LOOKING AHEAD TO THE MEDVEDEV ADMINISTRATION

HEARING

BEFORE THE

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MAY 8, 2008

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LOOKING AHEAD TO THE MEDVEDEV ADMINISTRATION

May 8, 2008

COMMISSION ON SECURITY AND COOPERATION IN EUROPE
WASHINGTON, DC

The hearing was held at 3:05 p.m. in room 419 Dirksen Senate Office Building, Washington, DC, Hon. Alcee L. Hastings, Chairman, Commission on Security and Cooperation in Europe, presiding.

Commissioners present: Hon. Alcee L. Hastings, Chairman, Commission on Security and Cooperation in Europe; Hon. Benjamin L. Cardin, Co-Chairman, Commission on Security and Cooperation in Europe; and Hon. Christopher H. Smith, Ranking Member, Commission on Security and Cooperation in Europe.

Witnesses present: Hon. Daniel Fried, Acting Undersecretary of State for Political Affairs, U.S. Department of State; Dr. Celeste A. Wallander, Visiting Associate Professor, Center for Eurasian, Russian and East European Studies, Georgetown University; Dr. Stephen Blank, MacArthur Professor of National Security Affairs, Strategic Studies Institute, U.S. Army War College; and Dr. David Foglesong, Associate Professor, Department of History, Rutgers University.

HON. ALCEE L. HASTINGS, CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. HASTINGS. Thank you all so very much. We'll call this hearing to order.

Ladies and gentlemen, we are very grateful for your being here. Distinguished guests and colleagues, welcome to this Helsinki Commission hearing on Russia under the new Medvedev administration.

This hearing comes at a time when relations between the United States and Russia are at a not-so-high point. Some would say our relationships are at a low point, since Russia threw off the Soviet yoke and regained its rightful place among the free nations of the world.

President Putin has turned the presidency over to Mr. Medvedev and his designated successor and former subordinate in the St. Petersburg power structures. In turn, the new President has appointed Mr. Putin as Prime Minister, and the Duma has swiftly confirmed Mr. Putin to this post.

Now that Russia is officially under new management, I sincerely hope that our administration will do its best to seize this oppor-

tunity to reinvigorate our bilateral relations. And, for my part, I'm hopeful of assisting in a role to boost this Congress ties with the leaders in the Russian Duma.

To what extent Mr. Medvedev will follow the policies of Mr. Putin seems to be an open question. Perhaps our experts will be able to shed some light on this important point.

I have rather lengthy remarks. I'm going to abbreviate them in the interests of time. And the fact is that the ranking member and I are going to have to be leaving for a vote.

So in an effort not to belabor matters, I will include, without any objection, my full statement into the record.

I do wish to take particular cognizance of the fact that our first witness is a person with whom I've had an immense amount of contact and equally immense amount of respect for his activities.

And so, Secretary Fried, I look forward to your testimony and any questions that may follow.

With your permission, Senator, I'll ask the ranking member if he has any opening comments.

HON. CHRISTOPHER H. SMITH, RANKING MEMBER, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. SMITH. OK, thank you.

Thank you very much, Chairman Hastings and Chairman Ben Cardin. Thank you for convening this very, very important hearing.

There are reasons to hope that Medvedev will lead a Russian government more respectful of human rights. Recently, he said that, "Human rights and civil liberties are the top priority in our society." And that's a quote.

After taking the oath of office yesterday, he said, "I believe that my most important aims will be to protect civil and economic freedoms. We must fight for a true respect of the law."

Many people who know Medvedev have attributed to him a spirit of openness. I believe the best approach to new world leaders is to approach them with an open mind. And this is true whatever country or party they come from.

When we are open to making a new beginning on difficult issues, we are often surprised at the response. Here I think of the openness with which Ronald Reagan encountered Mikhail Gorbachev and how so many of Reagan's supporters criticized and even mocked him for doing this.

So many of our cold warriors thought that all Soviet leaders were the same; Gorbachev was not a saint by any means, but neither was he a Stalin. And Reagan's openness allowed Gorbachev to loosen the Soviet system. And we all know that this loosening led to the collapse of communism and freedom for hundreds of millions of people.

At the same time, we have to bear in mind that Medvedev is very much a man of Putin's system and that Putin would not have supported Medvedev for the Presidency if he thought that he would drift far from Putin's political trail.

In any case, the Putin system will put powerful constraints on the new President. After all, Putin is the Prime Minister.

I also want to express my hope that, under the new President and Prime Minister Putin, the Duma will finally, at long last, pass comprehensive anti-trafficking legislation.

Last summer, I met in Moscow with a large group of Russian legislators at both the Moscow Duma and the Federal Duma level who were eager to pass comprehensive anti-trafficking legislation. We are still awaiting that legislation, especially as it relates to protection for the victims.

I've been informed by our global Trafficking in Persons Office at the State Department that there are Duma leaders who are against including protection for trafficking victims and they construe it to be a discrimination against victims of other crimes somehow.

This would be a missed opportunity, in my opinion, to protect Russian women who are being victimized by international gangs and horrifically raped in brothels abroad.

I would like to appeal to any opponents to visit trafficking shelters in Moscow, as I have done, or in St. Petersburg, as many of us have done, and in other countries, as well. If they do go to those shelters and talk to the women themselves, they will see that, as horrific as many other crimes against women are, trafficking victims are in another class.

Kidnapped, transported, raped thousands of times, living in terror for months or years, these women have been traumatized so deeply that we cannot even comprehend it. We have to extend them every aid and care that we can.

So, again, I appeal to the Russian leadership to visit a shelter and to extend their protection to these much-beleaguered Russian women.

And I thank you again for convening this hearing. I yield back.

Mr. HASTINGS. Thank you very much, Commissioner and Congressperson.

Senator Cardin, thank you, and thank you for arranging for us to have the accommodations. I'm deeply appreciative.

HON. BENJAMIN L. CARDIN, CO-CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Mr. CARDIN. Well, thank you, Mr. Chairman.

And I want to welcome all of our witnesses today. And I'm going to ask unanimous consent to put my entire statement in the record.

Mr. HASTINGS. Without objection.

Mr. CARDIN. Let me just make a couple very brief comments, because I want to hear from Mr. Fried and the other witnesses that we have here today.

We now have a 1-day record of Mr. Medvedev's presidency of Russia. I don't think any of us was anticipating that there would be a difference, at least certainly not in the short term, from President Putin, who's now the Prime Minister of Russia.

But I think there's major concerns that we need to explore. And that's why I particularly wanted and am pleased that we're holding this hearing.

We've seen in recent years that Russia has revived its economy. That's something I think we all should be very pleased about. That's something that is of interest, I think, to the entire region.

But at the same time, they have cut back and curtailed civil liberties; they have put pressure on the media; they've had a zeal for suppressing the slightest political opposition. And that's very, very troublesome.

At the same time, they've adopted a more muscular approach to foreign policy, particularly against any country that wants to show some independence from the Russian Federation. We saw that at the Bucharest Conference on NATO expansion, where Russia clearly had an impact on the decisions made by our allies on the expansion of NATO.

You saw that in the United Nations, where we attempted to resolve the longstanding problems in Kosovo. And, clearly, Russia's influence was very much evidenced in the inability to get the United Nations resolution that we had hoped to have had.

We see that in the OSCE, as we look at the future of our election monitoring role and even the missions, where with Russia it is becoming more difficult to develop a common strategy on the advancement of OSCE principles.

And we certainly see that in our agenda to advance human rights, as Russia has taken steps to make it very difficult for political opposition to have an opportunity for their voices to be heard.

So these are matters of utmost concern. And as Russia starts a new administration, we would hope this would be an opportunity for us to start building on a better relationship between the United States and Russia, not just on common agenda issues, which we have, but on the democratization and institutions within Russia, respecting its commitments under the OSCE, and truly becoming a leader in its region.

So, Mr. Fried, it's a pleasure to have you here. I look forward to your assessment. You have served our Nation with great distinction. And I think it's a particularly important time to get your insight on what's happening in Russia.

And I also welcome the second panel, because I do think we have the ability to really develop the type of record that's going to be important for the work of this Commission and for the work of Congress.

Thank you.

Mr. HASTINGS. Thank you very much, Senator.

Secretary Fried, before we begin with you, I'd like to make an announcement. And that is that the CSCE has gone green.

And I don't know whether you noticed, Mr. Secretary, but we now have everything up on our Web site. And we have a new Web site, or at least a refreshed one. That said, we don't have a lot of paper any longer. Therefore, we don't have the biographies and the fine paper that we normally have.

So in anticipation of the fact that Congressman Smith and I may leave for a vote, I want you all to know that we are very much appreciative of all of you.

Dr. Blank, thank you so very much for being here.

Dr. Wallander and Dr. Foglesong, thank you all.

And, Dr. Wallander, that young man that's there with you is—who is this young man?

Dr. WALLANDER. That's my son, Nathaniel.

Mr. HASTINGS. Yes, welcome. I'm always very grateful to have young people with us.

With that in mind, Acting Undersecretary of State Dan Fried really needs no real introduction to this Commission and doubtless any in the audience.

Secretary Fried, I will be in Russia in St. Petersburg the week after next. And I'll try to speak with you next week, prior to heading out that way.

But at this time, I welcome any testimony that you may have. So thank you.

HON. DANIEL FRIED, ACTING UNDERSECRETARY OF STATE FOR POLITICAL AFFAIRS, U.S. DEPARTMENT OF STATE

Sec. FRIED. Chairman Hastings and members of the Commission, thank you for the opportunity to appear before you today.

Our relationship with Russia is of critical importance, and this hearing is timely, especially given the inauguration of Russia's new President, Dmitry Medvedev, yesterday.

We can only speculate at this point what this will mean for the Russian government and Russia's policy. U.S. policy will remain constant. We seek to cooperate with the government of Russia wherever possible when our interests overlap, but we will stand by our principles and our friends and deal frankly with differences when these arise.

We acted on this principle in Sochi, when President Bush and then-President Putin issued a Strategic Framework Declaration, an important road map outlining cooperation between our two countries, including steps to promote security, prevent the spread of weapons of mass destruction, combat terrorism, and advance economic cooperation.

Consistent with this declaration, we signed on Tuesday a bilateral agreement on peaceful uses of nuclear energy, which will open up opportunities for U.S. industry, while strengthening our mutual nonproliferation goals.

In the area of security, the two leaders also acknowledged the need to move beyond a cold war mindset and focus on the dangers that confront both of our nations today, including the threat of proliferation of weapons of mass destruction.

On Iran, the United States and Russia are committed to a solution that will deny Iran a nuclear weapons capability. And on North Korea, we will cooperate to implement U.N. Security Council Resolution 1718 and the Six-Party agreements aimed at denuclearizing the Korean Peninsula.

The Strategic Framework Declaration also calls for expanded economic cooperation and the elimination of obstacles to trade and investment.

The Declaration also acknowledges differences, such as NATO expansion, and the president arrived at Sochi days after the Bucharest NATO summit, where he championed the path to NATO for Georgia and Ukraine.

The Declaration does report progress in the one area of disagreement, missile defense. Both leaders expressed interest in missile defense systems to deal with potential missile threats in which

Russia, the United States, and Europe could participate as equal partners.

While Russia does not agree with our efforts to establish missile defense sites in Poland and the Czech Republic, Russia has acknowledged the importance of the transparency and confidence-building measures the United States has proposed to address Russian concerns about these potential sites.

Mr. Chairman, the Declaration also commits both governments to respect the rule of law, human rights, tolerance of diversity, political freedom, and a free market approach to economic practices. We intend to hold the new Medvedev administration to these commitments.

We want Russia to be a partner and to be strong, but strong in 21st century terms, with democratic and independent institutions in and out of government, and working with its neighbors.

Russia is a freer country today than during Soviet times, but this is a low standard for a great nation. We are concerned about deterioration of democratic freedoms in Russia.

International observers concluded that neither the December elections for the state Duma nor the March Presidential elections met international standards for free and fair elections. Problems included ballot fraud, abuse of administrative resources, harassment of the opposition, and lack of equal opportunity for the opposition.

We were also troubled by restrictions on political debate. Opposition parties reported official harassment, intimidation, and an inability to obtain rally permits. Opposition leaders were detained and arrested on questionable charges. And both opposition activists and media outlets faced the confiscation of campaign materials or newspapers to study whether or not they were "extremist".

As a result, as Secretary Rice has remarked, Russia's Presidential elections were essentially uncontested.

Problems extend beyond the elections. NGOs face persistent pressure. Russia has enacted legislation that requires them to file extensive reports on their structure, activities, leadership and finances. The result is that many NGOs have been prevented from effectively carrying out their work.

The pressure on Russian journalists is also troubling. While Russians have access to largely free Internet media, most national broadcasters are now in government hands or the hands of entities allied with the Kremlin.

Media outlets and organizations which oppose the administration have been raided for allegedly pirated software. And physical attacks on journalists have had a chilling effect.

We are also concerned by Russia's relations with its neighbors, particularly Georgia and Ukraine, whose governments have chosen to pursue closer Euro-Atlantic ties. The Russians have expressed their opposition to NATO membership for both countries in strong terms.

We see such opposition as a vestige of the past. In our view, democratic and peaceful countries on Russia's borders are a threat to no one. In fact, thanks in part to NATO enlargement, Russia's western frontiers have never been so secure and benign in Russia's history.

We also continue to have differences with Russia on the Conventional Armed Forces in Europe Treaty. We regret Russia's suspensions of its obligations under this binding treaty, so we are seeking a way to ratification of the treaty by all parties, as well as Russia's fulfillment of its commitments related to the withdrawal of its forces from Georgia and Moldova.

Of particular concern is Russia's support for separatist regimes in Georgia, as well as Moldova. Last month, President Putin directed the Russian government to "create" mechanisms to provide a range of Russian government services for residents of Georgia's Abkhazia and South Ossetia regions.

Russian ministries were authorized to establish direct contact with their separatist counterparts without the approval of the Georgian government. On April 21st, a Russian fighter jet shot down a Georgian unmanned aerial vehicle over Georgian territory.

We remain deeply concerned that these developments could destabilize the entire Caucasus.

On April 29th, Russia increased the numbers of its peacekeeping troops. As the White House said earlier this week, these steps have significantly and unnecessarily heightened tensions in the region and run counter to Russia's status as a facilitator of the U.N. Friends of Georgia process, which aims to find a peaceful resolution to these conflicts.

We will continue to urge the Russian government and urge President Medvedev to repeal the instructions on Abkhazia and South Ossetia and to work constructively to find a political settlement to these conflicts.

There is no military solution to this problem, not by either side. Provocations on all sides must stop. Russia needs to help put the Abkhazia dispute on a negotiating track, not to use it to intimidate its small neighbor.

In a similar vein, we have made clear that the use of energy for political ends or pressure on neighbors is unacceptable. And we encourage Russia to bring more of its oil and gas resources to markets within a free and competitive framework.

President Medvedev thus takes office with a United States-Russia relationship that is complicated, including elements of strategic cooperation, which are ongoing, and areas of sharp differences.

As we assess the way forward in our bilateral relationship, the administration noted with interest then-candidate Medvedev's speech in December when he said that Russia's economic modernization would require support for the rule of law, a campaign against corruption, protection of property rights, and greater political freedom.

President Medvedev's inaugural speech emphasized these points and referred to the need to struggle against what he termed "legal nihilism" in Russia.

We welcome these views, which are frank and promising. And we will work with President Medvedev to advance a constructive agenda in our relations. And as we move forward in this relationship with Russia, we will look at the words that Russian leaders speak and at the actions they take.

Mr. Chairman and members of the Commission, I greatly appreciate the opportunity to speak before you today and I am happy to take your questions.

Mr. HASTINGS. Thank you very much, Mr. Secretary.

We'll turn to questions now. And I'd like to begin by asking whether or not you have information that you can share with us regarding the reports of two of our military attachés being expelled in Russia? I believe that took place today.

Sec. FRIED. Mr. Chairman, I can confirm that authorities in Moscow have asked two of our military attachés to leave Russia on April 28th. They asked on April 28th for our attachés to leave.

We object to this action, but we will comply with this request from the Government of Russia.

Another attaché was requested to leave on April 14th.

I should say, to complete the record, that the United States has asked two Russian officials to leave the United States. This was one last year late, and one earlier this year.

I don't want to go beyond this, except to say that we look at these incidents as something which happens from time to time in U.S.-Russia relations. It is not, in our view, the sign of some larger diplomatic struggle; it is not a sign of some downturn.

It happens, and we would like to see this process—we would like to see this process end.

Mr. HASTINGS. All right. Were there stated reasons that they gave, not anything having to do with our response, but is there any report as to why they undertook these actions, coming from their point of view?

Sec. FRIED. Mr. Chairman, they did give us reasons. As I said earlier, we objected to this. We did not think there were grounds.

Mr. HASTINGS. All right.

Sec. FRIED. And I don't want, at this time, to go into the details.

Mr. HASTINGS. I understand. Hopefully we'll be able to followup with that.

Over the past few years—and you mentioned it in your testimony—Russia has been issuing Russian passports to residents of Abkhazia and South Ossetia, and even though they live in sovereign Georgia. Now, they claim the right to defend them by military force.

My question is: Should other CIS states be concerned about Moscow's creeping annexation of these regions? And what are we to think and what is our response when Moscow's Ambassador to Georgia warns, and I quote, "The Russian Constitution stipulates protecting Russian citizens wherever they may be, whether it Abkhazia, Zanzibar, Antarctica, wherever?"

Earlier this week, I met with the just recently parliamentary head or speaker of the Georgian parliament, Nino Burjanadze. And I asked her to, as best she could, clarify for me what was transpiring, and with particular emphasis on the downing of aircraft in that region, and what was the response of Georgia.

Mr. Secretary, this, at this time, raises concerns for a lot of us that have had a continuing interest in stability between these two countries. And I would wonder what, if anything, can we do or say, what are we doing and saying regarding this set of events?

Sec. FRIED. Relations between Georgia and Russia are obviously troubled. And we're troubled by Russia's actions against Georgia and its consistent pressure on Georgia.

The statement by the White House earlier this week was a strong statement, and it was thoroughly justified.

Russia continues to impose economic sanctions against Georgia. It supports breakaway, separatist regimes. It has been responsible for various provocations: last year, missile firing from Russian fighter aircraft, this year, the shoot-down by a Russian fighter aircraft of an unarmed Georgian drone.

These forms of pressure from Russia have intensified since the Bucharest summit, at which NATO leaders took a step forward, by stating clearly and unambiguously that Georgia and Ukraine would become members of NATO.

I can't speculate as to Russian motives for this pressure against Georgia, but it is our belief that Georgia and Ukraine and every other country has a right to determine its own future and that Georgia's path to NATO should be a function of Georgia's readiness and not a function of another country's claim to impose a sphere of influence.

Russia has, of course, a perfect right to protect its citizens. This is known as normal consular function, all over the world. But Russia, by handing out passports to citizens of other countries, and then claiming that it had a special right to protect them, under these circumstances, is increasing tension in an area which has known too much strife and war since the breakup of the Soviet Union.

The United States supports Georgia's territorial integrity. We also support Georgia's efforts at a peaceful solution to the Abkhazian and South Ossetian conflicts.

President Saakashvili has recently offered a very forthcoming plan for extensive Abkhaz autonomy within Georgia, and we urge Russia to open the way for Abkhazia and Georgia to discuss this plan. And we think that accelerated efforts and a diplomatic solution are the way in which we can work together to diffuse tensions and resolve this problem.

Mr. HASTINGS. Thank you very much.

I'd ask you to please catalog one question and refer to me in writing on the levels of influence, if any, that the United States has on Russian policies. I won't ask you to go into it now, but if you would be so kind as to do that, with the understanding that the response that you offer to me I intend to have it posted our Web site, if we can make that arrangement.

My final question has to do with something, Secretary Fried, that I know that you spent a considerable amount of time dealing with—I know Senator Cardin and I did rather considerably—and that is the selection of Kazakhstan as the chair-in-office for the year 2010.

Is there any evidence at this point that, in some measure, tempers Russia's criticism of the OSCE? Or does Russia noticeably in any way influence Kazakhstan's positions at the OSCE? And I guess a followup on that is, is it too early to tell?

Sec. FRIED. It is too early to tell definitively, but I think it is safe to say that Russia's attitude toward ODIHR, the human rights and

democracy arm, the election monitoring arm of the OSCE, has not changed.

That is, Russia's resistance to ODIHR's election monitoring function for its Presidential elections came after the decision had been made about Kazakhstan. So that suggests an answer to your question.

We regret very much that Russia has continued to put pressure on ODIHR. We are working with Kazakhstan, of course, and will continue to do so. Kazakhstan made a number of commitments when it accepted the offer of chairmanship-in-office.

It seems to me that was the right decision. And we all worked on this, Mr. Chairman, including with considerable advice from you, which I appreciate.

This was the right decision. And I think Kazakhstan will work with us. And we hope this will yield the right results.

Mr. HASTINGS. Thank you very much. And I thank the State Department for their efforts.

As you know, the annual meeting of the Parliamentary Assembly is going to be in Astana in July. And I would hope that we would have active consultations and regard our efforts there. And my great hope would be that we would have substantial bilaterals that will assist in moving the ball forward, as it pertains to the OSCE and dealing with the various subjects at hand.

Thank you, Secretary Fried.

And I turn now to the ranking member, my good friend from New Jersey, Congressman Smith.

Mr. SMITH. Thank you very much, Mr. Chairman.

And, Secretary, thank you for your excellent testimony and your excellent work. We do appreciate it on this Commission. And so let me just underscore that I'm very, very grateful.

I do have a number of questions I'd like to ask. And I'll do them rapid-fire, just because we do have to leave, I think, pretty shortly for a vote.

The first would be on the whole issue of the journalists. Last year, I authored a resolution, H. Con. Res. 151. It passed overwhelmingly in the House. It made particular mention of Paul Klebnikov and Anna Politkovskaya and other journalists.

Reporters Without Borders has rated, as you know, Russia as the sixth-most-dangerous place for journalists. As a matter of fact, in the resolution, we put a statement that I think was very telling. The president of the International News Safety Institute has said, "Murder has become the easiest, cheapest and most effective way of silencing troublesome reporting. And the more the killers get away with it, the more the spiral of death is forced upwards."

And then we went on with an operative section, calling on an open investigation, outside law enforcement. And my first question would be, has there been any change, any progress in any of those investigations?

Has the Russian Government asked for and got any support from, for example, the FBI or any other law enforcement asset that could be helpful in solving those crimes? Or is it an issue that just has been left to fester and, obviously, putting more journalists at risk?

Second, on trafficking, if you could, where we are on legislation, as it deals with the protection side. We know that the Duma moved expeditiously on criminalizing and trying to effectuate some comprehensive law enforcement against traffickers, but on the protection side there's still a serious lag, so the victims are not getting the services they need, if you could update us on that.

If you could tell us briefly on Russia-PRC relations. We all raised the issue of the Olympics, the spiraling down, the ever-worsening situation with China when it comes to virtually every human rights abuse imaginable.

My question would be, we know that there's been a forging of relations. How close is it, in your estimation? Is it getting closer, moving apart? Is it ebb, you know, an ebb tide? But, you know, there are ominous implications, obviously, no matter what course they take, especially a closer collaboration.

And, finally, I join the Chairman in the deepest concern about Georgia. And I met with Nino, as well. I'm sure Ben and others did, as well, because we all have the highest regard for her. She's been an outstanding speaker of the Georgian Parliament.

But the House did pass a resolution, H. Res. 1166, very strongly worded, couldn't have been stronger worded. Twenty-three or so voted no; 14 abstained. Overwhelming majority of Democrats and Republicans voted for it.

I guess, you know, the obvious—you've basically stated—well, you've answered the Chairman—but the concern we all have is, how imminent, if it is imminent, is war? I mean, there are—the number of provocations, the signs, the sense that there's something in the offing here is highly disturbing.

And, second, on that question, was there any pretext taken by the Russians with what has happened in Kosovo and the independence there? The territorial lines aren't necessarily sacrosanct.

And this is seen as maybe, well, if it can happen in Kosovo, the people—lines aren't necessarily drawn with any degree of permanence. So South Ossetia and Abkhazia, you know, are not as protected as we would like them to be.

Sec. FRIED. Let me try to go through those quickly. You've asked a lot of important questions, and we could spend a lot of time on each one. So forgive the truncated answers.

I regret to tell you that neither the murder of Paul Klebnikov nor the murder of Anna Politkovskaya has been solved. They were courageous journalists. They were murdered, we believe, because of their journalism. We do not know who did it.

We have worked very closely with Paul Klebnikov's family and with Russian authorities. But I don't have an answer for you as to when this will be resolved or if it will be resolved. I regret that. I wish I could——

Mr. SMITH. Is it still a center-stage issue with our Russian relationship? Are we bringing that up——

Sec. FRIED. We bring this up a very great deal. We have established a working group with the FBI. On the Paul Klebnikov matter in particular, we're in close touch with his family. This is a matter of concern.

I'm glad—frankly, I'm glad you've brought it up, because it gives me the opportunity to go again on the record and say that this is

important to us. Journalists being murdered is a terrible thing, and this was a courageous young American.

The issue of trafficking is an issue on which we think there is the—we have the opportunity to make progress with the Russian Government. This is an issue that we care about a great deal.

The Embassy in Moscow, as you know, because you've done a great deal of work on the ground on this, Congressman, is actively involved. We have assistance programs which have gone to various groups which are involved in protecting women who are at risk of or have been trafficked.

We'll continue to make this one of our key assistance programs with the Russians and work with Russian authorities.

Russia-China relations, there is a school of thought in Russia among the unofficial, but officially connected foreign policy thinkers that a Russia-China quasi-alliance or closer relations are a good way to counterbalance the United States.

We don't believe in balance-of-power politics. We believe the countries should work together to solve common problems. And that's what we try to do with Russia.

But, obviously, China is a huge, rapidly rising country, a country with which we have profound interests. The way China develops in this century is of profound importance. And our relationship with China is independent, obviously, of Russia.

This is something to watch. This is a strategic factor in world affairs, and we do watch this in general.

We also watch the relationship between Russia's very under-populated far east and China.

You mentioned Georgia. I think that H. Res. 1166 is a strong expression of support for Georgia, which I welcome. That expression of support can give the Georgians confidence that they are not alone and that that sense of confidence may enable them to work constructively and diplomatically for peaceful resolutions for the Abkhaz and South Ossetia situations, which are the only resolutions available to them.

So I think this is a very constructive initiative. And I think it helps both the Georgians and stability in the South Caucasus.

You asked about war. I do not believe that the Russians want a full-scale war. I'm sure that the Georgians do not want it, either. But what we fear is that, with so much tension, so many armed people in close proximity, and a record of provocations, that there can be a spark, setting off a wider problem, and that we're—and suddenly you're dealing with deaths and shooting and an out-of-control incident.

We worry about that a great deal. We don't like the heated rhetoric that has come out of Russia. Sometimes Georgian rhetoric is hot, as well. And while we have urged restraint on the Georgia, there is a difference between a very small, vulnerable country and a very large country that we have to keep in mind.

Even though we do counsel restraint on the Georgians, they are the vulnerable party, and it is their territory that is under threat.

You mentioned Kosovo. Tensions between Georgia and Russia predate the Kosovo issue. The Russians may use Kosovo as an excuse. They may argue it is a precedent. In fact, in the Caucasus, there are a number of separatist conflicts.

The breakup of the Soviet Union was bloody. It was terrible in many ways for the people on the ground. And we hope that Russia will work with us to arrange diplomatic solutions so we don't have these conflicts festering, which can hurt everyone in the region, including Russia and, of course, the countries involved.

There's much more to say, so forgive me that I've gone through this quickly, but I wanted to touch on all your points, sir.

Mr. SMITH. [Off-mike]

Mr. HASTINGS. Thank you.

Senator Cardin?

Mr. CARDIN. Secretary Fried, let me see if I can just go through this list. Russia has recently asked our two military attachés to leave their country. And we take exception to that, but we'll comply.

Russia is interfering with Georgia's sovereignty by actions, including shooting down an unmanned aircraft, and has had influence in NATO expansion, as it relates to both Georgia—and we haven't talked about Ukraine, but I assume you would agree that the decision in regards to Ukraine was also influenced by Russian relations.

Just as a side note, I thought you did a very fine diplomatic response by supporting a third option on NATO action, in addition to the two that are standard, to say that the statement that they will become a member had substance.

We all know that it was a disappointment to the United States that we did not get a more definitive route toward NATO expansion with Ukraine and Georgia and that Russia had an impact on that.

You've responded by saying that Russia is still adversely affecting the work of ODIHR, particularly as it relates to election monitoring.

In response to Mr. Smith, you said that, in regards to Kosovo, I didn't hear anything new, which I assume Russia is still not playing a positive role in a diplomatic solution on Kosovo, which is an area of the world that we have invested a great deal of U.S. energy and can be very proud of some of the achievements that we've been able to deal in the areas of the former Yugoslavia.

The two journalists' deaths are still crimes unsolved, with little cooperation from Russia. Russia is pressing their journalists and the opportunity to report fairly.

So where is the positive news in regards to Russia? Is there any area that we should be encouraged? Because, quite frankly, it looks to me like it is one problem after the next of whatever we are moving forward, Russia is moving in the other direction, in fact, causing additional problems for U.S. interests.

So I'm all in favor of engagement; believe me. I want to work with Russia. Russia is a very important country in the world. It's a country that we need to get back on track.

But it's somewhat discouraging when we really have very little to point to that are bringing our two nations together.

Sec. FRIED. Senator, you cited a number of areas where we have significant differences with Russia and where Russian behavior and policies are troubling. And I will not tell you that this list is

wrong or that it is better than it seems on these areas, because in these areas we have profound differences.

The Strategic Framework Declaration that Presidents Bush and Putin issued in Sochi in April, about a month ago now, outlines areas that, if not wholly balanced the ledger, at least speak to the reality of cooperation. And it does exist.

In security issues, we are working on a post-START arms control arrangement, building on the Moscow Treaty. In missile defense, we took a big step forward, taking an issue from one of really hot disagreement to tentative cooperation, which is a major step forward.

Mr. CARDIN. Just to clarify that issue, because there is some disagreement in Congress on the missile defense issues. But maybe I missed this. Is Russia withdrawing their opposition to the U.S. request in regards to Poland and Ukraine?

Sec. FRIED. Russia has made clear that it still disagrees with the U.S. effort to establish missile defense sites in Poland and the Czech Republic.

Mr. CARDIN. I meant Czech Republic. Excuse me.

Sec. FRIED. However, Russia has acknowledged that the United States—proposed measures on transparency and confidence-building could be useful in assuaging Russian concerns. And that is a major step forward from absolute, unalterable opposition to an acknowledgement in the presidents' document that the confidence-building measures could assuage them.

This is a step forward. It doesn't mean we have no differences, but the way I put it is, on a scale of plus-100 to minus-100, missile defense has gone from minus-100 to, let us say, plus-10. Now, that's either only 10 or 110 more than it was when you started. Crude analogy, but I think you see the point.

In other areas, we are working together to prevent on counterterrorism, to prevent nuclear proliferation, on nuclear energy. I could go on, but we're working together on Iran. We're working together on North Korea.

There is a set of significant issues on which we are working together. Traditionally, the United States—now I'm going to be—I'm going to indulge in a kind of rough metaphor, so forgive me—we often fall into two modes, one of two modes about Russia, either excessive enthusiasm and exaggerated hopes or anger and irritation across the board.

And what is required is neither one. What is required is a very sober look at Russia, a clarity and realism about what it is and what it isn't, and an ability to work with Russia where we can, but also push back where we must. And that is easier to say than it is to do, but that is, it seems to me, the best policy approach and one which reflects the reality of a very complicated and mixed relationship.

Mr. CARDIN. The difficulty I have with Russia is that, every time I try to advance a particular issue of concern, it's like a denial or I must be their enemy, because I'm criticizing them. The whole purpose of the OSCE process is to make it legitimate for any state to question the activities in any other state.

I know that the members of this Commission are usually approached at all of our meetings about concerns of OSCE commit-

ments in the United States. And we take those issues very seriously and appreciate the fact that our colleagues are using the forum to bring up these matters so we can clarify or can take back to our country the concerns of the international community.

But when we do this with Russia, they seem to take it rather personal. And it's very difficult to get into a constructive dialogue.

I don't know whether you find the same point or not in your conversations with the Russians, but I find that very disturbing.

Let me just ask one additional question, if I might. We now have Mr. Medvedev, who is the new president. And you have said some very encouraging things about his speeches.

Is there any reason to believe that he will exercise independent leadership from the new Prime Minister, Mr. Putin? Or are we still dealing with Mr. Putin?

Sec. FRIED. The briefest answer I will give is to fall back to the cliché "time will tell," which is another way of saying we don't yet know how the balance of power and responsibilities will work out.

Prime Minister Putin left office regarded as a success—regarded in Russia as a successful President. And this is the first time that a Russian leader has left office alive and not under——

Mr. CARDIN. Mr. Secretary, I want you to respond for the record. I apologize. There's a vote on. I'm going to go vote, and I'll be back.

Sec. FRIED. Yes, sir.

Mr. CARDIN. But I want you to know it was not rudeness. It's a matter of so I can make the vote and get back.

Sec. FRIED. Thank you. I'm glad my answer hasn't put you off. [Laughter.]

Sec. FRIED. So President Putin retains popularity in Russia, because he is regarded as having been a highly successful President. The constitutional breakdown of authorities between President and Prime Minister is clear on paper. How it works in practice is something which we will see.

President Medvedev and Prime Minister Putin have been close colleagues for a number of years and they've gone out of their way to say that they will work well together.

On the other hand, in 20th-century Russian history—well, in all of Russian history—diumvirates either did not exist or did not have a good track record. So we don't know.

But rather than speculate, we will work with President Medvedev, we will work with the Russian Government on the agenda, dealing forthrightly with problems in areas of disagreement, but working to advance cooperation where we can.

And we will see the way Russian history takes that country. It is up to them.

Mr. HASTINGS. Secretary Fried, I am deeply grateful for your testimony here today. And as indicated at the outset, your full statement will be included in the record.

I won't pursue further questioning. And I am hopeful that I will have an opportunity to have telephone communication with you next week, not pertaining to this hearing, but advancing other things in this relationship that we are here about.

I hope our hearings are and this hearing is helpful, and that is our intent, to be as constructive as possible and to work with those

who have the immense responsibility, as you and your colleagues in the State Department and in the administration, have.

So thank you so very much.

And at this time, I will ask, if you so desire, you take your leave.

And I'd invite to the dais at least for witness purposes Dr. Stephen Blank, MacArthur professor of national security affairs and Strategic Studies Institute at the U.S. Army War College; Dr. Celeste Wallander, visiting associate professor at the Center for Eurasian, Russia and East European Studies at Georgetown University; and her son, whose name I didn't get, Dr. Wallander.

Dr. WALLANDER. Nathaniel Anderson.

Mr. HASTINGS. Nathaniel, again, thank you for being here.

And Dr. David Foglesong, associate professor, Department of History, at Rutgers University.

Dr. Wallander, I've been told that you should go first. And that makes sure that I get a chance to hear [inaudible] that's my call to a vote. I'm telling you, we are having our day here.

I'm fond of saying and the staff gets tired of hearing me say it's hard to apologize for working. But go ahead, Dr. Wallander.

DR. CELESTE A. WALLANDER, VISITING ASSOCIATE PROFESSOR, CENTER FOR EURASIAN, RUSSIAN AND EAST EUROPEAN STUDIES, GEORGETOWN UNIVERSITY

Dr. WALLANDER. Thank you, Mr. Chairman.

And members of the Commission, thank you for holding this hearing and inviting me to contribute.

I have to say, I think that the Organization for Security and Cooperation in Europe is one of the most important and undervalued institutions for international security in its most comprehensive sense.

And it is really important that so many important Americans are committed to its work and supporting its work. And I deeply admire the members of this Commission for that commitment. And thank you for the opportunity to speak today.

I'm going to just highlight some of the points from my written testimony, which I'd like to submit for the record, and focus on my assessment—as it turns out, some of the questions that have already arisen, namely, what is the Russian political system and what does it mean for the potential of the new president, Dmitry Medvedev, and the role of new Russian Prime Minister Vladimir Putin?

I will survey a couple of main points about Russian foreign policy and their implications for the United States and whether we can expect continuity or change in those polices, and then think about some pragmatic—what I think are some pragmatic initiatives in the next year or 2 that the United States could advance to try and take advantage of the new administration on the Russian side and, looking forward, of course, a new Presidential administration on the American side.

As we all know, Dmitry Medvedev took office as Russia's third President yesterday, the 7th of May, and Vladimir Putin was confirmed as Prime Minister today, on the 8th of May. And with this leadership transition, Russia's put behind it the crisis of uncer-

tainty over the succession plans that had dominated politics in Russia for some 3 years now.

But far from ending uncertainty and speculation about Russia's political system and stability, the new lineup has shifted the issue to speculation about where real power will lie, in the presidency, in the Prime Minister's office, or divided somehow between them.

In my view—and in my written remarks, I go through different scenarios and lay out my analysis, but I'm going to just focus on what I think is going to happen. In my view, the most likely outcome is a shift in power to the Prime Minister's office and to the person of Vladimir Putin.

Medvedev will be President, but Putin will hold power. And to the extent that Medvedev is an effective President, it will be because he does not contradict or cross Putin.

The political systems that Putin created over the 8 years of his presidency enables the political leadership to exercise considerable power without accountability to Russian citizens.

The party Putin now leads that his Kremlin created, but which notably he's not a member, United Russia, holds 64.3 percent of the seats in the Duma, 315 out of 450. Just Russia, the next-largest party, a party also created by the Kremlin in order to establish a non-opposition opposition party, holds an additional 38 seats.

The Liberal Democratic Party, under Vladimir Zhirinovsky, which supports the Kremlin, holds 40 seats. And the only opposition party remaining in the Duma is the Communist Party, which holds 57 seats, or just over 11 percent.

Yabloko and the Union of Right Forces, Russia's only genuine opposition parties, in the December 2000 Duma elections, failed to gain any seats at all.

So the Putin leadership has thus successfully eliminated competitive, pluralist politics in Russia for some time to come. Media is either state-owned, in the hands of a Kremlin-friendly businessman, or without access to national broadcast outlets.

Civil society organizations can operate only if their activities and objectives are non-political. The Kremlin has created onerous requirements for NGOs seeking foreign funding. And most Russian NGOs subsist on donations from Kremlin-approved businesses or from the government's NGO monitor, the Civic Forum.

This political system is essentially authoritarian, although of a modern cast. Putin's consolidation of power rests on two sets of parallel processes: eliminating political opposition and building patron-client bases of power, dependent on his leadership.

These are primarily rooted in the Soviet security services, notably the KGB successor the FSB, and the key to holding political power in Russia is access to wealth and resources. And the key to access to wealth and resources in Russia is holding political power.

Among the major figures in Putin's supporting networks of clients dependent on and supporting his role as president were Medvedev, who was deputy prime minister while also serving as chairman of the board of Gazprom; Sergei Ivanov, who was deputy prime minister overseeing the defense industries; Igor Sechin, first deputy head of the Presidential administration, while at the same time serving as the chairman of the board of Rosneft; and Viktor

Ivanov, deputy head of the Presidential administration and chairman of the board of the defense firm Almaz-Antey and of Aeroflot.

As Russia's state-owned or controlled firms in the energy and defense sectors have extended their control of enterprises and commerce, these close clients of Putin have come to control the most important sectors of the Russian economy and to become very wealthy themselves. Recent reports suggest that Putin himself may be worth as much as $41 billion.

Now, giving Medvedev the presidency would thus appear——

Mr. HASTINGS. Was that million or——

Dr. WALLANDER [continuing]. $41 billion.

Mr. HASTINGS. With a "b"?

Dr. WALLANDER. With a "b." Giving Medvedev the presidency would thus appear to be an extraordinary transfer of power, far beyond that of the process of Presidential succession in democracies where political institutions create checks and balances, competing political parties and media allow citizens to hold their presidents accountable, and political power is not so inextricably linked to business and the economy.

If Putin were really truly ceding the system he built to Medvedev, it would be extremely important to understand Medvedev's preferences and intentions. And we've heard speculation that Medvedev has expressed more liberal views, has talked about the rule of law, and has talked about fighting corruption.

I think, however, a path by which Medvedev as president is powerful is unlikely in Russia for two reasons, by 2008. First, although it's possible that Putin has decided to reverse course and has turned political power over to Medvedev to put a velvet glove over the iron fist of the system he spent 8 years building, liberalization is ultimately contrary to how that system works and what Putin himself has consistently and decisively declared necessary for Russia.

Putin's political leadership is viewed by Russian society as extraordinarily successful, with Putin's approval ratings above 80 percent. In recent weeks, Putin has prepared to leave the presidency with statements affirming what he has achieved in strengthening the Russian state, establishing Russian power on the international scene, and completing the work of limiting private foreign investment in the strategic sectors of the Russian economy.

There do not appear to be any regrets that Russia has been turning firmly away from political and economic liberalization.

Second, and more importantly, why I don't believe that President Medvedev will be a powerful president in Russia, the idea of a powerful President Medvedev is based upon a faulty premise, that political power and how the Russian system works are based solely upon the constitution, rule of law, and institutions.

The functioning of political power is as much, and I would argue even more, dependent on these networks of patron-client relationships and the clans of long-held regional and professional associations of the Russian elite.

Most important of these are the men who served in the KGB in the late Soviet period, the siloviki, who constitute Putin's inner circle and network of associates.

Medvedev does not share that background. And while the members of the regional clan who came from St. Petersburg to Moscow to work for Putin have become wealthy and powerful because of their deep regional connection to Putin, they are dependent upon him and lack a vital power resource exercised by the siloviki, which is access to information and the ability to investigate and imprison opponents.

Furthermore, it is not only that Medvedev does not have the resources for this change of course. It is likely that those with resources under the current system would very actively fight to prevent any change that would threaten their hold on power.

A loosening of state control of the economy, a reduction of corruption, and an effective rule of law would break apart the patronage-based authoritarianism that has installed Russia's current leadership in power and enriched them and their clans.

Now, Medvedev and Putin are clearly close associates with a long history and relationship, so they may hold a level of trust and unity of political purpose sufficient to make a two-headed leadership work. But it would work only if they were of the same mind on policies, personnel, and ultimately the goals they seek.

In any difference that might emerge in any of those areas, someone would have to lose, and I don't think it's going to be Vladimir Putin.

That, in turn, means that real power will lie in the office and person of Vladimir Putin. The informal, but real patronage-based authoritarian system created in the past few years already favors Putin's power, even as he shifts to the position of Prime Minister.

Furthermore, in the past few weeks, Putin and the Duma have been busy enhancing the power of the Prime Minister. Large blocks of responsibilities are being pushed down to the ministerial level—from the prime ministerial level down to the ministries, freeing the Prime Minister from the kind of administrative, day-to-day oversight that kept Putin's prime ministers busy and subject to criticism and rebuke.

When President, Putin slimmed the administrative offices of the Prime Minister. Word now is that the number of deputy prime ministers will grow to as many as 11 serving under Putin.

In his move to the Prime Minister's offices in the Russian White House, Putin has created a press office, a speechwriting office, and a protocol office, suggesting that the new prime minister will not be absent from foreign policy.

The rules which limited press access in the President's Kremlin offices have been extended to the White House, indicating that Putin's style of non-transparent and personalistic politics will move to the prime ministership.

And just this week, there have been reports from Moscow that the likely candidate—the likely person to move to the Russian security council, which is an office of the Kremlin overseeing foreign and defense policy, is Sergei Ivanov, at one time considered to be a contender for the position of President, one of Putin's associates from the KGB, a member of the siloviki, and likely, if he does end up in that position in the Kremlin, likely to be Putin's man in the Presidential administration.

So all the indications are that Putin is not merely remaining in politics, but that he is remaining in power. This is not surprising. Experts on Russia's political system are in substantial agreement that it is not one rooted in institutions and law.

The Russian state is Putin's state, whether he sits in the Kremlin or the White House. Insofar as Dmitry Medvedev is Putin's trusted ally, he will be a strong President. But if Medvedev remains Russia's President, it will be because Russia's President is not the figure who wields power and determines policy.

And I've taken a lot of time, so I won't go through a lot of detail on Russian foreign policy. But the obvious implication of my assessment is that we are going to see primarily continuity in Russian policy, in foreign policy, in the three areas I talk about in my written testimony as being Russian priorities, namely in re-establishing Russia as a Eurasian great power; preventing the United States from eroding Russia's power from within, namely Russian concern about democracy promotion, what the Russians call "color revolutions"; and Russia's efforts to build good political and economic relations with Eurasian major and great powers, especially emerging powers of the 21st century, China, India, and, in particular, Iran.

So I'm going to skip over the analysis, because I don't want to impinge on the time of my colleagues or the opportunity to answer questions, and point nonetheless to some degree of optimism. And that optimism arises from precisely the fact that the Russian political leadership is feeling more secure and more certain about its own future.

The insecurity about the succession, about American democracy promotion, about the real fear that the Russian elites had that the United States was somehow planning some kind of internal Russian democratic revolution to followup on the Rose Revolution in Georgia and the Orange Revolution in Ukraine, is behind them.

They've managed the transition. They've managed it to their liking. It appears that President Putin as now Prime Minister Putin will remain in control.

And so the opportunity for constructive cooperation, although there might be a small window for that opportunity before the next round of elections in 4 years begins to loom, is real.

And I will just refer to exactly something that came up with Undersecretary Fried's testimony, which is namely the missile defense proposal, just to highlight the point, rather than going through many examples.

Back at the end of 2000, the very same sorts of proposals for transparency and confidence building that the U.S. Government brought to Moscow on missile defense, on U.S. plans for missile defense, were criticized as being irresponsible, inadequate, disrespectful, not caring about Russian security interests.

When Secretary Rice and Secretary Gates were in Moscow a couple of months ago, it was essentially the very same proposals. The response was much more welcoming, much more approving. And we heard Foreign Minister Lavrov, actually, comment that these were proposals that Russia could work with, because they took into account Russian interests and Russian concerns.

To me, that's an indication that the Russian government is feeling more secure and is willing to lower the rhetoric, lower the tone

of hostility and fear and threat, that was so characteristic of President Putin's foreign policy in the last 2 years and, also, of the other officials of the Russian government.

And it creates the opportunity for initiatives in the area of security cooperation, restarting talks about the Conventional Forces in Europe Treaty, taking seriously the need to negotiate a follow-on to the START Treaty, which expires in 2009, and by which we will lose the verification procedures, and monitoring infrastructure that was so valuable for confidence building and for interaction between our defense and security establishments.

So the United States, although having a very clear eye about the nature of the Russian political system, ought to be ready to take the initiative in offering some pragmatic areas of cooperation, such as graduating Russia from the Jackson-Vanik amendment, supporting Russian integration in the World Trade Organization, advancing the cause of conventional arms control, and also re-establishing a basis for strategic arms control, and welcoming the newly signed civilian nuclear agreement between the United States and Russia, which will allow the United States and Russia to cooperate in the area of nuclear technology in a way that serves both countries.

So thank you very much for the opportunity to present my views. And I look forward to your questions.

Mr. CARDIN. Thank you for your testimony.

Dr. Blank?

DR. STEPHEN BLANK, MACARTHUR PROFESSOR OF NATIONAL SECURITY AFFAIRS, STRATEGIC STUDIES INSTITUTE, U.S. ARMY WAR COLLEGE

Dr. BLANK. Senator Cardin, members of the Commission, it is a distinct honor and privilege to appear again before this Commission that works to uphold the fundamental principles of Western civilization, not just the United States.

With that said, my remarks do not reflect the opinion or policy of any U.S. governmental institution, including the Department of Defense and the Army.

We meet today to grapple with problems of advancing the national interests relative to a state and society that resists these principles, yet whose cooperation and even partnership is sometimes necessary to secure for ourselves, our allies, and Russia's peoples the blessings of a lasting peace.

Relations with Russia represent a perennial problem for the United States. Even as the United States seeks to engage Russia to advance its security interests, it does so knowing that it is interacting with a government that steadfastly opposes American interests and values.

Any U.S. administration seeking to advance those interests also simultaneously faces the problem of reconciling that activity with the difficulty of adhering to its own fundamental principles and of engaging Moscow in a candid discussion of them.

For in the present political climate—and with good reason—America cannot conceive of a true partnership with Russia absent a rapprochement on values and principles. Otherwise, the relation-

ship will inevitably end in mutual recriminations and disappointment, not to say frustration.

This conundrum has affected the Bush administration's relationship with Vladimir Putin's Russia and will affect the next administration's relationship with Dmitry Medvedev's Russia.

There is no easy solution for the problem. But it is essential that we understand that, as many American and European scholars, diplomats, and even intelligence analysts understand we are dealing with a mafia-like regime whose tactics are predatory and rely on corruption and intimidation to secure its objectives.

Those goals are a free hand for Russia to do as it pleases throughout Eurasia and the concurrent corruption or even subversion of Western public institutions to deter the West from interfering with this grand design.

The present crisis in Russo-Georgian relations, for example, reveals once again that Russia has no respect for the sovereignty, independence and integrity of its neighbors. And Mr. Putin made this clear in his remarks at Bucharest.

Furthermore, Russia believes that it is or should be free to disregard its own international agreements if it wants to do so, just as it has established a domestic autocracy that answers to nobody and does as it pleases within Russia.

This challenge requires of us the most intimate and systematic coordination of U.S. Government agencies and coordinated action with our European allies against this fundamentally long-term and even insidious threat.

But even as we pursue engagement and even accord with Russia on key interests of national security, the nature of its regime and the challenge it poses cannot ever be forgotten.

Nor can we let the necessary pursuit of such agreement deflect us from confronting Russia's unprecedented challenge to our interests, allies and our shared values and institutions.

Often pursuing our overriding national interests will take precedence over the pursuit of a dialogue on values, leaving administrations open to the charge of hypocrisy. But those interests also include encouraging the greater democratization, transparency, legal accountability, et cetera, of European and Russian political and economic institutions, as stipulated in international treaties, like the Helsinki Treaty, and they must be pursued with equal vigor in Russia and among its neighbors.

So to the extent that we succeed in such initiatives in places like Ukraine, Georgia, and Russia, we advance both interests and values at the same time.

Bearing in mind that the only answer to the conundrums outlined here is a long-term strategy that combines patience with vigilance, candor with engagement, and realism about what can be expected at any given time, in my written statement I have striven to outline a long-term strategy for relating to the Medvedev government that pursues both American and allegedly common Russian-American interests, while simultaneously upholding our democratic principles and values abroad.

The objective of this strategy is to overcome what I call the agenda of discord, an agenda that comprises not only human rights and arms control issues, but that also seeks to engage Moscow on a

wide variety of issues where it has interests and a voice: energy and regional security in Europe and Asia.

A strategy that negates the importance of energy and regional security issues, the latter of which also includes proliferation, implies that Moscow has no legitimate interests and remains stuck in the agenda of the past generation.

Unfortunately, there is a tendency to overlook the fact that global energy problems cannot be successfully addressed without taking Russia into account. Neither can we ignore the impact of Russia investing abroad into foreign businesses, all too often in order to subvert and corrupt them on Moscow's behalf.

It can do so because energy is the main lever by which the Putin regime and the forthcoming Medvedev regime have pursued and will pursue their goals of undermining the post-cold war settlement in Eurasia.

Yet we can safely say that we have no energy or investment policy for Russia, or at least none that has ever been publicly articulated and implemented by the current administration. Neither have we taken Russia's ability to influence European governments by these means sufficiently into account in timely fashion.

It took an enormous exertion of last-minute Presidential power to secure the gains in regional security consummated at the last NATO summit in Bucharest in April 2008. But our day-to-day foreign policy should be more active and engaged with our allies, local governments, and Russia on these issues without waiting for the last minute and committing the president so publicly.

Our Russian and European policies must be both multi-dimensional and closely integrated. They cannot run on separate tracks. They must be multi-dimensional to confront the new dimensions of Russia's challenges, which in their method and scope require a coordinated effort of all the institutions responsible for international security, and not just diplomats, armed forces, and intelligence agencies to overcome them.

Ultimately, President Bush succeeded handsomely at Bucharest, but it must be recognized that Moscow remains unreconciled to the post-cold war status quo and will seek every opportunity to revise it.

Understanding that requires that we have a comprehensive strategy that goes beyond haranguing Moscow on human rights and pursuing arms control and nonproliferation agreements that we want toward a broader understanding of where and how Moscow stands and plays in contemporary world affairs.

For such a strategy to succeed, it must express the policy of a unified administration and a unified transatlantic alliance, while also being comprehensive in scope and oriented to enduring long-term gains. That strategy also must fully engage our ability to speak for our values abroad or, in other words, a rejuvenated public diplomacy that has sadly atrophied since President Reagan's time.

As Pope John Paul II said, quote, "In a world without truth, freedom loses its foundation," end of quote. If our policy toward Moscow does not meet these criteria, it will inevitably fall short, whether we are discussing human rights, arms control, energy, regional security in Europe or in Asia.

Thus, our strategy must transcend the facile notion that a good relationship with the Russian president is the objective or sufficient. While such a relationship is decidedly beneficial, we relate to the Russian government and must engage that entire government in the pursuit of common interests where feasible.

And where it is not feasible, both governments should be engaged in an ongoing and unceasing dialogue. It is on this basis that I have offered such a strategy to you in my written testimony, and I welcome your questions.

Thank you.

Mr. CARDIN. Dr. Blank, thank you very much for your testimony.

Dr. Foglesong?

DR. DAVID FOGLESONG, ASSOCIATE PROFESSOR, DEPARTMENT OF HISTORY, RUTGERS UNIVERSITY

Dr. FOGLESONG. Senator Cardin, thank you for the opportunity to speak at this hearing. This is a first for me, coming down to Washington to testify.

As an historian, not an expert on current relations, like the two previous witnesses, I think the most useful contributions that I can make to this hearing are, first, to highlight some of the major causes of American misperceptions of Russia in the past; second, to show how those assumptions and expectations continue to distort perceptions of Russia today; and, third, to suggest some ways to move beyond these misunderstandings as we engage with Russia in the future.

As I show in a recent book, the one I handed you earlier, American views of tsarist, Soviet, and now post-Soviet Russia have been distorted by a number of unrealistic beliefs and unwarranted attitudes, particularly: first, a messianic faith that America could inspire a sweeping, overnight transformation of Russia from autocracy to democracy in 1905 and 1917 or from totalitarianism to liberty, as in 1991; second, an extreme antipathy to leaders who are blamed for thwarting the natural triumph of an American mission; and, third, scorn for the ordinary people of Russia when they seem to submit meekly to authoritarian governments.

These ideas and emotions continue to skew American views of Russia today.

Many Americans who were thrilled by the supposed transformation of Russia from communism to free-market democracy in the early 1990s have now veered to bitter hostility to Russian leaders whom they blame for obstructing the dream of a democratic Russia.

Confounded by opinion polls that show that the majority of Russians vastly prefer today's Russia to the Russia of the 1990s, influential Western commentators assert that Russians have been hypnotized by a Kremlin-propagated myth or claim that they have been duped by Kremlin propaganda.

In reality, Russians have quite rational and pragmatic reasons for saying that they would prefer to live in contemporary Russia than in the Yeltsin era.

Senior citizens like to receive their pensions on time. Teachers prefer to get paid. People like to have some confidence that their

life savings will not be wiped out tomorrow by some government currency reform or financial crisis.

The greatest challenge today to the Helsinki ideal of promoting fundamental freedoms in Russia is not that gullible Russians have been mystified by Kremlin spin doctors. It also is not that DNA or history have doomed Russians to submit to centralized authority.

In the last 3 years, when pensioners, automobile drivers, and other Russians have felt that their material interests and personal rights were threatened, they have demonstrated, often effectively.

Polls have shown that the overwhelming majority of Russians continue to value freedom of expression, freedom of the press, and freedom of political choice, though they tend to rank those rights as lower priorities than protection from violence, access to medical care, and receipt of pensions.

Instead of being frustrated by Russians' current priorities, we can be, I think, cautiously optimistic that as more Russians achieve a level of economic security more of them will assert their interests and demand respect for their rights.

There are severe limits to what Washington can do to promote freedoms in Russia at a time when the Kremlin has tightened control over the mass media and sharply restricted opportunities for political activity by critics of the government. Lecturing Russia about democracy provokes resentment, as you noted earlier in your remarks.

Publicly excoriating human rights violations in Russia will have little positive impact. Not only top Russian officials, but also the majority of Russians dismiss State Department criticism of Russian rights violations as a product of prejudice, stereotypes, and a desire to discredit Russia.

That does not mean that we must abandon all hopes to influence the development of Russia in a positive way. It does mean that we must reconsider some deeply entrenched assumptions and shift to a more gradual and subtle approach.

I can offer five specific suggestions.

First, be patient. There are different ways to be a missionary. One way is to go to a foreign country with little knowledge of the language or culture, but much fervor and high hopes to reap rich rewards in a short period of time.

Many Americans—secular reformers and financial investors, as well as Christian missionaries—took that approach to Russia in the 1990s and wound up frustrated, disillusioned and embittered.

Another and wiser way to be a missionary is to make a long-term commitment, learn the language, understand the culture, cultivate connections in the foreign society, and hope to see benefits not in weeks or months, but in years or decades.

Second, one of the most promising ways to pursue that patient approach is, of course, to increase funding for educational cooperation and cultural exchanges.

During the cold war, scholarly exchanges were effective means of building relationships and influencing the ideas of Russian intellectuals, some of whom eventually had significant impact on changes in Soviet Government policies. It's particularly important to maintain and, if possible, expand such contacts at a time of tensions between the American and Russian governments.

Third, don't ostracize Russia. When Russian leaders have done things that seemed morally repugnant or politically frustrating, many Americans have been inclined to excommunicate Russia. In recent months, for example, we've heard many calls to throw Russia out of the G–8.

We've tried that sort of approach before, and it hasn't worked. I think the best example—there are many that I could cite—but I think the best example of the ineffectiveness of excommunication is the U.S. policy of not recognizing Soviet Russia between 1917 and 1933.

That policy did not hasten the collapse of Bolshevism or lead to the compensation of American companies whose assets had been nationalized. The main short-term effect was to direct more Soviet trade to European countries.

Fourth, engage Russia. In contrast to the ineffectiveness of isolation, there is a positive model of genuine engagement: the policy of Ronald Reagan and George Shultz.

Twenty years ago this month, Ronald Reagan flew to Moscow. Walking with Gorbachev on Red Square, Reagan said that the Soviet Union had changed so much in the preceding years that it was no longer an evil empire.

If Reagan had heeded the pessimists in his administration who insisted that Gorbachev's words were merely deception and that Russia was an irredeemable enemy, he would not have gone to Geneva in 1985 or Reykjavik in 1986, much less to Moscow in 1988. Fortunately, Reagan believed that even Communists could change, and he learned that genuine dialogue could encourage reform.

One of the things Reagan talked with Gorbachev about was the importance of religious freedom. The U.S. President can follow that example today by encouraging President Medvedev to speak publicly in Russia about the importance of religious freedom and the value of all Russian citizens, regardless of their religious affiliations.

Although Medvedev can be expected, at least in the near term, to follow President Putin's policies in most areas, his youth, legal training, and recent statements provide some reason to hope that he will be inclined to make more expansive affirmations of religious liberty and other human rights.

Fifth, keep an open mind about Russia. Almost 60 years ago, one of America's wisest diplomats offered advice about how to think about Russia's future that is worth recalling today.

When the Soviet regime fell or mellowed, George F. Kennan cautioned in 1951, Americans should not "hover nervously" over the new Russian leaders, examining "their political complexions to find out whether they answer to our concept of democratic." Instead, Americans should, quote, "let them be Russians."

Kennan did not mean that Americans should shrug their shoulders and give up all hope of influencing developments in Russia. Rather, he counseled that Americans should conduct themselves in ways that would facilitate, rather than impede, the emergence of the kind of Russia they wanted to see.

In addition, Kennan recognized that, quote, "the most important influence that the United States can bring to bear upon internal

developments in Russia will continue to be the influence of example."

In recent years, some of the policies of the United States have greatly reduced the attractiveness of the American example. Yet the United States continues to be a touchstone for what is "normal" to many Russians, including, it seems, Medvedev.

If the United States alters the policies that have tarnished its global appeal and damaged its credibility as a champion of human rights, it may enhance its influence in the future.

I think today many Americans yearn for a reaffirmation of a positive sense of America's mission in the world. An easy and familiar way to do that is to exaggerate real problems in Russia and draw a stark dividing line between Russian autocracy and American democracy.

That is likely to exacerbate tensions and impede the emergence of the kind of Russia we would like to see.

A more difficult, but in the long term more effective way to pursue America's mission is to reach across the gap between the two countries, broaden the dialogue, and creatively expand exchanges, in order to facilitate the positive evolution of Russia.

Thank you.

Mr. CARDIN. Well, let me thank all three of you for your testimony.

I can assure you that the members of this commission want to engage the Russians in dialogue. In fact, one of the reasons I was looking forward to your testimonies is that I expect we'll have that opportunity at some international meetings this summer.

And I'm trying to get a better understanding on how to communicate with friends I have in the Duma that have gained some important positions where I think they can be influential in trying to advance some of these matters. So I found the testimony here today to be very, very helpful.

I must tell you, if I could start perhaps with Dr. Foglesong, let me just tell you some of the concerns I have about your testimony. I said I believe in engagement. I think we need to be able to deal with the Russians.

But I know that there are times you have to stand up for principle and you have to be—you shouldn't be naive in your negotiations. I think back about how the United States handled the apartheid government of South Africa, how we handled the emigration of dissidents and Soviet Jews from the Soviet Union.

And there's no question in my mind the strength of Americans standing up for human rights at the cost of normalized trade brought about results.

I look at what we've done in China, and I think the United States has given up an awful lot of leverage in China and gotten very little in return. We have normalized trade relations with China, and yet China continues to do things in trade that are not fair, on currency, and on intellectual property, and on subsidies, and I can go through the list. And they also—their commitments on human rights have been just ignored.

So you suggest that we should sit down and encourage the Russians leadership to speak out more for religious freedom. And then

I think about the populism of the current government that you point out. And it is a very popular government.

And I think about how that would be reflected among the Russian people or the Moscow patriarch of the Orthodox Church. And I question whether this government is prepared to take on those types of issues; they haven't in the past.

So why do you think there's any hope that, by peaceful and non-intimidating discussions with the Russians, that all of a sudden they're going to put aside their popularism approach to stand up for human rights or stand up for other values that we've been trying to promote?

Dr. FOGLESONG. I didn't mean to leave the impression that we should never stand up for human rights. I merely was trying to suggest that we shouldn't have the expectation that in the Russian case that's going to produce a positive result, because the negative reaction it has been generating, both from Russian government officials and from ordinary Russians who are surveyed about their reaction, for example, to the State Department criticism.

I think what's encouraging is to look at Medvedev's speeches and to see the vision of a Russia with greater respect for human rights and freedoms that he lays out, a vision, I think, of a modern Russia that will require all of Russian citizens to be able to contribute their energy to the development of the society.

That's what gives me some hope that engagement with them in dialogue could—there's no guarantee of it—but it could, through engagement and dialogue, encourage him to move to match his words with actions.

I think it will be a gradual process. As you rightly note, with his connections to the Russian Orthodox Church, it will not be easy for him to affirm the rights of all Russian citizens to religious freedom, regardless of their religious affiliation. But I think that's a direction for us to seek to work, for us to try to move in, as creatively as we possibly can.

Mr. CARDIN. I guess my point is, why do you believe there will be any interest in the individuals we talk with to move forward on speaking out in favor of religious freedom? Where is there an indication that the Russian leadership really is interested in taking on this issue?

Dr. FOGLESONG. Well, I think there have been affirmations, not only by Medvedev, but earlier by Putin, of respect for the religious freedom of the traditional, the defined four traditional religions in Russia. And I think the challenge——

Mr. CARDIN. They also speak out for the freedom of the press, but look what they do.

Dr. FOGLESONG. Well, Senator, I think that, when we look at the question of anti-Semitism, for example, I don't think that it's simply a matter of rhetoric, in the case of Putin. I think that has record with regard to dealing with anti-Semitism has been an encouraging one. And I think that many Jewish-Americans would agree on that.

So I think there is a record with regard not only to the Orthodox Church, but also with regard to Muslims and to Jews, that there is a much greater respect for religious freedom than there was in Soviet times.

Mr. CARDIN. I happen to think that the progress made against anti-Semitism is mainly because of Europe and the fact that the United States was able to highlight this as a major priority within OSCE.

And Russia wanted to be a player in this discussion with Europe and felt that it was not a major problem within their own country for leadership to come out and support the international efforts. I'm not so sure the initiation came from Russian leadership.

Let me get back to the mid-'90s, when Russia entered the Council of Europe. I think there was an expectation at that time that, through that type of dialogue, that issues such as Russian troops in Moldova would be able to be engaged and the Russians would remove their troops, but it hasn't happened.

I guess I'm just giving you examples. I believe in engagement, but I'm not so sure I agree that we should be making any concessions at all to Russia at this point.

And I think one of you mentioned the normal trade relations, and I couldn't argue more that the original justifications for Jackson-Vanik no longer exists in Russia.

However, Russia's trade policies and Russia's human rights records to me are very difficult for us to go out of our way to make accommodations for Russia.

So let me, perhaps, turn to you, if I might, Dr. Wallander. You said something in your statement that really caught my attention, that there are reports that Mr. Putin has accumulated $41 billion. That's kind of shocking.

Now, I take it he didn't have $41 billion when he became a President of Russia?

Dr. WALLANDER. That is an analysis and an estimate—and he won't mind my citing him—from my friend and colleague and scholar, Anders Aslund. And it's based upon reports, public reports in the Russian press of Putin's ownership of stocks in companies of associates, some state-controlled companies, some quasi-state-controlled companies, some private companies. So it's not cash on hand.

Mr. CARDIN. I understand.

Dr. WALLANDER. It's control of assets of companies. And it's not unusual. Many Russian leaders in the Putin elite control large swaths of stock of very lucrative companies, energy companies, defense companies, and banks, as well.

So an assessment of the Russian elite and the wealth it holds and controls would yield maybe not quite those numbers, but numbers—pretty substantial numbers. And these are not businessmen, so they didn't come—well, some of them were businessmen.

For example, Dmitry Medvedev actually ran a business in St. Petersburg for a time, before he moved to Moscow. But for the most part, the leaders around Putin were not businessmen. They were from the security services and came into government.

Mr. CARDIN. And let me try to combine all three of you here for a moment. Dr. Blank suggests that the leadership in Russia are comparable to—let me use the more traditional—to gangsters.

Putting together the wealth accumulation, putting together the widespread concerns of corruption within the Russian Government, and knowing the progress we've made in other former Soviet re-

publics on dealing with establishing democratic institutions and taking on the corruption issue as a major prerequisite in order to develop the democratic institutions that are necessary, can you just give me an evaluation as to how significant corruption is in the Russian Government at the current time? How big of a problem is it?

Dr. BLANK. Well, I can give you some examples, because obviously this is not the kind of thing for which accurate statistics exist.

But it was reported last month, at a program here in Washington on the Russian military, that, in 2006, Defense Minister Sergei Ivanov commissioned an audit of the Defense Ministry's budget for that year and reported to Mr. Putin that 40 percent to 50 percent of it was stolen. Other estimates are even higher.

The government is awash in corruption. And as Professor Wallander indicated, by virtue of a system whereby the state owns at least the commanding heights of the national economy, the elite is able to enrich itself at an extraordinary rate, which is visible to anybody who travels to Moscow or sees them in action.

It must be added, as well, that this corruption does not stay in Russia. This is systematic attempt, which is reported both officially and in journalism, of states across Europe, from the Baltic to the Balkans and Central Europe, of Russian organized crime, business, intelligence and government working together in an integrated fashion, as one official said, like a fist, in order to corrupt European public institutions, corrupt governments, buy influence, and so on, using mafia-like—that was his term—using mafia-like tactics.

And this is a widespread view in European chancelleries as to what's really going on in Russia.

Mr. CARDIN. Yes, Dr. Wallander?

Dr. WALLANDER. I would argue—I agree with the analysis. For me, the implication, though, is not—and here I would agree with my colleague—the response is not to further isolate Russia, because that actually helps the elite continue to do this.

If you have—if the Russian elite is able to control companies that are not subject to international business practices, international standards of corporate governance, reporting, transparency, these sorts of—the demands that foreign investors would make of companies, the Russian elite can keep the system working the way it is.

That's why it's not by accident that the Russian state has tried to prevent foreign investment in the energy sector and in other lucrative sectors that want—the isolation helps the elite maintain the system.

The long-term strategy for transforming Russia is to create a stake in transformation in liberalization in the international economy and in interaction on the part of Russian businesses, Russian students, Russian society, Russian media, brave journalists who do continue to work there.

So isolating Russia is not only not the right response; it's actually counterproductive. And the more we can...

Mr. CARDIN. That sounds counterintuitive.

Dr. WALLANDER. Right.

Mr. CARDIN. So let me just challenge you there for a moment. It seems like that, perhaps on the short term, that's accurate, but that, on the long term, Russia's ability to maintain—the Russian leaders' ability to maintain their support, based upon popular approval of what they're doing—and I acknowledge that the Putin government's popular with the people, was popular with the people of Russia.

They want their pensions paid. They want their economy to grow. They see how their neighbors are doing. And they want to be able to enjoy a better life for themselves and for their families. And if the government can't deliver that, over time, it will lose the support of the people.

If Russia isolates itself, if it's not able to get international investment, if it's unable to enter the international marketplace, it seems to me that, over a period of time, they cannot—their economy cannot grow the way it needs to.

We saw that with rather strong economies, such as in South Africa, that there was a huge price to pay for the failure of the South African leaders to deal with the apartheid of its government. We found that the Soviet Union paid a heavy price for being isolated economically with the United States.

So I don't know if I'm going to just accept your statement. And I want to give you another chance to come back as to why you're right on this issue.

Dr. WALLANDER. If I can do an analysis of the success of your strategy, the problem would be that it would—we can't even get the Europeans to agree to cooperate on an energy security strategy——

Mr. CARDIN. You're absolutely right about that. There's no question——

[Crosstalk.]

Dr. WALLANDER. So we wouldn't be successful in creating that kind of isolation——

[Crosstalk.]

Mr. CARDIN. And nor are we trying to. So, I mean, that's not our strategy at this point, nor is it my strategy.

Dr. WALLANDER. So the argument would be—excuse me—would simply be to the extent that they interact with the international economy on our terms, by being members of the WTO, and having to live up to those standards, it's better to hold them to the standards and make clear to them—and I'm not an advocate of kicking Russia out of the G–8. The deal is done; the decision was made.

But I do think we shouldn't have let Russia into the G–8 before it was a qualified member. We have standards for membership in NATO. We have standards for membership in the WTO. And those standards should mean something, because once a country is in, that leverage is gone.

So the WTO creates leverage for working against that kind of corruption, against those kind of practices. And if we're playing the long game, which at this point we have to do, because we don't really have much leverage now because of the state that Putin—the kind of state that Putin has created, we have to be thinking about engagement of interests in society and in the economy, which over time, then, will have their capacity enhanced and their inter-

ests motivated to make demands of their own state, to be able to pursue the wealth that is out there in the international system by playing by the rules.

Dr. BLANK. If I could jump into this discussion, I can give you an example, Senator, from this Commission itself. If there was no Helsinki treaty and no Helsinki Commission, then, 30 years ago and up to the present, we would have no formalized means of exposing Russia's derelictions with regard to human rights and democracy, which were so instrumental in encouraging both dissidents and people who wished to leave in the Soviet regime, and human rights campaigners now.

So, as Justice Brandeis said, sunshine is the best disinfectant. And it also gets to the question of the popularity of the Putin regime. There is no doubt that Mr. Putin is reported to enjoy great popularity, and it may well be the case. But he also enjoys great popularity because there is no alternative capable of being expressed in Russia.

And the Russian Government does not trust that popularity. When officials from the Presidential administration go out to the provinces and tell Governors of the province, "You will deliver 70 percent of your votes for Mr. Putin or else," it indicates that they don't trust in his popularity, they don't believe that it is legitimate or solidly based.

And the government of Russia itself acts like a government that is fully aware of its own illegitimacy. Therefore, exposing their activities, integrating them into operations and organizations where they have to conform to standards like the WTO, like the OSCE, and so on, is much more productive than allowing them to hide behind impenetrable structures which we cannot clarify or leverage.

We see this, you know, dissenting with sanctions regimes that have been imposed in many other countries for various reasons. They've had a counterindicated effect, because they did not [inaudible] really leverage on the economy or politics of those countries, and allowed those leaders to carry on the way they wanted to and, if anything, exacerbated violations of human rights, violence, criminality, and so on.

Yugoslavia, Serbia are perfect examples, Iraq before 2003 is another. So it is necessary to have an engagement with Russia to advance international security interests, because we are the two greatest nuclear powers, and because Russia is a legitimate player in European and Asian security.

But at the same time, it is necessary for us to expose the lie, to expose the violations of international courts that Russia has signed, and to try and increase our leverage on them to do so.

It's not simple. It never will be. But there's no better alternative.

Mr. CARDIN. Let me ask one final question, and I'd invite all three of you to respond, and getting back to the subject of our hearing for one moment, and that is, under the Medvedev administration, can we expect a change?

My question is, Russia's history has shown that it generally has one dominant leader. Is there any expectation whatsoever that Mr. Medvedev could have significant impact, independent of Mr. Putin, in the policies in Russia?

Dr. BLANK. Well, I believe Russia is going to change, because change is the law of life. And the question will be whether those changes come about from largely internal or from externally generated sources.

But I would argue that the balance of opinion weighs against Mr. Medvedev being able to act independently, given the kinds of operations that Celeste has discussed here and which are widely reported, trying to transfer power from Medvedev to Putin.

That said, we don't know what the future, obviously, is going to hold, and things can happen that they can't expect. I fully believe that the system, which is inherently suboptimal from a political and economic point of view, will reach a crisis within a few years.

And I do believe that there will be changes. We just don't know what the nature is. Therefore, we have to be prepared and flexible enough to respond should opportunities make themselves felt.

The changes that might come about, though, cannot be foreseen at the present. And it would be a very rash analyst that would speculate that the balance of the odds, so to speak, favors Mr. Medvedev over Mr. Putin.

Mr. CARDIN. OK.

Dr. WALLANDER. Yes, I would agree.

And I think that it's likely that we'll see more indications of a shift in power to Prime Minister Putin, that to the extent that President Medvedev is influential it will be through his relationship with Prime Minister Putin, and that that probably means, for the most part, a substantial continuity in policy, both domestic and foreign, with the exception that I suggested, that the elite is feeling itself—or to the extent that the elite is feeling secure in the succession process that it has successful—that it believes that has successfully managed, that is creates less of a need to talk about the United States as a foreign enemy set upon breaking Russia apart from within and, therefore, creates a set of opportunities for some initiatives in the next year or two for pragmatic cooperation, which could change the tone in a way that might sort of encourage these—what I think we've made the argument for—the opportunity for ending or breaking apart the isolation that the elite has created and engaging more of Russian society, thinking about the long term.

Dr. FOGLESONG. I defer to my colleagues who have greater expertise on current relations than I do as a historian. I think the short answer is: We don't know. And I think my two colleagues have made a compelling case for why there are doubts about Mr. Medvedev's ability to demonstrate an independent impact.

Mr. CARDIN. Dr. Wallander, one final point in regards to—you've referenced in your written statement several of the international organizations, but I want to specifically reference OSCE. Can you just give us your view as to how significant you believe OSCE is in Russia's foreign policy?

Dr. WALLANDER. As you yourself have clearly experienced, OSCE has gone through a bad patch in its relations—in Russian foreign policy.

And ironically, it's precisely because an organization that a lot of security experts might not have put at the top of the pantheon of security institutions actually ended up being highly effective and

important for security in Eurasia through the support of democratic processes and helping the transformation of countries, like Georgia, Ukraine, in the Baltics, and other countries.

The success stories are very substantial. Those success stories can help Russia, too, Russian society, Russian citizens, Russian business. But the problem is the successes inherently threaten the Russian elite, because the Russian elite has created a political system that is not consistent with the principles of political security, human rights, openness, and liberalization.

So I think that the more that the Russian elite doesn't like the OSCE and the more trouble it gives the OSCE, the better sign it is for the OSCE.

Mr. CARDIN. That's a very nice way of putting it. Is there anything that OSCE should be doing to strengthen the Russian participation without jeopardizing the principles of OSCE?

Dr. WALLANDER. I think that Russia, more than—even the Russian elite needs Europe. They need Europe both to be able to sell energy to Europe; they need Europe to be able to invest, either cleanly or corruptly; they need Europe for the political associations.

They see themselves as European. And Europe is a way to kind of manage the United States, which is not necessarily a bad thing. You know, from the American point of view, a Russia that's not feeling aggrieved and threatened can cooperate with us.

So I think that getting the Europeans to focus once again on what a success story the OSCE is and how that is so consistent with European values and the peaceful end of the cold war, which, I think, again, as Americans we tend to overlook the importance of Europe and Europe's principled commitment to the Helsinki process and its role in the end of the cold war.

So, really, working with the Europeans, I think, is a way to reattract attention from some Russian constituencies and seeing a space for the legitimacy of the OSCE and Russia's commitments to the OSCE.

Mr. CARDIN. Russia verbalizes their concern as the OSCE only looking east of Vienna for its critical oversight. Is that a real concern within Russia? Or do you think that's just a way of trying to diminish the OSCE's role today, because it sees it inconsistent with its own agenda?

Dr. WALLANDER. In my view, it's a tactical argument that the Russian elite has used it to try to undermine the legitimacy of the OSCE. But it's an argument that can be relatively easily dismissed or exposed as not having a basis by encouraging the OSCE to issue reports on human rights in European countries——

[Crosstalk.]

Mr. CARDIN. Which it does.

Dr. WALLANDER [continuing]. And to highlight those, and to encourage, I think—we have an American Presidential election coming up in the fall—encourage active OSCE election monitoring that shows the standards, the appropriate standards.

I know that there often are monitors, but I don't think that they're highlighted enough. And I don't think people know—I know many educated experts on the region who have given me that Russian argument back——

Mr. CARDIN. It's a good point, yes.

Dr. WALLANDER [continuing]. Because they don't know that the OSCE actually does send monitors to Western countries, as well.

Mr. CARDIN. Well, the 2004 elections got tremendous international coverage. So there was significant attention to it, but I think that's good advice, and I appreciate that.

Let me thank all three of you for your testimony. This has been extremely helpful to us. We are obviously very much interested in having an effective relationship with Russia.

They're a major country of interest to the United States, as Secretary Fried pointed out, in so many different areas. It's just very frustrating when we see so many of their activities running counter to what we think is in the best interest of Russia and the United States.

And within the OSCE, it's been very difficult, because the OSCE has been effective. It's been effective in bringing about free and fair elections. It's been effective in avoiding confrontation in so many countries through its missions. And it's been very helpful in helping to establish the democratic institutions in countries so that they can transition to full integration within Europe.

So all that is the record of OSCE. And it's frustrating to see Russia now taking some of the energy that should be used to advance the goals of OSCE in order to respond to some of the problems that it has created within OSCE.

So I think this has been a very helpful hearing to us. And I really do thank you all for your patience and your testimony. And I can assure you that we will be following up with you, as we try to develop and affect the policy within the Commission, to further the goals of OSCE with Russia.

This hearing will stand adjourned. Thank you.

[Whereupon, at 5 p.m., the hearing was adjourned.]

APPENDICES

PREPARED STATEMENT OF HON. ALCEE L. HASTINGS, CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Good afternoon, ladies and gentlemen, distinguished guests, and colleagues. Welcome to this hearing of the Helsinki Commission entitled "Looking Ahead to the Medvedev Administration."

This hearing comes at a time when relations between the United States and Russia are at a low point, some would say the lowest since Russia threw off the Soviet yoke and regained its rightful place among the sovereign nations of the world. President Putin has turned the presidency over to Mr. Medvedev, his designated successor and former subordinate in the St. Petersburg power structure. In turn, President Medvedev has appointed Mr. Putin as Prime Minister, pending Duma approval—which, I believe, we may safely assume will take place.

To what extent will Mr. Medvedev follow the policies of Mr. Putin is a question being asked from here to Moscow. Perhaps we'll hear some indicators today from our guests.

Among the hallmarks of Mr. Putin's presidency was a more muscular foreign policy that frequently put Russia in opposition to the United States.

In this connection, I would like especially to raise the issue of Georgia. The situation there is so volatile that one experienced commentator has called the situation a "possible flashpoint for a new war." I have visited both Russia and Georgia and have friends and colleagues in both of these nations. It would be an immense tragedy if this current tension led to bloodshed.

Yesterday, the House of Representative passed by an overwhelming margin a resolution, of which I am a co-sponsor, expressing concern over the provocative and dangerous statements and actions taken by the Government of the Russian Federation toward Georgia.

That resolution has been criticized by some of my friends and colleagues from both sides of the aisle. They have suggested that we seem too eager to call Russia to account for various trespasses while giving our "friends" more benefit of the doubt.

I fully agree that sometimes this is the case. I have commented in the past on the tendency in this town to criticize Russia at the drop of a hat, more out of habit than on the basis of considered analysis. However, in this case I believe the facts merit the act.

Although Russia claims to respect Georgia's territorial integrity, its actions demonstrate otherwise. Its "peacekeeping" forces are clearly a military prop for secessionist forces. Moscow's "strengthened relations" with Abkhazia and South Ossetia obviously infringe on Georgian sovereignty, and Moscow's policy of granting citizenship to residents of Abkhazia and then announcing its intention to "protect Russian citizens" by military force if necessary is truly troubling. Other neighbors of Russia can hardly wonder if they, too, are at risk of the same "salami" tactics if they displease Moscow.

These policies undermine territorial integrity not only with respect to Georgia but as a bulwark of the international community.

PREPARED STATEMENT OF HON. BENJAMIN L. CARDIN, CO-CHAIRMAN, COMMISSION ON SECURITY AND COOPERATION IN EUROPE

Good afternoon, ladies and gentlemen, distinguished guests, and colleagues. Welcome to this hearing of the Helsinki Commission entitled "Looking Ahead to the Medvedev Administration."

Yesterday, Mr. Dmitri Medvedev was sworn in as the third President of the Russian Federation. His first official act was to appoint his predecessor, Vladimir Putin, as Prime Minister.

It is expected that Mr. Medvedev will continues Mr. Putin's policies, at least in the foreseeable future. However, Mr. Medvedev is younger and reportedly somewhat more tolerant than Mr. Putin of dissenting opinions. At some point, he may decide to go his own way.

Under Mr. Putin's eight-year leadership, Russia revived its economy and achieved relative social stability. However, the Putin government also restricted civil liberties, exerted pressure on the media, and showed a zeal for suppressing the slightest political opposition.

Beyond its borders, Moscow has adopted a more muscular, if, in most cases, rhetorical, foreign policy that frequently challenges the United States and alarms our energy-challenged European allies. In its immediate environs, Moscow has tried to intimidate those of its neighbors considered insufficiently acquiescent toward its interests.

As a result, relations between our two countries have suffered deep fissures along a multitude of fault lines: Kosovo, NATO expansion, OSCE, human rights, to name but a few; and now the volatile situation in Georgia. Parenthetically, I would suggest that our moral authority to criticize Russia, or any other country, for human rights violations has not been helped by some of the decisions that have emanated from the White House and the Justice Department.

However, it is essential that the United States find a reasonable and mutually acceptable modus vivendi with Russia.

We need to build a bilateral relationship that preserves our liberty and security while not abdicating our principles as the well-wisher to the freedom and independence of all. Our relationship should be cooperative whenever possible, but we also need to y criticize and challenge when necessary. And we should be prepared to defend or even change our position if the occasion calls for it.

Our witnesses today are uniquely qualified to address the issues I've raised today. Acting Undersecretary of State Daniel Fried will begin, after which I will have some questions. He will be followed on the second panel by:

- Dr. Celeste A. Wallander, Visiting Associate Professor, Center for Eurasian, Russian and East European Studies, Georgetown University
- Dr. Stephen Blank, MacArthur Professor of National Security Affairs, Strategic Studies Institute, U.S. Army War College, and
- Dr. David Foglesong, Associate Professor, Department of History, Rutgers University

We look forward to their presentations.

PREPARED STATEMENT OF HON. CHRISTOPHER H. SMITH, RANKING MEMBER, COMMISSION ON SECURITY AND CO-OPERATION IN EUROPE

Thank you, Chairman Hastings and good afternoon to everyone.

There are reasons to hope that President Medvedev will lead a Russian Government more respectful of human rights. Recently he said that "human rights and civil liberties . . . are the top priority in our society." After taking the oath of office yesterday, he said: "I believe my most important aims will be to protect civil and economic freedoms; we must fight for a true respect of the law . . ." Many people who know Medvedev have attributed to him a "spirit of openness."

I believe it is best to approach new world leaders with an open mind—and this is true whatever country or party they come from. When we are open to making a new beginning on difficult issues, we are often surprised at the response.

Here I think of the openness with which Ronald Reagan encountered Mikhail Gorbachev—and of how many of Reagan's supporters criticized and even mocked him for this. So many of our Cold Warriors "knew" that all Soviet leaders were the same. Gorbachev was not a saint by any means, but neither was he a Stalin, and Reagan's openness allowed Gorbachev to loosen the Soviet system—and we all know that this loosening led to the collapse of communism, and freedom for hundreds of millions of people.

At the same time we have to bear in mind that Medvedev is very much a man of the Putin system, and that Putin would not have supported Medvedev for the presidency if he thought Medvedev would drift far from Putin's political trail. In any case the Putin system will put powerful constraints on the new President—after all, Putin is now the Prime Minister.

I also want to express my hope that, under President Medvedev and Prime Minister Putin, the Duma will pass comprehensive anti-trafficking legislation. Last summer I met in Moscow with a large group of Russian legislators eager to pass comprehensive anti-trafficking legislation. As the author of the Trafficking Victims Protection Act, I met them for intense and productive discussions on the sort of victim protection provisions that have worked in other countries.

From the Global Trafficking in Persons Office at the State Department, I heard today that some Duma leaders oppose legislation which includes protection for trafficking victims as a discrimination against victims of other crimes. This would be a missed opportunity to protect Russian women who are being victimized by international gangs, and horrifically raped in brothels abroad. I would like to appeal to any opponents to visit trafficking shelters in Moscow or St. Petersburg, as I have done in many countries. If they will go to the shelters and talk to the women, they will see that—as horrific as many other crimes against women are—trafficking victims are in another class. Kidnapped, transported, raped thousands of times, living in terror for months or years—these women have been traumatized so deeply that we cannot even comprehend it. We have to extend them every aid and care that we can. I appeal to the Russian leaders to visit a shelter, and to extend protection to these Russian women.

PREPARED STATEMENT OF HON. DANIEL FRIED, ACTING UNDERSECRETARY OF STATE FOR POLITICAL AFFAIRS, U.S. DEPARTMENT OF STATE

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 to-

gether 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 Rus-

sia. 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.

PREPARED STATEMENT OF DR. CELESTE A. WALLANDER, VISITING ASSOCIATE PROFESSOR, CENTER FOR EURASIAN, RUSSIAN AND EAST EUROPEAN STUDIES, GEORGETOWN UNIVERSITY

Mr. Chairman, and members of the Commission, thank you for this opportunity to speak with you about developments in Russia and the implications for U.S. policy.

First, I outline the parameters of Russia's political system as they have crystallized in the past six months, and assess how stable and effective the system may be. Second, I offer a framework for understanding Russia's foreign policy interests and priorities, and their implications for U.S.-Russia relations. Finally, I outline what I believe to be a pragmatic set of priorities for U.S. policy toward Russia in the next few years, based first and foremost of American national interests, but taking into account what Russia under the Medvedev-Putin leadership is likely to seek in the relationship, and what it is and is not able to achieve.

THE RUSSIAN POLITICAL SYSTEM

Dmitri Medvedev took office as Russia's third president on the 7th of May 2008, and the Russian parliament will confirm his nominee for the post of prime minister, Vladimir Putin, on the 8th of May 2008. With this leadership transition, Russia has put behind it the crisis of uncertainty over Putin's succession plans that had dominated politics for some three years.

Yet far from ending uncertainty and speculation about Russia's political system and stability, the new line-up has shifted the issue to speculation about where real power will lie: in the presidency, in the prime minister's office, or divided between them. In my view, the most likely outcome is a shift in power to the prime minister's office under Putin, but before exploring the implications of that outcome for Russian foreign policy and the U.S., I would like to briefly explore the two other scenarios.

In Scenario One, the institution of the presidency and its constitutional powers really matter, and provide Medvedev with the authority and real political power to rule Russia and to control its foreign policy. The president has the power to nominate the prime minister, to disband the parliament if it does not approve his nominee after 3 votes, to appoint regional governors, and to control security-related ministries and state agencies. The prime minister is relatively weak, dependent on the president's nomination rather than a parliamentary constituency, and officially responsible for the day-to-day functioning of the vast bulk of economic, social, regulatory, and administrative work of governing. Prime ministers under Putin have played no role in foreign or security affairs, have been responsible for unpopular initiatives such as social reforms, are blamed for problems in Russia's failure to deal with corruption and the crumbling of its social and physical infrastructure, and were periodically criticized by the president for their failure to make life for average Russians better.

In this scenario, Putin becomes the day-to-day administrator implementing Medvedev's policies, and being blamed for any failures to meet expectations. Medvedev travels to summits, receives vis-

iting heads of state, speaks for Russian power and foreign policy, and makes strategic decisions about the direction of economic and social policy. In this scenario, political success and power depends on being an ally and supporter of Medvedev. Since the president controls the state, and the state controls the most lucrative and successful sectors of the Russian economy—energy and defense—the president can control who is wealthy and successful in business, and which government officials have control over Russian economic assets, and thus wealth as well.

The political system that Putin created over the 8 years of his presidency enables the political leadership to exercise considerable power without accountability to Russian citizens. The party Putin now leads that his Kremlin created (but in which he is not a member)—United Russia—holds 64.3% of the seats in the Russian Duma (315 of 450). Just Russia, a party created by the Kremlin in order to establish a non-opposition opposition party, holds an additional 38 seats. The Liberal Democratic Party under Vladimir Zhirinovsky, which supports the Kremlin, holds 40 seats. The only opposition party remaining in the Duma is the Communist party, which holds 57 seats (11.6%). Yabloko and the Union of Right Forces, Russia's only genuine opposition parties in the December 2007 Duma elections, failed to gain any seats.

The Putin leadership thus successfully eliminated competitive pluralist politics in Russia for some time to come. Media is either state-owned, in the hands of Kremlin-friendly businessmen, or without access to national broadcast outlets. Civil society organizations can operate only if their activities and objectives are non-political. The Kremlin has created onerous requirements for NGOs seeking foreign funding, and most Russian NGOs subsist on donations from Kremlin-approved businesses, or from the government's NGO-monitor, the Civic Forum.

This political system is essentially authoritarian, although of a distinctly modern cast. Putin's consolidation of power rested on two sets of parallel processes: eliminating political opposition, and building patron-client bases of power dependent on his leadership. These are primarily rooted in the Soviet security services, notably the KGB successor, the FSB (Federalnaya sluzhba bezopasnosti—Federal Security Service). The key to holding political power is access to wealth and resources, and the key to access to wealth and resources is holding political power.

Among the major figures in Putin's supporting networks of clients dependent on and supporting his role as president were Medvedev (deputy prime minister while also chairman of the board of Gazprom), Sergei Ivanov, (deputy prime minister overseeing the defense industries), Igor Sechin (first deputy head of the presidential administration and chairman of the board of Rosneft), and Viktor Ivanov (deputy head of the presidential administration and chairman of the board of defense firm Almaz-Antey and of Aeroflot). As Russia's state-owned or controlled firms in the energy and defense sectors have extended their control of enterprises and commerce, these close clients of Putin have come to control the most important sectors of the Russian economy, and to become incredibly wealthy. Recent reports suggest that Putin himself is worth $41 billion.

Giving Medvedev the presidency would thus appear to be an extraordinary transfer of power, far beyond that of the process of presidential succession in democracies where political institutions create checks and balances, competing political parties and media allow citizens to hold their presidents accountable, and political power is not so inextricably linked to business and the economy. If Putin were truly ceding the system he built to Medvedev, it would be extremely important to understand Medvedev's preferences and intentions.

This is why a great deal of speculation about Medvedev's views and priorities has emerged. For those who believe Scenario One is the likely result of Russia's leadership transition, Medvedev's background, network of associates, and policy statements should determine Russia's future policies.

Dmitri Medvedev is 42 years old. He was born in Leningrad (now St. Petersburg) and studied law at Leningrad State University (now St. Petersburg State University). He worked in the administration of St. Petersburg Mayor Anatoliy Sobchak, as a legal expert for the International Relations Committee of the mayor's office, headed by Vladimir Putin. Putin brought him, along with a number of close associates from St. Petersburg, to Moscow in 1999 to work in the national government. Medvedev became deputy head of the presidential administration, and in 2003 Putin's chief of staff. In 2005, Putin appointed him first deputy prime minister, with responsibility for "priority national projects" primarily in the social spheres.

Because of his background as a lawyer, his lack of background in the Soviet/Russian intelligence or security services, and statements he has made in support of a limited role of the state in business and the economy as well as in support of the rule of law, many analysts within Russia and abroad have speculated that Russian politics and policy could undergo a change in course away from corrupt authoritarianism and statist economy. Medvedev has expressed support for Putin's achievements in eliminating political opposition and strengthening the state's autonomy, but he has questioned the increase of state ownership in the economy, and has been relatively consistent in condemning corruption. He often sounds more liberal than Putin in supporting free markets, the importance of market-based decisions by entrepreneurs, and rule of law in supporting economic activity free from state interference. A Medvedev liberalizing agenda advanced using the enormous powers of the Russian presidency could, indeed, present a very different face of Russian domestic political economic development, and a foreign policy more in tune with European values.

Scenario One is an unlikely path for Russia in 2008 for two reasons. First, although it is possible that Putin has decided to reverse course and has turned political power over to Medvedev to put a velvet glove over the iron fist over the system he spent 8 years building, liberalization is ultimately contrary to how that system works and what Putin himself has consistently and decisively declared necessary for Russia. It would be one thing to consider changing course in the face of perceived failure or difficulties, as the aging Soviet leadership did in choosing Mikhail Gorbachev to liberalize the Soviet system in order to save it. In contrast, Putin's

political leadership is viewed by Russian society as extraordinarily successful, with Putin's approval ratings above 80%. In recent weeks, Putin has prepared to leave the presidency with statements affirming what he achieved in strengthening the Russian state, establishing Russian power on the international scene, and completing the work of limiting private foreign investment in "strategic sectors" of the Russian economy. There do not appear to be any regrets that Russia has been turned firmly away from political and economic liberalization.

Second, and more importantly, Scenario One is based upon a faulty premise: that political power and how the Russian system works are based primarily upon the Constitution, rule of law, and institutions. To some extent, Putin increased his power by altering rules to enhance the powers of the presidency, but the functioning of political power is primarily dependent on patron-client relationships and the "clans" of long-held regional and professional associations of the Russian elite. Most important of these are the men who served in the KGB in the late Soviet period, the siloviki, who constitute Putin's inner circle and network of associates. Medvedev does not share that background and while the regional clan that came from St. Petersburg to Moscow to work for Putin have become wealthy and powerful because of their regional clan and connection to Putin, they are dependent upon him and lack a vital power resource exercised by the siloviki: access to information and the ability to investigate and imprison opponents. Furthermore, it is not only that Medvedev does not have the resources for this change of course, it is likely that those with resources under the current system would very actively fight to prevent it. A loosening of state control of the economy, a reduction of corruption, and an effective rule of law would break apart the patronage based authoritarianism that has installed Russia's current leadership in power and enriched them and their clans.

It is sometimes noted that Putin owed his position to Yeltsin, yet was able to build his own power independent of Yeltsin and his clan, the "Family." The implication is that Medvedev will similarly be able to build his own power base and use his own network of associates to become independent of Putin and exercise a new form of presidential power. The analogy overlooks how Putin's multiple clan links, and the forceful resources of his siloviki associates, created a very different set of resources and relationships for Putin in 2000 than those available to Medvedev in 2008. It also undermines how weak and diffuse Yeltsin's political system was by 1999, in contrast to the system Putin's leadership has created. Medvedev lacks his own power base (he even resigned as chairman of the board of Gazprom in February 2008, so that avenue is not available to him), and if he tries to establish a new basis for control of the political system he will threaten those who control it now and benefit from it. Medvedev and Sechin are known to be fierce opponents of one another, with their clans competing over control of the riches of Russia's energy sector. If Medvedev is now more powerful as president, the other clans faced the possibility that their position and wealth will be under assault from the newly powerful president. They owe their position to Putin, not to Medvedev. If Medvedev chooses to reward his clients by moving Putin's out, the

threatened clans are likely to fight back. They have access to and are in control of information through the FSB, and can use FSB and various tax and finacial investigations to weaken and threaten opponents.

It seems extremely unlikely, then, that Medvedev will exercise strong powers as Russian president deployed contrary to the Putin political and policy legacy. Scenario Three, in which Medvedev and Putin share power, would be more likely. In this Russian future, Putin and Medvedev would be partners, with a division of power and responsibilities between the offices of prime minister and president. The system would rest on Medvedev's formal power as president, and Putin's real power as the central figure in the clans of Russia's ruling elites, and his new leadership of Russia's increasingly de facto one party system, United Russia. Putin would control patronage networks, party and political relationships, regional political figures, and access to position in all levels of the Russian state. Medvedev would control policy, and would be responsible for keeping Putin in power and prime minister.

Medvedev and Putin are clearly close associates with a long history and relationship, so they may hold such a level of trust and unity of political purpose to make such a two-headed leadership work. But it could work only if they were of the same mind on policies, personnel, and ultimately the goals they seek. In any difference that might emerge in any of those areas, someone would have to lose.

To work, therefore, Scenario Three could not usher in an era of Medvedev-led political and economic liberalization, effective anticorruption, and effective rule of law unless that were Putin's objective as well. While it is possible that Putin could have a change of heart and seek to reverse course on the system he created over the past 8 years, it is far more likely, and consistent with his declarations in the closing weeks of his presidency, that Putin will seek to maintain the system of power rather than change course.

That in turn means that a workable Scenario Three—shared power between Medvedev and Putin—is effectively the same as Scenario Two: real power will lie in the office and the person of the prime minister, Vladimir Putin. The informal but real patronage-based authoritarian system created in the past few years already favors Putin's power, even as he shifts to the position of prime minister.

Furthermore, as leader of United Russia which controls the Russian Duma, Putin has the power to initiate impeachment proceedings against the president. An impeachment trial would be conducted by the the upper house of the Russian legislature, the Federation Council, whose members were either appointed by Putin, or chosen by regional governments dependent on him. Over time the new president might have had iinfluence over the Federation Council through this power of appointment—except that in his last weeks as president, Putin has pushed through laws subjecting the regional governors to the prime minister's, rather than the president's, authority.

In the past few weeks, Putin and the Duma have been busy enhancing the power of the prime minister. Large blocks of responsibilities are being pushed down to the ministerial level, freeing the

prime minister from the kind of administrative day-to-day oversight that kept Putin's prime ministers busy, and subject to criticism and rebuke. When president, Putin slimmed the administrative offices of the prime minister: word now is that the number of deputy prime ministers will grow to as many as 11 serving under Putin. In his move to the prime minister's offices in the Russian White House, Putin has created a press office, a speechwriting office, and a protocol office, suggesting that the new prime minister will not be absent from foreign policy. The rules which limited press access in the president's Kremlin offices have been extended to the White House, indicating that Putin's style of non-transparent and personalistic politics will move to the prime ministership.

All the indications are that Putin is not merely remaining in politics, but that he is remaining in power. This is not that surprising: experts on Russia's political system are in substantial agreement that it is not one rooted in institutions and law. The Russian state is Putin's state, whether he sits in the Kremlin or in the White House. Insofar as Dmitri Medvedev is Putin's trusted ally he will be a strong president, but if Medvedev remains Russia's president, it will be because Russia's president is not the figure who wields power and determines policy.

Russian foreign policy interests and priorities

Russian foreign policy under Putin has been focused on three objectives; reverse the erosion of Russian power in Eurasia, limit perceived U.S. encirclement and fracturing of Russia within Eurasia, and establish relations with countries that increase Russian economic growth. Russian foreign policy has had important successes in all three areas, but has fallen short in important ways that will continue to affect Putin-Medvedev international affairs.

Halting the erosion of Russian power involved essentially two components: internal consolidation and Eurasian security relations. Internal consolidation involved strengthening state autonomy as described above, establishing a basis for economic growth to fund the state budget, and building social support for the government.

This meant primarily two major strategies in the foreign policy sphere. First, Putin's foreign policy became stridently nationalist and often explicitly anti-American. In order to convince Russian society that internal consolidation and elimination of opposition was necessary for the country's security and power, Putin needed Russians to believe that foreign enemies meant to do Russia harm. At first, Putin warned of unnamed foreign enemies that sought to break apart the country, as he did in his speech after the Beslan hostage crisis in 2004. Over time, his references to the U.S. threat became more direct and extreme, as in 2006 when he warned that the world's largest power sought to organize the world to its liking as had Hitler's Germany. As support for Putin grew within Russia, nationalism and anti-Americanism grew as well and drew Russian societal support in reactions against U.S. fighting in Iraq, proposed missile defense installations in Europe, and potential NATO membership for Ukraine and Georgia.

Second, Putin's foreign policy focused on forging closer relations and links with Russia's post-Soviet neighbors. Part of this was directed at limiting American presence and influence, as the ties of

countries like Ukraine, Kazakhstan, Georgia, and Uzbekistan came to be seen in zero-sum terms. But the stakes were not simple anti-Americanism. Russia also had a stake in improving border security, limiting transnational terrorist movements and ability to operate within Eurasia and against Russia, fighting drug trafficking and other criminal activity, and expanding economic ties with countries that in many cases had economies that had been highly interdependent with Russia's because of the Soviet economic legacies.

Therefore, Putin's achievement in increasing Russian power has been ambiguous in its implications for Russia's U.S. policy. One the one hand, it does not intrinsically require zero-sum thinking and opposition to U.S. policy and presence in Eurasia. This was the hope after al Qaeda's attack on the U.S. in 2001—that the U.S. and Russia could find common cause in the common security threat of Eurasian transnational terrorism. However, to the extent that Putin needed a foreign enemy, and in a unipolar world the U.S. and its preponderant power loomed large, Russia could not embrace the U.S. in Eurasia as an ally.

Putin's balance sheet on the objective of reversing the erosion of Russia's Eurasian power is primarily a strong one, but there are important failures. Most important among these is the failure to sustain a superpower-like bilateral arms control relationship that both limits America's preponderant power and keeps Russia in the special status of America's equal in global military power. American abrogation of the ABM Treaty and the Bush administration's refusal to negotiate a serious or meaningful strategic arms control agreement to follow the START system which expires in 2009 is largely ignored in analysis of U.S.-Russia relations, but is a major failure in the relationship that leaves Russia in a seriously disadvantaged position. It is not as much the practical implications of the failure to have a negotiated relationship in the nuclear weapons sphere that matters, because Russia retains a robust second strike capability and thus a reliable deterrent against American military power. What continues to concern Russian defense analysts is the potential of American break-out in the strategic defense and offensive nuclear weapons spheres that might, on the margins, create an atmosphere in which the U.S. might believe it could use superiority in the strategic sphere to make political demands on Russia.

The second objective, prevent American encirclement and fracturing of Russia, is related to the objective of reversing the erosion of Russia's Eurasian power and is linked to it in many special policy issues, such as NATO enlargement, U.S. bases in Eurasia, and missile defense. However, this is not about Russian power, but about the integrity and functioning of the Russian Federation itself. The concern is not American power in the international system per se, but the perceived American security strategy of using democracy promotion to weaken and turn key Russian allies, and to overthrow the Russian state itself.

It is difficult to overestimate how threatening and serious the Russian political elite viewed the Bush administration's support for democratization and liberalization in Eurasia. While most American experts on Russia and Eurasia are of the view that Russia is

not and was not likely to undergo a democratic revolution of the types seen in Serbia, Georgia, and Ukraine earlier in this decade, The Russian political leadership and political class seem genuinely to have believed that (1) regime change in post-Soviet Eurasian would weaken Russia by undermining the network of state-to-state and also elite-to-elite relations that Putin's foreign policy was counting on to enhance Russian power in Eurasia, and (2) that the U.S. strategy was a Eurasian democratization domino effect, where support for civil society, media, and election monitoring in Serbia, Georgia, and Ukraine (and perhaps Kyrgyzstan) were laying the groundwork for the fall of Putin's domino in Russia. The Putin government's concerted assault against political opposition parties, civil society groups, and any source of independent election reporting or monitoring was due to the belief that the very security of the Russian state (and its ruling elite) was under a new and modern form of attack from the United States.

In this objective, the Putin leadership has been primarily successful, although at considerable cost to the long-term effectiveness of Russia's political system for responding to societal demands and coping with the huge backlog of problems (a raw materials export dependent economy, demographic crisis and decline, inflation, infrastructure collapse, and general failure of investment in education, health, and housing) that may ultimately weaken Russia without any real or imagined American interference. The Putin leadership is not likely to fall to democracy any time soon, and although Ukraine and Georgia have not reversed their progress toward liberalization in politics and the economy, there has not been progress in Russia's other neighbors, including Belarus, Armenia, Uzbekistan, and Kazakhstan.

It is in this context that Russian policy toward Georgia and Ukraine are most problematic for security in Eurasia. Having failed to prevent or reverse liberalization in those two countries, Putin's foreign policy appears to be playing the separatist card either as a residual threat to deter those countries from matching their internal transformation with integration in the EU and NATO, or by actually breaking them apart. Russian military personnel in Abkhazia and South Ossetia reinforce the autonomy of those two regions of Georgia, although this is a reality the international community has condoned for more than a decade. Russia issued Russian passports for residents of those regions of Georgia, creating the basis for Russian claims to be merely protecting the security and interests of Russian citizens, a claim that Foreign Minister Lavrov has made in recent weeks. And by establishing direct ties between Russian Federation administrative units and these regions and ending economic sanctions against them, Putin's Russia appears to be establishing the basis for political and economic relations with the regions as if they were sovereign states. Russia has yet to invoke the "Kosovo precedent" to justify recognizing the two regions, but it is clear that at this point, after a decade of American and European neglect of Russia's policies on these separatist regions, there is little that the Euro-Atlantic community could do to prevent such an outcome.

Russia's pressure, particularly on Georgia but also on Ukraine, suggests that the new Putin-Medvedev foreign policy, now secure

that the U.S. has failed in advancing the march of color revolutions in Eurasia, is shifting strategies on mitigating the effects of the successful democratic revolutions in countries on Russia's borders. Russia cannot directly reverse Ukrainian and Georgian progress, but Russian pressure and tactics can complicate security for these fragile new democracies (which are already in some ways their own worst problems as a result of internal political conditions, corruption, and failure to reform). As long as Russia's leadership sees liberalization as a national (or personal) security threat, there will be one area of U.S.-Russian relations in Eurasia where there are stark differences in policy and relations.

Russia's third foreign policy objective under Putin has been to build political and economic relations with Eurasia's great and emerging powers. Putin has not succeeded in getting unified European Union political and economic support to oppose American influence or welcome Russian investment, but Russian policy has been very successful in preventing unified EU political policy critical of Russia or contrary to Russia's commercial interests, particularly in the energy sphere, and that counts as a major success. Russian-European trade has grown over the Putin years, European companies are active in the Russian economy, and Russia has forged a number of important energy agreements with European countries and energy companies (and has blocked projects Russia opposes, such as the Nabucco gas pipeline project which would carry Central Asian natural gas to European markets outside of Russian control). Disagreement among Europe's NATO members prevented NATO from agreeing to Membership Action Plans for Ukraine and Georgia, a top priority Putin objective.

While energy trade has not developed to the degree it was anticipated between Russia and China over the past few years, Asian pipelines are being built and Chinese-Russian trade is on the rise. Russia and China are far from allies, but the development of the Shanghai Cooperation Organization is a major success story, both in excluding the U.S. in Central Asia and in helping Russia to monitor and manage China's rise in the region. Russia under Putin has been successful in not becoming dependent on China as Russia's Asia partner, engaging India in economic and business ties as well as political cooperation, and continuing to try to find avenues for cooperation with Japan.

The Eurasian relationship that Putin's foreign policy has most clearly nurtured despite the price in Russia-U.S. and Russian-European progress is Iran. Russia has no interest in Iran obtaining nuclear weapons, yet continues to cooperate with Iran in building the Bushehr facility and delivering enriched uranium to fuel it. While Russia's nuclear sector benefits from the relationship, the key to Russia's Iran policy is the leadership's bet that in the long term, strong political and economic relations with Iran is in Russia's interests, regardless of whether Iran eventually develops a nuclear weapons capability. U.S. policy has sought to focus Russia on Iran as a problem of nuclear weapons, and it has failed for precisely that reason: for Putin's Russia, policy on Iran is of a piece with a broader strategy of forging political and economic ties with Eurasia's key future great powers. Unless U.S. engagement with Russia on Iran shifts to cope with the framework of future Eur-

asian security and the political-economic interests among those great powers, the U.S. will continue to be frustrated by Russian cooperation with Iran.

If, as I've argued, the Putin-Medvedev leadership is really an evolution of the Putin leadership, we should expect Putin-Medvedev foreign policy to be a continuation with some evolution of the Putin foreign policy objectives and methods of the past few years. Russian foreign policy will continue to be primarily focused on enhancing Russian Eurasian power from within and through closer political and economic ties with its post-Soviet neighbors and Eurasia's emerging great powers. Although feeling relatively secure from American efforts to change Russia's regime and political system, Russian foreign policy will continue to focus on reinforcing the country's autonomy and weakening Eurasian democracies. The Putin-Medvedev foreign policy focus will continue to be wary about signs of American encirclement and perceived efforts to erode Russian power, status, and freedom of maneuver in Eurasia.

There is some reason to hope for practical cooperation and an improvement in the atmosphere of U.S.-Russian relations, however. Having managed the uncertainties of their internal leadership transition successful, Putin and Medvedev appear to be predisposed to lowering the anti-American rhetoric and seeking areas for cooperation. Russia still needs to join the World Trade organization, it eventually will need to encourage foreign investment, even in the energy sphere, and Russian businesses want to be able to invest globally themselves. Russia's conventional military forces continue to shrink, and Russian security analysts would welcome a new framework for strategic arms negotiations to manage the next generation of U.S. and Russian nuclear development.

There is a small, but real, window of opportunity in the coming year for the next American administration to advance priority objectives in our relationship with Russia, not because there is new Russian leadership, but because a newly secure and confident leadership may be interested in thinking strategically and achieving practical cooperation. What should that agenda look like? The agenda should be guided by U.S. strategic priorities, but take into account Russian realities

AMERICAN FOREIGN POLICY INTERESTS AND PRIORITIES AND WORKING WITH RUSSIA

American foreign policy interests as they involve Russia are relatively straightforward:

- secure nuclear weapons, materials, and technology and prevent their acquisition by states or non-state actors
- prevent the use of unstable and insecure regions of Eurasia from being used by al Qaeda or other actors employing terrorism to organize for attack against the U.S. and its allies
- reinforce the sovereignty, territorial integrity, and security of legitimate and internationally recognized Eurasian countries
- integrate the societies and economies of these countries as much as they wish and are able into global networks as a path to development and modernization

All of these interests apply as much to Russia as other countries in Eurasia. The U.S. has a long-term interest in a Russia that is

secure, prosperous, and integrated into regional and global economic and social networks. If Russia is successful in developing its energy infrastructure and engaging global investment, that enhances diversification of global energy markets. If Russia's borders are secure, it limits the ability of transnational criminal networks to operate in Eurasia. If Russia's nuclear facilities are modernized, control over nuclear materials and technology can be better assured. The signing on May 6th of a Russian-American agreement on civilian nuclear cooperation is very encouraging, and very much in the interests of the United States to engage Russia, cooperate in the nuclear sphere, and to highlight a successful track record for pragmatic and mutually beneficial cooperation.

Priorities for engaging the Putin-Medvedev leadership should include:

- graduate Russia from the Jackson-Vanik amendment, which played an important role during the Cold War in encouraging human rights and freedom of travel, but which is not longer relevant to Russia-U.S. relations
- support Russian membership in the WTO, which has been complicated by Russian policy toward Georgia (Georgia must agree to the terms of Russian accession), but which should remain a priority objective of the U.S.'s Russian policy as part of the long-term engagement of Russian business and society
- sustain Cooperative Threat Reduction and related programs for securing Russian nuclear materials
- extend the START I verification system beyond its expiration in 2009 to create time for beginning discussions on a new round of strategic arms talks focused on further reduction in U.S. and Russian nuclear weapons stockpiles
- create a forum for re-engaging Russia on conventional military forces, which should entail discussions both in the context of the Conventional Forces of Europe Treaty and Russian concerns about NATO's military presence in Eurasia with the objective on re-establishing the norms and practices of transparency and confidence-building that were successful in the 15 years following the end of the Cold War
- invest in programs that build long-term relationships and capacity for exchange and discussion between Russian and American youth, through support for student exchanges, scholarships for Russians in U.S. universities, and community building projects such as environmental protection in Russia and the U.S.
- move the issue of frozen conflicts in Eurasia from regional or specialized negotiating units to a committee answerable to the United National Security Council

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The views expressed here do not in any way represent those of the U.S. Army, Defense Department, or the U.S. Government

Because America and Russia are experiencing presidential transitions in 2008 the need to repair their mutual relations is both topical and urgent. It is urgent because critical issues of arms control, nuclear proliferation, regional and energy security in Eurasia, and democracy to varying but never insignificant degree hinge on the nature and outcomes of that currently troubled relationship. Increasingly both sides feel they have good reason to resent, if not fear, the other. Whereas Russian policymakers postulate ubiquitous internal and external threats to their form of rule and Russia's interests which they attribute mainly to American machinations and policies, U.S. policymakers feel much less concern about Russia and see few serious Russian threats to America except in some restricted areas such as arms control, energy policy, and support for Iran. Thus Russia perceives America as its main enemy and believes, quite erroneously, that America perceives Russia as an enemy and shapes its policies accordingly. This presupposition of an enemy, as well as Moscow's aggressive domestic and foreign behavior, stems largely from the nature of Russia's political system, political culture, and self-presentation at home and abroad.

Accordingly both sides must confront and hopefully overcome a comprehensive and large agenda of discord between East and West, and in particular between Moscow and Washington. This agenda comprises the following issues

- Diverging approaches toward the nuclear program in North Korea and Iran overshadow the shared goal of preventing proliferation of weapons of mass destruction. Especially in the Middle East, Moscow pursues a unilateral path whose sole purpose appears to be enhancing its regional stance as a great power against American power and policy in the Middle East.
- Specifically Russia seeks a role as an independent privileged interlocutor with Iran. Russia claims that its interests demand preserving strong ties to Iran, not just for reasons of trade, energy, and intercontinental routes to the Indian Ocean, but also because Iran is a power that must be engaged as a prospective pole in world politics. Therefore Moscow also seeks to form a gas cartel with Iran and other producers.
- Indeed Russia's attitude to Iran and North Korea often gives the impression that Russia would not mind greatly if they did actually achieve usable nuclear weapons, regarding this as a greater threat and loss to the United States than to Russia and the effort to stop them as another reason for including Russia in the ranks of great powers if not superpowers. Russia evaluates proliferation issues not according to whether the regime is democratic or not as in America, but on the basis of whether a country's nuclearization would seriously threaten Russia and its interests. Thus Chief of Staff, General Yuri N. Baluyevsky stated that, while Russia never denied a global threat of nonproliferation of missiles and nonproliferation, "we insist that this trend is not something catastrophic, which would require a global missile defense system de-

ployed near Russian borders." Consequently Moscow charges that deployment of U.S. missile defenses in Poland and the Czech Republic threatens its vital interests since it refuses to concede that Iran's nuclear and missile programs constitute a threat to it even as it is forced to do so indirectly.

• Moscow sees America, NATO, and to a lesser degree, the EU as encroaching in the CIS which it considers to be its region, promoting regime change, encircling Russia, and threatening not just to install pro-Western democracies, but also to undermine thereby the Russian state or threaten it with superior military force as in Kosovo in 1999.

• The CIS, once a region of potential mutual cooperation, is now the setting for dangerous competition over political influence and natural resources where Moscow seeks monopoly and the preservation of the authoritarian status quo despite its manifest contribution to future instability. Hence Moscow is once again, as it was in the nineteenth century, the Gendarme of Eurasia.

• Russia has repeatedly demonstrated for several years that it will use energy supplies to coerce CIS governments to accept inferior prices for their energy goods, or to surrender economic and political assets, including ultimately their sovereignty, to Moscow. The evidence is overwhelming that energy cutoffs have been and are regularly used throughout the CIS as an instrument of coercive political pressure. Thus America sees Russia as bullying its much weaker neighbors and correctly sees Russian use of energy as equating to a protection racket.

• Beyond that, Russia uses its control over gas to gain leverage over politicians and economic institutions throughout Eastern Europe to corrupt them and political processes, subvert governments, facilitate intelligence penetration of those regimes, and attempt to convert them into Russian clients within the EU and NATO and have Europe subsidize Russia's own wasteful energy economy. As Western scholars, diplomats, and intelligence agencies well know Russia's political, business, intelligence, and organized crime agencies act as an integrated and mutually reinforcing system abroad to achieve those ends. Russia's Ambassador to the EU, Deputy Foreign Minister Vladimir Chizhov once declared that, "Bulgaria is in a good position to become our special partner, a kind of Trojan horse in the EU." And many analysts and diplomats concur that today Germany plays such a role in the EU and NATO. It also is quite probable that Prime Minister Berlusconi's new Italian government will act in similar fashion. Indeed, one European intelligence officer told me that, "ENI (Italy's state-owned energy corporation) is a Russian company." Neither are these the only regimes that act in such fashion.

• These scholars, diplomats, and analysts also concur in noting that Russia behaves like or is a "mafia state" whose tactics are corruption, predation, and intimidation. The government, Russian business, organized crime, and the intelligence agencies work together in concerted fashion and Russian business can be used at any time as an intelligence gathering organization for purposes of gaining information that can be used to compromise businesses, politicians, or whole governments. Many Russian policies, particularly state takeovers at home and threats against governments in

the CIS, resemble Mafia protection rackets. Danish General Michael Clemmesen, the Commandant of the Baltic Defense College, wrote in his blog analyzing the cyber-attacks in Estonia of April-May, 2007 that,

> The attitude of Russia to the world and especially to its neighbors is presently close to that of the great power attitudes of that earlier [pre-World War I-author] period. It is built on a demand for *'respect'* for the country because of its size. It is rooted in the geostrategic and geopolitical attitudes tainted with Social Darwinism that dominated the conservative elites of all *other* major European states of the period. . . . The respect demanded from the small- and thus contemptible and ridiculous—states on the borders is similar in type to that demanded by a mafia *'capo'*. Presently the focus is in Georgia and Estonia. (Italics in original),

Similarly Robert Dalsjo of the Swedish Defense Research Agency (FOI) concurs in every detail, noting that Russia's concept of power is that it can kick around smaller states to intimidate them much like gangsters in American movies. And in domestic politics, Andrei Illarionov, like many others, highlights the resemblance of the ruling elite to the Mafia but claims that it is even less stable than is the Mafia.

Apart from gaining a free hand at home and abroad, the long-term objective of Russian investment abroad which works in this integrated fashion is therefore to corrupt and subvert Western political, financial, and economic institutions so that they cannot stop Russia from essentially revising the European and Post-Soviet settlement of 1989-91.

- Russia's overriding objectives are to frustrate the consolidation of European security organizations and European integration on a democratic basis, ensure Russian exclusive hegemony in the CIS, and create pressure for essentially revising the European settlements of 1989-91 that ended the Cold War. As Tesmur Basilia, Special Assistant to former Georgian President Edvard Shevarnadze for economic issues, wrote, in many CIS countries, e.g. Georgia and Ukraine, "the acute issue of choosing between alignment with Russia and the West is associated with the choice between two models of social development." Indeed, even some Russian analysts acknowledge the accuracy of this insight. Thus Dmitry Furman writes that, "The Russia-West struggle in the CIS is a struggle between two irreconcilable systems." Furman also observed that "Managed democracies are actually a soft variant of the Soviet system."
- In Moldova and the Caucasus Moscow has obstructed every effort to overcome the frozen conflicts with the partial exception of the Armeno-Azerbiajani conflict in Nagorno-Karabakh) in order to punish Moldova and Georgia for resisting Russian hegemony in the CIS. Beyond freezing these conflicts it has subjected these states to economic warfare, regular military threats, and the possibility of lasting territorial amputation, allegedly in retaliation for Western actions like the recognition of Kosovo. Moscow manipulates these frozen conflicts and potential ethnic animosities in these states against the time when it may need to exploit those factors.

• Indeed Moscow regards the sovereignty of the former Soviet republics as dubious and susceptible to diminution under Russian pressure. Its spokesmen regularly claim that a truly independent, i.e. not just formally but actually sovereign, Ukraine cannot stand. President Putin told the NATO-Russia Council that Ukraine is not even a state, that its territory was given to it by Russia, and if it decides to join NATO, Moscow will see to it that it no longer remains a state. Likewise Russia evidently is preparing the ground for amputating Georgia's sovereignty by recognizing Abkhazia and South Ossetia, presumably in retaliation for the West's recognition of Kosovo's independence.

Russia engages in economic warfare and what one Ukrainian official called "punishments" against Kiev. He even called it a Cold War. Neither is this confined to Ukraine. Estonian assertions of independence, whether or not they are well calculated, led to an information attack against the entire country in 2007 that almost certainly originated in Russia and was accompanied by violent demonstrations against the government organized by Russian officials. Many such campaigns have been marked by open threats of missile attacks, hostile relations, and the development of what might essentially be called adversarial relations were they to join NATO.

• Russia repeatedly makes conventional and nuclear military threats against NATO allies and members of the CIS who might incline to the West and is rebuilding its armed forces, with varying degrees of success, primarily to rebuff what it considers to be an American-organized military threat that is drawing ever closer to its borders.

• Meanwhile reciprocal ideological hostility in America and Russia is rising, an outcome apparently confirmed by public opinion polls in Russia. This outcome is also traceable to systematic propaganda by state-owned or controlled media in Russia which is increasingly becoming the only form of mass media and which has always been regarded as political weapons and spoils of political combat among elites.

DEMOCRACY ISSUES

Russia's foreign policy, as its executors, admit, stems from or continues its domestic policy and aims to advance its domestic agenda of staying in power and ruling autocratically. That policy lies at the heart of Western unhappiness about Russia because Russia's defaults from democracy drive its neo-imperial, unilateralist foreign policies based on this presupposition of enemies. In many ways Russia's domestic political structure resembles the Tsarist or Muscovite paradigm as more and more foreign and domestic analysts of Russia acknowledge. Indeed, as we have noted above, many foreign analysts and even diplomats characterize Russia as a Mafia state.

Such governance clearly precludes any concept of democracy. Russia's presidential transition was not an election because there was no choice. Nikloai Petrov of the Carnegie Endowment called it a "regency." Other analysts label this succession, like Putin's of Boris Yeltsin, as signifying an "adoption" process where the outgoing leader adopts his protégé as successor. Both terms again sug-

gest the pre-modern condition and immature development of the Russian state and that Putin, like the Tsars, regards it as his personal property.

In this paradigm Russia is a service state where property and power is a function of the service performed by the Tsar's servitors, including the armed forces that are effectively still enserfed, bound to service of the state. Meanwhile the Tsar, in turn, owns the state as his personal property that he owns without contest or any accountability to law or any institution save his conscience. Indeed, we see under Putin not just the return but even the glorification of many phenomena associated with either Tsarist or Soviet practices: personality cults, the ruling elite's criminal-like nature, the growth of the state's repressive capability to the point where Russia again has a Gulag with political prisoners, repressiveness and insecurity of property and the reintroduction of the service state based on the concept of a "boyar"-like retinue around an all-powerful ruler. Soviet features like confining dissidents to psychiatric institutions, the aforementioned Gulag, plus the creation of organizations whose roots lie in Soviet times, e.g. youth organizations like Nashi, also reveal the lingering heritage of the past. Similarly, Vitaly Shlykov, a prominent military consultant and advisor to the regime, concludes that what has saved the army is the return to Soviet military standards, not just in terms of technical issues like requisite training time for pilots, but including more sinister phenomena like the return of political education teams to replace the Soviet Main Political Administration (Glavpur) and, of course, Dedovshchina (hazing). Indeed, Shlykov admits that the soldiers and officers' dependence upon the state to provide housing in the absence of a viable housing program or market constitutes a kind of serfdom. Other examples abound.

Obviously in such a state there are no secure property, human, or civil rights. Law is what the rulers want it to be and there is no accountability of officials to or before the law. The ongoing crackdown on the media, and continuing political murders of critical journalists and others are examples of the state's intolerance for dissent as are the attempts to manipulate and eviscerate elections and to use anti-American propaganda as a mobilizing device for ensuring the populace's subordination to the government. Therefore Russia charges that America wants to turn the OSCE (Organization for Security and Cooperation in Europe) into an anti-Russian organization and that individual governments are also using NGOs for such purposes despite their so-called formal independence. Allegedly revolutions in CIS countries are incited from abroad and their elections often are masquerades whereby the West intervenes in their internal affairs.

Obviously this view projects Russia's own politics and policies of interference in these elections (e.g. the $300 million it spent and the efforts of Putin's "spin doctors" in Ukraine in 2004) onto Western governments and wholly dismisses the sovereign internal mainsprings of political action in those countries, another manifestation of the imperial mentality that grips Russian political thinking and action. Likewise, we should not be surprised that Deputy Prime Minister and former Defense Minister Sergei Ivanov wrote in 2006 that, that Moscow regarded the main threat to its security as an

attempt to change the constitutional order of any of the CIS states, not just Russia. Nor should we forget that despite Medvedev's homilies about overcoming Russia's "legal nihilism" he fully participated in all of the anti-democratic processes to dater and benefited from them.

WHAT IS TO BE DONE

Nevertheless Russia must be engaged, not ignored. Russia remains important for its nuclear capabilities, its posture regarding terrorism and Nonproliferation, its role in determining regional security environments in Europe, Asia, and the Middle East. Yet at the same time it rejects American values and challenges American interests. Therefore the pursuit of U.S. interests must occur in an environment inhospitable to our values even as we should also pursue a candid discussion of those values. Consequently we must navigate between the unrestrained pursuit of common interests (if they exist) regarding proliferation and arms control at the expense of our democratic values and a strategy that stresses ideological and value conflicts with Moscow that will invariably generate pressures to again contain Russia within its boundaries. That strategy of neo-containment may feel good but will neither advance our national interests nor persuade Russia and others of the rightness of our values. Certainly it will not help us advance either arms control or human rights or gain allied support. Neither will it let us address effectively other key areas of concern, e.g. Russia's energy policy, Russia's predatory foreign policies, and the corresponding lack of a U.S. energy strategy.

Thus, for example, we must also reckon with Moscow's demands for a new economic order given its transformation and the continuing high prices for oil and gas. Yet even if we need Russian support on many key questions, Russia needs our support even more for its own benefits and we should never lose sight of our leverage or power to affect its policies. Therefore an essential requirement in getting Russia right is a balance between what both sides need from the other and can reasonably expect of the other side.

Consequently it is futile to lecture Russia without credible counteractions to offensive Russian policies or actions that advance American interests. For U.S. policy to defend U.S. interests and values effectively it must be credible, not merely rhetorical. Even if America must deal with Russia as it is and expect to pay the price of its discontent with our policies, an intelligent policy cannot let Moscow's objections deter American actions that advance the national interest. U.S. policy requires a deeper assessment of Russian realities and trends than the habitual American tendency (that long preceded this Administration) to believe that personal relationships with Russia's leader are either substitutes for or the purpose of U.S. Russia policy. This means, among other things, fully taking into account the nature of the Mafia-like threat Russia poses and orchestrating a coordinated inter-agency approach to Russia that involves not just traditional security instruments but also financial and banking monitoring and intelligence coordination, not unlike the way we track terrorists. Acknowledging Russian realities does not mean giving Moscow a veto on our policies

or overlooking Russia's structurally determined and intrinsically self-seeking nature. Too many real Russian misdeeds deserve consistent international censure. Instead, acknowledging Russian realities means that our calculations of interest and of the costs we can pay to reach them must be better than has hitherto been the case, for on too many issues, particularly those connected with Moscow's regression from democratization and its predatory economic tactics abroad, we have given Russia a pass.

Thus a sound American policy must exploit the fact Moscow needs American support far more than Washington needs its support to make Moscow acknowledge other realities besides its own self-interest. Second, to the degree that other states' interests limit U.S. power, so must Russian power be limited accordingly. U.S. policy cannot let Russia act as it pleases in world affairs or be allowed to make trouble just to enhance its status or importance. Giving Russia a free hand, either actively or tacitly, especially in the CIS, only incites more domestic autocratic behavior and belligerence abroad. And it could lead to future conflict if Moscow tries to act on its disdain for those states' sovereignty.

Therefore the strategy outlined below aims at integrating Russia over time into the Eurasian constitutional and political order based on treaties that it has signed and which govern both domestic and foreign policy practices. Our strategy must aim at integrating Russia into a world order that it has voluntarily accepted, gradually limiting its opportunities for securing a free hand abroad by presenting it with no better option than to do so. To the extent that we succeed in doing so, Russian governments will also be unable to act with a totally free hand at home. Rather, they will be bound by the treaties and conventions that they have signed and by the West's superior power and resolve to enforce them. Over time, only that kind of policy will effectively counter the deeply rooted authoritarian and impulses in Russian politics and culture. This is a patient, long-term policy, not one that seeks immediate gratification or is motivated by evangelical and theological beliefs about the superiority of democracy. It also requires governing and restraining U.S. policies by the same constitutional order whose validity we seek to uphold and extend.

To achieve those goals, however, we must first dispel several myths and obstacles that obstruct coherent U.S. and Western policymaking. The first obstacle is the widely accepted myth that the West or we have little or no leverage upon Russian policy and therefore must adjust to it or tolerate it silently. The ideas that Europe is hopelessly corrupted or that Russia has a natural sphere of influence, which we must respect, have many adherents in Europe. But it has not by any means triumphed and could not stand against a united European-American stance. Thus again the U.S. must lead the way with its allies in demonstrating both that we have leverage and will use it. This idea that we lack such leverage is a highly self-serving tactic when stated by Russians who love to pretend that the U.S. or the West cannot sway their policies, that foreign motives towards Russia are invariably hostile and self-serving, or evoke the Cold War. In the West this precept amounts to a paralyzing fear that inhibits all effective action. It represents self-denying ordnance and a bizarre failure of political intelligence

that paralyzes efforts to advance Western political objectives when it has the stronger hand in every dimension of international power. Clearly the strongest power in the world and the strongest alliance in the world do not lack the resources with which to influence Russian policy and Russia has frequently adjusted to meet firm American policies. Just as George Kennan's containment strategy sought to compel an eventual "mellowing" of Soviet domestic and foreign behavior by applying political and other external pressures abroad, today the judicious application of the total weight of the instruments of power available to the West in world politics would surely frustrate or at least blunt the imperial drive and the restoration of autocracy that underlies so much of today's Russian foreign policy and force domestic changes as a result. As Heinrich Vogel writes,

> This logic of 'mutually assured dependency' (the political dimension of interdependence) implies a world of rational choices. In this world the structural deficiencies of the Russian economy and its integration and interdependence with the international community restrict Moscow's ability to be uncooperative or engage in spoilsport behavior in international crisis management.

Arguing that we have no leverage also reduces the Western pursuit of a viable Russian policy to incoherence. Moreover, obtaining such a condition of Western paralysis or admission of defeat is actually the goal of Moscow's bad behavior in the hope that foreigners will assume nothing can be done. Therefore Russian media are all too happy to report frequently that the West "accepts" the nature of Russia's "special democracy".

Then we must overcome the second obstacle to a sound Russia policy. Namely we must devise and implement a coherent strategy within our own government, and then together with our allies in order to use that leverage to optimal effect in regard to key issues: Iran, the Middle East, the Western presence in the CIS, the sanctity of treaties signed by Russia, energy, economic and intelligence subversion of foreign states and governments, arms control, and Korea among others. Doing so requires first that we overcome the fact that on numerous key issues, including apparently policies toward Russia, and in regard to at least some of these aforementioned issues, our policy process has been and is still broken. Furthermore on many political issues, the approach to Russia itself, Iran, Central Asia, and energy among others either we ourselves are divided or Europe is incapable of forging a coherent policy.

Third, current U.S. policy toward Russia suffers from several shortcomings that obstruct realization either of strategic or democratic aims. The first of these problems is the false dichotomy that exists among many commentators and in many previous administrations that to achieve strategic goals, e.g. Iranian or North Korean nonproliferation, we must soft pedal or even sacrifice democracy promotion, or vice versa. It is very clear that the current Administration has opted for a relationship with Moscow that emphasizes strategic goals over democratization despite its ringing invocation of universal democratic values. The results do not justify the neglect of Russian democratic issues or the effort invested in achieving coordination with Russia at those issues' expense. In fact Michael McFaul's assessment of U.S. democracy promotion policy

towards Russia even calls it "anemic." Therefore one essential change to U.S. policy must be the comprehensive rebuilding of our public diplomacy capability. First of all, to defend U.S. interests and values abroad we cannot be silent in the face of the systematic mendacity and vituperation of the Russian media, e.g. Putin's charging the U.S. with being like Nazi Germany, or that we are fomenting revolutions abroad, charges to which we were silent. As Pope John Paul II said, "in a world without truth, freedom loses its foundation." Therefore under no conditions can we simply ignore this propaganda. Rather, the institutions that conduct this public diplomacy must have a simple mission, i.e. to expose the lie and tell the truth even if it reflects badly on America. As we know doing so is much better and cheaper than covering it up. It was the voice of truth that helped undermine Communist rule in Europe and organizations like Radio Free Europe, Voice of America, etc. must again expose the lie today and must be funded more vigorously even as the other capabilities hitherto associated with USIA (The United States Information Agency) and contemporary public diplomacy are simultaneously recapitalized as well. Similarly we must bring our financial and economic regulatory apparatus into Russian policy, monitor, track, and publicize Russian criminal and other illicit interventions in to foreign economic and political institutions just as we do with our allies in regard to terrorism.

But aligned to that false dichotomy between promoting security objectives and democracy are procedural errors that impede realizing both strategic and democratic goals. As Dov Lynch of the European Union's Institute for Security Studies observes, Russia matters for the US less for itself and more in terms of how it can affect US interests in other policy areas. Lynch's assessment subsumes within it the excessive emphasis on a personal relationship with Putin. Consequently there is little governmental implementation of agreements or progress on issues while the relationship stays focused on personalities rather than programs. This fact, unfortunately extends a well-established tradition, but also makes it harder for the Russian government to reform itself or ensure policy coordination and fulfillment when it does concur with the United States.

Fourth, there is no coherent energy policy designed to reduce our or our allies' dependence upon Russian supplies and potential blackmail. As Putin has proceeded to lock up Eurasian energy reserves and access, the EU has been divided, timorous, and incoherent and Washington has often been too late in replying or in fashioning attractive counter options for Europe and Central Asia. Certainly Moscow will not accept the EU's energy charter anytime soon. Since energy is Moscow's main foreign policy weapon, this absence of a strategy and a policy puts us and our allies at a grievous political disadvantage and makes it more difficult to help CIS members that Russia is threatening with unrelieved economic warfare and even Cold War.

This point is particularly urgent when we realize that due to the collapse of the Orange Revolution. Ukraine's energy situation makes it perpetually vulnerable. Belarus too succumbed in early 2007 to Russian pressure and is now frantically seeking to diversify its sources. Other CIS states escaped this threat only because Iran

or Azerbaijan provided them with energy. Energy security is not just a question of supplying Europe or Asia, or, from Russia's standpoint, of ensuring its ability to meet foreign and domestic demand at a fair market price. Rather it entails the basic security and opportunity for progress of the former Soviet states from Ukraine to Central Asia. While it is in their and Russia's interests that their energy relationships be marketized rather than subsidized, Moscow's policies stress political over economic goals and still charges differential prices to its customers in line with its political prerogatives. Therefore policies like promoting the Nabucco or Trans-Caspian pipelines must be advanced vigorously by both Washington and Brussels.

But beyond this Washington must take the lead in encouraging the EU and NATO to offer a genuine membership perspective, conditional on the fulfillment of the requirements for membership in both NATO and the EU, to Ukraine and to other states that want such memberships. Experience proves that this lure of membership, coupled with NATO and EU supervision and assistance has galvanized them to meet the necessary conditions and thus strengthen themselves against Russian economic-political threats and attempts at military intimidation. The experience of the last fifteen years also shows that this is the only way to galvanize such reforms in these states. Surrogates for membership or hiding behind the argument that these countries are Russia's sphere of influence merely perpetuates the uncertainty that opens the door for Russia's revisionist and Mafia-like ploys.

Fifth, on Iran, it is unclear how far our European allies and we will go to stop Iranian proliferation. Our stated modus operandi is diplomacy and numerous commentators and the former Foreign Minister of Great Britain Jack Straw have said that European participation in a war with Iran over its nuclear threat is "inconceivable." But without that threat it is quite possible Iran will not stop enrichment or its overall nuclear program. As its recent announcements tripling the number of its centrifuges indicate, Iran believes that it cannot be stopped. Russia has firmly and consistently opposed any effort to impose sanctions on Russia's arms trade with Iran. Neither will it impose sanctions on Iran that seriously injure Iran's interests even as it supports Iranian membership in the Shanghai Cooperation Organization and advocates a global gas cartel with Iran. Given all of these considerations there is no reason to stop work on missile defenses in Poland and the Czech Republic, quite the contrary. Indeed, given Iran's threats to Israel and other neighbors and record as leading state sponsor of international terrorism, other states may find it necessary even before we do, to preempt Iran if it is not stopped. As long as Moscow wants to have Iran as its main regional partner and will not deter a threat that also includes it, it will have to bear its share of the blame for the consequences of either Iranian nuclearization or its preemption by others.

Therefore overcoming our own divisions and finding common ground with Europe as President Bush did in the NATO Bucharest summit in April 2008 is essential if we are to conceive and execute a coherent Russian policy. That policy must utilize all the instruments of power that we possess: diplomatic, informational, mili-

tary, and economic and must be conceived of strategically. And it must target Russia's mutually reinforcing domestic and foreign policy behaviors. Even if there is a unified American position, if it is not coordinated with and implemented by our European allies and Japan in the Far East, it will not fully register in Moscow whatever subject it addresses from this agenda. This means occasionally Washington must defer to its partners' collective wisdom and even to Chinese and Russian arguments. But it also means that the U.S. must stimulate NATO and the EU to improve their ability to forge coherent policies towards Russia regarding Ukraine, Moldova, the Caucasus, energy issues, Central Asia, and democratization.

STRENGTHENING NONPROLIFERATION

Nonproliferation in Iran and North Korea exemplify our dilemma. We cannot achieve support without shelving the idea of regime change. By decoupling this demand from demands for Nonproliferation we actually gain more flexibility to send a robust message to proliferators by eliminating their justification for nuclearization. If we can change these regimes' international behavior, by political means preferably but by force only if absolutely necessary, then their current policies will gradually be rendered increasingly dysfunctional, forcing change upon them from within, not from outside. To the extent that they cannot mobilize domestic or foreign support against the Bush Administration they will be compelled by force of circumstances and superior Western power to adjust their behavior over time.

Once they cannot justify threat based programs in the absence of a threat these states must deal much more urgently with domestic economic and political questions for which they have no answer and for which their structures are woefully inadequate if not illegitimate. And since contemporary scholarly research suggests that proliferation policies are the product of various coalitions of domestic interest groups in these states, a policy that transforms the playing field on which these coalitions maneuver has a much greater chance of success than does unilateral rhetoric, which cannot be implemented except at ruinous cost. That process, as was the case with Moscow in 1986–91, will generate a process of change that will be all the more powerful for being domestically generated rather than externally coerced.

Therefore to effectuate change within Russia and other challenging states we must change the external environment within which they operate by engaging them politically. This also means holding Russia to account for treaties and conventions that it has violated. Careful examination will show that there is no other realistic alternative. Today Russia works with China to coordinate their proposals in the Korean nuclear negotiations and numerous communiqués cite an "identity" of views on this topic. Removing many of the reasons for their shared positions regarding North Korea or Iran helps erode their unified position in these and other issues. As experts have argued that a working Russo-Chinese alliance is the greatest security threat we could face, a negotiating strategy designed to uncouple these two potential rivals against us makes perfect sense.

Furthermore the historical record strongly suggests that a precondition for effective non-proliferation is mutual cooperation between Moscow and Washington as happened in 1986–96 and which has since evaporated due to Russian domestic regression to autocratic rule, American unilateralism, and the perception thereof abroad. Once proliferation is uncoupled from regime change it become much easier to fashion both a strong negotiating coalition against proliferation and to do so strictly on the grounds of international security and treaties that must be observed. This lets us and the other treaty signatories create a different security environment around proliferators, complete with binding accords, supervision and inspections that safeguard their internal security.

ARMS CONTROL

The foundation stones of European and Eurasian security are the series of treaties beginning with the Helsinki treaty of 1975, its extension at Moscow in 1991, the 1987 Washington Treaty on Intermediate Nuclear forces in Europe (INF), the 1990 Paris Treaty on Conventional Forces in Europe (CFE), extended in 1999, the Paris and Rome treaties between NATO and Russia in 1997 and 2002 and the START and SORT treaties from 1991–2002. However, some, if not all, of these treaties are apparently at risk. And that risk has grown with Putin's announcement that Russia is suspending its participation in the CFE treaty. But that suspension paradoxically reveals that Moscow does not fear a NATO invasion for otherwise the treaty would provide excellent security for Moscow. The INF treaty too is at risk. In 2005 Sergei Ivanov, told Defense Secretary Rumsfeld that Russia was thinking of withdrawing from the INF treaty.

However, that an outcome reignites an arms race in Europe that Russia cannot afford and which is in nobody's interest. Ironically Russia actually depends for its security on the restraints imposed by those treaties upon NATO's members including Washington. Moreover, it depends on them for subsidies through the Nunn-Lugar Act to gain control over its nuclear, biological, and chemical weapons arsenals. Without that funding it is quite likely that the recent visible regeneration of the Russian armed forces would have been greatly impeded as Russia would have to allocate funds to maintain or destroy decaying nuclear, biological, and chemical weapons. Russia also needs Western, and especially American help against terrorism emanating from Afghanistan or Iranian and North Korean nuclearization and is still interested as recent agreements show, in curtailing those states or terrorists' access to these materials. Furthermore, it is no less at risk from Iranian missiles than anyone else (except possibly Israel). Thus it needs cooperation with the West on proliferation concerns. Therefore these efforts to withdraw from the relevant treaties are quite misguided given Russia's real interests.

Therefore an appropriate American response should maintain the validity of both the CFE and INF treaties, insist upon fulfillment of the former, and state U.S. willingness to reaffirm or extend the latter which is supposed to expire in 2007. Nobody benefits from a new arms race in Europe, which should be a model of security practices, not a case of a model gone bad. And Russia's announced

desire to renegotiate the START I Treaty that is to expire in 2009 should similarly provide an new opportunity for further reducing the likelihood and perceived value of nuclear weapons use or threats to use them among the two leading nuclear states. Doing so would also reverse the trend toward greater reliance on nuclear weapons as warfighting instruments and also possibly reduce the attractiveness of such weapons to would-be proliferators.

To say this, however, is not to abandon the need to put pressure on Russia to fulfill the arms control and regional security treaties it has signed. Indeed, such a strategy is all the more necessary for our policy toward Russia because just as we now seek to achieve our immediate defense and security goals by invoking the rhetoric of democratization vis-a-vis Iran and North Korea so must we do so with regard to Russia where there is a legal justification, based on solemn international treaties, for doing so. Whatever our private beliefs might be about the justification for such pressure; in practice it is only sustainable on the grounds that Russia has signed treaties that explicitly invoke these values and processes and thus represent the current world order's constitutional foundation.

DEMOCRATIZATION

Putin and his claque regularly charge that demands for democratization are purely politically motivated and neo-colonialist in their rhetoric and an attack on Russia's system of governance, indeed an attempt to change it. Actually they are partly right. Such attacks do attack Russian governance because that governance is increasingly at variance with solemn international accords that Russia freely signed and to which it must be held. Just as we resent attacks on our conduct at Guantanamo or at Abu Ghraib but still must redress those situations through legal and democratic pressure and processes, so too is Russia subject to the same international constrains and standards that it freely accepted. However, Moscow clearly would prefer a relationship with the United States of no discussions of democracy but that concentrates on concrete bilateral interests. Simultaneously, the demand for an end to these attacks and this kind of defense by Putin et al reflects both Moscow's demand for a free hand and its endless status insecurity.

Indeed, the demand for ending such attacks plus the assertion that America seeks to undermine other CIS governments as well as Russia became a staple of Russian foreign policy argumentation even before Ukraine's Orange Revolution in late 2004. But Russia cannot be exempted from today's common practice that subjects all governments' internal policies to constant foreign scrutiny. Russia, based on its record, certainly cannot be allowed an exclusive sphere of interest around its peripheries based on "security zones" when it is a prime fomenter of regional instability. Indeed, such policies only ensure the ultimate crash of the present Russian and CIS status quo.

Therefore that pressure for democratization must not only continue, it should grow. American leaders should regularly invoke that cause precisely because Russia and other Eurasian governments have signed all these treaties, going back to the Helsinki treaty of 1975. The cornerstone of our demand for this kind of policy is the basic building block of world order, namely that treaties

must be obeyed. And the conditions that necessitated those treaties are still present as Russian and Belarusian policy illustrate. That argument should be the cornerstone of our demands to treaty signatories coupled with meaningful sanctions, not just economic, for failure to uphold these treaties.

Of course, there are also equally good security or strategic reasons for upholding democratization at every turn even as we seek avenues for negotiation. It is not just because we believe, with considerable justification, that states who reach democracy are ultimately stronger, even if they have to cross through dangerous waters to get there, it also is the fact that Russia shows no sign of wanting responsibility for its actions and their consequences, e.g. in the frozen conflicts in Moldova, Georgia, or in Ukraine, let alone its support for the repressive regimes of Central Asia or its arms sales abroad. To the extent that violence, crime, and authoritarian rule flourishes in these states they are all at risk of upheaval, even sudden upheaval as we have seen in Georgia, Kyrgyzstan, Ukraine, and in the repeated manifestations of internal violence that shook Uzbekistan in 2004-05 and could easily do so again. Such violence and instability could easily spread to Russia as the example of Chechnya and the North Caucasus suggests.

Silence on democratic issues facilities the exportation of Russia's sphere of influence and style of rule throughout the CIS. But strengthening Georgian, Ukrainian, and other democracies not only forestalls chances for internal upheaval in those states, it also rebuffs Russian imperialism and thus helps strengthen domestic Russian calls for reform. More urgently it reduces Russia's chances to engineer long-standing reversals of both Westernization and democratization in these states, outcomes that only reduce security throughout the CIS.

The logic is the same as George Kennan's even if containment is not called for here. By upholding international law and the democratic choice of those states' peoples, not our own unilateral power, and by working intensively with those states who want the benefits of association with the West, we can create examples of progress that will resonate in Russia and elsewhere while checking the spread of deformations of governance that only add to Russia's and our own insecurity. NATO was and is correct in observing that its and the EU's expansions enlarge the domain of security in Europe and Eurasia to the benefit of Russia if not that of its elite which, like any other Mafia-type organization, can only survive by imperialism and predation.

Ultimately the tenacious, insistent, and unceasing proclamation of deviations by Russia from its own promised course of action are legally and strategically strongly founded and mutually reinforcing. A strategy that engages both Russia on its vital issues and agenda, and the CIS on an equal basis with Russia while unceasingly proclaiming that democratic values enshrined in treaties must be upheld benefits everyone, including Russia's people, except Russia's rulers. What must be understood as a guiding strategic principle here is that Russian autocracy and its corollary, Russian imperialism are the gravest security threat facing Eurasia (including Europe and Russia itself) and are ultimately incompatible with any

progress of the Russian people, or Eurasia to security, liberty, and prosperity.

Precisely because such a state constitutes a standing invitation to uncontrolled military adventurism—of which there has been much in Russia's brief history and not least due to the absence of democratic control over the power ministries—it has to be checked. There is no contradiction between engaging Russia on the great issues of proliferation and arms control, and cooperating with it against the common enemy of terrorism, while simultaneously insisting that it adhere to European norms that it has accepted in order to integrate it with its European neighbors. While this is certainly difficult in practice, it is hardly less difficult than the policy we now are conducting which has left us attacked by unending crises with few governments willing to help us.

In fact, a policy based on treaties and laws rather than upon unilateral assertions of power is actually more effective than that alternative even if it means narrowing the scope of our freedom of action for unilateral ventures. As Robert Wright contends,

There is principle here that goes beyond arms control: the national interest can be served by constraints on American behavior when they constrain other nations as well. This logic covers the spectrum of international governance, from global warming, (we'll cut carbon dioxide emissions if you will) to war (we'll refrain from it if you will).

Indeed, democratization is essential, first of all in regard to Russia's power agencies. The armed forces still regard NATO and the U.S. as their main enemies and their exercises confirm it, even to the point of often involving missile and nuclear strikes or large-scale conventional exercises against alleged terrorists. Second, despite efforts to restructure at least some of the armed forces to fight primarily against terrorist attacks—the current main threat to Russian security—using the military in a counter-terrorist or counter-intelligence mode can have the most serious negative domestic outcomes as we have seen in Chechnya. The lack of democratic control over the armed forces has been a constant and lethal aspect of Russian policy toward Chechnya and has resulted in frightful violations of human rights. In turn, that policy has generated a running series of low-intensity conflicts across the North Caucasus for which Moscow has no solution.

Moreover, these forces could also easily be used against domestic democratic reform.

Third, the tendency to adventurism that led Moscow into its so called peacemaking operations in the Caucasus and Moldova have now embroiled it in situations where the threat of war, particularly with Georgia, is constant and where both side seem to be engaged in mutual provocations. So dangerous a policy inevitably has unforeseen consequences. The recent signs of military adventurism, buzzing Scotland, flights to Guam, buzzing U.S. ships in the Pacific, and resuming long-range air patrols, submarine races to plant the flag of sovereignty in the Arctic, only serve the armed forces' myopic interest of "walking tall." These PR stunts do nothing to enhance Russian security.

While democracy is not a panacea, a democratically controlled military would have behaved differently as would its masters also

have done. Arguably what Russia's military arguably most fears about NATO expansion is that it generates an external pressure that is supported by domestic reformers to democratize Russian national security policy and subject it to civilian and democratic accountability under law, something that is anathema to that military-political elite. Ultimately there are compelling geostrategic reasons why the vigorous ongoing insistence on reforms as signed in international treaties is an essential and indispensable part of any sound Western policy toward Russia.

ENERGY POLICY

Every day Americans feel the lack of a sound energy policy. At the same time energy, in Putin's words, "is the heart of our economy." Thus Russia's energy assets are the equivalent of a political Viagra letting it pretend to be a great power and allowing the state and its servitors to amass fabulous wealth. Nonetheless due to the organization of the rent-seeking elite dealing with a rent-granting state Russian economy, by 2010, according to Russian analysts, Russia will be suffering from an energy shortage, in oil, gas, or electricity, if not all of these.

Neither the effort to blackmail Ukraine, the Baltic States and Europe, nor Russia's need to dominate Central Asian and Caspian producers in order to retain its political-economic structure are in America's interest. Neither are such policies in the interests of other key consumers like Europe and China, nor ultimately those of the Russian people who must bear the direct costs of an inefficient and autocratic Petro economy, that grows more slowly than most other post-Soviet states. Obviously we need a coherent and comprehensive domestic policy that reorients us to more efficient energy usage or to other sources as they become affordable. But we should not delude ourselves that cheap oil or gas can return any time soon. This is not only to our demand, which the greatest in the world, or to surging Asian demand, but also to the fact that approximately 80% if not more, of world oil supplies are state owned. These states are frequently all too prone to use oil as a state weapon and turn into an economy dependent on energy rents. Cartels, in this environment, are the rule, not the exception to it.

Accordingly Washington must fight fire with fire. Numerous Asian and American scholars have advocated an international energy association in the belief that such a system would not only give North Korea non-nuclear sources of energy but also assist other Northeast Asian and Pacific states to satisfy their needs as well. Arguably this organization could also help improve chances for security discussions and peace in Northeast Asia. Whether or not that is the case remains to be seen. But clearly China, Japan, South Korea, and India should be integrated into global energy organizations and that the possibilities for energy rivalry with China, which fill policymakers here and Beijing with anxiety be reduced. We should, therefore, facilitate the integration of India and China into the International Energy Agency. It clearly is in America's and its allies' geopolitical interests to integrate the largest Asian consumers and do everything possible to persuade them of the benefits to them of such integration and of reliance on the global market

compared to the wasteful and dangerous current practice of exclusive long-term supply deals.

Another and possibly complementary tactic is to do everything possible to encourage national oil companies in other producer states and in consumer states to invest in increasing their productive capacity. Indeed the only way to do so is to demonstrate to Russia (and other cartel supporters) that its current method of oil and gas production cannot satisfy is own domestic needs let alone the claims of importers who then remit valuable foreign currency to Russia. And without such investment at home and the accompanying transparency that it would generate, foreign direct investment in Russia's energy sector will not materialize, leaving it behind. If we cannot get the producers' attention in this fashion it might be worthwhile to form the equivalent of a counter-cartel or at least a consumers' association through the IEA which would be made up of the EU, United States, China, Japan, India, and South Korea and which could influence the price of oil and/or gas by announcing that each member of the group a whole is prepared to buy its entire energy needs, or even a large percentage of them at a fair market price and auction, making sellers compete for those contracts. Obviously, to the extent that this is possible it forces prices downward. Beyond forcing prices downward, this group should disseminate best technologies and practices among its members allowing them to move toward ever-greater efficiencies in energy use and to alternative sources of technology. That policy would reduce demand and exercise downward pressures on prices.

Third, this organization would reduce the growing Sino-American tensions in the Gulf and Middle East, which could contribute to an overall deterioration of Sino-American relations and unite those governments around a compelling common interest. Fourth, inasmuch as Russo-Chinese energy relations are tense and even rivalrous, with both sides seeking to exploit the other, this organizations would magnify those things that divide Russia and China while reducing those that divide China and America. And since a new Russo-Chinese alliance is probably the greatest security threat we could face, this kind of outcome would represent no small achievement.

Fifth, at the same time this solution lets Russia sell its oil and gas in Asia by creating a regularized forum at a fair market price but would help overcome the obstacles that have held back its ability to develop this market. If it stops trying to swindle its partners beside China, i.e. South Korea and Japan it might actually get the investment it needs from them in return for a reasonable program of sales to them. Then Russia would get a fair market price and could more easily participate in North Korea's regeneration as part of any overall solution to its energy and security problems. Indeed, an energy association would answer Pyongyang's needs if it were to become serious about bargaining over its nuclear program. And facilitating such a settlement inviting Russia to become a major contributor to North Korea's future energy sources has long been a major Russian objective.

Russian participation under market conditions in such an arrangement would force reforms in its energy industry, and thus government. Such reforms might then allow for foreign investment,

particularly in Siberia and its infrastructure, which is essential for the historical task of reviving Siberia and Russia as a reliable Asian power. Russia would play a recognized role in a framework of security for Northeast Asia but it could not then blackmail its partners to the West and South because they will be able to build more pipelines to global markets and not be compelled to rely only on Russian pipelines. Such changes in turn will hopefully generate other economic centers of excellence in Russia freeing it from its historic dependence upon a cash crop for export.

This strategy too depends upon transforming the external environment through creative U.S. statesmanship in order to effectuate change over time both in Russia and in the global order. If carried through successfully, this strategy has the potential, in ways that force deployed unilaterally does not have, to foster desirable changes over time in the world order on the basis of a shared consensus among America's partners operating under our leadership or together with us.

CONCLUSIONS

We urgently need to rethink many of our policies especially as they are inter-connected. This consideration plus the fact that the problems Russia poses are essentially non-military and cannot be allowed to become military, demand a coordinated multi-dimensional global strategy using all the instruments of power. We cannot impose our favored form of regime upon Russia nor should we try, but we cannot passively let it flout international agreements and embark upon a course of autocracy, empire, and adventurism that has repeatedly proven to be ruinous for its people and neighbors.

Moreover, we cannot be either complacent or despairing. The oft-cited and even widely accepted ideas that we have little or no leverage or its analogue that we need Moscow more than it needs us are ridiculous. Unfortunately that notion is tied to a belief that complex political issues can be solved in the blink of an eye, not by what Henry Kissinger called the "patient accumulation of nuance." Therefore if we cannot fix the problem at once by Russia's capitulation to our pressure it is supposedly hopeless to try. Yet clearly the agenda of issues with Russia goes far beyond strict bilateral U.S.-Russian relations in both geographical scope and complexity and requires precisely that combination of patience and superior insight.

Neither can we yield to the opposing complacency that other issues are too urgent or that we can wait for another time to tackle the Russian agenda, or that we can simply browbeat Russia because of our superior power and virtue. Conditions in Eurasia are already and rapidly becoming ever more crisis-prone. Russian analysts admit that Russia remains "a risk factor" in world politics, not a reliable or autonomous pole of world politics. The North Caucasus remains out of control with some 250,000 Russian security personnel from the armed forces, and Ministry of Interior, as well as the so called multiple militaries being stationed there. Russia's relations with Georgia could very easily spill over into active violent conflict over Georgia's breakaway province, Abkhazia and South Ossetia, and its ties to Moldova are a permanent violation

of the treaties it has signed with the West. All these and other challenges, if not crises, are critical points in the East-West relationship because ultimately "The main reason why the West cannot remain complacent about Russia's actions is the fact that Russia's 'near abroad' is, in many cases, also democratic Europe's near abroad".

Thus time will not wait upon us. Neither will other states wait passively for us or let us shirk our responsibility of developing a coherent policy, the means to carry it out, and harmonizing it with our allies. Russia, its interlocutors, or other states will not let us act merely in an ad hoc tactical fashion with no thought for long-term consequences or strategy. America, for better or worse, is in Colin Gray's term "the sheriff" of world order. We, as Lincoln said, "hold the responsibility and bear the burden." Therefore we must exercise our responsibility for and to the world judiciously. We cannot let it evaporate due to inattention, fecklessness, or the lack of a strategic approach to our interests and those responsibilities.

PREPARED STATEMENT OF DR. DAVID FOGLESONG, ASSOCIATE PROFESSOR, DEPARTMENT OF HISTORY, RUTGERS UNIVERSITY

Chairman Hastings, Co-Chairman Cardin, and Members of the Commission: Thank you for the opportunity to testify at this hearing.

As a historian of American-Russian relations, I think the most useful contributions I can make to this hearing are: to highlight some of the major causes of American misperceptions of Russia in the past; show how those assumptions and expectations continue to distort perceptions of Russia today; and suggest some ways to move beyond those misunderstandings as we engage with Russia in the future.

As I show in a recent book,[1] American views of tsarist, Soviet, and post-Soviet Russia have been distorted by a number of unrealistic beliefs and unwarranted attitudes, particularly:

(1) a messianic faith that America could inspire a sweeping, overnight transformation of Russia from autocracy to democracy or from totalitarianism to liberty

(2) an extreme antipathy to leaders who are blamed for thwarting the natural triumph of the American mission

(3) scorn for the ordinary people of Russia when they seem to submit meekly to authoritarian governments.

These ideas and emotions continue to skew American views of Russia today. Many Americans who were thrilled by the supposed transformation of Russia from communism to free-market democracy in the early 1990s have now veered to bitter hostility to Russian leaders whom they blame for obstructing the fulfillment of their dreams of a democratic Russia. Confounded by opinion polls that show that the majority of Russians vastly prefer today's Russia to the Russia of the 1990s, Western observers assert that Russians have been hypnotized by a Kremlin-propagated "myth" or claim that they have been duped by "Kremlin propaganda."[2]

In reality Russians have quite rational and pragmatic reasons for saying that they would prefer to live in contemporary Russia than in the Yeltsin era.[3] Senior citizens like to receive their pensions on time. Teachers prefer to get paid. People like to have some confidence that their life savings will not be wiped out tomorrow by some government currency reform or financial crisis.

The greatest challenge today to the Helsinki ideal of promoting fundamental freedoms in Russia is not that gullible Russians have been mystified by Kremlin spin doctors. It also is not that "DNA" or history have doomed Russians to submit to "centralized authority."[4] In the last three years, when pensioners, automobile drivers, and other Russians have felt that their material interests and personal rights were threatened, they have demonstrated, often effec-

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[1] The American Mission and the "Evil Empire": The Crusade for a "Free Russia" Since 1881 (Cambridge University Press, 2007).

[2] Michael McFaul and Kathryn Stoner-Weiss, "The Myth of the Authoritarian Model," Foreign Affairs, Vol. 87, No. 1 (January/February 2008), 68-84; Edward Lucas Briefing, United States Commission on Security and Cooperation in Europe, February 20, 2008.

[3] All-Russian Center for the Study of Public Opinion polls conducted in October 2005 and December 2006. See http://wciom.com/archives.

[4] "Russia's DNA and President Bush's CYA," Washington Post, October 19, 2007, A20; Sergei Kovalev, "Why Putin Wins," New York Review of Books, Vol. 54, No. 18, November 22, 2007.

tively.[5] Polls have shown that the overwhelming majority of Russians continue to value freedom of expression, freedom of the press, and freedom of political choice, though they tend to rank those rights as lower priorities than protection from violence, access to medical care, and receipt of pensions.[6] Instead of being frustrated by Russians' current priorities, we can be cautiously optimistic that as more Russians achieve a level of economic security more of them will assert their interests and demand respect for their rights.[7]

There are severe limits to what Washington can do to promote freedoms in Russia at a time when the Kremlin has tightened control over the mass media and sharply restricted opportunities for political activity by critics of the government. Lecturing Russia about democracy provokes resentment and makes the situation more difficult.[8] Publicly excoriating human rights violations in Russia will have little positive impact: not only top officials but also the majority of Russians dismiss State Department criticism of Russian rights violations as a product of prejudice, stereotypes, unhappiness with Russian independence, and a desire to discredit Russia.[9]

That does not mean that we must abandon all hopes to influence the development of Russia in a positive way. It does mean that we must reconsider some deeply entrenched assumptions and shift to a more gradual and subtle approach. I can offer five specific suggestions toward that end.

(1) Be patient. There are different ways to be a missionary. One way is to go to a foreign country with little knowledge of the language or culture but much fervor and high hopes to reap rich rewards in a short period of time. Many Americans—secular reformers and financial investors as well as Christian missionaries—took that approach to Russia in the 1990s and wound up frustrated, disillusioned, and embittered. Another, wiser way to be a missionary is to make a long-term commitment, learn the language, understand the culture, cultivate connections in the foreign society, and hope to see benefits not in weeks or months but in years or decades.

(2) One of the most promising ways to pursue that patient approach is to increase funding for educational cooperation and cultural exchanges. During the Cold War scholarly exchanges were effective means of building relationships and influencing the ideas of

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[5] Steven Lee Myers, "Putin Reforms Greeted by Street Protests Across Russia," New York Times, January 16, 2005; Steven Lee Myers, "Mounting Discontent in Russia Spills Into the Streets," New York Times, February 12, 2005; Francesca Mereu, "National Protests Set for Sunday," The Moscow Times, February 10, 2006; Clifford J. Levy, "Weary of Highway Bribery, Russians Take On the Police," New York Times, October 28, 2007; Catrina Stewart, "Protesters Cry 'May Day' Over Prices," Moscow Times, May 5, 2008.

[6] Vladimir Petukhov, "Democracy in Russia: No End of History in Sight," May 21, 2007, and press release No. 893, "Where Are We to Seek Protection of Our Right," March 5, 2008, http://wciom.com/archives.

[7] For a similar perspective see Dmitri V. Trenin, Getting Russia Right (Washington, DC: Carnegie Endowment for International Peace, 2007).

[8] See the remarks by liberal leader Yegor Gaidar, quoted in Vivianne Rodrigues, "Gaidar Says Boom Will Survive Lower Oil Prices," The Moscow Times, May 2, 2007, p. 5.

[9] Vladimir Putin quoted in Adi Ignatius, "A Tsar is Born," Time, December 31, 2007/January 7, 2008, p. 49; Steve Gutterman, "U.S. Report Met With Bitterness in Moscow," The Moscow Times, March 14, 2008; "Foreign Criticism of Human Rights in Russia," press release of May 18, 2007, http://wciom.com/archives. In general, according to the first Director of the State Department's Office of International Religious Freedom, "U.S. denunciations seldom have much impact." Thomas F. Farr, "Diplomacy in an Age of Faith," Foreign Affairs, Vol. 87, No. 2 (March/April 2008).

Russian intellectuals, some of whom eventually had significant impact on changes in Soviet government policies.[10] It is particularly important to maintain and if possible expand such contacts at a time of tensions between the American and Russian governments. In a period when some non-Orthodox religious groups in Russia have faced greater difficulties, it would be especially valuable to fund Russian-language educational initiatives that would widen understanding of minority religions and circulate the ideas of Russian intellectuals who promoted religious toleration in the past.

(3) Don't ostracize Russia. When Russian leaders have done things that seemed morally repugnant or politically frustrating, many Americans have been inclined to excommunicate Russia. In recent months, for example, we have heard many calls to throw Russia out of the G–8. We have tried that approach before and it has not worked.

In 1911, for example, angered by haughty Russian anti-Semitism, Congress compelled the Taft administration to abrogate the U.S. commercial treaty with Russia. That gesture was emotionally satisfying for a moment. But instead of teaching the Russian government a lesson about religious toleration, it contributed to the exacerbation of religious persecution by Russians who resented what they saw as meddling and hypocritical grandstanding by Americans. Two years later a new U.S. administration begged Russia for a new commercial treaty.

Another example of the ineffectiveness of excommunication is the U.S. policy of not recognizing Soviet Russia between 1917 and 1933. That policy did not hasten the collapse of Bolshevism or lead to the compensation of companies whose assets had been nationalized. The main short-term effect was to direct more of Soviet trade to European countries.

(4) Engage Russia. In contrast to the ineffectiveness of isolation there is a positive model of genuine engagement: the policy of Ronald Reagan and George Shultz. Twenty years ago this month, Reagan flew to Moscow. Walking with Mikhail Gorbachev on Red Square, Reagan said that the Soviet Union had changed so much in the preceding years that it was no longer an "evil empire." If Reagan had heeded the pessimists in his administration who insisted that Russia was an irredeemable enemy, he would not have gone to Geneva in 1985 or Reykjavik in 1986, much less to Moscow. Fortunately, Reagan believed that even Communists could change and he learned that genuine dialogue could encourage reform.

One of the things Reagan talked with Gorbachev about was the importance of religious freedom. The U.S. President can follow that example today by encouraging President Medvedev to speak publicly in Russia about the importance of religious freedom and the value of all Russian citizens, regardless of their religious affiliations. Although Medvedev can be expected (at least in the near term) to follow President Putin's policies in most areas, his youth, legal training, academic background, and recent statements provide

[10] See, for example, Allen H. Kassof, "Scholarly Exchanges and the Collapse of Communism," The Soviet and Post-Soviet Review, Vol. 22, No. 3 (1995), 263–74; Robert D. English, Russia and the Idea of the West: Gorbachev, Intellectuals, and the End of the Cold War (New York: Columbia University Press, 2000).

some reason to hope that he will be inclined to make more expansive affirmations of religious liberty and other human rights.

(5) Keep an open mind about Russia. Almost sixty years ago, one of America's wisest diplomats offered advice about how to think about Russia's future that is worth recalling today. When the Soviet regime fell or mellowed, George F. Kennan cautioned in 1951, Americans should not "hover nervously" over the new Russian leaders, "applying litmus papers daily to their political complexions to find out whether they answer to our concept of 'democratic.'" Instead, Americans should "let them be Russians." Kennan did not mean that Americans should shrug their shoulders and give up all hope of influencing developments in Russia. Rather, he counseled that Americans should conduct themselves in ways that would facilitate, rather than impede, the emergence of the kind of Russia they wanted to see. In addition, Kennan recognized that "the most important influence that the United States can bring to bear upon internal developments in Russia will continue to be the influence of example."[11]

In recent years, some of the policies of the United States have greatly reduced the attractiveness of the American example. Yet the United States continues to be a touchstone for what is "normal" to many Russians, including Dmitry Medvedev.[12] If the United States alters the policies that have tarnished its global appeal and damaged its credibility as a champion of human rights, it may enhance its influence in the future.

In the wake of Abu Ghraib, Haditha, and Guantanamo, many Americans yearn for a reaffirmation of a positive sense of America's mission in the world. An easy and familiar way to do that is to exaggerate real problems in Russia and draw a stark dividing line between Russian autocracy and American democracy.[13] That is likely to exacerbate tensions and impede the emergence of the kind of Russia we would like to see. A more difficult but in the long term more effective way to pursue America's mission is to reach across the gap between the two countries, broaden the dialogue, and creatively expand exchanges in order to facilitate the positive evolution of Russia.

Thank you.

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[11] George F. Kennan, "America and the Russian Future," Foreign Affairs, Vol. 29, No. 3 (April 1951), 351-370, quoted at 356, 352, 369.

[12] Comments of Father Igor Vyzhanov quoted in Chloe Arnold, "Russia: Putin's Faith Raises Questions," Radio Free Europe/Radio Liberty article, April 6, 2007; "Excerpts From an Interview With Dmitri A. Medvedev," New York Times, December 11, 2007.

[13] Recent examples of this inclination include: Bret Stephens, "Putin's Torture Colonies," Wall Street Journal, February 12, 2008; Bret Stephens, "Putin's Political Prisoners," Wall Street Journal, February 19, 2008, A18; Robert Kagan, "Ideology's Rude Return," Washington Post, May 2, 2008, A21.

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