

Russia's Role in European Security Structure

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Russia's economy is still in a deep crisis. As a result of 5 years of reforms its GNP dropped by 40%, industrial production - by 50%, agricultural production - by 30%, investments into economy decreased 5 times, population income went down by 40%, internal and external debt shot up to \$ 77 bln.

Among the reasons for such a situation are: disintegration of the integral economic complex of the former Soviet Union; need for restructuring of the remaining economic potential and creation of the independent Russian economy; mistakes in defining strategy of transition to market economy and lack of unity among parties and politicians of democratic and market orientation on major issues of the country's development. Simultaneously the ongoing market reforms were slowed down by:

- lack of transparent and stable market legislation (some laws are imperfect, others: product sharing, land ownership, mortgage system, etc. are still in the process of political debates);
- ineffective taxation policy and poor tax collection resulting in widely spread tax evasions and capital flight out of the country;
- high level of crime and corruption both in business and governmental institutions;
- non-payments affecting almost every sector of the economy.

Half of the country's money turnover is in the "gray" economy, not yielding any tax money to the national coffers. Vodka, for instance, was Russian permanent liquid currency. In Soviet times it contributed to the state budget up to 35% of revenues, now its production and sale are bringing only 1.5 - 2%. Quite often tax services and criminal world are closing ranks. As a result 50% of all non-payments to the national budget are "legal" thanks to benefits and privileges approved by tax officials on behalf of the state. Ineffective policy toward natural monopolies proved to be damaging to the production sector of the economy. Newly re-shuffled Government is planning to introduce a regulation mechanism to correct the situation in oil and gas industries, railway transportation system, electric power energy system by limiting prices and introducing competitiveness. New Tax Code will be adopted soon.

This gloomy picture is sweetened by the results of the economic development in the first quar-

ter of this year. Figures show that the country is overcoming the most acute stage of the crisis. The GNP will grow by 3% this year and annual inflation will slide down to below 14% (48% in 1996).

Political picture of Russian life is multicolored. Both the President and the Government when taking decisions are often faced with tough opposition both from political forces of the democratic orientation and from the "leftists".

On Superpower and Great Power Status

Despite rhetoric sometimes heard from the State Duma, most politicians realize that the United States is the only country at present capable of projecting on a global scale its power and influence based on the strongest and effective economy as well as on the technologically perfect military machine. One might think that under the existing favourable conditions the US should have no worries about its security. But some analysts say that this is not the case and the US is worried by the prospect of losing the present status. Their assessment was supported by the analysis presented at the US Senate hearings "Present and Perspective Threats to the US Security" held last February. Taking part in the hearings were the heads of the American Intelligence bodies (J. Tenet, P. Hews, T. Gaty). They named the following challenges to the US security:

1. Continuing transformation of Russia and China.
2. Hostile behaviour of North Korea, Iran and Iraq.
3. Transnational problems - terrorism, proliferation of MDW, organized crime, narcotics.
4. Hot spots in the Middle East, Southern Asia, Bosnia.
5. Civil wars, ethnic conflicts, hunger in some areas of the world.

Russia and China are placed first among the challenges and threats to the US security. American Administration continues to view Russia as a source of instability and a potential adversary. It was also noted that Moscow is trying to uphold its status of great power by strengthening ties with Germany, France, China, Japan expecting equal rights in solving international issues and, first of all, in shaping European security architecture and defining NATO's role in this process. Opinion was voiced at the hear-

ings that despite its present feeble state of economy, Russia remains a nuclear superpower, the only country capable of inflicting unacceptable damage to the USA.

As for Russia, the absolute majority of sensible politicians share the opinion that the debates on the superpower status are inessential. Of primary importance is revival of national economy and upholding vital interests and rights in the political talks. Hence latest steps aimed at building new multi-polar world order and opposing claims of any country on an exclusive role in the post-Cold War world.

Europe and Russia need Each Other

Interest of economic development, national security, geopolitical situation and, broadly speaking, common European culture and history call for stepping up all-round relations between Russia and other European countries, political and economic alliances and the EU in particular, being the most powerful amalgamation on the continent.

In June 1994 Russia and the EU signed an Agreement which will come into force after ratification by all countries of the Union and Russia. The document lays down a legal basis for co-operation both in political and business fields. It rates Russia as a country with transitional economy (presently it is still considered by the West as a country with state-controlled economy and trade). This step alone will help removing import quotas for over 600 types of Russian goods. To promote co-operation and resolve arising disputes Russia and EU agreed to set up a mechanism resembling institutions existing between Washington and Brussels as well as between Russia and the USA (A. Gore - V. Chernomyrdin Commission), in other words, regular (twice a year) top-level meetings, foreign ministers meetings, permanent commission, Parliamentary committee, exchange of ambassadors. United Business Congress, a non-governmental organization of Russian and European entrepreneurs, is in the process of being established.

Policy and practical steps of the RF Government aimed at developing closer relations based on equality and partnership with the EU and its structures enjoy support of the Russian society and the majority of political parties and movements, with the exception of extreme "leftists".

The EU leadership also realizes the need for Russia's gradual integration into the fabric of European economy and more active involvement in the process of consolidating stability and security on the continent. Both in Europe and in Russia opinions prevail that full integration of Russia into Europe is not a matter of the nearest future. Russia needs to put its economy, finances, tax system, relevant leg-

islation in order while the EU, on the other hand, is expected to take practical steps and remove discrimination and trade barriers. Meantime practical deeds of the West do not always agree with the declarations. Russia was repeatedly promised membership in the "G-7", London and Paris Clubs, WTO, however the promises have not materialized yet.

But even under present unfavourable conditions the EU is Russia's major trading and investment partner: 40% of its export goes to the EU markets (at the same time 6% - to China, 4% - to the US, 25% - to all CIS countries), 60% of foreign investments are coming to Russia from the EU countries.

At the same time, Russia welcomes acceptance of new members from Central and Eastern Europe to the EU believing that in this case Europe will be leaning less toward force and more toward economic well-being as the guarantor of security. Whereas NATO's expansion might slow down integration process and bring about considerable financial expenses. In Russia NATO's prominent role in European political system is fully realized. Actually it is not a question of NATO as a whole, Russia is concerned about a military component of the alliance, its transformation plans.

NATO's Eastward Expansion. Search for Compromise

As much as all prominent Russian politicians are united in their support for the European integration in economic, humanitarian, cultural, business spheres, so much they all oppose NATO's expansion into Eastern Europe. Even the leader of the liberal pro-Western "Yabolko" movement G. Yavlinsky noted that "it's absurd to believe in NATO's peaceful intentions", he also added that "many centuries of history teach us that Russia's weakness should not be exploited, the country will survive and be strong again". Former Soviet President M. Gorbachev speaking to the US Congressional Committee warned NATO against treating Russia the way victorious allies severely restrained Germany after World War I. "You cannot humiliate a people without consequences". Leftist and nationalist leaders express similar ideas. Still the reasons that bring such different political forces into the anti-NATO "national consensus" are very different. Liberals feel they have been betrayed and the expansion could terminate all meaningful co-operation between Russia and the West. Communists, nationalists and some of the generals say: "We told you so: we move our forces out and "they" move in". Of course, everybody understands that all European countries are sovereign states, independent subjects of international law and it's up to them to decide which alliance to

join. Similarly it is within Moscow's rights to explain why it opposes this expansion. Among Russia's major concerns are military build up near its borders, the emergence of new dividing lines in Europe. North Atlantic Alliance first of all is an armed force temporarily at peace complete with Supreme allied HQs for the Atlantic and for Europe, a hierarchy of subordinate regional commands, intelligence staffs in each HQ, a joint surveillance force of AWACs aircraft, an air defense network from Norway to Turkey and an elaborate strategic infrastructure. Though NATO officials repeat time and again that the alliance does not have any plans or intentions to attack Russia, it is perceived here that NATO has not changed enough as declared before for Russia not to feel threatened.

NATO's Transformation. History of the Question

In the beginning of the 90-s as a result of historic changes in Europe, NATO's transformation into political-military organization (more political) began. There was a declaration adopted at the NATO's Council session in Copenhagen that "the alliance will not try to obtain any unilateral advantages following the changes in Europe. Softening of political and military doctrines went ahead. In military sphere NATO abandoned the strategy of forward deployment and instead began to set up limited mobile forces and withdraw the forces from Central Europe forward lines.

Signing the "Partnership for Peace" documents Russia was guided by the understanding that the expansion, if it ever happens, would take place only after deep transformation of NATO's military element.

Under present conditions Russian diplomats and politicians are faced with a complicated task - how to defend Russia's national interests despite missed opportunities and lost time during 1993-1996 combined with very negative for Russia balance of forces. A vigorous campaign was launched to explain Russian position and to reach an understanding with the U.S.A. and the European leaders on the key issues of the European security structure. At the US-Russia summit in Helsinki positions were defined in detail and 5 declarations approved.

1. Declaration on European Security. Both sides recognized the leading role of the OSCE in the European security architecture and the need for building up operational capacity of this organization while preserving consensus principle in decision-taking. They also agreed on the necessity of NATO's deep transformation and regular consultations with Rus-

sia in the course of this process. Moreover, the sides stated their willingness to sign an agreement on revisions of the CFE before the summer of 1997, that is prior to NATO's decision on new members (this is vital for Russia's security interests since after the end of the Cold War half of the European countries were not covered by the CFE limitations).

Within the framework of this declaration an accord was reached on signing by the heads of states of the alliance and the RF President a "Russia-NATO document". It is a very high level, however taking into account a somewhat "liberal" interpretation by the West of promises and declarations given to the Soviet and Russian politicians at the highest levels. This time Russia insists on a legally binding agreement (Western politicians prefer to call it a Charter, in Russia - an agreement). The document could be given not necessarily juridical but probably an international binding status through supporting it by the UN and OSCE. One might suggest the following scenario - all heads of states and governments get together and sign an agreement like the Helsinki Act or Vienna Code in the presence of the UN Secretary General.

Principle of consultations with Russia on vital security issues was also proclaimed, but without obligations on the alliance's part to take account of Russia's concerns. In this respect, many experts believe that the Russian leadership should unilaterally and definitely state (in the written form and not necessarily signed by the Western partners) those limits violations of which would automatically lead to the Agreement break off and dispute escalation.

2. Declarations on START-2 Prolongation, on Signing START-3, on Missile Defense Treaty and on Chemical Weapons were all related to the European security matters. The positive aspect of these declarations is that the sides showed willingness to reach mutually acceptable solutions based on the balance of interests. Nevertheless some problems with the START-3 and Missile Defense Treaty remained to be solved. Europe which would mean not military but primarily political version of the alliance's expansion and correspondingly political, not military-political response from Russia.

Adherence to the Balance of Interests Principle is the Right Way to Comprehensive Security

In the recent years, for the majority of Russian politicians the conception of all-embracing security assumes more pragmatic character, devoid of any ideological influences. To the foreground comes out security of the Russian state proper, closely tied to the Armed Forces development and reform, struc-

tural changes and modernization of armaments - everything strictly within economic means and resources of the country.

Experience of the last decade shows that the Western countries, the USA in particular, encouraging in every possible way reforms in Russia, supporting disarmament agreements aimed at sealing down Russia's military might, at the same time, once and again demonstrate to Russia that the weak in this world does not deserve respect and is not counted with.

Examples could be given when the West did not try to find balanced approaches in cases when its interests differed with those of Russia.

Russia views territories of the former Soviet Union as the major priority of its foreign policy and security, considering them "area of vital interest". Special status of the "near abroad" is explained by the fact that only 5 years ago all these countries together with Russia comprised a single economic, energy, transportation and military system. There remained (very often against their will) 25 mln people considering themselves to be Russians. Not a single area declared by Washington as the area of its "vital interest", including Canada and Mexico, is as close to the US interests from the point of view of life-sustenance and security, as the "near abroad" to Russia. In Moscow opinion prevails, and not without ground, that the West is not interested in Russia's integration with the CIS countries and opposes the process even in case of economic integration on purely voluntary basis. The fate of the Russian speaking population in the countries of the former Soviet Union, violations of their basic human rights and freedoms are beyond concerns and interest of human rights organizations and activists in Europe.

Another example, exports of nuclear technologies and materials and armaments trade. It is getting evident that the West is attempting to squeeze Russia out of the traditional Soviet markets supplanting the demand by their own deliveries (in Central Europe, North Korea, India, Iran, Cuba). At the same time steps are being taken to bar Russia from traditional Western markets (Latin America, South East Asia, Persian Gulf) by employing methods and mechanisms which hardly resemble rules of fair market competition.

History of the talks between Russia and the West shows that the real progress is achieved mainly in the leaders' friendship and disarmament. The friendship started with pledges of help to Russian reforms. Assistance package of \$ 1.3 bln. promised by the United States in Vancouver in 1993 has not come about. At the "G-7" meeting in Tokyo (1993) the figure rose to \$ 43.4 bln. - with the same result.

President B. Clinton's visit to Moscow (1994) resulted in the Ukraine's nuclear disarmament. The same year at the meeting of the "G-7" in Naples President B. Yeltsin was assured that the organization would turn into the "G-8" and help Russia to enter WTO. If these promises were timely realized, reforms in Russia would have received real help (access to credits, removal of trade barriers) and social tensions and society division would not have been so acute.

Described above views and opinions on the role of Western countries in Russia's reforms are the result of democratic discussions, based on the experience of the Russia-West relations in the course of last years. Many examples such as continuing trade restrictions and country's isolation from leading economic institutions, enlargement of a military alliance supply sufficient grounds for many Russians to believe that their country is treated by the West from the position of strength. Such policy towards Moscow is fraught with growing misunderstandings, frustrations, conflicts. And in many cases it will be even more difficult to reach compromises and solutions with Russia than with the Soviet Union during the Cold War when the Kremlin didn't suffer of inferiority complex and didn't care about a parliament, mass media or elections.

Slow progress of economic reforms and unfair, from the Russian point of view, economic relations with the West are closely linked to NATO's enlargement and European security in general. The enlargement will lead to the unlimited influence of the alliance on the continent. Assuming the role of the only arbiter in international affairs NATO (possessing the most powerful military potential) would be able not resorting to force but only by the threat of force to decide all disputable issues in its favour.

A principally new security model based on the balance of interest of all European countries is seen as a preferable solution, including balance of interests between Russia and the North Atlantic Treaty Organization. Bi-lateral and multi-lateral agreements under the auspices of the OSCE could be seen as a legal foundation of the model. There will probably be a need to form a Security Council (similar to the UN Security Council) with the responsibility of taking vital decisions and implementing them into life. The NATO allied force as well as the national armed forces could gradually assume the role of all-European peace-keeping institution. ■