

CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

Moscow Summit: Videoconference With Experts in Moscow

Participants:

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Ahead of the July 6-8 summit between Presidents Obama and Medvedev, Carnegie experts in Moscow briefed on expectations for the visit, prospects for START negotiations, and areas for potential cooperation, including Iran, Afghanistan, and energy security. A transcript of the teleconference follows.

Dmitri TRENIN: Good morning to you in Washington. We have an excellent panel here at the Carnegie Moscow Center on a sunny afternoon here. We have Lilia Shevtsova, who is a senior associate at the Carnegie Endowment, who formally heads the Domestic Politics Program here, but actually she is exceedingly competent across the entire waterfront of Russian policies. (cross talk). It's true to fact, Jim is it not? Next to Lilia, we have Ambassador James Collins, who is a senior associate and director of the Russia and Eurasia Program in Washington, D.C. He was ambassador to Russia between 1997 and 2001, and prior to that he was sort of a roving ambassador to the countries of the former Soviet Union. I'm Dmitri Trenin, head of the Foreign Policy Program and director of the Center. I'll give the floor to Lilia, she'll start, followed by Ambassador Collins, and I'll bring up the rear.

Lilia SHEVTSOVA: It was a very smart move. My friends generally understand that I am more pessimistic than majority of my colleagues. Okay, let me start the ball rolling. Here I represent the domestic politics program and I will try to give you an assessment of Obama visit to Moscow and its

possible outcomes from the domestic politics perspective. And frankly speaking, when one looks at foreign policy, and the foreign policy event from the domestic angle, very often they and their repercussions look in a different way and present a different dimension. What might be considered to be a success from the foreign policy view, from the domestic policy point of view could be a failure. I have several bullet points and I will offer them in a way of brushstrokes.

Firstly, in my view very important and even crucial is the following question: To what extent of Obama's visit, and Obama's agenda which contains, as far as we know, mostly hard security issues, will help Russia's reforms and Russia's modernization. To what extent this visit will help Russia to pursue rule of law, to what extent this visit will help Russia to be more transparent, more open and more democratic and prosperous? Unfortunately, I don't know in history of any example, when such type of state visits, and such agenda, helped to solve the transformational issues. Just on the contrary, concentration on security issues usually mean that the transit society is not ready to think about the reform agenda. In our case my fear is, that if president Obama concentrates only on a hard security agenda, his dialogue with the Kremlin will be used by the traditional part of the Russian political establishment, as the means to reinforce the status quo, continuity, and as an instrument to legitimize, the current system of personalized power. Well, the recent experience demonstrates that the Russian political elite has been skillful in using President Bush and his incoherent Russia policy to legitimize the Russian state capitalism and the Russia's political regime. And now it seems to me the Russian political establishment will try to hijack President Obama to endorse the current ruling tandem and its policy. Only in times of Bush-Putin it was confrontation with the U.S. and today it might be cooperation with America.

My second bullet point is on mutual trust. Recently I've read all major reports and articles on the future of the U.S.-Russian relations, and I see there one common thought: the US-Russian negotiations on START and the disarmament process are expected to create a kind of mutual trust that will help to build a platform for a breakthrough in the relationship between Russia and America. Frankly speaking, I don't know, maybe my colleagues will remind me, I don't know of a single case in our recent history where nuclear arms talks helped to produce mutual trust. Let us take the last disarmament treaty of 2002, and the Moscow Declaration, signed by Bush and Putin. Neither this declaration, nor the treaty itself didn't prevent the crisis in the relationship between the U.S. and Russia that has started in 2006 and their political confrontation in 2008. And in general, I would argue that when countries start counting nukes, talk about disarmament and verification procedure, it's rather a sign not of mutual trust, but a sign of lack, an absence of mutual trust.

Point number three—I'm afraid, I'm really afraid that Moscow could turn into a kind of trap for the U.S. President. If he comes to Russia only with the hard security agenda that will include discussion of START, ABM, Iran, Afghanistan he could only create frustration in all camps, just across the spectrum. It will frustrate liberals, people like myself, because we expect Obama to deliver a message to the Russian population, to Russian society and to demonstrate that he sees a difference between the interests of Russia and the interests of Russian political elite. The minimalist hard security agenda will frustrate Russian pragmatists who are trying to consolidate around Medvedev. And who would like Obama to send the Russian political elite the message calling for change. Ironically, this approach will apparently frustrate Russian traditionalists who anticipate that Obama might move beyond the traditional agenda and will accept the Kremlin rules of the game. They still hope that Obama will agree to the principle of "don't meddle"

which means that Washington promises not to meddle in Russian domestic affairs and in the former Soviet space. These are my worries and my concerns with respect to Obama Moscow visit.

If I were adviser to Obama or if I were President Obama, I would make my best to appeal to both—the Russian political elite and Russian society. I would try to engage both on a different set of agendas and will send two separate messages. I would engage the elite in the dialogue on security and would try to iron out the differences on START. I would follow Dmitri Trenin, and Jim Collins' advice on how to solve the problem of the ABM. It should not remain the irritant in our relations. And I would address the Russian society and its various factions and offer them a new vision of the world and his understanding of Change. I would offer the idea of Russia's integration into the West and thoughts on how to build a benevolent environment for the Russian transformation, or at least, some design, or framework, for a benevolent environment for the Russian transformation. The political leader who came to power in the leading world state as an embodiment of Change can't come to Russia with the idea of a status quo. Whether President Obama will be up to this challenge, we will see already on July 6. His Moscow visit will be a test, not only for President Obama, but for the Western community and its ability to understand Russia as a challenge.

Meanwhile, Russia is waiting for Obama. About 72 percent of Russians are interested in Obama. They know who Obama is, they know, at least generally, his history. For the first time, 45 percent of Russians say that they have respect for the American leader and they have hope for the American leader. Only 30 percent of Russians are indifferent to him. There is wonderful story. In a small city, in the Urals region, the population collected signatures and sent a letter to President Obama asking him to help them to solve the problem of their wage arrears. I

don't know whether Obama got the letter or not. So you see, there is a huge interest in Obama and a lot of expectations in Russia with respect to this leader.

Dmitri TRENIN: Thank you Lilia. That was an excellent introduction. May I now pass the microphone to Ambassador Collins.

James COLLINS: Thank you Dmitri. I will approach this from a slightly different point of view. I think and try to give some sense of, it seems to me, of the diplomatic and state-to-state context in which this visit is going to take place, and then say a word or two about what I've heard over the last few days about expectations.

As I think all of you know, the American administration, when it came in, or relatively quickly after that, said that it wanted to, quote, reset, unquote, the relationship. I think that many of us have felt that this was not necessarily the term we would have chosen, we might have said something like, restructure, we might have said, in my view, if we were going to use computer analogies, develop a new operating system. It seems to me that the indications of what that operating system will be and what the agenda, as defined by the administration, has at least preliminary has been said to be, is best understood if you read the statements that were issued in London. That set of statements, I think, first of all, said that as opposed to earlier efforts in the Bush administration, that the agenda with the Russian Federation, was well, we will just use the word comprehensive, very broad. If you look at that statement, while it was not necessarily detailed, it laid out in essence an open-ended agenda of engagement.

Secondly, it set some priorities, as the way in which the American leadership assessed the important issues that needed be addressed first, and gave some indication of why. And those were the hard security

issues, most specifically the START agreement's future, because if we don't get (inaudible) in its place, the entire framework for arms control will more or less disappear on December 5. And so follow-on to a START agreement—a strategic arms reduction agreement—was made a priority in a sense by virtue of necessity. There is a calendar, there is a specific date, and there are specific reasons you want to preserve that framework—including all of the confidence-building measures that are built into a verification system—that go away unless we have that treaty reaffirmed. So there was that, and the second element of it was I think also an important calendar-driven priority, which had to do with, broadly speaking, efforts to make our joint efforts to develop a regime that will prevent the erosion of the nonproliferation treaty and its capacity to guide us in the new nuclear age without having greater proliferation, was going to be essential because next year there's a review conference of that treaty and unless we do (inaudible) to get Russian and American positions in line or demonstrate our capacity to do so, most people believe we will have a very difficult and probably not very productive conference. So, I mean, part of the reason for the agenda is calendar, the fact that certain deadlines are in front of us, and I would say, that as much as anything else defined the priorities almost from the beginning. Now, that said, the fact that this was the priority to tackle first didn't necessarily mean that it defined the whole agenda, nor does it mean, in my view, that President Obama as he comes is going to have this narrow Cold War agenda updated. Rather, if you read the statement from London it opens the door to discussions on everything from European and other regional security questions, to what we do to expand and enrich our economic and commercial relationship, to how we open up and expand our people-to-people exchanges, civil society back and forth. In short, how do we expand engagement to be more than just security? I would say it's rather a harsh judgment to say that that's not an important part of the agenda, because I believe it is.

With that background, I would simply say that having talked to people in Moscow over the last few days and in Washington before that, there seem to be four or five areas that are pretty clearly under discussion and likely to be the focus of that horrible word “deliverables.” It is not clear what is going to be delivered yet because negotiations are still going on—it seems to be necessary that they continue till the last minute. But they are involved and I will simply list them.

One is a follow on to the START agreement, some sort of framework or statement or guidance that will shape the end product being negotiated by the negotiating teams in time to meet the December 5 deadline. I don't know what form this will take, partly because people aren't willing to discuss what form it will take, but that is clearly one of the issues that is going to come up.

The second will be additional steps on nonproliferation to try to strengthen the regime that we use and share responsibility for developing. It's not entirely clear to me what it's going to be, but there are going to be steps that will try to demonstrate that we are serious about being leaders in developing an effective nonproliferation regime.

The third issue that everyone is discussing here and in Washington is expanded cooperation in Afghanistan. Not entirely clear what will be encompassed here, but the discussion is ranging over expanded transit for American goods, personnel, men, etc., through the Russian Federation and on into the Afghan theater. There's discussion of enhanced controls to try to limit narcotics flowing into the Russian Federation and Central Asia. So there are a variety of ways that expanded cooperation seems to be an issue that people are looking to say “we are going to do more about.”

Finally, Admiral Mullen was here to talk to his Russian counterpart recently and the Admiral is coming back with President Obama so there's a sense that there will be (inaudible) that will emerge on the way our militaries relate to each other.

And finally, here is where I think the rest of the agenda fits in, and where I think we can't simply dismiss it. A lot of discussion about how there is going to be some sort of systematic organization for the follow on to this meeting and other meetings to come between these two governments. In short, what sort of a structure will we have to conduct our business? (inaudible) that's been sorely lacking for the past 7-8 years. (inaudible) that existed in earlier administrations, if you go back to Ronald Regan's time, George Bush, Sr.'s time, and the Clinton administration all had one form or another of a structure to conduct our business. I think those are the kinds of elements that are going to be taken up.

Now, in parallel with this there are going to be two meetings, one of business leaders and one of business associations from the two sides, who will basically be discussing what in fact the private sector thinks is necessary to improve and expand the economic commercial relationship and I'm sure they will be taking up everything from business visas to WTO membership and what it means. There is also a parallel meeting of a group of nongovernmental organizations and other individuals in organizations to talk about some issues of civil society and how we might cooperate in them, and that seems to range from human rights to public health and across a range of issues. The exact role of these meetings is not yet clear to me. I think it's still being worked out, but it's an effort to expand the relationship beyond just government to government and give some stimulus to it.

Now, I guess in that regard I would say that I don't know what President Obama is going to say—he will deliver a speech here and it will be an important speech. My personal hope is that we will address the Russian people and the younger generation and talk about the kinds of things for which we have shared responsibilities and the kinds of arrangements that are probably going to be necessary if we are able to work effectively together. Is it going to establish some new base for the conduct of our relations that will be more productive, more effective and, frankly, more open?

Here I would say, one way to judge the success is to what extent this meeting is able to deliver or make advances on the agenda that was set out in London. I think it's only fair that if the two leaders have said that's what we're trying to do, then to give them at least the benefit of the doubt that if they are doing some of it then that makes progress. One can always judge on a number of bases but I think that is one that needs to be used.

Secondly, I would say that, if we are in fact successful in establishing a process by which engagement is, rather than contracting, going to expand again between us, that is a very important element in maintaining the openness of the relationship and basically promotion of Russia's integration into the broader global economic trading, security, and other systems of the industrialized societies. I think personally that's a very important achievement. If we can in fact begin to make that happen.

And thirdly, it seems to me that the question of what kinds of follow on we'll see. And while much provision is made for a productive use of these instruments that they seem to be developing to advance, not just the security agenda, but the much broader one, is a fair way to look at whether or not this meeting has succeeded in advancing the idea of

restructuring or, if you will, creating a new operating system that is to the benefit of all. And that, essentially, is what I think I would say as an opening.

I am perhaps more hopeful than many, I heard a good deal of healthy skepticism among my Russian friends and colleagues over the past couple of days about this whole enterprise. And many, it seems to me, who continue to try to define our relationship by our differences. I think President Obama said at one point that if you define your relations by your differences you're going to have a very difficult relationship or words to that effect. I think he will be trying to do the opposite, to enhance the degree to which the relationship is more balanced and the cooperative areas that will make it possible to deal effectively with the differences that are very real and are very difficult. So I'll stop there.

Dmitri TRENIN: Thank you, Jim. I'm afraid I may sound a little bit more pessimistic than either of my colleagues.

Lilia SHEVTSOVA: C'mon, that's impossible.

Dmitri TRENIN: I will prove it to you. I don't think that the visit will contribute to Russia's modernization or Russia's evolution toward the rule of law or it will give an impetus to Russian reforms. Certainly this is not an angle from which the Russian leadership views the visit, and certainly this is not as I understand, this is not what's behind it, the Obama administration's plans for the entire Russian relationship, including this visit. From the Russian point of view, from the Russian government's point of view, this is primarily about status, this is primarily about where Russia stands vis-à-vis the U.S. and how they manage their relationships in different parts of the world and what role Russia plays or occupies in the global pecking order of nations. I don't think that

the visit will contribute to the legitimization of the Russian leadership. The U.S. government presence meets several times a year. This is not going to be the first meeting between Medvedev and Obama. They will meet again, after Moscow. I don't believe, and I agree with Lilia, I don't believe that arms control gives a thrust, it can give a confidence but that's all it can give. Basically arms control regulates adversarial relationships and this relationship continues, in many ways, twenty years after the end of the Cold War. I don't think that, in principle, the visit could encourage Russian pragmatists or liberals. I think that is (inaudible) only society at home could do and I think that society is maturing pretty slowly and it is maturing but it's maturing slowly.

To use a stock market analogy, and I think it's important to mention it, the U.S.-Russian relationship plunged to the lowest depths since the early 1980s, since let's say 1983, last fall, and the two countries came within striking distance of a serious collision. The relationship bounced back to a usual, more tolerable level, but not because of a reset of the relationship, I don't think there was any sort of reset, in the U.S.-Russian relationship. There were two levels of reset, there was the global economic crisis that changed a lot in terms of optics for people in Washington, people in Moscow, people all over the world. And the second reset was the button that was pushed on January 20 of this year when President Obama succeeded George W. Bush as the president of the United States of America. That was a reset of the entire U.S. foreign policy, that included the Russia aspect, but Russia had nothing to do with that. It's very interesting in the sense that all the things that seem to be in actual work (inaudible) last fall but the relationship touched that low low. All those things were certainly off the center stage. The only reason for that was the new U.S. president; there was no other reason for going slow on Ukraine and NATO, going slow on Georgia, going slow on missile defense.

Now, the Obama visit could mark the high point in this period of U.S.-Russian relations, and that certainly would be a summit level. But my question is, which way from the summit? Is there going to be a way up, to a new summit, to a new high in the relationship? Or, a slow perhaps slide, and then more of a slide, and more of a slide in the relationship.

I would say that the biggest deliverable from the visit is likely to be agreement on the parameters of the START treaty, but the START treaty to me is no big achievement. It is going to be an important treaty and it is going to regulate, as we discussed before, perhaps the adversarial relationship, but this will not bring the U.S.-Russian relationship to a new level, give it new quality.

The things the United States wants to get from Russia, that the Obama administration wants to get from the Kremlin—Iran, more Russian assistance for U.S. efforts in Iran, Afghanistan—well, Russia could do (inaudible), but Russia could be important on the margins. Both issues are coming to a head within a year, both Iran and Afghanistan will be two very important decisions within twelve months. Russia could be a factor but it's not going to be emphasizing that.

In my view, the only potential breakthrough in the relationship would come if Obama and Medvedev agreed to move toward joint missile defenses. Not because missile defenses in and of themselves are so important, although they are, but because that would cut at the very foundation of the, if you like, the founding myth of Russia's strategic posture, which basically says that the United States has a hidden agenda, and this hidden agenda basically includes only one item, and that item is destroy Russia. And through building its missile defenses around the world, according to that logic, the United States is seeking a status of invulnerability to a Russian counterstrike so when the United States will have its global missile defense ready, Russian nuclear forces will be

basically null and void and the United States could destroy Russia physically or could destroy Russia's will to be an independent player. I'm reciting the thinking in the heads of so many Russian policy makers. So if we have missile defense that cuts at the very foundation of that logic. But I'm not very optimistic whether this could be achieved, that the process could be started, at this meeting. And let me finally say that I have no problem with the success of the summit, the summit will be billed as a success. My question is which way from the summit? Whether the summit would lead to a relationship that will gradually undo the real problems, at least in the Russian approach toward the United States, whether it will lead to a Russian leadership looking at the relationship as Lilia would and I would like them to look at it from the angle of modernization and other things, but we have a long long road I think, before we get there. Thank you.

QUESTION: First of all, Ambassador, you mentioned that General Mullen was there. Unlike previous presidential visits, the secretary of state didn't go to Moscow to prepare for the visit. I don't think the national security adviser went to Moscow to prepare for the visit. Could you talk about, not only the Ambassador but all of you, could you talk about the difference this administration perhaps has demonstrated in preparing for this visit? It's basically been Rose who's been negotiating the START follow on, Michael McFaul, whom you all know because, of course, he was associated with Carnegie for a long time. It seems that there are a couple of people, trusted experts on Russia, who are preparing for this visit, rather than the secretary of state, we didn't have an assistant secretary of state until very recently, until Phil Gordon took the job. I'm wondering if you're noticing any differences in preparing for the visit.

James COLLINS: Well I think the only thing I can tell you, and I'm not going to get into the names of individuals and so forth, is that there has been a rather

steady stream of people negotiating issues in these areas I have laid out for you, who are at the expert level or at least at the level one would normally expect to have negotiate them. You're right, Rose Gottemoeller has been doing START—she has counterparts for some of these other areas. Part of the problem is that the administration, until recently for instance in the security area, I think had no undersecretary. So you've kind of had an acting person in that area until Ellen Tauscher got into the office, you didn't have the logical person to deal with those issues. Bill Burns, the undersecretary of political affairs, has certainly been engaged over time. And, you know, we didn't have an assistant secretary for Europe until a couple of weeks ago, three weeks ago, or so. So I think some of this a reflection simply of the fact that it has taken time to get the administration's structure into place. And, you know, the secretary of state was involved in preparation for the London meeting. I don't think it's all visits anymore, you know Mr. Lavrov was in Washington, so it's not that you haven't had ministerial level work on this. As I said, Admiral Mullen has been here, in essence, pretty senior fellow preparing these things. So I wouldn't say that it's all dramatically different. I would say what strikes me is there are intensive efforts in the areas that are being defined as at least under real negotiation. To engage counterparts, try to find out what's possible. I think the negotiations are continuing and one has to remember there are such things as telephones, so I wouldn't make a great deal of differences, I think is what I'm really suggesting to you.

What I think is critical, is that there was a framework for what people were sent out and tasked to do that was set by the two presidents in London. And that was prepared, if you go back and look at it, the undersecretary for political affairs at least, on one occasion the secretary of state, on one occasion and then the presidents met, and yes you had others going and doing this work. So I wouldn't say that this is untypical.

QUESTION: The rest of you agree?

Lilia SHEVTSOVA: If I may... I will comment from the position of humble observer who has been watching the scene in both Moscow and Washington. I feel is that we don't have much information about the possible scenarios and agendas of both sides. We don't have enough commentaries neither from the official Kremlin, nor from the American White House. I will remind you about the first meetings between Putin and Bush.

At that time there was much more information and statements, much more liveliness that allowed to speculate on the intentions of both sides...Jim is right. Apparently, the foreign policy team is in the process of being formed. That explains lack of much needed information on the American side. With respect to the Russian side, it has always played in the darkness. Besides, I can't exclude that the American side intentionally wants to play down the reset button formula because it provokes too many expectations. And its evident that the negotiations with the Russian side will hardly bring serious deliverables.

QUESTION: You mentioned the danger of hijacking Obama for their own agenda. Do you agree that Obama might actually be seen, at least in the commentary, as being too soft on Russia at least when it comes to democracy, human rights? I know what happened to the Bush administration when they tried to talk about it, and especially Condi Rice and the things with the media in Russia. She was confronted by a Russian journalist on one of the press conferences with Lavrov when we were there a couple of years ago. It's one of those lose-lose, you're damned if you do, damned if you don't situations. If you're trying to start a new relationship what is the tone that should be struck between the strategic issues and democracy issues.

Lilia SHEVTSOVA: As far as I remember, President Obama stressed one very important element of his future policy toward Russia. He said that he does not accept the idea of “the areas of privileged interests”. Meanwhile, this is one of the key elements of the Putin- Medvedev- Lavrov foreign policy paradigm which , in fact, is the reflection of the neo-imperialism in Russian foreign policy. Obama’s reaction says apparently that he is thinking about domestic developments in Russia. He definitely understands that neo-imperialism is closely linked to Russian domestic developments.

But so far I’ve never heard any direct comments on the part of the U.S. president with respect to human rights, democratic developments, discussion of the rule of law in Russia. My hunch is that he doesn’t want to irritate the Kremlin before his visit. However, I am sure that he is thinking on how to introduce these ideas in Moscow. I am basing my speculation on his Cairo speech on June fourth. I strongly believe that we could expect from President Obama unexpected. I am sure he’s able to think existentially, strategically and he’s able to touch on rather risky for the Russian political elite subjects. I’m sure he will touch on these things in his speech before the one thousand crowd at the Russian New economic school.

Dmitri TRENIN: No, I don’t see a danger of President Obama being hijacked by the Russian leadership during his visit here. I think the president has formed his views, he knows what he wants to achieve, knows why he is traveling to Russia. Russia is certainly not the top priority for the Obama administration. It could be instrumental in the eyes of the White House in reaching some important other goals such as Iran and Afghanistan.

They want a good relationship with Russia, they don't want to have too much irritation, but it's not as if Russia is suddenly one of the top issues on the U.S. president's agenda.

I would be very relaxed on the issue of privileged interests or standing up to Russia neo-imperialism. I think that the future of the countries of the former Soviet Union will be decided by those countries themselves and we have plenty of evidence to suggest that's what's happening and that's what's going to happen in the future. It will not be decided in Moscow, it will not be decided between Washington and Moscow which way Ukraine goes, which way Armenia goes. We have seen a lot of examples of those countries pursuing their own policies as they see them and you cannot claim that they are doing them at the instigation of this or that country.

I would also be interested, and actually I'm very intrigued, as to what the president is going to say in his Moscow speech, but Moscow is no Cairo. It's a different environment, the expectations are different. President Obama is a celebrity in this country but it's not, in my humble opinion, he's not someone who is looked at as someone who will show the way, get guidance, speak the truth, stand up to the domestic leadership. I don't see these sentiments and these expectations in Russia.

So again, I don't think the realists or the idealists, however you want to define them have much to worry about. This visit is not going to surprise them in a bad way. But it's not going to hearten any of the groups. The Obama people will go down the line they have already laid down. I don't believe what people are discussing now have a direct impact on President Obama's policies.

James COLLINS: I would only say, I would come back to the theme of engagement. I happen to believe that President Obama has at least decided that there will be a very important part of his policy toward Russia to try to expand the areas and the capacities for engagement across a much, much broader agenda than was the case with the Bush administration.

And in the Bush administration, I would argue that if you look at the budgets, if you look at the projects and programs you had more or less over the period of that administration a pretty steady disengagement in the relationship. That had its costs. It brought many different results, and I would simply suggest that President Obama understand I'm quite sure that he is dealing with a country in Russia that is important to us because we tend to run into Russia in almost all of the major international contexts in which we are pursuing American interests and objectives.

You either run into Russia as a cooperative force or as one that is in essence obstructive or wants to define itself in the degree to which it can show the United States it can't get its way. To a very great extent I think we found more and more of the latter than of the former over the last couple to three years. And I feel he thinks that's been counter productive and would like to see it reversed.

Now with respect to Russia's domestic situation, I don't know what President Obama thinks about our capacity to have an effect here. What I would say in my experience is the most critical point to be underscored in all the things he's doing is that he seems to be intent on keeping Russia open and engaged with the outside world. And to the extent that is true, and to the extent that Russia's interests become more and more intertwined with that outside world, that's probably a constructive force in the way the Russian reforms will go over the years

to come. An isolated Russia is one in which, frankly, I have little faith we would see constructive or positive directions.

Dmitri TRENIN: Over to you guys.

QUESTION: Thank you for doing this for us, it is very helpful. The U.S. administration keeps insisting that it wants to push the reset button, but is the Russian government as interested as the U.S. administration is in a basically improved relationship? And could you also elaborate on how the relationship between Putin and Medvedev can play into this?

Lilia SHEVTSOVA: It seems to me that there is a kind of asymmetry between the American and Russian anticipations and understanding of this metaphor “reset button.” It seems to me that...

QUESTION: Is this symmetry or asymmetry?

Lilia SHEVTSOVA: Asymmetry, asymmetry in perception and understanding.

QUESTION: Non-symmetry?

Lilia SHEVTSOVA: Asymmetry, asymmetry in understanding of a reset button metaphor. It seems to me that the Americans are viewing the reset button policy as an instrument to pursue the American interests in the nonproliferation area, in Iran, in Afghanistan, etc. It seems to me that the Russian leadership, at least the Kremlin team, is viewing a reset button as a possibility to prove that they have been right on all issues in the Russian-American relations, that it was Americans who were wrong and have to reassess their policy. The Kremlin apparently would like to use the “reset button” policy in order to increase the leverage of Russia and guarantee the “great power” status of Russia. The “reset button” idea is also for the Kremlin an instrument to get from the Americans,

deliverables. You can ask: and what are the deliverables? Recently Jim and Dmitri participated in several conferences with Russian official pundits and Kremlin propagandists and they can inform you about the deliverables the Kremlin would like to get from the United States. So you see there is asymmetry of plans and ambitions in Washington and Moscow. There are different views even of “common interests and common threats”. This asymmetry itself is not a healthy sign because when you have asymmetry of anticipations, you will have dissatisfaction and frustration when you see asymmetry of results.

With respect to Putin and Medvedev, very briefly, I belong to those who don't see any serious difference between the president's and prime minister's agenda especially in foreign policy. It is true that Prime Minister Putin is still calling the shots and in this Argentinean tango, it is Putin who is marking the steps. True, Medvedev is showing some signs of liberalization, or at least attempts to liberalize rhetoric on the domestic issues. However, this “political thaw” rhetoric does not turn into reality. He expresses himself much tougher on foreign policy issues, which demonstrates, apparently, the fact that he would like to look strong using harsh, macho-style foreign policy slogans.

Dmitri TRENIN: If I may add to that, I think the answer is yes, the Russian leadership is in an improved relationship. They did engage with President Obama at an early stage and they became pretty enthusiastic about the prospects of U.S.-Russian accommodation. The Russian leadership comes to this meeting with an agenda which includes issues such as European security, especially as far as the former Soviet countries are concerned. From the perspective of the Russian leadership there should be no further enlargement of NATO to the East, there should be no U.S. bases in the newly independent states. The Russian leadership wants the plans for missile defenses in Central Europe to be canceled and the

Russian leadership wants the United States to accommodate Russian security concerns within the new Strategic Arms Reduction Treaty.

So yes, an improved relationship, but a relationship that takes into account what the Russian leadership calls legitimate national interests—primarily security interests—of the Russian Federation. There are also a number of things that the Russian leadership is looking for in the economic field, that would include the agreement on peaceful nuclear energy collaboration—the so-called “1, 2, 3 agreement” between the two countries—that was signed but has not been enacted yet. Then there is a whole range of other issues. Yes, the Russian leadership wants to engage with the United States, but the Russian leadership comes with an agenda and comes with a set of, call it conditions, call it norms and principles. Unlike in the 1990s they are not simply accepting what they are being offered by the United States. They want to be present at the creation of a joint agenda and they claim an equal status and an equal place at the table; that is very evident. So, so much for the interest.

I would also add here an important point. There was a statement yesterday by the Russian presidential adviser on economic affairs, Arkady Dvorkovich. He said Russia is going to run a budget deficit this year and next year, which is bigger than previously anticipated. This means that Russia will be returning, in a bigger way than previously thought, to the international financial market as a borrower. Russia will need foreign money and it will need it somewhere in the middle of next year. That is a factor that will also require, from a Russian perspective, an improved relationship with the United States. Russia has been hit by the crisis as much as any other country.

As far as the (inaudible) is concerned, I think Lily has said it, I agree. I think it is President Medvedev who will be speaking, who will be

conducting hours of negotiation with President Obama. But the man who calls most of the shots in this country is Prime Minister Putin and in foreign policy matters as well as in domestic policy matters, there's precious little daylight that you can see between the two men. Although of course they are different and they have different instincts and that may show in this instance or another instance, but on that as a principle, those two basically are as one.

Lilia SHEVTSOVA: If I may only highlight one very important element of our discussion.. I would agree with Dmitri, Russian political elite and the ruling class demonstrate all evidence that they would like cooperation with American leadership, or rather selective cooperation—but on the Kremlin's terms. At the same time, the Russian political elite is not going to reject anti-Americanism as the key instrument in consolidation of the Russian society. This is, you know, like riding two horses in opposite directions.

Dmitri TRENIN: Jim?

James COLLINS: I only would make a couple of points about the framework of this discussion. First of all, it's my distinct hope that President Obama pays no attention to who is up or down or in tandem, or whatever, that he's dealing with the Russian government, and I think he understands that. And that's the only way to conduct his business here. But the second point is I don't want you to take away the impression that this visit is all about whether President Obama accepts the Russian agenda or doesn't. There was a jointly agreed agenda which was negotiated and presumably reflects as much American interests as it does Russian interests when the two men met in London. There were statements in there where they disagreed and I would certainly assume that that's the case and it will continue, that there will be disagreements in many areas. But the fact of the matter is what is going on here is that both countries

come with an agenda, they have, for their own interests, defined objectives and goals in this meeting, and presumably will each take away their own assessment about how far they got in meeting their objectives and they will portray it, I'm sure, as certainly concessions by the other side and victories for their own. The reality is that if you look at this agenda, I don't find that there's any particular zero-sum game going on here. Perhaps this is the low-hanging fruit where this is easy to have no zero-sum game, because we're both interested in having a more productive relationship in the areas that seem to be the most important, or the key ones that are under discussion here. So, I would simply say that it's important here not to see this as other than a meeting of two separate leaders—perhaps three, in this case—who have their own agendas, and whose objective is to find ways in which they can pursue and be effective in getting joint results. That is how I would hope things will be discussed.

I think Lilia finally raises a very good point. There are going to be limits to the degree to which this relationship will be productive or can work normally if there is an effort on either side to demonize the other, or continue to find the other, for one reason or another, very limited as a partner. Now, there will be limits to the partnership or to the joint activity no matter what, because interests differ. But I think the reality here is what Obama is doing in coming to this visit, and what he did with him in London, was trying to sketch out and find the opportunities where you can do (inaudible) other than define our relationship by the differences and magnify them to the maximum extent possible, to the point where we are unable to work with each other even on things that are in each country's interest. And I would say that, turning that around in that direction is perhaps what was really meant by "resetting the relationship."

QUESTION: Yes, I would like, if you don't mind, I would like you to elaborate on the missile defense system, how important that is to Russia. We hear a lot on this side that the Russians use it as a pretext or just posturing on this because they can't be serious in considering this as a threat. Is that the case? And how difficult is it going to be to strike a deal on the follow-up to START without any concessions from the American side on the missile defense system, if both are, I think, (inaudible)?

Dmitri TRENIN: Let me start, Jim, or would you want to start?

James COLLINS: Let me just make a couple of points. I think it's very important if you're going to say, "How does this president approach this problem as he goes forward?", it's important to read the testimony of General O'Reilly and some of the other testimony that's been given to the Congress about the intentions of our own government vis-à-vis missile defense, not just in the so-called third site in Poland and the Czech Republic, but across the board. And if I understand it correctly, what you find if you look at the budget figures and you look at the way in which it's being described, there is going to be a new emphasis on, in essence, theater missile defense—areas of non-strategic defense. And it is clear, that there is, in this context, a review going on of the whole strategic defense system, including the third site, and the conclusions of that review have not been reached yet. So he comes to this meeting, it seems to me, for America's own reasons, with a rather different approach to missile defense than the previous administration. And whether that opens any real opportunities or changes the picture significantly in terms of intentions going forward, or possible agreements on cooperation in missile defense in the sort of sub strategic area, I don't know yet. But it is clear that the United States is coming with a different position than the last administration left office holding and articulating. So I think we'll just have to see. I guess my final point about it is, certainly it has been the American position as I

understand it, that if we're going to get this follow-on agreement to the START agreement, trying to inject the entire, or, a solution or an agreed outcome on offense-defense into this negotiation is probably a prescription to ensure that we won't have an agreement on time. So there's I think been an effort to see this as a subject that is going to have to be taken up in the next negotiation.

Dmitri TRENIN: I very much agree with Ambassador Collins' assessment. Let me add to that. From the perspective of the Russian leadership and the Russian security and defense establishment, missile defense is about both security and status. Security, there's a lot of—if you look into the Russian national security strategy that was only signed into law, if you like, by President Medvedev in the middle of May, last May, you will see that the existential threat to Russia could only be posed, according to that doctrine, by the United States acquiring this first strike capability. Now first strike capability means that you essentially eliminate the possibility of the other country to have a second strike, in that sense responding to your first strike. So you have a first strike that will not be followed by a second strike. Now this is all very much Cold War, but this is very much the reality today. So this is a serious matter.

When the Russians look at the proposed sites in Poland and the Czech Republic, they invariably refer to them as the third site, which means that, which carries the implication that this is part of a global system. One site is in Alaska. Another site is in California. The third site is planned for Poland and the Czech Republic. Now, this is also about status. There are very few areas in this world where Russia and the United States could be at eye level. Missile defense, like strategic offensive weapons, is one of those few categories. For status purposes, it is very important for the Russian elite to keep that kind of a relationship going. I believe that the idea of having a joint missile defenses is one of the more constructive ideas that have been advanced

in that field in the past ten years or more. Basically, it invites you to quit the territory marked as mutual assured destruction, nuclear deterrence, hair trigger alert, and all these things that were typical of the Cold War situation and move to an area where strategic also means collaboration—where you collaborate on the most sensitive issues and you collaborate with use of the most advanced technologies. Now if you start doing that, then you leaving the territory of the Cold War and come to a situation of strategic collaboration against third country or third party threats. Now that would be crossing the Rubicon in my view, in terms of the strategic relationship. That, if you think seriously about one day, and that day as Obama said may not be in his lifetime or anyone's lifetime, those people who are living today, but a world that does not have nuclear weapons anymore. And if you want to go down that path, if you do not accept nuclear deterrence as (inaudible) that will always hang over people's heads, and Moscow and Washington, as we are speaking, are being (inaudible) of so many weapons on the Russian side, so many weapons on the American side. We are prepared to live with that, that's one thing. If we believe that that's not necessarily the best thing for the future, then we need to start walking away from where we are toward where we want to be. So this is a small step, as I said, that will be crossing the Rubicon. Now this enterprise, even if attempted, could fail, but worse situation would be created if they abandoned the idea, for the time being, and continued to treat each other as, essentially, de facto military adversaries. And this nuclear standoff has, let me remind you, has survived the end of the Cold War, it has survived the end of the Soviet Union, it has survived the end of Communism, and we are still with it, and it is still with us. So I think it is a very important thing. Putin has been advancing that idea since 2000. At Kennebunkport, he made a few suggestions to President Bush. The Russians have updated their ideas since. As I said, it's about security and status for them, so I think there is a Russian interest there. But if the United States takes a broader strategic outlook, there could be a

nuclear of (inaudible) that will be looked upon in the future as a thing that started out delivering from the adversarial relationship of nuclear mutual assured destruction so typical of the Cold War period.

QUESTION: Thank you. Thank you. If any of you have any final comments we can make those and then we can wrap up.

Dmitri TRENIN: Lilia, do you want to?

Lilia SHEVTSOVA: Maybe I will give a glimpse of optimism because we were, with Dmitri, very pessimistic. I want to remind us that President Obama is coming to Russia, at a very important for Russia moment. Russia is submerged in economic crisis. The elites are disoriented. The population, the society, is waiting for some kind of vector, some sign of trajectory. By the way, 62 percent of the Russian population ready for a new breakthrough, for a new political system based on rule of law and transparency. What is amazing, despite of the anti-American official propaganda, 43 percent of Russians say that they look at the United States as a friendly country that cares about the world. So President Obama can come to Russia as an embodiment—personal embodiment of change. And in this case, he will find a very attentive and friendly audience. A lot depends on how he will use this opportunity. Obama is now the only global leader than can have an impact, not only on the Western society, but also on the society in the transitional state. And he can address the Russian political elite and remind it about commitments they undertook when Russia joined G8 and Council of Europe. He can say it maybe not only openly, but in private, and this message can demonstrate that the Russian traditionalists are expected to follow internationally recognized rules of the game.

Dmitri TRENIN: Jim?

James COLLINS: I think I'll (inaudible).

Dmitri TRENIN: Well let me say, in conclusion, that I think that it is a very important visit. It will give an answer, and what happens after the visit, will give an answer whether the United States-Russian relationship at the beginning of this year is the just the beginning of the end of the first days of a hopefully an improved and satisfying relationship that would help the United States and would help Russia, or whether this will be (inaudible) that would be followed by a (inaudible) and this will be a missed opportunity. It is a very important opportunity between...for both countries, for both sides. And it's more than the governments, more than Obama and Medvedev or Putin, and the U.S. administration; it is about the two countries. And I think that with some luck, we can confound the skepticism that analysts often share. I hope that politicians, and I know that politicians, operate differently from analysts. They are proactive people. They change realities; they do not just describe the realities. They can, and actually they must be optimistic, even though the people watching them may be mired in healthy or unhealthy skepticism. So, good luck to Obama in Moscow, good luck to his Russian partners.

QUESTION: Thank you.