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“Looking Forward to the Medvedev Administration in Russia”

Chairman Hastings and members of the Commission, thank you for the opportunity to appear before you. The importance of today’s subject, “Looking Forward to the Medvedev Administration in Russia,” is self-evident. Yesterday, on May 7, Russia inaugurated a new president, Dmitriy Medvedev. Endorsed in December by then-President Vladimir Putin, Medvedev subsequently announced he would ask Putin to serve as Prime Minister. Yet, we cannot do more than speculate what changes there will be in the Russian government and in Russian policy. U.S. policy, however, will remain consistent: we seek to cooperate with the Government of Russia wherever our interests overlap, and we will do so in working with President Medvedev. And we will continue to stand by our principles and friends, dealing frankly with differences when these arise.

We acted on this principle at the Sochi meeting on April 6, when Presidents Bush and Putin issued a declaration setting forth a framework for strategic cooperation between our two countries. The Strategic Framework Declaration outlines key elements of new and ongoing strategic initiatives between the two countries, including steps to promote security in the face of new and emerging threats; prevent the spread of weapons of mass destruction; combat global terrorism; and advance economic cooperation.

Under the rubric of “promoting security,” the leaders acknowledged a need to move beyond Cold War strategic precepts rooted in a political relationship of profound rivalry and uneasy balance of mutual annihilation, to focus on cooperation in the face of common dangers that confront both our nations today. These include the threat of the proliferation of weapons of mass destruction and their means of delivery. To that end, Presidents Bush and Putin reiterated their intention to carry out strategic offensive arms reductions to the lowest possible level consistent with national security requirements and alliance commitments. The United States will continue to work with Russia to develop a legally binding post-START arrangement. We agreed to intensify our dialogue on issues concerning Missile Defense cooperation, both bilaterally and multilaterally. The Strategic Framework Declaration also acknowledges that the United States and Russia will cooperate to prevent arms sales from contributing to the development

and enhancement of military capabilities which undermine regional and international security and stability. Finally, we agreed to cooperate to deny conventional arms to terrorists.

The prevention of the spread of weapons of mass destruction is a key element of the Strategic Framework Declaration. The Declaration affirms our commitment to a broad range of counter-proliferation activities, including the July 3, 2007 U.S.-Russia declaration on joint actions to strengthen the nuclear nonproliferation regime and promote the expansion of nuclear energy without the spread of sensitive fuel cycle technologies; the Global Nuclear Energy Partnership, which supports development of the next generation of civil nuclear capability that will be safe and secure; the Global Initiative to Combat Nuclear Terrorism, which brings together 67 participating countries in efforts to prevent terrorists from acquiring nuclear weapons; initiatives to create reliable access to nuclear fuel without proliferation risk; bringing into force an Agreement on Cooperation in Peaceful Use of Nuclear Energy; and completion by the end of 2008 of the agreed-to nuclear security upgrades under the two Presidents' Bratislava Nuclear Security Initiative and their continuation into the future.

With regard to Iran's nuclear program, the United States and Russia remain committed to diplomatic efforts to achieve a negotiated solution guaranteeing that Iran's nuclear program is exclusively for peaceful purposes. We have stated the same goal – to deny Iran nuclear weapons capability – though we do somewhat differ on tactics. This requires Iran to comply with the requirements of the IAEA Board of Governors and the UN Security Council, including its sanctions resolutions 1737, 1747, and 1803 that demand full and verifiable suspension of enrichment-related activities. We are working with Russian in the "P5+1" group to this end. And, regarding North Korea's nuclear program, the United States and Russia will continue to cooperate to implement UNSCR 1718 and the Six-Party agreements on that country's nuclear weapons and other programs. Our ultimate common goal is the denuclearization of the Korean Peninsula.

In Sochi, Presidents Bush and Putin also affirmed the Russian-American partnership against terrorism. To fight this shared global threat, we will work with Russia to intensify our bilateral efforts, in part by invigorating the U.S.-Russia Counterterrorism Working Group, and our multilateral efforts, including through continued partnership in the United Nations and other fora like the OSCE, the NATO-Russia Council, the G-8, and the Global Initiative to Combat Nuclear Terrorism. Our efforts will be aimed both directly against terrorist groups and against their financial and criminal practices.

The Strategic Framework Declaration also committed the two governments to seek to expand economic cooperation. The two presidents agreed to steps their governments will take to deepen economic engagement, through both private sector and government channels, to eliminate obstacles to trade and investment, and to strengthen institutions that will build confidence, certainty and predictability in Russian and United States markets. The United States and Russia are committed to achieving WTO accession for Russia as soon as possible and on commercially meaningful terms. We will also strengthen U.S.-Russian economic and business interaction, including through the creation of new business-to-business and government-to-government dialogues. We held our first meeting of the economic dialogue on April 28. It aims to identify areas where our laws and regulations impede trade and investment, improve the transparency of the business and investment environment, and strengthen the rule of law. In order to provide a stable and predictable environment for investment and to strengthen investor confidence, the United States and Russia will advance efforts on a new Bilateral Investment Treaty.

Finally, in the Strategic Framework Declaration, Presidents Bush and Putin acknowledged that cooperation on energy remains an area of significant potential for both the United States and Russia. As a result, the leaders tasked the existing U.S.-Russia Energy Working Group to find ways to enhance energy security and diversity of energy supplies through economically viable routes and means of transport, consistent with G-8 St. Petersburg principles to promote diversification, contract sanctity, and transparent relationships between suppliers and consumers. We intend to intensify U.S.-Russian energy collaboration through a new, more structured energy dialogue that will focus on expanding energy supplies in an environmentally-friendly manner while developing new, lower-carbon emission energy sources. As Presidents Bush and Putin declared at Sochi, the United States and Russia will collaborate on energy efficiency initiatives, as well as the development of clean coal technologies and fuel cell initiatives.

The final element in the Strategic Framework “roadmap” for future U.S.-Russian relations is the area of “combating climate change.” In this realm, Presidents Bush and Putin declared we would work together with all major economies to advance key elements of the negotiations under the United Nations Framework Convention on Climate Change in order to achieve a comprehensive post-2012 framework.

While clearly outlining numerous areas for future Russian-American cooperation, the Strategic Framework Declaration forthrightly acknowledges

differences between the two countries, including over NATO expansion, the CFE regime, and certain military activities in space. Notably, the Strategic Framework Declaration records progress in one area of erstwhile sharp disagreement: missile defense. Both leaders expressed their interest in creating a system for responding to potential missile threats in which Russia, the United States, and Europe will participate as equal partners. Russia has made it clear that it does not agree with the decision to establish sites in Poland and the Czech Republic and has reiterated its proposed alternative of allowing the United States access to Russian radar facilities in Azerbaijan and Southern Russia in return for not moving forward with facilities in Central Eastern Europe. The United States has proposed measures to assuage Russian concerns, and Russia, in the Strategic Framework Declaration, declared that if agreed and implemented, such measures would be important and useful. Given Russia's initial hostility to U.S. missile defense plans, this language marks a significant achievement on which we hope to build, leading to strategic cooperation with Russia, as well as NATO, on missile defense.

This Strategic Framework Document will serve as an agenda and roadmap for the United States and Russia through their transition and our election season. The Strategic Framework Declaration also commits both governments to respect the rule of law, international law, human rights, tolerance of diversity, political freedom, and a free market approach to economic policy and practices. We intend to hold the Medvedev Administration to these commitments. The United States wants Russia to be a partner in the world, and we want Russia to be strong—but strong in 21st century terms: with strong, democratic and independent institutions in and out of government. We do not exempt Russia from the obligation to respect the fundamental freedoms in the UN Universal Declaration on Human Rights, and we also have Russia in mind when we say that freedom unleashes the potential of citizens to contribute to the success of their countries. We seek an open world characterized by partnerships with like-minded countries.

Russia is today a vastly freer country than at any point during Soviet times. But that is a low standard with which to hold a great country. And we are concerned about steady deterioration with regard to Russian human rights practices and respect for democratic freedoms. Recent elections have reinforced this concern. In December, Russia held elections for the State Duma, which international observers concluded were not fair and failed to meet standards for democratic elections. The March presidential election received the same judgment. The December elections to the State Duma were marked by problems during the campaign period and on election day, including abuse of administrative resources, media bias in favor of United Russia and President Putin, harassment of

opposition parties, lack of equal opportunity for opposition in registering and conducting campaigns, and ballot fraud.

Problems with the presidential election included stringent requirements to be registered as a candidate. Prospective presidential candidates from political parties that are not represented in the Duma were required to collect no fewer than two million signatures from supporters throughout the country in order to be registered to run for president. Independent candidates also were required to submit signatures to the Central Election Commission (CEC) to be certified to run. A candidate was ruled ineligible to run if the CEC found more than five percent of those signatures to be invalid. In contrast, parties represented in the Duma were able to nominate a presidential candidate without having to collect and submit signatures. Due to these requirements, leading opposition figures either decided not to run, or, as in the case of former Prime Minister Mikhail Kasyanov, the CEC declared them ineligible to run. Secretary Rice has remarked that the Presidential elections were not, in fact, effectively contested elections at all.

When I testified before you last May, I said that we looked forward to the involvement of the OSCE's Office for Democratic Institutions and Human Rights (ODIHR) in Russia's upcoming Duma and Presidential elections. I noted that we also value the contributions of the OSCE Parliamentary Assembly (PA) to the OSCE's election monitoring work, and its joint efforts with ODIHR. The United States continues to support the work of OSCE ODIHR; its elections monitoring mechanisms are widely respected. It was, therefore, a great disappointment that Russian CEC officials placed unprecedented conditions upon their invitation to ODIHR to monitor the Duma and presidential elections. The Russian CEC invited ODIHR to observe the December Duma elections not when the election date was established, but mere weeks before election day. This effectively precluded ODIHR from sending a Needs Assessment Mission and determining what type of election observation mission was needed. More troubling, the invitation that the CEC sent contained unprecedented conditions on the number of observers that could participate, when they could begin their observation, and the places they could travel in the country. As a result, ODIHR determined it was unable to launch an effective mission, and did not send anyone to observe the election. The situation was no different with the March presidential election, when ODIHR again determined that restrictions precluded an effective assessment. The past election season in Russia raised concerns not only about the access of international observers and the conduct of the election.

We were also troubled by the increasing constriction of space for political opposition and civil society. Opposition parties reported official harassment and intimidation, and, in many regions, an inability to obtain permits for rallies. Because of changes to election laws, Vladimir Ryzhkov, an opposition member of Russia's parliament, was unable to return to the Duma. His party, the Republican Party of Russia, was denied registration, and no independent candidates were permitted to run. Even more troubling, opposition leaders like Maksim Reznik, the leader of the St. Petersburg branch of the liberal opposition Yabloko party, were detained and arrested on questionable charges. The abuse of the troubling law on extremism, which defines extremism broadly enough to include criticism of government officials and "social groups," also contributes to a shrinking of political space. Throughout the most recent election season, several opposition party activists and opposition-leaning media outlets faced the confiscation of campaign materials or newspaper editions to "study" whether or not they were "extremist."

NGOs face increasing pressure as well. In 2006 the Russian government enacted legislation strictly regulating NGOs and requiring them to register with the Federal Registration Service. The law also requires that NGOs file extensive reports on their structure, activities, leadership, and finances, and provides intrusive means for government officials to scrutinize these organizations. As a result, many NGOs have reported they are increasingly cautious about receiving foreign funds, and several are restricting their activities to less politically sensitive issues. These stringent regulations and reporting requirements undermine the ability of NGOs to carry out their work.

The increasing pressure on Russian journalists is likewise troubling. In Russia today, while vibrant and largely free internet media continue, unfortunately, most national broadcast media – the primary source of news – are in government hands or the hands of entities allied with the Kremlin. Some NGOs have alleged that authorities have also begun selectively targeting media outlets and organizations which oppose the administration by raiding them allegedly for pirated software. Attacks on journalists, including the brutal and still unsolved murders of Paul Klebnikov and Anna Politkovskaya, among many others, chill and deter the press.

Parallel to these troubling recent trends in Russian domestic politics, we are also concerned by Russia's difficult relations with its neighbors, particularly those like Georgia and Ukraine, which choose to pursue closer Euro-Atlantic ties. The Russians have expressed their opposition to NATO membership for Georgia and

Ukraine in strong terms, both publicly and in private meetings. In our view, Russia has nothing to fear from NATO enlargement. Democratic and peaceful countries on Russia's borders are a threat to no one, and make good neighbors for Russia, and for us all. In fact, thanks in part to NATO enlargement, Russia's western frontiers have never been so secure and benign. Furthermore, Russia is a partner with NATO on a wide range of issues of common interest, such as counternarcotics and anti-terrorist operations, through the NATO-Russia Council. We encourage Russia to expand its work with us and NATO on common concerns.

On some issues, such as the Conventional Armed Forces in Europe Treaty (CFE), we continue to have serious differences with Russia. On CFE, NATO has endorsed the U.S. parallel actions proposal to end the deadlock over CFE. We regret Russia's unilateral suspension of its obligations under this binding treaty, and we want to maintain the viability of the CFE security regime. To that end, we are seeking to achieve ratification of the Adapted Treaty by all States Parties as well as Russia's fulfillment of remaining Istanbul commitments related to withdrawal of its forces from Moldova and Georgia.

Most urgently, Russia's increasing support for separatist regimes in Georgia's South Ossetia and Abkhazia regions and in Moldova's Transnistria region risks sparking serious instability. In particular, Russia's recent actions to upgrade relations with the Abkhaz and South Ossetian authorities and to bolster its military presence in Abkhazia threaten to escalate tensions in an already volatile region. On March 6, Russia unilaterally withdrew from the Commonwealth of Independent States (CIS) economic and military sanctions on the separatist Georgian region of Abkhazia. While we recognize assurances that we have received from Russian government officials that Russia will continue to adhere to military sanctions against Abkhazia, the lifting of CIS sanctions has raised concerns over military transparency in the region. On April 16, President Putin issued instructions to the Russian government on relations with Abkhazia and South Ossetia. The instructions direct the Russian government to "create" mechanisms to provide a range of government services for residents of Abkhazia and South Ossetia, in particular Russian citizens, including promotion of trade, education and scientific exchanges, and consular services. The document also authorizes Russian ministries to establish direct contacts with their separatist counterparts, and to recognize documents issued by separatist authorities as official. These moves, taken without the approval of the Georgian government, come on the heels of a rejection by de facto Abkhaz authorities of a Georgian peace proposal to offer maximal autonomy to Abkhazia within Georgia. These presidential instructions raise serious questions about Russia's role as a neutral

“facilitator” of the UN-led peace process for Abkhazia. On April 21, a Russian fighter jet shot down a Georgian unmanned aerial vehicle (UAV) over Georgian territory. On April 29, Russia moved additional troops into Abkhazia. We remain deeply concerned that these recent developments could destabilize the entire Caucasus.

We will continue to urge President Medvedev to repeal the presidential instructions on Abkhazia and South Ossetia and to work constructively on the Georgian government’s new initiatives to promote political settlements to the conflicts and to end punitive Russian sanctions against Georgia. It is in the best interests of U.S.-Russian relations, and the Caucasus region as a whole, that we work together to find a solution that will bring about peace and stability in the area.

In a similar vein, the United States and European countries have spoken with concern about Russia’s use of energy to pressure its neighbors, such as the 2006 shut-off of gas to Ukraine. To ameliorate this problem, we are working with Russia through the G-8 Summit process to encourage energy policies in line with the 2006 G8 Summit energy security principles, including open, transparent, efficient and competitive markets for energy production, supply, use, transmission and transit services as a key to global energy security. G8 members will report on their progress implementing the Principles at the G8 Energy Ministerial in 2008. We also continue to encourage Russia to bring more of its oil and gas resources to markets within an open, free, and competitive framework.

Mr. Chairman, I have reviewed the state of our relations with Russia as President Medvedev takes office. These relations have their troubles but also a degree of promise. We have our differences and concerns. But while I do not want to speculate about what President Medvedev’s priorities will be, I should note the February 15 speech by then-candidate Medvedev in the Russian city of Krasnoyarsk: he said that economic modernization of Russia would require support for the rule of law, a campaign against corruption, protection of property rights, and investment in human capital. We welcome this suggestion that President Medvedev sees Russia’s future in these progressive terms, and are ready to work with him to advance this agenda and a foreign policy agenda similarly based on a modern sense of Russia’s place in the world and relationship with its neighbors.

Mr. Chairman, members of the Commission, I am grateful for the opportunity to speak before you today, and look forward to your questions.

