security issues, the new treaty allows Russia to keep a nuclear balance in relations with the USA, although Russia has not succeeded in pushing through provisions restricting the development of strategic missile defence. In a statement attached to the treaty, Russia has reserved itself the right to withdraw from the treaty if it deems that the development of US missile defence poses a threat to the Russian nuclear arsenal. The new START treaty also brings financial benefits, as it will reduce the costs of modernising the ageing Russian nuclear arsenal in a situation where Russia can neither afford to keep it in its present condition nor replace the whole stock with new technologies (although research on new inter-continental missiles has been conducted).

Another success Russia can boast is the Obama administration's withdrawal from its plans to deploy its missile defence system in Central Europe. On 17 September 2009, the US announced its decision to revise the previous plans for building the missile defence system, and as a consequence it withdrew from the deployment of its elements in Poland and the Czech Republic (the so-called third positioning system, which is part

of the global system). Since 2006, Russia has consistently made the development of relations with the USA dependent on the latter refraining from taking unilateral actions in security policy, which it saw as detrimental to Russia in both geopolitical and prestige terms. Opposing the US plans to build the missile defence shield was a core element of Russian security policy. The revision of the US plans revealed that Washington had been forced to consider the Russian stance regarding European security, especially in Central Europe. Moreover, since the USA has given up its plans of building a strategic missile defence system, the possibility of asymmetry between the nuclear potentials of the two parties has been postponed. Yet at the same time, Russia has not succeeded in convincing the USA to withdraw completely from its missile defence programmes.

The US's decision to refrain from promoting NATO enlargement in the CIS area is another benefit Russia has gained from the 'reset' policy. The United States has limited its activity to upholding the 'open door' policy, although this is now an empty promise. The likelihood of the CIS countries (Ukraine and Georgia) joining NATO was already low even in the final period of George W. Bush's presidency, partly due to resistance from some European members of NATO. However, it should be noted that Moscow has always reacted negatively to any pro-enlargement rhetoric, regardless of the likelihood of its realisation.

Institutionalising the dialogue by creating a common Russian-US intergovernmental commission was an important element in the process of building Russia's prestige as an equal partner of the USA. The Russian-US presidential commission, coordinated by the foreign ministers of the two countries, was established in the middle of 2009. It consists of thirteen working groups[2]. The commission was an attempt to create a durable chan-

[2] The following groups have been created: nuclear energy and nuclear security, arms control and international security, foreign policy and fighting terrorism, drug trafficking, business development and economic relations, energy and environment, agriculture, science and technologies, space co-operation, health, co-operation in prevention and handling emergency situations, civil society and educational and cultural exchanges.

nel for Russian-US consultations, similar to the Gore–Chernomyrdin commission which operated in the 1990s. It is too early now to evaluate whether the commission has improved the channels of communication between the parties and what its real impact on bilateral relations is[3]. At the same time, Russia may see the fact that such a commission has been created as a success primarily in terms of prestige, since no other country has such a formula of dialogue with the USA available (China has rejected Washington's proposal to create a similar commission).

The most tangible economic effect of the 'reset' for Russia is the United States' ratification of the Civilian Nuclear Co-operation Agreement with Russia (the so-called 123 Agreement) in December 2010, which has opened up the US market to the Russian nuclear industry. President Obama decided to refer the agreement to Congress again in May 2010. The 123 Agreement, which was signed in May 2008, opens up the way to Russian-US nuclear co-operation on commercial terms (the previous co-operation was intergovernmental, and was part of US action to ensure the non-proliferation of nuclear technologies). The new agreement will bring significant benefits to Russia; for example, it will enable the implementation of the contracts the Russian company Techsnabexport has concluded with US energy companies regarding supplies of enriched uranium to power plants worth around US$5 billion, starting from 2014. Other potential areas of co-operation include the storage of nuclear waste from US reactors on Russian territory, and the sale of technologies to the USA.

Russia also managed to reach an agreement with the USA again in October 2010 regarding the conditions of its World Trade Organisation (WTO) membership, thus increasing its chances of joining the organisation, which may prove economically beneficial in the longer term. The first agreement was reached in 2006. However, the actions Russia took as part

[3] For more on this subject, see Matthew Rojansky, Indispensable Institutions. The Obama-Medvedev Commission and Five Decades of U.S.-Russia Dialogue, Carnegie Endowment for International Peace, Washington D.C. 2010.

of its trade policy brought about new disputes, and practically invalidated the previous agreement.

The US rhetoric with regard to Russia has changed in comparison to that during George W. Bush's administration; it is now emphasised that Russia is a significant partner, and fewer critical opinions about the internal political situation in Russia are being expressed. This change was most evident in 2009, because in 2010 the USA started drawing more critical attention to the Russian's government's violation of human rights and rules of democracy. However, even then the criticism was rather superficial, and resulted from the internal political situation in the USA (mainly the mid-term election campaign). The creation of a group for civil society, headed by Michael McFaul (an advocate of the post-Soviet area's democratisation, and the director for Russia at the National Security Council) and Vladislav Surkov, who invented the term 'sovereign democracy' and is believed to be the Kremlin's main ideologist, has been a symbolic manifestation of Russian success in this field. An example of the new rhetoric could be heard when President Obama admitted during his visit in Moscow in July 2009 that Russia had not lost the Cold War, and appreciated its contribution to the resolution of that conflict.

III. Russia's limited response

The United States has clearly counted on reciprocation from Russia on those issues which are strategically most important for the US, namely Iran's nuclear ambitions and the conflict in Afghanistan. Moscow has managed to avoid paying a high cost for changing its stance on these issues, while at the same time presenting its actions as meeting US expectations halfway.

1. Iran

In the case of Iran, Russia is able to help the USA on two platforms: the multilateral (backing the US proposal to impose sanctions on Iran at the forums of the UN Security Council and the IAEA) and the bilateral (possibly putting political and economic pressure on Iran). Moscow has revised its previous policy over the past two years, but has not taken any decisive turn. On the one hand, it has backed the actions taken by the new US administration, but on the other it has provided political and economic support to Iran, thus weakening the international pressure on this country.

Russia has supported the United States twice on the multilateral platform during the 'reset' period. In September 2009, Russia and France were supposed to act as intermediaries in exchanging uranium which Iran had enriched into a ready-to-use nuclear fuel for the research reactor located near Tehran. However, when a compromise had been reached, Iran rejected it. As a consequence, negotiations on sanctions, which lasted around nine months, were launched. In June 2010, Moscow accepted the fourth round of sanctions, which included a ban on weapon supplies to Iran and reducing the possibilities of providing financial services. In addition, Russian rhetoric addressed to Iran in connection with the nuclear crisis became harsher, more similar to that adopted by the Western states (particularly in the case of President Dmitri Medvedev, who admitted that Iran was close to developing the technology necessary to make a nuclear bomb, which Russia had previously denied).

At the same time, Russia prevented the imposition of sanctions on Iran's energy sector, deeming that this measure could be excessive and could harm Russian-Iranian relations. It also consistently protested against the unilateral sanctions imposed by the USA and the European Union on Tehran. It is also worth noting that the Russian policy evolved at a time when China's resistance to the sanctions had intensified, which allowed Moscow to present itself in a better light as an actor more willing to co-operate.

A major concession by Russia to the USA on the platform of bilateral relations with Tehran was the cancellation of the contract to supply Russian S-300 air defence systems to Iran in October 2010. Actually, Russia had been delaying the implementation of this contract since the date of its signing (probably at the end of 2007), treating it as a bargaining card. When the fourth round of the sanctions was being prepared, Russian representatives indicated that these should not cover the S-300 systems. However, this stance was changed soon after the Security Council imposed the sanctions. At first Moscow admitted that the sanctions would cover the air defence systems, and then it finally cancelled the contract in October[4].

At the same time, after several extensions of the deadline, in August 2010 the Russian company Rosatom started work on the Iranian nuclear power plant in Bushehr, which had been under construction for more than ten years. Russia has exploited the USA's uncertainty regarding this issue[5], but is still postponing the final start-up of the power plant, treating it as a means of pressure on Tehran. Additionally, in July 2010, Russia announced its plans for extensive co-operation with Iran in the oil and gas sector, and the Russian corporation LUKoil resumed supplies of fuel to Iran in August (which had been suspended in April from fear of US pressure).

[4] The Russian stance could have also been influenced by the US lifting the sanctions imposed four years before on the Russian arms exporter Rosoboronexport.

[5] On the one hand, US representatives have admitted that the construction of the power plant contributed to transferring technology and know-how to Iran; on the other, they saw its construction as an argument supporting the thesis that Iran did not have to enrich uranium by itself because it had access to a civilian nuclear technology.

2. Afghanistan

Russia has also responded in a limited way to US requests regarding Afghanistan. It has met US expectations halfway in two areas: facilitating the Western coalition's transit of equipment and soldiers to Afghanistan, and providing assistance to the Afghan government.

Russia has adopted an ambivalent policy concerning the transit. On the one hand, Moscow agreed to allow the transit of the Western coalition's troops via its territory to a greater extent than before. Russia and the USA struck a deal on air transit of supplies and personnel in April 2009. However, the deal was not put into practice for several months, and the parties only managed to overcome the 'bureaucratic impediments' by the end of 2009 and start the transit of supplies and US soldiers to Afghanistan[6]. Moscow also agreed to enhance the agreement on railway transit of NATO supplies, which was initially signed in 2008. In November 2010 the parties agreed on so-called return transit (from Afghanistan), which now also covers military equipment. However, on the other hand, Russia has taken a number of actions to limit the US presence in the region, or at least to make it dependent on Moscow's consent. Russia took actions in 2009 to convince Kyrgyzstan to shut down the US air base in Manas, offering financial assistance and investment loans in exchange. Although Moscow did not succeed in achieving this goal (the then Kyrgyz president, Kurmanbek Bakiyev, only changed the formal status of the US presence despite his previous promise to shut down the base), it seems to be continuing its pressure on Kyrgyzstan, especially after the revolution and the change of government in Kyrgyzstan last April. It appears that Russia's goals is to make US transit *via* Central Asian countries dependent on its own consent.

As regards the scope of assistance which it can grant to Afghanistan in the stabilisation process, Russia has declared its readiness to get involved to a degree which would not entail sending its armed forces to this

[6] Thus the USA concluded agreements with Russia which were analogous to those the Kremlin's key European allies (especially France and Germany) have signed.

country[7]. Thus, Russian assistance is being offered in several areas: supplying the Afghan armed and police forces with equipment; training staff of the Afghan law enforcement agencies in Russia; and exchanging intelligence information. Over the past few years, Moscow has provided limited quantities of small arms and handguns to the Afghan Interior Ministry. A delivery of around twenty Mi-17 transport helicopters would have been most valuable, although this has been prevented by a dispute over the basis for financing the deal. The Russia–NATO summit in Lisbon in 2010 established a trust fund to handle the helicopters, but the USA will probably buy them from Russia and offer them to the Afghan forces. Russia's policy regarding Afghanistan's internal affairs is not entirely clear in the context of Russian-US relations. On the one hand, Russia has modified its previous stance and supported the US-promoted decisions at the UN Security Council's forum to remove selected Taliban leaders from the list of terrorism suspects (which has opened up the way to talks between them and Hamid Karzai's government). This is also facilitating the policy of national reunion, which the USA supports. On the other hand, the strong political support Moscow has offered to President Karzai over the past year or so (while Afghan-US relations have been deteriorating) has contributed to reinforcing the Russian position in Kabul. This has also made Karzai stronger in his dealings with the USA.

3. The easing-up of Russian anti-Americanism

The third element of the Russian response to US steps taken as part of the 'reset' is the easing-up of the anti-American attitudes which had hitherto predominated in Russian government rhetoric. In their declarations Russian leaders used regularly to describe the United States and its unilateral policy as sources of threat to Russia and the world. The most

[7] For example, the statement by the Russian ambassador to NATO, Dmitri Rogozin: 'Russia Not To Send Personnel To Afghanistan – Envoy', Johnson's Russia List, 2010-#216, 18 November 2010.

vivid examples were statements by then-president Putin, such as his address to the Federal Assembly in 2005[8] and his speech in February 2007 at the Munich security conference[9]. Both Putin and Medvedev also accused the USA of being most responsible for the global economic crisis.

Russian rhetoric has gradually changed since then. The Kremlin seemed convinced that it was Washington which should stop making moves which posed threats to Russia, as only then would dialogue be possible. One of the best examples describing this stance was President Medvedev's statement in response to the US plans related to missile defence; in September 2009 he said that Russia would not become involved in "crude compromises and bargaining"[10].

The tone adopted by Russian leaders, principally President Medvedev, gradually changed to become more positive and emphasise the achievements made in relations with the USA. The 'business-oriented' visit which President Medvedev paid to the United States in June 2010 (unlike the previous, 'political' ones) became a symbol of this new approach[11]. In his speech to Russian ambassadors, Medvedev stated that his manner of developing relations with the USA was a model from which the Russian Foreign Ministry should learn. President Medvedev became the 'face' of improving relations with the United States, while Prime Minister Vladimir Putin, who only occasionally made references to the 'reset', reduced his public role in the development of these relations. For example, in an interview given in late August 2010, Putin declared his faith in the 'reset' while at the same time accusing the USA of supplying weapons to Georgia. In turn, he mentioned Obama in very positive terms during his meeting with experts at the Valdai Club in September 2010.

[8] See http://archive.kremlin.ru/text/appears/2005/04/87049.shtml.

[9] See http://archive.kremlin.ru/text/appears/2007/02/118097.shtml.

[10] Interview given by Dmitri Medvedev to the Swiss mass media on 17 September 2009, http://www.kremlin.ru/transcripts/5505.

[11] Marcin Kaczmarski, 'Russia–USA: limited change', *EastWeek*, no. 23 (216), 30 June 2010.

IV. The characteristics of changes in bilateral relations

The processes outlined above which have taken place as a consequence of the implementation of the 'reset' policy by both parties have brought about serious changes in Russian-US relations. On the one hand, the policy adopted by each country has been revised and accompanied by a major change in the rhetoric and the atmosphere of mutual contacts. However, on the other hand, aside from arms control, existing disputes have not been systemically resolved in any other area; the lack of tension has been an effect of tactical self-control, rather than a strategic recognition that the other party's interests are reasonable. Thus the benefits Moscow has gained as a result of the 'reset' are either reversible or incomplete.

The atmosphere of bilateral relations has improved. US representatives, who see the 'reset' as the most tangible success of Obama's foreign policy, have emphasised the advantages of co-operation with Russia and disregard the differences still existing between the two parties[12]. An example of the change of atmosphere in mutual relations is the limited negative consequences of the spy scandal in July 2010[13], the joint air force exercises in September 2010 (a simulated common interception of a hijacked passenger plane above the Pacific Ocean) and the US Department of State placing the leader of the Caucasus Emirate, Doku Umarov, on the list of most wanted terrorists. The feature all those events shared was the creation of a 'new kind' of atmosphere, leaving behind confrontation and the legacy of the Cold War.

[12] A good example is the ten-page report published by the US Department of State listing the fields of co-operation with Russia: U.S.-Russia Relations: "Reset" Fact Sheet, State Department, 24 June 2010, [in:] Johnson's Russia List, 2010-#123, 25 June 2010.

[13] Ten individuals were then deported from the USA on charges of spying (they were exchanged for four Russians sentenced for spying for Western countries).

The only change of a structural nature has been the resumption of common control of strategic arms by the USA and Russia[14]. However, even the conclusion of the new START treaty has not resolved the problem of strategic stability, the most fundamental and contentious part of which is still the missile defence issue. Despite pressure from Moscow, the USA does not intend to relinquish its missile defence plans. The change in the US concept consists in giving up the intention to build a strategic global missile defence shield (which was to include the so-called third positioning system, planned for deployment in Poland and the Czech Republic) and replacing it with the concept of regional defence, focused on missile threats posed by the Middle East. For example, the new concept envisages the deployment of SM-3 anti-ballistic missiles in Romania and Poland (in 2015 and 2018 respectively). The USA has turned down Russian suggestions to impose legal restrictions on the scope of the potential missile defence; Moscow has come up with a proposal to start negotiating a treaty regarding this issue. Russia has warned it will withdraw from START and take counter-actions if it finds that the US missile defence poses a threat to its own deterrence potential[15]. Although the parties have declared their readiness to co-operate on missile defence, they already disagree about the basic concepts, let alone the practical dialogue. At the end of 2010, Russian-US controversies were focused on the European missile defence; Russia suggested dividing up responsibility for Europe's security and creating a system consisting of two components, a Russian and a NATO one[16]. The USA is unlikely to accept this pro-

[14] Since Obama declared in 2009 that his goal was to seek the complete elimination of nuclear weapons, it became necessary to start a dialogue with Russia concerning arms control in order to embark on the implementation of this goal, considering the nuclear arsenal Russia has.

[15] The size of the programme appears to be a key point of dispute. For example, General Dvorkin, who was acting as an expert witness, stated in August 2010 that the plans for SM-3 deployment do not pose any threat to Russia; Ambassador Sergey Kislak expressed a similarly moderate opinion on this issue in June 2010.

[16] At the Lisbon summit in November 2010, NATO member states agreed to build a common shield which would consist of two asymmetrical components, American and European.

posal. Other, less fundamental issues which are components of strategic stability unresolved by the parties include the dispute over tactical nuclear weapons in Europe[17], the potential militarisation of outer space[18], and the US' plans to adjust some inter-continental missiles to be able to carry conventional loads (the 'Global Strike' concept).

Another major set of problems which have only temporarily been resolved result from the US presence in the post-Soviet area. On the one hand, the USA is no longer actively promoting NATO enlargement in the East, and its political engagement in the region has decreased significantly. Examples of US self-restriction in the CIS include the limited reaction to the Russian military bases and agreements with Abkhazia and South Ossetia (and refraining from increasing presence in Georgia on that occasion), a moderate reaction to the revolution in Kyrgyzstan in April 2010, and decreased involvement in Ukraine. On the other hand, the USA has declared on numerous occasions that it will not agree to recognise this area as a Russian zone of influence. Tensions have risen on several occasions: during the NATO exercises in Georgia in May 2009, and in connection with the US' longer than planned presence in Kyrgyzstan in 2010. Washington regularly uses the term 'occupation of Georgian territory' when referring to Abkhazia and South Ossetia, and has confirmed that the door to NATO is still open for countries from the CIS area. The US presence is being maintained in Georgia and Kyrgyzstan, albeit in a limited form, and the USA is tightening its links with Uzbekistan. Washington's political contacts with CIS leaders are also used for domestic policy purposes, namely to demonstrate to opponents of the 'reset' that this does not mean a recognition of Russia's privileged

[17] The USA has around 400 warheads in Belgium, Holland, Germany, Turkey and the United Kingdom. Russia has around several thousand on its territory. Russia demands the total withdrawal of US weapons but does not want to undertake to reduce or redeploy its own tactical nuclear arsenal.

[18] At the UN forum in 2009, Russia and China presented a draft treaty imposing a ban on the use of outer space for military purposes. The Obama administration expressed its initial willingness to talk, but took no other steps apart from those declarations.

position in this region. Given this context, it is not obvious to what extent the US presence will be tolerated by Moscow, or at which point it will be determined as a threat to fundamental Russian interests. The Kremlin is certainly aware that Russia is unable to totally dominate the entire Central Asia. As long as the conflict in Afghanistan lasts, the USA will maintain a military presence in the countries of this region.

The US's restraint in criticising the internal situation in Russia has also been expressed to varying degrees. While Washington did not mention the Russian internal situation in 2009, this approach changed in 2010. In the second half of last year, US government representatives often criticised the development of events in Russia. Examples of such criticism include the speech given by Michael McFaul (the director for Russian affairs in the US National Security Council) in September 2010 at a forum in Yaroslavl, when he criticised authoritarian modernisation and supported democracy in Russia, and the policy statement by US Secretary of State Hillary Clinton in September 2010, during which Russia was mentioned among other authoritarian countries[19]. The USA also criticised the sentence passed in December 2010 on Mikhail Khodorkovsky, and the repression used against the opposition. In most cases Moscow refrained from sharp counter-reactions, which could suggest that it saw the criticism as part of the pre-election context in the US (connected to elections to Congress in November 2010), and thus as attempts to invalidate the arguments of those who had criticised Obama's policy towards Russia. At the same time, this indicates that a large part of the US political class does not accept the Russian system, and demands its criticism in public.

Russia and the USA each have a different vision for the European security system's further evolution. Through its attempts to push through the

[19] It may be added that in August 2010, the US National Security Council criticised the crackdown on the opposition demonstration (organised by the 31 July Movement). In turn, a report on the state of democracy published by the US Department of State at the end of June 2010 expressed ambivalence in the part concerning Russia: it included criticism, but also admitted that President Medvedev had made changes.

so-called Medvedev plan (a proposal to enter into a new European security treaty, which was first put forward in June 2008 and presented in more detail in the form of a draft treaty in November 2009), Moscow has consistently aimed at reducing the role of NATO and the United States in Europe. The Kremlin has also continued its efforts to weaken the bonds between the United States and Europe, attempting at the same time to establish closer relations with individual European countries (as an example, this was the intention of the Russia-France-Germany summit in Deauville, which was held before the NATO–Russia summit in Lisbon). The United States has been sceptical about the Medvedev plan, and has made efforts to maintain the role NATO plays in European security at the previous level.

Russia, seeing itself as a power with interests worldwide, continued its active policy of reinforcing its position in the non-Western world, especially in regions such as the Middle East and Latin America, where anti-US regimes are its main partners. Moscow has continued supplying weapons to Syria and Venezuela, among other countries, and has also increased its presence in the energy sectors in these two regions. Russia has thus manifested its potential to harm the US' global interests through its activity in the Middle East and Latin America. Moscow has not withdrawn from this presence, using it as a warning to the United States, and occasionally suggesting that it might play these trump cards. For example, it has raised the possibility of deploying its strategic air forces in temporary bases in Venezuela in March 2009, and maintained high-level political dialogue with Hamas (President Medvedev met its leader in May 2010), which Western states see as a terrorist organisation. Russia has also continued its policy of building multilateral international structures in which the USA does not participate, such as the Brazil-Russia-India-China (BRIC) forum, the Shanghai Co-operation Organisation (SCO), and co-operation with Afghanistan, Pakistan and Tajikistan.

Disputes over Russian energy policy have also continued. Despite its reduced activity at the public level, the USA still formally supports the concept of developing infrastructural connections from the Caspian Sea re-

gion which avoid Russia. The US goals were presented in January 2010 by special envoy Richard Morningstar. These included developing new sources of oil and gas, assisting Europe in gaining energy security, and helping Central Asian countries to construct new routes to the global markets, including the so-called Southern corridor. Although the United States has refrained from criticising Russia verbally, it apparently has not accepted Russian plans to use the energy sector as a tool for building political influence.

The last factor which needs to be considered in analysing essential changes in Russian-US relations is the dependence of the 'reset' policy on the internal situation in each country.
Russian decision-makers seem to agree on how relations with the USA should be conducted. No clear differences have been noticed in public speeches regarding Russian policy towards the USA, although this obviously does not rule out disputes over negotiating strategies. In turn, other groups have limited influence on Russian policy towards the USA. The situation is completely different in the United States. As the 'reset' policy has been initiated by the Obama administration, it is not supported by all factions in the US governing class. As its significance is growing – being one of the few tangible successes of President Obama's policy – the 'reset' is coming under increasing attack by its opponents (both within the Republican Party and among supporters of the so-called 'Tea Party'), who have criticised the new START treaty, as well as what in their opinion is excessively passive US policy in the CIS area. At the same time, it seems that – fearing precisely this kind of criticism – the US administration has revised its policy by promoting the new missile defence concept more actively, and criticising some elements of the internal situation in Russia in the second half of 2010, before the elections to Congress. Thus Russian-US relations have become much more susceptible to changes on the US internal political scene than in preceding years.

V. Possible scenarios for the development of Russian-US relations

Regardless of the tactical changes which occasionally take place, opposition to a unipolar order and preventing the USA from preserving its advantage on the international scene have been at the core of Russian strategy towards the United States throughout the entire post-Cold-War period. Although Moscow has not decided to launch an open confrontation or build an anti-US coalition, it has still been making efforts to undermine US domination by employing the so-called soft balance. Furthermore, Russia sees itself as a global power, which has as much right to co-decide as other global actors. This means that Moscow is unable to accept any form of US global leadership, even if its character were 'soft' and Washington avoided unilateral actions or promoted multilateral institutions (as Obama is currently attempting to do). At the same time, Russia's policy of building political influence in distant regions and establishing closer relations with anti-US regimes will stimulate Russian-US rivalry. Achieving an international status similar to that of the US gives international prestige to the Kremlin. Russia will consistently aim at emphasising its equality with the USA. If it is not given such equality through co-operation, it will emphasise its independence through conflict and provocation. It will readily resort to those measures because anti-US populism is one of the best ways of presenting Russia as a strong power to its domestic public.

Considering the nature of the changes in Russian-US relations outlined in this paper and Russia's perception of its own role on the international arena, any further 'deepening of the reset', i.e. establishing closer relations with the United States, seems rather unlikely at the present stage. This would require both a revision of Moscow's strategic goals and a change in the perception of its own role as a self-reliant power and a pole of global power. On the contrary, the limited nature of the changes and the continued existence of numerous contentious issues signify the likelihood that both sides will resume the policy of rivalry. This process may be accelerated by international crises which could affect the funda-

mental geopolitical or political and prestige-related interests of either party, such as the use of force against Iran.

In the long run, these two factors may bring about a change in the Russian approach to the United States at the systemic level: the emergence of strong groups of interest within the Russian elite, who will be directly interested in keeping relations with the USA free from conflicts and revising Russia's previous policy towards China.
In the former case, a lobby benefiting from good relations with the USA would be able to motivate the Kremlin to restrict itself at times of possible tensions. However, at present, the interests of the business circles most closely linked to the government, which predominantly operate in the energy and raw materials sectors, have only a very limited presence in the United States. In practice, this means that if Russian-US relations worsen, the Kremlin will not meet with any resistance from the elite, especially as that same elite is strongly distrustful of the United States. This situation may gradually change as a consequence of the 123 Agreement; the Russian nuclear industry will be interested in maintaining good relations with the USA as their business ties become closer.
In the latter case, the United States could become a potential partner in counterbalancing the potential of China. Theoretically, China's growth, especially after the financial crisis, should contribute to a Russian-US rapprochement. The Kremlin has consistently pursued a policy of strengthening political, military and economic relations with China, which has only deepened since 2008[20]. At the present stage, little seems to indicate

[20] Its most evident manifestation came with a breakthrough in energy co-operation which took place when consent was granted to construct a branch of the Eastern Siberia–Pacific Ocean oil pipeline running to China, and Chinese loans worth US$25 billion were accepted. China became a key partner in the development of the Russian Far East (the programme was accepted in 2009). Russia has also decided to add tension to its relations with Japan (which is a potential partner in slowing down China's growth) by escalating its territorial dispute over the Kuril Islands when similar tension occurred between Beijing and Tokyo. Similarly, Moscow's stance on the Korean crisis, which is identical to the Chinese stance, demonstrates its unwillingness to establish closer relations with South Korea.

any revision of Russian policy towards China[21]. Therefore, it does not appear that the Chinese issue will have a great impact on the Russian approach towards the United States.

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[21] The Vostok-2010 exercises are the only apparent manifestation of a Russian fear of China's growth. However, these can be interpreted as a warning to both China and Japan (a landing operation was carried out on one of the Kuril Islands, which is a subject of a territorial dispute with Japan).

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