



CARNEGIE EUROPE

CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

Transcript

POST-IMPERIUM: A EURASIAN STORY

DECEMBER 12, 2011

6:30 P.M.

BRUSSELS, BELGIUM

WELCOME/MODERATOR:

Jan Techau

Director

Carnegie Europe

SPEAKERS:

Dmitri Trenin

Director

Carnegie Moscow Center

Transcript by Way With Words

JAN TECHAU: Hello. Good evening, everybody. Thanks for joining us this evening for a book presentation. Books? Who has time for books these days? Who buys books any more? Carnegie still just keeps on writing books in many and various forms.

Today we have one of our most prolific, best-known writers here with us in Brussels, Dmitri Trenin, who is, of course, the head of our Moscow office and has been with Carnegie Moscow ever since it was founded 20 years ago, right?

DMITRI TRENIN: Almost.

JAN TECHAU: Almost, right. He's one of the longest-serving members of the Carnegie team. This is definitely the time to talk about Russia and we're lucky that we have you. Tonight you will give us both the long-term view, the main arguments in your book, which are about post-imperium, the way forward for not only the country itself but the mental mindset that the country needs to develop in order to win the future for itself.

Inevitably, of course, we will also talk about recent developments, things that have happened over the last ten days in Russia that might change Russia in a very profound way. We had the opportunity to talk this morning, had a very intense debate about this already and I'm very glad we can share some of these things. If it's only half as good as the conversation we had this morning, it's going to be very good for all of us here.

Dmitri Trenin joined the Red Army in 1972 – that was the year I was born – and so history unfolds. Now he's here and he's one of the leading free-thinkers and think-tankers in Russia and I'm sure that, if Russia is on a positive trajectory, it's due in no small part to his work and the work of his people in Russia. I'm also very glad to welcome Vera, his wife, here to Brussels.

Dmitri, you wrote a book. It's not only about Russia, it's also a very personal book about your experiences with Russia, in Russia and in the transition when the Soviet Union ended and a new Russia emerged and the path that it's taken over the past 20 years. Give us your basic thoughts on Russia's development, on the mental mindset that's behind it, maybe your personal anecdotes to illustrate it, then maybe a little bit on current affairs, what's going on and how this is interlinked with the points you make in the book.

Then we'll open it to everybody and have a conversation about the book. Thanks for joining us.

DMITRI TRENIN: Jan, it's always a great opportunity to come here to Brussels and see so many good friends and be able to talk to great audiences at the Carnegie Europe centre here. You asked me to add a personal anecdote to the conversation. One of the things that made me think about writing this book was an episode in Shanghai, China about 12, 13 years ago. I was on one of my early trips to China and as I was preparing to leave Shanghai for Moscow, I gave my passport to a young airline attendant.

She looked at the passport and in those days, 1999, many people in the Russian Federation were still using the passports with Soviet stationery. The nationality written inside was Russian Federation but otherwise, it had the Soviet coat of arms and everything else. So that young lady looked at the passport, leafed through it, leafed back. She didn't know what to do, she didn't speak English in those days.

So she took my passport to her supervisor. A few minutes later, the supervisor emerged with apologies, saying that the lady was too young to remember that there was such a country as the Soviet Union. Then I realised that the world is constantly changing, new generations are coming up and older generations getting older.

I thought that 20 years since the collapse of the Soviet Union was a great anniversary in the sense that you can be both present throughout the developments and yet an observer of those things. You can be an actor and observer welded into one and that's what I tried to be throughout the writing of that book.

Transcript Not Checked Against Delivery

Another reason I wrote it is because somehow, the end of the Soviet Union was taken for granted by a lot of people, most people in Russia and, I'm sure, a lot of people in the rest of the world. You had the Soviet Union all through December 1991 and then, all of a sudden, the flag was hauled down, Gorbachev abdicated and there was no Soviet Union any more. It all went so peacefully – reasonably peacefully for an empire with the regime that the Soviet Union had, with the strength of imperial spirit.

Frankly, I think all of us – primarily political scientists and analysts like myself – we take it for granted. I think we have too light an attitude to developments of that kind. We deal with Russia as if it had never been the Russian Empire and when we say the Soviet Union, what we essentially mean, I think, is Communism and the totalitarian system that the Soviet Union had. We do not spend enough time thinking about what it takes.

For example, this podium witnessed a great event earlier today, which was devoted to the 20th anniversary of Ukraine's independence. We seldom think in Russia what it takes to start considering Ukraine as another country, not to speak of considering Ukraine a foreign country. The same thing would apply to Ukraine, starting to consider Russia as another, foreign country. Maybe it's easier on the Ukrainian side – it is, but for some people it may be more difficult than for others but clearly, for the Russians, there is a feeling of our loss which is real.

It's not unique to Russia and it's something you need to factor in. I believe that, as analysts, we did not think hard enough. One of my favourite quotes from Sergei Witte, Prime Minister of 100 years ago – I think he would make a much better Prime Minister than many other Prime Ministers of Russia, then or now – he said that there's no such thing as Russia, there's only the Russian Empire.

If you look at that from today's vantage point, there's no such thing as the Russian Empire any more but what is Russia? That's a big question. So this is what I'm trying to deal with in my book. It's not so much a book about the empire. It's not a chronicle, although there's a lot of that in the book. Actually, it's a book about transformation, about an empire turning itself into a big nation state and yet it's a state – I think this is very relevant to what we're discussing in the news today – it's still a state without a nation, or until December 4th – frankly, even today – I would say, it's still a state of so many individuals.

There are so many people who live there and have this passport with the Russian coat of arms on it now, but those 140 million people don't make up a nation. Again, it's not something you take as a given. You have the Ivan Ivanovitches, Ivanovs who live in Ukraine or Kazakhstan or the Baltic States or anywhere. You consider them foreigners. You have Mahomets [Inaudible], Yahyas, Ismails and a lot of those people. Some of those people fought against the power of Russia but you consider them to be your co-citizens, compatriots, although you would need to think a thousand times, not twice, before you ever venture out on your own in some places of the North Caucasus, which are formerly part of your country.

It's hard and it's not something which can be taken for granted. I think the many problems of Russia's integration into the post-Cold War, post-Communist world had a lot to do with this post-imperial thing of Russians. It's one thing for Ukraine to aspire to be part of Europe. It's a different thing for Russia to aspire to be part of something which is bigger than Russia. It is difficult and for some people, during long periods of time – maybe forever – it's impossible.

We need to factor that in rather than dismiss it as another sign – of which there are many – of Russia's backwardness or reactionary nature. I may have bored you with all these things because I always take my own initial statements as a necessary evil, as a warming-up period for the real conversation which always has two sides.

Let me just say this; I did not expect what happened in Moscow on December 5th to be of the scale or proportion that we see. I will say very frankly that I was surprised by what happened. I haven't seen anyone who predicted what's happening. People predicted that it would happen at some point, the people would rise to that level at some point, and I'm actually talking about this in this book.

Transcript Not Checked Against Delivery

The argument I'm making in the book is that in the 20 years since the collapse of the Soviet Union, people concluded – and I think they were right – that in order to survive and prosper in the new situation, you had to be an individualist, you had to pursue an individual strategy of survival or success and your private domain was your treasure. The public domain was of far less consequence, far less important and it could be neglected or turned over to those who wanted to be your rulers.

I think that was the nature of the contract that existed throughout the Putin decade, at least the first decade of this century; essentially, that the Government doesn't interfere in private citizens' or individuals' affairs. If you know Russian history, that's huge progress; the Government doesn't interfere with what you're doing – come on, can you wish for anything better?

But then, after a while, you change and the things that you thought were perfectly acceptable – essentially, being ruled by crooks and thieves. The Moscow mayor had the reputation of being a crook, a thief and he usually got more votes at the election than Mr Putin, in terms of his popularity ratings. People knew that the guy was whatever but they thought, cynically, that that was the only way to run a country like Russia, our country could only be ruled by thugs and if those thugs were thieves or whatever on the side, we could accept that.

But then things change. The level of tolerance drops and the things that were perfectly okay cease to be okay. Everyone knew that people stuffed the ballot box with votes for the one party which controls Government and State but people didn't mind. This time, not only did they come to vote, which was not a given before – the younger people didn't vote in the past – now not only do they vote, they show up after the vote to demand that their votes are counted. This is something very new.

I think, in that sense, Mr Putin is a victim of his own success. The ten years of stability and relative prosperity in Russia have created a group of people who are affluent enough and who want self-respect. When they don't have that self-respect, they rise. So this is not the end, or even the beginning of the end. This is the beginning of the beginning of something very different in Russia. Russia has changed, I think, beyond going back.

There can be no return to the pre-December 4th situation but it's not like it was at the end of the Soviet Union when you had a democratic camp pitted against the Communist camp. Each camp had a leader and an ideology. I was very struck by seeing so many flags on Bolotnaya Square in Moscow. They ranged from the radicals' orange to the Communist red to the democratic white to the monarchist/nationalist black, yellow and white. All flags were there. They were not united on most issues, except for one, and that issue was procedure; to have a free and fair election, that's all.

No doubt, Mr Putin has his own camp. There are supporters of the existing order who would want it to continue. The most sought-after jobs in Russia today among the younger people are the jobs at Gazprom and Rosneft. That tells you something about what's on people's minds. So it's a very complex picture. The only thing is that Russia has stirred, Russia has moved and it's not going to go back to its private shell.

The people who spent all their time in the private space are now venturing out into the public square – some people. Mr Putin will not be able to rule as he did before because at no moment in the past did he have to rule without the overwhelming support of the majority of the people. You may call it acquiescence, you may call it very passive support but it was there. Today he cannot rely on that so my question is whether he will become more engaging or more repressive.

He's never engaged in mass repression. All repression in Russia has been very targeted and very small-scale. Fear is not a factor, has never seriously been a factor but engaging would mean him showing that he is weak and he has never done that before. His whole complex is different so it's hard for me to predict what will happen. Expect the unexpected, expect something new from all sides, and it's not just Mr Putin.

The leaders of the various parties have been leading their parties for longer than Mr Putin has been leading the Russian Federation. The standard-bearer of Russian democracy has been there since 1990, Mr Yablonsky

Transcript Not Checked Against Delivery

[Inaudible]; similarly, the standard-bearer of Russian Communism, Yev Zyuganov. Zhirinovsky prides himself on being the oldest party leader in Russia, so all those guys are pretty old.

Behind those guys' backs, there are a few new ones. In the internet space, in the blogosphere, there are still new ones so you have all those people. I will end on this note; I was most worried about and most struck by the peacefulness. I was worried about whether it would be peaceful on Saturday or not. That meant, of course, for anyone who lives in Russia, that's the world of devils [Inaudible].

It was peaceful this time. Will it continue to be peaceful? Will people on all sides – and there are many sides, not just two – recognise their responsibility or will there be people who will play with fire? It's a big question and the answer to that question will be important not just to the Russians. Thank you so much for your interest.

JAN TECHAU: Thank you, Dmitri. I would like to come back to one of the points that you're making in the book about the end of the Soviet Union and how, given what was at stake – an enormous empire, highly militarised, with many cultures being part of its set-up and the unresolved questions of nationality and so on, and with a complete economic collapse coming with it all – you write in your book that given all of this, the transition from the Soviet Union to what came afterwards was actually quite smooth.

Russia came out of this transition exceptionally well, in many ways. Still, it is perceived as being a traumatic moment, loss of empire. This ambiguity, that on the one hand, it went very smoothly and on the other hand, it caused a trauma; to what extent is that still shaping the discourse in post-imperium?

DMITRI TRENIN: I think you have to pay for the smoothness. The smoothness is a great thing and I'm all for smooth transitions. I make a point in this book that, ironic as it was and paradoxical as it may be, the end of the Russian Empire – and I see the Soviet Union as the continuation of the Russian Empire; I had a row about that with the Georgian Ambassador to the United States who, for some reason, tried to argue that the Soviet Union was not an empire somehow. I found that difficult.

I'm making the point that the fall of that empire did not result in nearly as many deaths as the end of some European empires in the middle and the second half of the past century, but you have to pay for that, there's a trade-off. I think, Jan, I will add a personal note to that. When I was a young officer in East Germany and Berlin in the 70s and early 80s, I was much younger then than you are now. Sometimes I would start in Potsdam, enter West Berlin, spend time in West Berlin, exit through Checkpoint Charlie into East Berlin, come back to Potsdam; it's a long route.

I would think how I would feel if Moscow were divided into four sectors; say, three populated by Western militaries and one populated by Chinese military. That thought is still with me. It's one thing to be militarily defeated, divided up with people sitting on your soil for many years and re-educating you. Then you emerge; that's one way.

Another way, of course, is that you lose your empire without noticing it. At the beginning of 1991, very few people in the world, including in the then Soviet Union, thought that the Soviet Union was entering its final year and then, by the end of the year, there was no more Soviet Union. That was no big deal. The integrity of the Soviet Union was far less important to the ordinary people than whether they would be able to find enough food to feed their kids.

Then it comes later, because you were not militarily defeated, because there's some kind of theory – again, there are parallels with German history earlier in the 20th century, that somehow there was Deutschdoss [Inaudible], there was someone – and, of course, that someone was Gorbachev – who stabbed the Soviet Union in the back and he is the villain, or that it was Yeltsin who did that, the peoples of the Soviet Union were all united and it was the greedy politicians who undermined the unity of the Soviet Union.

You had to live with that. People tend to believe in all sorts of nonsense, in all countries. Sometimes it can be dangerous. I think the smoothness of the exit from the empire led some people to believe that somehow it was not natural, that it was a mistake, that the Soviet Union could have been saved. Then there's a younger generation who,

Transcript Not Checked Against Delivery

unlike people of my age, never experienced the Soviet Union and for those people, it was an empire, it was a big country, it inspired awe in the world. It had more tanks than the rest of the world combined, could march to the English Channel in a couple of days; whatever.

Those people would never have been able to balance that against the living conditions in the Soviet Union, the unfreedom that those people cannot even imagine. My favourite joke about the Soviet Union was relating a story by a famous comedian who is still performing but 20 years ago, he would set thousands of people laughing with just one short phrase. He said, I need to go to Paris urgently, on my own business.

People started to laugh; the guy must be totally mad, totally nuts – he wants to go to Paris, of all places, on his own business, urgently? Totally impossible to even imagine for a Soviet person. When I tell that story to my kids, just as I have to you, they don't get it, just like you don't get it.

JAN TECHAU: Dmitri, in these stories there's always a heart-breaking element as well because it's a bittersweet humour that's speaking there and it's tragic, but there's another point you make in the book which I think has an equally tragic element to it. You're complaining about the current state of affairs in Russia – maybe not complaining but you're giving a very pessimistic note on the ability of the society to innovate. The political system, health system, education, all of that is basically in tatters, it doesn't create any products that the world needs and it's not a creative kind of society, at large.

When you look at the beginning of the Soviet Union, that was a modernistic revolution. When it started and then later when it peaked under Stalin, it was all about modernisation, forced modernisation. It was about turning an agrarian culture into an industrial culture and becoming a world superpower with a space programme, missiles and nuclear and the entire insignia of becoming a leading nation in the world.

Was this all fake modernisation or did we lose something on the way from back then, when modernisation was basically the quintessential raison d'être of the entire Soviet Union, to now where the society seems to be so unable to innovate?

DMITRI TRENIN: Jan, I sat down with a reporter last week when I was sitting in Moscow, preparing to come here. He asked me, could Gorbachev have saved the Soviet Union? My answer was that Gorbachev came 60 years, or at least 30 years too late. The Soviet Union could have been saved in 1925. The last moment to save the Soviet Union was perhaps 1955, when Khrushchev could have started doing in the Soviet Union what Deng Xiaoping started doing in China, but by 1985, it was far too late.

To answer your question, let me tell you another story. I sat down with a Chinese friend a few weeks ago in Moscow and I was talking about Russia. I said, we have corrupt capitalism in this country. My friend is a very candid person, at least when he talks to me, and he said, so has China, what's the difference? It put me on the spot. I gave him this answer; in China, a lot of people – including you – feel that you are part of a community called China, that you have goals that are set by the community and many of you work toward those goals.

In Russia, there's so many individuals but there's no nation and the state is privatised, essentially. If you see a guy who pretends to be part of the state at street level, chances are that he will be working at least as much for himself, using the state function for his own benefit, very much as the people upstairs will be using their function as part of the Russian state to advance their own interests.

I think this is the revenge that the Russian people have taken on their state. Again, we had an interesting conversation with our common boss, Jessica Matthews, when she was visiting Moscow ten days ago. Most Russians say that the country is in bad condition and is getting worse. The same Russians, when asked about their own condition, their own prospects, say that they're okay or better, that they're doing fine and expect to do even better, so there's a divide.

It's an interesting thing, it's one of the things that happened at the end of the empire. This is also the end of the empire. The people have dissociated themselves from the state. I still feel it as an individual; it's a very powerful

Transcript Not Checked Against Delivery

sensation to be present at the funeral of your state and everything that's associated with the state. For a brief moment, you don't know what will happen to you when the state is actually dead; what will happen the day after, there's no more Soviet Union so what's next?

But you can manage somehow, you can survive and then after a while, you say, it's not that bad at all, we move on. So do I care about the state, people think? Not much; the state gives me a passport, I can travel, I can own property, if it's not huge it won't be challenged. Russians are doing so much better as individuals abroad than the country is doing in the world. Somehow the Russians – everything comes and everything goes.

So for a very long time, Russians sacrificed themselves, millions and millions of them, for the benefit of their state. Nowadays, it's the reverse; people don't care much about their state and they focus on themselves. It's a different world so it's sweet revenge, I thought.

JAN TECHAU: Dmitri, thanks a lot. I would now like to open the discussion to our audience. I'm sure that they have questions both on the book and on recent developments in Russia, so who's first? I see two here in the front row. I think we'll take both of them and then get some answers and then expand.

CRAIG WALTHAM: Thank you. Craig Waltham [Inaudible] for the British Foreign Office. Thank you very much, Dmitri, for that overview and I look forward to reading the book. I've got a couple of questions. I wonder if you could comment on the issue of the Russians who were washed up, if you like, on the shores of the newly-independent states when the tide went out. You mentioned that you've been surprised by some things. Was it a surprise for you that that issue has progressed relatively smoothly?

I know there have been bumps along the way but I think, not only in terms of the Baltic States but Kazakhstan as well, in terms of some of the things that were being talked about in the first part of the 1990s. A second question, related to that, on the legacy of the protracted conflicts, two of which – obviously, exceptionally – Moscow has recognised the independence of. You talked of elections, I suppose, as a side-show that's been going on while this bigger set of elections in Russia has been the de facto ones shortly before in South Ossetia.

I wonder if you could say a little bit about what's unfolded there. It seems to be, in many respects, a bit of a replay, going back to 2004, 2005; Moscow backing a candidate who doesn't come through and then there's a slightly messy outcome. I'd just be interested in your thoughts and reflections on that.

JAN TECHAU: Thank you. Is it Fraser [Inaudible]? Yes, please.

FRASER CAMERON: I'm perhaps the only other person in the room – I don't know about you, Craig – who's also used the Glienicke bridge on many occasions to take the shortcut from Berlin to Potsdam and I also often think about that question, what would it have been like if London or Paris had been divided with occupying troops there? Which leads me to share your view that we find it so difficult to get over the mentality issue of the end of empire. I think we saw it here in Brussels on Friday night; the Brits find it very difficult to make that break with the empire.

I see it in reverse too with Germany. When I was in Germany at the same time as you were, the Germans were full of federalism and united Europe and all the party slogans were for this and you just see how it's changed over time. So you can have a reverse phenomenon too, not that I'm saying Germany's going to aim for the new empire, but it is a quasi-economic empire that Germany now has again.

But the questions I have for you are one looking back and one looking forward. Looking back, was it an option, in your view, that Russia could have basically got rid of Chechnya, got rid of the Caucasus and said, look, it's actually more trouble than it's worth to us, this is a new Russia, let's just make a clean break and have a referendum, if you want independence, go for it? Was that ever an option or should it perhaps have been an option, in your view? It might actually have solved quite a few problems, I think.

The second question is looking forward and that's your tantalising comment about the beginning of the beginning. Today we have Mikhail Prokhorov announcing he's going to stand against Putin for the presidency. What are the

Transcript Not Checked Against Delivery

conceivable scenarios, in your view, that could actually bring about some changes, given the considerable assets that Putin still has, in terms of financial resources, his security apparatus, his control of the elites in the regions and so on? Could it be another candidate, could it be mass street protests, could it be the downfall of the economy? Can you maybe just give us your insights about what might bring about potential change?

JAN TECHAU: Thank you. I think we'll take these two first and then, Urquhart, yours, and then... Do you want a direct add-on to this one? No, we'll take answers first. Sorry.

DMITRI TRENIN: Well, Craig, I think there are a few unsung heroes in this whole thing. As a nod to my former employer – and I've only had two in my life – I would say the Soviet military deserve a lot of credit for not only having stood by as the country to which they'd pledged allegiance was going down the drain but also as their own body or military force was divided up. There are few armies in the world that would take that calmly.

I don't know any army in the world other than the Soviet, Russian army that would not have bombed the Kremlin – nuking it probably would have been too much, but bombing it in response to the treatment that the Soviet military officers were receiving from their leadership, whether the name of the leader was Gorbachev or Yeltsin. The commander of the Kursk submarine that sank only 11 years ago had a salary of \$200.

There are harsh realities out there but I would add, in the same category, the ethnic Russians but also the countries where the Russians, the new countries, the new states – I would include Ukraine and Kazakhstan in that category – the countries which essentially allowed those Russians to proceed as if their home had not moved. The border had moved but they still felt very much at home, many of them. Of course, there are many others, famously, which I could go on and discuss. I'm talking about the up-side.

There's a down-side to all that but again, it's not because they were here before me. I would say that Ukraine found an interest, in a way, of living through the 20 years without a major conflict. I think that allowed us to keep the peace in this part of the world. Again, I'm not suggesting that I approve of each and every practise that the new states have initiated against the ethnic Russians. I find that, let's say, the Baltic States will be facing an issue of whether they want those ethnic Russians in their territory to be part of their community, whether it will be one community or two communities in those countries.

You go there, you see those people who are citizens, who speak the language fine, all those boxes have been ticked. Do they feel as though they're Lithuanian? Maybe. But Estonian, Latvian? No, they don't, so if Latvian means ethnic Latvian then we're in trouble – well, trouble; I don't know, but it's a problem. I don't believe it will lead to a conflict but it's more an issue of cohesion and inclusiveness of the societies. Again, I'm one of the first to condemn the heavy-handed Russian Government approach to those countries but being the free-thinker you described me as, I look at all sides and when I find something which I don't think is good, I say it.

South Ossetia; I think the Russian leadership – again, sometimes people don't learn from their own mistakes and this is clearly the case of the Kremlin versus South Ossetia. They did exactly the same thing as they did in Abkhazia. They've said it's a clannish war, a clannish competition but it's the same person saying that – i.e. President Medveyev – who, a few days previously, had come to Tskhinvali, the capital of South Ossetia, in support of one of the candidates. What he's basically telling me is, I supported one of the clans.

The question is, why did you support that clan and not some other clan, why do you support a clan? You call it a new state, you recognise that state, you deal with it as a state. Why this talk of clans? Sometimes people can reveal too much. I think the problem with Russia's policies, especially toward those small statelets or whatever you want to call them, units in the Caucasus, is essentially that policies there on behalf of Russia are done by small-time clans within Russia.

So they're linked up to the clans, the interests involved and it's all unbecoming of the great power that Russia wants to be. I think this is wrong and needs to be stopped but maybe not for some time.

Transcript Not Checked Against Delivery

Was there an option of getting rid of the Caucasus? I think the best option would have been had Comrade Stalin, in his supreme wisdom, carved out a fourth republic of the Caucasus, as he was thinking of for a period. Then this mountainous republic, or whatever he called it, could have become independent in 1991 and Russia would not have had that problem. It's too late now, I think.

There's a nice saying – Dagestan is one of the least stable places in the North Caucasus and the joke that people tell in Dagestan is this; Dagestan never voluntarily acceded to Russia and will never voluntarily secede from it. Those people receive 90%, maybe more, of their local budgets in the form of transfers from Moscow. They pay back in giving 100% support for united Russia. That amounts to 70% – well, that's too much but it amounts to a substantial percentage of the Russian election vote.

I think it's too late, it's difficult. Chechnya is basically, to all intents and purposes, kept together with Russia as a result of a personal union, as in mediaeval times, between Putin and Kadyrov. Most Russians don't regard Chechnya as a place like any other in the Russian Federation, but Chechnyans come to Moscow, although sometimes their presence is resented or the behaviour of some people is resented. It's a complicated situation which, frankly, I don't think can be resolved now through a simple act of changing borders.

The scenarios for the future; there may be many. I think the best scenario that some people are thinking of is turning an absolute monarchy into a constitutional one. If, say, Mr Putin is elected in the second round then the theory is, he would be constrained and there would be more respect for the constitution, there would be more respect for other parties, other players. I don't know.

Or there's another scenario of parties within the Duma becoming more active and engaging United Russia in a more co-equal dialogue. Will this happen? I don't know. The Duma has not been a place for debate, in the famous phrase of the present Duma Speaker, so much so that a lot of people regarded it as a lobbyists' chamber. People come there not in order to make policies but to make money. There are places where you make money before you enter government and after you leave government. There are places where you make money while you're in government. It's a sad comment but that's what it is.

I think there are many scenarios. I don't think of a scenario that would be consistent throughout. I think Putin, for example, will try both things. I think he will try engagement and he will try coercion and maybe repression at the same time, of different groups of people. So I think the result will be more domestic stability in Russia, with some potential for Russian society constituting itself eventually as a civic nation. This is a long-term proposition, as we all know, but what we've seen right now are the beginnings of a nation.

To me, the scene of the people and all the different flags was like the birth of a Russian republic because they had a common cause. The common cause was Russia, essentially, and they insisted on certain procedures. They were distinct, they were not making common cause on social issues, political issues, other issues but they all cared about Russia. That, to me, is encouraging but it's not the only thing that exists so I believe there can be all sorts of scenarios, some of them better than the others. It will be more interesting than it has been for the last ten years, for sure.

JAN TECHAU: Thank you, Urquhart.

PIRKKA TAPIOLA: Thank you, Jan, thank you, Dmitri. Pirkka Tapiola from the external action service. You mentioned the beginning of the beginning and I'll go back to the collapse of the Soviet Union which, of course, was interesting in that it was a unique type of collapse of empire; also, in that the Russian Federation declared independence from the Soviet Union, which meant that a lot of what happened on the former Soviet space and a lot of other independence processes, in a way, happened by default.

Yet the antagonism has been there, yet somehow Russia, after a short while of trying to deal with the past – and I think of some books written by Volker Gunuv [Inaudible] and others at a certain stage – went back to heroic, imperial, after that Soviet script of our heritage. You mentioned the youth. Russia's soft power in her

Transcript Not Checked Against Delivery

neighbourhood has been questionable, at best. There's a love/hate relationship, a bit of admiration but also, if you look at the compatriot policies, others.

One thing which many Russia-watchers were wondering was would Russia get to a serious, maybe even broader, post-Soviet process of what the Germans called Vergangenheitsbewältigung [Inaudible], past management. Of course, the end of the Russian empire was not as dramatic as what caused that but that helped a country to reorient, reorganise, become respectable, respected and get a new feeling of attraction.

If you've got to a certain level of stability and civil society's being born – the Russian republic, as you said, is there – is it too late or is it still possible for Russia to embark on her own process of past management? Thanks.

TORS WALD: Tors Wald [Inaudible], European Commission. On the long-term scenarios, you said something but in the very short term, the next demonstration is announced for 24th December and it will be very important to see the outcome, will it be peaceful, how many people will come, what are the dynamics, will it be more or less, etc? What do you think, in the next two weeks, the power – as they say in Russian – will come up with? What will be the tactics to try to minimise this movement?

DMITRI TRENIN: Vergangenheitsbewältigung; I think it's going on. There are many cooks who are doing that. There is a Putin approach – but we need to realise that when Glasnost was introduced by Gorbachev and so many things became public knowledge in the 1980s and the early 1990s, a lot of people could not help hating the Russian state for being a state such as it was.

Russians are sometimes reputed to be people of extremes and there's some truth in that; so from being the best, the wisest or the kindest or whatever, to being absolutely the worst. I think that, by the early 1990s, this self-negation was pretty strong among the Russian people. There was some hope that the new Russian Federation would somehow be a different animal, a kind of ideal place, but it very soon turned out to be, in some respects, even worse than its predecessor.

Putin is trying to change that balance in order to strengthen the foundations of the state. He fashions himself as a person who is a patriot, a nationalist in the positive – or at least, neutral – sense of the word. He wants Russian people to have as glorious a view of their own history, their own heritage as – for Putin and many others, the only comparison is the United States of America. Of course, very few countries in the world are like the United States of America – actually, zero.

Putin has insisted that those who write the textbooks get the balance right, that the balance, at the end of the day, is for the Russians. For him, as for so many others, Russia's history is, above all, the history of the Russian state. Of course, there's another trend in Russia and that trend is that the state is the villain, and that's also a very long Russian tradition; the state is the problem, it's always been bad, it will always be bad. Those people will continue to do whatever but their writings are far less important than they were in the early 90s, let's say.

The interesting thing that's happening right now is that there are many historical dramas on Russian television and those dramas depict various Russian views and Russian society – I say Russian; Soviet, to me, is a historical period. Soviet Union was us, so there's no use pretending any differently. Russia is the new name, in that sense, for the Soviet Union, in that sense, or the Soviet Union is the old name for Russia, so you're dealing with your own history.

You cannot say, as some other former compatriots might, that Stalin was somehow a foreigner and Russia itself was a foreigner somehow, sitting on us and oppressing us for so many years. As a Russian, you have to recognise that Stalin may have been a Georgian, Dzerzhinsky may have been a Pole, there were so many others in the first cabinet started by Lenin, but you take responsibility for the whole lot. Stalin was a villain but he was your villain, if you consider him to be a villain.

In many historical dramas shown on television, there's a degree of sophistication in the portrayal of both the historical figures of society and their society itself, which I frankly find extraordinary. The way that they portray a Stalinist past today is so much better than the way they did in the early 1990s, when it was total rejection of Stalin

Transcript Not Checked Against Delivery

as a villain, a monster, Communism was a monster. Communism was shown, more or less, by those Russian films as Soviet Russia was shown in Dr Zhivago. There are good things about that film but the portrayal of Russia has very little to do with the reality.

It continues to this day, so Khrushchev has funny sides and ghastly sides about him but I think the message is that the system was inhuman and this inhumanity of the system applied in different measure but it applied to all, including to the General Secretary of the Party, including to the ministers, who also had their lives twisted by the system before they ever arrived at the top. When they were at the top, they were never free from the system. The system was essentially vicious – but it's done in such a way that, actually, I praise those people.

There was a very good book written recently; The History of Russia, by Andre Zubov and maybe 40-plus people, and I think that's the best book written on Russian history. It's contested because it looks at the whole thing from the point of view of the people who lost in 1917 and has a very strong Christian, Orthodox element to it but it's staunchly anti-Bolshevik, but it's very [inaudible].

I'm not saying that this is done. I think this is something that will continue for a long time but, as another thing, Russia is paying the price for the smoothness of the process. With the process becoming so extended, no-one is re-educated, no name is banned. You can mention Stalin in whatever way, but at the same time – again, I was in China very recently, launching this book at Fudan University in Shanghai. The people there were not interested in Russia but they were interested in some other things and spoke very good English.

They asked a question about Stalin and I had 30 seconds because that was toward the end of the talk. The best I could muster was this – it all depends, you think you're judging Stalin, in fact, you're talking about yourself. If you put the state and the ideology above anything and everything else, then Stalin is your hero. If you place human values and the sacredness of human life at the top of your list then Stalin is the villain. To me, he's a mass-murderer but to others – they were not asking a question about Stalin, they were asking a question about somebody else.

JAN TECHAU: Dmitri; the question about what happens between now and 24th December?

DMITRI TRENIN: Yes. There are so many things in flux. I think Putin's tactics will be to consolidate his own supporters, of which he has many, to show that he can have an even bigger demonstration of his support in Moscow. I think there was one demonstration today. I think he will reach out to some of the people who were demonstrating against him and try to deal with their demands. He will try to apportion the seats in the Duma – committee chairmen, vice-chairmen, Speakers, whatever – so that the other parties feel happy. He will work with the leadership of those parties to make sure that those parties are not stepping too far out of line.

He will be hoping that the harshness of the Russian winter will decrease the numbers, that many of the people who did that did not see themselves as political fighters, they came to make their point and they made it, they were heard but that's it, they don't have a long-term programme. Then he banks on Russia shutting itself down for three weeks following December 24th. Russia will only emerge from its end/beginning of the year slumber around the Old Russian New Year, which is January 14th, so there's a little bit of time for Putin to come up with some strategy, but that does not negate the central point; his Teflon has cracked and he knows it.

Basically, he has reached the high point and now it's going to be downhill – maybe steep, maybe less steep downhill. He's not on the way out but he's on the way down.

JAN TECHAU: Maybe he's changed his calculation of this eternal switch between President and Prime Minister [Inaudible].

DMITRI TRENIN: Medveyev has ceased to be useful to Putin, that's clear. Medveyev was the guy who was dispatched by Putin to go where Putin either was not willing to go or he could not go, which means the younger people, the internet generation who Putin doesn't care about; those were not Putin's crowd but he wanted to have them in his camp so he employed Medveyev for that.

Transcript Not Checked Against Delivery

The other constituency Medveyev was working on was the Western world and again, Putin's personality in the West has been destroyed. I think it was destroyed in the early years of the Yukos trial and the reset would not have taken place in the forms that it did, I think, had Putin been President at the time, for very obvious reasons. So Medveyev was an extension to Putin.

Now that Medveyev's credibility, especially with the younger people, has simply gone close to zero and his effectiveness in the outside world, now that Putin has said he will be the President again, is close to that same mark, what's the use? Putin is the Prime Minister so Medveyev as Prime Minister looked very out of place for a lot of Russia-watchers within Russia.

There may be interest and Putin, I think, will be changing a lot of people in ministerial positions, presenting a new, friendlier face of the Government to the Russian people. Yes, you will see a lot of small developments, small tactics and things. Whether it will amount to a strategy, I don't know yet. Putin has been great as a tactician and as an operational person. What he's been lacking so far – and I don't think it's there, I don't think he feels a need for that strategy; he's been a man without a strategy, frankly. He had a vision but strategy has not really been his forte.

There's some kind of a long-term vision about Russia as a great power again or a Eurasian union, that kind of stuff, but strategies which address long-term and yet not visionary issues are lacking with Mr Putin.

JAN TECHAU: Before I invite all of you to join us for a drink over there at this end of the building, a final question, Dmitri, also concerning the upcoming elections. You said this morning when we had the conversation that the Presidential elections need to be a lot more transparent than the Parliamentary ones we've just seen. It's just not possible any more to have the same amount of fraud, scrutiny of Russians will be higher than it ever was before so how is this going to change the entire political system?

When you look at it, the current political system still rests on the assumption that these things can be manufactured and manoeuvred and created. If that's not possible, or just to a much lesser degree, that will change the entire power dynamics of the elite and of the people versus the elite. What's your vision of this for the next Spring?

DMITRI TRENIN: Jan, I said what Russia needed, I was not making a prediction. I still think that it will be an issue of his personal legitimacy. The fairness of the election; that will be a very big issue and more eyes, more cameras will be watching the election process and the run-up to the election than ever before. Forget international observers; I don't think they're needed any more. I think international attention was important when the Russian people were not really engaged but then, you could always ask the question, why is it that the international community is more interested and worried about the Russian democracy than the Russian people themselves?

Sometimes you could come up with some conspiratorial theory or reasons for that but now that there are so many Russians who are raising their voices, I think international observers could take a step back and watch. There are many Russians who want to be voluntary observers and they are so much better at knowing what to watch than international observers. It's so much more difficult to fool a Russian in that situation. I think Putin really needs that. Can he do that? That's a big question. I think he would be doing something contrary to what the government or the authorities in Russia have been accustomed to doing all these years.

Vote-rigging did not start with Putin, it started with Yeltsin and the Western world applauded. There's a question, not very often raised but it's there at the back of my mind, at least, whether the constitution is legitimate, whether enough people voted for the constitution back in 1993 or whether it was a fixed result. It's a very democratic constitution, except for a lot of power that it gives to the President, but you don't want to dig that deep.

I think Mr Putin is a pragmatist, above all else, and he is someone who, in his own way, cares about Russia. To me, this is a fact. There are not too many people in the Russian Government, I think, who care about Russia but I think he does, but he has his own view. It's more like the view of Tsar Nicholas or somebody in that group, who identified Russia with the Tsardom, with the Tsar; that kind of stuff.

Transcript Not Checked Against Delivery

So I don't know what will happen at the election but it's going to be a very different election from anything we imagined, even ten days ago. I think a lot of our former scenarios are simply not worth the paper they're written on. It's a new world. It doesn't happen very often but it happens, every now and then, that there's a clean slate and all of a sudden, there are new figures, new players.

The big thing, I believe, for all Russians, including Mr Putin and Mr Nemtsov and the Communist leader, Mr Zyuganov and whoever, is to come up with the idea that they all have a share in Russia, they all need to share the country. The country will never be Communist again and nor will it become a liberal Russia, but the big thing for all Russians is to make sure that it's no longer a corrupt Russia. As a friend told me, you are pathologically corrupt, what you need to do is to become physiologically corrupt.

The guy who said that knew what he was talking about, coming from one of the countries where you have that. They all have a share in Russia and, to me, it's a big test for the Russian people. They've been able to topple their Tsars. They installed a dictatorship, in one case, and then they installed a corrupt regime, eventually, in another case. Whether they will be able to found a republic on the ruins of the empire, which is a historical relic; this is a question still pending.

JAN TECHAU: As always, more questions than answers. Thanks, Dmitri. As someone's iPhone or iPad has reminded us several times how quickly time is passing, I hope the time to come is going to be a good time for Russia and, more importantly for us here, we hope to see you back soon again at Carnegie Europe.

This is the last event that Carnegie Europe has this year. Thanks to all of you for your great loyalty, for being our great customers in this town and please join us now for a drink. For those of you who can't join us for a drink, have a great Christmas time and God bless you in 2012. Thank you very much.