

**CENTER FOR
STRATEGIC AND INTERNATIONAL STUDIES
(CSIS)**

**ASSESSING U.S. POLICY TOWARD RUSSIA IN THE WAKE OF
THE RUSSIA-GEORGIA CONFLICT**

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JOHN HAMRE: Good afternoon, ladies and gentlemen. Welcome back to the, basically, the second series that we're having with the Schieffer seminars. My name is John Hamre – I'm the president here at CSIS – and we are the great beneficiaries to be partnered with Larry Lauer and the great journalism school – the Schieffer School of Journalism at Texas Christian University – and this is a wonderful program that's made possible because Bob is willing to devote his personal time to help us bring together some of the finest intellects in Washington to have a civil discussion – don't you love that, a civil discussion – about some of the most timely issues of the day. We're very grateful that we could do it again this year. Bob, thank you so much, and let me turn it to you to get us started. It's going to be a great session.

BOB SCHIEFFER: Thank you. Thank you very much, Dr. Hamre, and hello everyone. Well, today the subject is going to be Russia. And what is the future of Russia and American relations? And we have a very distinguished panel: Sandy Vershbow – Alexander Vershbow – from July of 2001 to July of 2005, he was the American ambassador to Russia. Until September 1st of this year, he has been our ambassador to Korea. Career in foreign service; he has served as the U.S. ambassador to NATO; director of the State Department's Office of Soviet Union Affairs during the last years of the USSR. In 1991, he participated in NATO's earliest initiatives to forge cooperative relationships with Russia and the other states of the Warsaw Pact.

Andrew Kuchins, a senior fellow and director of the CSIS Russia and Eurasia program. He was a senior associate at the Carnegie Endowment – from 2000 to 2005, director of the Carnegie Moscow Center in Russia, conducts research; writes widely on Russian foreign and security policy. He served as a senior program officer at the John B. and Catherine T. MacArthur Foundation from '93 to '97. There, he developed and managed a grant-making program to support scientists and researchers in the former Soviet Union.

Jim Hoagland, of course, is the weekly columnist for the Post. He writes on foreign affairs. He has won two Pulitzers – in 1971 for international reporting and in '91 for commentary. He began writing the column in 1986 in Europe. He has been the Post's foreign editor. He was stationed in Africa, and in 1972, he went to Beirut as the Middle East correspondent for the newspaper.

So why don't we just begin – I'd like to just start, and why don't we start with you, Andrew. Why don't each of you just give us a little, brief summary of where you think things stand with Russia right now. What are the problems that a new administration and a new president is going to face?

ANDREW KUCHINS: Well, Russia is presenting real challenges and problems for not only the United States but for our European allies. It will certainly be a higher

priority issue on the agenda of the next president when he comes in, in January of 2009. And I guess a lot of it goes to the Russian perception – right or wrong – that they were being taken advantage of for a number of years by the West, and particularly the United States, that their interests were not being sufficiently taken into account because they were so weak in the 1990s. And then, quite unexpectedly, to a great degree due to the increase in revenues from oil and gas sales, the Russian economy has recovered remarkably quickly in the last eight or nine years, coinciding, more or less, with Vladimir Putin’s rule – not necessarily due to it. He might be Vladimir the Lucky in that regard.

And the Russians have a lot of axes to grind. And I think they had – or the Georgia War that we saw in August – to some degree, that was sort of a catharsis for the Russians. That, you know, this is a big event – the first time that Russian military forces have been used outside of the borders of the Russian Federation, going back to the war in Afghanistan. And, to some extent, it’s a way of them saying look, we are back; you need to take our interests seriously. We have some red lines, and while we’ve been talking about red lines for the last 15 years, now we’re really serious. This is not the case of the boy crying wolf any more. And that’s been the – for the Russians, it’s been hard to adjust to this rapid rise in their fortunes – and I think for the rest of the world, it’s difficult to react to them.

MR. SCHIEFFER: Sandy.

ALEXANDER VERSHBOW: Well, I would certainly agree with that. I haven’t been directly involved in Russian policy for the last three years, but I think a lot of the negative trends we’ve seen come to a kind of crescendo with the crisis over Georgia have their roots in the period when I was in Moscow – particularly since 2003, when things began to go sour with the reaction to Iraq, the arrest of Khodorkovsky, which we’re celebrating the fifth anniversary thereof, and the Rose and Orange Revolutions. I think it led to a change in attitude on the Russians’ part that goes even deeper than the notion that we were taking advantage of them.

I think they began to believe quite – with great conviction – that the United States was out to weaken Russia, to deprive Russia of its rightful place in the world, to marginalize Russia in the international system. I think, although, that was fundamentally wrong, but I think this conception began to take root – part of it, I think, reflects the dominance of people from the security services in the leadership, who, I think, never bought into the paradigm that we were – I think both of us were operating on in the late ’80s and through the ’90s, which was that we’re trying to integrate Russia, build a Europe whole, free and at peace with a democratic Russia as an integral part, to bring Russia into institutions such as the G-8, or at least build close partnerships such as the NATO-Russia Council to help Russia with its transition.

I think Mr. Putin and some of the other leaders who rose to prominence under his watch never believed in that paradigm, and I think that now, they’re in payback mode. And I think they’re taking advantage of some of our own difficulties – the financial mess

being the latest – to try to, I think, settle a lot of scores. And, therefore, it's going to be very difficult for the next administration.

But, at the same time, changes of administration mean an opportunity to turn the page and at least make a fresh start, and I think that we have so much at stake in our relationship with Russia that we have to make an effort at a fresh start, but I think the Russians are going to have to mellow considerably on a number of fronts as well, or else we're going to be stuck in the rut that we were in for a long time.

MR. SCHIEFFER: What would be your thoughts, Jim?

JIM HOAGLAND: Well, they follow along my two colleagues' here, Bob. Let me first say how pleased I am to see so many people here this afternoon. It's quite a tribute, I think, to John Hamre and to CSIS, and to say how honored I am to be with you, Bob, considering the company you've been keeping recently.

(Laughter.)

MR. SCHIEFFER: I would just say, there's a lot less tension at this table – (laughter) – than at the one I was sitting at the other day. I'll tell you, for sure.

MR. HOAGLAND: The stakes are somewhat lower. It's true.

MR. SCHIEFFER: It was very interesting, and I was very honored to be there, but go ahead.

MR. HOAGLAND: And I feel a little bit like the gamekeeper turned poacher being here and answering a question from Bob instead of asking questions, but we'll get some questions going later. I would say, in terms of U.S.-Russian relations, you can only say that they're at a distressingly low point today, and it's distressing, in large part, because they don't need to be in that state. There really isn't a fundamental conflict in foreign policy between Russia and the United States today.

But I've got an example of part of what the problem is. Last week, when I was at a conference in Evian, France, where President Medvedev spoke and delivered a speech that was very critical of the United States. He could have delivered that speech and made the same points without being so irritatingly offensive toward Americans in general. Rather than focusing criticism on the current administration, he went after the United States as a country.

And the other distressing thing about it was to hear him, as Putin often does, rewriting history, particularly in terms of the U.S.-Russian relationship – prime example being the subject we're going to talk a lot about today: Georgia, and what the Russians did in Georgia. Where, both Medvedev in that speech in Evian last week and Putin, since then, also, have blamed what happened on Georgia, essentially, on the United States and on NATO, have suggested that the United States provoked Georgia or backed Georgia or

encouraged Georgia into doing this, when, certainly, there is no clear evidence of such events and there's no need, in a speech in France, to be so aggressive toward the United States. That's not to say that the Russians don't have points, as both Sandy and Andy have talked about. But they seem to be in a frame of mind to want to stick several thumbs in Uncle Sam's eye.

I would pick up, just to conclude, very much on what Sandy said. This is a relationship that can, perhaps, and does need to be restarted on January 20th, 2009. And we have a huge agenda of things we need to work with the Russians on that are also in their interests. So I think there is an agenda there to be pursued by the next president.

MR. SCHIEFFER: Well, let me just pick up on that, then. If you two were advising the next president, whoever he is, what would you, in your – what memo would you send to him? What would you say our relations with Russia ought to be? And how do we get to wherever they ought to be?

MR. VERSHBOW: Well, I'm – I tend to be an optimist, even in the darkest moments, so I think that we should continue to strive for the kind of positive relationship that we were trying to build with Russia back in the '90s and even at the start of the Bush administration, when there was talk about our two countries becoming allies, not only in the war on terrorism but in dealing with other global problems. It is a long climb to get back to that kind of relationship, but I think we should take that as our reference point, that that's where we want to go. But then, obviously, tackle the issues one by one.

But I think, try to have a frank – you need to have a frank clearing of the air with the Russians as to what our real goals and objectives are. Some of this deep-seated suspicion that Jim heard, and which is reflected in this very strident rhetoric that not only President Medvedev but Russian diplomats around the world are peddling, we can get past that and start looking at where our common interests really lie, and they are extensive. We have areas where we are still cooperating – it's not all bad right now – problems like Iran and North Korea, although cooperation could certainly be better on those kinds of issues.

But I think that, right now, we seem to be at odds over the policy towards Russia's neighbors. And that doesn't need to be that way. I think that our goals are not to remove Russia's – to eliminate – Russia's influence in its neighborhood; it's going to always have influence – it's going to be the principal trading partner of these countries – but we have to somehow get past the notion that our efforts to promote democracy and integration of Western institutions on the part of countries like Georgia and Ukraine is inherently a threat for Russia. That's not going to be an easy conversation to have. As I said earlier, they really are convinced that we're out to get them. But I think we need a new president, perhaps, can have a fresh start in this kind of dialogue, which has clearly gone nowhere in the last couple of years.

MR. KUCHINS: Yeah, I completely agree with what Sandy's saying. There's such an absence of trust in the relationship right now that it's just kind of striking. And

the narratives, particularly in the wake of the Georgian War, here versus Moscow – I’ve never seen them further apart in the last quarter of a century, since I’ve been active in this field. And it’s a little bit frightening, to put it honestly.

You know, I used to think, for the last 17 years that there was virtually a zero probability of a war with the Russian Federation. After August 8th, it felt to me like that probability was somewhere between 1 and 2 percent – I know it’s impossible to quantify, but – it just seemed way too high and way too risky, given that we can’t solve any of the serious global problems, especially security problems, without support from the Russians.

So one place I would start – you know, here we are almost 20 years after the collapse of the Berlin Wall and the end of the Cold War, and our aspirations for a Europe whole, free, and secure, well, we simply haven’t succeeded in that project yet. And I think the Georgian War was abject demonstration of that failure to date, and there’s lots of blame to go around. But I think Mr. Medvedev has actually put a proposal on the table to talk about a cooperative security framework for Europe. I think we have to take him up on it. Because, you know, if the Russians don’t feel like they are invested and integrated into a European security framework, Europe’s never going to feel secure. And, especially, Russia’s near neighbors are never going to feel secure.

So I would take them up on that. I don’t see that we have anything to lose by doing so. I would – I think both candidates have talked about this – and that’s getting back to some of the more traditional arms control agenda, which the Russians are interested in doing, because their nuclear deterrent is aging rather rapidly. But, then, I think, to really get into a discussion about strategic stability. You know, what do you really require for your security? And let’s put on the table – back in a serious way – the possibility for cooperation on missile defense, because I think there’s some serious interest and I think there has been for years in many Russian military circles and other political circles about working with us on that.

And I think, on the missile defense issue – I think this reflects what Russia’s main concern is, in my view, and that is that they don’t want to be left out of a security framework. And they see the decision about missile defense deployments in the Czech Republic and Poland, they see the expansion of NATO, they all sort of see this in this kind of, you know, territorial security prism – and it’s very traditional Russian. And I think if we make some more serious efforts to engage them, there’s some potential there to actually turn them. And we have to.

MR. SCHIEFFER: Well, what about this whole idea of expansion of NATO and NATO membership for Georgia and Ukraine. Is that vital to our security? Is there a different way of going about that? Should we continue to push for that? Either of you.

MR. VERSHBOW: Well, I should answer that first, since I was one of the people who was involved in the very beginning of our policy to enlarge NATO during the Clinton administration. I think that it was still the right thing to do, and I think that, over time, we shouldn’t be shy about bringing additional countries in, and not view the former

borders of the USSR as a Maginot Line, but I think in the short term, it's clearly not going to happen because of events in Georgia, because of internal problems in Ukraine and because of divisions within the alliance itself, so we have, for better or for worse, some time to address this issue and maybe get other things going in our relationship with the Russians that will, perhaps, change the Russians' perspective on this issue.

Russian security, I would submit, in any objective analysis, is probably stronger today than it was before countries like Poland or the Czech Republic joined NATO. It's good for a country to have stable, democratic neighbors who are integrated into a collective security system on their frontiers. Russia's real security threats are in the south. Now, we're not going to win that argument these days with the Russians and we didn't get to far with it even in the '90s, but it's still true and I think that we shouldn't view the current crisis as cause to lose our strategic direction on NATO.

But, as I said, we have a natural interval here in the process, and I think that taking up the Medvedev proposals, not, you know, as written, but as a basis for discussion on, you know, how can we improve the European security system so the Russians do feel that they have a stake, that they have a voice, that they are part of the key decisions that are made on issues that affect them. That's what we were trying to do with these different institutions that were invented, such as the NATO-Russia Council. They haven't worked as well as they should have; the blame can be assigned on both sides. But I think that if we begin to make those kinds of enterprises function better, then NATO enlargement won't be as big of a deal.

MR. SCHIEFFER: Jim?

MR. HOAGLAND: Bob, let me start back with your original question about the agenda for the next president. Of course, tell me who it's going to be, whether it's Obama or McCain, and I'll tell you what I'd tell him. But in either case, I think it would be fair to say, I would start with emphasizing a global agenda with the Russians, not to focus on Georgia, Ukraine and MAP, but to really start with the Russians on things like the CTBT – the Comprehensive Test Ban Treaty – to return to nuclear arms reductions negotiations with the Russians with a goal of zero as it's enshrined in the NPT; the war on terrorism – certainly, we've got a lot of cooperation that we should be fostering with the Russians on that.

But in the context of Georgia, I would emphasize to him the importance of reaching agreement with our European partners in NATO on an approach toward Georgia and Ukraine, MAP or membership programs. It's awfully important that we get that right, and it's going to lead to an attenuation, perhaps a delay, of real serious discussions about Georgia and Ukraine in NATO, and I don't think that's a bad thing, given the temperature of the times.

And if I could just go back to something Sandy said before and ask him a question about – you used that wonderful phrase of what Medvedev and Putin are peddling and

Andy talked, also, about the wide divergence in the narratives. Do you believe they believe what they're saying? Are they that badly misinformed?

MR. VERSHBOW: Well, I would say there may be a little rhetorical excess, but at root, I think they do believe it.

MR. HOAGLAND: That's even more frightening –

MR. VERSHBOW: I think it was borne out by my experience in talking to senior officials during my last couple of years in Moscow and what I've seen in the reporting since then. They really do believe that our goal is a weak Russia that is marginalized from the international community and, you know, a dominant position for the U.S. in this so-called “unipolar” world. We have a lot of work to do in chipping through that kind of suspicion.

MR. KUCHINS: Yeah, I would agree with that. I mean, one of the striking things – I've been in Moscow a month or so ago for these meetings of the Valdai Discussion Club that Jim was in a couple of years ago, I think, together sort of a Kremlin public relations propaganda exercise, but quite interesting because you have the opportunity to meet with Russian leaders – was to hear Dmitry Medvedev say that 8/8, August 8th, is almost like our 9/11 – almost like our 9/11. That's a scary comparison.

I think it's a crude exaggeration on the part of the Russians, but I was – I've been struck with all the Russians I've been talking to coming to Washington and when I was there, by the degree to which there's such a strong consensus that the Russians were right in what they did in Georgia and that there was virtually no choice given the escalation of things. I don't want to argue about the point of whether they're right or not, but simply the consensus is powerful.

And it's not just because of the Kremlin's, you know, control of national TV and other media, although that's certainly a piece of it, but it is this deep-seated feeling that the Russians have been on kind of a geopolitical losing streak for 25 years at our – because of us, primarily – and that they find it very, very, very difficult to take our good instincts or our desire to do good seriously. Their default perception is cynicism, especially about things like democracy promotion, and that that is simply a fig leaf for U.S. and European efforts to promote our geopolitical expansion and hegemony around the world. That – it's a deep-seated thing that it's hard to – very hard – to change.

MR. SCHIEFFER: Well, what do they want, now? What would they want to see the United States do? And what could we do, or what should we do?

MR. KUCHINS: I think they'd like us to leave them alone.

(Laughter.)

MR. SCHIEFFER: And leave the Ukrainians and the Georgians alone.

MR. KUCHINS: And leave the Georgians – yeah.

MR. SCHIEFFER: And stay out of their neighborhood.

MR. KUCHINS: I think the Russians would kind of like to be treated how they perceive that we treat China, how they think that we treat China – that we don't criticize China for certain deficiencies on human rights and democracy and we're not perceived – at least in the Russian mind – as to be meddling in their internal affairs and that we respect that China is a great power and great powers have spheres of interests and influence, et cetera. And that's the way they see it, themselves. On the other hand, and this is –

MR. SCHIEFFER: Do they have a point?

MR. KUCHINS: If you look at the history of great power behavior, it's hard to decline – (chuckles) – and say no.

MR. VERSHBOW: We do criticize the Chinese for their over – their handling of the Tibet crisis a few months ago and oppression of the Uighurs and our –

MR. SCHIEFFER: And Taiwan.

MR. KUCHINS: We do.

MR. VERSHBOW: – but, I think, historically, we've been, perhaps, a little harder on the Russians, precisely because they have held themselves to a higher standard. They said, we are European and we want to be part of Europe – part of, you know, the democratic world – so they're asking us to hold them to that standard, and we do.

MR. HOAGLAND: These are independent countries and there's a fine line to be walked, here, but I think it can be walked without the idea that we are butting out because the Russians say we have to but out. I don't think that should be any element of our policy, and it's not any element of our policy and wouldn't be under either McCain or Obama, I think. But I do think that we need to exercise care as we walk that line.

MR. SCHIEFFER: McCain's talking about telling the Russians to get out of the G-8.

MR. HOAGLAND: Hasn't really talked much about it in the campaign. One of the striking things, Bob, in the campaign, I think, was that, if you look at – other than a few sentences, mostly by McCain but not only by McCain, on Georgia – neither candidate has seized on an invasion of an independent country by the Russians to try to make political points. They both handled it with caution – with care. I commend them both for that; I think that's the right way to handle it.

MR. SCHIEFFER: Well, what about that? Are we past that, yet? Is that going to continue to be a problem – this whole business of Georgia and how we reacted, how they reacted?

MR. VERSHBOW: Well we're certainly not past it, yet. I think the temperatures have gone down on both sides, which is obviously good. There was certainly a lot of emotion on both sides in the immediate aftermath, but there are still a lot of things that have to happen before we can say that the problem is solved. The Russians did pull out their forces from most of the areas called for in the Medvedev-Sarkozy agreement, so that's a good start, and EU monitors are in place. So the most egregious actions that they took in terms of occupying Georgian territory have been reversed. But, of course, their recognition of the independence of these two separatist regions goes against international law and was, politically, not very astute.

It remains an issue, and the Russians refuse to allow the recent meeting in Geneva – to try to discuss the longer-term international status of South Ossetia and Abkhazia – to go forward, because of insisting on seating the Abkhaz and South Ossetian representatives, so we still have some serious issues surrounding Georgia itself. And I think that the implications of what the Russians have done, in terms of putting into question the sovereignty of their neighbors, is a fundamental issue that we're going to have to talk to the Russian leadership about. And I think that's where the next president has his work cut out for him.

MR. SCHIEFFER: Well, is Russia prepared to accept a nuclear-armed Iran?

MR. KUCHINS: Uh, Russia does not want to see a nuclear-armed Iran, but I think Russia is more prepared to reconcile with the possibility of dealing with a nuclear-armed Iran, and, for a variety of reasons, the Russians – well, one, I think the Russians think – like they thought about Iraq – that a U.S. military intervention or U.S.-Israeli or whatever – a military strike on Iran – to take out their nuclear weapons facilities would be more destabilizing than stabilizing for the country. And they probably are more reconciled to the likelihood that Iran, by hook or by crook, is going to become a nuclear power in the long term.

And they – I think they also think that – let's say compared with Pakistan – that the Iranians may be a more responsible nuclear power if that were to happen. Now, they don't want it to happen, but they're certainly not ready to spend the blood and treasure that we are, or certainly our Israeli allies would be, to prevent that from happening. They do have their commercial interests, and those are well known, with their reactor and their arms sales, but also, the Iranians have been kind of a geopolitical partner for the Russians, in that in the Russian war on terrorism, often it's the Iranians that are fighting against some of the Wahhabi or radical Sunni folks that the Russians are most concerned about, especially those that are in the Northern Caucasus, and secondly, those that are in Central Asia. To the best of my knowledge, Iran has never supported an act of terrorism on the territory of the Russian Federation. The Iranians were not critical of the Russians in their war in Chechnya – wars in Chechnya over the last decade or so.

So their perspective on Iran is certainly different than ours, and they're not going to put as many chips on the table to make it a higher priority. Perhaps, if they saw us taking them as a higher priority, we might see some more action there, but there's no guarantee of that, and they'll await a new administration anyway.

MR. SCHIEFFER: Let's take some questions from the audience, if you're ready. Over here, all right.

Q: Dave Ahearn (ph) with Space and Missile Defense Report. First, Russia has expressed fear that our installation of a European missile defense site based on one of our own missile defense systems in Poland and the Czech Republic would be used to defeat their intercontinental ballistic missiles, and I think we've had experts say that our interceptors could not catch a Russian ICBM, and Russia has thousands of missiles and warheads; we'll have ten interceptors. So do the Russians really believe what they're saying, or is this something that they're just putting out for some reason?

And, also, they have said that they would use a nuclear weapon to annihilate the European missile defense system if we built it. Would they really do that? Would they dare do that? Or is this, perhaps, just some political hyperbole for domestic consumption by the Russian voters?

MR. VERSHBOW: I think there's a lot of exaggeration in the Russian stance on this issue. I mean, unless the Russian military has, exclusively, Mercator projections of the world as the basis of their planning, they have to know that our ten interceptors, when they're deployed, not only couldn't catch ten Russian missiles, they couldn't catch any, because the Russian missiles go over the North Pole, and those missiles would always be 15 to 30 minutes behind, chasing after them, no matter how quickly we were to use them.

Where the Russians may be more genuinely concerned is about the long-term implications of putting the radars in the Czech Republic and other installations of that kind, which could, conceivably, be knit together with radars in other parts of the world to improve our global strategic defense of the U.S. homeland. But even there, I think they are largely trying to score points and to drive a wedge between us and our European allies.

But that doesn't mean that we should dismiss them and their concerns out of hand. And picking up on something said earlier, this post-START and missile defense agenda is something where the next administration might find a lot of opportunities to rebuild relations and perhaps have a positive spillover effect on our handling of issues like Iran and North Korea, where I think the Russians, clearly, could be doing more – could be taking a tougher line – using some of the leverage they've held back for several years, if they were motivated to do so.

And I think coming up with some kind of longer-term strategic regime involving much deeper reductions in strategic offensive forces and some kind of regulated system

of missile defense with Russian participation and a lot of transparency – that could go a long way toward overcoming the current dispute on these issues, and it could be a nice project to revitalize the NATO-Russia relationship, too. We could bring our European allies into it.

MR. SCHIEFFER: Anybody else like to ask?

MR. HOAGLAND: Somebody down there.

MR. SCHIEFFER: Yeah, yeah over here, go ahead.

Q: Thank you very much, I'm Vladimir Karamazov (ph) with RTVI television. What, in your view – I'll address it to all of you, if I may – what should be the contacts, and should there be any contacts, in your view, between the U.S. government and the Russian opposition, because Mr. Hoagland mentioned an interesting thing – that President Medvedev intentionally mixed the U.S. administration and the United States as a country and as a people – you said in the speech in Evian, and I believe it's a correct point.

But too often, we hear in the political discourse here, in Washington, the same thing; people confusing in their discussions, you know, Russia and the Russians. But, you know, not everybody in Russia supports Putin or Medvedev; there are different voices, and even now, there's a unified opposition movement being created by people like Boris Nemtsov and Gary Kasparov and Vladimir Bukovsky and, potentially, Michel Kasyanov and others, which will be – the inaugural convention will be in December. So do you think there is a space for any kind of direct contacts between the U.S. government and, maybe, the intellectual community and the Russian opposition, not just the regime officials? Thank you.

MR. HOAGLAND: Well, there certainly should be. The United States government maintains contact with a wide variety of opposition forces in democratic countries around the world, and I think it should be handled on that kind of basis. The real question is: Are you dealing with a dissident community in an increasingly authoritarian system? And, if that's the case, then you have to exercise a different set of parameters in dealing with people who are opposing the government.

But this is one of the areas, I think, in which the new president can challenge the Russian government to live up to its responsibilities – to be responsible in the international system and at home – and to take, at face-value, the idea that Russia is still a democratic country. And, therefore, the United States, as it does in other democratic countries, maintains contacts with the opposition.

MR. VERSHBOW: I fully agree. I think it's something that was a high priority for me when I was in Moscow, and I know it's a high priority for Ambassador John Beyrle. Not only talking to the opposition politicians, but also the Putin supporters

within the political system, of which there are many, and reaching out to students, other civic groups.

It's still, you know, not a monolithic system there; Russia is not the Soviet Union, and there are opportunities to engage at different levels with different strata of society, and part of the reason for doing that, of course, is to try to counter some of the disinformation and misperceptions that are becoming more and more deeply rooted in the – not only among the leaders, but among the general public. But it's also an opportunity to, perhaps, feed in some ideas as to how we can improve U.S.-Russian relations from the bottom-up. It's still a very top-down system, but there is still some influence from civil society, such as it is, and we should try to maximize our use of that.

MR. KUCHINS: I agree with what Jim and Sandy are saying. I would just add, though, that we have to be very careful – be smart about it. You know, we can't – it's not going to help that we want democracy more than it appears that the Russian people, so to speak, want democracy. And we have a real credibility issue – problem – with the Russians right now because of what's happened with the U.S.-Russian relationship. You look at survey research amongst young Russians, middle-aged Russians, and older Russians, and you find, interestingly enough, that the most anti-American Russians are the older generation – those that lived most of their lives in the Soviet Union – and the younger generation, which didn't have much of the Soviet experience. And so the development of their anti-Americanism is due to some other things.

Now, the good news about this is that the Russians aren't particularly more anti-American than are Europeans or others – the whole world's become more anti-American in the last decade, so I guess that's the good news – (laughter) – that the Russians aren't such an outlier in this regard. And, but I think, you know, to be serious, I think there is the opportunity for a new administration, there. If you can turn the perception of the relationship and the role of America in the world, then we have, I think, much more capacity to be more effective with a Russian opposition, and the chances for Russian democracy really developing are considerably greater. Right now, I'd say the Europeans have much more credibility on this, probably, than we do.

MR. SCHIEFFER: I think someone in the back had a question.

Q: Thank you, my name is John Sandrock. I'm with Analytic Services, Inc. To what extent has the Russian action in Georgia intimidated some of the other peripheral states, particularly Central Asia, and how has that affected both short-term and long-term interests of the United States in relations with those countries? And the second part is, Russia, of course, still has its own problems in the Caucasus, in Dagestan, North Ossetia, Ingushetia and so on. How has the Russian action in Georgia either solved or complicated their own problems in the Caucasus region?

MR. KUCHINS: Well, on the last part of the question, we don't know yet. This is one of the interesting aspects to what the Russians have done in violating Georgia's territorial boundaries and recognizing these two state-lets, is that the Russians, obviously,

on the Northern Caucasus on their side of the border, have a number of – this is the most vulnerable point in the Russian Federation. It's where they fought two wars for the last 15 years, in Chechnya. And there are problems in Ingushetia and Dagestan and all over the place, so the question is whether the Russians are opening a Pandora's Box that may come back to haunt them later on. We'll just have to see; I think it's too early to make a judgment about that at this point.

MR. VERSHBOW: Yeah, I mean, I'm not a real expert on the Central Asian republics, but my sense is that they're kind of recalculating their interests in the wake of Georgia. I think we've seen different trends. Since the failed color revolution in Uzbekistan, there has been a gravitation toward Moscow on the part of most of the countries, maybe with the exception of Kazakhstan, which has its own self-reliant economy and oil resources to back that up. But I think, at the same time, they're nervous by what happened and they didn't get into line as the Russians probably expected when the CIS had its meetings after the Georgia invasion and recognized Abkhazia and South Ossetia.

I think they're worried about the implications for their own sovereignty down the road, and so whether this ends up being a net plus or a minus for Russia in its relations with its neighbors remains to be seen. And ditto on the Northern Caucasus. I agree with Andrew. There's a lot of turbulence even now in Ingushetia. The fact that Russia has legitimized independence on the part of separatist regions – something that they fought two wars to prevent in Chechnya – I think, does open a Pandora's Box. We'll see what pops out of it.

MR. SCHIEFFER: (Chuckles.) Jim?

MR. HOAGLAND: Yeah, I think the Russians have made a mistake in recognizing the independence of the two enclaves. I have not noticed a lot of reaction by the Central Asian republics. Maybe just because I haven't seen it doesn't mean it's not there, but my sense is that people by and large, and particularly people who live next door to the Russian bear, understand that Georgia was sui generis – Georgia was very much a case where Putin really detests Saakashvili and wanted to rub his face into it in the most egregious way that he could, and he found the occasion to do it.

A Russian journalist friend of mine said to me – about Putin's handling of Saakashvili – he said, this wasn't just business; this was personal. And I think that's very true. It was very much a reaction triggered by the way that Saakashvili got under Putin's skin, and this is what Putin does.

MR. SCHIEFFER: Is it possible to criticize Russia when it's appropriate without escalating the negative rhetoric that has characterized this relationship? How do we do that?

MR. VERSHBOW: Well, certainly, it's possible –

MR. KUCHINS: How do we do that, Ambassador?

(Laughter.)

MR. VERSHBOW: Well, you know, sometimes you get it right, sometimes you don't. No, clearly, the Russians certainly don't pull their punches these days in criticizing us, as Jim reported from Evian. And I think, generally, if you look back over the last six or seven years, even when relations were relatively good – during the 2003 Bush visit to St. Petersburg, we issued this grandiose declaration – the Russian rhetoric about the United States, once the president was out of the room, was pretty strident even then. The Russians always complain about double standards, and I think they maintain one when it comes to rhetoric.

But, clearly, we have to be respectful, make clear that we understand their interests, and don't rise to the bait when they do go over the top. And, of course, I think we do have to avoid lecturing them. This is a time when the Russians feel that they're back, they're strong again, they're not going to be pushed around any more. They are developing a domestic model which suits Russia and they're not interested in our opinion about it. So we have to curb our habit of trying to tell people how to organize their societies.

I think we should focus more on the foreign policy agenda, where we have genuine concerns about their behavior and its implications. Perhaps confine the comments about domestic affairs and rule of law more to private conversations than to our public rhetoric. But we don't want to give the impression to the opposition, however, that we're dropping that agenda, because it's an important long-term issue. And, I think a long-term partnership with Russia will depend on Russia getting back on the democratic path that it was on in the '90s, but that's clearly going to take, perhaps a generation, if not two, so we shouldn't have unrealistic expectations.

MR. SCHIEFFER: Here.

Q: (Off mike.) My question is, could you go back to your work on the NATO-Russia Council and share with us some lessons learned from that about where you were able to find common language with Russian security officials on bringing them into some kind of security framework?

MR. VERSHBOW: I was there at the very beginning of the process, when it was called the Permanent Joint Council. It got re-launched after 9/11 as the NATO-Russia Council. But during those early days, we were able to work very constructively with the Russians on the joint military operations that were going on in the Balkans, where we were actually drafting common papers with rules of engagement for our military forces. And the Russians, I think, had a real sense of participation in joint decision-making – we didn't like to use that term, but it was.

And I think that we tried, but failed, to do the same thing in the run up to the Kosovo War. There, our divergent interests got the better of us, but I think there was a very good discussion. Sergey Kislyak, who is now ambassador here, was the Russian ambassador. And, you know, we worked very constructively together, both bilaterally and within the NATO-Russia framework, to try to avoid a crack-up. And I think we did avoid a crack-up. We didn't completely arrive at a common approach, but at least in the immediate context of the Kosovo War and its aftermath, we were able to contain our differences, and I think that's why we need to revitalize the NATO-Russia dialogue.

Remember that we did get Russian troops as part of KFOR after the Kosovo war, and that functioned pretty well for several years. It fell victim to the decline in relations on other fronts; I think the Russians decided that it wasn't worth it anymore. I think that was a mistake on their part; they should have stayed in. They might have had more influence on the events of recent months in Kosovo that they're so displeased by, but, anyway, it's hard to rewind and do it again.

MR. KUCHINS: Bob, I wanted to play one of those tricks that those two guys last week that you were talking to often did. To return to an earlier question – (laughter) – you asked, what do the Russians want? And I think what the Russians want, basically – not surprisingly – is to be rich and powerful – not so unusual for human behavior. But let's focus on the first part, particularly in the context of what's happening in the global economy right now.

You know, the Russian – a lot of the resurgence we see is based on the economic growth that has taken place over the last 10 years, and it's impressive: The Russian nominal dollar gross domestic product has increased from about \$200 billion in 1999 to, this year it's probably going to come in at 1.7 or \$1.8 trillion. That's rapid, fast growth, 26, 27 percent a year. Now, even with that, the Russians are living on a per capita income of about \$12,000 to \$14,000 a year, less than a third of what we have, and their aspirations – their longer-term aspirations – they've set up this 2020 economic plan – the aspirations for 2020, which are ambitious, are \$30,000 per year; in 2030, \$50,000 per year. And it's not – well, it's ambitious – it's not unreasonable to expect that could happen.

But, you know, one of the interesting things about those plans and those goals is that, you know, what part of the world is most important for Russia from a trade standpoint, from an investment standpoint, from a technology-transfer standpoint, from a management standpoint, to help facilitate them reaching the optimal scenario? Well, not surprisingly, it's the West, such as it is. I know Vladimir Putin doesn't think the West exists anymore, but Europe – the Europeans, first and foremost – us, as well as the Japanese.

And we're so much more important than any other part of the world for them that what's really been striking, at least before August 8th, was what looked to be these two simultaneous, but contradictory, tendencies. On the one hand, you have deepening economic interdependence that's going on between Russia and the West, and worsening

political relations. And it didn't seem, then, like it was sustainable, and it's really not sustainable for Russia to have any chance of reaching any more of their optimal scenarios.

And for the last five years, the Russians have had the most easy conditions to promote economic growth; you know, a 5X increase in the oil price – well, until recently when it fell by 50 percent again – you know, a global money party going on. The conditions are going to be much tougher, I think, for the Russians in the years ahead. That's going to force them to make some better policy decisions, and I think it will constrain some of their behavior. And I think we already see some of that changed behavior in the wake of – in the last month or so. I think sort of the peak of the anti – the hostility from the Russians – was probably around the end of August. Then, they've really been feeling – they've been feeling the economic crisis. They're not disconnected from the rest of the world. They're not a safe haven. And I think that's something that, possibly, can be a hopeful realization for the future.

MR. SCHIEFFER: Right here.

Q: Rich and powerful is an admirable goal, but –

MR. KUCHINS: Not light, and respected –

Q: Is there anything – is there any aspect of this that's ideological, in terms of going back?

MR. KUCHINS: Well, you know the Russian perception that they are a great power and should be a great power in the world, and that, in fact, the world is in a transition from the unipolar moment to a multi-polar format – you can call it ideological, but it is deeply, deeply believed. And, you know, in fact, I think the Russians are right. If you look at when the G7 was founded 30-plus years ago, we had more than 60 percent of the GDP of the world amongst those seven countries; today it's less – you know, a little bit more than 40 percent.

You know, there's a number of large, emerging-market countries, China and India most notably, but Russia is one of them, and there is a shift in the balance of power in the world going on. And that's been a – so that's been a core behind what has sort of been the Putin ideology, if you will. But I think the ideology does have some basis in reality. Now, the question, though, is to what extent can the Russians actually be constructive in trying to reform the institutions of global governance, which are showing themselves to be somewhat ineffective on economic issues, on European security issues, as we've described. This is right at the front of sort of the Putin ideology.

MR. HOAGLAND: But I think the Russians have a real problem in developing an ideology. They're basically operating on a very tactical level. Chauvinism is not an ideology. The recognition of the fragmentation of global power is not an ideology. They

keep trying to develop something. I don't think they've got it yet and I think the other part of their problem is that this is an economy that's got a feet of clay.

MR. SCHIEFFER: Is Senator Nunn still here? He was here. I wondered if –

MR. HOAGLAND: He is; he is. He's right there.

MR. SCHIEFFER: Senator, would you like to just say something? We don't get you to these –

MR. HOAGLAND: Hello?

MR. SCHIEFFER: – sessions very often and I know you have a great interest in Russia and what's going on there.

(Laughter.)

MR. VERSHBOW: I would just add on this ideology issue. I agree that if there is one, it's this multi-polar world. There's certainly no longer a Messianic ideology that they're trying to export to other countries in this clash of social systems. Although they have tried to develop this ideology of sovereign democracy as the description of the kind very limited managed democracy that they have as something I think they would like to see adopted by their neighbors. I think they feel somewhat threatened by the more genuine pluralism that exists in Ukraine, even in Georgia. And so I think they're trying to create a web of states around them that adopt the sovereign democracy model if they can. And that's why they were so unhappy about the way the Orange Revolution in Ukraine played out.

MR. SCHIEFFER: Would you like to say something, Sam? I think we would like to hear if you have any thoughts today.

(Laughter.)

MR. KUCHINS: You're not getting off the hook.

SAM NUNN: Okay. I think the panelists have captured it very, very well and demonstrated clearly their expertise on the subject, which we all know. It just seems to me that at this stage of the relationship, it has seriously deteriorated. I think it's time for both Russia and the United States to take a deep breath, to make a list of the things that we basically have to do together. I think we should make list – things that we really can't get done without Russia; there are a whole list of them.

I think Russia should do the same thing because we have a lot more common interests than we're displaying these days and I believe that a certain degree of pride, a certain degree of nostalgia, all of those things are playing into the relationship, which is

extremely against the national interest of both the United States and Russia and I'd say Europe, too.

I made a speech in Berlin back in April, March-April timeframe and said then and I still believe it – this is long before Georgia – that the fact that Russia is not part of the Euro-Atlantic security arrangement, whatever we call that, is a – the fact that they're not and they feel excluded is a failure of Russian foreign policy, a failure of U.S. foreign policy, and a failure of European foreign policy. And I think that's true. I think we've got to greatly broaden the discussion and I believe we need to globalize the relationship. Someone's already said that on the panel. I think we need to basically get Russia to work with us on a lot of global problems and give them the kind of prestige and dignity that they seem to want and thirst for. And there are a lot of things that we could do on that.

Just one instance – the U.N.'s passed a resolution, the U.N. 1540 that basically charges every country in the world with responsibility of taking care and securing our nuclear materials. Most of the countries have no idea how to do that if they've got small amounts, radiological materials. That's really a threat to all of us. It's a threat to Russia, too. We could work with Russia. We've had something like 18 years of experience working with them under the Nunn-Lugar Program in securing the materials in the former Soviet Union. We could form a real partnership with Russia in offering our expertise and expertise to other countries in the world on nuclear material.

So there are all sorts of things we need to do. The only final comment I'd make – missile defense is a real danger in terms of the Russian perception of it and I agree with the description. I don't think it is a present threat to Russia. They see it as a future threat; they see it as expanding. They don't see 10 missiles. They see a site and they see radars and they see it expanding. But I do believe it's a great exaggeration on that part. But I also think it's a tremendous opportunity. If we were able to work with them and take up their offer on missile defense to basically deploy some of the missile defense installations on Russian territory, first of all, look at the map and see what the implications of the map would be – it would be huge. And it would break through psychologically in terms of what we could do with them in other areas.

If we weren't with them on missile defense, I think we both probably after three or four years of experience, we'd say, now, why are we still – remind us each other why are we still pointing these weapons that can be fired in 30 seconds to two minutes at each other and basically destroy much of the world? Isn't it time that we worked together on warning time? So there are all sorts of things we can do. I think there's a great opportunity but we've got to – we've got to make those lists first and they've got to make it too. If we both don't do that, we're not going to start. I think we both need to ask ourselves, what is vital to our long-run security of our own people? They need to ask that question too. Neither one of us are asking it right now, in my view.

MR. SCHIEFFER: Senator, thank you very much and that brings us to the end of another of these sessions on behalf of CSIS and TCU and Journalism School. Thank you all very much for coming.

(END)