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Relations with the Russian Federation after the G7 and Biden-Putin meetings June 2021



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Following the summit between US President Joe Biden and Russian President Vladimir Putin on 16 June a Russian friend commented that “*well, it is better that they meet than that they do not meet*”. While Putin’s first decade in power was marked by acceptable cooperation with the United States and Europe, the Russian occupation of parts of Georgia in 2008, its illegal annexation of Crimea 2014, its military aggression against Ukraine, Russian hybrid warfare including a number of cyberattacks and GRU hit squad operations in Europe, have since brought relations to a historical low.

After the G7 meeting in Cornwall and his meetings in Brussels Joe Biden came well prepared to Geneva. He was clear about US and NATO red lines but treated Putin with the respect needed for developing a constructive relationship with the Kremlin after the damage done during Donald Trump’s four years. Now co-ordinated work on handling Russia is needed by the United States and European Union member states.

Some question whether Putin actually wants stable and predictable international relationships, but US predictability is clearly a plus for Moscow and something Putin also welcomed after the Geneva meeting. Predictability, stability and pragmatism in their relations were also underlined as important by Biden, with the correct reservation that the proof of the pudding will be in the eating.

While at least a working relationship between Moscow and Washington is essential for global security, Europe is also now reviewing its Russia strategy. Since 1997 the EU and Russia have a Partnership and Cooperation Agreement which forms the basis for EU-Russia political and economic relations. During the humiliating visit of the EU High Representative Josep Borrell to Moscow in February it was, however, made clear by foreign minister Sergei Lavrov that Russia

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does not want to deal with the European Union as an entity, but rather bilaterally divide EU member states against each other. This despite its special relationship with Germany having ended some time ago and President Macron's thoughts on European relations with Russia having gone nowhere.

The EU will this month discuss its future Russia strategy following a report by Borrell and the European Commission warning of a likely continued downturn of EU's relations with Russia "as the most realistic outlook for the time being". The report recommends "principled pragmatism" and that the EU and its member states "push back, constrain and engage Russia", so in fact close to President Biden's G7 position. This makes good European sense.

Trade with EU states is of crucial importance to Russia and Moscow is eagerly awaiting finalisation of its Nord Stream 2 pipeline project to Germany, seen by some as an EU Achilles heel. This at a time when both German national security bodies and its external intelligence service report a recent peak in Russian clandestine activities against German interests. This inherent duality in Putin's policies is an established Russian strategy, last seen in the ostentatious build-up of modernised Russian forces on the Ukrainian border, subsequently partially withdrawn.

Russia has large natural resources, but its economy is still smaller than the five combined Nordic economies (*sic*). Energy exports is a key component of Russia's external income, despite falling energy prices and tough global competition. Russia remains, despite current European Union sanctions, the largest oil, gas, uranium and coal exporter to Europe. It is its fifth largest trading partner, while the EU is by far Russia's largest trading partner and investor. Geographically Russia is of course an immediate neighbour and therefore a natural partner and, despite sanctions, a highly profitable market for European goods and services.

Moscow's annexation of Crimea, the conflict in Eastern Ukraine and its human rights violations resulted in EU sanctions, which have affected the bilateral political dialogue and economic relations. With their common landmass and history most European leaders remain sceptical to any new isolation of Russia. But Russian disinformation and campaigns against EU and NATO enlargements, in the Western Balkans and elsewhere, cannot be ignored and are challenges both for European economic interests and for its democratic values and human rights.

There is no shortage of common global challenges requiring genuine cooperation. Climate change and environmental issues are of strategic importance to the EU and to Russia, both partners of the Paris Agreement, which is now in force. A number of joint European and Russian environmental programmes exists, but the Siberian permafrost continues to melt and Russia is the fifth largest greenhouse gas emitter in the world, with a poor record of energy efficiency. Russia's lack of an effective climate policy daily affects millions of Europeans demonstrating the need for constructive cooperation - and the sooner the better. However, except for its general 2019-2022 national plan, little is so far known of Russia's climate position ahead of COP-26 in Glasgow. Will Russia be up to the challenge?

A stagnant Russian siege economy has resulted in a rapid shrinking of Putin's public approval ratings among Russians since the height of his domestic popularity just after the annexation of Crimea 2014. A study by the Swedish defence research institute FOI/RUFS now concludes that *"...the Russian political leadership appears unable to carry out its own policies"*. This is the stark assessment of Russia's so called National Projects, launched in 2018 by Putin as *"major policy implementation programmes with generous state financing, ranging from transport and housing to healthcare"*. When Russian companies failed to co-finance the scheme, Putin suspended the programmes already in 2020, including in the health sector which now fails to stop the spread of Covid-19 among Russians. Thus, Kremlin is systemically failing Russians.

The poisoning and imprisonment of Aleksei Navalny, the brutal clampdown on Russian demonstrators, plus the recent ban on all serious opposition groups and parties, have led to a visibly growing political frustration, especially among young Russians, over their autocratic state. Putin's political party is now very unpopular and is generally seen as corrupt, so the Kremlin is very worried about this Autumn's parliamentary election and its aftermath. President Aleksander Lukashenko's violent and ineffective handling of the Belarussian opposition following his manipulated election showed the challenges an East European autocrat can face if unable to deliver the goods and freedom people need and require.

Vladimir Putin is 68 years old and has during the pandemic isolated himself in sealed cocoons in the Kremlin and in Sochi from where he projects himself digitally. His trip to Geneva was his first official travel since the pandemic struck. Through his recent constitutional changes Putin can theoretically remain in power well into old age. Though that assumes that he, an ever more distant ruler, manages to keep the lid on the open political opposition and to placate the Soviet pensioners having to live on less and less.

How Vladimir Putin will deal with this political problem in the medium term will indicate his own personal future. Russian economic progress, or further stagnation, is likely to be a key factor for his political survival over the next decade. Should Putin manage to remain president for that long he will be 78, like Biden is today. But will he really want to run the inherent risks? Russian political reforms appear inevitable and the question is not just when, but how. Maybe an organised retreat to the palace in Sochi in some new influential state function will become more and more appealing to him.

While the G7 meeting welcomed renewed US traction, some key underlying questions remain. One is whether Joe Biden can maintain, or ideally improve, his slender control of Washington after the mid-term elections in 2022. Another is whether the Geneva Summit meeting will be followed by real substance, in the form of progress in technical meetings and new Russian restraint in Eastern and South-Eastern Europe. Ukraine's medium term political and security future may become a litmus test. While wishing for better Russia relations North America and Europe have good reasons to be cautious. The near future will show if Moscow again, after so much disruptive behaviour and under present leadership, becomes a more reliable international partner. Or will Russia go the way of Belarus?

Other issues, such as arms limitation talks including on renewal of the Start Three Nuclear Treaty due to expire in 2026, also remain to be addressed and will require improved co-operation with Russia. And then, as always now, there is China.

Ambassador Partnership Book Review

'The Wandering Civil Servant of Stradivarius' by Desmond Cecil, CMG

Published on 4 February 2021 by Quartet Books, available online from

<https://www.amazon.co.uk/Wandering-Civil-Servant-Stradivarius/dp/0704374811>

<https://www.waterstones.com/book/the-wandering-civil-servant-of-stradivarius/desmond-cecil/9780704374812>

This is not a 'conventional' memoir by a former senior British diplomat about political 'revelations', but rather a passionate account of the vie extraordinaire of a young professional violinist in Switzerland, then a career diplomat, a fluent multi-linguist, a nuclear environmental expert working with Russian colleagues in former 'secret cities' in the extraordinary 'window' of post-Soviet Russia, and, now playing his genuine Stradivari violin with arts charities in Switzerland, Germany, Russia, the UK and a 'Distinguished Friend of Oxford University Award' – with fascinating insights of the famous politicians and musicians whom he has known.

Desmond will donate all royalties to arts charities supporting young musicians, who need all the help

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