



**RUSSIAN INTERNATIONAL
AFFAIRS COUNCIL**

**POSTULATES ON
RUSSIA'S FOREIGN
POLICY (2012–2018)**



Russian International Affairs Council

Moscow 2012

Russian International Affairs Council

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The Postulates on Russia's Foreign Policy developed with the participation of the Russian International Affairs Council's members and experts discuss Russia's position in the international arena, the role of global challenges in shaping the foreign policy agenda and outline foreign policy priorities for the period from 2012 to 2018. The main purpose of the Postulates is to encourage a public discourse about new contours and orientation of Russia's foreign policy and to devise the solutions to be protected against traditional and emerging security challenges.

Postulates on Russia's Foreign Policy – M. Spetskniga, 2012. – 32 pages. – ISBN 978-5-91891-206-5

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The purpose of the proposed Postulates is to give an overview of the current international position of Russia, sum up the threats and challenges facing the country, formulate the priorities of the Russian foreign policy for the next six years (2012-2018), and on this basis offer some practical steps towards meeting the foreign policy objectives in key areas.

The Postulates are designed to help promote a start of a fruitful expert discussion on the development path of foreign policy in the short and long term. Such a discussion is relevant, because Russia is entering into a new political cycle, during which it would have to implement socio-economic and political modernization against the backdrop of a rapidly changing external environment.

In the proposed Postulates as well as in its activities, the Russian International Affairs Council (RIAC) proceeds from the basis that the Russian foreign policy should be post-partisan in nature, represent the interests of the whole society rather than of the separate groups and political movements. Moreover, discussion of a wide range of foreign policy issues is of purely practical significance for RIAC. It is necessary to clarify the priorities of RIAC, identify the niches and gaps in the expert and analytical support of our foreign policy. In filling these niches and gaps, RIAC could take part in formulating specific recommendations for state authorities.

I.S. Ivanov
President of RIAC

I. IDEOLOGY FOR A “NON-IDEOLOGICAL” RUSSIAN FOREIGN POLICY

1. Why does Russia need a foreign policy?

Russia's dependence on the outside world will increase in the foreseeable future. Any kind of isolationism is doomed to fail. This is connected with the worldwide trends of globalization and specific position of the Russian Federation in the world system. **A successful foreign policy can only be active; it should contemplate the country's integration into the globalizing world under the most favorable conditions.**

Russia's international role is derived from its internal state. From 2012 to 2018 the fundamental objectives of Russian foreign policy should proceed from the interests of internal development.

Deep and comprehensive modernization is the main task facing Russia in the first half of the XXI century. The failure of modernization in the country would mean its marginalization in the international arena.

The task of modernization cannot be solved using internal resources only. Foreign policy in the context of globalization should provide Russia with the widest possible access to an **external modernization resource** – investments, technologies, know-how, best practices, and markets.

Getting full access to economic and social modernization resource requires a high **level of mutual understanding, trust and stability** in relations with foreign partners.

Socio-economic and political modernization of Russia should, on one hand, **widen the potential of the Russian foreign policy**, creating additional opportunities, and, on the other hand, **identify its priorities**.

It is extremely important **to maintain a balance** between the economic and socio-humanitarian dimensions of Russian foreign policy, on one hand, and the security dimension, on the other hand, avoiding distortions (including those in resource terms). These three areas should complement each other rather than compete against each other.

2. Russia in the world

Russia's geopolitical position is unique: it is located between two major centers of the modern global economy. Considerable natural resources are concentrated in its territory. The country has a tremendous transit potential to generate significant revenues. However, Russia's geopolitical position involves great responsibility and requires a serious effort in its use.

Russian assets include the **quality of human capital**. Russia was able to avoid a catastrophic collapse of the educational level of the population, save part of the scientific potential, rich cultural traditions that are still attractive to millions of people around the world.

In the first decade of the XXI century Russia has managed to improve the financial system, pay old debts and accumulate substantial foreign currency reserves. **A new resource base of Russia's foreign and defense policy is emerging.** Despite the limitations in this base, it is much broader than that, which the country had in the last decade of the XX century.

However, in some critical areas, the real **position of Russia in the world is peripheral**. The economy is critically dependent on the world prices of oil and other raw materials. The country's scientific and technical potential is reducing, the proportion in manufacturing and trade in high technology is extremely modest, and the population is decreasing. Russia is perceived abroad as a country that is not very favorable for business.

During the first decade of this century, many of the systemic problems **have tended to exacerbate**. The economy's dependence on energy exports has increased, the problem of corruption has sharply escalated, the outflow of skilled workers abroad has virtually not decreased, and the intense capital flight has continued. The global financial and economic crisis of 2008-2009 did not stimulate the restructuring of the Russian economy, further increasing the gap with the most advanced countries.

3. Preliminary results of the last two decades: foreign policy

Over the past twenty years the Russian foreign policy **did not allow the collapse of the country's position in the world** and avoided the dangerous temptation of using force in order to reunite the former Soviet republics. It provided an acceptable level of relations with most major foreign counterparts in the West and the East. Russia joined major international organizations and structures. Over the past decade Russia managed to restore ties with the majority of former Soviet partners and allies in the area, traditionally called the "third world".

Russia took an active part, and in some cases, acted as the **initiator and driving force behind the creation of new international institutions** – the Commonwealth of Independent States (CIS), Collective Security Treaty Organization (CSTO), Shanghai Cooperation Organization (SCO), and BRICS (Brazil, Russia, India, China, and South Africa).

The Russian foreign policy is no longer defined by ideology – national interests, especially economic cooperation, are given high priority. At the same time, the pragmatism of the Russian foreign policy has not yet become a norm. The discrepancy between declarations and political practice is obvious.

A worrying trend is a **widening gap between high-level agreements and their implementation in the form of concrete and practical achievements**. This causes considerable damage to Russia's image in the world, leaving an impression of a declarative nature of international initiatives. Changing the situation requires urgent and comprehensive efforts. (In all fairness, it should be noted, that in some cases partners hinder the implementation of agreements).

In recent years, foreign policy is often openly adapted to the **export interests of the oil and gas sector**. Without a doubt, energy will remain a powerful resource for our foreign-policy influence and the main financial source of Russia's modernization. However, Russia should avoid open politicization of this topic.

In general, the task of **creating a positive image** of Russia abroad has not been resolved. Rudimentary understanding of revanchism, which supposedly is organically inherent in the Russian foreign policy, is alive in the world. Russia is often associated with corruption, crime, bureaucracy, judicial tyranny, and other negative phenomena. Russia usually loses awareness-raising and image-building campaigns.

4. Current threats and security challenges

Between 2012 and 2018, **the likelihood of Russia being involved in a major armed conflict with other great powers is minimal**.

A **systemic crisis in one of the neighboring CIS countries may become a major challenge**, especially if it causes deterioration of relations between Russia and the West, or coincide with it in time.

Local crises in and around Nagorno-Karabakh, Transnistria, Abkhazia, and South Ossetia are more likely to occur. For various reasons, Russia cannot withdraw from the situation in these territories.

One cannot completely exclude the possibility that during this period, the question of NATO membership for Ukraine and Georgia will be raised again. However, in this case, **the actual entry of Ukraine and Georgia into NATO will be postponed beyond 2018**.

A major regional conflict (an armed conflict between North and South Korea, a war between India and Pakistan, an air strike on Iranian nuclear facilities) will significantly affect Russia's interests. In any of these cases Russia should not get involved into confrontation; it should take a strictly impartial position, but be prepared, if requested, to provide mediation services for managing the conflict.

There is a high likelihood of **internal conflicts** of a political, religious, ethnic, and social nature in volatile countries (Afghanistan, Pakistan, Iraq, Syria, North Korea, some states in the Persian Gulf). This is fraught with "overlapping" of instability across borders, including the CIS countries and Russia.

Between 2012 and 2018, the threats associated with **proliferation of nuclear weapons** are likely to worsen. In all likelihood, the threat of **terrorist organizations** obtaining access to nuclear weapons or other types of WMD (Weapons of Mass Destruction) will not diminish. Russia is one of the potential sites for nuclear terrorism.

The United States' military and political strategy in 2012-2018 will not pose a direct threat to Russia. The Russian-US nuclear balance has a high level of stability. Russia should continue to develop the capabilities of nuclear deterrence, missile defense (referring to the threat from "third countries"), modernize general-purpose forces, based on the threats of the XXI, and not of the XX century. Russia should on no account yield to provocations and "stall" in the arms race with the United States. This will affect the modernization strategy in the most negative way.

It is undesirable for Russia to get involved in geopolitical rivalries and its accompanying arms race in the Asia-Pacific region. A possible confrontation between the United States and China, friction between China and India, China and Japan, China and the ASEAN countries, not to mention the situation on the Korean peninsula require exceptional caution on the part of Russia. Transformation of the Russian-Chinese strategic partnership into a military and political alliance would be contrary to Russia's fundamental interests; joining the plans for geopolitical encirclement of China will be equally harmful for the country. The main task of our foreign policy in the Asia-Pacific region is to fully contribute to the development of the Russian Far East and Siberia, by attracting investment, technologies, and in some extent, foreign labor, to these regions. The foreign policy should create the most favorable political background for this process.

One of the serious international security problems is the conflict between the basic principles of international law (especially the principle of national sovereignty) and modern legal innovations, such as the responsibility to protect. The practice of the so-called humanitarian interventions leads to legal and political collisions. In some cases, there is an urgent need for proactive development of new rules of the game, rather than an attempt to keep the old rules.

5. Current threats and challenges for the country's development

Among the possible external challenges of the upcoming six years is the probability of a **significant drop in the world prices for energy** and other commodities that form the basis of Russian exports. As a result, Russia may lose not only a part of its economic foundation, but its most important foreign policy tool.

Another challenge is the **growing instability of the global monetary and financial system**, a high probability of sharp changes in exchange rates, devaluations of national currencies, bankruptcies of major financial institutions, sovereign defaults, etc.

Among the external challenges are further **attempts by western partners to limit direct Russian investments in their countries**. Russia is being prevented access to certain key technologies. The situation will hardly improve significantly after Russia's accession to the WTO.

Another external challenge is the continued **uncontrolled outflow of such national strategic resources as capital and intellect overseas**.

In recent years, the threat of **drug trafficking and drug use** in Russia has seriously increased. For now, there is a negative trend here.

Like other countries, Russia is not immune to natural disasters. Epidemics are not excluded, with the emergence of new viruses and mutations of those already known, inter alia. The danger of technological disasters as well as negative effects of such disasters on the territory of neighboring countries still remains. Depletion and actual exhaustion of the Soviet technological resource are additional risk factors.

6. General priorities of the next cycle

Russia's national interests require involvement of external resources for modernization on the most favorable conditions. This means establishing and maintaining peaceful and stable partnerships with the countries, where the **main external resources** of modernization are concentrated. Among them are mostly the member countries of the Organization for Economic Cooperation and Development (OECD). Russia's need for investments and technologies from these countries will grow over the period of 2012-2018, regardless of the development scenario of the Russian economy.

As a country strategically focused on the partnership with the core of the world economy, Russia must skillfully use and build up ties with developing countries. Its partnership with them should solve a number of other problems, starting from provision of the Russian industry with market outlets and ending with addressing common regional issues of development and security. Russia should maintain a "multi-vector" policy.

The CIS countries will remain Russia's foreign policy priority because of a whole range of reasons. However, political opportunities in the post-Soviet space, in a very large extent, will be determined by the **success or failure of implementation of the Russian modernization project**. Only a modernized Russia would be able to act as the engine of the Eurasian integration and a sustainable pole of attraction for most post-Soviet states. This potential should be supported by cultural and historical ties with former Soviet republics. Without a major economic base communication will be lost.

Gradual building of the Eurasian Union (EAU) requires that forcing integration and expansion of the integration space should be avoided. It is important that the integration project in the former USSR **does not overtake the modernization project in Russia itself**, and even more so – does not act as an alternative to the latter.

Economic, political and human **rapprochement with the West** remains a priority, complementing the efforts on integrating the post-Soviet space. However, this process should be consistent without any fussiness.

Formation of a **“Greater Europe”** is another task facing the country. Here, we are talking about an organic combination of economic, scientific, technical, and social potentials of the European Union and the Russian Federation, and EAU in the future, and the development of energy partnership as an integration rod in the formation of common spaces in the economy, science and culture as well as structured cooperation in foreign policy.

As a preferred alternative to further expansion of the European Union, which seems to have surpassed its optimal size, Russia and its partners should focus on the formation of a wide range of **pan-European regimes** in a maximum possible number of areas. Russia's internal efforts to modernize the respective spheres of life will contribute to closer relations with the EU within the “Greater Europe” framework, and vice versa.

The solution of the great European problem will be seriously hampered if the residual military confrontation and geopolitical rivalry with the United States do not stop.

In geopolitical terms, Russia is **not so much a Eurasian country as a Euro-Pacific country**. This definition not only emphasizes the European roots of Russia, but also points to the important fact that the country has broad access to the Pacific Ocean. Moreover, commitment to a breakthrough in the APR does not constitute a waiver of the need to develop relations with Central Asian and Middle East countries.

Due to resource constraints, some regions of the world (Africa, Latin America) will be on the periphery of the Russian foreign policy interests. Nevertheless, it is very important to preserve positions for more active promotion of **“entry points”** in these regions in the future. In each region, Russia should focus on a small group of **supporting partners**, carrying out low-budget, though potentially effective strategy of the use of “soft power” in relations with other countries in the region.

7. Principles and tools

The major principle of foreign policy is the strategic independence of the country in the international arena. Russia is not a member of unions led by other countries, and for now, is not involved in the political and economic associations managed at supranational level. However, independence, in any case, should not assume the desire for isolationism or, the other way round, hegemony. Independence gives Russia the ability to be maximally active and productive in participating in a variety of coalitions, associations, and alliances that are created for specific tasks as well as regulation of individual dimensions of global and regional policy.

Foreign policy should provide a high level of efficiency with a minimum investment of material resources. This implies, in particular, **improving the mechanism** for making and implementing foreign policy decisions, including a thorough expert examination of initiatives, a radical increase in the level of interagency coordination of foreign policy, involvement of the civil society in the implementation of foreign policy projects, and the use of public-private partnerships in foreign policy.

Expanding a set of foreign policy tools that can be used by Russia is of equal importance. At the moment, Russia relies primarily on such tools as **military power** (including its nuclear component), **energy and raw resources** desperately needed by the world's leading economies, and **membership in key international organizations** (a permanent member of the UN Security Council). The set of tools should be expanded, taking into account new communication technologies, globalization of education and science, unprecedented explosion of public diplomacy, and much more.

One of Russia's strategic objectives in the coming years will be the identification of its international "specialization", that is, identifying areas where it has comparative advantage over others and use them to create global or regional public benefit. These areas may include **strategic stability and nuclear security, energy security, development of international law, international mediation**, and some others. Active work in these areas is partly able to compensate other weaknesses.

At present, Russia is seen by many including partners favorably disposed to us, as a **closed country**, whose leadership believes that any outside influence is potentially dangerous and destructive. It is necessary to promote the image of a different Russia – a country that is **open to communication with the outside world**.

It is equally important to develop inside the country the picture of the outside world as a **source of opportunities for Russia** and a resource for transformation. Today, a different picture of the outside world – a dangerous, cruel and hostile environment against which the country must defend itself – dominates the public consciousness. This thinking is an unsuitable psychological background for an effective use of the benefits of the globalizing world.

II. REGIONAL AREAS OF FOREIGN POLICY

1. The CIS integration core

Integration with individual CIS countries is not a means of solving the key problems of Russia's development. Nevertheless, **integration creates favorable conditions** for the formation of a more capacious market for goods, services, investment, and labor. In addition, the success of the integration project means building a “security belt” around Russia, which will facilitate the modernization transformation in the country.

Integration in the former Soviet Union should be understood in terms of an **economic rather than a geopolitical project**. The possibility of using energy as a basis for the integration process will eventually decline. Russia would have to offer its neighbors a much wider range of incentives to retain their economic orientation towards Moscow. These should be based on an expanded range of financial institutions, venture capital, and investment funds, establishment of mechanisms for disseminating successful models of Russian innovative businesses in the CIS countries, joint entry into international patent markets. The prospects of the more traditional sectors – transport, engineering industry, light industry – must not be underestimated.

It is important to **avoid any pressure** on Russia's partners on the issues with regard to the integration process. Otherwise, by not being “inside” entirely voluntarily, they will work for disintegration. It is also necessary to avoid the temptation to go the way of **mechanical expansion of the integration space** by hasty admission of the countries (mainly Central Asian countries) that do not meet the membership criteria.

The presence of integrated structures will mean that over time Russia will have to give them a **part of its sovereignty**. It is advisable to determine in advance the acceptable level of this delegation and the system of institutional safeguards to ensure our interests are met.

The issue of establishing a **solitary ruble zone** in the territory of the integration core of CIS is not clear. Implementation of this idea, appealing for political reasons,

could result in significant economic costs for Russia. Therefore, at this stage, it is not advisable to raise the issue of monetary union within EAU.

In this regard, **Russia's main priorities** for the period 2012-2018, concerning the integration core of CIS can be formulated as follows:

- Establishing a functioning Eurasian common market involving Russia, Kazakhstan, and Belarus;
- Creating a foundation for the Eurasian financial system;
- Developing a common humanitarian (primarily scientific, educational, and cultural) space covering three countries.

The integration core of CIS (Russia, Kazakhstan, and Belarus) is not isolated from other CIS states. A wider association – the Eurasian Economic Community (EurAsEC) – can be the basis for a truly functioning free trade zone; CIS is able to provide full freedom of movement without visas, and a close cultural and educational cooperation. In this connection, it is **inappropriate to curtail the work of the CIS**.

An important task for the coming years – developing **common financial institutions** of the CIS area (the existing but undercapitalized Eurasian Development Bank and the EurAsEC Anti-Crisis Fund, the planned Bureau of Technical Assistance for the CIS). These institutions could replace Russia's practice of hidden subsidizing most of the CIS countries and improve the effectiveness and efficiency of the Russian economic policy in the post-Soviet space. At the same time, Russia, as the main donor of these institutions, should retain the levers of influence and the control over the distribution of funds.

The next few years will give Russia a unique opportunity to position the Eurasian integration project as a real alternative to the orientation of the “west wing” of the CIS to the economic, and, in the future, political association with the European Union (considering the fundamental challenges currently facing the EU).

In this sense, the crucial task is **to change, in the coming years, the attitude of the European Union towards the integration processes in the former Soviet Union**. The first step could be a proposal to establish a permanent platform of interaction between the EurAsEC and the EU to discuss prospects of bilateral institutional cooperation.

In any scenario, the post-Soviet space will be an **open system** closely associated with other regions of the world. Possible attempts to “close” it for external influences and consider the CIS countries as objects of the geopolitical game between Russia and the EU (Ukraine, Belarus, and Moldova), Russia and Turkey (Azerbaijan and Armenia), Russia and China (Central Asia) have no future prospects. Russia will have to learn to interact with the CIS states under conditions of intense competition with the “external” players, which, however, does not rule out the active cooperation with them. Adhering to the “multi-vector” principle, Russia cannot deny its neighbors the same right, and their desire for diversification should not be perceived by Russia as a threat.

Russia will have to use **“soft power”**, learn how to make – at least on a regional scale – “international public benefit”. The next six years can be critical when it becomes clear to what extent Russia would be able to retain most of the former Soviet Union in the area of its cultural and civilizational influence. The first post-Soviet generation is coming into active life in the CIS countries. The issues of using the Russian language, the Russian educational standards, focus on the Russian culture, and the Russian way of life, are fundamentally different for this generation. If effective mechanisms for the use of “soft power” in the CIS area cannot be found communication with this generation may be difficult, and Russian comparative advantages will remain unclaimed.

Accordingly, the crucial task for the next six years is not to “reintegrate” part of the former Soviet space, but to effectively promote the natural processes of economic, educational, scientific, technological, cultural and humanitarian cooperation of each country. The new Eurasian Union should be formed primarily as **a set of regimes complementing one another** in different areas. The existence of such regimes should create “a safety net” in the case of possible sudden political changes in the CIS countries.

The following can be singled out as immediate tasks associated with the process of economic integration of the CIS countries, whose solution does not require large investments or complex agreements:

- Increasing the number of scholarships to students and scientists from the CIS countries for them to study and work in Russia;
- Allocating prestigious grants for joint research by scientists from Russia and the CIS countries;
- Expanding the network of professional contacts in the areas key for Russia;
- Establishing a network of leading political science research centers of the CIS countries;
- Developing a new strategy for cooperation with the diaspora of the CIS countries in Russia;
- Developing research, information, and public infrastructure in Russia aimed at cooperation with former Soviet republics.

2. Security in the post-Soviet space

Russia’s main security problems in the post-Soviet space will be concentrated in the **south** – the sub-region of Central Asia and, to a lesser extent, the South Caucasus. A separate set of threats is associated with the risk of escalation of “frozen” conflicts on the territory of some CIS countries and drawing in external forces into these conflicts.

In this connection, it is advisable to **“ground” the functions of CSTO**, turn this organization into a tool for solving specific security problems in Central Asia. CSTO remains an **amorphous organization** that seeks to simultaneously perform a range of diverse and not always combined functions. Until now, the priorities of CSTO have

been largely focused on the interaction with external structures (UN, SCO, and NATO), and not on the practical servicing of the needs of its members.

Measures are needed to **improve the military capabilities** of CSTO, modernize the Collective Rapid Reaction Force, equipping them with additional capabilities. Equally important is the task of bringing the **military-technical and military-economic cooperation** among the CSTO member states (including joint staff training) to a new level. Mechanisms for coordination and cooperation of the armed forces and intelligence agencies of the member countries require qualitative improvement.

Among the measures to **improve the organizational structure of CSTO** can be the creation of open programs to engage international organizations and non-member states as full participants, creation of an institution of special representatives of CSTO and CSTO observation missions in the Afghan border area. It is advisable to continue efforts on enhancing a dialogue between CSTO and NATO. The prospect of withdrawing the U.S. and their allies' forces from Afghanistan in 2014 will increase the need for such contacts.

In terms of **optimizing the CSTO interaction with other organizations in the post-Soviet space** it is desirable to eliminate the overlap of organizations where Russia plays the leadership role (CSTO, CIS, EurAsEC) in such a way that all the functions of political-military coordination moved from the CIS structures to the CSTO structures.

At present, **the functions of CSTO and SCO are not properly demarcated**. There is a possibility of further expansion of SCO functions of and consequently the marginalization of CSTO, which is unlikely to fully meet Russia's interests, as this can increase China's role in security issues in Central Asia. It is urgent to develop a legal mechanism of interaction between CSTO and SCO beyond the currently existing simple exchange of information between their secretariats. It is in Russia's interest to keep SCO focused not only on economic issues but also on security issues. It is precisely this aspect that has attracted Iran, Pakistan, and India as observers.

An important condition for the success of Russian foreign policy is its ability to facilitate the settlement of **"frozen" conflicts**, starting from the Transnistria conflict. Over the next few years, it is only in Transnistria that there is a chance for a real breakthrough; settling the conflict there can create a positive momentum on more complex conflicts in the South Caucasus.

Russia's important task for the period 2012-2018 will be to **minimize foreign military and political presence** in the CIS area. To do this, it needs to create alternative security mechanisms that are attractive to its neighbors as well as make progress in resolving bilateral issues.

The importance of **military cooperation with Belarus** will be reduced if there is "demilitarization" of relations between Russia and NATO. Nevertheless, preservation of military cooperation with Minsk is an important element of Russia's strategy in Europe and a significant dimension of relations with Belarus. Stable relations with Belarus will also preserve the importance for providing transport corridors between Russia and the EU.

3. The Euro-Atlantic security space: The United States and NATO

The OECD countries are the main external resource for the realization of Russia's economic development plans. In order to use this resource fully the consistent **change of the nature of relations with the United States** is required. The appropriate priority can be defined as gradual demilitarization of the Russia-US (Russia-NATO) relations, and **formation of a Euro-Atlantic security community**. Such a community is a prerequisite for a common economic space of the European Union and Russia/EAU.

The main objective of Russian policy towards NATO is creating the Euro-Atlantic security community with the participation of the Russian Federation. The main priorities in this direction from 2012 to 2018 include:

- Transformation of the Russia-US (and Russian-Western) relations on the path to strategic cooperation, reaching agreement with the U.S./NATO on the missile shield in Europe, which takes into account Russia's security interests;
- Building confidence through further arms control measures; agreements with the United States on non-strategic systems – cruise missiles and tactical nuclear weapons in Europe;
- Using the Russia-NATO relations to modernize the external security system of the Russian Federation.

Limited geopolitical competition between Russia and the United States will continue due to the fact that their interests objectively conflict with each other. However, Russia does not necessarily need to focus precisely on this issue. Time does not work on the preservation of American hegemony, although the margin of American leadership in the world will not be exhausted by 2018. The unipolar model of the world order has already been replaced by a more complex one, characterized by the presence of several different-sized centers of power. Russia's task is to increase its own attractiveness to foreign investors. Other areas could include a sustained effort to enhance scientific and technological, educational, cultural, and humanitarian cooperation with the United States. Attention should be paid to the potential of the Russian diaspora as this potential is hardly used.

Russia should not strive for leadership in any anti-American coalitions. Participation in such coalitions is permissible only in exceptional cases when it comes to the fundamental interests of national security.

It is in Russia's interest to promote a very smooth and least risky evolution of the world order towards a post-American world. Moreover, it is important that the American political elite do not focus on Russia as the main problem in the U.S. foreign policy, but on other issues, such as relations with China, Middle East issues, terrorism, nuclear proliferation, etc. However, this does not mean that Russia should abandon its criticism of the destructive foreign policy actions of the United States.

In the Russian-US relations, it is advisable to reduce the emphasis on missile defense issues. Today, Russia is unlikely to change the position of the United States and its allies. The missile defense dialogue must take into account the degree of real threat to Russia's strategic nuclear forces (SNF) and the costs associated with Russia's response to the deployment of missile defense.

With all the complexities concerning this problem, it is extremely undesirable that they completely block the possibility of **further mutual lowering of the ceiling of strategic offensive arms**. Any progress – especially if “third countries” are involved in the reduction of their strategic offensive weapons – could be of great importance in terms of cost savings for further modernization of nuclear arsenals and in terms of strengthening the nonproliferation regime, and in strengthening the Russia-U.S. relations.

The United States is indirectly interested in Russian tactical nuclear weapons (TNW) in Europe, just in the same manner as Russia is interested in the relevant U.S. assets in Europe. This is a bargaining chip for discussions with the Europeans (they are the only party really interested in the withdrawal of tactical nuclear weapons) within the framework of the Russia-NATO dialogue. The position of the United States can be influenced through Europe as well. It should also be borne in mind that Russia needs tactical nuclear weapons for secret capacity strengthening to deter China, while it is strengthening its conventional military power.

The Russia-U.S. “reset” has not led to a qualitative breakthrough in bilateral trade-economic, research, and other relations. The deeper problem is that there are no influential forces in both countries that are interested in developing relations. New tools are required to bring together the efforts of the governments, private sector, and civil society in the Russia-U.S. relations.

There is a need to carefully examine the recent experience within the Russian initiative on signing the comprehensive **European Security Treaty (EST)**. Under the present conditions, negotiating such a legally binding instrument guaranteeing its implementation by all countries of the Euro-Atlantic space is extremely unlikely. It is more appropriate to build the European security architecture in stages, starting with increasing the efficiency of existing mechanisms (OSCE, the NATO-Russia Council, sub-regional institutions). In particular, more attention should be paid to the **Helsinki Plus initiative** (restructuring of OSCE), with a view to establishing within OSCE a **coalition of states** that are interested in such restructuring.

In the near future terms, Russia can consider the United States largely as a partner rather than an opponent in the development of the Pan-European security system. The main threats and challenges to the U.S. interests lie in other parts of the world (especially in East Asia and Middle East), which objectively increases the **flexibility of American positions with respect to the security architecture in Europe**.

The consequences of the final collapse of the CFE (Treaty on Conventional Armed Forces in Europe) regime will be one of the problems of the Russian security policy in

Europe in the coming years. It is time for Russia to raise before its partners the question of development of a new treaty on conventional armed forces in Europe – a **post-CFE**, taking into account the current military and political realities.

4. Russia and the European Union

Despite the difficulties in relations with the EU, it is these relations that will remain Russia's **main economic, scientific and technological priorities**.

The current crisis in the European Union may be an additional factor in encouraging the EU to cooperate more actively with Russia. The crisis has demonstrated not only the weakness of the euro, but also the **fragility of the entire European project**. In the coming years, the EU will continue to experience increasing competitive pressures, which show greater economic growth rates, lower social costs, have richer demographic potential, and use more aggressive methods of doing business. For the EU, the Russian direction may be one of the few advantages compared with global rivals.

General priorities of Russia's policy towards the European Union for 2012-2018 could be:

- Entering into a new Russia-EU partnership agreement with a further gradual transition to the format of relations between the Customs union/EurAsEC/CES and the EU;
- Removal of existing barriers to mutual foreign direct investment;
- Establishment of joint research and production facilities, exchange of assets, Russia's entry into the European program for scientific and technological cooperation (Horizon 2020);
- Further liberalization of visa regime with the EU countries, raising the level of educational and scientific mobility between Russia and the European Union;
- Increasing cooperation with the European Union in combating drug trafficking;
- Strengthening Russia-European cooperation in combating international terrorism;
- Increasing coordination of efforts between the two sides on cooperation during emergencies and humanitarian crises;
- Creation of a professional Russian business lobbyist structure in Brussels for the interests of the innovation sector enterprises.

For the period between 2012 and 2018, it is advisable to raise the question of **final transformation of Central European countries from foreign policy liability into foreign policy asset**. For this purpose, the following is proposed:

- Deepening the Russia-Polish historical reconciliation;
- Advancing similar processes with Latvia, Lithuania, and Estonia;
- Settling the Transnistrian conflict within the Russia-European Union partnership;

- Increasing economic cooperation with the CEE region through implementation of joint investment projects (energy, transport, infrastructure, financial sector, tourism, and education).

Russia's "northern facade" – the Arctic – is a geopolitical continuation of the Euro-Atlantic, and it is of particular importance for the country. In 2012-2018, it is necessary to solve the following tasks:

- Secure the exclusive role of the Arctic countries in matters relating to the Arctic;
- Maintain the practice of exclusively peaceful settlement of disputes in the region, promote the process of demilitarization of the Arctic Ocean;
- Achieve an international solution (favorable for Russia) of the continental shelf issue;
- Develop international navigation along the Northern Sea Route, create the necessary infrastructure in the Russian Far North;
- Provide the conditions necessary for the advancement of cooperation with countries in the region on the issues concerning the environment, energy, protection and development of small peoples of the North, cooperation in the field of education and research on the Arctic issues;
- Position Russia as a natural leader in the coordination of international Arctic cooperation, developing the Arkhangelsk infrastructure as a platform for this work.

Of special note is the need to intensify Russia's efforts through the **Partnership for Modernization** Program. Russia needs to consider the issue of an optimal balance of state programs and private sector initiatives in relations with the EU.

5. Asia and the Pacific: economic integration

Over the past decade, the center of the world trade and investment has shifted to the Asia-Pacific Region (APR). During the upcoming period concerned, the importance of this region will increase, especially given the systemic problems and crises likely to occur in other parts of the world.

Development of Russia's **eastern regions** is the main priority of the country's policy within the APR. Development of international cooperation should, on one hand, serve the needs of regional modernization, and on the other hand, set its vector, forcing the necessary internal reforms. In connection with this, tasks for 2012-2018 are:

- Attracting investments, technologies, experts and manpower to the Far East and Siberia for the creation of modern transport infrastructure and facilities;
- Gradual expansion of the Russian niche in the APR: from energy resources and transit facilities to space services, and, eventually, educational services;
- Securing a stable position for Russia in the food markets of the region;
- Development of the tourism infrastructure in Siberia and the Far East;

- Broad economic cooperation at the regional level: not only with Northeast China, but also with Taiwan, South Korea, the western U.S. states (from Alaska to California), Canada, Japanese prefectures, Australia, and New Zealand;
- Strengthening links with ASEAN as the fastest developing regional structure;
- Positioning Russia as the main land (the Trans-Siberian Railway) and maritime (the Northern Sea Route) corridor between East Asia and Europe; resolving the issues of infrastructure, logistics, customs and border formalities;
- “Double integration”: integration of Eastern regions of Russia into the country’s common economic space, on one hand, and the Russian Federation into APR, on the other hand.

To address these priority tasks, the following measures can be suggested:

- Maintaining stable friendly relations with China, considering, however, a possibility of slower economic growth there and recognizing the limits of the current model of economic relations between Russia and China;
- Creating a modernization alliance with South Korea, especially taking into account various options for the development of North Korea in 2012-2018;
- Engaging Japan in close economic cooperation with Russia, regardless of the solution of the territorial problems;
- Creating a modernization alliance with Singapore; expansion of cooperation with countries of Southeast Asia and, above all, with rapidly developing Vietnam;
- A phased transition to the principle of free trade – from states that are the least “painful” for the country (New Zealand and Vietnam), to more complex ones;
- Active participation in multilateral diplomatic formats – APEC, East-Asia Summit, ASEAN Regional Forum, Six-Party Talks on Korean Nuclear issue, and etc.;
- Transformation of Vladivostok into one of the centers of cooperation with APR (for example, in discussing the issues of education, science, and innovations).

The planned **Trans-Korean Highway and Trans-Korean Gas Pipeline** could be a way to involve Russia in the economic cooperation in the region.

Since Russia’s influence in the region is small it is advisable to focus on the **broadest possible diversification** of political and economic relations of Russia in APR in order to prevent the formation of an asymmetric dependence on one country or group of countries.

6. Security and geopolitics in the Asia-Pacific Region

An intensive arms race is continuing in the region. The urgency of the North Korea’s nuclear issue is not declining. Territorial disputes still persist. There are signs of formation of political and military confrontation between the United States and China. These trends will continue in the period under review.

Numerous **non-traditional security issues** will be of equal importance for the region: cybercrime and political extremism, natural disasters, epidemics and food security, struggle for natural resources and control over transport routes, and others. Russia could play an active role in the search for multilateral mechanisms meant to enhance cooperation in these matters.

Since the beginning of this century, the emerging Chinese nationalism is taking the form of a **long-term foreign policy program**. Besides the obvious tasks (universal recognition of China's territorial integrity, including Taiwan, Tibet, and Xinjiang, settlement of territorial disputes with neighboring countries on Chinese terms), this strategy aims at achievement of the following objectives:

- International recognition of China's "special rights" in the South China Sea;
- Spread of a dominant Chinese influence in Southeast Asia;
- Ensuring support to China's positions on the part of the neighboring countries in China's disputes with the United States and other Western countries;
- Securing the "special rights" for Chinese minorities abroad;
- Spread of the Chinese language in Asia, ensuring bilingualism in foreign areas densely populated by the ethnic Chinese.

The current trends that will continue until the end of the decade are the evidence of increasing rivalry in relations between the United States and China. However, a full-scale confrontation is unlikely.

Under these conditions, Russia needs to implement a **flexible geo-political maneuvering** in relations with China. In practice, this means the following:

1. To strengthen good-neighborly and friendly relations in every way possible. A very close strategic partnership is not beneficial for Russia because of the increasing (in favor of China) difference in potentials. Russia's Asia-Pacific policy should be balanced, focused on the expansion of Russian relations in the region, not allowing a situation in which Beijing will be the main player in the Russian Far East;
2. Maintain and develop close relations with leading world powers – the United States and China – while avoiding excessive involvement in their disputes;
3. Actively pursue a policy of improving relations with Japan. Russia needs a friendly Japan as a modernization resource, on one hand, and as an element of geopolitical balance in Northeast Asia, on the other hand;
4. Emphasize Russia's interest in the transformation of South Korea (in the case of unification of the country – of a unified Korea) into a reliable regional partner;
5. With regard to North Korea's nuclear program, seek to strengthen the nuclear nonproliferation regime and prevent an armed conflict near the Russian border;
6. Maintain traditional relations with Vietnam as the closest of the ASEAN countries having a large development capacity and strengthen ties with Indonesia – a potential leader in South-East Asia;
7. Develop cooperation with India as a great Asian power uniquely friendly to Russia, while avoiding interference with the possible rivalry between India and China in Asia.

In **Northeast Asia**, there are intertwined interests of the most influential countries in the region, and Russia could play a more active role there. There is no effective mechanism here to ensure stability and security, neither is there any multilateral mechanism that promotes development. The mechanism of Six-Party Talks on Korean Nuclear Issue can be the basis for a discussion structure. As a country that oversees security issues in the Six-Party Talks, Russia should take the initiative of organizing a dialogue with the participation of the expert community of the countries concerned. Vladivostok could be a permanent platform for such a dialogue.

7. Central and South Asia

In Central and South Asia, Russia faces three interrelated tasks: 1) maintain and possibly increase **Russian influence in the Central Asian countries**, which initially will not be included in the integration core of the CIS; 2) intensify **cooperation with India** – both in the economy and on security issues; 3) minimize the **destabilizing effects of the withdrawal of the U.S. and NATO forces from Afghanistan**.

In contrast to Kazakhstan, the other Central Asian states will not be included in the Customs Union and the Eurasian Common Economic Community Space (CU/CES) in 2012-2018. However, they are Russia's EurAsEC economic partners and CSTO allies. The "integration perspective" must be left open for all Central Asian countries.

The priority should be to preserve the **political and socio-economic stability** in these countries and to prevent them from being transformed into geopolitical competition targets.

In building economic relations with the "integration reserve" countries it is advisable to follow the path of improving **bilateral free trade agreements** and their gradual expansion to other areas (exchange of services, investment liberalization, and transport cooperation). At the same time, Russia should strive to avoid competition with these countries (primarily with Turkmenistan) for energy and other raw materials in the world markets.

The main urgent task regarding Central Asia is to dramatically **reduce the flow of drugs** coming into Russia from Afghanistan.

India is Russia's main strategic partner outside the former Soviet Union. This is an **underestimated asset of Russia's policy and foreign economic relations** (in comparison with China). The main task is to bring traditionally friendly relations to the status of a real strategic partnership. This is possible through a radical expansion of economic cooperation and increase of mutual attraction for business. India is one of the few markets for Russian industrial products. Russia is interested in a deeper involvement of India in SCO.

In cooperation with neighboring countries, Russia should seek to neutralize the negative effect of Afghan events. The interests of all key players, both regional and global, are generally the same, thereby allowing relying on the formation of a **broad international coalition**, where Russia could play a significant role. However, Russia should proceed from the fact that the internal structure of Afghanistan is to be decided by the Afghans themselves.

Taliban's possible victory over the central government after the withdrawal of international forces from Afghanistan would have a **destabilizing effect on Pakistan and Central Asia**. All these require active measures by CSTO to counter new threats as well as improve the mechanism of activities of this organization.

8. Middle East and North Africa

The Middle East and North Africa will more likely become a **source of problems** rather than opportunities for the Russian foreign policy.

The following are among the major challenges that Russia may face in the future:

1. Another escalation of the U.S.-Iranian frictions with the possibility of a **military strike on Iran** by the U.S. or Israel. Possible steps that would minimize the impact of this scenario on regional and global stability should be worked out in advance;
2. Sustained and deepening **discrepancies between Russia and its leading Western partners** related to the situation in the region;
3. Strengthening **Islamic extremism in the region**. The "overlap" of political and social instability through the southern border of the former Soviet Union to Central Asian region, and penetration of international terrorism in the North Caucasus region will pose a particular danger to Russia;
4. Further complication of the **Middle East peacemaking process**. Taking into account Russia's participation in the Quartet on the Middle East, the large number of Russian citizens living in Israel, and the Russia's traditionally friendly relations with the Palestinian leadership, it can be argued that the failure of the Arab-Israeli Dialogue will affect Russia's interests.

Systemic political changes in Iran may also become a challenge for Russia. They will call into question some aspects of Russian-Iranian cooperation, especially military and technological cooperation.

It cannot be excluded that in 2012-2018, the **erosion of political stability in the Persian Gulf countries** will begin.

There are also **some opportunities**. A number of countries (mainly Turkey and Iran) are Russia's important trading and political partners. Some states have the material resources to invest in the Russian economy. The region has major buyers of Russian military equipment. In the end, Israel is a unique partner for modernization.

9. Africa

In the near future, Russia will not have the resources to engage actively in the “battle for Africa”. Therefore, **the ideas of restoring positions in Africa, which the Soviet Union enjoyed in the 1960-1970s, are irrelevant.** Nevertheless, the Russian policy should not ignore the continent where there is predominantly overall positive attitude towards Russia and there are still old links. A sound policy will lay the groundwork for the future, when Russia will have more resources and interests in this geographical area.

Some **supporting partners** should be identified among the countries of the continent. They should have a potential regional leadership, be of considerable interest for Russia as a source of scarce raw materials or markets, be prepared both for a long-term political cooperation, and for mutual trade liberalization. These supporting partners could be Egypt, Nigeria, and the Republic of South Africa. Each of these countries needs an individual strategy based on Russia’s interests as well as on the existing experience of cooperation and presence of influential supporters of cooperation there.

Considerations of ethics, reputation, and prestige require that Russia does not shied away from participating in international programs of aid to African countries as well as in multilateral peacekeeping operations in Africa. It is in Russia’s interest to negotiate with its G8 and G20 partner countries on the **fundamental division of geographic areas of responsibility of major international donors.**

Africa can be **one of the economic competitors** to Russia. The main importers (countries of the European Union and East Asia) will tend to set Russia against African exporters, striving to get from both sides the most favorable supply conditions.

10. Latin America

The continent’s share in the world economy will grow, while relations with the United States will be complicated.

These trends as a whole create **favorable opportunities** for the expansion of political and economic cooperation between Russia and the countries of the region. Russia can count on the concurrence or similarity of views on many key issues of global development, including nuclear non-proliferation, countering terrorism, maintaining a central UN role in international security. Cooperation with Latin American partners under regional organizations (APEC) and intercontinental formations (BRICS) is perspective. Cooperation on the global governance is attractive. Latin America remains one of the few promising markets for Russian industrial products.

In the foreseeable future, Russia will not be able to be a competitor to the U.S. in this region, and will not be able to compete with China here either. Limited resources require that Russia **focuses efforts** on the countries key for Russia. The most forward-looking policy is the formation of a **strategic partnership with Brazil.**

III. FUNCTIONAL (GLOBAL) AREAS OF FOREIGN POLICY

1. Global political dispensation and the world order

Russia's main objective is to facilitate the formation of a balanced world order that would ensure its independence, create favorable conditions for development, and guarantee the national security.

Russia can enter into **tactical alliances** with various states and groups of states, but should not consider it to be advantageous or desirable to create a coalition against anyone, or to join existing coalitions (except for consolidating the main part of the former Soviet Union around itself).

Generally, Russia should maintain its current approach to the United Nations supporting the enhancement of its role in global affairs, but viewing it as a tool for global politics, and not as a subject. In any scenario of the UN reform Russia must keep its first-tier status within this organization. Any attempt to de facto usurp the authority of the UN Security Council by the Secretariat should be prevented.

Moreover, Russia **should not allow reducing the debate of reforming UN to the issue of the composition and procedures of the Security Council**. There are many other issues, whose solution would ensure the effectiveness of interaction of specialized UN bodies, involvement of non-governmental organizations into the practical work of the UN, possible intensification of the activities of the Military Staff Committee, increasing the authority of the International Court in the Hague, etc. It would be advisable to take the initiative to develop the relevant proposals. It is desirable and possible to resume a large-scale Russia's participation in the UN peacekeeping operations.

Russia should seek to enhance the UN role in combating the **proliferation of nuclear weapons** by expanding the powers of the Security Council to act against violators of the nonproliferation regime.

The current Russian attitude towards the issues of changes in the **public international law** should be corrected. For example, the fuzziness of the international legal framework for humanitarian interventions allows their initiators to broadly interpret a UN Security Council resolution. Russia may come up with an advanced initiative on creating an international legal basis for any campaigns that have humanitarian mission.

2. Multilateral institutions

A clear understanding of the specific interests of Russia must define our position in **G8, G20, and BRICS** (Russia is the only country in the world participating in all these three organizations). At the heart of Russia's position is an active search for optimal solutions of global economic, financial, and trade issues, rather than a desire to change the global balance between, relatively speaking, the West and the major developing countries. Russia's position on specific issues should not vary depending on the forum, in which the country participates.

Developing the G8 and BRICS dialogue should be used to influence decisions within G8. BRICS, in its turn, can be used as the **G20 second core**. It is advisable to organize interaction with the **"civil G8"**. It is useful to apply this experience to prepare for the G20 presidency.

The interaction with the BRICS countries makes sense for Russia, above all, from the informational and consultative point of view. Moscow has reliable channels of bilateral relations with these countries, especially with India and China. Russia's success in BRICS depends on the ability to change its specialization under this configuration – to move from resource servicing of China and India to innovation and scientific servicing of the partners' needs.

3. Economy and finance

It is necessary to examine the existing specific international experience of the government promotion of the world economic expansion of national business and identify patterns and practices best suited for Russia.

It is necessary to improve the quality of Russia's involvement in the **international scientific and technical cooperation**. The tasks of **effective international marketing** of the Russian product developments, delivering of domestic innovations to the international patent markets, attraction of foreign venture capital, and acquisition of experience in venture activities, are relevant for Russia.

Russia's participation in reforming the **global financial and economic architecture** will be fairly limited. During the period under review, it will be unrealistic to transform Moscow into a global financial center, able to compete with 10-12 leaders. In the best case, Moscow can act as a regional financial center serving the CIS area.

It is premature to raise the issue of turning the ruble into one of the **world's reserve currencies**. This task should be postponed to a more distant future, as approach to this issue requires the entirely different quality of the Russian economy and finances.

The process of **integrating the Russian economy into WTO** will be the most difficult and painful for the country. At the time of actual entry, Russia should have a program for the revision of the previously imposed unreasonable restrictions on the Russian goods and services. In 2012-2018, Russia will have to develop its national strategy

of behavior within WTO, and reconcile it with its strategies as regards OPEC, the Gas Exporting Countries Forum, and the International Energy Agency.

Russia should not excessively rely on its membership in WTO. Most countries (including the United States and China) increasingly prefer to promote their foreign trade interests through **bilateral and regional agreements on trade and investment liberalization**. Russia, in this respect, is one of the countries lagging behind – outside the CIS area, with very few agreements of the kind and the efforts concentrated only in limited areas.

The issue of **optimizing import management mechanisms** is closely related to the task of building a new system of bilateral and multilateral trade agreements. Developing a technology for selective protectionism and flexible application of anti-dumping procedures is urgent.

Large reserves for inclusion into the global economy exist with the use of **Russia's transit facilities**. A sharp increase in the capacity of the Trans-Siberian Railway and the solution of accompanying problems of regional infrastructure should be the central element of Russia's transport strategy.

Russia provides assistance to less developed countries. The strategy in this area should primarily focus on the countries **historically associated with Russia** – those of Central Asia, South Caucasus, and Moldova. The purpose of aid is to stimulate economic and social development of the neighbors, thereby improving the external conditions of Russia's existence.

4. Strategic stability and nuclear non-proliferation

Russia's role is to maintain leadership in efforts of **reducing nuclear threats** together with the United States. For this purpose, the following measures are necessary:

- Reduction of nuclear weapons with the involvement of other nuclear powers in this process;
- Transformation of nuclear deterrence in the direction of cooperative strategic relationship between the leading states;
- Combating further spread of nuclear weapons and preventing their use;
- Improvement of the nuclear weapons and materials safety, strengthening confidence-building measures between the nuclear states, guaranteeing the safety of the “threshold” states that abandon the production and possession of nuclear-weapons.

In this area, Russia can count on the **broad international support and the improvement of its image in the world**.

It is advisable to return to the issue of security **“negative assurances” for non-nuclear member states of the Non-Proliferation Treaty (NPT)** by the states that are official members of the “nuclear club”. Taking into account the new situation in the area of proliferation we can return to the idea of a convention, legally enshrining full security guarantees to non-nuclear member states of the NPT.

5. Energy security

In 2012-2018, the structure of global energy consumption **will not change fundamentally**. Just like at present, the energy mix will be based on five primary sources: oil, natural gas, coal, nuclear energy, and hydropower.

Geographical distribution of energy consumption is changing much faster. Despite the inertia of global energy sector, the current decade will be marked by **high volatility in energy markets**.

Achievement of a sustainable market and political balance between the interests of the major players in the energy markets – producers, consumers, and transit countries of energy resources is in Russia's interest. The practical expression of this effort could be a system of energy partnerships between Russia and a number of leading players, primarily, the European Union and the Northeast Asia.

High level of **politicization of the energy markets** will continue. When choosing a preferred provider of energy resources consumers (especially in Europe) will not be the last to rely on non-economic considerations. These factors are essential for the rebranding of the Russian energy business in Europe. In Asian markets, it is necessary to take into account the peculiarities of the local pricing system, which does not allow relying on revenues comparable with the income derived in the European markets.

Russia's adaptation to the likely changes in the global energy markets **should start now**; otherwise the country may not have time to implement necessary investment projects, including the creation of an expensive transport infrastructure. Russia should once again carefully examine the commercial feasibility of the large-scale transportation projects in the field of gas supply, which have been already approved, first of all, in order to avoid political risks in relations with the transit countries.

Russia should **raise the priority ranking of international cooperation** in the field of energy efficiency. The power intensity of the Russian economy is 3-4 times higher than that of the developed countries. This situation cannot be changed without a large-scale involvement of foreign technologies and expertise. The tasks of increasing energy efficiency should be addressed comprehensively, including, inter alia, the use of fiscal, administrative, and educational mechanisms.

6. Conflict resolution

Non-involvement (with rare exceptions) in international conflicts allows Russia to act as an **“honest broker”** between the conflicting parties. This is primarily related to the conflicts in the former Soviet Union as well as to the situations around the nuclear programs of Iran and North Korea. Russian participation is in demand in the Middle East, Afghanistan and several other areas. Successful mediation requires serious diplomatic efforts while contributing to the country's international prestige and influence.

A long-term conflict resolution is impossible without launching the socio-economic development of the conflict-prone areas. However, the experience such as in the case of Russian North Caucasus shows that massive aid programs alone cannot solve the problem. A comprehensive approach to long-term solution, which could link economic, social, and political issues with security problems, is necessary. It is advisable to give the Eurasian Development Bank authority to effectively provide international aid for conflict settlement in the former Soviet Union.

7. Environmental issues

Natural and climatic changes are associated with significant risks, but they open **new opportunities** for Russia. As a country with vast forest areas and the largest reserves of fresh water in the world Russia is in an advantageous position compared with most countries. Russia must learn to use these advantages in its foreign policy. At the same time, Russia bears the responsibility of eliminating the effects of pollution on its territory.

Possible worsening of environmental problems in most countries of the former Soviet Union in 2012-2018 may be expected. As to the activities of EurAsEC and other multilateral regional organizations more attention should be paid to environmental issues. Russia could take the lead in developing a strategy of creating a **regional market for water resources**, in terms of the future prospects this can be one of the arguments in favor of maintaining Russia's focusing on the Central Asian countries.

Interaction with China is the second most important area of regional environmental strategy. This should go beyond the regulation of near-border and cross-border waterways and include a wide range of issues (coordination of positions in international organizations, joint development in the field of environmental and energy saving technologies, agreement on cooperation in the fight against natural and man-made disasters).

Environmental issues should be one of the Russian topics on the **APEC** agenda as well as on the agenda of bilateral and multilateral discussions of the **Arctic** issues. It is important for Russia to raise the issues of maintaining the biodiversity of the North Pacific, to seek assistance from partners in combating poaching and illegal fishing.

Russia should more actively and consistently raise environmental issues at the **global level**. It is worth noting that almost all participants in international relations use these issues for political purposes.

8. Migration and coexistence of cultures

During 2012-2018, the needs of the Russian economy and demography given the current state of the country will dictate the necessity to attract a significant number of migrant workers. In this regard, a deliberate policy of adaptation, integration, and naturalization of immigrants is required. This area still has a number of administrative, legal, political, psychological, social, economic, and other problems requiring urgent solutions.

On the global scale Russia is engaged in an **intensive competitive fight for high-quality human resources** with the European Union, North America, and even some of its neighbors in CIS. Therefore, it must learn to attract and retain human resources in different ways. At the same time, the Russian policy should be directed in such a way that the influx of foreigners enriches the country rather than undermining its unity. There is a need to improve interagency coordination in the regulation of migration processes with the participation of the Ministry of Foreign Affairs, the Federal Migration Service, the Ministry of Education and Science, the Ministry of Regional Development, and the Ministry of Culture.

The migration strategy should reflect the change in the structure of the Russian economy and the need for the development of innovative industries. Implementation of the migration strategy will come in place during the period during which internal structural unemployment will rise. Therefore, possible strengthening of negative attitudes in the society towards migrants can be easily predicted.

9. Russia's "soft power"

Russia possesses **substantial "soft power" potential** which is still underutilized. This is one of the most important reserves of Russia's foreign policy. A robust strategy of building-up the Russian "soft power" is needed. This strategy could include, inter alia, more active progress in **modern means of communication**.

Another foreign policy resource is the expansion of the **export of educational services**. The education export strategy should include creation of significantly higher quality products (supply) and actively encourage the flow of students (demand). Under this strategy develop jointly with the Ministry of Foreign Affairs and the Ministry of Education and Science, the niches, which the Russian education export could fill in the first place, should be defined, and the ways of their expansion should be identified. It is important that Russian universities maintain their attractiveness for the neighboring states, i.e. the countries, with which Russia has been developing economic integration and forming regional security systems.

Along with education, **science and technology are potentially an important element** of Russia's "soft power". Recent years have seen a number of large-scale federal initiatives aimed at encouraging innovation, research and education, and infrastructure projects. At the same time, the increased inflow of funds has not yet led to qualitative changes in the modernization of the Russian science, and weakly contributed to the systemic integration of domestic science into global scientific cooperation mechanisms.

The **Russian culture** remains a major element of Russia's "soft power". Its promotion involves modern commercial approach. At the same time, a joint strategy of the Ministry of Foreign Affairs and the Ministry of Culture for the dissemination of the Russian culture in the world is required. Political priority does not lie only on the CIS countries, but also on Russia's key partners in the world – European and North

American countries, China, India, Japan, and Turkey. The importance of the Russian culture will also grow in the context of interaction with the Russian diaspora abroad.

Culture is closely linked with the **language**. Further development of education in the Russian language in the CIS countries, promotion of the activities of Slavic universities in Central Asia, and development of international radio, television, and Internet broadcasts in the Russian language are all necessary. This is the scope of Russia's financial responsibility.

A large reserve of Russia's "soft power" is **tourism** and Russia has enormous resources to develop it. The inclusion of this reserve would require a nationwide program for the development of tourism infrastructure – from airports and hotels to improving the level of professionalism of those involved directly in this area to comply with international requirements. An important element should be a fundamental improvement of language skills of the tourism industry personnel and government officials starting from police officers.

The **Russian Orthodox Church (ROC)** is a special component of Russia's "soft power". Positioning of ROC as a transnational institution is advisable.

The **inability to use the potentials of Russian diaspora**, especially in the leading Western countries has become a chronic problem. The real obstacles that has prevented this in the past (ideological nature of much of the emigration from Russia, limited resources that the government could allocate to the activities with the diaspora, lack of effective channels of communication) are now disappearing.

People's diplomacy enables foreign policy to go beyond the government bureaucracy and realize the potential of people who have received wide recognition without holding official positions. They can take an active part in discussing on international issues and influence the formation of international public opinion, but also create movements and organizations for the practical solution of many problems.

* * *

A brief review of foreign policy objectives in the coming years can create a view of the extraordinary difficulties involved with the attempts to solve them.

Actually, there is no country or geographic region in today's world that does not face historically sustainable threats and challenges. No-one has definitive answers to the challenges of the time. In the world of the XXI century no-one is guaranteed the position of an international leader. One thing is clear: the importance of such intangible factors as creative foreign policy thinking, innovative approaches to global problems, ability to rapidly respond to changing external conditions will all rise.

Russia's history gives examples of many missed opportunities, unrealized chances, unfortunate mistakes, and foreign policy miscalculations along with the outstanding foreign policy victories and amazing achievements that relied on clearly insufficient resource. There are no reasons to believe that these opportunities have been lost forever.

With all those numerous foreign policy challenges, Russia's position in the world today is more favorable than it was 10-15 years ago. Russia has passed the point of its "maximum weakness" and has entered its recovery stage. The outside world needs Russia and Russia needs the outside world.

Russian International Affairs Council

Printed in Russia