



Reset Reloaded: The Second Phase of Obama's Russia Policy Should Now Have a Major European Component

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The Obama administration's "reset" policy with Russia has been a diplomatic success. It has eased tensions with Moscow and helped the U.S. gain Russia's cooperation on key priorities outside Europe, such as Afghanistan, Iran and nuclear non-proliferation. It is now time, however, for the reset to also have a major European component. After all, tensions stemming from developments in the European post-Soviet space — most notably the Russian-Georgian conflict of August 2008 — convinced the Obama administration that a reset with Moscow was needed in the first place to avoid a new era of confrontation. More broadly, Moscow's dissatisfaction with the evolving post-Cold War European order is at the root of recent Western-Russian disagreements.

Phase II of the reset should involve European countries more fully in the West's engagement of Russia. In fact, Washington should signal to its allies that closer substantive cooperation

between Europe and Russia would lessen the U.S. imprint in the post-Soviet space and on European developments more broadly.

A new transatlantic agreement for Europe could define NATO's remaining responsibilities while empowering leading European countries to engage Russia directly on the issues where the EU currently seems better positioned to attain progress. Moscow's cooperation in such a second phase of the reset is far from assured, but the potential payoff would be nothing less than a new European order — a large part of the reset's very rationale and arguably its best possible legacy.

Main Results of the Reset

Since its launch in early 2009, the "reset" with Russia has delivered a number of positive results, and it is no surprise that the Obama administration has been selling it as a major diplomatic accomplishment. Built upon on the need to reestablish trust between Washington and Moscow after severe tensions erupted at the end of the Bush presidency, the rapprochement has concretely helped Western allies address the most pressing international security challenges as viewed by Washington in 2009-2010.

Russia has significantly contributed to the implementation of the "surge" in Afghanistan.

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Thanks to Russia's participation in the Northern Distribution Network (NDN) — a series of commercially-based logistical arrangements connecting Baltic and Caspian ports with Afghanistan via Russia, Central Asia, and the Caucasus — the volume of supplies that reach Afghanistan, bypassing less secure Pakistani routes, has significantly expanded in the past two years. The strategic value of the diversification of supply lines has become most apparent in recent months as Taliban attacks have increased in the border areas between Pakistan and Afghanistan. Russia has also opened its airspace to U.S. over-flights transporting combat soldiers and military equipment. It is estimated that over 35,000 U.S. troops have been flown to Afghanistan across Russian skies since the Air Transit Agreement (first signed in July 2009) entered into force this year.

Make no mistake: Russia has not renounced its key role in Central or South Asia, as recent top-level meetings hosted by the Kremlin with Pakistani and Afghani officials clearly reveal. As is often pointed out, Moscow might not be comfortable with a full-blown victory of coalition forces in Afghanistan — however unlikely it would seem at this point. Russia's external support of the surge, however, cannot be underestimated, especially considering the link that the U.S. and NATO have drawn between the escalation of the war effort and the prospects for success of their respective missions in Afghanistan (including the creation of suitable conditions for eventual withdrawal).

A second major accomplishment of the Western engagement was Moscow's vote on June 9, 2010 in favor of UN Security Council Resolution 1929 mandating sanctions against Iran. Russia's backing of the sanctions marked a notable policy change, given Moscow's traditional shielding of the Iranian regime from U.S. and Western pressures. Russia's alignment with the U.S. and the other permanent members of the UN Security Council has helped the Obama administration forge a

wide international consensus around a dual-track approach, combining diplomatic engagement with coercive multilateral initiatives aimed to dissuade Teheran from acquiring a nuclear bomb. Russia's active involvement in the development of civil Iranian nuclear power still testifies to some discrepancy in Russian and Western approaches to the Iranian nuclear question. Although the overall threat assessment seems to remain different, it is nonetheless significant that the Kremlin has decided to side with America, Europe and China on an issue as relevant as sanctions — a decision that has demoted Russian-Iranian relations to their lowest point in years. In its recent announcements to limit trade and financial transactions with Iran and to stop the sale of S-300 missiles, Moscow seems to have confirmed its commitment.

Finally yet notably, the reset has delivered "New START" — the most comprehensive strategic offensive arms limitation treaty signed by the United States and Russia in two decades. No doubt, Russia has used the arms talks to boost its image as a "great power." The New START, however, has also highlighted Russia's value as America's key partner in nuclear disarmament. It lent credibility to the U.S. efforts towards the end-goal of a "world free of nuclear weapons," the vision evoked by President Obama in his April 2009 speech in Prague. Moscow's constructive participation in the Washington Nuclear Security Summit last April, which mainly focused on reaching international agreement on controlling nuclear materials and preventing nuclear terrorism, has added to U.S.-led initiatives to strengthen nuclear security. Russia has also cooperated with the United States and Europe at the NPT Review Conference in May 2010 (which was widely considered a success relative to the previous review in 2005), thus confirming its stake as a leading nuclear power in the preservation of the global non-proliferation regime.

Unfinished Business in Europe

As important as they have been, however, these results are still not enough to comfortably conclude that a new era in Western-Russian relations is truly unfolding. As one moves from priorities outside Europe to issues more directly affecting Russian national interest and from South Asia and the Middle East to areas closer to Russia's own borders, the balance sheet of the reset becomes more mixed.

Russia's new military doctrine released in February 2010 still indicates NATO enlargement as the key threat to Russian national security. Moscow remains uncomfortable with the new ballistic missile defense plan outlined by President Obama in September 2009. The new "phased" and "adaptive" approach to missile defense still envisages components in Central and Eastern Europe. The Kremlin is therefore reluctant to drop its earlier criticism that this development could be used by the U.S. and NATO to move Western military systems closer to the Russian border, thus further altering the strategic balance in Europe to Moscow's disadvantage.

In this context, Moscow has thus far responded inconclusively to the offer made by the Obama administration to cooperate on developing a common missile defense system for the entire Euro-Atlantic space, including European Russia. The vision of one security roof "from Vancouver to Vladivostok", to use NATO Secretary General Anders Rasmussen's image, has some appeal in Russian circles as it echoes similar proposals that Russian leaders and officials - including Vladimir Putin himself — have put forward since the early 2000s. The realization that a new missile defense system *will* be built in Europe might finally convince the Kremlin to get involved in the negotiations on the terms of its development, as the only remaining way for Moscow to exert leverage. A common focus on the emerging Iranian threat might also ultimately lead to the recognition in Moscow that cooperation in missile defense

can be an item for the NATO-Russia Council agenda. What the Kremlin has signaled it would be willing to explore, however, is a pan-European missile defense system as an element of a new larger "European security architecture" that is no longer NATO-centric. As the U.S. and NATO have tried instead to co-opt Russia into an existing U.S.-led project and have expressed only very limited interest thus far in devising new security arrangements for Europe, Moscow feels its position has not been duly incorporated in the emerging vision.

Perhaps the major question left unaddressed by the reset is precisely what is meant by "European security." The concept incorporates a broad category of controversial and unsettled issues (from NATO's Eastern enlargement to the "frozen conflicts" in Eastern Europe and the Caucasus), the large majority of which are related to the respective Western and Russian presence and influence in the European continent, and more specifically in the post-Soviet space.

Obama administration officials have argued that U.S. - Russian cooperation, although currently focused on extra-European challenges, can greatly contribute to an improvement in Western - Russian relations more broadly, including security developments in "wider Europe". Absorbed by other priorities, however, the Obama administration has not yet translated its vision of European security as a "positive-sum game" into a detailed strategy. What are the objectives that the U.S. government intends to reach in Europe with Russia's cooperation and what others is it ready to pursue even in the face of Moscow's opposition? More broadly, what are the main priorities and areas in which concrete results can be sought in the short term? What setbacks in Europe, if materialized, could undermine the continuation of the reset in other areas? On a different level, what are the remaining U.S. and NATO responsibilities in Europe and what are the EU's, especially when dealing with Russia? These questions have

found only tentative or incomplete answers since the launch of the reset.

NATO enlargement to the East has been put on hold mainly because the internal situation of potential candidate countries makes it highly imprudent to rush the process. No conclusive answer, however, has been given to the question — dramatically brought to the fore by the Russian-Georgian conflict of August 2008 — of whether the enlargement of the Western order is still the most effective way to promote stability and peace in Europe, at least from the U.S. and broader Western perspective. The Obama administration was left with no choice but to accept the resolution from Ukraine's new democratically-elected government on "non-bloc status" (which prevents Ukraine from applying for NATO membership). In her recent visit to the country, U.S. Secretary of State Hillary Clinton went so far as to state that for Kyiv the alternative between the West and Russia is a "false choice." The Obama administration, however, has not clarified whether this position may be the starting point for a true paradigm shift in the way the United States looks at countries in the so-called "land-in-between", or if it applies only to the current case of Ukraine.

In the complex balancing act between acknowledging the strategic implications of new developments on the ground and avoiding unnecessary tensions with Moscow, while re-affirming established principles of U.S.-European policy — such as the incompatibility of spheres of influence with post-Cold War European politics — the Obama administration has too often given the impression of being reactive to events. Moreover, it has appeared unwilling to set benchmarks and identify clear goals to measure progress in European security. In fact, the reset with Russia was largely delinked in 2009-2010 from developments in the post-Soviet space. While the United States engaged Russia on Iran, Moscow's pressure on countries like Armenia, Belarus and Moldova did not diminish. More critically, the Obama

administration has apparently not judged Russia's continuing violation of the terms of the August 2008 ceasefire with Tbilisi — the construction of permanent military bases in the breakaway regions of Abkhazia and South Ossetia — as a sufficiently valid reason to restrain or scale down cooperation with Moscow. In her recent visit to Georgia, Hillary Clinton firmly condemned Russia's behavior, but this criticism was accompanied by the launch of initiatives (mostly U.S. economic and military aid to the Georgian authorities) that did not place any costs on Moscow for its continued lack of compliance with the ceasefire arrangements.

A New Focus on Europe

As the Obama administration rightly pointed out in defense of its policy, the primary goal of the reset was to lessen tensions with Moscow so as to create the context for political and strategic engagement and encourage overall moderation in Russian dealings abroad. This primary objective was essentially reached. Now is the time, however, to take the reset to the next phase and use the new U.S.-Russian dialogue to tackle critical areas that have been left unaddressed. The logical focus of a reloaded reset agenda should be Europe itself. On balance, instability in the European post-Soviet space, stemming from clashing Russian and American outlooks toward each other's presence in the region, convinced the Obama administration that a new engagement with the Russians was necessary. This tension came to a head with the Russian-Georgian conflict of August 2008, which confirmed to the West that the drift towards a new Cold War with Russia was very real, enormously dangerous, and had to be stopped. More broadly, it is no secret that Moscow's dissatisfaction with the evolution of the European order developed by the U.S., NATO and the EU after the dissolution of the USSR has been at the root of Western-Russian tensions for nearly twenty years.

The goal of reset "part II," therefore, should be

to work towards a new “European order.” The latter would not undo the historic accomplishments that have made Europe safer, freer, and more united since 1989. Rather, it would take advantage of the greater level of trust between Washington and Moscow and the changing configuration of American, European and Russian strategic interests and priorities. In particular, the second phase would leverage the European Union’s growing international role and Russia’s appreciation of the necessity of its ties with the rest of Europe. It would also take into consideration America’s shift in focus to the Middle East and Far East. Ultimately, the aim of the next phase would be to overcome some of the long-standing controversies and unsettled issues that still plague Western-Russian relations, and finally move towards the goal of a Europe that is truly “whole, free, and at peace.”

In fact, European countries should be the focus as well as the central actors in the new phase of the reset, together with a United States that remains actively involved but accepts that, on a growing set of issues, it must limit itself to coordinating in advance and then allowing European partners to step forward as they engage Russia directly. America’s European allies have generally endorsed the reset because they see it as consistent with their long-term call for engagement and cooperation. Most European countries see engagement with their Russian neighbor as not only possible as Europe becomes increasingly united, but also necessary, given their geographical proximity and economic interests. Central and Eastern European countries, often aligned with the Bush administration at the height of the Western-Russian tensions of the past years, displayed a great deal of initial skepticism about the reset. The Obama administration has reassured them that its commitment to their security and defense through NATO is unwavering, and they now seem oriented towards (cautious) support of the policy. Perhaps more critically, these nations now consider U.S.-Russian

rapprochement an impossible-to-ignore reality that can be used to achieve goals of their own. Indeed, after the tragedy in Smolensk (in which the Polish President and 95 others lost their lives in a plane accident), Poland and Russia seem to have started their own bilateral process of reset and reconciliation — a rapprochement that remains as delicate as it is important to the broader evolution of European-Russian relations.

A Three-Pronged Course of Action

The second phase of the reset should encompass three main themes. Continuing U.S.-Russian and NATO-Russian strategic dialogue should be complemented by a more clearly defined and prominent EU-Russian track. Towards this end, the Obama administration should signal that a new cordial relationship between the U.S. and the Russian Federation is not enough and that progress in European-Russian economic and political cooperation is seen in Washington as a crucial test for the future of broader Western-Russian engagement as the reset is carried forward. Second, to break the stalemate on European security issues, transatlantic partners should reach an agreement that in some areas, especially as regards relations with countries in the post-Soviet space, EU initiatives are given preeminence. The Europeans have to accept that this implies circumscribing NATO’s role for the foreseeable future while upgrading EU policies in the region in a way that places more responsibility and requires greater efforts for EU members than those currently on display. In this context, Moldova and Ukraine should be the next main items on the agenda. Third, the U.S. should signal greater interest in exploring new security arrangements for Europe as a way to address Moscow’s demands and, above all, test Russia’s real willingness to discuss important issues that the U.S. and the EU would like to bring to NATO-Russia dialogue, including future cooperation on missile defense. Concretely, this means that the Obama administration would reverse the expressed policy, recently re-

affirmed by Secretary Clinton at the September 2010 NATO-Russia Council in New York, that Washington is opposed to new legally binding instruments for European security (namely treaties or institutions) as currently proposed by Moscow or which could emerge as the result of future talks.

Bringing the countries of the European Union fully into the equation of the reset may seem burdensome from the U.S. perspective. However, there are few other options capable of generating tangible, long-term improvements in Western-Russian relations. Moscow might find it convenient to keep a strategic dialogue with the U.S. to the exclusion of Europeans, as a way to both re-affirm its status as a great power and keep a freer hand on issues that concern it more closely and directly in Europe. To prevent engagement from being used in such an opportunistic way by Russia, the Obama administration should make it clear to the Russians that, going forward, the reset should have a strong European-Russian track to complement the U.S.-Russian and NATO-Russian strategic dialogues.

The EU and Russia signed a Partnership and Cooperation Agreement with a broad agenda of political and economic issues in 1994. Since 2008, nine rounds of negotiations have been completed with a view to replace the 1994 agreement with a new updated and upgraded version. The EU-Russia summit in Rostov-on-Don in May 2010 saw some important progress. Although a new partnership will be difficult to attain as long as Europeans consider Russia an authoritarian state with a poor human rights record, and the Kremlin feels the EU is not cohesive enough to truly count in world affairs. One positive development that became apparent in the last round of negotiations was Moscow's appreciation of the EU's potential role in Russia's "modernization."

The economic crisis of 2008-2009 hit Russia more severely than Russian officials expected. It exposed the many structural weaknesses of an economy in which innovation is lacking and wealth is produced mainly from gas, oil and other commodity sales. During the crisis, Russia came to fully appreciate its economic interdependence with the EU. Both exports to Europe and foreign direct investment in Russia fell sharply during the recession. So did Europe's demand for energy. Russia's ownership of a significant amount of Euro-denominated financial reserves also highlighted its stake in the stability of the European Union during the Euro crisis last spring. Now that both the EU and Russia are slowly recovering from the crisis, importing European technology remains of critical importance to boost Russia's growth and innovation.

All this is happening while Russian elites become more aware each day of the challenges that a rising China poses to Russia's status, influence, and territorial integrity, as evidenced by the situation in the Russian Far East. Although some in Russian academic circles and in the establishment still toy with the idea of an anti-Western axis between Moscow and Beijing, it seems to lack any solid foundation once the propaganda is removed. In any case, it is not envisaged as a serious alternative to deepening European ties by the current Russian elite. Indeed, although occasionally mixed with contradictory messages, some observers have detected signs of an emerging "Westpolitik" in the moderation and accommodation that Moscow has exhibited recently, ranging from the Polish gambit (Warsaw is seen as a gateway to better relations with the EU more broadly) to Russia's positive response to the Obama administration's reset.

In this context, the EU should prioritize economic engagement with Russia, in particular on energy. In spite of important European initiatives, such as the approval by

the European Parliament in September 2010 of the “Regulation on Security of Gas Supply,” EU members have not stopped indulging in their old habit of dealing with Moscow separately on gas imports, thus giving Russian companies great leverage over Europe as a whole. Compared to a couple of years ago, however, global energy developments have created a more favorable situation for EU countries. Europe seems unlikely, at least in the short to medium term, to experience the same kind of revolution that “shale gas” (gas extracted from rocks) has produced in the United States. The technology is only being introduced now, and EU regulations may prevent its full exploitation even if large reserves are found in Europe. But the new expectation of U.S. self-sufficiency in natural gas has already freed gas resources worldwide, which are now available to Europe mostly in the form of Liquefied Natural Gas (LNG). As the European market is currently over-supplied, the Russian state-controlled gas giant Gazprom has already been forced to renegotiate deals with European countries. Awareness is rapidly rising within the Russian gas industry (and in Moscow) that a more reliable energy policy (and with lower prices) is needed if Russia hopes to maintain its preponderant position in the European gas market in the longer term. Indeed, this awareness has certainly contributed to Moscow’s new “Westpolitik” approach, acknowledging decreased leverage vis-à-vis European energy consumers.

These developments have happened while the Obama administration has also tried to reduce the tensions of the past years on the pipeline front, espousing a definition of energy security that does not look at pipeline politics as necessarily a zero-sum game. In fact, U.S. Ambassador for Eurasian Energy Richard Morningstar has stated that Washington does not intend to endorse certain pipeline plans over others, and that expansion of supply (also through multiple pipelines projects) is in itself consistent with energy security as it allows, *ceteris paribus*, for greater diversification and

lower prices.

In the context of Russia’s striving for “modernization,” the European Union could therefore take advantage of new developments in gas markets that seem to give the EU a stronger bargaining position. In fact, Russian officials have already expressed unprecedented interest in concepts such as energy efficiency and seem more open-minded than before in exploring some form of foreign participation in the development and modernization of Russia’s gas fields. Rather than an obstacle to cooperation, energy could become an accelerating factor in the emergence of a new EU-Russian agreement on energy, perhaps leading to a new common energy charter. The United States could encourage the European Union in this direction while still asking for guarantees, and coordinating standards with EU leaders within the Transatlantic Energy Council — an institution created at the EU-U.S. Summit in November 2009 and yet to be exploited. If followed, this path would offer the possibility for the EU to demonstrate its ability to join, even lead, the reset with Russia while giving Moscow the chance to show that the reset is truly capable of sustaining developments that strengthen Europe and make it more secure.

To reinforce the EU-Russia track of the reset, Washington could link its own political and economic dialogue with Russia (mainly through the U.S.-Russia Bilateral Presidential Commission established in July 2009) to progress on economic and political engagement between the EU and Russia, with the end-goal of a new EU-Russian partnership agreement. The discussion in Washington and Western capitals of Russia’s involvement in the institutions of global economic governance, from Russian membership in the WTO to American-European-Russian cooperation within the G20, should also be more clearly linked to substantive progress in EU-Russia bilateral cooperation.

A more prominent EU-Russia track can emerge in the reset, moreover, if the transatlantic partners clearly signal that it is their common position to rely more heavily on the EU than NATO to serve security and stabilization goals in the post-Soviet space.

A Stronger Role for the EU in Eastern Europe

Increasingly absorbed by the management of crises in other parts of the world, the Obama administration has already expressed its clear support for a greater and more proactive role for the EU in European security. At the same time, in the absence of bold EU initiatives, the United States has maintained a prominent position — as shown by, among other things, its renewed activism in the Balkans where the U.S. presence had steadily declined in past years. This direct U.S. influence in European developments has arguably had a role in Moscow's persistent negative perceptions of Western policies in Europe even in the context of the reset.

Nobody is considering supplanting NATO. As stated in the Lisbon Treaty, the Atlantic Alliance will continue to provide the foundation of European defense even as the EU Common Security and Defense Policy is upgraded. What the Obama administration itself has encouraged — but now should more clearly ask of the Europeans — is greater EU commitment to the stabilization and economic and political integration of Europe in the Balkans and European post-Soviet space. The U.S. has urged the EU to grant a clearer "European perspective" for those countries currently involved in the EU's Eastern Partnership (Belarus, Armenia, Azerbaijan, Georgia, Moldova, and Ukraine) that express a serious interest in making progress towards EU standards. Having not yet fully digested the 'Big Bang Enlargement' of 2004-2007 (which expanded its members from 15 to 27) and still shaken to its very foundations by the economic and Euro crises, the EU has refrained from considering EU membership for these countries.

It remains highly reluctant to do so at least until the many issues with which the EU is struggling internally are solved, the new provisions introduced by the Lisbon Treaty are fully implemented, and uncertainties surrounding existing enlargement plans — especially to Turkey — are cleared. Important progress, however, can still be achieved in the present context by investing more political will and energies in existing initiatives, prioritizing, identifying linkages, and no less important — coordinating more closely with the United States.

Russia has expressed reservations about the Eastern Partnership, even if it does not go so far as to offer an EU membership perspective. Moscow's attitudes towards the EU neighborhood and even enlargement policies, however, seem to be less sharp overall than those towards NATO. Unlike NATO, the EU is not a military organization. More critically for Moscow, unlike NATO, the EU does not have the United States among its members. Moscow's vision of the EU (as with NATO) will always be affected by the fact that its own membership has never really been on the table. But substantial progress can be made if Russia sees that, as the EU builds closer ties with the countries to its East, Russia is given greater access to the EU too.

The basis of a new bargain, therefore, can envisage greater efforts to bring Russia much closer to the EU market through a serious discussion of Russia's prospects for visa liberalization (a long-time request of Moscow) along with policies aimed at more firmly anchoring countries of the post-Soviet space that are willing to take up the challenge to the EU. The immediate target is certainly Moldova, but the aim should also be to create a substantially upgraded EU relationship with Ukraine. In fact, the EU should use all the flexibility allowed by the Eastern Partnership initiative not to discriminate among participants (all Eastern partners will have access to the same programs, based on

conditionality), but to focus on those countries that are better prepared for European integration or those that can contribute more to resolving other European issues.

Moldova provides a great opportunity for the U.S. and the European Union to bring about real progress in the post-Soviet space and can also serve as a test for EU-Russian relations more broadly (not least because of the continuing presence of Russian military forces in the Transnistrian region of Moldova). Elections are coming up in Moldova in November. The coalition government has undertaken several critical reforms in the past two years, reversing the bleak record of the Moldovan communists previously in government, and it has determinedly embraced the goal of European integration. As the victory of democratic forces in the next elections is far from certain, EU and U.S. leaders should pay unprecedented attention to Moldova in the weeks ahead, perhaps also through high-level visits. More substantially, the EU should offer firmer prospects for Moldova's request for visa liberalization. If, as is the hope, Moldovans confirm their preference for liberal democracy through the next elections, EU leaders should be able to promptly grant Moldova a membership perspective. This would not only provide the strongest incentive for the completion of the reform process in the country but would also send clear signals to Russia and the authorities in Transnistria. The EU would also signal a new dynamism on the enlargement front by embarking on a process that might eventually lead to the inclusion of a country that is under strong Russian pressure and deeply affected by a frozen conflict. Authorities in Transnistria would get the message that the EU is serious about granting benefits to governments that put their citizens' future at the center of their preoccupations. The ethnically diverse Transnistrian population would most likely feel an unprecedented pull towards Moldova and the rest of Europe, perhaps releasing a dynamic of change leading to the withdrawal of Russian forces (a

demand that the EU should keep reiterating together with NATO in the context of the reset and the EU-Russia dialogue). In the process, the EU could show that although it will not accept a country plagued by territorial disputes into its community — the case of Cyprus has been devastating in this sense for the EU — it is nonetheless willing to use the enlargement *process* as a stabilization policy. The United States has traditionally looked at EU enlargement as part of the process of stabilization in Europe. For European leaders, on the other hand, European integration has been considered only after stabilization is fully achieved.

Moldova offers a significant opportunity, if Moldova and its Western partners take the challenge. Ukraine, however, can provide an even more important building block for creating a new European political order.

Ukraine is currently negotiating an association agreement with the European Union. Kyiv's recent choice to adopt "non-bloc status" does not in fact prevent Ukraine from applying for EU membership. Ukrainian officials have complained that the EU has not granted Ukraine a membership perspective in the EU. They have often shown reluctance, however, to make the necessary reforms and take actions that would allow Ukraine to improve its credentials for future membership. EU officials should therefore press Kyiv on practical objectives — such as the completion of the negotiations for a free-trade agreement (which the Ukrainian government has committed to reaching in 2011), while stressing that the association agreement is a key step towards the prospect of membership. This was the case, for example, with other Eastern European countries that are now EU members. EU officials should also emphasize that, unlike the EU's partners to the South (on the Mediterranean), Ukraine and other Eastern partners that are in all respects "European" can eventually become EU members if they gradually align themselves with EU norms and laws.

By strongly engaging Ukraine on practical steps towards closer cooperation between Brussels and Kyiv, the EU will send a clear signal to Moscow that the EU does not see Ukraine's new policy towards Russia and its "non-bloc status" as undermining Ukraine's European Union ambitions in any way. At the same time, by supporting Ukraine's European integration, the EU would claim a role in the post-Soviet space and expose the limits of Moscow's claim that the land between it and the EU should be Russia's sphere of privileged interests rather than the EU's neighborhood or perhaps its future eastern border. If cooperation with the EU deepens and relations with Moscow remain stable, Ukraine could in fact provide a concrete example that the dichotomy between NATO/non-NATO can be positively overcome if the security standards that have come with NATO membership are achieved through European integration.

Exploring the Features of a New European Security Architecture

The new European component of the reset should also include a greater willingness on the part of the U.S. to engage in an open-ended debate on new security arrangements in Europe, no matter how time-consuming the process and uncertain the results. Secretary Clinton first declared in January 2009 and then repeated on several occasions, including at the last NATO-Russia Council in New York at the end of September 2010, that the U.S. government is opposed to establishing new legally binding instruments for European security. It is the Obama administration's conviction that the existing institutions and treaties already provide a suitable framework to address European security issues. The Obama administration has pushed and supported, for instance, the Corfu process as a forum for discussing the reform of OSCE and the solution to several controversies still undermining U.S.-European-Russian relations in Europe. At the same time, the Obama administration has shown no interest in Dmitri

Medvedev's draft "treaty on European security" or other similar proposals. A majority of Western analysts have pointed out that Medvedev's treaty is a non-starter because of the vagueness of its provisions and its poorly concealed revisionist aims. The point, however, is not to lend support to specific proposals but to engage Russia on issues it has put forward to show that Western governments take Russian leaders and their demands seriously. By engaging Moscow on a new European security treaty and related issues, the U.S. and the EU will be able to test Moscow's true willingness to identify new areas and instruments for cooperation. As long as it can blame the U.S. and the EU for not considering its claims and views, the Kremlin will find it easy to perpetuate a state ideology based on victimization and to avoid full cooperation with NATO by exposing and denouncing its perceived marginalization in the post-Cold War European order.

From a Western perspective, accepting a dialogue with Moscow on new security instruments is a convenient choice for another reason. The Obama administration and NATO have signaled their intention to step up NATO's cooperation with Moscow in recognition of the substantial improvement in Western-Russian relations in 2009-2010. Secretary General Anders Rasmussen has indicated three areas of priority in particular: cooperation in missile defense, a new agreement on conventional armed forces in Europe, and a new discussion on nuclear tactical weapons in Europe. These are key areas for European security as well as potential tests for the reset going forward. Western-Russian cooperation in missile defense would be a historic development, as it requires a level of trust among the parties that has never been attained since the Cold War. Tactical nuclear weapons are also the object of NATO's internal debate on the future of America's extended nuclear deterrence. As the Obama administration has signaled, they should be the next area for arms reduction talks as soon as New START is ratified. Discussions around a new agreement or treaty

on conventional armed forces in Europe would provide the context for also exploring a solution to the situation in Georgia — a major gap so far in the reset policy. The 1990 Treaty on Conventional Armed Forces in Europe (CFE), which imposes limits on the size and deployment of conventional forces, is one of the more evident victims of the deterioration of Western-Russian relations during the Bush years. The updated 1999 version of the treaty — the Adapted CFE Treaty, which took account of the end of the Warsaw Pact and other changes in the European security landscape — has not been implemented. NATO allies have refused to ratify it due to concern that Russia has not fulfilled the commitments it made in 1999 on the withdrawal of Russian forces from Moldova and Georgia. Progress in the Western-Russian dialogue on CFE could help therefore to reach an ultimate political compromise between Tbilisi, the breakaway regions, and Moscow, as these issues are now effectively linked.

Russia has shown reluctance to accept the agenda proposed by NATO, but has not rejected it either. In fact, during the last NATO-Russia Council held in New York on September 22, 2010, cooperation on missile defense was discussed and the Russians showed some willingness to proceed with talks, provided Russia's proposals on European security (and its views more generally) are fully taken into account as a basis for discussion. NATO is planning to extend a formal invitation to Russia to join efforts toward a common missile defense system during the NATO summit in Lisbon in November 2010. Western diplomats hope that the Lisbon summit will also host a meeting of the NATO-Russia Council. Between now and then, there is time for the Obama administration to reverse its position on opposing new instruments for European security as a way to move forward with the NATO agenda proposed by Secretary General Rasmussen and which Washington fully supports.

The Next NATO and EU-US Summits: The Starting Point for Reset II

The NATO and EU-US summits in Lisbon in November 2010 may provide an opportunity for U.S. and European leaders to initiate a discussion on the new course summarized above, thus demonstrating that the transatlantic relationship can truly deliver in areas that are of critical importance to the future of European security. While taking stock of what the reset has achieved so far, a transatlantic agreement could be reached on priorities for European security that could also be submitted for Russia's attention. If further elaborated and discussed in the subsequent months after these important diplomatic meetings, an expanded agenda of the reset agenda could become the best legacy of the current U.S.-Russian rapprochement: producing a new European order that will give stronger foundation to the vision of a Europe truly "whole, free, and at peace."

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