RUSSIA in GLOBAL AFFAIRS

Vol. 6 · No. 4 · OCTOBER – DECEMBER · 2008

Contents

Russia in the World: Readjustment

The Five-Day War: Major Results

The Five-Day War: Neighbors

Published quarterly

RUSSIA IN GLOBAL AFFAIRS

PUBLISHED BY
FOREIGN POLICY RESEARCH
FOUNDATION

RUSSIAN EDITION
IS PUBLISHED
WITH PARTICIPATION OF

FOREIGN AFFAIRS

Editorial Office:
11 Mokhovaya St., Bldg. 3B,
Moscow 103873, Russia
tel.: +7 (495) 980-7353
fax: +7 (495) 937-7611
e-mail: info@globalaffairs.ru
http://www.globalaffairs.ru

Registered with
THE MINISTRY
OF THE RUSSIAN FEDERATION
FOR PRESS, TV AND RADIO
BROADCASTING AND MEANS
OF MASS COMMUNICATION
PI No. 77-12900
3 June 2002

Printed by
Kaluzhskaya Tipografia Standartov
Order No. 2320
Circulation: 3,000 copies

Two Crises on the Way to Reshaping the World

Fyodor Lukyanov, Editor-in-Chief

Two crises have occurred one after the other in the past few months that have had a significant impact on Russian foreign policy. The Russian-Georgian war in August and the upheavals on global financial markets in September and October are not related. Yet both events, each in its own way, have contributed to the formulation by Russia of its national interests. One can say that the two crises have set a conceptual framework of interests, defining a vector for the indispensable and boundaries for the possible.

The Georgian attack against South Ossetia and the world reaction to Russia's response have created a new mood in Russian politics and public opinion. Perhaps never before have Russia and the West had such a deep clash in perceptions as now. For the first time since the breakup of the Soviet Union, Moscow found itself in a situation where it had to act without regard to the possible costs of world reaction. This time the Kremlin decided that taking actions approved of by its foreign partners would cost too much from the point of view of the country's vital interests. Moreover, most likely it was impossible to uphold these interests without coming into conflict with major international partners.

At the same time, there must be clear criteria for judging what interests are vital and should be upheld whatever the cost. Russia is a country that is still in progress and it does not have such clear criteria yet, although the process is already underway. The financial crisis has played an important role in this regard.

The financial instability that has rapidly spread throughout the world has shown the degree of global interdependence and the limits of economic and, as a consequence, geopolitical capabilities. It has turned out, for example, that the huge financial resources accumulated over the years of sustained economic growth may be enough to alleviate the consequences of the national crisis. Yet it is not enough to implement major geopolitical projects planned in recent years.

The reality of the crisis will cause countries to set priorities better, rank their intentions, and give up secondary tasks in favor of more important ones.

A positive side to the financial crisis is that the world has renewed discussions about the need to modernize global governance institutions. Russia has been talking about the decline of the existing institutions for a long time, but no one has ever heeded its warnings.

The financial crisis can cause all countries, including Russia, to realize their collective interests and the need for multilateral action. Otherwise the world will see a further aggravation of the chaos and growing competition, which – amid conditions of interdependence – may have highly dangerous consequences.

Sergei Karaganov maps out in his article a general agenda for the leading world powers in a new era of economic and political instability. Following up on this subject, **Sir Roderic Lyne** writes that the realities of the crisis make it necessary to rethink Russian-Western relations. **Alexander Lukin** proclaims the end of the post-Soviet phase in Russian foreign policy. From now on, he argues, foreign policy will be neither anti- nor pro-Western, and Russia will have to formulate its own objectives.

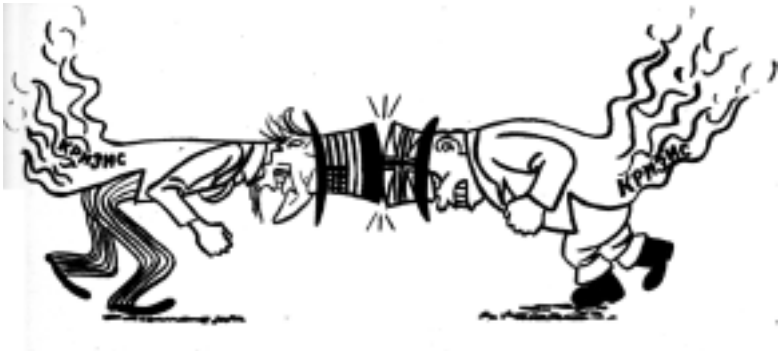
Alexander Aksenyonok analyzes the South Ossetian tragedy in the context of the general degradation of the world system over the last two decades. The author does not rule out a fundamental change of the paradigm in the Kremlin's foreign policy. **Vladimir Ovchinsky** describes August 8, 2008 as "September 11, 2001 in reverse" for Russia. He believes that "the international anti-terrorist coalition" can now be scrapped.

Ivan Safranchuk analyzes Russian-U.S. relations and says the era is over when both countries declared that they were in "one boat." Now Moscow and Washington will not even pretend that they coordinate their policies. **Sergei Dubinin**, on the contrary, is confident that now is the time for establishing a serious and equal alliance between Russia and the United States. **Timofei Bordachev** points out that a strategic alliance between Russia and the European Union would guarantee stability in Eurasia, whereas U.S. desire to retain control over the Old World would play a destabilizing role on the continent. **Alexander Lomanov** considers the prospects for a U.S.-Chinese "Big Duo" – the theoretical possibility of a joint dominance by these two countries over the world, now being discussed in both China and the U.S.

The significance of the August events in the Caucasus for the former Soviet Union is difficult to overestimate. **Ivan Kotlyarov** analyzes various aspects of the Caucasian crisis. **Alexei Vlassov** believes that time has come for the former Soviet republics to make a choice, as room for multi-vector policies is getting narrower. **David Erkomaishvili** sees a new chance for reintegration, which is the only way Russia can regain the status of a really great power. **Sergei Markedonov** argues that the war in South Ossetia and subsequent developments have annulled the main principle on which relative stability was based in the post-Soviet era – the inviolability of Soviet administrative borders. **Alexei Miller** discusses the situation in Ukraine, where the potential for instability is very great.

Our next issue will focus on the global financial crisis and its consequences for Russia and the rest of the world.

An Era of Crises and the World Order



"When a crisis burns coat-tales..."
Svet Pràce magazine (Czechoslovakia), 1949

Back in late August it seemed that the political semi-farcical Cold War would be the main political trend for the next two to three years. But then the global financial crisis broke out, which is now being followed by a global economic crisis. The United States and the Old West will now have other things on their minds than conducting a Cold War.

The World Crisis – A Time for Creation

Proposals for a New System of World Governance

Sergei Karaganov

The ideas expressed in this article came about long ago and took their final form during the first World Policy Conference held in early October in Evian, France.

The main impression left by the Evian conference for current politics, underlined in speeches by the Russian and French presidents, is that Russia and Europe have refused to follow the Cold War path, on which many Americans and their allies in Europe wanted them to embark, especially after Georgia made its incursion into South Ossetia. At the same time, differences between Russia and the West remain – and not only over the South Ossetian developments.

And now the main point – world history is entering a new era.

Politically, the past 100 years can be divided into three periods. The first period began with World War One, the Russian Revolution and the unfair Treaty of Versailles; then it continued with the first Cold War and ended with Stalinism, Fascism and World War Two. The next period began with the construction of a two-bloc confrontation, the classical Cold War and, simultaneously, the creation of the United Nations and the system of governance over the global economy and finance, which was dominat-

Sergei Karaganov is dean of the World Economics and International Affairs Department at the State University–Higher School of Economics. He is deputy director of the Institute of Europe at the Russian Academy of Sciences; chairman of the Presidium of the Council on Foreign and Defense Policy and is chairman of the Editorial Board of *Russia in Global Affairs*. Karaganov has a Doctorate in History.

ed by the U.S. and the West. This system should have been rebuilt after the defeat of Communism and the breakup of the Soviet Union, which marked the beginning of the third period in the history of the last century. However, the international system was never rebuilt to meet the new challenges and opportunities. The West and the U.S., ecstatic over their new status as winners, decided to leave everything intact. A confused and weakened Russia had nothing to offer. Developing countries were still on the periphery of the world economy and politics. The following decade saw the establishment of a unipolar world based on old institutions.

In order to save NATO – which had lost its main goal – the West began to expand the alliance; however, as time went on, NATO became the main source of tensions in Europe, at least in relations with Russia, and predictably began to restore Cold War stereotypes. The UN kept losing its influence and effectiveness. Ecstatic over their victory, the winners overlooked the beginning of nuclear proliferation to such countries as India and Pakistan and failed to solve a single problem in the Middle East. Having missed the beginning of the Yugoslav war, they launched an illegal attack on Yugoslavia. The U.S. started withdrawing from the arms control system. The system of governance over international relations and security, established over the previous 50 years, was gradually disintegrating.

The tone in the global economy was set by the International Monetary Fund, the World Bank and the Washington Consensus, whose authors argued that the whole world could only develop according to the super-liberal Anglo-Saxon model.

A FINANCIAL BUBBLE

The world's increasingly rapid economic growth from the mid-1980s throughout the next 20 years was generally interpreted as the result of applying the Washington Consensus prescriptions, although now it is obvious that this growth was not so much due to them as to the huge expansion of the sphere of world capitalism. The markets of several dozen countries and a new cheap labor force made up of over two billion people in East, Southeast and South Asia, Central and Eastern Europe, and the former

Soviet Union joined the world capitalist economy. Another factor that contributed to the growth was a technological revolution – this time with an emphasis on information technologies which ensured an unprecedented mobility of finance.

The new growth of the world economy, albeit uneven, was beneficial almost to all, especially to the Old West at the initial stage. The new financial class of the West grew fabulously rich through ever new financial instruments, whose essence many of their creators had already ceased to understand. The U.S. continued to get rich, as well, as it used a U.S.-oriented financial and monetary system which let the new financiers and the country at large live beyond their means.

No one cared to invent a new system for managing the rapidly growing economy. Countries continued to rely on the old, seemingly effective instruments and on the domination of the U.S. dollar. Only Europeans created a local and more or less new system and switched to the euro.

The patently unstable political unipolar world could have been rebuilt after the September 11, 2001 terrorist attacks against the U.S. There was a chance to set up a global coalition led – but not dominated – by the United States. But Washington did not want to share its might with others; it instigated a second wave of NATO enlargement and decided to extend its political and economic model to the Middle East using force. Then it attacked Iraq. Predictably, America overstrained itself. Its reputation as a winner, prestige and influence went downhill.

At the same time, one more powerful process emerged. By the end of the 1990s, the globalization and the increasing openness of the world economy, which initially gave benefits mainly to the Old West, became more advantageous to young capitalist countries. A new industrial revolution began, based on the cheap and relatively educated labor force in China, India, and Southeast Asian countries. Global industrial production began to shift to new centers. China became the symbol of this redistribution of forces in the world economy. The old economic winners suddenly began to lose the competition. Resource flows moved to the younger ones.

The U.S. and the West, carried away by the establishment of the world domination of their political system, overlooked one more revolutionary change – the redistribution, within a surprisingly short period of time, of control over resources, above all oil, from Western companies to national states and their companies.

The increased consumption of raw materials due to the economic growth of young capitalist states triggered a worldwide increase in their prices, particularly oil and gas prices. This factor caused a new large-scale redistribution of finance – trillions of dollars within several years – to extracting countries and their companies. Energy-rich Russia was among the countries that gained from this second wave of resource redistribution. Huge financial bubbles emerged in the U.S. and other countries. An enormous surplus of money appeared in the world due to the vast savings of Asian citizens who had started earning money but who did not have social security systems, and due to a money surplus in oil-producing countries, which amounted to trillions of dollars.

But the main bubbles formed in the United States.

All these basically new phenomena occurred under the old system of regulating global finance. The system almost did not work, but the wealth, which "rained down from heaven," stopped the mouths of those who warned of the system's inadequacy and of its inevitable breakdown.

Oil-producing states and countries of the young non-resource capitalism, which had freed themselves from the oppression of the bipolar world, felt increasingly independent. Apart from investing in U.S. government securities, thus financing debts and unbridled consumption, they started buying up Western companies and banks, dumbfounding the Old West and arousing fear in it that their new economic might would inevitably be followed by a redistribution of forces in world politics.

POLITICAL REDISTRIBUTION

The United States, weakened politically because of the Iraq war and by the overestimation of its abilities, was not the only loser. Western Europe was also intoxicated with victory in the Cold War. Europe,

wishing to consolidate the results of victory and having lost strategic benchmarks for its development, launched a recklessly rapid expansion of the European Union. This caused Europe to focus still more on itself and further complicated and delayed the possibility of conducting a common foreign policy. Europe continued to lose its foreign-policy influence, although, unlike the United States of George W. Bush, its soft power – the attractiveness of its development model and the appeal of its lifestyle – was not weakened.

At the same time, it turned out that the Old West's model of a mature liberal-democratic capitalism, which seemed to have won for good, was no longer the only ideological benchmark for the rest of the world. States of the new capitalism – naturally more authoritarian, in line with their stage of economic and social development – offered a much more attractive and attainable political development model for lagging countries. Moreover, they, and especially China, did not impose their models in their foreign expansion, but built roads, mines and plants to provide their industrial complexes and markets with raw materials and semi-finished goods.

In many ways, energy-rich Russia, which had dramatically increased its political clout, became the symbol of all those changes, disadvantageous to the West. In addition, unlike a more cautious India and especially China, it assumed a contemptuous and arrogant attitude toward the Cold War "winners" which had recently humiliated it and which had started to lose.

The former "winners" tried to regroup. As if from a horn of plenty, numerous projects emerged for a "union of democracies" – a tragicomic stillborn association of liberal-democratic "elders" against the authoritarian "younger" ones. There also was a desire to take down a peg the "new" ones which had shot ahead. The U.S. nurtured plans to start a kind of Cold War against China five to seven years ago. But Beijing was cautious and, most importantly, it strengthened too fast.

Starting in 2007, the West stepped up its efforts to curb the rapidly growing influence of an ever mightier and more independent Russia.

Georgia went into South Ossetia in August 2008, after which an attempt was made to organize a new Cold War against Russia.

The attack on South Ossetia, Russia's harsh reaction, and the attempt to start a confrontation after that, mainly using NATO, have shown the dangerous non-reconstruction of the European security system, which failed to prevent the conflict. Moreover, the de facto division of Europe into two security zones and the rivalry between them in many ways generated this conflict.

Russia not only retaliated, stopping the killing of its citizens and peacekeepers, but also said "no" to NATO's further expansion and to the inertia that suited the Old West. Now, even those who did not want to listen can see that the present Cold War-style system of European security, which has been artificially maintained for over a decade and a half, can no longer exist and that it only leads to the escalation of conflicts and ultimately to war.

AND HERE COMES THE CRISIS

Back in late August it seemed that the political semi-farcical Cold War – unleashed by the United States and its allies and clients in Eastern Europe and in Britain and which many Old Europeans met with caution but also with sympathy – would be the main political trend for the next two to three years.

But then the global financial crisis broke out, which is now being followed by a global economic crisis. I think the United States and the Old West will now have other things on their minds than conducting a Cold War.

The acute crisis has forced countries to start correcting the entire system of global economic governance. The United States and its ideas of the superiority of liberal capitalism and the limited role of the state in the economy have been dealt a severe blow. Faced with a possible severe depression, comparable to the crisis of the late 1920s-1930s, Washington has decided to nationalize failed system-forming financial companies and banks and to invest hundreds of billions of dollars in the economy. This policy is directly opposite to the Washington Consensus ideology, which was so confidently imposed in recent decades on other countries, including Russia. True liberals should have let bankrupt enterprises and the bankrupt policy fail completely and should have made

room for the sprouts of a new economy. The U.S. has been followed by other countries in resorting to "socialist" methods to save failed companies and banks.

Reasonable apprehensions have already been expressed that the retreat from the former ideology of super-liberalism may go too far toward an increased state interference and may make the Western economy even less competitive. (I wish these warnings were first heeded by Russia, which is successfully destroying its competitiveness by quasi-socialist and reckless increases of labor costs and by the massive interference of corrupt state capitalism.)

Meanwhile, the International Monetary Fund, the World Bank and even the financial G7 remain silent, although the crisis had been ripening for quite some time. Only Europeans are trying to act jointly, albeit inconsistently and with unknown results.

CONCLUSIONS FOR ALL AND FOR RUSSIA

It is clear that the global crisis is only beginning and will affect everyone. But it is not clear how and when all countries will jointly start overcoming it.

But we should already sum up the preliminary results of the recent developments.

The period from August to October 2008 will likely go down in history as the start of the fourth stage in the world's development over the past century, which began – really, not according to the calendar – in August 1914, closing the door on the splendid 19th century and ushering in the savage and revolutionary 20th century. Actually, the 21st century is beginning right now. (This idea is not mine, but that of Thierry de Montbrial, the founder of the Evian Forum and an outstanding French political thinker.)

This crisis and this new period in world history threaten to inflict inevitable hardships on billions of people, including Russians. Coupled with the aforementioned rapid geopolitical changes, with the collapse of the former system of international law and security systems, and with attempts by the weakening "elders" to stop the redistribution of forces not in their favor, this period may bring a dramatic destabilization of the international situation and an

increased risk of conflicts. I would have dared to describe it as a pre-war situation and compare it with August 1914, but for one factor: huge arsenals of nuclear weapons remain, along with their deterrent factor, which makes politicians more civilized. Yet one must keep in mind the objective growth of military danger anyway.

The world economic crisis will fix the new redistribution of forces. But it can also change its speed. When the U.S. overcomes the crisis, it will end up with even less moral and political capital. I do not think that Barack Obama, now viewed as a ray of hope for America, would be able to quickly restore this capital as president. Quite possibly, the crisis will inflict even more economic damage on new industrial giants, especially at first. External markets, on which their growth largely depends, will shrink. The super-fat years will come to an end for oil producing countries, as well, including Russia, which has proved reluctant or unable to switch to a new economy and renovate its infrastructure.

The matter at hand is not just a deep financial and economic crisis. This is an overall crisis of the entire system of global governance; a crisis of ideas on which global development was based; and a crisis of international institutions.

Overcoming this overall crisis will require a new round of reforms, the construction of international institutions and systems for governing the world economy and finance, and a new philosophy for global development.

This crisis will clear out what has been artificially preserved or not reformed since the end of the Cold War. A new global governance system will have to be built on the ruins of the old one.

The time will come for creation.

When this overall crisis is over, its relative beneficiaries will include not only countries that will have been less affected by it, but also those that will have seized the initiative in building a new world order and new institutions. They will have to correspond to the emerging balance of forces and effectively respond to new challenges.

One must be morally and politically ready for that period of creation, and already now, despite the crisis, one must start build-

ing up one's intellectual potential so that in a year or several years one could be ready to put forward one's own, well-grounded proposals for rebuilding the international governance system on a more just and stable basis.

Russia has so far proposed a very modest plan for rebuilding the European security system and supported, at last, the idea to establish a new Concert of Nations as an association of not seven to eight old countries, but 14 to 20 of the most powerful and responsible states capable of assuming responsibility for global governance.

We need to go further and start thinking about the future already now – however difficult this might be during a crisis.

I would propose for discussion some principles for building the future system:

– Not boundless and irresponsible liberalism, but support for free trade and a liberal economic order coupled with basically stricter international regulation.

– Joint elaboration and coordination of policies by the most powerful and responsible countries, rather than attempts to establish hegemony by one country, or a struggle of all against all.

– Collective efforts to fill the security vacuum, rather than create new dividing lines and sources of conflict.

– Joint solution of energy problems, rather than artificial politicization of the energy security problem.

– Renunciation of the recognition of a nation's right to self-determination up to secession if this is done by force. (The wave of fragmenting countries, which began in the 1950s and which received a fresh impetus with the recognition of the independence of Kosovo, South Ossetia and Abkhazia, must be stopped.)

– Russia and the European Union must strive not for a strategic partnership in their relations, but for a strategic alliance.

– The goal of development must be progress, not democracy. Democracy is a consequence and an instrument of progress.

Surely, many of the proposed principles will be objected to and rejected. But the habitual politically correct clichés will not help to improve the situation and build a new world. Meanwhile, the time is coming for creation.

A New Entente

From "Guaranteed Destruction" to a Full-Fledged Union

Sergei Dubinin

The smoke and ashes of burnt Caucasian towns and villages have settled, and peace is settling in the conflict area. Russia has recognized the independence of South Ossetia and Abkhazia, and has signed accords with them on economic and military assistance.

Everybody understands that the significance of the clash in the Caucasus goes far beyond its boundaries. The Russian public has been focused all this time not so much on the problems with South Ossetia, Abkhazia or Georgia, as on the impact these events have had on relations with the United States and the European Union. A sharp escalation in rhetoric has made many speak of the beginning of a new confrontation. Yet if one ignores emotional outbursts, it will become clear that the objective need for a rapprochement with the West, as close as a binding union, has only increased.

THE PROBLEM OF "GUARANTEED DESTRUCTION"

Pavel Zolotarev, a Russian expert on international security, wrote in the pages of this magazine: "The basic factor of mutual distrust between the two countries is the increased readiness of their strategic nuclear potentials in line with the task of mutual nuclear deterrence. Both countries have become hostages of Cold War weapons, above all ground-based intercontinental ballistic missiles (ICBM), which cannot be placed

Sergei Dubinin has a Doctorate in Economy.

in a reduced launch readiness status without violating the normal mode of operation." (*Russia in Global Affairs*, No. 3, July-September 2008, p. 71).

The key problem – I would even call it existential – that creates a rift between Russia and the U.S. are attempts by Washington to deprive Moscow of the missile-nuclear parity inherited from the Soviet era.

This is easy to explain: Russia is the only country in the world capable of destroying the United States in the full sense of the word. And although nobody is thinking about starting a nuclear war, the very existence of this possibility has a tremendous influence on the political situation and mutual perception. It is this parity that helped Russia keep its permanent membership in the UN Security Council and become an equal member of the G8 even in a period of an economic downturn.

Simultaneously, this factor played the decisive role in NATO's eastward expansion policy and the U.S. decision to deploy missile defense facilities in close proximity to Russian borders. Now that Russia commands more authority in the world, the United States is trying in effect to drag Moscow into a new arms race which it will never be able to win, as the Soviet Union could not.

After discussions at a NATO summit and at a Russia-NATO summit in Bucharest in April 2008, Russian President Dmitry Medvedev and Prime Minister Vladimir Putin spoke to the effect that it would be expedient for NATO to look for an accord with Moscow instead of forging ahead with enlargement by admitting Ukraine and Georgia. However, this proposal, though quite sound, was left unheeded – just like many other Russian proposals before. Washington has rejected all initiatives to jointly deploy and control missile defense forces.

I dare to assume that this has happened because Russian proposals include the necessary condition of keeping missile-nuclear parity with the United States. In the current decade, the Bush administration selected another strategy – to exhaust Moscow in confrontation in the field of strategic armaments and in endless

clashes along the perimeters of Russian borders. Apparently, the idea is to secure a heavy toll on Russia's budget and intellectual and human resources.

Keeping this in mind, the United States walked out of the ABM treaty. The START-1 agreement expires in 2009. Next in line are agreements limiting the number of nuclear warheads (currently at 1,700-2,200) and delivery vehicles. The deployment of missile defense facilities in the Czech Republic and Poland puts even more pressure on Moscow, as they can control the activity of Russian strategic forces in the entire European part of Russia and in the White, Barents and Kara Seas.

There are no grounds to hope that the next U.S. administration will reverse U.S. policy in 2009. The suspension of NATO-Russian cooperation and the general worsening of relations with Washington because of the conflict in South Ossetia imply that any bilateral missile defense talks have been shelved for a long time.

We will see in the next ten to 15 years if the Americans can achieve the breakthrough in missile defense and space armaments that they have planned. There is a high probability that the means of destroying booster rockets at active stages of flight and warheads at passive stages will have been designed, tested and deployed by that time. Several years after that, Russia is likely to lose its missile parity with the U.S.

Of course, Russia will continue to remain a strong nuclear power capable of delivering and setting off several nuclear charges in the territory of any opponent. But it will become just one of many such countries. In the meantime the United States may develop a dangerous illusion of security and impunity in case it strikes first.

Moscow, aware that it is impossible to maintain nuclear parity with the United States for long, will not have many options to choose from:

First, it may strike "while there is still time." Hopefully, God will not let the Russian leadership lose their minds and this will not happen.

Second, Moscow may conclude a union with its U.S. adversaries in order to share the expenses to create an "anti-missile

defense." But this will hardly be an effective response to the concerted efforts of all NATO countries put together; such a move will be very expensive and fraught with a new Cold War. However, there will most likely be people both in Russia and in the United States who would seek a new arms race.

And ***finally,*** Moscow may begin talks with Washington over a new modus vivendi – but the negotiating positions in the future will be much weaker than today. Also, both Russia and the U.S. will have spent tremendous funds on their military programs by then.

The problems do not end here because Russia will justifiably be wary of U.S. aggression as long as it is tagged as "a potential enemy." After achieving domination in the sphere of strategic offensive armaments and missile defense after an exhausting arms race, how will the U.S. exploit it?

After NATO planes bombed Belgrade, it is difficult to convince anyone in Russia that Moscow or St. Petersburg are immune from similar attacks. We need reliable protection from such threats. What kind of protection would that be?

There are two possible answers to this challenge.

The first is an escalation of military-political confrontation, including in the nuclear sphere. It requires concentrating all forces on military construction, which is what the Soviet Union did after World War II. Involvement in this confrontation means putting oneself under military threat without any hope of success, and dooming Russia to the squandering of material resources, badly needed for resolving socio-economic problems.

Yet there is another way. I suggest calling it a 'New Entente,' because it suggests a military-political union with those who are traditionally viewed as historical opponents. In the late 19th–early 20th century, the Russian Empire chose a union with France, and later with Britain, believing it to be more promising than an alliance with its old "pal" – the German Kaiser. A decision for the long-term today would be a union with the United States. It is most reasonable to start talks immediately.

WHY A UNION WITH AMERICA?

The one-polar system dominated by the U.S. no longer exists. However, a multi-polar system is not a strategic victory for Russia, but a new strategic challenge, fraught with many risks and "sorrows." The world is beginning to revise old dogmas, regroup existing unions and form new alliances. Not only economic, but also military-political blocs are being overhauled. In these conditions, Russia needs strong allies to ensure its security. As recent events have shown, there are no such allies at present. Oddly, Moscow appeared surprised to see unpleasant proof of its inability to secure support for its interests in the international arena.

In the recent past, experts and foreign policy theorists believed that a lack of clear-cut and mutually binding relations with this or that state was a conscious choice and an obvious advantage for the Russian position. Coalitions allegedly could be "flexibly" rearranged as the situation required. Thus, countries in the Commonwealth of Independent States, the Shanghai Cooperation Organization (SCO), the Collective Security Treaty Organization (CSTO) and even part of the declared Union State with Russia – Belarus – quite flexibly refused their support. Moscow earned "understanding" at best.

The hostilities in the South Caucasus in August 2008 dramatically complicated the choice for Russia in favor of a New Entente. It is very difficult to understand and accept the position of the United States and its European allies with respect to the conflict in South Ossetia. Yet Medvedev and the Russian government have to demonstrate a strategic vision extending for not just one election cycle, but for a 25- to 30-year perspective. It is in this light that Moscow should evaluate the pros and cons of this alternative and the consequences of rejecting it.

The incumbent Russian authorities are not ready to pay any considerable price for joining the West. As of now, we are ready to cooperate with the West on our terms. But Russian political leaders are still unable to formulate the rules of such cooperation which would be beneficial for Russia. The task of adhering to the declared approaches appears even more difficult. Voluntarism and

ad hoc revision of earlier decisions are destructive for any alliance. After the illusion of the unipolar world – in which one great power, the United States, determines the course of international events – has completely faded, we will all face the reality of chaos. In a number of volatile regions in the world we are already seeing fierce competition between two or three regional "superpowers," which one-by-one are beginning to stockpile weapons, including nuclear weapons.

A majority of countries that are members of the nuclear non-proliferation treaty are increasingly mistrustful of the position of the leading nuclear states. They see that the declared goals of reduction and the complete elimination of weapons of mass destruction are being discarded. The number of countries seeking to possess nuclear weapons will keep growing.

Russia already has neighbors with nuclear capability – China, India, Pakistan, North Korea and potentially Iran. Is Russia ready for a nuclear arms race with all these countries simultaneously? Can we afford a competition with Western nuclear states at the same time?

After two decades of armed conflicts in the South with Islamic extremism (Afghanistan, Tajikistan and Chechnya) we are still preparing for war, but in the wrong place and against the wrong enemy. The real enemy has fallen back, still undefeated. Tomorrow Islamists may launch an offensive, say, on the Fergana Valley; but once the United States has admitted its defeat in Iraq and pulled out its troops, extremists will attempt to gain control over nuclear weapons and missile equipment in Pakistan or Iran.

A real breakthrough is needed in determining the national strategy. Russia must make its choice already today with which community of nuclear states it has to strike a deal, launch military cooperation and enter into unions. I am sure common sense will prevail and the Russian leadership will opt for rapprochement with the strongest group which is called the West. As a Russian patriot, I am convinced that this country needs a political and military-defensive union with the United States. Not NATO

membership, but a direct agreement on joint defense and military-technical cooperation with the United States.

An obvious advantage of an alliance with the U.S. is the opportunity to use funds and resources to upgrade the Russian armed forces and prepare them for confrontations where the biggest threat lies. A union with the United States will enable Russia to save tremendous funds in one strategic direction, yet it does not guarantee that Moscow will not have to build a powerful armed group with the participation of its allies. Would it not be easier to accomplish this together with the U.S. than without it?

Of course, there is the deeply-rooted mistrust between the diplomatic and military elites of the two countries. The Cold War heritage still exists, and the post-Cold War period did not contribute to mutual understanding. The authorities of our countries will have to reassess many values within the next few years. It is time to assess current, not yesterday's, problems. Russia and the United States have far more common interests in the international arena than disputed issues. They also have the same potential opponent. Dissent and uncertainties in the multi-polar world will be gaining momentum. Russia and the United States will need each other. The military conflict in the Caucasus showed to the whole world that the Russian armed forces can be a valuable ally.

Of course, it is not easy to ensure for Russia an acceptable alliance treaty. The main condition would be mutual guarantees in the event of an attack by a third country: by striking back and defeating the aggressor together. This condition should work in case of both nuclear and non-nuclear act of aggression. The treaty should contain such confidence measures that would ensure preparations for joint actions and rule out the very possibility of using nuclear missiles against each other.

It would be prudent for the two signatories to offer similar guarantees to allies; i.e. European countries – NATO members and former Soviet republics, on the condition that such guarantees would be welcome.

It would be difficult to anticipate the manner and procedure of an allied response to terrorist attacks where it is impossible to identify the aggressor country. It appears one would have to convene urgent consultations and act depending on the situation, as is the case today.

The very possibility of concluding such a treaty would be determined by a Russian-U.S. agreement on strategic armaments. A withdrawal from the confrontation should be thoroughly planned and timed with the creation of a collectively controlled missile defense system. It would combine national elements, be run with the participation of military experts from allied states, and include data exchange centers for the participants, tracking stations and ground-based and spaceborne interceptor missiles, deployed at optimal points.

THE RUSSIAN RESPONSE

The Entente at the beginning of the 20th century won the war on the European continent, but Russia was not among the victors. Due to its internal weaknesses, it was unable to withstand the test of war, plunging instead into the ever worse troubles of social revolutions and the Civil War of 1917-1922. Russia was "a weak link." It has to be a powerful modern country with a sound core if it wants the New Entente to bring it success.

In theory, Russia has two options to respond to what is happening in the world, including the financial-economic crisis.

The first option is to withdraw into isolation. This will play into the hands of Russia's direct opponents, and make various anti-Russian actions easier for them. There are supporters of this stance in Russia as well, who are making their case loudly in public discussions. They assume that they will have an opportunity to repeat the Stalin-era industrialization in conditions of a country cut off from the rest of the world. "Isolationists" prefer to forget that the "effective" Stalinist management was based on the exploitation of free labor at collective farms and penal labor camps. Once the Soviet leadership gave up this resource, the state planning system became conspicuously ineffective.

Maybe the "isolationists" will honestly tell us who they will name to "be rubbed into camp dust?"

The second option is active participation in the global economy. World financial developments have far-reaching consequences for any national economy. During economic growth, the term 'globalization' was mostly used in a positive context. It seemed any large and effective investment project could be financed by mobilizing resources on the world market. Investors swept up shares in Russian companies through IPOs. Gazprom, together with Italian energy giant ENI, succeeded in raising money to build Blue Stream, a gas pipeline along the floor of the Black Sea. There was no doubt that resources would be found to build the Nord and South Streams. Many Russian companies raised loans under good terms, cementing the deals by using their shares as collateral. Broadly speaking, all the economic successes of the past decade were based on the international division of labor and economic growth in an open economy, thanks to Russia joining the world financial market.

The financial crisis has demonstrated the negative sides of the global economy. It has become obvious that joining the international commodity and money flows requires maturity and strength from the national financial-economic system. It turned out Russia was not fully ready for such tests.

Investors view Russia as a developing market with increased economic and political risks. In essence, this is how our economy has always been assessed. But the headline-grabbing public confrontation with the West during and after the war in the Caucasus only made the situation worse. Investors began to withdraw from our market faster than during the previous months of the crisis year. The crisis exposed weak points in the globalization model in general, and Russian problems in particular.

Russia needs a sweeping renewal of basic production assets and an entirely new level of human resource development. Our leaders are aware of this and openly talk about a steady course toward international cooperation and an open economy. Russia has developed a market-type, rapidly growing economy, yet it

has not become effective. The transfer to a new post-industrial quality may not materialize without modern technologies. We need state-of-the-art technologies which are in the hands of foreign investors. The scope of necessary investments is such that national capital, even if backed by the state budget, will be unable to cope with these tasks.

Nor can we afford to scrap key social programs. The Russian economy is facing the task of ensuring a decent level of pensions within the next 15 years. In a not-too-distant future we will have one pensioner per employee in the economy, an unprecedented ratio in the history of Russia.

To cope with these tasks, the Russian economy needs a dramatic reduction of what is conventionally called 'political risks.' To put it bluntly, if we find ourselves pinned to the axis of evil, we will have to forfeit hopes for economic modernization and the competitiveness of Russian products on international markets.

Let us not ramble on about breakthroughs by Russian scientists in all fields. In the modern world no country is capable of embracing all spheres of scientific-technical progress. Instead, let us remember that our warplanes were returned from Algeria because their avionics did not meet modern standards. Let us think about what can be done with GT-110 gas turbines for electric power plants produced by the Saturn firm, whose mass production it has been trying to launch for a decade, and whose designs seem to have been sold by our Ukrainian partners and co-designers to China for a profit. China already produces equipment similar to the GT-110, and has declined to buy Russian warplanes, preferring to copy them for free at their own enterprises.

The Soviet Union was unable to create an effective economy and collapsed under the weight of the arms race it was losing. The scope of expenditures on military research and technologies was such that the country did not have enough resources for milk and meat (not even chicken) for the population. We are risking a repeat of this "achievement." Do we really need it? We do not. President Medvedev has made it clear that Russia will not let itself be dragged into this exhausting race.

THE LIMITS OF U.S. OPPORTUNITY

But does the United States need an alliance with Russia?

Just a short while ago, flush with pride as being the only superpower in the world, the Americans scoffed at the opinion of not only their potential partners, but also the warnings of their allies, including Germany and France. Today both the Republicans and the Democrats are actively discussing the mechanisms of collective actions in the international arena.

During the crisis in the South Caucasus, not only Moscow but also Washington encountered the proof of their limited opportunities. The aspirations of U.S. political leaders were obviously broader than the scope of the ambitions of the Russian establishment. As George W. Bush took the helm, a conviction began to reign in the U.S. that it was the only superpower capable of withstanding a confrontation with any number of states and coming out the winner.

The U.S. obviously made Georgian President Mikheil Saakashvili believe its own conviction that nobody, not even Russia, would have the nerve to oppose a country that Washington publicly called a key partner. Infected with these phantom guarantees, Tbilisi attempted a reckless attack on South Ossetia. But it turned out that the U.S. had no real levers of influence to control the situation and the Russian authorities' actions.

The need to revise U.S. positions has become particularly obvious for the country's own political leaders amid the sweeping financial crisis that rocked the U.S. first, but which has quickly spread throughout the entire world. U.S. financial institutions currently serve global capital turnover when this capital takes a monetary, financial form. A transformation of savings in global investments is taking place under a new "globalized" formula: national savings accrue, enter world financial markets, and only after passing through this international stage are invested in a national economy.

A lack of adequate regulation over world financial markets is a general problem plaguing not just the U.S. and other countries, but the entire international market. Attempts by U.S. regulators to toughen requirements for the disclosure of information and registration of players on the U.S. market forced the

participants in transactions to seek a safer haven under other jurisdictions. The development of innovative operations with derived financial instruments severed the link between financial transactions and basic real assets.

It seems that national legislation can accomplish only one thing in this sector – ban national legal entities from having certain kinds of risky assets on their consolidated balance. But then they will need to agree on how to evaluate risky assets uniformly and regulate work with them through the concerted efforts of many countries. During the transitional period, the most risky operations will continue in an offshore "Las Vegas." Unilateral measures to overcome the crisis and to regulate the world financial sector are insufficient, even if one spends hundreds of billions of dollars on this.

The time has come to discuss methods of international regulation. From an objective point of view, the United States, in crisis conditions, should not be interested in stepping up military-political competition in the world arena, but in productive cooperation, including with Russia.

The Flipside of September 11, 2001

War Against the Mafia Instead of War On Terror?

Vladimir Ovchinsky

Russia's operation to enforce peace and its five-day war with Georgia took place just before the seventh anniversary of the start of the war on terror. The war has lasted for as long as World War II and many analysts have predicted it will never end. But the five-day war interrupted the expected course of events. It is not so much about a war on terror now as about a new Cold War. All the factors are in place for events to develop in such a way.

SEPTEMBER 11 AND AUGUST 8: DIFFERENCES AND SIMILARITIES

It would seem at first glance that there are more differences than similarities between what happened in the United States on September 11, 2001 and in South Ossetia on August 8, 2008. Some think these events should not be compared at all. In the first case we have a sudden attack by an unidentified source (later called Al-Qaeda) using unconventional tools of aggression. In the second, there was an expected attack by the regular army of a specific country on a self-proclaimed republic, which de-jure is part of this state.

However, the similarities outnumber the differences.

First, both atrocities might be branded as crimes against humanity, because they deliberately targeted civilians and resulted in a tragic death toll;

Vladimir Ovchinsky, a Major-General of Police (Ret), is an advisor to the Chairman of the Russian Constitutional Court and is a member of the Editorial Board of *Russia in Global Affairs*. He holds a Doctorate in Law.

Second, they both hit the world's largest countries that have nuclear arsenals. Al-Qaeda leaders were aware that they had issued an order to destroy American citizens on the territory of the United States, while Georgian leaders realized that, while firing their salvo systems at Tskhinvali, they were killing citizens of the Russian Federation (who make up an overwhelming majority) in a territory adjacent to Russia;

Third, both the United States in 2001 and Russia in 2008 mustered similar resolve to stave off the attacks and took measures to prevent further attacks.

The difference in the legal aspect of the retaliation is obvious. The strike against the armed formations of the Taliban in Afghanistan was sanctioned by the UN Security Council, while Russia, in rebuffing Georgia, was guided by the peacekeeping mandate agreed on in the Dagomys Treaty and the UN Charter that provides for protecting citizens from aggression.

But the main difference was that Al-Qaeda's attack on the United States led to the establishment of a broad international coalition of countries with various technological levels and geopolitical interests. In effect, a concept of an international war against terrorism was shaped, where Russia played and continues to play an important role.

Georgia's attack on Tskhinvali and Russia's retaliatory operation to force Georgia to peace sidelined Moscow politically and has put into question Russia's further participation in the antiterrorist coalition.

In other words, August 8, 2008 became September 11, 2001 in reverse for Russia. Both events were not ordinary episodes in history. They have influenced the global reconfiguration of world politics in the 21st century.

These events concern many things: international law, which has a number of mutually exclusive norms; the bloc system of countries; patterns of action in conflict areas; and forecast estimates of how a situation will develop. For example, many Western analysts doubt the legitimacy of "promoting" (from the point of view of potential danger) the fanatical anarchists behind the attack on the twin towers to the rank of nuclear

power. Some crimes that are normally handled by the police have turned into "military actions": it might seem sometimes that the reason behind this is to justify excessive budget spending and keep the police down.

INTERNATIONAL LAW OF THE STRONG

September 11, 2001 helped the U.S. to legitimize a new type of military action earlier tested in Grenada, Panama, Somalia and the former Yugoslavia. These were military campaigns in territories of sovereign states without a declaration of war, but with the use of bombing raids that did not necessarily target military facilities. These kinds of operations became an informal concept in the 1990s known as the doctrine of "humanitarian interventions." NATO's war against Yugoslavia in 1999 can serve as an example.

The eroding criteria of the use of force was caused by the collapse of the global geopolitical balance of forces, but the ambiguity of many provisions of international law on the main issue – of war and peace – was also an important reason. This ambiguity and contradictions in the UN Charter, and a number of pacts and declarations, were rooted in the so-called "trap of self-defense," or, to be more specific, "preventive self-defense." It established the groundwork for the "war against terrorism," justifying the wars in Afghanistan and Iraq, though neither Kabul nor Baghdad had ever challenged the United States through direct aggression.

In the first case, the start of preventive military action came on the strength of intelligence that Al-Qaeda had been planning an attack on the U.S. from Afghanistan. But the same argument could also justify strikes at Pakistan, a close U.S. ally, where Al-Qaeda's influence was as strong as in Afghanistan. In Iraq, "the preventive war" was not even based on intelligence, as former CIA chief George Tenet recently revealed in his book, but on the basis of dubious materials falsified by Dick Cheney's milieu. The Iraq war has resulted in 300,000 to 650,000 deaths, most of which were civilians, according to estimates by various independent U.S. and European organizations.

The contradiction between the self-determination of nations and territorial integrity of the states became another "trap" for international law. An arbitrary interpretation of these principles to meet certain geopolitical interests, together with a biased view of events, led to the illegal recognition of Kosovo by the United States and a number of other states.

August 8, 2008 brought such changes to the international scene that the "catch of self-defense" and "the catch of self-determination" became a trap for U.S. politics in the Caucasus. Moscow, in effect, snatched the "hot potato" from Washington in a big political game. Moreover, its reasons for fighting Georgia are real, unlike those of the United States. Russia reacted to the attack on its peacekeepers and ethnic cleansings against South Ossetians, with Abkhazians standing next in line. Most South Ossetians and Abkhazians are Russian citizens.

After August 8, Moscow used another legal ambiguity of the UN Charter – "the catch of peacekeeping," which enabled it to implement any preventive military action on the strength of a regional peacekeeping mandate, issued per agreement between two or more states. The U.S. had no such mandate for any of its three designated wars.

The reality that developed after September 11, 2001 and August 8, 2008 is such that the "catches" of self-defense, self-determination and peacekeeping in ambiguous UN documents can be used to justify war against sovereign states. This requires military might and political will. The United States demonstrated this capability after September 11, and Russia - after August 8.

International rules on war and peace are unlikely to change, and the existing ambiguities will persist. The United Nations will continue to exist because the world needs norms, no matter how vague.

The international law of the 21st century will remain the law of the strong, giving legitimacy to actions and means, and marking the right and the wrong. But after the August events, the phrase "war against terrorism" is ceasing to be the only "advertisement" of the use of force aimed at attaining political objectives.

AN ANTI-MAFIA COLD WAR

The Kremlin's show of political will shocked the West, long used to a docile Moscow. Many wanted to slap sanctions on Russia and isolate it. But even the most aggressive politicians and analysts admit the West's limited ability to exert a real influence.

The threats to Russia's development are not external; they largely come from within. The peak of oil production has passed, and starting in 2010, the trend toward a recession will gain momentum. Of the country's 14 largest oil fields, seven have been depleted by more than 50 percent.

Production at the four largest gas fields has been decreasing as well, but not because Russia is running out of oil and gas reserves. Rampant corruption and organized crime play a large role in the ineffective use of resources and the underfunding of new projects.

A national anti-corruption plan adopted just before the Russia-Georgia conflict uses a certain pattern to limit the lawlessness of officials. But it conspicuously lacks measures to fight the mafia. Corruption is just a gangland tool for deriving super profit, including in the fuel and energy sector.

A law-enforcement strategy to fight international organized crime that the United States adopted in April 2008 gives priority to fighting the mafia in the energy sector. It designated Russian organized criminal groups as the main source of danger.

Incidentally, it is this tool of putting pressure on Russia that the West is likely to use most actively. Threats were issued hard on heels of Russia's recognition of South Ossetia and Abkhazia.

On August 26, 2008, *The Washington Post* wrote in an editorial: "There is certainly no reason why U.S. and international agencies should not vigorously pursue the numerous allegations of corrupt practices by Russian firms. If Kremlin-connected companies violate Georgian or international law through their actions in the occupied provinces of South Ossetia and Abkhazia, their assets – gas stations in the United States, for example – could be subject to seizure."

Britain's *Financial Times* called for retaliation against Russia by its own methods: put pressure on Russian business and adopt dis-

criminatory measures against it. On August 27, *The Washington Post* published an unprecedented article titled "Target the Kremlin Pocketbooks" by David B. Rivkin Jr., a former Justice Department official, and Carlos Ramos-Mrosovsky, a lawyer. They suggested instigating "a law enforcement campaign targeting Russia's ruling elites." "If enough pain is inflicted on them, they will demand foreign policy changes and even seek to replace Putin," the authors said.

According to their recommendations, "whenever they have jurisdiction to do so – which should be often – U.S. and EU regulators should examine the business transactions of people close to Putin's regime for money laundering or for securities, tax and other economic irregularities. Asset tracing and long statutes of limitation should enable Western authorities to examine years' worth of business activities. The U.S. Justice Department should aggressively prosecute any instances of Kremlin-connected market manipulation, fraud, tax evasion and money laundering that fall within its reach."

"Subpoenas, indictments, asset forfeitures, judgments and travel restrictions will hit where even the most callous bullies feel pain: squarely in the wallet[...] Pursuing the oligarchs through the courts would not require the United States or Europe to take a single action 'against Russia.' U.S. and allied governments could note that these activities are consistent with overarching Western efforts to curb public and private corruption. Meanwhile, publicizing Western investigations into illegal activity by Moscow businessmen and returning the ill-gotten gains to the Russian people should please even the fiercest Russian nationalists."

The recommendations are actually an undisguised interference in Russia's internal affairs, presented as a fight against global corruption and international organized crime. These are the methods of the "new Cold War." Earlier, such directives were confidential, but now they are freely published.

The West began testing such methods of influencing Russia several months before the five-day war. For example, the U.S. Senate Committee on Foreign Relations held hearings on energy resources in the spirit of the anti-mafia cold war against Russia on

June 12, 2008. Zbigniew Brzezinski was one of the experts who testified and their testimony ran along the same lines as the *Washington Post* article. British courts adopted as tough a tone when questioning Russian oligarchs in economic, civil and legal disputes in July 2008.

This kind of pressure might prove much more effective than the classic "gunboat diplomacy." The U.S. and NATO do not have the clout now to start a military confrontation with Russia – there are too many problems everywhere. The "new Cold War" with Russia is likely to become an "anti-mafia" one.

Russia must be ready and try to stay a step ahead. Its further development, regardless of the model it chooses – militarized or very liberal – is impossible without a powerful anti-corruption project. It should not fear the West starting an anti-mafia cold war, instead Russia must use this as the reason for its operations "Clean Hands" and "Anti-mafia." An emphasis must be placed on the return of stolen assets to Russia and the arrest of multi-millions in assets purchased abroad. In that event, the U.S.-conceived operation "soft power" will play not against Russia, but to its benefit, contributing to its purification and development.

There are no easy solutions in the oncoming anti-mafia war. It is important not to get trapped by economic initiatives. It would be unwise to assume that all of the 300,000 Russians who own huge amounts of property in London are corrupt or belong to mafia clans. But the checks into the legality of the income – which must involve Western fiscal and law-enforcement bodies – must be sweeping. The mechanisms were worked out long ago and are part of the toolbox of Russia's financial watchdog, Rosfinmonitoring, operating through the Egmont intelligence network, and Interpol's Russian Bureau.

For example, one might compare the lists of big Russian property owners abroad, compiled by Western tax authorities, with the lists of suspects in criminal cases concerning corruption and economic crimes. Or Russia could compile lists of suspects in these cases and make international requests to search the bank accounts and property of each suspect.

The mechanisms of arresting accounts and property and their subsequent forfeiture, with the view of repatriating stolen and legalized funds, are spelled out in the United Nations Convention Against Transnational Organized Crime (2000) and the United Nations Convention Against Corruption (2003). Russia ratified these international agreements and can use them in full measure. If the work of Russian law enforcement agencies and secret services is vigorous and coordinated, it might be possible to repatriate tremendous amounts of funds, while making the West an active participant in the process and not giving it a reason to call Russia a criminal country.

There is no doubt that the anti-mafia cold war will see a "battle of lists." The West will start palming off to Russia the names of those who it believes make up the circle of "Putin's friends." Russia meanwhile will be demanding information about other persons. My own working experience at Interpol's Russian Bureau shows that those who stole Russian funds and legalized them abroad are not known to the public at large. They never give interviews and do not have their faces smiling at us from glossy magazine covers.

Fighting the mafia is a fine art. We should not allow bona fide entrepreneurs who are expanding business abroad in Russia's interests to fall under the block of Western and Russian reprisals. This is what the ideologists of the new cold war in the United States and Europe will be striving toward. They need to get rid of economic competitors, instigate a mutiny and resist Russia's policy among the most mobile part of the population.

From the Megaphone to the Microphone?

Russia, the West and the Arc of Mistrust

Sir Roderic Lyne

The story is told of a celebrated hypochondriac whose gravestone read "I told you that I was ill!"

We are at a very difficult point. As I write, the world's financial system is in chaos. By the time this article is printed, I trust the panic will be over; but the effects of the crisis will be with us for years to come, and will affect us all. For the third time in less than two decades, after 1991 and 2001, unexpected and unpredicted events have burst upon us in a way that changes the world.

For years, we have been telling each other that today's big problems were global and transcended national boundaries; that we had no rational choice but to tackle them together. Now we find ourselves again in the midst of global tumult (with further huge issues of nuclear proliferation, energy, climate change, water and so on clearly visible on the horizon) – and our divisions remain. Are we going to sink into the ground, still saying: "I told you we needed to work together"?

In August, the rift between Russia and the West, which had been widening for five years, became a chasm. Decisions were taken and policies made, in different capital cities, on a basis, not of rationality and mature calculation, but of hot-headed emotion, short-sightedness and ancient prejudice. There were serious and dangerous miscalculations on all sides.

Sir Roderic Lyne was British Ambassador to Russia from 2000-2004. He is a lecturer and business consultant, and a frequent visitor to Russia.

The result of a conflict which was both entirely avoidable and also seemingly inevitable (or so it had come to appear over the past few years) was that our divisions grew even wider. In his speech in Evian in October, President Medvedev spoke of a "trend of growing divisions in international relations," of "the United States' desire to consolidate its global rule," and of "NATO bringing its military infrastructure right up to our borders... No matter what we are told, it is only natural that we should see this as action directed against us." In the previous month he told the Valdai Forum that Georgia's "cynical and bloody attack under the slogan of restoring constitutional order" had put "an end to the last illusions about the current security system's ability to function reliably:" the world had changed, for him and for Russia, much as it had changed for the United States on September 11, 2001.

At an emergency Summit in September, the EU's leaders used unprecedentedly strong language. They were "gravely concerned by the open conflict which has broken out in Georgia, by the resulting violence and by the disproportionate reaction of Russia... Military action of this kind is not a solution and is not acceptable... The European Council strongly condemns Russia's unilateral decision to recognize the independence of Abkhazia and South Ossetia. That decision is unacceptable..." In the United States, Senator McCain accused Russia of "stark international aggression;" his rival Presidential candidate, Barack Obama, spoke of "the challenge posed by an increasingly autocratic and bellicose Russia" and said the conflict had "opened a huge divide between Russia and the international community."

Almost one year ago, I argued in *Russia in Global Affairs* (No. 1, 2008) that analogies with the Cold War could not be taken seriously; that neither the leaders of Russia nor of the "West" (however defined) sought a new confrontation; but that the trust that had existed up to 2003 had evaporated and needed to be rebuilt, step by step.

Is this still a tenable argument?

At a recent conference in Italy, I repeated my argument that the West (let us say Russia's partners in the G8 – the EU, the

U.S., Japan and Canada) and Russia needed to find ways of resurrecting the level of trust necessary for stability, security and cooperation on major strategic issues. I was immediately challenged by a Parliamentarian: how could anyone now speak of "trust"? Was this not an absurd notion, with Russia and the West each accusing the other of hostile intentions?

It was a fair point. In August there was no trust. There is no point now in rehearsing the conflicting interpretations of the conflict, and the barrage of accusations and counter-accusations: there will never be a consensus on who bears the greatest responsibility for this unnecessary war. But what is beyond dispute is that confidence in our collective ability to manage European security was severely shaken.

So what do I mean by a necessary level of trust? Clearly this cannot at present mean "partnership." In August it finally became manifest to those who had failed to appreciate the point before that partnership was off the agenda. But if we are to deal sensibly with each other, we need ***predictability***; we need an accurate understanding of each other's ***interests and intentions***; and we need the ability to ***communicate rationally***.

These are the elements which need to be restored. With the vastly freer and more normal interchange between Russia and the West since 1991, one would have expected a more sophisticated level of mutual understanding to develop. But a paradox of the past 17 years is that the gulf in understanding among policy-makers is, if anything, wider than it was during the Cold War. Russian and Western leaders view each other through the prisms of their own systems. This leads inevitably to miscalculations – of which the events in the Caucasus were the most serious of recent years, though far from the first.

Trying to escape from these prisms, let me pose three questions which are fundamental to our ability to deal sensibly with each other: What does the Russian leadership want? What does the West want? How might we reconcile our interests?

Of course, neither Russian nor Western opinion is monolithic. There are extreme views on both sides, gleefully proclaiming a

mythical "new Cold War," and if we allow them to control the debate they risk turning the myth into a reality, much to the detriment of all of our interests. As Boris Dolgin has put it, Russia's isolationists are close allies of Western supporters of containment. Each feeds off the other. But I shall try to focus on what appears to be the mainstream of educated opinion, leaving propagandists to one side.

WHAT DOES THE RUSSIAN LEADERSHIP WANT?

Some months ago, before the events in the Caucasus, I heard a Russian expert say "We are strong again – but we don't know what it's for."

In a recent article for the "openDemocracy" internet journal, Alexei Arbatov has posed the question: Will the August crisis be an isolated episode in the post-Soviet space and in relations between Russia and the West – or the "first swallow" of a new phase in the disintegration of the Soviet empire – henceforth on the Yugoslav model?

President Medvedev has set out five guiding principles for Russian foreign policy, but does Russia have a strategy?

I put this question to the President when he lunched with the Valdai Club. He replied that "The aim of any foreign policy is to ensure a good domestic life. Foreign policy is itself only a means for achieving internal political goals... The foreign policy of any state should be designed to ensure the stable development of its economy, its social sphere and ensure normal standards of living for its people."

That is not an answer with which any reasonable person could argue, but let me risk going a little further. Four objectives seem to have been uppermost in Russia's external policy of the past five or so years.

The first is ***security***. Like any large country or group of countries, Russia seeks to maintain the power to deter attack or coercion. But, historically and to the present day, Russia feels less secure about its boundaries than any other major power. To

the West and, especially, along its long Southern and South-Eastern borders, Russia lacks natural frontiers and logical definition; and worries about a lack of manpower, exacerbated by demographic decline, necessary to populate and defend vast border areas. So Russia tends not just to seek security within its own borders, but remains attached to the historical idea of a buffer zone: it wants to retain the ability to influence or coerce neighboring states (most of which were within the Soviet Union) and above all to prevent these states from forming close alliances with other powers. The influence of such powers tends to be seen as hostile, in a zero/sum sense.

The second objective is to assert ***independent sovereignty***. The policy elite has developed a concept of sovereignty which claims exceptional status for Russia: along with the United States, China and India, Russia is declared to be one of a small group of global powers which enjoy fully independent sovereignty. The aim of such powers is to enjoy unconstrained freedom of action and to avoid domination by other powers. Russia has claimed the right to act beyond its borders to protect "the lives and dignity of Russian citizens, wherever they may be" and to give "special attention" to particular regions or a "zone" where it asserts "privileged interests" (to quote President Medvedev, though previous Russian governments have asserted the same interests, going back to Foreign Minister Kozyrev in the early 1990s). The leadership also demands that there should be ***no external interference in Russia's internal affairs***, reserving the right to make a very broad definition of "interference" (which has embraced broadcasting, promotion of civil and political rights, religion, charitable activities by non-governmental organizations and aspects of cultural and educational interchange and of foreign investment). A narrative has been developed whereby the 1990s is seen as a period of malign Western interference in a weakened and humiliated Russia (whereas the West thought that it was trying to assist the Russian people, support the Russian transition, and forge a new partnership).

A third objective, closely linked to the second, is to ensure, once again, ***global recognition of Russia's status as a major Power***. Since the riches rolled in from oil five years ago, the leadership has marched under a banner proclaiming that Russia is strong again and can no longer be ignored or taken for granted. They wish to be the strategic interlocutor of the United States; an equal partner of China; a power with a full vote in European issues and an Asian-Pacific power, as well; a senior member of all international clubs; an actor in the Middle East; and the patron of a network of "friendly" or client states.

The fourth discernible objective has been to seek ***Russia's full integration into the global economy***. Russia wants to be able to make use of its comparative economic advantages, and to translate them into political influence. It wishes to become much more than a "raw materials appendage" to the West and China, and, by exploiting its human capital, to join the ranks of the advanced economies.

Russia's pursuit of these goals has been beset by a number of contradictions. It wants to use economic strength and economic development, entirely legitimately, to advance its position in the world; but the lack of restructuring and investment has left the economy dependent on a narrow base of hydrocarbons and other raw materials. It wants to be a leading power within the status quo, and puts international law and the strengthening of the multilateral system at the head of its priorities; but has acted outside international law in the Caucasus and elsewhere, and has been reluctant to accept the rules, constraints and ethos of the clubs it joins. Does the sanctity of international law (the President's first principle) take precedence over what he has described as the "indisputable priority" of protecting the lives and dignity of Russian citizens, wherever they be? Moscow seems to be divided between those who want to confront the West, and those who believe that this would be hugely damaging for Russia's interests; and between those who wish to use economic blockades and the threat of force against neighboring states, and others who think a policy of attraction would be more productive than coercion. The President

declares that Russia wants "friendly ties with Europe, the U.S. and other countries in the world;" but Moscow gives the impression of looking out at a world full of adversaries – a hostile United States; NATO and the EU joining in encroachment on Russia's interests; potentially treacherous post-Soviet states with grievances; destabilizing forces to the South; and, looming as a future threat from the East, the emergent Chinese superpower. Some allies might be helpful: Hugo Chavez's Venezuela scarcely fits the bill.

Given these contradictions, it is not surprising that the West is confused and uncertain about Russia's intentions – that the element of predictability I mentioned earlier has been lost. The appearance of Russian armor 20 kilometers from Tbilisi and aerial attacks deep inside Georgia were manna to Western apostles of containment and a new Cold War, just as Saakashvili's bombardment of Tskhinvali must have delighted their isolationist Russian counterparts. General Ivashov regretted that the Russian forces had not been allowed to take Tbilisi itself. The American neocon John Bolton struggled to contain his glee when interviewed about Russian recognition of South Ossetia and Abkhazia. Two of a kind: each makes the other's day. But neither offers a viable strategy for the management of the world in the 21st century. Both represent failed philosophies.

WHAT DOES THE WEST WANT?

Russia has no less reason to feel confused about Western objectives, although the Russian leadership is more adept at coping with the confusion. Even to speak of "the West," as Russians invariably point out, begs the question: what is the West? How is anyone to interpret the bizarre, Janus-faced decisions taken by NATO at Bucharest, stalling the applications of Georgia and Ukraine for Membership Action Plans while declaring the road to eventual membership to be open? How can the United States have failed to detect Saakashvili's intentions and deter him from his idiotic attack? As Fyodor Lukyanov has rightly pointed out in a recent article (published on the internet in Polit.ru and openDemocracy), the West appears to have no more of a long-term strategy than Russia.

Let me nevertheless suggest certain objectives around which Western governments broadly coalesce.

The first, as with Russia, is ***security*** – the security of their states and the collective security of NATO and the European Union. The important point here is that the West does not see a direct threat from Russia. We have this from no less an authority than the U.S. Secretary of Defense, Robert Gates (speaking at a NATO meeting in London in September). The hierarchy of threats to Western security is headed by proliferation of weapons of mass destruction and international terrorism – especially where they have the potential to overlap.

A second vital objective is to preserve ***peace, stability and prosperity in Europe***. This is why the conflict in the Caucasus was not treated as a minor episode in a distant country, but set alarm bells ringing. Like the wars in the Balkans, it was a reminder that peace in Europe could not be taken for granted; and, more ominously than in the Balkans (notwithstanding the Pristina incident), it raised the possibility of a direct confrontation between Russian and U.S. forces. It underlined the fact (not new to the expert community, but hitherto unappreciated by Western public opinion) that Russian and Western objectives are undeniably in conflict in the shared neighborhood of post-Soviet states, where the Russian concept of a buffer zone or "zone of influence" is incompatible with the rights of sovereignty, self-determination and freedom of choice promoted by the West.

A third objective is to ***advance or protect the global interests of Western countries***. In the Cold War, this entailed bloc-to-bloc confrontation and frequently proxy wars with the Soviet Union. We are now in an entirely different situation, with many competitors and combinations; no inbuilt confrontation; and, quite often, alignment of the interests of Russia and different Western countries. Some of the sharpest competition has been between Western countries.

Fourth, though no less important, is ***defense of the rule of law and global order***. But here there are manifest differences, which the war in Iraq has highlighted, between Western countries, and not just Western countries, about how this is to be achieved.

Many in the West would add a fifth objective – ***the promotion of democratic values and human rights***. While this may sound like motherhood and apple pie, it leads to a critical debate about methods and priorities. The moral case for removing Saddam Hussein, who bore responsibility for mass murder and obscene torture, was very strong; but the idea that Western-style democracy could be imposed on Iraq was simplistic and fallacious. The inconsistency and double standards of the Western approach are glaring: critical of Russia and China (and much more so of, say, Burma and North Korea), but, for reasons of *Realpolitik*, almost silent on countries like Saudi Arabia.

How does this translate into policy toward Russia? Not very clearly. The Bush Administration has veered like a drunken sailor between trying to ignore Russia, seeking Russian help on specific issues, and denouncing Russia. Its approach has lacked any coherence or semblance of strategic vision. The European Union has been no more coherent, because of its internal divisions. The mainstream of EU countries does have a vision. It would like to form a genuine partnership with Russia (but not a partnership at the expense of others, whether the United States or former Soviet and Warsaw Pact states), and to promote, over time, much closer integration of Russia with Western and Central Europe. There would be obvious benefits, in terms of peace and prosperity. However, with partnership off the agenda and unattainable in at least this generation, the EU is not clear what it wants. It needs to continue to engage Russia; but also to restrain and deter what it sees as aggressive and coercive approaches to neighboring countries, including EU member states, and attempts to divide and manipulate the European Union itself. It is confused about how to do this.

CAN RUSSIAN AND WESTERN INTERESTS BE RECONCILED?

The means by which the Russian leadership has sought, rhetorically, to reconcile its position with that of the West is a curious one. Having long complained (and not without justification) of Western double standards, the Kremlin appears now to have

adopted the "Bush Standard." The language used by the Bush Administration (and its supporters) has been tape-recorded and played back. 8/8 is equated with 9/11 – a nation-changing moment which creates a new mind-set and justifies extreme (and if necessary unilateralist) measures. The opponent is depicted as a mad dictator who, like Saddam and Milosevic, must be dragged before a court to face charges of genocide (notwithstanding, in this case, palpably thin evidence). Tony Blair is quoted: his arguments for "humanitarian intervention" and his defense of standing alone when you are convinced you are in the right. If Western nations choose to recognize Kosovan independence without UN approval (albeit 9 years after the conflict and after lengthy, UN-supported negotiations over status), Russia has the right to recognize Abkhazia and South Ossetia (whose leader told the Valdai Club that he wanted, not independent statehood for his tiny mountain territory, but unification with North Ossetia within the Russian Federation).

The problem with the Bush Standard is that it has gone right out of fashion. For reasons which need no elaboration (the single word "Iraq" is sufficient), its authors – Cheney, Rumsfeld and a gaggle of neo-cons – are utterly discredited even within their own country. The Bush Administration will shortly slither ignominiously into history, leaving the United States a much weaker country than they found it. And the U.S.A., a country with a remarkable capacity for regeneration, will have learned from this bitter experience and will set out on a different course.

So this doesn't seem like the best model to follow. We need a better model.

We have the building blocks. There is no objective need for confrontation. President Medvedev declared at Evian that "we are in no way interested in confrontation." It would be the avenue of last resort, and would be expensive and damaging to all of our interests.

We have a vital shared interest in the management of global problems. And the crises in the Caucasus and the financial markets have had the salutary effect of reminding us of our

interdependency and of our ability to cooperate when we are forced to do so.

We now need to draw the right lessons from these crises.

First, Russia and the West need to talk to each other. Frankly. And not just during a crisis.

Second, in that spirit of frankness, we don't need to like each other in order to cooperate – but an atmosphere of strident animosity makes talking much more difficult and risks leading to the confrontation which both sides say they wish to avoid. Many things have happened inside Russia which have tarnished Russia's reputation abroad and which stand in the way of partnership. The West will continue to criticize such actions; but, until such time as the Russian people themselves decide on a change of course, Western governments will need to work with a system which they may not like but cannot alter. Likewise officially-encouraged animosity toward the West has built up to a fever pitch in Russia, for a variety of reasons. Blaming an external enemy is an old political gambit. Political leaders on both sides need to be careful about playing to the nationalist and xenophobic emotions of the domestic gallery, or they will risk finding themselves boxed in by the forces they have unleashed. Threatening language has become part of the problem.

Third, and most importantly, we must address the heart of the problem. As has become increasingly apparent, there is one strategic issue over which the objectives of Russia and the West divide sharply, one fault-line between us. This is the arc of mistrust, which stretches from the Baltic states through Belarus, Ukraine and Moldova along the Black Sea to the Caucasus and into Central Asia (with a risk that unilateral actions could extend it further northwards into the Arctic). How this is handled will, I believe, determine Russia's relationship with the West for many years to come.

The immediate task is to prevent the situation from getting worse. We cannot afford a repetition of August. The ceasefire arrangements in Georgia must be respected. Nothing should be done elsewhere in the "arc" to create new tensions: no provoca-

tions, reawakening of dormant conflicts, blockades, disruption of energy supplies. Ukraine should be allowed to hold its elections without outside interference. NATO should avoid repeating the mistake it made in Bucharest. The enlargement of the European Union has been a much more successful process than the enlargement of NATO, in part because it has no military dimension, but also because the EU has never been afraid of discussing it with the Russian government (the talks before the last enlargement, including over Kaliningrad, being a good example). NATO enlargement was mishandled from the outset. Decisions were taken ad hoc, without a strategy or proper calculation. Misleading signals were given to Moscow as far back as 1990. NATO should have built up its partnerships with Russia and with prospective new members in parallel. It is not necessarily wrong, per se, for NATO to enlarge; but the prime consideration should be the stability and security of Europe. For now, talk of possible membership for Georgia and Ukraine is premature as well as irrelevant to the real security needs of both countries.

Much the same could be said of missile defense. This is an unnecessary argument. In the spring of this year I was told by two very senior representatives of the foreign policy establishment in Moscow that, while Russia did not like or see the rationale for the proposed installations in Poland and the Czech Republic, it could live with them so long as inspection arrangements were agreed whereby Russia could be assured they did not constitute a threat. One must hope that the next U.S. Administration will review these plans. If it goes ahead with the program, it would be wise to address concerns expressed by Moscow, which are far from irrational.

However, we have to think beyond these immediate steps. If we are to rebuild mutual understanding and predictability and preempt future threats to European stability, we need to have serious and structured discussions about the issues which divide us. We talk about global issues in a variety of organizations, but when it comes to European security, a long agenda has accumulated which we have simply failed to discuss.

President Medvedev has issued a challenge to the West to discuss European security. The initial Western reaction has been sceptical, seeing this as a rather old-fashioned ploy to undermine NATO and delink the United States from Europe (an impression enhanced by the strident attacks, which he and his predecessor have made on U.S. unilateralism). In my view, the West should take up Medvedev's challenge. We cannot expect a meaningful response from Washington until the next Administration is up and running around the middle of 2009. This gives the European Union and the European members of NATO time to explore the idea and to formulate a position to put both to Washington and to Moscow. First, they should conclude that a structured negotiation – inevitably complex, and probably lasting several years – is necessary, and that they will devote resources to it. Second, they should think about the format. All states of the OSCE area should be represented equally: there can be no question of negotiating over their heads. Organizations will also need to be represented, as Medvedev has suggested. Third, they should look at Medvedev's ideas on content, and add to them. He has made some important points about commitments to sovereignty, territorial integrity, the inadmissibility of the use of force and dispute resolution procedures. There is an obvious read-across here to events in the Caucasus. No one sitting down with a blank sheet of paper would have devised the international boundaries inherited by the 15 states of the former USSR. They were an accident of internal Soviet administration (and in some cases the whims of Stalin and Khrushchev) and not based on any ethnic, economic or strategic principle; but any attempt to change them now, except by agreement, would risk the dire consequences described by Arbatov in his article. The "recognition" of South Ossetia and Abkhazia set an extraordinarily dangerous precedent for attempts to change these boundaries unilaterally and by force. Reaffirmation of the inviolability of frontiers and of territorial integrity is critical to future stability.

I accept that such a negotiation would be cumbersome, slow and expensive. But the alternative is worse. We risk lurching

from one dispute to another in an atmosphere of deepening suspicion and hostility, and again lining up as proxies in regional conflicts. It would be far better to have Russia and Georgia voicing their grievances across a table than fighting in South Ossetia; far better for us all to be talking through microphones rather than megaphones.

I end where I began. The world is in too bad a state for us to indulge our prejudices and animosities. "The global system is paralyzed on a scale that now surpasses 1929," wrote the economist Will Hutton on 12 October, "without collaboration and leadership, we face disaster." That does not just mean disaster for improvident Western bankers. There has been no safe haven in this storm. Alexei Kudrin said of Russia in the same week: "The abundance we have experienced is drawing to a close. Our country's oil and gas output is likely to peak in 2008. We won't see this much revenue again. In that sense, we are crossing a historic boundary." The weaknesses of all of our economies have been brutally exposed. Protectionism and isolationism would make these ailments worse. The need to pull together and act together has not been greater at any point since the Second World War. Is it too much to hope that the crisis will bring us all to our senses?

Russia in the World: Readjustment

"The moment the organ-grinder starts to play the old tune, the trained monkey begins its dance."
Herluf Bidstrup, 1977

"A rational choice in the conditions of global disorder is not openness and orientation toward multi-party regimes, but the building of firm walls, the formation beyond them of areas of influence, and periodic forays into "the enemy territory."

From a Post-Soviet to a Russian Foreign Policy

Lessons From the Conflict with Georgia

Alexander Lukin

Russia took military action in support of South Ossetia last August and this has undermined the model of Russian-Western relations that arose in the 1990s and has created a new situation in the world – one of real, rather than declared, multipolarity. The backbone elements are Moscow's refusal to stick to the rules of the game laid down by the West and its readiness to oppose the West, at least in some aspects that have a bearing on Russia's fundamental interests, even at the cost of a serious confrontation. What is the root cause of the situation and its aftermath for Russia and how should we construe our policy so as to use it in our interests?

THE WEST AND POST-SOVIET RUSSIA

Back in 1951, the widely acclaimed U.S. expert on Soviet policy George Kennan wrote: "These [...] are the things for which an American well-wisher may hope from the Russia of the future: that she lift forever the Iron Curtain, that she recognize certain limitations to the internal authority of government, and that she abandon, as ruinous and unworthy, the ancient game of imperialist expansion and oppression." He made a remark further, saying: "If she is prepared to do these things, then Americans will not need to concern themselves more deeply with her nature and purposes; the basic demands of a more stable world order will then

Alexander Lukin is Director of the Center for East Asian and SCO Studies at the Moscow State Institute of International Relations (MGIMO).

have been met, and the area in which a foreign people can usefully have thoughts and suggestions will have been filled."

Russia surpassed all the expectations of U.S. analysts in 1991 and 1992 as the Soviet Union fell apart. Moscow recognized the full independence of not only all its former Eastern European satellites, but the independence of the former Soviet republics, as well. The Communist Party lost power; and a democratic opposition seized the helm and launched radical market reforms. More than that, the government embarked on an overtly pro-Western foreign policy course and accepted the role of a junior partner to the "civilized world."

But let us turn back to George Kennan's article. He foresaw the complexities that would arise in defining state sovereignty in case the Soviet Union transformed into a freer state, and he called for refraining from accelerating the collapse of the country. Kennan, the author of the 'containment' doctrine, believed that the U.S. "would do well to avoid incurring any responsibility for views or positions on these subjects; for any specific solutions they may advocate will some day become a source of great bitterness against them, and they will find themselves drawn into controversies that have little or nothing to do with the issue of human freedom."

Kennan went on to say: "What is plainly necessary, and the only solution worthy of American encouragement, is the rise of such a spirit among all the peoples concerned as would give to border and institutional arrangements in that troubled area an entirely new, and greatly reduced, significance. Whether that spirit will actually arise, we cannot tell. And precisely because we cannot tell this, Americans should be extremely careful in committing their support or encouragement to any specific arrangements in this sphere [...]." He predicted, among other things, the inevitable independence of the Baltic states, but he said along with it that "Ukraine is economically as much a part of Russia as Pennsylvania is a part of the United States," and that is why he called for staying away from advocating some kind of specific status for it in advance.

Kennan also issued a warning with regard to the satellite states – the Eastern European countries dependent on the Soviet Union. While speaking out for their full independence, he observed that the Americans willing to ooze encouraging influence in that part of the world would do a good thing by telling their friends in the countries behind the Iron Curtain – provided they had them there – that they should stop speculating wearingly over the so-called national borders and patriotic feelings of misled language groups.

The U.S. and European diplomacy acted on George Kennan's recommendations in the opposite way. Nationalism in Yugoslavia and in the former Soviet Union was used to undermine their sovereignty and to weaken these two states. Anti-Russian feelings in the countries that used to make up the Soviet Union or that stayed within its sphere of influence were instigated in every conceivable manner. The West did not feel satisfied with the fact that the Soviet Union had changed beyond the U.S. leaders' most audacious dreams. A decision was taken to continue pressing Russia until it fully submitted its foreign policy to Washington's desires, ephemeral and controversial at times.

This kind of approach to Russia has invited criticism in the U.S., as well. The *New York Times* columnist Thomas Friedman described the U.S. disputes on this in an article in mid-August 2008: "Let's start with us. After the collapse of the Soviet Union, I was among the group – led by George Kennan, the father of 'containment' theory, Senator Sam Nunn and the foreign policy expert Michael Mandelbaum – that argued against expanding NATO, at that time. It seemed to us that since we had finally brought down Soviet communism and seen the birth of democracy in Russia the most important thing to do was to help Russian democracy take root and integrate Russia into Europe. Wasn't that why we fought the Cold War – to give young Russians the same chance at freedom and integration with the West as young Czechs, Georgians and Poles? Wasn't consolidating a democratic Russia more important than bringing the Czech Navy into NATO? All of this was especially true because, we argued, there was no big problem on the world stage that we could effectively address without

Russia [...]. No, said the Clinton foreign policy team, we're going to cram NATO expansion down the Russians' throats, because Moscow is weak and, by the way, they'll get used to it. Message to Russians: We expect you to behave like Western democrats, but we're going to treat you like you're still the Soviet Union. The Cold War is over for you, but not for us."

The U.S. calculations proved to be wrong – it did not take account of either the real international situation, Russia's size as a country or the nature of its political culture. First and foremost, the growth in world energy prices, which had in many ways been boosted by U.S. foreign policy, and a rationalization of the Russian government's economic course led to a sizable increase in Russia's financial capabilities. But even regardless of the whims of the market, it was illogical at the least to hope that a country like Russia would always remain weak and irresolute. That is why the course, which the veteran Russian diplomat Anatoly Adamishin described by citing the Italian saying "to give out nothing, to take away everything and to demand more," was fraught with catastrophe.

The aftermath saw the disillusionment of the elites and the rank-and-file with the West's foreign policy and models of development, which gave a push to the strengthening of authoritarian tendencies and reduced the influence of liberal parties and the models of development they promoted. Russian foreign policy then turned toward the setting up of an alternative center of power.

THE FEATURES OF POST-SOVIET FOREIGN POLICY

While Soviet foreign policy was based on an ideological confrontation with the "imperialist world" personified by the West and the facilitation of its destruction was the eventual objective of that policy, post-Soviet foreign policy was the carryover of residual Soviet features; i.e., the paradigm centered on the exclusive role of interaction with the West minus the radical goal of the latter's destruction. This means that post-Soviet policy evolved from the realization that the former "imperialist world" (now labeled by different political forces in Russia as "the civilized world," the

West, NATO, the Euro-Atlantic Axis, etc.) was the center of the universe and the only actor in world politics worth giving attention to. It suggested that Russia should interact with almost no one else but the "civilized world." The Russian political leadership in various periods (and various political forces with differing political orientation) called for different, and often quite opposing, forms of interaction with the West, ranging from full incorporation as a junior partner (like it was in the early 1990s) to putting up tough opposition to the West (like what happened soon after the bombing raids started against Yugoslavia).

However, even though the concept of multipolarity was specified in the official documents on foreign policy and they would set out Russia's foreign policy priorities correctly at times, the practical foreign policy steps did not go beyond the traditional Russian-Western post-Soviet paradigm, while relations with other partners (China, Iran, the Middle East) would often be viewed as a lever for putting pressure on the West or as a mechanism for influencing it. These regions were not viewed as actors having significance per se.

This post-Soviet approach was grounded in the first place in the residual Soviet mentality of the people standing at the helm of foreign policy and was highly counterproductive, as it impeded the correct identification of Russian foreign policy interests and the efficacious implementation of measures backing them up. Instead, foreign policy making turned into an endless chain of intermittent concessions and confrontational gestures toward the West. Moscow made concessions – often to the detriment of Russia's national interests – with the hope that they would be reciprocated, and when no reciprocal steps were made, it would launch acts of revenge stemming from the logic that suggested: "Take that and enjoy it, although it won't make us any better off." This kind of policy could be seen almost throughout the entire tenure of Foreign Minister Andrei Kozyrev. It gave way to a tougher line when Yevgeny Primakov replaced Kozyrev as foreign minister. Senseless concessions on the Yugoslav problems had led to the UN enforcement of the blockade of Yugoslavia and they could not

be remedied with the aid of overdue efforts to prevent the bombing of Serbia. Once the bombing raids did begin, inefficient manifestations of displeasure followed, including Primakov's famous order to turn his jet back home over the Atlantic. Victor Chernomyrdin's advice to Slobodan Milosevic to give up positions during the bombings was followed by the senseless and sudden advance of Russian paratroopers from Bosnia to Kosovo and their subsequent and equally senseless withdrawal from there. The first years of the 21st century were also marked with a number of irrational gestures of goodwill, like the shutting down of a Russian radio electronic surveillance center at Lourdes, Cuba, and a Russian naval base in Cam Ranh, Vietnam. Experts differ in their assessments of the need for both shutdowns, but in any case those decisions could have been taken in the format of a bilateral agreement with the U.S. and not as unilateral concessions.

This tendency saw a special surge after September 11, 2001, when Russia fully supported the U.S. In addition, it offered a feeble reaction to the U.S. withdrawal from the Anti-Ballistic Missile Treaty and did not object to the deployment of anti-terrorist coalition forces in Central Asia. A reversion came about, however, when no reciprocal reaction came from the West. The follow-up embraced the Shanghai Cooperation Organization's (SCO) calls in 2005 for coalition countries to decide on the deadlines for the stay of their military contingents in SCO member-states, arms deals with Iran, Syria and Venezuela, demarches against Britain, a suspension of the Treaty on Conventional Forces in Europe, etc. When seen against the background of blatant lobbying in favor of major corporations, this policy of flip-flops resulted in the lack of practical achievements in the international arena. Russia's image plummeted in the West, where Russia was perceived as a forced, complicated and unpredictable partner, and in other parts of the globe, where Moscow's conduct was seen as the one lacking a clear line.

In theory, Russia faced a choice between a return to the policy in the format of the Western system and strategy, and the upkeep of an independent line. However, the policies pursued by

the West – and primarily by Washington – deprived Moscow of this choice. On the foreign policy plane, Russia could not turn into a country in the vein of Poland that always comes around to fundamental concessions in spite of certain frictions, or in the vein of Japan and Turkey, whose specific internal organization is always pardoned due to their strategic significance and full obedience in issues of military strategy. The West has embraced them as valuable members of the coalition and ones whose opinions are heeded. As for Russia, it was issued a demand for unconditional surrender on all items.

By taking military action in South Ossetia, Russia sent a justified – and quite possibly, much overdue – signal that it did not find the post-Soviet foreign policy paradigm acceptable any longer. The West did miss a historic opportunity to incorporate Russia into the system of its own unions, as it preferred minor and instantaneous interests instead to Russia. Yet one should perceive this as a reality. The commonplace grievances against the West and the willingness to serve it in the same way are unacceptable for Russia both from the point of view of its genuine interests and its real capabilities. There is much more practicality in the recommendations of people who say that Moscow should formulate for itself and offer to the world a program of realistic and pragmatic foreign policy matching its genuine strategic interests and the goals of economic and social development. (For an example of this see Alexei Arbatov's article "Don't Throw Stones in a Glass House". *Russia in Global Affairs*, No. 3, July-September 2008.)

POSSIBLE CONTOURS OF A NEW RUSSIAN FOREIGN POLICY

A foreign policy course that meets Russia's national interests in earnest could become an alternative to the post-Soviet approach. Its goal might be a return of foreign policy attractiveness to Russia – something that is known as 'soft power' today. Historically, the Russian Empire and the Soviet Union had certain attractiveness. The Russian Empire symbolized the

Orthodox Christian world and was a center of gravity for pan-Slavic movements. At certain periods it was a pillar of struggle with international revolutionary tendencies, like after the defeat of Napoleonic France. The Soviet Union offered an alternative to bourgeois civilization and quite a number of people would long view it as a rising ideal society, for which they were ready to sacrifice their lives. Today's Russia does not offer anything – apart from its mineral resources – that would deserve at least some interest, to say nothing of sacrificing one's life. Its soft power, non-aggressive attraction, and moral and ideological influence have dropped to zero. It does not promote either a democratic ideal (similar to the U.S.) or a fundamentalist ideal (similar to some Islamic countries and movements). It does not serve as a model of successful integration on the basis of democracy (like the EU) or a pattern of speedy development (like China that has aroused global interest with the so-called 'Beijing Consensus' as an alternative to the 'Washington Consensus'). Russia is not a crucial and useful ally for anyone (the way Japan is for the U.S.) or anyone's bitter enemy (like Iran is for the U.S.). Naturally, someone can say that the world has a large number of countries that do not offer anything special to mankind (e.g. the small states of Europe). But they do not claim the role of independent centers of power, to say nothing of being separate civilizations, since they are part of the European one. In the meantime, an attempt to integrate Russia into Europe flopped, and that is why Russia must look for ways to consolidate its own soft power and seek things that it could offer to the rest of the world, albeit not on the Soviet scale of the past.

Russia's transition to a new foreign policy envisions a number of measures: to formulate basic national interests; to understand which of them correspond to the interests of other major international players in the field of world politics; to turn the areas of convergent interests into guidelines for Russian foreign policy attractiveness; and, by cooperating in those areas, to induce partners to concessions on the items where their interests are not identical with Russia's.

RUSSIAN NATIONAL INTERESTS

The sphere of Russia's fundamental national interests should not be interpreted too broadly, especially considering Russia's current position. It must incorporate solely the interests that are directly relevant to the future of the nation, the ones the nation should defend with all of its might. The Russia of today does not seek to conquer the world or to subdue it with the aid of its ideology in the manner that the Soviet Union did, and that is why it has much more modest national interests. Russia's general objective today consists of speedy economic and social development, improving living standards so that they match those in the most developed nations, and ensuring political and social stability. This objective provides for setting the following foreign policy tasks:

1. A leading role in combating the proliferation of weapons of mass destruction (WMD), first of all nuclear armaments. The goal of this struggle is specified in all the major documents on Russian foreign policy, but in reality Russia has taken a very inactive position in the area. One can clearly see here a post-Soviet paradigm that dictated the dependence of each specific case on the level of relations between Moscow and the West, as well as on the benefits that one or another group of lobbyists could draw from cooperation with each particular country in the sphere of defense or nuclear technologies. The result is that Russia not only declines to position itself as an unambiguous opponent of proliferation, but, on the contrary, it tries to mitigate the measures taken by partners, as in the situation with Iran or North Korea. For a number of reasons a position of this kind obviously stands in discrepancy with its own interests.

Russia is the only country capable of delivering a retaliatory nuclear strike against the U.S. It is one of the two nuclear giants in this sphere – a factor putting it on a par with the U.S. and above all other countries. Proliferation of WMD devalues its military power and objectively reduces its influence in today's world, as Russia is behind not only the U.S., but also many other states in all other aspects (conventional armed forces, economic might, etc.).

Proceeding from this, Russia needs to play a leading role in adopting collective measures against countries with aspirations in the field of WMD. It must have an opportunity to act against them resolutely and even unilaterally in some cases.

2. A leading role in fighting international terrorism and religious extremism. International terrorism and religious, above all Islamic, extremism poses no less a threat to Russia than to the West, and that is why we must move over to a policy of authoring our own initiatives and backing them up with practical steps instead of passive participation or acceptance/non-acceptance of one or another Western initiative.

For instance, Russia could put forth new proposals on stabilizing the situation in Afghanistan and curbing the drug threat coming out of there. It could rally the mechanisms of the Shanghai Cooperation Organization to this end, for instance. Central Asian countries and Afghanistan itself, which is clearly frustrated by the Western military operation, would hail an activation of Russia's encouraging role. The matter at hand is the full-scale ensuring of Central Asian security using the resources of the SCO and the Collective Security Treaty Organization (CSTO). On a broader scale, Russia could conduct a tougher policy toward the organizations and states sponsoring international terrorism, and support secular regimes in countries with a predominantly Muslim population. This should not be accompanied by interventions in their domestic affairs under the pretext of defending human rights (like the West does).

3. Strengthening friendly regimes in neighboring countries. Every country has a natural desire to see friendly regimes in neighboring countries. The persistent attuning of relations with them might set the scene for the resolution of Russia's top national task priority for today – rapid economic and social growth. Moscow's inconsistent course and the provocative policies of the West have so far been producing an impression on some of Russia's neighbors that extreme Russophobia in foreign policy pays back in terms of economic benefits and security guarantees from the West.

The new situation in Georgia should change this impression to some degree. Georgian orientation toward NATO and the U.S.

and radical Russophobia, to which the Georgian government linked its hopes for the restoration of the country's territorial integrity, have failed, as the West has actually turned out to be incapable of guaranteeing Georgia's security and territorial integrity. This was a discouraging lesson for some countries, and subsequent events – like the rather cool reception given to U.S. Vice President Richard Cheney in Baku or the toning down of anti-Russian rhetoric by some forces in Ukraine – suggest that definite conclusions have been made. Still, a positive program is needed all the same. Russia must show that good relations with it provide firm guarantees of sovereignty and territorial integrity. Moscow could issue such guarantees on its own, as well as within the framework of the CSTO and, to some extent, the SCO.

The threat of terrorism linked to Islamic radicalism and the problem of drug trafficking causes the biggest concern in the field of security in many CIS countries, and especially in Central Asia. If Russia turned into a world leader in fighting these perils, it would give a boost to its image in this part of the world. As for territorial integrity, CIS countries are mostly concerned with various forms of separatism in this area, and the hasty official recognition of Abkhazia and South Ossetia did little to build up Russia's popularity. As it is impossible to play the situation over now, explanations are needed to suggest that the refusal to acknowledge the territorial integrity of Georgia was a very special case touched off by extreme Georgian nationalism and anti-Russian policies. But given a more acceptable political course by any other of its neighbors, Russia (unlike NATO) would always be ready to use all of its military might to protect a neighbor's territorial integrity.

Apart from the factors involving force, we must also use economic levers. Neighboring states friendly to Russia should be entitled to tangible economic benefits. The case in hand does not imply any subsidies. It implies mutually beneficial economic measures – preferential access to markets, priority issuance of contracts, etc. It is important for Russia to resolutely break up situations where neighbors with high anti-Russian sentiments – like Estonia or Latvia – get big bonuses from economic cooperation

with Russia, while countries that treat Russia fairly get nothing in return. This requires a firm state position, a suppression of egotistic interests of certain corporations and, in some case, a subordination of purely financial interests of the state to an overall foreign policy course meeting the interests of the state.

4. Areas of convergence with Western interests. Russia needs smooth working relations with the West that would facilitate its economic progress and attaining a prominent place in world politics. Alexei Arbatov made an accurate observation when he said that in a multipolar world "the current international system [...] puts into a more lucrative position the nation or the coalition that builds better relations with centers of power" ("Don't Throw Stones in a Glass House". *Russia in Global Affairs,* No. 3, July-September 2008, p. 204). Some of the aforementioned Russian interests are identical or partly coincide with the interests of the West. In the first place, these are the nonproliferation of WMD and fighting international terrorism and drug trafficking. Cooperation can and must be continued in these areas. The problem is that the West's previous policies have stripped it of any trust from Russia.

Proceeding from the above, cooperation with the West must not be unconditional, but based on clear-cut agreements (preferably written ones) pegged to a system of mutual concessions. Verbal assurances alone will not do. For instance, Russia may toughen its position on the Iranian nuclear problem, step up joint efforts in Afghanistan or stay away from exporting some armaments to certain countries, but it must have a clear answer about the benefits it will get in return. Reluctance to agree with Moscow or a desire to violate already concluded agreements must see tough measures in response. This is the only way to rebuild the reputation of a decent and consistent partner.

5. Relations with other centers of power. The role of the SCO as an organization instrumental in coordinating interests with China – another center of power – is growing for Russia in a genuinely multipolar world. In being less powerful than the West, Moscow and Beijing will seek closer cooperation, although their interests

will not always be identical. For instance, China will not support Russia's recognition of Abkhazia and South Ossetia, yet it will watch with satisfaction Moscow's efforts to stop a further expansion of NATO. Another tantalizing prospect is to set up an organization that is an alternative to the G8. It might be formed through a merger of the informal BRIC (Brazil, Russia, India and China) with several larger countries which the G8 will not admit for various reasons – for instance, Indonesia, Malaysia, South Africa, Mexico and Nigeria. This association might start competing with the G8's economic influence in several years' time, and Russia might consolidate its influence in the world considerably being a member of both groups at the same time.

6. The Georgian dilemma. The situation in Georgia as a precedent of Russia's new political activity will remain in the limelight of international politics for quite some time in the sense that different countries and centers of power will have to formulate their own assessments of it and put forward various plans for changing it. In this context, Russia would flout its own interests by rejecting all discussions of any opportunities. Tbilisi may change the anti-Russian vector of its policy, at least in theory, and Moscow should grease this change even if the latter requires years or even decades to materialize. The realization that Georgia has lost a part of its territory precisely due to its pro-NATO drive and that the continuation of this course will eternalize the impossibility of any cohabitation with South Ossetia and Abkhazia must dawn on the Georgians some day.

As an example, one can look at the situation in Cyprus where the Turkish Republic of Northern Cyprus, which is only recognized by Turkey, has existed as a real independent state for more than 20 years. The republic has agreed to talks with the Greek Cypriot-controlled part of Cyprus under pressure from Ankara that craves EU membership, although the outcome of these talks is yet unclear. Georgia has not shown any stimuli yet that might prompt Russia to exert pressure on Abkhazia and South Ossetia. On the contrary, its diehard confidence in the potency of Western pressures as a tool for resolving any problems has produced a

directly opposite reaction. But if forces crop up in Georgia that will assess the prospects for coexistence with Abkhazia and South Ossetia pragmatically and not in the terms of ideologized post-Soviet mentality, the idea of a neutral status and the observance of some other rules of the game might generate a proper stimulus. Naturally, it is still too early to say what forms such coexistence might take, but in any case they must be absolutely acceptable to the peoples of Abkhazia and South Ossetia.

*7. **Importance of informational activity.*** Moscow did not come off well on the information plane during the events in South Ossetia, and especially during the first days of the conflict when it found itself unable to adequately present to the international mass media its own position and the real state of affairs in the conflict zone. Part of the blame for this goes to Russia itself, even though it did run into a wall of ideologically anti-Russian information. The interesting thing is that assertions about Russia's strength and the lack of a need to explain anything to anyone are coming precisely from the people who failed to duly inform international public opinion earlier. Such assertions are highly dangerous, as they may result in the isolation of Russia in the global information sphere and subsequently in other spheres, as well.

The situation makes it necessary to set up a state agency responsible for the timely updating of foreign reporters on real events. Had such an agency been set up before August 2008, the world would have perceived Russia's position with much more understanding today.

Paradigm Change in Russian Foreign Policy

The Five-Day War as a Watershed

Alexander Aksenyonok

The August 2008 developments concerning the Georgian attack on South Ossetia have gone, due to their significance, far beyond the framework of a regional conflict. The present shift from a politically correct showdown between Moscow and Western capitals to direct confrontation has been ripe for a long time. By recognizing Abkhazia and South Ossetia, Russia has shown to the West that the partnership model imposed on it, built on hypocrisy and ambiguity, cannot work any longer.

The August events have given a boost to major shifts in the alignment of forces and priorities in NATO territory, although these consequences will not become manifest in full at once. Georgia's reckless actions and Russia's firm response should not be viewed in isolation but in a global context; and the present situation should be rethought in light of the developments that have been taking place in the world over the past two decades.

THE PATH TO WAR

The war in the Caucasus did not come as any surprise. The unresolved problem of the "unrecognized states" of South Ossetia and Abkhazia – as well as several others – was a grave legacy of the breakup of the Soviet Union and had been an explosive factor throughout the post-Soviet era. Tensions kept increasing and

Alexander Aksenyonok is Ambassador Extraordinary and Plenipotentiary of the Russian Federation and a veteran diplomat who has had assignments to the Middle East and the Balkans. He has a Doctorate in Law.

decreasing, permanently poisoning interstate relations in the region. Yet, for over ten years, the parties managed to avoid any major conflicts.

The situation changed dramatically after Mikheil Saakashvili, a new-generation politician who had been educated in the West, came to power in Georgia "with roses in his hands." Since then, Tbilisi has focused its foreign policy and military strategies on efforts to restore the country to the borders of the Soviet Union's Georgian Soviet Socialist Republic.

Initially, Georgia's political and diplomatic moves focused on two major aspects.

The first one was to try to charm Russia and get it to give a tacit green light for the peaceful integration of Abkhazia and South Ossetia with Georgia.

The second one was to tie the hands of the West, primarily the United States, by Georgian manifestations of its boundless devotion to democratic ideals and its readiness to join Euro-Atlantic structures at any cost – regardless of the legitimate concerns of Georgia's neighbors, including the people of South Ossetia and Abkhazia.

When it became obvious that these two aspects were incompatible in real politics, Saakashvili's policy stopped being ambiguous, the stakes started increasing, and Saakashvili's anti-Russian game grew in scope, going beyond the Caucasus. Tbilisi launched an unprecedented campaign to demonize Russia. The breach of centuries-old brotherly ties between the Russian and Georgian people was accompanied by the falsification of historical facts in a chauvinistic manner.

The presence of Russian peacekeeping forces – which were internationally recognized, including by Georgia, under 1992 agreements – in Georgia's breakaway regions of Abkhazia and South Ossetia was the main obstacle to the implementation of the Georgian leader's fixed idea. His plans to replace the current legitimate mechanism for settlement in South Ossetia with a new international format by peaceful means failed, as South Ossetia strongly opposed them.

In those circumstances, the Georgian leadership made a decision to carry out a military operation which, in case of military intervention by Moscow, would have made the Russian peacekeepers a party to the conflict. Georgia increasingly violated existing agreements and the security regime in the peacekeepers' control zone and hastily built up its military capabilities and its armed presence in South Ossetian enclaves. Russian troops increasingly became targets of gross provocations.

The limited framework of the peacekeeping mandate, which did not allow the use of military force, made Georgia confident of its impunity. As distinct from the tough peacekeeping operation in Bosnia and Herzegovina where, according to the Dayton Accords, NATO's multinational forces had the right to open fire only in special cases provided for by the rules of engagement, the role of Russian troops in South Ossetia was limited mainly to the separation of forces, and the maintenance of the security regime and the ceasefire. According to the 1992 agreements, the Joint Control Commission – the then quadripartite mechanism for the political settlement of the Georgian-South Ossetian conflict – was not backed up with sufficient military might.

Primary importance in NATO-led peace enforcement operations in the Balkans in the 1990s under a United Nations mandate was attached to the presence of a robust and capable military component in a peacemaking force.

In the early 1990s, Russia did not have the necessary peacemaking experience in the new post-confrontation conditions, which was acquired later in the Balkans. But who could imagine then – even in the worst-case scenario – that a conflict between Georgians and Ossetians on the territory of a former Soviet republic would erupt into a war between Georgia and Russia? Anyways, that "drawback" in the peacemaking mandate let Georgia hope for a blitzkrieg and for changing the situation de facto, which would see Russian military intervention lose politically.

Now that Saakashvili's reckless military action has failed and brought about a humanitarian catastrophe, it is not really impor-

tant whether it was approved by Washington or whether Tbilisi misinterpreted the signals it had received from the U.S. The rapid turn of events which preceded the invasion of Tskhinvali leaves no doubt that the coordination of political and diplomatic steps to remove Russia's military presence in the region did take place and still continues in the post-war stage.

The establishment of the true motives that caused Tbilisi to take such a step right now would not change much. Perhaps it was related to the upcoming elections in the United States and possible corrections to George W. Bush's foreign policy legacy, or to plans to push through Georgia joining NATO's Membership Action Plan in this way, or to assumptions that Russia would not intervene because of the huge risks involved.

Another thing is of more importance. The present efforts to eliminate the consequences of the Georgian aggression against the small Ossetian people should not overshadow the search for responses to the global challenges of our time. After all, Saakashvili, for all his impulsiveness, would have never dared to take military action if the world, gripped by chronic and newly acquired diseases, was not going through a period of uncertainty and the loss of benchmarks. Reports of victory, just as propaganda salvos and demonstrations of righteous anger over attempts by an "aggressive Russia" to give short shrift to "tiny Georgia," only enhance the feeling of the absurdity of what is going on in world politics today.

FROM HOPE TO DISILLUSIONMENT

The developments over South Ossetia bring up many baffling questions – and not only in Moscow, as follows from the reaction around the world. Why have the majority of Western politicians taken an unbalanced, or bluntly speaking, hostile position toward Russia? Are there really grounds for presenting its actions in terms of a confrontation between "good" and "evil," or between a "free democratic world" and an "aggressive autocracy?" Does this local conflict, which was so obviously provoked by Georgia, threaten U.S. national interests or economic prosperity?

There are no unambiguous answers to these painful questions, although it is clear that one should look for answers not in Georgia and not even in Russia. The logic that caused Tbilisi to take such risks stemmed from the international situation that had been evolving in the world and around Russia over the past eight to ten years.

In the historically short period of two decades in the late 20th-early 21st centuries, the world has seen tumultuous changes in all areas – in the economy, politics, law, information technologies, and in cultural and humanitarian exchanges. Globalization processes and the ensuing growth in the interdependence of countries have speeded up, and room for multilateral diplomacy and the cross-border movement of people and capital has increased.

If viewed from the perspective of Russian-Western relationships, the post-confrontation period reveals zigzagging from hope for a strategic partnership to the return of Cold War rhetoric.

In the 1990s, newly independent Russia readily embarked on the path of domestic reforms and integration into the global economy, and established partner relations with NATO and the European Union, imposing on itself considerable self-limitations on conventional armaments and the strength of its Armed Forces. It is within recent memory that Russia cooperated with NATO within the framework of multinational forces to restore peace in the Balkans. NATO expansion to countries in Central and Eastern Europe and the Baltics took place relatively peacefully, although Moscow expressed its principled objection to such a Western policy where there was no military threat from the East. At the same time, Russia and NATO built effective mechanisms for their interaction with a view to establishing a partnership on a strategic scale.

Already in the early years of Vladimir Putin's presidency, Moscow did not hesitate to lend its shoulder to the United States after that country was attacked by international terrorists. Russia offered support then not only in word, but in deed – even sacrificing some of its national security interests in the Central Asian region.

It was a time when both Russia and the West had illusory hopes for a conflict-free settlement of their differences on the

basis of common interests in countering new global development challenges. Russia's political establishment displayed readiness for far-reaching compromises, given that the West reciprocated and showed its desire to duly assess the difficulties of the democratic transformations in Russia.

However, conservative NATO representatives in the West took that as the consent of a weakened Russia to play the role of a "junior partner" and as a "golden chance" to Westernizing global development under the auspices of international security and cooperation structures, which were under a strong U.S. influence. In this sense, a program for extensive reforms, which was called the "Washington Consensus" in the 1980s, can be viewed as a claim for Americocentrism not only in the economy and finance, but also in making global political decisions and in their monopoly information support.

The transition from an idyllic phase in the post-confrontation period to a politically correct showdown in Russian-Western relations did not take place overnight. The two parties maintained the semblance of business cooperation for quite some time, while differences latently piled up between them in approaches to solving the major problems of world development. George W. Bush repeatedly assured Moscow that the U.S. did not consider Russia an enemy, while Moscow confidently said it was impossible to return to confrontation and that history would not repeat itself.

Meanwhile, the slide – if not toward confrontation then toward a mutual chilling in relations and suspicions – picked up speed. During the Cold War years, the fear of mutual nuclear destruction caused the parties to adopt tacit rules of the game and draw "red lines." In the civilized 21st century, the world grew increasingly diverse and less governable.

Washington's unilateral actions and its practice of imposing its own solutions on its allies as "collective will" made the world face a "humanitarian intervention" in the former Yugoslavia, and this led to the bombings of this and other sovereign states: in particular, Iraq was bombed by Israel, and Sudan by the U.S.

The destruction of the foundations of the post-war international architecture grew faster after neo-conservatives came to power in Washington in 2001, although one must admit that they simply developed the trends set by their predecessors and "ideological opponents" in the Bill Clinton administration.

The United States assumed the right to classify some states as "rogue nations" (the term was coined back in the 1990s) and others as "torches of democracy" (a trademark of the 2000s). The U.S. invasion of Iraq, which shocked even its European allies, was the first time in the post-confrontation period when the government of a sovereign state was ousted by force – and, as it turned out later, without any grounds whatsoever. Clumsy attempts followed to rebuild the Greater Middle East according to Western democratic standards, which produced the opposite result and led to the triumph of the radical Islamic movement Hamas (it convincingly won elections in Palestine in the winter of 2006) and to a legitimate merger of the Hezbollah party – a kindred spirit to Hamas – with Lebanon's state structure, which made it the most influential political force in the country. This and other factors, together with increased terrorist activity by Al-Qaeda, exacerbated the situation in the Middle East and predoomed to failure belated mediation efforts by the outgoing Bush administration in the Palestinian-Israeli settlement.

The situation on the European continent did not develop favorably either. The George W. Bush administration started its unilateral actions on the international arena by withdrawing from the ABM Treaty, thus delivering a blow to global strategic stability. The policy continued to undermine the established balance in this sector. By the end of the Bush presidency, the United States – under the pretext of an Iranian threat – went ahead with its plans to deploy a position area in Poland and the Czech Republic for its national missile defense system, ignoring Russia's well-founded concerns.

Washington imposed on the Europeans a distorted perception of Russia and its intentions. The atmosphere of pan-European cooperation was under the pressure of the Kosovo problem, whose solution was never found within the framework of international

law. Under the pretext of the "uniqueness" of the Kosovo case, Washington pushed through Kosovo's separation from Serbia despite the latter's sovereign will, thus completing the process of the breakup of Yugoslavia. Interestingly, the Americans left it for Europe to handle Kosovo's future, although Europe did not want the emergence of a new country in the region.

New NATO and the European Union members, such as Poland and the Baltic States, contributed a lot to the irritation in Russian-Western relations, as they – out of petty egoism – did their best to impede the establishment of a business partnership between Moscow and Euro-Atlantic structures. This policy by the Russophobe leaders of those states enjoyed U.S. support – just as in the case with Georgia – which could not but tell on the Russian-U.S. dialogue.

NATO's expansion to former Soviet republics, colored by an ideological tint, marked the beginning of a new phase that can be described as a rivalry for influence in post-Soviet territory using nonconfrontational means. The "democratic revolutions" in Georgia and Ukraine, instilled in the Western public consciousness as opposed to "autocratic tendencies" in Russia, moved this rivalry into the field of heated international debates about social development models, election technologies, and the role of nongovernmental organizations in elections.

An analysis of elections in Slovakia, Serbia and especially Ukraine gave Moscow weighty grounds for concluding that the United States and its NATO allies used the democracy rhetoric as a cover. Thus, the mechanisms created and financed by the West for replacing unwanted regimes formally acquired a political legitimacy. Many experts even began to speak of the danger of creating a *cordon sanitaire* along Russia's western and southern borders, including neighboring states unfriendly to Russia ranging from Estonia to Georgia.

Then the massive attack on Russia moved into the economic sector. When Moscow – in line with market economy principles – raised energy prices for former Soviet republics, it expected understanding from the West. Instead, it once again became the target of

accusations of "neo-imperial ambitions" and of using oil and gas as an instrument to exert pressure on its neighbors. Simultaneously, the West raised the issue of Europe's energy security in an unprecedentedly dramatic way, unparalleled even with the Cold War era.

Feeling ever increasing outside pressure, often exerted under false pretexts, Russia did not seek at all to preserve, at any cost, the world order established after World War II. Russia, as well as other countries, was worried by how this world order was being dismantled. Whereas the foundations of the outdated system had been built collectively, its destruction was being conducted unilaterally, on the spur of the moment. Partner relations and business cooperation were replaced with a semblance of partnership, with double standards in politics, and with moralizing and lecturing.

The fundamental principles of international law, embodied in the UN Charter and multilateral treaties, were eroding, among them national sovereignty, territorial integrity, equal security, and non-interference in internal affairs.

In these circumstances, the influence of international organizations, primarily the United Nations, was steadily declining, giving rise to talk about the UN's inefficiency and to doubts as to whether the UN could be reformed at all. Indeed, in cases when the positions of the UN Security Council's permanent members diverged, this organization proved increasingly often unable to make effective decisions. When Georgia attacked South Ossetia, it remained paralyzed, as well.

Joint efforts to build a new, well-ordered international architecture were replaced with informal discussions of all kinds of pseudo-problems, like the idea, voiced by U.S. Republican presidential hopeful Senator John McCain, to establish a "League of Democracies" united by common values. Considering the established international background, there was no doubt about the anti-Russian charge of this proposal.

A DIRTY POOL

Moscow's reaction to Tbilisi's reckless military operation should not be assessed using the old yardstick, which is unfit for evaluat-

ing the emerging chaotic world order. In a situation where developments in the world were marked by a game without any rules and where norms of international law were replaced with political expediency, Georgia consciously played the role of a warmonger, expecting to go unpunished, while Russia, as the defending party, had no other choice.

There is an impression that the leading political actors in the West have not understood – or do not want to understand – that the snowballing of irritants in recent years has acquired a new quality. For Russia, just as for any other country, this new quality is expressed in terms of national security, economic interests, and morality. In the view of Russia's political elite, the demonization of Russia at every given opportunity, artificial attempts to create an enemy image of Russia, and gross violations of the rules of free competition in world markets – all these developments are intended to prevent Russia's rebirth as a center of power in the rapidly changing world.

The attempts to turn Russia from a partner of the West into an "aggressor" and "violator of the norms of international law" look particularly absurd as Moscow has repeatedly warned, patiently and honestly: no one can ignore Russia's natural state interests; there are lines that cannot be crossed.

None of these warnings have been taken seriously; and in general Moscow's arguments have long been running across a wall of more or less polite indifference. One has the impression in this regard that Russia is ready to give up trying to explain its actions and, instead, to act primarily from its own vision of the situation, rather than from possible foreign reactions.

The world needs to take a break, as Russian Foreign Minister Sergei Lavrov proposed recently. It needs to calmly rethink everything and prepare a serious dialogue that would help to collectively work out an international architecture for security and cooperation to meet the new global realities. However, decisions on a new world order may have to be made "on the move" as the course of events has picked up speed. The events in Georgia have shown that the choice will first have to be made

quickly and, second, not between good and bad options, but between bad and very bad ones.

One is inspired by statements made nowadays that no one wants a new Cold War. On the other hand, a Cold War is now impossible as the world has changed too much since the times of the ideological confrontation of the 1940s-1980s. The present global interdependence makes any conflict take quite new, hitherto unknown shapes; so it is simply impossible to predict how events will develop if one simulates them on the basis of the experience of the "first" Cold War.

It is important to avoid an escalation of tensions to the point of no return, to overcome the temptation of a "battle of prestige," which has a destructive logic, and to negotiate specific formats for continuing a pragmatic, ideologically unmotivated dialogue. Actually, this is what Russian President Dmitry Medvedev called for in his speech in Berlin in June 2008, when he proposed starting up discussions about a new Euro-Atlantic security system. Now this idea has acquired even more importance. Unfortunately, countries have not displayed much readiness for such a dialogue yet.

FOREIGN AFFAIRS

Before it becomes policy, it's in *FOREIGN AFFAIRS*

When you want to be the first to know what the experts in foreign policy and economics have to say about world events — turn to *FOREIGN AFFAIRS*. With contributions from distinguished authorities like Condoleezza Rice, Richard Holbrooke, Fouad Ajami, Donald Rumsfeld, Kenneth Pollack, and Samuel Huntington—this is the forum for leaders who shape the world.

SUBSCRIBE TODAY TO FOREIGN AFFAIRS

" The most influential periodical in print." *– TIME*

"*FOREIGN AFFAIRS* is essential reading." *– FORTUNE*

"*FOREIGN AFFAIRS* [is] the most prestigious of America's many foreign policy journals." *– FINANCIAL TIMES*

SPECIAL OFFER for readers of *Russia in Global Affairs:* One year only US$57.00!

You will receive 6 bimonthly issues delivered via air mail. Your satisfaction is guaranteed or you will receive a FULL REFUND on all unmailed issues.

To order, send payment to: FOREIGN AFFAIRS SUBSCRIPTION SERVICES,
P.O. Box 420190, Palm Coast, FL 32142-9970 U.S.A.
TEL: (386)445-4662 FAX: (368)446-5005 or EMAIL: ForAff@palmcoastd.com

All international orders must be prepaid, therefore, please make checks or international money orders payable to Foreign Affairs in US$ only. We also accept MasterCard, Visa, and American Express as payment. Please allow 6–8 weeks for the delivery of your first issue.

www.foreignaffairs.org/ordernow

Traveling in Different Boats

Russia and the U.S. After Their "Strategic Partnership"

Ivan Safranchuk

Russian-U.S. relations have gone through several phases in the past two decades. In the early 1990s, Moscow trusted Washington and sought to establish the friendliest possible relations with the U.S. However, influential Russian political circles and society at large soon came to think that the United States was betraying the new Russia's confidence. In the second half of the 1990s, differences between the two countries increased, culminating in the spring of 1999 when NATO launched a military operation against Yugoslavia. Just one month after that war, Russian President Boris Yeltsin, in view of the new geopolitical situation, signed a decree to introduce amendments to strategic documents – the National Security Concept and the Military Doctrine.

However, in late 1999, during his last foreign visit as a head of state, Yeltsin stabilized relations with Western partners. In Istanbul, he signed several military agreements and defused political tensions. It should be noted that the autumn of 1999 was a very difficult period for Yeltsin and his team. During a critical pre-election campaign for the State Duma, the Yeltsin administration worked very hard to ensure the success of "Operation Successor" and to hold off a powerful attack by regional political leaders who had joined with the federal opposition led by Yevgeny Primakov. It was the period of the Second

Ivan Safranchuk is publisher of the *Bolshaya Igra* magazine that deals with politics, business and security in Central Asia. He holds a Doctorate in Political Science.

War in Chechnya and Yeltsin's health was failing. Nevertheless, even in such circumstances, Yeltsin managed to find the time and the physical strength to normalize relations with the West.

THE "AGREE TO DISAGREE" FORMULA AS AN IMPORTANT EXPERIENCE

From the very beginning of his presidency, Vladimir Putin sought rapprochement with Western countries. Real results came in 2001, after the terrorist attacks in New York City and Washington. However, the period when Russia and the U.S. were united by a common enemy proved to be short. Mutual mistrust and real tactical and strategic disagreements brought about a new conflict – over the war in Iraq in 2003. This time, Moscow was not alone, as it united with Paris and Berlin.

However, no one wanted a recurrence of the 1999 situation. First, no one would gain from it strategically. Second, it would simply be foolish politically, since in 2002 – just a year before – high-ranking Russian and U.S. officials once again solemnly announced the "end of the Cold War."

The parties needed a formula for their relations that would give them room for differences, but which would hold these differences under control. And such a formula did appear – it was "agree to disagree." Moscow and Washington told each other about their differences and put them on record, but refrained from confrontation. This formula helped each of the two countries to resolve their tasks.

Russia, whose opinion had been simply ignored in previous years, got a chance to be heard. The United States was now ready to listen to Russia's point of view not at nuclear gunpoint, but in a normal, friendly atmosphere. This fit in well with Russia's aspirations of the time. It was believed that if Moscow had an opportunity to express its position and participate in common discussions with Western partners, its views would be taken into account. The inability to be heard seemed to be the main problem for Russia. At that time, Moscow's access to the "closed doors" of Western politics was a priority issue – hence

Moscow's desire for full-scale participation in the G8 and the creation of the NATO-Russia Council. The "agree to disagree" formula provided a mechanism for the normal presentation of Russia's position.

Also, Russia needed to resolve one more task. Putin had launched a very active policy – mostly in Europe, but also in Asia, the Middle East, Latin America and, quite naturally, in the territory of the former Soviet Union. It turned out, however, that many countries in those regions cared what Washington might think, even if they themselves had differences with the U.S. So, it was easier to work with various partners on various continents if Russia was not viewed as an enemy of the United States. Of course, there were always countries ready to rub elbows with Russia on an openly anti-American platform, for example, Iran and Venezuela. But Russia needed more. To this end, it needed to neutralize the United States so that problems in relations with it did not stand in the way of active policies vis-à-vis other actors.

The U.S. gained something as well. Washington saw Russia's reinvigorated policies in various regions of the world and it did not want Moscow to become a center of attraction for anti-American forces, which would enjoy Russia's support at the UN Security Council. The United States also wanted to maintain a certain level of cooperation with Russian special services. Washington hoped for Russia's assistance with difficult issues, such as Iran, North Korea and the Middle East, and it expected that Moscow would, at least, not assist U.S. enemies.

So, Russia and the United States had a common interest – both did not want to find themselves on different sides of the barricade in global conflicts. cooperation might succeed or it might not, but what mattered more was preventing confrontation. The "agree to disagree" formula met this interest. Soon, however, some details were revealed.

Moscow quickly discovered that to be heard did not necessarily mean to be heeded. The West attentively listened to Russia, but used its right to "disagree." Thus, nothing really changed in prac-

tice. There was a political coup in Georgia in 2003. Russia did not at all mind if Eduard Shevardnadze was replaced, but it expected that a new presidential candidate would be agreed on with it. In 2004, Moscow and Washington once again found themselves in opposite camps in the political struggle in Ukraine.

Russia saw its interests attacked in Eastern Europe and in the Caucasus, and reacted by putting pressure on U.S. interests in Central Asia. In 2005, the United States had to withdraw its military base from Uzbekistan, while another U.S. base – in Kyrgyzstan – has been under constant pressure since then.

The United States was also dissatisfied with the deal. It had thought that Russia would not go any further than expressing its discontent with U.S. policies and would not play a game of its own against U.S. interests. Therefore Washington was surprised when Moscow did not let it "crush" Iran and when it did not support U.S. policy in Lebanon, supporting instead Syria – politically at the UN Security Council and militarily by supplying it with air defense systems. Russia also supported Venezuela and started putting all-out pressure on pro-American regimes in Eastern Europe and then in the Caucasus. Moscow did not intend to give in whenever the United States declared its interests.

Russia's conduct ran counter to Washington's interpretation of the "agree to disagree" formula. In 2006 and 2007, the U.S. adjusted it and transformed it into "disagree but do not oppose."

Such a formula could be interesting for Russia if the parties divided the world into zones of influence and responsibility. Then they could disagree about each other's actions inside these zones, but would not interfere in the affairs of the other party's zone. However, Washington did not want to divide the world into such zones. And now Moscow is not very eager to do that either, as it now can play a game of its own on a large scale and there is no more need for it to artificially narrow the playing field.

However, without separate zones of influence/responsibility, the U.S. "disagree but do not oppose" formula made no sense. The United States also found it unattractive when it began to be turned back and asked not to interfere in Russian policies.

The "agree to disagree" formula became outdated and stopped working by the end of 2006. Its potential was simply exhausted, but no new solutions have been found yet. Many disagreements have piled up over the past five years. By the end of his presidency, Vladimir Putin could no longer hush them up – hence his famous "Munich speech." Yet neither Moscow nor Washington want an open confrontation between themselves either.

"NOTHING PERSONAL, JUST *NO* BUSINESS"

There have been several constants in Russian-U.S. relations during the post-Soviet years.

The political leaders in Moscow and Washington do not trust each other. This ceased to be something new a decade ago, but in recent years they have also shown increasingly less respect for each other. The Russian and U.S. political classes had sincere (or, at least, relatively sincere) sympathy for each other, perhaps, only in the late 1980s-early 1990s. And even when relations between the two countries later deteriorated, their political leaders maintained some mutual respect.

For the U.S., it was based mainly on the hope that Russia would overcome its retreats and contradictions and would finally adopt the Western model of democracy. Washington pinned certain hopes on Moscow, which dictated some form of respect for its political elite. The U.S. establishment has seen these hopes rapidly vanishing over the past few years. Russia is not ignored or not taken into account. On the contrary, Russia is viewed as an increasingly significant factor in world politics, but the former hopes are no longer pinned on it; the U.S. is ready to take Russia as it is. This results in a more correct, yet not at all respectful attitude.

On its part, Russia respected the United States as a superpower and as the world's largest economy. As time went by, however, it began to apply to the U.S. the proverb "brawn instead of brain." Now even U.S. "brawn" is being called into question. The United States is no longer respected as a strong state; rather, its weaknesses, especially in the economy, are emphasized. Meanwhile,

the U.S. has proved to be unable to offer any other basis for respect, in addition to strength.

The loss of mutual respect is a relatively new and extremely dangerous tendency – a highly skeptical attitude toward each other breeds suspicion and mistrust. Of course, on both sides of the ocean there are people who keep mutual respect – even despite major differences – and who are ready to display a professional attitude. However, the significance of psychological and emotional factors is growing. This is both a manifestation and a direct consequence of the loss of mutual respect. This situation had its climax in August 2008, when the hostilities in South Ossetia and Georgia broke out.

To maintain friendly relations between the two countries, their top leaders needed to make big personal efforts. As soon as these efforts weakened, relations quickly plummeted to a low level. The government machinery did not show enough interest in cooperation. And although there were some positive examples, on the whole the cooperation experience did not produce a positive and stable model.

Most importantly, all attempts to invent a "joint agenda" for the two countries failed. The issue of a "positive agenda" for Russian-U.S. relations was raised many times. Some people said at once that it was impossible; others tried formulating such an agenda and gave up. And only the most tenacious ones continued inventing a "joint project."

To paraphrase a well-known phrase, one can say "Nothing personal, just no business." Putin and Bush had no personal problems. But Russia and the United States had no joint business, either. Their statements on the joint struggle against terrorism, the proliferation of weapons of mass destruction, etc., never became a joint business.

FROM NOW ON EVERYONE IS ON THEIR OWN

The geopolitical and geostrategic interests of Moscow and Washington have been diverging rapidly. The two countries now

have incompatible interests in the energy sector, as well as in some geographical areas. So, soon they may well use the traditional phrase "nothing personal, just business," only each party will have a business of its own, and their businesses will compete with each other.

The parties missed a real opportunity to harmonize their interests and achieve strategic solutions on partnership and joint actions in 2004-2005 during the second wave of the replacement of leaders in the countries of the former Soviet Union. Russia and the U.S. launched games of their own, which placed them on different sides of the barricades in Ukraine and Georgia, and somewhat earlier in Moldova, which was torn by a territorial conflict. The parties are now unable to give up their positions and will play their games to the end, which will take a long time.

The same years saw fundamental differences between the two countries in their Middle Eastern policies (Iran, Syria, Lebanon, and the Palestinian issue) and the beginning of their rivalry in the energy sector: Moscow began to work out its own conceptual approaches to energy security issues, which were at variance with those of the U.S. Since then, Russia and the U.S. have been acting in their own way.

The factor of the change of administrations is losing its importance, as the period of the formulation of long-term interests by Russian and U.S. political leaders is coming to an end. This is particularly true for Russia. But the U.S. is also holding active discussions about "how to live in the modern world" and how to "contain" Russia, although the latter issue is not in the focus of those discussions. Meanwhile, there is a very thin line between containment and counteraction, and many people in Russia think that the U.S. has already crossed it. The next administrations in Moscow and Washington will be more engaged in implementing strategic plans than introducing amendments to them.

For all their differences, the parties do not want an open confrontation. Russia feels that it is strong enough to play a game of its own. The United States fears that Russia is not reformed and

responsible enough, and this is why it wants to keep an eye on it and restrict it wherever possible. On the other hand, Washington does not want to annoy Moscow and prefers soft forms of control, such as joint actions, cooperation, etc.

A paradoxical situation has arisen. Russia wants to co-operate with the U.S. (especially on various security matters) – but on a pronouncedly equal footing. Such cooperation would emphasize the new quality of Moscow and its foreign policy. However, in response to its willingness to co-operate, Russia sees U.S. attempts to organize interaction in such a way that would actually contain, block and restrict it.

Russia needs forms of cooperation that would emphasize its independence and significance – that is, forms of cooperation, rather than Russia's assistance with some U.S. affairs. For its part, the United States needs interaction that would not leave Russia on the sidelines and, at the same time, would not give it the power of veto.

Moscow is willing and ready to prove its worth. Washington is apprehensive about the possible outcome. As a result, the parties are constantly losing the opportunity to enter into a normal dialogue and frankly discuss a wide range of issues. Washington's reaction to Putin's Munich speech was very indicative. The Russian president spoke up then – in very frank terms – about what had been worrying Russia for a long time. Those were not empty complaints; the Russian political establishment had been thinking and saying the same for several years. Incidentally, politicians in Europe and Asia share Russia's worries, but they refrain from stating their concern in public as it is not considered to be politically correct yet.

The reply by Pentagon chief Robert Gates was to the following effect: Why make so much noise and worry – no one is touching you; we do not want a recurrence of the past and confrontation. In the United States, Gates's reaction is viewed as exemplary – he did not succumb to Cold War rhetoric or get involved in confrontation-style discussions, and made clear the difference between the past and the present. However, Russia views this from

a different position: Gates dodged a frank dialogue. Moscow now does not want to put up with a situation when it can openly talk with President George W. Bush, but then nothing changes after those discussions and agreements are not met.

A year later, at another security conference in Munich in the winter of 2008, Sergei Ivanov delivered an unimpassioned speech. Many commentators took this as a retreat from Putin's Munich statement, but, in fact, Moscow simply decided that it was of no use to speak with the U.S.

SIGNS OF MULTIPOLARITY

The bulk of this article was written before Georgia's attack on South Ossetia and Russia's subsequent intervention in the conflict. The disagreements between Moscow and Washington on the "Georgian issue" and the behavior of U.S. politicians both inside the incumbent administration and those who are planning to form the next U.S. government have only confirmed and developed the trends that had taken place earlier.

The U.S. took a purely pragmatic position and declared its full support for Georgian President Mikheil Saakashvili. Later, Washington may well betray him – after all, he did make a very big mistake. But the most important thing for the United States was to stop the advance of Russian troops and ensure their earliest possible withdrawal from Georgia proper. This goal could be achieved in different ways. But Washington chose what it thought to be the most reliable one – that is, it pledged its complete support for Saakashvili and for Georgia's territorial integrity. The U.S. was not at all embarrassed that this path was outspokenly anti-Russian and that it required lying in public statements by U.S. leaders who presented the case as Russia's aggression against Georgia and compared Russia's actions to the Soviet invasion of Czechoslovakia.

If Saakashvili is not a U.S. puppet, but an independent and unpredictable politician, and if the U.S. cannot fully control him, why supply him with more and more weapons and give him full public support? This is irresponsible, to say the least.

But if the Georgian leader is not an independent politician and is completely controlled by Washington, he could not launch the aggression against South Ossetia without his patron's consent. In this case, the U.S. administration is particularly responsible for the actions of the Georgian regime and is, in fact, a party to the conflict.

The U.S. supports Saakashvili, but refuses to take responsibility for him. It seems that Moscow has already become tired of trying to understand whether such a position is merely folly or the height of cynicism. The Russian establishment has come to think that it is not that important after all.

The Georgian crisis has put an end to the protracted period of uncertainty in Russian-U.S. relations, which lasted for approximately the last three years. President Vladimir Putin made a decisive breakthrough toward Russia's integration into the global economy and politics. The view prevailed in Russia then that the country could adapt to the new global rules without hurting its national interests and even that it could implement them more fully. The U.S. position after September 11, 2001 gave grounds to believe that Russia's position could be explained to Washington and that the latter could accept it on certain terms. In other words, Russia believed that it could come to terms with the U.S.

However, practical moves to come to terms invariably failed after 2003. Yet it seemed that the parties could at least not play against each other openly. But the events in Ukraine in 2004 and in the Middle East after 2005 left no hope for that. In the past three years, Russian and U.S. interests constantly clashed. The United States wondered why Russia would not give in, while Moscow became increasingly annoyed by the very idea that it should give in.

The Georgian crisis has put everything into place. Those have proved to be right who have for many years been saying the following:

First, the United States is hopeless; nothing can be explained to it; and it will resort to any lie for its own interests.

Second, the United States is deliberately arming Russia's neighbors that are unfriendly to it in order to be able to put more pressure on Russia.

And ***third,*** it is impossible to come to terms with the U.S.

Relations between Russia and the United States are acquiring a new quality. They are not confrontational yet (at least, in the Cold War sense), but they are not a partnership either – the parties have failed to find cooperation formats that would suit them both, and now their interests are diverging, as well. Moscow and Washington can co-operate on certain individual issues, but strategically they are now on their own – certainly not in the same boat.

For the rest of the world, the transition of Russian-U.S. relations into this new quality was largely unexpected. Europe stands to gain the most from it – if, of course, it dares one day to do at least something independently and use at least part of the opportunities given to it by the modern world. The lack of systemic confrontation between Russia and the United States leaves Europe free not to make a decisive choice between the two powers. The Old World can behave flexibly, in some cases supporting Russia, while in others the United States. For Europe, this is a chance to finally begin to act in accordance with its own interests.

For China, it is somewhat surprising that Russia and the United States have found themselves in such a situation. But China will hardly be unpleased with such a state of affairs in the short term. Rather, Beijing will not believe it for some time, interpreting the development of Russian-U.S. relations as a movement toward confrontation (which has not yet been completely ruled out, but not predetermined either – at least, it will not be a conscious choice of Moscow and Washington). As a result, China will apparently continue to act in accordance with the old logic of Henry Kissinger – that is, the logic of a "strategic triangle" among Russia, China and the U.S., where rapprochement between any two of the parties will necessarily make the third one lose. However, the new quality of Russian-U.S. relations completely rules out the "strategic triangle" logic.

The other two countries of BRIC – Brazil and India – will benefit somewhat from the new quality of Russian-U.S. relations. As they do not need confrontation with America, nor excessive concessions to it, Moscow's new position will give them more opportunities for upholding their interests. In general, the advancement by Russia of the BRIC format in recent years, where the parties discuss the agendas of the UN Security Council and the G8, apparently reflects this transition by Moscow to fundamentally new positions in its foreign policy.

On the whole, the new quality of Russian-U.S. relations is another essential element of the multipolar picture of the world. A confrontational model stems from the bipolar past. Partnerships and alliances are elements of either "friendly bipolarity," which never materialized, or of a unipolar world under U.S. leadership, which also failed to produce results.

The Limits of Rational Choice

Russia and Europe in the Multipolar Era

Timofei Bordachev

The unification of Russia with the rest of Europe is a condition for the structural stability of Eurasia that has been unheard of since the time of the Reformation and the appearance of Russia in the European political arena.

The establishment of a system of sovereign states in the territory stretching from the Atlantic Ocean to the Volga and beyond to the Pacific Ocean in the 16th-17th centuries laid the groundwork for a succession of political conflicts and wars interlaced with periods of peace.

The last such period began in 1945 and helped create an association which was personified in the European Union. Yet it notably lacks Russia, which is as an important European policy player as Germany and France are.

An attempt to fashion a strategic stability zone from the Atlantic Ocean to Vladivostok was made in the last few years of the Soviet Union and in the first years of the existence of the new Russia. It misfired, due to many reasons, not the least of which was Russia's inability to act as an independent sovereign state and formulate its own national interests.

The speculations regarding the possibility of Russia uniting with the part of Europe which is now the European Union ended

---

Timofei Bordachev is Director of the Center for Comprehensive European and International Studies at the Department of International Economics and International Politics of the State University–Higher School of Economics; he is Research Director of the Council on Foreign and Defense Policy (SVOP) in Moscow.

in 1994. At that time, Moscow and the EU signed the Agreement on Partnership and Cooperation, and the European states approved of NATO's eastward expansion by allowing former members of the Warsaw Pact to join the alliance. Instead of rapid rapprochement, quite feasible in the opinion of such politicians as Francois Mitterrand, Ruud Lubbers, and Mikheil Gorbachev, Russia and Europe decided to live behind dividing lines.

The high conflict potential of this situation has become increasingly obvious as the vestiges of the Iron Curtain erode further, as countries develop economic and cultural ties and as their national interests increasingly clash. It is important that one of the partners (Europe) has had these interests in the state of constant coordination, while the other (Russia) only began to formulate its interests in the first half of the current decade.

As a result, Russia and the EU have been trying to find a magic formula for stable relations for more than 15 years. The necessary elements are the highest meeting of national interests and equal advantages for the partners. Moscow and European countries have come to understand that stable relations will facilitate their development, international competitiveness, and resistance to modern challenges and threats.

The latter has particular urgency in a world that is rapidly changing. Due to objective factors, the role of the Old World in world politics and the economy has been diminishing, as the poles of economic might have shifted toward the Asia-Pacific region (which may similarly affect military-political setups).

The process appears inevitable to many in the United States, India and China, but it will take many years, and possibly decades, of instability. The main sign of the already shaped multipolar world, or, to put it simply, of the global disorder is the continuing growth of global uncertainties. This creates the background for the desire of each participant in the international system to build up its military might.

A rational choice in conditions of global disorder is not openness and orientation toward multi-party regimes, but building strong walls, setting up areas of influence behind them, and mak-

ing periodic forays into "enemy territory." All this has become part and parcel of both European and Russian politics in recent years.

POLITICS OF RATIONAL CHOICE

Such behavior, quite natural for any sovereign state, succeeds or fails depending on the availability of additional opportunities. For the 27 EU member-states, these opportunities are provided through the collective "stick and carrot" in the agent of the European Commission. That is why the European Union, though it remains a rather loose alliance, has been increasingly assertive in the international arena – within the scope of affordable instruments, such as making former Soviet republics its economic satellites and limiting the influence and interests of its non-integrating neighbor – Russia.

Consequently, the striving by European "grandees" to achieve mutual understanding with Russia on key economic and strategic issues has had little success so far. Such attempts on the part of Paris or Berlin have encountered a tough response from Moscow to Brussels's actions, even though these actions are motivated by the current economic and political interests of Germany, France and their EU allies, as the Kosovo example shows.

From a rational point of view, the Russian-European dialogue should be broader than Moscow-Brussels relations. However, it is impossible to circumvent the European Commission in practice: functioning at the pan-European level, it can achieve what even the largest countries – the co-owners of the United Europe – have been unable to accomplish on their own. These are the countries that have a majority stake in Western politics and that are pulling the strings to control the moves of the notorious Brussels bureaucracy.

Calls for peace combined with active "hostilities" are a full-fledged feature of the Russian policy, too, especially in sectors where Russia still has the competitive advantage: power generation, large international security agencies and in the territory of the former Soviet Union. Logically, it would be expedient for Moscow now to exploit these fields by putting competitive pressure on Europe.

The means that make Europe stronger include the use of international organizations and arrangements to secure a bilateral regime with key players. At present, the EU is trying to launch independent (from the United States) relations with China and India. Other partners, such as Ukraine or countries in the southern Mediterranean, are offered free trade zones.

In the zone of direct Russian interests – former Soviet republics – the rational choice dictates that Europe work consistently on expanding its influence. But practical implementation of this goal is limited by Russian interests and opportunities, which entails acute conflicts with Moscow. For its part, Russia has no one to lean on in the former Soviet territory, the United Nations or, as a future possibility, in the World Trade Organization. Therefore, some observers are rightly puzzled by the emphasis that Russian foreign policy puts on the importance of multilateral mechanisms.

However, the logic of rational choice challenges the need for Russia to draw up a new agreement with the European Union. According to the classic principles of foreign policy and international relations, countries whose opportunities and potential are on the rise are not interested in international treaties. Commitments taken within the framework of agreements fix the balance of forces at the moment of signing. As long as Russia grows economically and politically, any treaty with the EU will be disadvantageous. Yet Moscow is unable to transfer to the system of ad hoc relations with the EU – the mutual dependence is too great.

MUTUAL DEPENDENCE AND STRATEGIC LONELINESS

Mutual dependence is the most important element in forming conditions for rational choices in relations between Russia and the European Union. According to the classic definition by Robert Keohane and Joseph Nye, a breakup in such relations leads to unacceptable damage for one or both partners.

The axiom of Russian-European interdependence remains – for the civilized part of the elites – the biggest straw to hold on to

in order not to slip into confrontation, but there is also room for negative trends. Mutual dependence is what it is – dependence that puts limits on sovereign rights and opportunities, which a person or a state would seek to get rid of in one way or another.

The main factor to decrease dependence is the availability of an alternative; namely, the ability to attract other players, whose collective action would ensure the promotion of national interests of a certain state. And here Europe and Russia are not faring too well.

Sober-minded Europeans are right in saying that Moscow's major problem is its strategic loneliness. A lack of real support on the part of formal allies over independence for Abkhazia and South Ossetia in August-September 2008 was yet another indication of a kind of vacuum around Moscow.

Russia has no reliable and constant allies. If one is to believe opinion polls, China and Third World countries have a quite positive opinion of Russia. But this fact by itself is not the reason for creating a union or a system of alliances in which Moscow would play the leading role, or at least would be on par with another leader, as happened in relations between France and Germany in the early 1960s.

Economic and political cooperation in the territory of the former Soviet Union has certain prospects, perhaps, within the framework of the popular idea to boost the Eurasian Economic Community. However, Russia and a number of CIS countries have conflicting interests in energy: Moscow is not ready to set certain regimes on a soft military-financial leash. In addition, it has to overcome the resistance of third countries, regardless of how infinitesimal their presence in Russian backwaters is. So Moscow, by using its CIS influence, can improve its position at talks with really promising partners rather than forge long-term alliances.

A lack of allies also means an exponential increase in competitive pressure in the economic sector and problems with access to technologies. It is not just a matter of "catching up" by purchasing the newest technologies from the West or the East. In the modern world, a country aspiring toward innovative development should not only have the financial opportunities, but also the

political resources for setting up technological centers on its territory to act as the integrator of large international projects. As a vital requirement, one needs reliable allies among those who have the power to block the establishment of such centers.

Europe, from the point of view of alliances and allies, is in a far better position.

First, the very fact of the existence of the European Union and NATO vindicates their claims that they have reliable allies.

Second, Europe remains one of the most capacious and stable consumer markets, while the European way of life, with its legal protection of its citizens and welfare policies, is a coveted goal for many, including Russians. Europe's lifestyle deserves to be put among the priorities in Russian economic and social modernization.

But Europe as a market, or Europe as a place where its citizens do not regard the police as the most dangerous group of civil servants is one thing; and Europe as a reliable political partner and sometimes protector is another. Emerging from the shadow of U.S. protectorship, the Old World has to stick to the tough rules of political and economic competition.

So the question of Europe's potential would be relevant: How attractive is it politically and militarily beyond the still unabsorbed fragments of the Soviet Union and the Balkans? The Euro-Mediterranean conference on July 13, 2008 in Paris showed that Europe is encountering more and more problems with its own attractiveness.

Of course, all the invitees from Maghreb and Levant arrived in Paris, except for Libya's Muammar Kaddafi and King Mohammed VI of Morocco. But first, in a surprise move for Europe, they made a proposal to their northern neighbors not to invite Israel and, second, to conduct the dialogue in the EU-Arab League format. To avoid complications, France dramatically reduced the number of EU agencies participating in the event, making the forum an inter-state meeting, not mentioning the fact that the human rights issue, traditional for the EU foreign policy, was taken off the agenda of the Mediterranean Union.

It is unclear what price Europe should (and has to) pay for the luxury of being surrounded by satellite states. As such countries as Georgia, Serbia or Ukraine develop, the EU will have to choose between their actual upkeep – and the cost may depend on the political and financial appetites of local elites – and accession of this "troika" to the European Union, which will wrap up the history of European federalism.

If we look beyond the immediate European perspective, Europe's political relations have not been smooth not only with China and India (which tend to prefer a realistic and forceful way of thinking and acting), but even with the "visa free" countries of Latin America. Awkward attempts to combine moderate protectionism and stronger borders with an expansion of political influence sometimes result in ironic twists. For example, the lifting of sanctions against Cuba, lobbied by Spain and the European Commission, coincided with a statement by Mercosur leaders, who called a June decision by the EU Council on migration "uncivilized legalized barbarism."

The U.S. is making Europe face the need to adopt increasingly complex decisions, as well. As the failed hegemon loses its absolute superiority, it is making increasingly sharp moves for the sake of keeping control over key countries and regions. In response, Europe is trying to become more and more prominent in the role of a "soft" but real alternative to the United States in crises in the Middle East and in former Soviet territory.

Meanwhile, we are seeing the further disintegration of the fragments of the phenomenon which idealistic scientists of the disarmament era termed "the international community" – an integral body of advanced states that succeeded during their evolution in overcoming competitive motives of behavior. Some Russian experts believe that Russia should have joined their ranks.

The stabilization role played by the U.S. in European policy is decreasing so noticeably that even the most politically ethical Western capitals can no longer ignore it. Washington has shifted its focus toward East and Southeast Asia. The need to "tame" China may push Washington to the most revolutionary geostrategic initiatives.

The so-called 'Broader Middle East' has been an important direction ever since 2001 and a source of a direct threat to the United States. Russia and Europe apparently rank third in terms of significance, if not further down the list. The intellectual resources of the U.S. elite were redistributed accordingly, which is shown by the limited number of enthusiasts involved in the discussion about U.S.-EU relations, not to mention U.S.-Russia relations.

Having stopped being a stabilizing factor in Europe, Washington is beginning (purposefully or otherwise) to act destructively. Such pivotal decisions as the fielding of missile defense facilities in the Czech Republic and Poland could have any motives behind them except for the strengthening of political stability in Europe. The same applies to the persistent promotion of the project to enlarge NATO to include Ukraine. If implemented, it will dismantle not only the European defense identity, but also create a constant hotbed of tensions between Russia and the European Union.

Judging by statements from the U.S. presidential hopefuls, there are no indications that peace in Eurasia will become any more stable in the next few years. Europe does not seem to have the foreign policy and defense opportunities to play a game of its own in this situation. One cannot even see any prerequisites that would lend coherence to this game.

The task of working out an effective European policy, including the EU's ability to be a responsible partner of Russia, encounters an insurmountable obstacle – the need to look for compromise solutions for 27 participants in the process, with many EU members deliberately resisting a rapprochement with Moscow. The need to maintain a semblance of European solidarity and unity of the alliance, fashioned at one point by Europeans to suit their needs, forces even Paris and Berlin to look for averaged solutions. As French President Nicolas Sarkozy has already felt, the European political milieu today, unlike the times when integration was flourishing in the 1950s or the 1980s, does not contribute to the promotion of revolutionary ideas.

CONDITIONS FOR A BIG DEAL

Meanwhile, history is really only made by big ideas and big deals. It is only a "big deal" – energy in exchange for full-scale common institutions – that can make relations between Russia and Europe stable for a long time. It is only the establishment of a new Community, functioning according to its own laws, addressing problems common to all participants, governed by its own bureaucracy and lobbied by its own lobbyists, that would ensure political and economic rapprochement.

Any other form of relations would leave the main political problem unsolved, namely, a lack of trust and a negative mutual perception. This problem exacerbates the competition between Russia and Europe, contributes to their instrumental use by outside forces and, ultimately, prevents the strengthening of security in the common space.

In light of historical experience, the following conditions are necessary to make such a deal a success:

- The partners must have the ability to make comparable material contributions to the common cause;
- There have to be common transborder challenges for the participants in the transaction; meeting these challenges would be the project's objective. The awareness of such challenges will determine a rational choice in favor of unification and will shape the political will of the parties;
- There must be public support, above all on the part of economic players. It is only the extended participation of interested non-government players that can help Russia and Europe to remove, or at least smooth out, the essential differences between their political, social and administrative cultures.

Despite the generally accepted explanation for European integration as a gradual process based on regular technical rapprochement, this process was based on a "big deal," i.e., a decision by the founding nations to place the main levers of governance over major war resources – coal and steel – under the partial control of a supranational body. According to Europe architect Jean Monnet, this body should be in direct contact with enterprises.

Today, oil and gas are the main resources that ensure national security. Russia is rich in oil and gas, and simply by virtue of its geographical position, is the least vulnerable source of resources for major threats to international security. Sovereignty over this natural wealth is worth a lot.

Unlike the six-nation European Coal and Steel Community, where each member state could make an equal contribution, today's Europe actually has nothing to contribute. With rare exceptions, European Union countries have no oil or gas reserves that could be jointly managed by common Russian-EU institutions. Neither has it military resources that could secure it protection from potential threats from the South and – theoretically – from the East. But this does not mean that Russia should treat Europe with arrogance. A functional union with it would be very useful.

First, the European Union can contribute to the common cause its mechanism of collective protection for its interests on the global market and the political levers for using it.

Second, the investment and technological possibilities of European companies are still optimal for Russia.

And ***third,*** Europe can offer stable economy management systems, including systems for managing energy companies, although these are not considered perfect by liberal economists. All these resources could compensate for Russia's "losses" from its renunciation of a monopoly and become a major contribution to political and social stability from the Atlantic to Vladivostok. But would possible compensation be enough for each of the partners?

ARTICLE OF BARGAIN

Let us be frank: any compensation would seem inadequate to those – both in Russia and the EU – who hope to get the most as freebies. And the question here is when will the partners realize that in economic relations freeloading just won't work? And even if it does, the resultant format of relations turns then into a minefield of hidden grievances and political instability.

One should also not forget that the fundamentals of the relationship format that bring the maximum benefits to only one of the partners can be brutally revised when the political regime of the other partner changes. Developments in Latin America and some Middle Eastern countries are convincing proof of that.

In this regard, the disposition toward "zero-sum games," consistently displayed by Russia and the European Union in the last few years, will not be effective in the long term, although it may seem rational and beneficial from the point of view of the current political struggle.

Staking on building up one's relative advantages in any case is based on mutual suspicion. Here the problem of perceptions comes into the foreground. The solution of this problem, albeit imperfect, can be found in Europe's recent history. After all, there are people who remember perfectly well that Western Europe used to be a no less chaotic space for competition than the world beyond the European Union today.

It is generally believed – and it is difficult to contest this statement – that the problem of confidence is a major obstacle to stable relations between Russia and Europe. Russia and the EU are now in a state of the classical prisoner's dilemma. According to public opinion polls, a majority of EU citizens fear the development of truly reciprocal economic integration with Russia.

The reason for such a perception is apparently not only in Russia's current policy and it is definitely not in the empiric knowledge of European elites and citizens. Fears about the political use of foreign investment are not based on the experience of some past crisis. Russia does not have such an experience, either, although, according to public opinion polls, a majority of Russians believe that Europe's only goal is to seize Russian resources. What is the main reason then?

Such a perception is based on a deep-rooted view of the historical alienness of the partner. This view may be softer or stronger, depending on a country's national experience of relations. But in each case this perception is based on mutual phobias, which can only be eradicated by jointly addressing problems over decades.

However, it is still an open question whether the parties need to change their perception of each other before they build a "common energy home." And does this form of unification require the harmonization of values and legislation?

The answer to this question requires an unbiased look at relations between the six founding nations 50 years ago. Despite the cultural closeness of these successors to Charlemagne's empire, the centuries of wars and confrontation, which followed the breakup of his state, cultivated in Western Europeans a strong feeling of apprehension and mistrust toward each other. Even today, cultural differences between Northern and Southern Europe, as well as between former sovereigns and vassals, have not entirely vanished. The foreign policies of a majority of European countries, including Russia, toward each other are marked by a noticeable tint of arrogance. It was only the tragedy of World War II that shook, to some degree, this arrogance for Western Europeans.

NEW RATIONAL CHOICE

A big deal – a strategic union between Russia and the rest of Europe – is possible only if the parties try to achieve a common goal or find answers to challenges equally important for both partners. The main challenge is the need for a serious revamping of relations between the state and business.

Meeting this challenge is crucial for solving the problems – usually attributed to globalization – that face Europe and Russia today. They include, above all, the competitiveness of goods on the domestic and foreign markets, the legitimacy of the state and its sovereignty, the scale and forms of state interference in the economy for increasing innovation competitiveness, and public and national security.

Independent attempts by Russia and European countries to meet these challenges are already becoming a major obstacle to their rapprochement. The growth of state interference in private sector activities and paternalistic tendencies in Russia, as well as the strengthening of intergovernmental forms of cooperation in

the European Union, objectively prevent a search for a common language in the political and technical domains.

For example, apprehensions of the state in Russia and Europe, caused by the need to meet public demand for the regulation of massive foreign investment, have already affected bilateral relations. Even inside Europe, this new field of activity for bureaucrats brings about absurd situations when, for example, a bill on the regulation of investment in Germany has almost blocked the free movement of capital within the EU. The administrative apparatuses were not ready to fulfill their tasks under new conditions. Hence the recent statements by Russian and European policymakers that obviously violate the principles of a free market economy.

In a situation where the world is dangerous in a different way every new day, society tends to support the most risky measures of protection against unfair competition, while the state is torn between liberalization and support for national champions. Foreign partners are viewed either as potential predators or potential prey. Meanwhile, society does not fully realize that its partners face the same challenges and must fulfill tasks that are similar in content, if not in scope.

The rise of sovereignty – a political phenomenon that a decade ago was advocated only by the most desperate antiglobalists – has now become a historical fact. History teaches us that a country's sovereignty drive weakens after a painful defeat at home or in its foreign policy – as was the case with Western Europe from 1945-1957 or Russia from 1991-2000.

It is already obvious that the consequences of sovereign decisions dictated solely by political considerations can not only delay for an indefinite time rapprochement between Russia and Europe, but also undermine the foundation of European integration. Meanwhile, this integration serves as an example for the whole world of peaceful and mutually advantageous solutions to political and economic problems. Do we really need to wait for more serious consequences?

Therefore, the activities of common Russian-EU institutions, should they be established, must aim at improving mechanisms of

state governance over the economy, bring this governance in line with the requirements of the modern world, and ensure the implementation of the state's main function – namely, the protection of the individual's rights inside society and the elimination of external threats.

These efforts must be started with the energy sector, which supplies electricity and heat to voters' homes and whose uninterrupted functioning is vital to the population. Importantly, energy prices and the availability of energy is now the only issue that really interests voters and political quarters in Russia and the EU.

It is not accidental that this problem has been in the focus lately of heated debates within the framework of the political and economic dialogue between the two parties. This is why the main challenge and threat to good-neighborly relations between Russia and Europe must be made their strategic target, which the majority of observers say the parties lack.

CONFIDENCE-BUILDING MEASURES

The scope of challenges faced by the modern world is so great and diverse that both Russia and the EU objectively need support from a special moderator. There is no such moderator at present. Furthermore, there is no international legal instrument that would guarantee mutually accepted rules of the game in the energy sphere. The Energy Charter, once designed for this purpose, can no longer be viewed as a legal foundation of the energy community.

The European Commission, EU main executive body which used to function as "an honest broker," has lost a significant part of its capabilities to act efficiently in the last years. The crisis faced by the EU in 2005-2007 forced Brussels to simultaneously strengthen its own image and protect the diverse interests of EU member-states.

Despite the aforementioned difficulties, the European Commission performs – more or less successfully – the functions of a moderator at the EU level. And it is very important for Moscow whether EU countries can delegate controlled pow-

ers to Brussels to represent their interests in a new joint EU-Russian institution.

In Russia-EU relations, the task of building a common energy market would be addressed more effectively if the bulk of joint efforts were made via an agency that would be as independent as possible from national governments – for example, a Standing Energy Commission. Interaction with Russian and EU companies must be a major aspect of this commission's work.

There is a factor that can unite public and private interests in building long-term and stable relations between Russia and Europe. This factor is the broadest possible involvement of businesses and agencies representing their interests in a common environment.

The infrastructure for representing private interests, taken separately in Russia and the EU, is already well-developed, although even in Europe it largely influences the national positions of EU members. The representation of interests at the pan-European level plays a somewhat auxiliary role, despite the efforts of business associations and European agencies which view the associations as an alternative source of information and expertise. It will take some time before European lobbyism acquires the quality and effectiveness of national lobbyism. As regards Russian-EU relations, representatives of private and public interests have a very long way to go yet toward each other.

It is strategically important to readjust the system and the philosophy of state regulation of the economy. This task will be much simpler to implement if the dialogue and practical daily interaction between businesses and the state are ensured at the international legislative level. This level must guarantee the rights and obligations of the participants in the public-private dialogue within the framework of a joint Russian-EU project. This dialogue will inevitably change the quality of the public-private partnership and increase mutual understanding at the transborder level, including such major aspects as public opinion and mutual perception.

Naturally, when starting to "gather stones" even on their own continent, Russia and Europe must be sure that they will not be attacked by those who still want to throw stones. Already now, tra-

ditional allies (who are new to Russia) are trying to weaken both partners and impair their mutual relations.

One should not expect changes in the positions of the United States and China. The foreign-policy behavior of these players is predictable as they attempt to consolidate their power, irrespective of the predicted consequences for other participants in international relations. It is not likely that Russia and Europe will receive help from them – except, perhaps, as an incentive to improve their own competitiveness. Close coordination between Russia and the EU and their joint energy policy can be a major instrument here.

As we can see, the main obstacles to a breakthrough in Russian-EU relations are, at the same time, opportunities. In a recent conversation with the head of the Russian office of a German political foundation, I proposed exchanging solutions concerning swapping full-scale access for European companies to Russian energy resources for Russia's full-scale membership in the European Union. My own solution is obvious to those who have read this article. My vis-à-vis thought about it for a long time and then suggested having another beer and discussing the issue in more detail. OK, let's discuss it. But let's not take too long.

Multipolar Hegemony

Will China Agree to Jointly Rule the World with the U.S.?

Alexander Lomanov

Speculations by U.S. experts about the prospects for "a partnership of equals" and methods for integrating China into the liberal world order created by the U.S. show a new approach to changes in the global balance of forces. The U.S. is becoming aware that the era of its unsurpassed dominance in the world will come to an end in the next ten to fifteen years and China will move into the prime economic position on the planet. According to Albert Keidel of the Carnegie Endowment, China will be equal with America by 2020 in terms of GDP by purchasing power parity and in terms of national currency exchange rates by 2030. Chinese GDP will exceed U.S. GDP twofold by 2050.

This forecast cannot be called sensational, if anything, as the steady and rapid growth of the Chinese economy already provided grounds for such calculations back in the previous decade. And yet China's unrelenting advance to the position of global leader took the West by surprise. It was only a mere nine years ago that Gerald Segal said in his article "Does China Matter?" published in *Foreign Affairs* (September/October, 1999, Vol. 78, p. 5) that China's might was illusionary and by far a mental plot of the West itself. "At best, China is a second-rank middle power that has mastered the art of diplomatic theater: it has us willingly suspending our disbelief in its strength," Segal wrote soothingly.

Alexander Lomanov is a senior researcher with the Institute of Far-Eastern Studies at the Russian Academy of Sciences, and is a member of the Board of Advisors at *Russia in Global Affairs*. He has a Doctorate in History.

Today Chinese analysts recall this article with a due sense of malevolence as an example of the general misunderstanding of what is happening in their homeland.

DUAL UNIONS?

Chinese experts admit that the country has received huge benefits from its engagement in the global liberal economic system created by the West. It opened the doors to the ever-increasing flows of Chinese commodities to international markets. A common explanation one comes across in China suggests that the West contemplated the plight of the Soviet Union for China at first, but a sober analysis of the aftermath if there were a crash of such a densely populated country convinced Western powers to revise that approach and help Beijing continue a normal development. It looks like the West created favorable conditions for Beijing's embedding in the global economic order on the assumption that growing prosperity and the obligation to observe the universally accepted rules of the game would create conditions for speedy political reforms and democratization in China.

But this liberal calculus has turned sour as the rate of political reforms lags far behind market economic reforms. This means that China may acquire the status of global economic leader while retaining a one-party system and a formal commitment to a "special Chinese socialism." Whatever Western politicians may think about this, there is nothing they can do about it, since no one will ever be able to push China to the bottom of the economic ratings in conditions of globalization, or take away its economic benefits. The growing economic interdependence opens the doors for influences directed both ways, and now China itself can exert influence on the West.

The George W. Bush administration factored China's growing status into practical policies. Rapprochement with Beijing became one of its successes, especially against the backdrop of serious economic failures at home and political/military problems abroad. On the intellectual plane, however, the neo-Cons reacted to the rise of new countries – China and Russia – by issuing a call for a

tighter consolidation in the ranks of the old Western democracies. This scenario looks ideologically immaculate, yet it might mean that an "alliance of the tardy" will be formed that would lack any long-term prospects.

A political standoff between the "democratic bloc" and the new centers of growth would hurt both sides. The hope for replaying the 20th-century experience when the West managed to wear out and dilute the Soviet bloc's economy in the course of contention is but a highly dangerous illusion these days. Given China's annual economic growth of 7 to 8 percent compared to the 2 to 3 percent posted by the West (the U.S. and Europe), attempts to isolate the new leader and to impose an economic boycott against China will make the "democratic bloc" pay a price, and this price will increase each year and make the losses inflicted on the opposite side diminish progressively. Eventually – some time in the middle of this century – the U.S. might find itself in the shoes of the former Soviet Union, whose huge military power broke away from the modest economic influence in the world.

A proposal to set up a U.S.-Chinese duopoly for governing the world economy looks like a classical instance of realism in foreign policy. It rests on the concept of the balance of forces and rules out any hints at the problem of value orientation. By getting a pragmatic, flexible and strong partner in the person of China, the U.S. could set up a union of the world's two largest economies. The problem is that the emergence of the Big Two may impact existing alliances.

Japan will most likely join the duopoly in a bid to extract the maximum possible benefit from economic cooperation with China and from defense/political cooperation with Washington. As for the EU, it may find itself in the position of being the "third man out," although the U.S. will continue to assure the Europeans of "trans-Atlantic solidarity" and the Chinese of commitment to mutually beneficial cooperation. If the hypothetical Sino-American alliance expands beyond the economic framework and takes on a political dimension, this may motivate Europe to expand the geopolitical base by forging a union with Russia.

Considering the EU's ambitions, it is unlikely that it will agree to reduce its own status (to the third weightiest in the Sino-American alliance from the second-in-importance in the current partnership with the U.S.). In the meantime, it will feel like an equal in a partnership with Moscow.

Following the events of August 2008, this option seems rather unrealistic against the background of a steep heightening of polemics between the West and Russia, since the former has gotten a pretext for a lineup within the old alliance. At the same time, the conflict around Georgia has shown that the U.S. needs new strong allies to uphold its global influence. This in turn increases the chances of a rapprochement between Washington and Beijing.

On the other hand, a cooling-off in relations with the U.S. may stimulate Russia to continue the search for a rapprochement with Europe and for setting up new mechanisms of cooperation with its neighbors on the European continent. One can recall, in particular, Russia's recent proposal to sign a new agreement on security. In the future this may open the road to forming a dual alliance between the EU and Russia as a response to the alliance formed by China and the U.S. The Russia-EU duopoly will be a junior twin of the Sino-American one. It will also operate on Realpolitik principles and will sacrifice Western values for common interests. Let us note that both alliances will resemble each other in terms of internal asymmetry, with one partner leading in the military sphere (the U.S. and Russia) and the other dominating economically (China and the EU).

The prospect of China turning into the most powerful world player has emerged so unambiguously that everyone is trying to be China's friend now. The European Union, too, would not miss an opportunity to set up a lucrative strategic bloc with China. Charles Grant and Katinka Barysch of the Center for European Reform believe that Europe has a chance to win Beijing over to its side. The U.S., which is heavily bent on unilateral actions, will not likely predispose the Chinese toward cooperation, while the EU, whose hallmarks are diversity and multilateralism, would suit China much better as a partner. In addition, Beijing is not only a

source of problems in trade and finance for Washington; it is also a strategic contender in East Asia and this breeds military and political mistrust between the two sides. The latter factor tallies badly with the plans for joint administration of a global economy.

Yet Europe has no internal cohesion, and Eastern European countries could easily heed a U.S. request and bury plans for rapprochement with the authoritarian Beijing. This influence over the New Europeans and a deepening division inside the EU provides Washington with a good chance to show itself as the only Western partner worthy of forming an alliance with the Chinese. Add to this the presence of separate interest groups in the EU which, unlike in the U.S., are sorting out relations at the national level. Leading EU industrialized nations are fighting each other on the Chinese market and are seeking bilateral agreements with Beijing in order to gain the maximum benefits. However large the EU's willingness might be, it is not yet ready for a uniform and constructive policy of cooperation with China – as well as with Russia.

DOES BEIJING NEED FRIENDS?

Still, a crucial unanswered question is whether Beijing needs an alliance of this type and whether it is ready to give up its traditional foreign policy course that denies the possibility of allied relations with other countries. The acute need for foreign assistance to speed up modernization in the 1950s urged Mao Zedong to "lean against a single side" by forming an alliance with the Soviet Union, which would help China build up its strength, then move on independently later. Now the external situation is favorable for China's development and it does not have an apparent need for allies. Beijing has already joined the World Trade Organization – at the expense of great concessions; a reform of the United Nations is off the agenda for the time being; and Beijing's chances for implementing plans for a radical realignment of existing international institutions and for the setting up of new structures are questionable now.

Add to this the arguments concerning "parity of the partners" that may arise inside China if an alliance with the U.S. is forged

hastily. China's former ambassador to Moscow Li Fenglin has recently described the Sino-Soviet friendship treaty of 1950 as an "unequal" one, as China found itself in the position of being the guarded and protected side and the imbalance of the two countries' forces was immeasurable. These statements hurt many Russian veterans who took part in providing friendly assistance and support to the Chinese people. Still, the Chinese system of foreign policy benchmarks suggests that equitable agreements are possible only between players with equal potential. If this logic is projected at the prospects for an alliance between China and the U.S., it may also turn out to be "inequitable" if American leadership persists, as the difference in weight between the two countries will not be in Beijing's favor.

Experts say that after an incident in 2001, in which a U.S. and a Chinese warplane collided over sea, relations between Beijing and Washington have remained steady. This is the longest period of stability since the end of the Cold War. Experts inside China link it to the September 11, 2001 events and provide two different explanations for it. Some of them believe this lull is temporary and is mostly due to external factors. They maintain that the China-U.S. confrontation will resume after Washington relinquishes its struggle with terrorism and scales back its activity in the Middle East. Another explanation suggests that external factors do not play a leading role anymore and a stable Sino-American relationship comes from the growing need that both countries have for each other.

Chinese analysts tend to deny the thesis that China's rapid economic growth was a result of Bush's antiterrorist campaign. Washington kept most of its attention focused on China and continued to build up its military presence in East Asia. At the same time, the Chinese admit that the role of external stimuli for cooperation with the U.S. (like the "Soviet threat" during the Cold War or the current fight against terror) is decreasing. After solutions are found to the North Korean and Iranian nuclear problems, their importance will drop to a minimum and internal stimuli for partnership will move into the spotlight.

Dr Yuan Peng, the director of the Institute of American Studies that reports to China's Institute of International Studies, believes that Chinese diplomacy faces the task of fostering strategic trust in relations between Beijing and Washington and expanding the field for cooperation. The main issue that Chinese analysts ask is whether economic interdependence will be enough to form trust in politics and security. As they assess the Strategic Economic Dialogue that the U.S. and Chinese leaders launched in 2006 and in which Henry Paulson, the U.S. co-chairman and U.S. Treasury Secretary, takes so much pride, Chinese analysts indicate that the U.S. uses its mechanism to put unilateral pressure on China in a bid to force it into concessions on the yuan exchange rate and to make Chinese financial markets accessible.

The Chinese deemed Paulson's calls for opening the financial market and changing the growth model "in the interest of healthy development of the Chinese economy" as a strategic entrapment aimed at arresting the speed of the country's global rise. Experts point out that a deepening of internal changes will set the scene for a rapprochement with the U.S., such as the opening of the Chinese financial market. The latter is an objective of economic reform, however, and "it will be effectuated without pressure on China on the part of the U.S." It is another thing that Chinese reformers will not yield to U.S. impatience and will not take the risks of poorly prepared changes.

However, the Chinese will draw increasingly more benefits in the future from the conditions of bargaining with the economically limping West, which will continue to lose its advantages. Dr Song Yuhua of Zhejiang University's Economy Research Institute says that if one looks at the situation right now and in the short term, China depends on the U.S. to a larger extent than the U.S. depends on China; that is why the Economic Dialogue evidences ever-increasing U.S. demands, while Beijing has to agree with it and make concessions. He also writes that it is the Americans who define the issues for this dialogue and its results bring far more benefits to Washington. However, in the mid and long term, China will benefit from the changes. As China's economy contin-

ues to grow and the country's standing in the world economy and politics rises, America's dependence on China will grow and the balance of their interdependence will level out.

Disputes are not limited to the economy. The U.S. exasperates China with its support for Taiwan and its criticism of "a lack of transparency" in the programs to modernize the Chinese Armed Forces or China's cooperation with countries like Sudan or Myanmar. China regards the "color revolutions" in the territory of the former Soviet Union and U.S. rapprochement with India, Mongolia and Vietnam as a challenge to itself in the field of security. Moreover, Beijing's willingness to rid foreign policy of an ideological ballast does not find much response on the American side of the Pacific, as the White House continues expounding on the importance of democratization in China and holding meetings with the official Beijing opponents – Xinjiang and Tibetan separatists, members of unofficial Christian sects, and Hong Kong democrats.

Yuan Peng argues that China and the U.S. act as two powerful states whose relations rule out any benefits from one-sided pressure on the other partner. He believes that both sides must keep in check and dampen the elements of confrontation, as well as reduce the impact of ideology and domestic policy. In the future, a new type of strategic stability is expected to emerge between the two countries. It will be different from the one that existed between the U.S. and the Soviet Union or between the U.S. and their incumbent allies.

Stability in relations between the U.S and the Soviet Union rested on the balance of military force and the balance of nuclear deterrence. Post-Cold War stable relations between the U.S., on the one hand, and the EU and Japan, on the other, are based on the communality of the social system and ideology. They can be called "an alliance of common values." Yet China, which is reluctant to pursue a Soviet-style buildup of military power or to renounce socialism and Communist Party rule, does not fit into either model. Dr Yuan called on China and the U.S. to build a model of strategic stability taking account of the conditions of

globalization, differences in the social order and patterns of civilized development, asymmetry of military strength, and the deepening of economic interdependence.

Partnership proposals from both sides contain voluminous lists of reproaches and wishes that may prove to be unfeasible in reality. The absence of shared liberal values makes the hypothetical alliance uncomfortable for Washington, while the absence of defense parity and the presence of a chain of military bases along the perimeter of China's borders are unlikely to inspire Beijing with trust toward its partner. At the same time, mainstream political scientists in China, who reflect Beijing's official viewpoint, are ready to support John Ikenberry's main thesis that China will not take any actions aimed at destroying the existing global system, which satisfies it on the whole and which produces good dividends for it.

Song Guoyou from the Center for American Studies at Fudan University warns that a threat to partnership may come from the U.S. At this point the U.S. continues to watch China's efforts silently, but people in Washington are gradually losing patience – they may apparently decide that Beijing is getting too many benefits and that it is developing away from a direction desirable for the U.S. The researcher believes the Chinese authorities should not soothe themselves with optimistic hopes that the U.S. will continue to support the tendency toward the growing economic cohesion of the two countries.

Interdependence has a price and the Americans will inevitably try to draw benefits from it, forcing China to make concessions. However, this does not lay the groundwork for China to break up with the U.S. unless the situation involves Taiwan or the country's territorial integrity. However, Beijing must prepare for a possible clash of the two countries' interests in the future. "If China's strengthening in all spheres presents a peaceful challenge to the U.S. domineering position, will the U.S. look at it peacefully then and fulfill China's justified demands?"

Today's debates inside China regarding future partnership with the U.S. proceed – to one degree or another – from the U.S. thesis about the advisability of turning Beijing into a "responsible

stakeholder," which was put forth in September 2005 by Robert Zoellick, then an Assistant Secretary of State. Chinese experts evaluate his statements in different ways. They believe that in addition to recognition of China's international weight, which is a balm to national pride, his statements conceal a dangerous invitation to give up national interests in favor of supporting Western policies in the spheres where this may damage their country – from the revaluation of the yuan to the import of liberal values.

The experts interpret the new foreign "theory of China's responsibility" as the aftermath of the evolution of former attempts to influence Beijing, using the bankrupt theories of "China's crash" and "China's threat." The "crash theory" of the 1990s was based on overstatements of the problems that China was to face with its internal development. The "threat theory" that replaced it is also losing its relevance as Beijing's international prestige and rapport with the outside world grow. Now the West is trying to impose its own rules of the game on China and to influence its policies with the aid of the "responsibility theory."

Niu Haibin of the Shanghai Institute of International Studies describes the latter theory as a challenge to Chinese diplomacy. Unlike the former two theories, this one is more neutral and unbiased and it focuses on dialogue and consultations instead of on the mechanisms of deterrence. However, it is painted in liberal colors and is devoid of realism. China cannot reject its responsibility, but Dr Niu believes one should draw a clear distinction between obligations to the U.S. and to the world community in general.

The U.S. would like China to "shoulder the excess costs of protecting American hegemony." The EU is pressing for progress in the energy sector, in the openness of markets and in human rights. Developing countries expect China to hold back the reciprocal competition in trade, as well as to provide aid and privileged loans. This means that China will bear international responsibility, indeed, but not in the way that a small group of countries would define for it. Beijing will act proceeding from its national interests and the political priority of the authorities' responsibilities for the country's development.

The weakness of the U.S. position is seen in Zoellick's proposal that China should provide "retroactive pay" for advantages previously gained in trading with the West. Beijing now stresses the burden of the obligations it undersigned while joining international organizations and their scrupulous observance, saying that this makes any extra demands groundless both in the juridical and moral sense. Fred Bergsten makes this point clear in an article where he says China will not be satisfied with being treated just as "a party concerned" and not getting the status of a full-fledged and genuine partner in global administration. At the same time, Zoellick's postulation produced a profound impact on Chinese political discourse, stimulating the discussion of prospects for partnership and rapprochement between Beijing and Washington.

CHINA'S DISCUSSION ON RESPONSIBILITY

Professor Chu Shulong from the School of Public Policy and Management at Tsinghua University in Beijing said in a recent publication that China acts as a defender of the existing international system and this facilitates approximation of its positions with the West. He indicated that China's growing confidence in its own strength plays a certain role in this process. Remembering pressures through the use of force on the part of the West and Japan has fostered a specific "psychology of the victim" among the Chinese. It fuelled the acute reaction to the West's operations in Kosovo in 1999, which sparked apprehensions that the formula suggesting the supremacy of human rights over sovereignty could be applied in other parts of the world, as well, including Tibet and Xinjiang. Yet in 2003, after the start of the war in Iraq, some Chinese experts came up with public condemnations of U.S. hegemony, but did not link the events to any possible threats to China's national security.

Value conceptions have been changing, too. In the past, Beijing would do its best to disassociate itself from the U.S. and would speak out against any war conducted by the Americans, but it neither supported nor condemned the war in Iraq. Chu Shulong says the government made a decision to choose this position with due

account of the international situation and relations with the U.S. and Iraq. But value conceptions also played a certain role in it. The U.S.-British war launched to impose democratic values on the Iraqi people was a hegemonic action, but the Chinese government also considered the horrible things that Saddam had done to the interests of the Iraqi people, the security of neighboring countries and stability in the region in the past 20 years. In addition, Beijing took account of the factors of international justice and morals.

Dr Chu indicates that the tradition of standing against something – imperialism, colonialism, revisionism – is vanishing from Chinese politics, and the lingering postulation about countermeasures to hegemony has lost its previous key status. "A gradual change of the culture of 'standing against something' is a gratifying fact. It shows that China is turning more and more into a normal country, and an active and encouraging member of the world community," he writes.

Another indication that China is moving toward new values can be found in an article with the eloquent title "On the Possibility of China-U.S. Joint Dominance" published in the *Xiandai Guoji Guanxi* (Contemporary International Relations) magazine (No. 2, 2008, pp. 28-32). Its authors come from a new generation of China's intellectual elite. Huang He is a postdoctoral student at Nanjing University and a research fellow at the university's Hopkins-Nanjing Center Institute for International Research. His co-author, Zhu Shi, is a doctoral student at Nanjing. Huang and Zhu suggest that Chinese-U.S. 'joint dominance' (*gong zhu* in Chinese) is quite possible and desirable.

Their discourse takes root in the Western 'hegemonic stability theory,' which claims that a hegemonic state is needed to maintain the stability of the world system; a state that has the ability and the willingness to provide public benefits to society. The U.S. performed this mission in the format of 'unipolar stability' after the end of the Cold War, but keeping international public benefits in a period of decaying hegemony requires the involvement of other countries, too. The U.S. needs an associate in this field and China can play precisely this role.

In referring to the ideas of U.S. economists Charles Kindleberger and Robert Gilpin, Huang and Zhu describe the hegemon as managing the process of distributing international public benefits. The hegemon has a powerful economy enabling it to shoulder huge costs. However, the present U.S. hegemony is selfish; it has largely violated the principles of mutual cooperation and joint development of the world community, which was seen by the events in Iraq. In a reflection of these tendencies, Gilpin put forth a hypothesis of 'shared responsibility,' suggesting the need for support of international partners, which captivated Huang and Zhu.

The latter maintain that China's need to lend assistance to the U.S. in order to scale down the burden of control over the world order is becoming more and more obvious. Huang and Zhu believe that China's stronger role as a leader in world affairs is not necessarily as incompatible with U.S. dominance in world governance as water and fire are. If the new arrangement is flexible enough to help promote settlement at a global level in line with the changes in the alignment of forces, then the two countries will be able to establish fruitful cooperation.

According to Huang and Zhu, future global stability will require Sino-American joint dominance. All strong countries capable of maintaining cooperation keep a balance of power and that is why the probability of a simultaneous decay in the strength of two states that are jointly keeping the world order is very small. As long as order is maintained by many states rather than just one state and not a single state has any preponderant advantages, all issues will be settled through consultations. Big countries will jointly allocate money and human resources in order to maintain the international public good.

Huang and Zhu believe that cooperation with Washington in world governance is a reflection of Beijing's internal demand for economic development amid international peace and stability. They point out Deng Xiaoping's suggestion that "relations between China and the U.S. will improve eventually, and we should only continue contacts and develop ties" and conclude that

the scope of factors encouraging cooperation is growing steadily in the 21st century. There have already been mutual losses and gains in the economy and investment, and there are elements conducive to active cooperation in both countries' strategic culture, as well.

The Chinese experts note the paradoxical situation that the U.S. has found itself in. China has learned the ideals and mode of thinking inherent in the international system after becoming included in it. Also, the country has moved toward openness and transparency and assumed an extra amount of international obligations – the way the U.S. wanted it to do. On the other hand, being a part of the international system, Beijing not only assumed the obligations, but also started using rights, thus infusing increasingly more Chinese elements in international mechanisms. This unavoidably makes the U.S. feel certain limitations.

Huang and Zhu say the first thing one will have to consider in the process of developing the model of Sino-American cooperation is a coordination mechanism that will help solve the "free rider" problem during the production and distribution of international public benefits. The accumulation of financial resources will be the key problem of the project. The authors mention the Tobin tax on transactions involving foreign currency that was designed to slash speculative transactions and the instability of currencies; to make government economic policies less vulnerable to external blows; to improve the gains of international organizations; and to raise financing to provide for international public benefits. Another feasible idea – put forth by George Soros – is the creation of a specialized fund that would use donations from rich countries for international aid. This line of logic suggests that China and the U.S. should set up a fund of no less than $30 billion with a provision that other rich countries may also join in. The third area of activity is to draw official and private funds and to mobilize diverse resources.

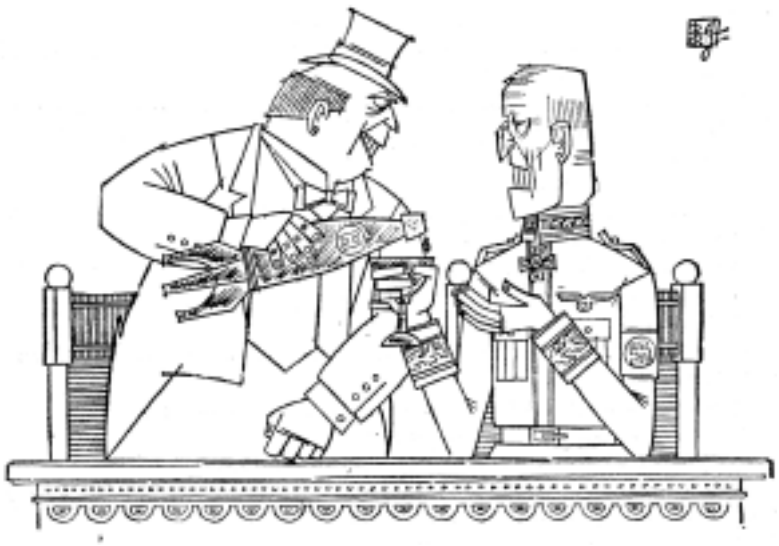
This interpretation of the alliance between the two countries reduces its practical side to the emergence of channels for the accumulation of funds and a source for additional investment in global public benefits, as well as creating a floor for joint interna-

tional actions. But the conclusion is worthy of attention. Huang and Zhu say that "joint dominance should rest on the willingness to respect the principle of subordination to the leading role of a state that has profounder knowledge and more developed economic mechanisms." Since Beijing's economic leadership looks predestined now, this passage seems to be a claim to the title part in the Big Duo.

The range of published articles this year – both in the U.S. and China – discussing the "partnership of equals" and "joint dominance" highlights the possible rise of new alliances capable of changing the global alignment of forces. It is still a wild guess as to how much these ideas may captivate the new U.S. administration, but partnership with China has been a priority during the two terms of the outgoing Republican administration, which provides grounds to believe that the new man in the White House will maintain the course of rapprochement with Beijing.

As for China, the situation is even more predictable there. A change of power has been scheduled for 2012 and the Communist Party elite has endorsed the successors – Xi Jinping and Li Keqiang. The two men will run the country until 2022, the most decisive ten years in terms of reaching economic parity with the U.S. If current theories are put into practical actions on both sides, Xi and Li will face the task of negotiating the creation of a Big Duo with the U.S.

The Five-Day War: Major Results



"Intoxication with war is a dangerous intoxication"
Benedict Genescu (Romania), 1962

The Medvedev-Putin tandem is undoubtedly aware of the economic and political factors that make a tough confrontation with Russia highly disadvantageous for Europe and the U.S. This is one of the reasons that both the president and prime minister are holding firm. But there are internal political factors as well.

The Caucasian War and Public Interest

Peaceful Democratic Alternatives to Replace Imperial Ambitions

Alexander Buzgalin & Andrei Kolganov

The recent outbreak of violence in the Caucasus has given rise to a version of these developments in which a huge and aggressive authoritarian Russia, loaded with nuclear bombs and missiles, attacked a small, defenseless and democratic Georgia. Despite the U.S. role in initiating this war, almost all of the international mass media believed this version of events, and a large part the world community did as well, including members of the alter-globalist movement, most of whom do not sympathize much with the United States. Why did this happen?

THE BACKGROUND OF THE DECEPTION

This did not happen by accident. The Russian authorities have a very aggressive policy behind their backs; or, to put it bluntly, a bloody war against the Chechen people, in which tens of thousands were killed and the Chechen capital Grozny was destroyed.

The Russian authorities do not only have an anti-social policy behind them – Russia is building an economic and social model that is more liberal and market-oriented than even that of the U.S., but which is less socially oriented than the U.S. one – but also an increasingly anti-democratic domestic policy.

It is common knowledge that the Russian authorities also have plenty of examples of providing "not quite accurate" information.

Alexander Buzgalin is a professor at Moscow State University. **Andrei Kolganov** is a leading researcher at Moscow State University. This article was originally published in Russian in *Nezavisimaya Gazeta*, September 11, 2008.

This is why most people in the world, except in Russia, did not believe the Russian government when it actually did tell the truth – that the Saakashvili regime had committed acts of aggression against the citizens of South Ossetia. Meanwhile, almost all Russians immediately believed their government. That was not accidental either – Russians have not had the opportunity for a long time to be proud of their country, but they – for the most part – have not learned yet to think of their country in isolation from the state machinery and the army. People miss justice and a "good Tsar."

In this very case – and largely as a result of the actions taken by Mikheil Saakashvili and U.S. President George W. Bush – the circumstances simply forced the Russian authorities to act in a more or less righteous and just way. They had no other choice and they began to protect those who really needed protection. Who knows, maybe they even did that with pleasure, happy that they could finally satisfy some people's nostalgia for the Soviet Union. People sincerely supported these actions of the state.

The military and ordinary people were the first to act. The Russian authorities, who had long wanted to portray themselves as at least having some kind of empire and who had planned to do that precisely in the Caucasus region, could not but take advantage of the situation.

How exactly did they do this? Here we have questions that must be answered with facts in hand. The West lied a great deal about this war, but was it a lie that Russian aircraft bombed residential neighborhoods in Georgia and that the military killed civilians as well?

Why, how and by whose decision did Russian troops find themselves outside the territory of South Ossetia, in particular in Gori? And the most important question is: Were the actions by Russia and, no less importantly, the actions by the U.S. and Saakashvili, just and did they meet the interests of the peoples of the Caucasus and Russia?

WHY THE WAR BEGAN

There is no doubt that given the degree of the Saakashvili regime's dependence on U.S. support, it could not undertake any military actions not only without the approval, but also without direct instructions from its U.S. sponsors. Therefore, the main question is not why Saakashvili launched his bloody military adventure, but why the United States needed it.

First of all, during this year's presidential election campaign the Republican administration decided to give its candidate an opportunity to flex his muscles. And John McCain scored some points in the presidential race; so the Bush administration's calculations came true.

A more fundamental reason lies in the U.S. and global economies, and there are several factors here.

First, for many U.S. administrations it has become commonplace to respond to economic difficulties by escalating international tensions, which enables them to inject additional funds into the economy in defense spending and to justify various kinds of unpopular measures. However, to all appearances, the U.S. is not going to give direct military support to Saakashvili, as that would mean a military confrontation with Russia. Washington's problems in Iraq and Afghanistan make such confrontation undesirable; moreover, they make the U.S. interested in at least a favorable neutral Russia in those regions. Arms supplies to Georgia and financial support for Saakashvili, together with loud political rhetoric, could hardly produce the effect needed to warm up the economic climate in the United States.

Second, European countries have lost part of the market for their exports because of the U.S. economic decline and soaring inflation. The European economy is much more dependent on exports than the U.S. one. Therefore, the decline in the European economy already promises to be deeper than that in the U.S. economy. In these circumstances, sparing prices in long-term contracts for the supply of raw materials and fuel from Russia is one of the anchors that can keep Europe from plunging into an even more devastating crisis. To this end, Europe needs a trustful relationship with Moscow. But if the economic and financial sit-

uation in Europe sharply deteriorates, this may cause European capital to move to a seemingly more successful America – much to the joy of the Bush administration.

So far, Europe – at the diplomatic level – is demonstrating its Euro-Atlantic solidarity, although not as zealously as the United States would like it to. Yet it is quite obvious that Europe does not want to go further than verbal rhetoric. This is why the U.S. is paying so much attention to the new members of the European Union and NATO, viewing them as its clients capable of exerting pressure on Old Europe.

However, these plans have little chance for success. Russia's tough position has had no small share in this, causing not only Europe but even the United States to exercise caution in their practical steps, however harsh their speeches and statements may be. Why then does Russia's position on the South Ossetian, as well as Abkhazian, issue differ so dramatically from its position in the first half of the 1990s?

PROSPERITY IN JEOPARDY

The Medvedev-Putin tandem is undoubtedly aware of the economic and political factors that make a tough confrontation with Russia highly disadvantageous for Europe and the U.S. This is one of the reasons that both the president and prime minister are holding firm. But there are internal political factors as well.

Russia has strengthened both economically and militarily over its years of economic growth, despite the persistent problems in the army. Russia's ruling elite is now reaping the benefits of a favorable economic situation and political stability. However, the country's economic prosperity rests on a fragile foundation which is being further eroded by a host of deep systemic problems. These include the low technological level of Russian industries and, as a consequence, their low competitiveness; a low level of innovation activity and technological dependence on the West; the extremely deteriorated state of the country's infrastructure; the crisis of the pension system; the

loss of food independence; and the growing dependence of banking and corporate capital on Western loans.

The on-going economic crisis in the world and a possible continuous fall in oil prices are increasing the threat of economic shocks. In that case, the technologies of political manipulation which have so far ensured political stability may not work. Therefore, Georgia's aggressive actions against the South Ossetians gave the Kremlin an opportunity to pose as a defender of national interests and thus receive additional public support (similarly, Putin's actions to repel the bandit invasion of Dagestan in 1999 boosted his popularity).

The tactical political interests of the Kremlin administration and the interests of the overwhelming majority of the Russian people have now coincided. If we add to this the growth of nationalist sentiment in the country in recent years, then we will see that the ruling circles have made a win-win bet – they have secured mass support, especially since in this case the actions of the Russian authorities were seen as justified.

So what happened in South Ossetia? Aggression? Genocide? Yes, all that took place there. But there was also and still continues to be a cynical backstage game of countries like the U.S. which call themselves free, democratic and civilized – and which do not hesitate to sacrifice thousands of civilians for the sake of their own political goals. Also, the acute problem remains of Russia's imperial ambitions and actions. And most importantly, there are the peoples of the Caucasus, who have to live and develop in these conditions.

PUBLIC INTEREST AND REALPOLITIK

There is a reason that geopolitics, like politics in general, is considered to be a business for "real people." It is not acceptable in geopolitics to talk about principles, morality, etc., and if these things are even mentioned, it is done only for the sake of a promotion campaign of some kind.

Even less mention is made in geopolitics – especially in recent decades – of social and economic roots and interests. It rather

operates such notions as 'state' and 'elite,' where 'state' – as government machinery – is implicitly, but widely identified with the people of a given country and its territory, while the ruling social and political forces are identified with the elite of the nation in the intellectual and moral sense. But is this really so?

The recent war in the Caucasus has once again demonstrated the parochialism of such views and serves as another in a series of lessons in recent decades, among them Afghanistan, the Balkans and Iraq. Adherence to principle in geopolitics has well-known "roots."

If nations or peoples want to be independent and to have a statehood of their own, no one should stand in their way or even more so use force, especially from the outside.

If peoples and nations want to enter into alliances, these alliances must be voluntary, and the use of force against them – as well as economic sanctions or political/ideological manipulation – is unacceptable. Imperial ambitions by any states and their blocs must be resolutely countered.

One must remember that any nation and any people is not homogeneous and that the majority of citizens are now kept away from geopolitical decision-making. In some cases, clan-corporate groups, which have merged with the bureaucratic state apparatus, try to express their views. In other cases, this is done by the largest public-private corporate structures hiding under the cloak of liberal democracy. In still other cases, there are semi-feudal and semi-capitalist structures hiding behind religious ideas.

Moreover, one should not forget that any nation is under strong economic, ideological, political and power pressure exerted by a group of states and blocs seeking an imperial status, above all the U.S. and NATO. This is all true.

This is why it is particularly important to clearly formulate one's principled position and use all available peaceful means to help the majority of "ordinary" citizens to formulate and uphold their position – in a democratic and independent way – and say what they want to achieve. Independence? A union? What kind of union, with whom, and on what terms? And then their view should be supported, while blocking external imperial or other pressure on these peo-

ples and nations – especially if this pressure comes from the outside and has the nature of armed aggression; if peoples wishing to be independent ask for assistance; and if the UN and other international institutions keep silent. In these circumstances, peoples' fighting for independence must be helped – including by force.

But afterwards this force must be immediately removed. Chopping off the head of a dragon is a matter of honor and conscience. But one must not take the dragon's throne after that, because one will become a dragon himself. In this sense, Russia was right to support South Ossetia and Abkhazia's desire for independence.

But those who do not believe the Russian dragon are right as well – formerly it already seized the dragon's throne by force and changed from a liberator into an invader.

If the Russian authorities from the very beginning – that is, from the first Chechen War, if not earlier – had firmly held the position of protecting the rights of nations and peoples to self-determination, then there would have been much broader support for Russia in the present confrontation. But that has not happened. And this is why even democratic international organizations that oppose the U.S. do not trust the Russian government. Meanwhile, the Russian people finally want to believe their own political leaders, but...

And here I would like to single out some important aspects pertaining to lessons of the August war.

LESSONS TO LEARN

To begin with, the inconsistency of the Russian authorities – who sometimes oppose the sovereignty of "small peoples" and sometimes advocate it, depending on tactical considerations – has backfired, and very painfully, on themselves and, indirectly, on all Russians. This happened at the precise time that the Russian authorities did something really useful; that is, when they defended thousands of people in South Ossetia. The world does not believe the Russian government, and this is bad. But still worse, it does not believe Russian citizens, many of whom personally helped the South Ossetians and some of them even gave their lives for that cause.

This is bad for us. But it is equally bad for those members of the international civilian community who do not distinguish between the Russian government and Russian citizens.

Unfortunately, this is a well-deserved retribution for the failure of most of us Russians to oppose the government's imperial geopolitics in the past; for the support that many of us now give to it; and for the feeble or active attempts by Moscow to pose at least as some kind of "empire."

Now it is the right time for Russia to do – at long last – something really worthy: let not only the Abkhazians and Ossetians, but also the Chechens decide the issue of their independence in a truly free way; refrain from engaging in backstage bargaining with the heads of Chechen clans; make a clear distinction between the peoples of Georgia and the authorities that support Saakashvili; help ethnic Georgians living in Russia feel at home; and take steps to develop Georgian-Russian friendship in culture, education and public diplomacy.

It is also the right time for the West to rethink its unscrupulous policy regarding the self-determination of nations and regarding Russia, and to think of the importance of distinguishing between Russian citizens and the Russian government.

However, neither the government nor the larger part of *Realpolitik* forces both in Russia and the West are going to learn these lessons yet. In Russia, a real basis has emerged at last for public support of the state and a formal pretext has arisen in the West to find "the enemy of democracy." Both of these tendencies lead nowhere.

The Russian authorities will hardly be able to implement the credit of trust which they have received due to their really lawful actions. The authorities express the interests of those forces that have been pursuing – and will continue to pursue – an antisocial, undemocratic and petty-imperial policy. They will lose this credit of trust sooner or later – in the same way the authorities of the Russian Empire lost their credit of trust earned at the end of the 19th century when they supported the truly just struggle of the Balkan peoples for independence in the war against Turkey –

which, incidentally, was supported then by Britain, a super-empire of the 19th century.

At the same time, the West will see that the demonization of Russia as a country – as distinct from criticizing its rulers – is very harmful not only for the people of Russia but also for the West, which is witnessing a further growth of the already influential right-wing conservative political forces. These forces advocate a liberal-capitalist socio-economic policy line, aggressive imperial geopolitics, and an increasingly authoritarian/conservative policy at home to suppress human rights and freedoms, as well as the rights of unions, social movements and non-governmental organizations.

This factor makes it very important to search for peaceful, consistently democratic, and anti-imperial alternatives, and to seek the solidarity of forces that advance and defend these alternatives, both in Russia and the world.

The Logic of South Ossetia Conflict

The Russian Peacekeeping Operation: Interim Results

Ivan Kotlyarov

It is impossible at this point to conduct a thorough analysis of the causes and long-term aftermaths of the Georgian invasion of South Ossetia and the Russian operation to coerce Georgia to peace that followed it, because the information that continues to come in – both as news and analysis – is nothing but a continuation of the media war. Yet it is hard to overestimate the significance of this armed conflict as it was the first instance since the breakup of the Soviet Union where Russia used force at its own initiative to defend its rights outside its territory. (The activities of the 11th Army under the command of General Alexander Lebed in Moldova in 1992, which came on the heels of the Soviet Union's disintegration, were actually a continuation of Soviet policies. The campaign was steered by Lebed of his own free will and strongly disapproved of by Moscow. The march of Russian paratroopers into Pristina in 1999 was an act of propaganda rather than defense. Also, Russian peacekeepers were deployed in this region through an international community resolution and not by a unilateral Russian decision.)

That is why I will try to draw up some provisional remarks and conclusions.

THE LOGIC OF THE GEORGIAN INVASION

It is probably not a mistake to say that Mikheil Saakashvili's decision to invade South Ossetia was prompted by two closely intertwined factors:

Ivan Kotlyarov holds a Ph.D. in Economics.

• He needed a small war that he could win, since there is nothing more instrumental for boosting one's own political ranking than successful military action, and Saakashvili's popularity rating at the time of the invasion was much lower than it was during the much-lauded Rose Revolution (it is enough to recall the opposition's protests in November 2007);

• Saakashvili craved the restoration of Georgian sovereignty over the former autonomous republics that had drifted away in the early 1990s. Every nation has a natural concern for safeguarding its state territory and the Georgians naturally felt acute pain about the lack of Georgian control over Abkhazia and South Ossetia. It was likewise natural to expect that the nation would enthusiastically hail the restoration of Georgia's constitutional order in these two territories regardless of the possible huge number of casualties among peaceful Ossetians. The indigenous population of any country attaches a much greater value to its own statehood than to the lives of immigrants and ethnic minorities, and Georgia is no exception in this respect. A successful operation in South Ossetia would have become a second stage of the restoration of Georgia's territorial integrity (the toppling of the Aslan Abashidze regime in Adzharia in 2004 could be considered the first phase of the effort). The re-absorption of Abkhazia that, according to the data available at the moment, was planned as a follow-up to the defeat of South Ossetia, would have become a third stage.

In other words, Saakashvili had both personal and state objectives in mind – boosting his popularity rating and forcefully re-absorbing rebellious territories. Remarkably, his labeling of the incursion into Tskhinvali as "an operation to restore the constitutional order" had formal grounds. First, the government in Tskhinvali and its volunteer guard units were completely illegal under the Georgian constitution and their elimination (including the physical destruction of their allies in South Ossetia) was not a war against a sovereign state or the genocide of a people that had the right to self-determination, but a lawful restoration of order in a rebellious region. Second, combat actions in South Ossetia were designed precisely as a punitive police operation – Saakashvili

hardly expected that Russia would take strong measures to protect civilians in its peacekeeping contingent's zone of responsibility. He reckoned that South Ossetian armed guard units alone would not hold out against Georgian armed forces for a long time, and even volunteers from North Ossetia would not help as their support would not arrive in time.

It is obvious that the operation had a rather simple military and political plan: a powerful artillery shelling of all the possible spots of resistance; putting troops into the rebellious republic; defeating the remaining guard units (and, possibly, Russian peacekeepers, too); cleansing the territories; setting up agencies of power reporting to Tbilisi; and proclaiming that the constitutional order has been restored. Tskhinvali was to be occupied within one day and the whole operation was most likely designed to only take a few days.

Georgia had good chances for success. In the first place, the Georgians and South Ossetians had incomparable military potentials. The Georgian Armed Forces were equipped with tanks, heavy artillery weapons and salvo systems and had received training from U.S. instructors, while South Ossetia's armed forces actually consisted of volunteer guard units. Also, the geography of Tskhinvali, which was surrounded by high areas controlled by Georgian forces, was conducive to anything but long defense. Thus Saakashvili could hope for a Blitzkrieg. Furthermore, the timing of the operation was specially chosen to coincide with the opening of the Summer Olympics in Beijing. Saakashvili reckoned that Tskhinvali would have been defeated before the world leaders gathered in Beijing could react. Even if Russia chose to render military support to South Ossetia, it would be too late because a pro-Georgian administration would already be installed in Tskhinvali and it would be too late for Moscow to take any steps at all. It was more logical at the time to expect that Russia might not want to send its troops there at all (even if there were casualties among Russian peacekeepers) and that it would rather restrict its reaction to a couple of rancorous statements – something that the world had grown accustomed to – and sever direct communications with Georgia. Russia's notes of protest would not frighten

Mikheil Saakashvili – the winner, the restorer of Georgia's territorial integrity and Washington's favorite. In any case, NATO would provide unequivocal support to Georgia's territorial integrity. Of course, the U.S. and its allies would express their condolences over the unavoidable victims among the South Ossetian population – but they would not regard this as the genocide of the Ossetian people.

The problem of presumable casualties requires special note. The data available today indicates that Georgian troops received an order to directly exterminate civilians in South Ossetia. It cannot be ruled out that in this way Saakashvili wanted to resolve the problem of Ossetian separatism once and for all. The most horrible thing is that, being the most pro-American and, consequently, the most pro-democratic president in the CIS, he would most certainly have gotten away with it. A confirmation of this can be found in numerous reports (often fake) about "the victims among the civilian Georgian population" that the Western mass media churned out after Russian troops went into South Ossetia and then into Georgia. Simultaneously, the Western media preferred to keep silent about the hundreds of Ossetians who had died during the Georgian assault on Tskhinvali. Remarkably, very similar methods of "resolving" the ethnic problem were popular among the former "fighters for independence" in what the West believes to be the most progressive post-Soviet countries – Estonia, Latvia, Lithuania and Ukraine. To this end, they formed national subdivisions of the SS that are highly advertised and mythologized these days.

To sum up, Saakashvili had plausible reasons for launching the operation in South Ossetia, as well as good chances for making it successful and for ensuring a durable political result, owing to NATO support and due to the extermination of the Ossetians. Thus the logic of the Georgian invasion – not its moral aspects – was practically immaculate.

THE RESULTS FOR GEORGIA

While the Russian media continue to describe Saakashvili as a psychically imbalanced individual predisposed to hysteria and who

is mentally deranged, let us recall that his plan (or, rather, the reconstruction he proposed) was crowned with virtually total success. Tskhinvali was practically in the Georgian army's hands just several hours after the start of the operation and the greater part of South Ossetia was occupied, as well. Neither world leaders nor Russia produced any reaction to the events, and the Georgians started setting up their own agencies of power on the seized territories. This allowed Tbilisi to make a vociferous statement on the success of the "operation to restore constitutional law and order."

Russia's response caught Saakashvili by surprise, but still the Georgian military proved capable of offering strong resistance to the advance-guard units of Russia's troops and even to organize a counteroffensive of a kind, since some areas of Tskhinvali, which the Russian Defense Ministry reported had been liberated from Georgian forces, again fell under Georgian control in the dark hours of August 9. Even official reports confirmed a loss of several dozen tanks and several warplanes, which testifies to the Georgian army's good fighting capability. But it is equally natural that Georgia could not fight back for too long, and Russian troops took the tactical initiative on August 10, forcing the Georgian units to chaotically retreat and flee. Georgia's naval force – as well as the Air Force – suffered heavy losses. The Russians destroyed two new army bases and seized large amounts of armored vehicles, artillery weapons, small arms, and transport vehicles. The damage done to Georgia's defense potential (including the command infrastructure) rules out any Georgian military operations for the time being.

To all appearances, there was widespread panic in Georgia, as there were numerous reports about efforts to organize the defense of Tbilisi (and this proves that the Georgian leaders had expected the early appearance of Russian units in the Tbilisi suburbs). Also, the reports said residents of the city and some members of the Georgian political leadership had fled. Judging from news footage, Saakashvili was scared and lost, as his attempts to make any arrangements whatever with the Russian leadership bumped into a wall of silence. This kind of conduct displayed by the Georgian

president gave food for contemptuous comments in the Russian media. Russian analysts and Georgian political oppositionists predict that Saakashvili will be forced to leave the political stage – he has squandered his popularity and Georgians are unlikely to forgive him for his military defeats (from Russian troops in South Ossetia to Abkhazian armed units in Abkhazia, where the Georgian Army was forced out of the Kodori Gorge), for conduct unworthy of a state leader, and for the final loss of Abkhazia and South Ossetia.

Although this forecast has grounds, it does not look fully trustworthy. Using the trump card of opposing Russia's aggression and showing himself as a dedicated fighter for Georgia's self-identity, sovereignty and democratic values in the Caucasus, Saakashvili may consolidate the Georgians around his personality. Whatever the causes of an intervention of foreign troops might be and however noble the objectives they pursue are, the majority of the population in the target country will always have painful feelings about it. This factor, as well as the Georgians' ethnic mentality and the support given to Saakashvili by leading Western powers (in spite of a few statements decrying Saakashvili's action, he has crucial significance for the West as a project, and short-term support guaranteed for him on the part of the U.S. and Britain as a minimum), means that his chances for political survival are rather high.

Let us mention that even if Saakashvili is forced to quit, his successor will hardly be any more tractable in relationship to Russia. The Georgians blame Russia for the loss of their territories and any politician who assumes power in Georgia will simply have to keep anti-Russian sentiment at a high level. In addition, the strong U.S. impact on political decision-making in Tbilisi predestines the arrival – at least in the next few years – of only those candidates who will keep up the current anti-Russian, and allegedly pro-NATO, vector of state policy.

The breakaway regions are completely lost for Georgia now – simply due to the fact that non-Georgians will not be able to live again in a united Georgian state after the extermination of the

Ossetians in Tskhinvali. As it often happens, the plan that looked so promising in terms of a quick and efficacious untangling of the problem of separatism, produced the directly opposite results, making independence the only possible option for the Abkhazians and Ossetians and its recognition, the only possible option for Russia (as a guarantor of peace in the region, Russia can defend the rights of people living in South Ossetia and Abkhazia efficiently only if the two regions stay outside of Georgia's sovereign territory; and the events of August 2008 showed the essential need of this defense). This means that while talks on a broad autonomy for the two republics, along with their de jure existence inside Georgia, were possible in theory before the conflict, one must forget about them for good now.

Importantly, there was no information about the involvement in combat operations of those who supported the administration of Dmitry Sanakoyev (the puppet leader of South Ossetian regions that were under Georgia's control before the conflict) or the supporters of the so-called 'Abkhazian government in exile,' on the Georgian side. This means that there was a collapse of official Tbilisi policies toward the tumultuous republics. The Saakashvili regime has failed to raise reliable supporters either among the Ossetians or Abkhazians. Even if the Georgian leadership had succeeded in seizing South Ossetia and Abkhazia, it would have to resort to purges of the local population; i.e., to genocide, to protect itself from a protracted guerilla war and unending outbursts of separatism in the two republics. Tbilisi would fail to place its marionettes in South Ossetia, as no appropriate candidates were in sight – any puppet must have at least some percentage of the people's trust, but neither Sanakoyev nor the 'Abkhazian government in exile' had any.

Georgia beyond any doubt has emerged victorious from the first phase of the media war, as the leaders of most countries condemned Russia's actions and spoke unanimously in Georgia's support. At the same time, they said nothing about the Georgian leaders' perfidy, as the invasion of South Ossetia began just hours after their own calls for peace negotiations. Nor did the West say

anything about the totally unjustified cruelty, with which the Georgian Armed Forces acted against the civilian population in South Ossetia. The West was wholly focused on Russia's "asymmetrical military reaction." However, it is not clear to what degree the efforts of Georgian propaganda-mongers played a role in ensuring this unanimous support. The Mikheil Saakashvili project might be so important for the U.S. and NATO that the West could not afford to recognize its defaults, to say nothing of the crimes committed under its guise.

The international mass media seethed with bias and did not stop short of downright falsification in their coverage of the conflict. Russia was depicted as an aggressor and Georgia, as a tiny freedom-loving country that was heroically fighting an invasion under the command of its pro-Western leader. Any attempts to recount the events from the Russian or South Ossetian point of view were cut short. Suffice it to recall the notorious Fox TV interview of two Ossetian women who were simply cut off when their desire to thank Russia for its protection became clear. In other words, the world watched the conflict with Tbilisi's eyes.

The political results of the conflict may seem advantageous for Georgia at first glance. NATO is ready to help the Georgians restore their military potential and certain information indicates it has already launched this aid. Also, NATO countries have put military ships in the Black Sea. Apart from the officially declared goal of delivering humanitarian aid to Georgia, these naval forces quite obviously are delivering military hardware, as well, and provide coverage of the Georgian coast from the sea.

The chances that Georgia will get NATO's Membership Action Plan in December have gone up considerably. Germany, which had earlier actively opposed NATO membership for Ukraine and Georgia, has confirmed through a statement by Federal Chancellor Angela Merkel that Georgia will join NATO. This in turn may produce a new surge or even an aggravation of tensions in the zones of the Georgian-Ossetian and Georgian-Abkhazian confrontation, which Russia's successful military operation was meant to have eliminated.

And yet, the mention of Georgia's foreign policy achievements is a mere instance of making a virtue of necessity, a palliation against military and political defeat. The incursion into South Ossetia deprived Georgia of its army and – once and for all – of one-third of its former territory. Saakashvili's adventure in Tskhinvali ended in a total collapse, and even if Georgia gets NATO membership, this will not make up for its political losses.

THE RESULTS FOR RUSSIA

By standing up to defend the South Ossetian population – the majority of which are Russian citizens – from extermination by Georgian troops and to support its own peacekeepers, who had become targets of an unmotivated attack, Russia took the only action that was possible in that situation. The logic of defending the civilian population in the zone of one's own peacekeeping control is immaculate from both the political and moral point of view, and the operation by the Russian troops was quite correctly described as "peace enforcement." This was not a war against Georgia; this was a peacekeeping action aimed at coercing the aggressor to stop military operations.

One can assess the military and internal political outcome of this operation as successful:

- The Russian military command was able to promptly organize a counteroffensive against the Georgian Armed Forces;
- The Georgian army was forced out of South Ossetia and defeated;
- A telling blow was dealt to Georgia's defense potential that rules out a repeat of the aggression in the short term;
- Most Russians (except for radical oppositionists) approved of the actions taken by the country's political leaders and top brass;
- Russia coerced Georgia to peace efficiently and accurately, as it confined its actions to forcing the Georgian army out of South Ossetia and eliminating the Georgian defense machine. The Russian government did not succumb to the lure of making a victorious march to Tbilisi and supplanting Saakashvili, who has been a big headache;

• The media war against Georgia did not turn into an anti-Georgian hysteria. Criticism was restricted to the incumbent Georgian leaders, and respect for the Georgian nation was always stressed;

• The Chechen battalions of Vostok (East) and Zapad (West) fought in Ossetia together with regular units of the Russian army, and Chechen President Ramzan Kadyrov said he was ready to send Chechen volunteers to the conflict zone. This provides a weighty argument against those who accuse Russia of double standards as a country that supports "separatists abroad" in the face of ruthless oppression of ethnic movements at home. Chechens fighting for Russia means that the Chechens link their destiny to Russia; hence they are not separatists. Thus the armed operations that the Russian Armed Forces had to conduct in Chechnya from 1994-1996 and from 1999-2001 should be treated as anti-terrorist operations, not as the genocide of a freedom-loving Chechen nation that was reluctant to live under the yoke of an oppressive Russian autocracy. This is an important ideological victory for Moscow but, unfortunately, both the Russian and Western media have not assessed it properly yet. Georgia did not get the same support from its puppet Dmitry Sanakoyev;

• Russia has demonstrated the sovereignty and independence of its foreign policy, and the recognition of South Ossetia and Abkhazia's independence came as the climax of this demonstration. The recognition as such was a carefully weighed-out political step, too. In the first place, Russia remained committed to the principle of a country's territorial integrity to the very end. Russia found it possible to veer off from this only in an exclusive situation involving the mass killings of Russian citizens and after this same principle had been de facto discarded by the leading world powers (remember the recognition of Kosovo). Second, Russia observed the theory of international law as it recognized the independence of only those territories where the metropolitan nation had committed acts of unjustifiable cruelty that made the further existence of these territories within the metropolitan country impossible in principle (during the lifetime of the next two generations of people

at least). No recognition of the independence of Moldova's Dniester region or Azerbaijan's Nagorno-Karabakh followed;

• In spite of an avalanche of anti-Russian statements, the Kremlin had the stamina to hold its ground and warded off the measures taken against it with reciprocal measures, such as effectuating its own initiative on freezing relations with NATO. Simultaneously, it did not throw out any demonstrative challenges either to NATO or the EU, and showed its interest in good-neighborly – but equitable – relations in every imaginable way. This policy has proven to be fruitful. Western leaders were prepared to renounce any cooperation with Russia or to impose sanctions on it during or immediately after the conflict. The sanctions might go as far as this country's expulsion from the G8; the refusal of membership in the World Trade Organization; and a boycott of the 2014 Winter Olympics in Sochi or their relocation to some other country. (It is noteworthy that the Russian military operation made Sochi a much more secure place for the Olympics, as the risk of Georgia's runoff invasion of Abkhazia and the outbreak of hostilities in the immediate vicinity of the Olympic capital has been removed.) Separate programs of cooperation were cancelled (for instance, the U.S. rejected joint military exercises with Russia). But when it became clear at the end of August that Russia would continue to abide firmly by the course it had embarked on, and that sanctions might also damage countries that introduced them, the anti-Russian statements lost some of their energy.

The outcome of the talks held by EU foreign ministers revealed that no real measures against Russia would be taken despite calls from Poland and the Baltic countries to punish Russia. However, this does not mean the end of NATO's continued expansion into the traditional zone of Russia's influence;

• Russia cannot be viewed as a guided state anymore. The peace enforcement operation in Georgia and the ensuing recognition of Abkhazia and South Ossetia showed Russia's ability to defend its sovereign interests not only in a declarative way or with the aid of effectual but inefficient actions (the turning back of the prime minister's jet while on a flight over the Atlantic or the bat-

tle march of paratroopers into Pristina). Now Russia can do it with the use of force. It does not fear the declarations adopted against it and is able to counteract them. This represents the destruction of the post-Soviet unipolar world order;

• Russia has demonstrated – and this will become obvious to the whole world in time – that it is not an aggressor but, rather, a country defending human rights. The world is not ready to see Russia in that role yet, but it will have to get accustomed to it.

However, the operation also highlighted a range of serious problems.

• The Russian government offered an inadmissibly slow reaction to the Georgian attack on South Ossetia and to the attack on Russian peacekeepers during the night of August 7 and into the early hours of August 8. A statement that the Russian army would extend its protection to the people of South Ossetia was aired too late – only on August 8. Had Moscow warned that it would use military force earlier, it might have made the Georgian leaders think and thus might have saved many lives. This procrastinating shows that the Russian government's mechanism of adopting decisions in critical situations may be inefficient. A number of sources said this slowness was caused by the need to coordinate steps with Prime Minister Vladimir Putin, who was in Beijing at the time. This in turn caused many to doubt the independence of Russian President Dmitry Medvedev;

• The Russian army suffered huge losses. While the losses of manpower mostly stemmed from the perfidious attack on Russian peacekeepers, the loss of dozens of units of combat equipment and several warplanes attests to the insufficiently high level of the combat capability of the Russian Armed Forces and to the fairly effective resistance of Georgian army units, at least in the first phase. Remarkably, the commanding officers who took part in the operation right in the combat area did not receive any medals. Nor did the mass media say much about those officers (which contrasts with the media promotion of General Troshev and General Shamanov during the second campaign in Chechnya). This offers tentative evidence that the Kremlin gave a rather low

assessment to the commanders' performance. The Defense Ministry had to admit that the actions of the Armed Forces revealed some shortcomings, but it did not report any details. Also, it is quite possible that military operations like the one against Georgia show the extent of the Russian army's capability at the moment.

• Russia remained in full diplomatic and informational solitude throughout the conflict, as only Cuba voiced support for the military operation. None of the CIS member-nations, not even Belarus, showed any solidarity with Russia. This indicates that CIS countries are reluctant to side fully with Moscow out of a fear of spoiling relations with the West in the first place, and that none of them wants to see a stronger Russia. In any case, the situation has revealed a generally apprehensive mood even in the region that Moscow has traditionally looked at as a zone of its special interests. Add to this the fact that the second country to recognize the independence of two new states was Nicaragua, not Belarus, although Abkhazia has said it wants to join the Union State of Russia and Belarus. Of course, some may consider this as a success of Russian foreign policy, since the first recognition came from a country located far outside the sphere of Russia's influence. And yet it would be nice to see the countries located inside the zone of influence show on their part that the influence does exist. One should also note that even slight positive signs from the U.S. toward the Lukashenko regime were enough for Minsk to give up support – real, not verbal – for the Kremlin's actions.

• The fear of an excessively strong Russia prompted its neighbors to take steps that pose geopolitical risks to Moscow over the long term. Although such steps were easy to forecast and the Russian government was most definitely prepared to face them, this does not make them any less embarrassing. In the first place, a U.S.-Polish agreement was quickly signed on deploying an element of the U.S. national missile defense system on Polish territory. Second, the Russian Black Sea Fleet will almost certainly have to abandon its main base in Sevastopol after 2017.

Meanwhile, claims that Sukhumi can provide an adequate replacement for Sevastopol do not hold water, as Abkhazian President Sergei Bagapsh has spoken out against an increase in Russia's military presence in his country.

The results of this war are not at all unequivocal for Russia. By winning this victory, Russia tapped the limit of capabilities of its armed forces. We have seen perfectly well that troops trained and equipped under NATO standards can put up an effective resistance to Russia. We showed sovereign will and broke up the post-Belavezha Accords world order and now we will have to pay for this with a worsening of our relations with the West over the short term. As for the long term, we run the risk of sliding into a more or less overt standoff, for which Russia does not have the resources, ideology or geopolitical opportunities right now. The U.S. is unlikely to be ready to reconcile itself with the emergence of one more regional center of power that has displayed its anti-NATO orientation so sharply and that is ready to rebuff any encroachments on its interests so actively.

On the other hand, a return to the Cold War era is hardly likely, since neither the U.S. nor Russia want that. NATO countries do not have enough military or political resources now for a serious confrontation with Russia and that is why the chances are good that our two countries will return to a traditional cautious partnership after a period of bellicose statements in Moscow and in the West. The partnership, though, may have a new configuration – one where Russia will speak in the international arena in a much louder voice than previously and where it will have a much greater weight.

Still, one should not forget that the U.S. remains the world's biggest economy (although it is going through a time of serious trouble now), that the countries friendly to it – EU countries and Japan – also belong to the group of leading economic powers, and that militarization programs give a strong impulse to national economies – exactly what the U.S. needs at the moment. And remember that the Soviet Union fell apart because its economy did not withstand the pressures of the arms race forced on it by the U.S.

WHAT'S NEXT?

I believe that the Russian leadership could benefit greatly now if it remembers the following:

• However obvious the need to rebuff anti-Russian actions may be, Russia must stay away from taking excessively aggressive military, economic and diplomatic steps and state – in every possible way – its interest in good-neighborly (and equitable) relations with other countries. President Medvedev and the government have coped with this job fairly well so far, as Moscow's responses – the freezing of relations with NATO, the organization of joint war games with Venezuela – fit perfectly into the format of reasonable counteraction to NATO measures;

• Let us not succumb to the euphoria of victory or claim the role of a hegemon in the CIS and Eastern Europe, or try to teach a lesson to anti-Russian regimes. The date for Russian-Ukrainian negotiations over the price of natural gas is getting closer and it is important that we reach a reasonable compromise before the start of 2009 in order to avoid emergency shutdowns of export gas pipelines. In the light of the South Ossetian war, the world will definitely treat such shutdowns as a desire by Russia to use the energy baton against "a democratic Ukraine that has chosen the path of European integration;"

• Russia must build up the strength of its armed forces in every possible way – something Dmitry Medvedev has spoken about – and raise the efficiency of its control system in times of peace and war alike;

• The logic of investing Stabilization Fund resources in U.S. securities in the current situation is highly questionable. It might be desirable to consider an option for their alternative investment in Russian domestic projects;

• We must not consider Abkhazia and South Ossetia as our vassals. These two countries have gone through too much to gain independence and they can join any other state only of their own free will and at their own initiative. Russia should not build up its military presence there. Also, it should refrain from attempts to place the two countries under its political control. It is sufficient

that Abkhazia and South Ossetia have entrusted Russia with representing their interests to the outside world. And the fact that they have been recognized only by Russia so far provides Russian businesses with a unique opportunity to legalize their presence in the two countries and fasten them to Russia with the aid of economic levers. Simultaneously, they must remember that the legal owners of some property there may live in Georgia, too. Quite possibly, Russia might lead a search for a compromise concerning these properties. In addition, Russia should take part in resolving the problem of refugees.

* * *

We have been living in conditions of a post-Soviet, Belavezha Accords world order since 1991, and we have become used to that by now, although many people detest it. The Belavezha Accords era saw the harshest economic crisis in Russia in the 1990s; the drift of former Soviet republics into NATO; bombing raids in Serbia and Iraq; then the start of the rebirth of the Russian economy; a restoration – albeit partial – of prosperity for all Russian citizens; and the first timid attempts to oppose political pressure from the West. This world order collapsed in ruins in August 2008 and now we are witnessing the birth of a new world system. It is difficult to imagine today what it will look like exactly. We are certainly living in interesting times.

The Five-Day War: Neighbors

The Russian cross “For the Service in the Caucasus”, 1864

“Russia has traditionally played the role of a moderator in relations between the peoples of the South Caucasus. This was not always a well-balanced policy, but ruptures in the system of Russia’s influence in the region show that an armed free-for-all is the most probable alternative to Russia’s withdrawal from the region.”

The End of Multi-Vector Policies

The Moment of Truth for the Former Soviet Union

Alexei Vlassov

Many experts consider the events of September 11, 2001 as the starting point of a new geopolitical situation. Would it be justified to equate the role and significance that the events of August 8, 2008 had for the history of the territory of the former Soviet Union to that of September 11? Does the South Ossetia tragedy provide grounds for such comparisons?

The global catharsis promulgated by the international mass media after the September 11 attacks on the World Trade Center in New York cannot be viewed with the same system of coordinates as the bloodstains, pain and libel that flooded the global information medium in the tragic days of August 2008. It is true that the post-Soviet world has become different, but its image does not have any clear contours yet. The picture is blurred, fragmented and has been torn apart into elements prefabricated in different editing rooms. Everyone is free to compile them into their own mosaics.

THEATER OF OPERATIONS: THE CAUCASUS

Everything seen in the battle for South Ossetia was just one phase in the complicated continuous transformation of the territory of the former Soviet Union – the process of an unwavering break from the "common past" and fashioning a new reality where for-

Alexei Vlassov is Director of the Information and Analytical Center for the Study of Socio-Political Processes in the Post-Soviet Space; Deputy Dean of the History Department of Moscow State University. He holds a Doctorate in History.

mer relationships and the declared "multi-vector policies" have given way to a policy of tough contentions marked by inevitable transient coalitions and situational unions of "making friendships against someone."

Multi-vector diplomacy, a principle that member-nations of the CIS have been declaring for years, is not a universal remedy. A new phase of polarization is taking hold in international relations as norms of the past are rapidly losing their topicality, while the elaboration of the new rules of the game is impeded by the difference of approaches and capabilities of major players and regional leaders.

All the parties involved in the South Ossetia conflict are paying for past transgressions. The drama has brought into the spotlight all the dubious products of the "civilized divorce" between former Soviet republics in the early 1990s that left a huge number of unsettled problems pertaining to the so-called 'unrecognized states.' Russian diplomacy is partly to blame for this because its inertia and half-baked steps have created a situation where the South Caucasus has remained a zone of instability over all of the seventeen years since the breakup of the Soviet Union.

Russia has traditionally played the role of a moderator in relations between the peoples of the South Caucasus. This was not always a well-balanced policy, but ruptures in the system of Russia's influence in the region show that an armed free-for-all is the most probable alternative to Russia's withdrawal from the region, and the series of conflicts that erupted at the end of the 1980s and the beginning of the 1990s provides the best proof of this. Political scientists in Tbilisi and Baku wonder if a foreign force – like NATO, the EU or the U.S. – can get a tight grip on the Caucasus and block unfavorable trends if Russia pulls out of the region. This remains an intriguing and open question.

Simultaneously, the non-use of real intermediary mechanisms – as opposed to the virtual ones typical of the early years of Boris Yeltsin's presidency – brought to a halt the aspirations of Russian diplomacy (if it really had them) to keep the status of a "supreme arbiter."

It cannot be ruled out that Russian political leaders did not believe at the time that the newly independent states could survive much longer than the Kremlin had anticipated or that the "younger brothers" could soon start claiming the role of equal partners. But the biggest miscalculation of the early 1990s consisted in the misunderstanding of an obvious fact that the geostrategic region uniting the Caspian littoral area and the South Caucasus was moving center stage in the realm of Russia's economic and political interests and taking on the role of a centerpiece in the struggle to optimize energy resource transportation routes.

Inconsistent actions on the part of Russian diplomats in the Nagorno-Karabakh conflict, and later in a series of other conflicts, produced a situation where Russia became just one of the equals trying to appease the warring sides.

Although efforts by international negotiators cannot be called successful either, it is a different thing that really matters; namely, that the sides involved in regional conflicts stopped perceiving Moscow as the only force capable of administrating the Caucasus. By placing the golden calf for the chosen few above other geopolitical reasons, Russian political leaders accomplished with their own hands a thing that the British Empire had failed to do in the middle of the 19th century. As a result, powers located far outside the Caucasus and their regional allies got the opportunity to conduct policies that opposed Russia's national interests. Apart from the South Caucasus, this line of conduct also aimed to squeeze Moscow out of Central Asia and the area around the Caspian Sea.

The instruments of direct impact that Russia still has in the South Caucasus are confined to a military-political partnership with Armenia and the presence of Russian peacekeepers (whose status is likely to change now) in Abkhazia and South Ossetia. Yet, formerly too, when the two unrecognized states existed with most of the population having Russian citizenship, the same half-baked policy of the formal recognition of Georgia's territorial integrity was conducted, although in reality the choice was between two options – the recognition of these states' independence or their incorporation into the Russian Federation. As the creeping inte-

gration of those territories with Russia was evident before August 2008, Russia's 'peacekeeping' role acquired a dubious hue.

Leading Russian politicians did acknowledge the extreme risks inherent in the use of force and thus they used tactics to freeze the conflict and waited for their opponents to make mistakes – and later, for mistakes by Mikheil Saakashvili, the impulsive Georgian president. The problem is that lying in wait creates over-dependence on situational glitches and sporadic actions. It also gives the impression of a lack of any clear strategy or clear understanding of the final objectives of Russian policy in the region.

It would make a lot of sense for Russian politicians to heed a recommendation by Sergei Karaganov, who said: "We can't lull ourselves with a relatively bloodless disintegration of the Soviet Union. We are in the middle of this disintegration, and the process can play up any time. The current unrecognized states must get extremely pragmatic treatment, and if reunification is impossible, then we must work toward their recognition as states and vest them with full responsibility. Nobody said that the Soviet Union would necessarily break up into only fifteen countries. There may be seventeen or even more countries in the end."

Karaganov made these remarks shortly before the international community recognized Kosovo and his words have proven to be prophetic. The Kosovo precedent has added fuel to the situation around the unrecognized states in the territory of the former Soviet Union, while the pull/push policy ended in a heating up of the "frozen conflict."

SURROUNDED BY SMOKE

There will be prominent blank spots in the history of the so-called Five-Day War for some time, and the real winner will emerge only in the long term when the active phase of this confrontation winds up. The real struggle always begins once the war is over.

Wars are won by those who accomplish their objectives and in spite of the defeat in the global media, Russia achieved its immediate goal – it firmly resolved for itself the right to act as a provider of security and to help develop Abkhazia and South Ossetia.

One can insist on full-fledged sovereignty for the two former autonomies; can label their status as 'protectorates'; or can provide other vague definitions, but the mist surrounding the future patron of the two territories has disappeared. The coercive post-war de facto partitioning of Abkhazia and South Ossetia from Georgia creates new contours for the Georgian border. The two territories will develop as part of the Caucasus regions of the Russian Federation, and Tbilisi is unable to do anything about it. Russia has come to stay regardless of whether the outside world recognizes the current forms of its presence there or not.

Moscow fought the tiger when it refrained from making even feeble attempts to formalize the status of the two republics through international procedures. This involved huge risks, but Russia has put all the priorities in place and has started moving along a new path. Support for Russia's initiatives to recognize Abkhazia and South Ossetia was initiated virtually right in the offing.

The Kremlin believes, however, that the game is worth the risk, since it is not only the future of the two regions or Georgia that is at stake. The question is whether Moscow has the right to full-scale engagement in formulating the rules of the game that will replace the rules that have disastrously fallen apart in recent years. The territory of the former Soviet Union is the centerpiece of this standoff.

STATES INDEPENDENT OF THE COMMONWEALTH

What consequences could the conflict around South Ossetia have for the Commonwealth of Independent States?

In the first place, it clearly exposes the crisis of the CIS and, in a broader sense, of most integration structures throughout the former Soviet Union. The problem is not limited to Georgia's decision to withdraw from the CIS or to anti-Russian maneuvers by Ukrainian political leaders. CIS leaders did not rush to reconcile the conflicting parties and distanced themselves from uttering any clear assessments of the events in South Ossetia. The principles of efficient relations between CIS countries, so loudly

declared previously, gathered dust on the shelf this time, as post-Soviet state helmsmen took a non-interference stance during the first few days of the conflict, then replaced this stance with verbal joggling and formal bows to Russia.

Russia's closest allies did not show any willingness to go back on the principles of multi-vector policies and to support Moscow. Moreover, Kyrgyzstan, Belarus and, to a lesser extent, Kazakhstan issued very dim standardized statements during the active phase of the conflict. Officials from the Collective Security Treaty Organization came up with the first statement several days after the outbreak of hostilities in South Ossetia, announced by Nikolai Bordyuzha, the organization's general secretary. The Kremlin's partners in integration projects put their reactions on hold, citing insufficient information and realizing that this conflict would not likely have a winner if one took its purely political aspects. And if so, why should they bear the strategically unpromising burden of giving their unequivocal support to Russia? CIS leaders did not play any role in putting out the active phase of the conflict and, in all appearances, did not have any burning desire to join the 'peacekeeping' efforts either.

Kazakh President Nursultan Nazarbayev offered a clear-cut vision of the CIS prospects. "The Commonwealth doesn't have the levers or mechanisms for interfering in conflicts like South Ossetia," Nazarbayev said. "When something happens, people start asking why CIS countries keep silent. The principle of any state's territorial integrity is recognized by the world community. All the member-nations of the CIS speak against separatism, and such complicated inter-ethnic problems should be settled peacefully through negotiations. There is no military solution to them," he said.

It is worth noting that alternative integration projects – above all GUAM (Georgia, Ukraine, Azerbaijan and Moldova) – were inept in their actions, although GUAM countries – especially Azerbaijan and Moldova – face serious separatist problems of their own.

A great deal of attention was paid to the reaction of Azerbaijani President Ilham Aliyev, since the Nagorno-Karabakh factor might

have prompted Baku to take a better-articulated stance, even though it might have contradicted Russia's actions. And yet the Azerbaijani government kept silent for ten days. Aliyev broke his silence on August 20, saying after talks with Turkish Prime Minister Tayyip Recep Erdogan that both Russia and Georgia are Azerbaijan's friends and he would like to see friendly relations between those two countries as well.

Aliyev's vague position is probably the most reasonable, if not the only possible, approach. In spite of his clearly pro-Western course, he has never triggered open confrontation with Moscow. Understandably enough, Baku is doing this to preserve an opportunity to revert to a normal rhythm of relations with neighbors as restive as Russia and Georgia. And this return is inevitable, since wars finally do end, even in the Caucasus. Maneuvering between Russia and the West looks like the optimal policy for the Azerbaijani leadership on the eve of a presidential election at home.

Georgia's actions have sharply increased the risks for major energy projects in the Caucasus, and the risks will only grow if the conflict drags on. At this point the losses suffered by the Azerbaijani government and foreign companies that invest in the exploration and production of hydrocarbon deposits stand at several hundred million U.S. dollars. Experts with the Caspian Energy Alliance believe that Kazakhstan, Turkmenistan and Azerbaijan will need time – as well as considerable political and economic efforts – to move along with the talks on a trans-Caspian export system after the situation stabilizes in the Russian-Georgian conflict zone. Increased economic and political risks are bound to affect the Azerbaijani economy, which relies heavily on Georgia for oil and gas transits across Georgian territory. Kazakhstan, with its questionable ability to reorient itself to the Chinese market quickly, will be affected as well.

The South Ossetia conflict produced a highly-mixed reaction in Moldova and in the breakaway Dniester region.

Dniester-based experts – and a number of analysts in Moscow as well – started predicting that the Kremlin would surrender this unrecognized republic. Their reasoning suggested that Moscow

would thus demonstrate an encouraging potential embedded in the format of a peaceful solution to conflicts surrounding breakaway republics.

At the same time, Moldovan President Vladimir Voronin came to the opposite conclusion and made a number of tough statements in late August. His statements contradicted his former policy of appeasing the Kremlin. A compromise between the central and Dniester governments is hard to achieve for reasons entirely different from the situation in the South Caucasus. Influential political leaders in both Moldova and in the Dniester region have radically different business plans and that is why the Russian leaders will have either to conduct a prolonged 'dialogue enforcement' policy or cut the knot by recognizing Dniester's independence. The latter is barely conceivable, as it will provoke sharp opposition from Ukraine and yet another confrontation would be too risky for Moscow.

Kazakh political scientist Dosym Satpayev summed up the reaction of Russia's partners by saying: "Kazakhstan must be strong enough in the new conditions of geopolitical turbulence in order to prevent the brawlers from stampeding it, and it also must be flexible enough to make their contradictions instrumental."

This forecast was confirmed at a recent summit of the Shanghai Cooperation Organization. Kazakhstan's Nursultan Nazarbayev, who condemned the use of force by Mikheil Saakashvili, said: "We think all the steps taken by Russia were subsequently aimed at defending the residents of the much-suffering city (Tskhinvali). Russia could either ignore the bloodshed or stop it." This is the best that Moscow could hope for.

One can whine about the absence of "reliable partners" – and that is something the Russian mass media are doing – only after it becomes clear what the forms of real partnership are in the new conditions of an interdependent world and diversified foreign policy risks.

Is the world really watching a crisis of the Westphalian system, i.e., a transition from a model based on sovereign states with their own territory and legal status to a new system, the parameters of

which are not known yet? Whatever the situation is, there are clear-cut limits to admissible support. One can try and reconcile Russian President Dmitry Medvedev with words and simultaneously refrain from being one of the first countries to recognize an independent South Ossetia and Abkhazia.

If relations between Russia and the U.S. deteriorate further, if the theoretic possibility of sanctions against Russia materializes; and if tensions between Russia and the West in general continue to rise, the multi-vector diplomacy course espoused by most post-Soviet leaders will run into serious problems. Playing on the contradictions between major players is possible only when all the participants in the game follow the same code of rules. Any aggravation inevitably leads to chaos and to dropping clear principles of interaction, and this may deal a blow to Tashkent, Baku and Astana that have grown unaccustomed to force majeure situations.

Regional powers stand to gain nothing from the further polarization and escalation of tensions, and the presidents of both Uzbekistan and Kazakhstan will certainly not be pleased with an anticipated post-conflict strengthening of China's positions in Central Asia, as the 'Chinese vector' is lucrative for them only in the same set with the Russian and Western vectors.

The situation concerning Russia and Ukraine is no less complicated. One could expect that the leaders in Kyiv would promulgate a strongly pro-Georgian position, especially considering the special relationship between Victor Yushchenko and Mikheil Saakashvili, but the Ukrainian president did not confine himself to symbolic statements of support for Tbilisi. He exerted immediate pressure on Russia by using the situation around the Russian Black Sea Fleet. The Ukrainian Foreign Ministry issued a terse statement at the beginning of the conflict saying that Kyiv could prevent the return of Russian naval ships to the Fleet's main base in Sevastopol, and a bill was submitted to Ukrainian parliament to revoke a Ukrainian-Russian agreement on the status and terms of the Fleet's deployment in Ukraine. Then Yushchenko sent an urgent proposal to the Russian government to draft a bilateral agreement on the use of Russian Black Sea Fleet units deployed

in Ukraine that would help settle problems of the kind "we saw in early August."

For Yushchenko, the August 8 events became an extra argument in favor of Ukraine joining NATO project, but the deep split inside the Ukrainian government does not make it possible to draw far-reaching conclusions about the political aftermath of the August crisis for future Ukrainian-Russian relations. Yulia Tymoshenko's cautious stance is especially illustrative in this respect – she tried to stay away from making any assessments of the situation in Georgia. Quite possibly, silence is golden for Ukrainian politicians now that a presidential election looms on the horizon, while the alignment of forces remains obscure.

Georgia's withdrawal from the CIS should prompt Russia to weld the ranks of its allies and to sign more binding cooperation agreements in the format of the Collective Security Treaty Organization and the Eurasian Economic Community (EurAsEC). It also sent a strong signal about the importance of reforming integration agencies and stepping up their activity. The CIS has played the role of a universal floor for negotiations in the last few years where, for example, Vladimir Putin could have meetings with Saakashvili, and the presidents of Armenia and Azerbaijan could have talks as well.

Georgia's withdrawal has reduced the number of countries whose goals sharply contradict Moscow's interests and, consequently, has increased the chances that the CIS will turn into a pragmatic and efficient organization. It has not been ruled out that the Georgian demarche will finally bring it home to Russian political leaders that Russia needs the CIS and that the destiny of the organization depends to no small degree on cohesion in its ranks, and this realization will naturally have an impact on the prospects for the CIS.

On the other hand, Russian expert Alexander Karavayev points out that "the crisis in Russian-Georgian relations will give rise to highly confused thoughts in CIS member-states about how to build relations with Russia in the future." Moscow has so far been unable to present a development strategy for the territory of the

former Soviet Union. Instead, the Kremlin is mapping out a kind of corridor of pendulum swings for the partners and is installing red flags; and if one steps outside these flags, there will be conflicts – first of all in the energy and security sectors.

WILL EUROPE HELP US?

Zbigniew Brzezinski said in a speech at the European Media Forum in April 2008 that the current surge in tensions between Russia and the West cannot be called a new Cold War as it lacks a crucial element – an ideological confrontation between the superpowers. However, U.S. President George W. Bush amended the words of the U.S. policy guru after the events in Tskhinvali. "The Cold War is over. The days of satellite states and spheres of influence are behind us," Bush said. This was a reminder for Russia that the era of the Soviet Empire is behind us and civilized countries do not behave like this.

And yet, it would be an overstatement to claim that ideology has vanished from post-Soviet geopolitics. Could anyone really claim that the differences in the definitions of Georgia do not rely on ideologies? Russia calls Georgia an American satellite prepared to break any norms of civilized behavior, while the U.S. describes it as a "courageously successful democracy." Propaganda forms ideological junctions for further assessments. U.S. television only portrayed the situation from the Georgian point of view during the conflict. The U.S. administration's ideological stance is that America supports democracies in the CIS, but when a democracy evolves into something directly opposite (and Georgia's internal policy is full of such instances), then the White House continues supporting it as a springboard for its own advance into the region – naturally behind the guise of "democratic" ideology. Washington's logic stipulates that Russian authoritarianism is unacceptable for the world, while Georgian (and generally any pro-Western) authoritarianism is acceptable since it represents just a situational deviation linked to ethnic mentality and separatist conflict.

The U.S. is using the events in Georgia to put pressure on Russia everywhere – in the South Caucasus, Ukraine, and Central Asia.

There have been calls to set up a broad anti-Russian coalition. The idea was voiced hotheadedly by David Miliband, Britain's Secretary of State for Foreign and Commonwealth Affairs, and was immediately supported by the "new Europeans." A day later, however, Miliband said isolating Moscow would be counterproductive.

Recognizing the independence of Abkhazia and South Ossetia produced an upsurge of indignation and panicky predictions ranging to the possibility of a new world war (with French Foreign Minister Bernard Kouchner saying especially remarkable things on this). And what is the probability of the rise of a united anti-Russian front?

The conflict in South Ossetia has left European nations with an uneasy choice – to show their solidarity with Tbilisi and Washington and to shut their eyes to obvious encroachments on human rights by Georgia, or to take a more positive stance and treat the events without any bias. The Old Continent has once again split into unconditional supporters of the U.S. and a more moderate camp. Although this rhetoric can heat up, Europe has not defined its position yet, and Russia needs to incessantly cultivate the tendencies lucrative for itself.

Moscow needs to maintain a solid foundation of public support in EU countries. The Soviet Union had its 'fifth column' in the West even at the height of the Cold War. That column consisted of writers, scientists and public figures who were friendly toward the Soviet Union either out of Communist convictions, or because the Soviet Union did not accept the rules of the game of the Western consumerist society. And where are all those 'friendship associations' and pillars of support now? Is there anyone capable of sincerely promoting a positive image of the new Russia without additional Gazprom investment?

THE BOTTOM LINE

To sum up, Russia has emerged as the implicit winner from the first round of the confrontation. Georgia has made a final decision to abandon the CIS. Mikheil Saakashvili seems to have received a mandate of support for another twelve to eighteen months. Last but not least, relations between Russia and the West

have sunk to new lows and, quite possibly, this is the main result of the conflict. Former Soviet countries leaning toward the West have the right to lay claims now to an umbrella that will protect them from the new 'evil empire.'

Along with this, there is hardly any doubt that August 8 dealt a severe blow to all the political and security structures in Europe. A statement on the importance of elaborating a new system of European security that Dmitry Medvedev made in Berlin in June 2008 has thus found a bizarre confirmation.

A mounting struggle for resources, a drifting toward a new line of divisions and, consequently, toward a new Cold War, albeit one taking account of the rules of global co-habitation, have brought sizable changes to the territory of the former Soviet Union in their wake. This territory has completely lost its former contours and has turned into a field for an open struggle involving major players. As interstate relations slide into total chaos and there are no clear rules of conduct, CIS leaders – Russia's opponents and its allies alike – are building their political course based on a realization that the resources they can count on in this situation are limited.

The events of August 8 have reaffirmed the limitations of the post-Soviet multi-vector policies as a universal recipe of survival in this new, but far from perfect world. A question about the strategy that Russia should follow in this situation probably has just one answer that can be found in Dante Alighieri: "Follow your own path, and let people talk." It looks like all other options are gone and what remains to be done is to choose that path.

Regional Conflicts Reloaded

The Five-Day War Through the Prism of Post-Soviet Politics

Sergei Markedonov

The long-simmering conflict between Georgia and South Ossetia escalated to a five-day war in August to become the third armed confrontation between Georgia and South Ossetia in the past 17 years. South Ossetia is legally a part of Georgia, a fact Russia had acknowledged until August 26. However, the latest fighting differed markedly from the two previous conflicts because it directly involved Russian armed forces.

Unlike individual Russian servicemen who acted spontaneously in the Georgian-Abkhazian war of 1992-1993, Moscow did not merely support the Russian army's operation. The Kremlin called it "an operation to compel Georgia toward peace," aimed at saving the Ossetian people from a full-scale humanitarian catastrophe. Unlike previous Georgian-Ossetian confrontations (in 1991-1992, 1992-1993 and 2004), the United States and the European Union took an active part in the conflict. Ukraine played a role as well: its tough stance on Russia's Black Sea Fleet – which participated in the operation – was an impediment to its movements.

For the first time Tbilisi was simultaneously fighting its two separatist provinces – Abkhazia and South Ossetia – on two fronts. The events in and around South Ossetia made international headlines. At the onset of the five-day war the UN Security Council met three times to discuss the situation in the Caucasus.

Sergei Markedonov is Director of the Department for Problems of Ethnic Relations at the Institute of Political and Military Analysis. He has a Ph.D. in History.

For the first time since the armed conflict between Armenia and Azerbaijan over Nagorno-Karabakh in 1991-1994, the mass media published alarming forecasts regarding the possibility of the Caucasus becoming a launch pad for a new large war.

But the most important consequence of the five-day war was Moscow's official recognition of the independence of Abkhazia and South Ossetia. Now the two autonomous republics of Georgia have joined the group of partially recognized states, such as Taiwan, Kosovo and the Turkish Republic of Northern Cyprus. They have not become countries recognized by the UN, but have achieved full-fledged relations with a country that is a member of the nuclear club with veto power at the UN Security Council.

FROM LOCAL SKIRMISHES TO A CONFLICT OF GLOBAL SIGNIFICANCE

The Georgian-Ossetian conflict was the first ethnic confrontation in post-Soviet Georgia that escalated into a full-scale clash. The South Ossetian Autonomous Region within the Georgian Soviet Socialist Republic – the precursor of the unrecognized state the Republic of South Ossetia – was established on April 20, 1922. The territory of this nation-state made up 6.5 percent of the total territory of Georgia (3,840 square kilometers). According to the Soviet census of 1989, there were 98,500 people living in South Ossetia at that time (63,200 Ossetians; 28,500 Georgians; 2,100 Russians; and 900 representatives of Jewish ethnic groups). The number of Ossetians in Georgia totaled 165,000 as of 1989, or 3 percent of the population. Some 100,000 Ossetians lived in inland Georgia, with the largest communities living in Tbilisi, Gori and Rustavi. The legal status of South Ossetia in the pre-crisis period was regulated by the law on the South Ossetian Autonomous Region, adopted in 1980.

The conflict passed through several stages: from a local confrontation that was little known and of little interest to the world community, to an event of international significance.

The ***first stage*** (1988-1989) might be called ideological. During this period, the conflicting parties identified their claims against each other and composed plausible ethno-political guidelines of a future conflict.

The ***second*** was a political-legal stage (1989-1991) that marked two years of a law-making ("status") war between Georgia and South Ossetia.

On September 20, 1989, the Georgian Soviet Socialist Republic published draft laws infringing upon the rights of the South Ossetian Autonomous Region. Two months later, on November 10, 1989, a session of People's Deputies of the South Ossetian Autonomous Region promoted the region's status to an Autonomous Republic within Georgia. Tbilisi was furious at the move which unilaterally gave South Ossetia a higher status. On November 16, 1989, the Presidium of the Supreme Soviet of the Georgian Soviet Socialist Republic annulled the decision of the South Ossetian Autonomous Region Council. A week later, thousands of Georgian nationalists marched to Tskhinvali, the capital of South Ossetia, in a reprisal that claimed the first casualties.

The event that followed next played a key role in the escalation of the conflict. On December 11, 1990, Georgia's Supreme Soviet declared the South Ossetian Autonomy null and void. Simultaneously, the Soviet authorities declared a state of emergency in the South Ossetian Autonomy, while the Georgian leadership launched a blockade of South Ossetia.

During the ***third*** stage, armed fighting broke out between Georgia and South Ossetia (January 1991–July 1992). On January 6, 1991, Soviet Interior Ministry troops left Tskhinvali for their barracks and a six-thousand-strong unit of Georgian militants entered the city, causing destruction and killing civilians.

The capital of South Ossetia saw three assaults in the course of the hostilities (in February and March of 1991, and in June 1992). North Ossetia, a Russian region in the North Caucasus, was dragged into the conflict. It was flooded with 43,000 refugees from South Ossetian and Georgian districts. The

Kremlin could not directly control North Ossetia's actions. Moreover, Vladikavkaz insisted it would sign a federal treaty on the condition that Moscow supported South Ossetia (in one form or another). In late May 1992, North Ossetia blocked the pipeline running to Georgia.

On June 24, 1992, Russian President Boris Yeltsin and Georgian President Eduard Shevardnadze signed the Dagomys (Sochi) accords on the principles of settling the Georgian-South Ossetian conflict. A peacekeeping operation began on July 14, as Russia, Georgia and North Ossetia deployed their peacekeeping contingents in the area, and the Joint Control Commission was set up to monitor the ceasefire arrangements. One hundred villages were burned and more than 1,000 people were killed in the fighting.

The armed conflict was thus "frozen" and this signified the beginning of the ***fourth*** stage, which continued until May 2004.

Unlike Abkhazia, South Ossetia never saw large-scale ethnic cleansing of the Georgian population. Georgians and Ossetians lived peacefully side by side until August 2008. The Constitution of the self-proclaimed Autonomous Republic of South Ossetia recognized Georgian as a minority language. Exchanges of fire, blockades and provocations stopped, and a relative peace set in. There was a direct bus link between Tbilisi and Tskhinvali until 2004; there were markets where Georgians and Ossetians traded together, such as Ergneti; and Georgia and South Ossetia mutually recognized license plates on cars from both countries.

It should be noted that in the post-war conditions smuggling made up the backbone of the economy of the territory with a "deferred status," and both ethnic groups were involved in smuggling. This shadow economy strongly attached South Ossetia to Georgia, and was also a major – albeit informal – confidence-building measure for the two conflicting communities.

North Ossetia's President Alexander Dzasokhov, who was elected in 1998, can be credited with playing a key role in easing tensions, often through direct informal contacts with Eduard

Shevardnadze, who was a colleague of his from the former Politburo and the Central Committee of the Communist Party of the Soviet Union. Moreover, a considerable positive potential in the settlement process was amassed during 12 years.

First, the peacekeeping mission was jointly performed by Russian and Georgian battalions.

Second, important documents were signed providing for the rehabilitation of the conflict territory. Of special note is the Memorandum on the Security and Confidence-Building Measures Between the Parties to the Georgian-Ossetian Conflict dated May 16, 1996, and a Russian-Georgian intergovernmental agreement dated December 3, 2000, On Interaction to Rebuild the Economy in the Zone of the Georgian-Ossetian Conflict, and On the Return of Refugees.

The ***fifth*** stage can be described as "unfreezing" the conflict. It began with attempts by Tbilisi to revise the balance of forces in South Ossetia and the political-legal format of the settlement. The Rose Revolution in Georgia in October-November 2003 and Mikheil Saakashvili's stunning victory in the presidential election in January 2004 (he got a landslide 97 percent of the votes) were all mobilized by a "patriotic resource," as was the case in the 1990s. In their speeches, Saakashvili and his associates called for rebuilding one Georgia and taking revenge for "national humiliation" in South Ossetia and Abkhazia.

On May 31, 2004, Georgia sent 300 special task force fighters to South Ossetia under the pretext of combating smuggling, but without consulting the Joint Control Commission (JCC). JCC participants branded the move as a breach of the Dagomys accords of 1992. Georgia then accused the Russian peacekeepers of ethnic bias and crimes. On July 20, 2004, the Georgian president publicly stated that he did not rule out a denunciation of the Dagomys accords: "If the Georgian flag cannot be hoisted in the territory of the Tskhinvali district within the framework of the agreements, I'm prepared to walk out on them."

Saakashvili's statement indicated three goals he was striving to achieve:

• internationalize the Georgian-Ossetian conflict by involving the United States and European countries in its settlement;

• reformat the conflict from Georgian-Ossetian to Georgian-Russian, and present it as a manifestation of Russian neo-imperialism;

• reject Russia's exclusive role as the guarantor of peace in the region.

It is the realization of these goals that became the quintessence of the fifth stage of the Georgian-Ossetian conflict. A second war began in South Ossetia from August 8-19, 2004. The parties did not only use small arms in this confrontation, but also artillery. Although the warring sides had stopped fighting briefly by the end of the month, August (a fateful period in the conflict) 2004 marked the beginning of a new wave of shellings, attacks, provocations and blockades of vital lines of communications. From this time on, the tactics of "small incidents of overreaction involving the military" became daily routine in South Ossetia.

This brief war (which has been forgotten and eclipsed by "the hot August" of 2008) was a turning point in Russian policy in the region. Until 2004, Moscow had been anxious to stay unbiased and neutral, and keep the status-quo as the best way out. After 2004, Russia, realizing that the security of the whole North Caucasus depended on the situation in South Ossetia, de facto took the side of the self-proclaimed republic.

First, Moscow began to view Tskhinvali as an instrument to influence Tbilisi (which had started out by then not just on a very pro-American, but also on an anti-Russian path).

Second, the loss of South Ossetia was seen as a threat to Russia itself. The still unresolved Ossetian-Ingush conflict was closely linked to the situation around the self-proclaimed republic.

In 2004-2006, the Georgian parliament adopted a range of resolutions calling the Russian peacekeeping mission "negative," and Russia's actions as "an undisguised annexation." In the autumn of 2006, Tbilisi launched the project of "an alternative South Ossetia" by putting the Georgian flag into the hands of Dmitry Sanakoyev, a former prime minister and

defense minister of South Ossetia. The purpose of the project was to reformat the negotiating process (by actually giving up direct dialog with Tskhinvali).

In March 2007, Tbilisi created a provisional administration in the territory of South Ossetia, a move which effectively ditched the talks with Tskhinvali. Tbilisi tried to secure the international legitimization of Sanakoyev (he took part in forums in Strasbourg and Brussels, and was viewed as a "constructive" representative of the Ossetian side, unlike Eduard Kokoity).

The policy of "unfreezing" culminated in the transfer of the Georgian peacekeeping battalion under control of the Georgian Defense Ministry (it was earlier subordinate to the joint command of peacekeeping forces), and repeated calls by Georgia's Reintegration Minister Temuri Yakobashvili to withdraw from the existing formats of peaceful settlement. In addition, in July 2006, Georgia, in violation of the basic Moscow agreement on the ceasefire and disengagement dated May 14, 1994, deployed army and police units in the upper part of the Kodori Gorge in Abkhazia. The Moscow agreement declared it to be a demilitarized zone. The status quo therefore was breached there as well. The conflicting parties stopped negotiating.

Georgia's tough (and not always adequate) actions in 2004-2008 can hardly be explained without taking into account an external factor, though it was not decisive. In 2003, a frustrated Georgian society of the Shevardnadze era came up with a bid for a stronger country which was understood as territorially integral. But support of Tbilisi, first of all from the United States (military-technical assistance, diplomatic patronage and rapprochement with NATO) led the Georgian leadership to believe that the West would approve of any of their actions.

Tbilisi was feeling increasingly confident as the United States and its allies turned a blind eye to the violations of peace accords with South Ossetia and Abkhazia, and reacted half-heartedly to backtracking from democratic standards inside the country: such as a crackdown on the opposition on November 7, 2007, and the use of administrative resource to fight the

opposition during elections in Adzharia in 2004 and at municipal elections in 2006.

In 2008, Moscow also contributed to the "unfreezing" of conflicts in Georgia. On March 21, the State Duma adopted a statement which outlined two conditions for a possible recognition of the independence of Abkhazia and South Ossetia (Georgia's accession to NATO and use of force against the two self-proclaimed republics). In April, Vladimir Putin, as the outgoing Russian president, instructed the federal government to provide "substantive assistance" to the people of Abkhazia and South Ossetia. The instruction envisioned, among other things, the establishment of direct contacts between Moscow and Tskhinvali and Sukhumi. The West, whose response was immediate and tough, said that Georgia's territorial integrity was its priority.

Nevertheless, the status quo was disrupted in South Ossetia before August 7, 2008, and, to a lesser extent, in Abkhazia as well. During the armed clashes four years ago, some 70 people died (today these casualties have simply been forgotten), while in subsequent years the number of deaths on each side (according to different estimates) totaled 100. Quantity evolved into quality in August 2008. The tactics of the escalation of violence led to an assault on Tskhinvali and a tough response from Russia (which apparently was unexpected for both Tbilisi and the West). Therefore, Saakashvili's military-political adventurism and Russia's direct intervention in the Georgian-Ossetian conflict stemmed from the preceding "conflict unfreezing" stage.

FAREWELL TO THE NINETIES

The new spiral of confrontation in South Ossetia not just reconfigured, politically and legally, two hot spots in the Commonwealth of Independent States and changed the setup of forces, it seriously affected the entire ethnic-political situation in Eurasia. According to Ukrainian researcher Vitaly Kulik, "the system of regional security, which formed after the breakup of the Soviet Union, is unable to effectively respond to new challenges. Therefore, the territory of the former Soviet Union acutely felt a lack of security."

From this time on, the Caucasus (and possibly the entire Black Sea region and even the CIS in general) saw the old rules of the game cease to function. References to agreements and legal standards, reached in the early 1990s, are absolutely unavailing. Of course, these can and will be referred to, but they no longer will have the legitimacy acknowledged by various players both inside and outside the CIS.

Using the terminology of programmers, we can claim that August 2008 saw a final reloading of conflicts in Eurasia. A very important precedent was created when legal and political agreements that maintained the status quo and an unchanging situation no longer apply. Neither Georgia (which fully rejected the Dagomys and Moscow agreements on Abkhazia and South Ossetia), nor Russia, whose leadership now takes a broader view of peacekeeping operations, abide by them. A simple addition of naval crews in Abkhazia's Black Sea zone, involved in the operation to push Georgia to peace, clearly shows that the quota of peacekeepers has been exceeded.

One cannot fail to notice the use of special task forces in the conflict zones, who by definition are no peacekeepers; or the advance of Russian troops beyond the geographic borders of the security zones stipulated by the agreements of 1992 and 1994 (Gori, Poti and Senaki). Of course, many Russian actions were a reaction to the "unfreezing of the conflict" started by Georgia and, moreover, to the escalation of the conflict. Anyway, they objectively work against the earlier rules of the game.

In 2008, confrontations within the CIS attained a qualitatively new level. Although they were primarily caused in the early 1990s by the breakup of the Soviet Union, today they are motivated not by past inertia, but by the current dynamics of the development and construction of new nation-states. While clashes in the early 1990s were "deferred payments" on the debts of the "evil empire," the present-day clashes are new claims of payment. "Frozen conflicts" are a thing of the past decade, which disappeared together with Yeltsin's generation. Now conflicts are conceived and resolved by the post-Soviet generation of politicians, who work

out new rules as the game progresses. We are going to see quite soon what kind of configuration will develop.

In 2008, not only states in the South Caucasus, but also Ukraine signaled their wish to walk out of earlier agreements. Kyiv's attempt to not allow Russian Black Sea Fleet warships access to their base in the Crimea is a blow to the whole range of Russian-Ukrainian accords. Obviously, the agreement on Russia's naval presence in Ukraine implied a dedicated use of Russia's task force, and in Russian national interests.

After the breakup of the Soviet Union the first revision of borders of a once common state occurred. This was not necessarily viewed as legitimate. The breakup of the Soviet Union along the borders of the Soviet republics (which appeared logical) evoked a controversial response within former autonomous areas, which never viewed the independence of former Soviet republics as their ideal. Thus, the ethnic conflicts with winners and losers.

A number of states, displeased with the "first revision" results, were looking for a rematch, and so they attempted "a second revision" with the help of various external forces. The losers hated the status quo after the "freeze-up of the conflict," and changing it by any means necessary was seen as priority. The political-legal groundwork guaranteeing this status quo was of little concern.

Today, politicians and experts do not know the precise number of casualties in South Ossetia from the five-day war. These figures are political math for the interested parties. The war effectively destroyed the infrastructure of "unrecognized citizens" rather than "Kokoity's regime." Without Russian intervention, the former autonomy within Georgia would have suffered the same fate as the Republic of Serbian Krajina, which was smitten by Croatia (since it was fighting for territorial integrity) together with the Serbs who lived there in 1995. Southern Russia saw an influx of thousands of Ossetian refugees (their numbers are estimated at 20,000 to 30,000). This makes up half of the population of the self-proclaimed republic.

The five days in August became a veritable catastrophe for Tbilisi as well. The "One Georgia" project ended up in complete failure. The new spiral of violence (in South Ossetia in particular) made a peaceful reintegration of the breakaway republics impossible. After the war – the third in the past 17 years – "the unrecognized citizens" will not likely listen to any of Tbilisi's proposals. Moreover, Georgia got a new portion of some 20,000 refugees, this time from South Ossetia where, unlike Abkhazia, even after the first war of 1991-1992, Georgians lived side by side with Ossetians. Now the Georgian community of South Ossetia suddenly found themselves the outcasts.

At the same time, one cannot fail to see that in 2004-2008 the villages of the so-called Liakhvi corridor (four Georgian villages: Tamarasheni, Kekhvi, Achabeti and Kurta, located on a 30-kilometer stretch of the highway between Tskhinvali and Dzhava) were equipped with stationary concrete fortifications and armed. Georgia also installed radar equipment there. It is these villages that blocked Tskhinvali, cutting it off from supplies, and the Trans-Caucasian highway.

In 2008, the Georgian population of these villages had to pay for Tbilisi's adventurism. Alas, as it often happens, not only those who attacked South Ossetia had to pay, but innocents as well. The Georgian population of the former autonomy suffered the same fate as Abkhazia's Georgians. As one of Georgia's opposition politicians aptly noted, "it's a misfortune that the life and health of thousands of people were sacrificed to the adolescent complex of the commander-in-chief."

According to formal criteria, Russia looks like the winning side. Its actions, taking into account the interrelation between the security of the North Caucasus and Transcaucasia, were justified in many ways. Russia succeeded in preventing the total destruction of the military-political infrastructure of South Ossetia. Furthermore, it blasted during the military operation such strongholds of the Georgian threat to the self-proclaimed republic as the villages of the so-called Liakhvi corridor.

Russia briefly controlled the town of Gori, the outpost for the Georgian onslaught in the past two years. Tbilisi had built in Gori

a military hospital, a morgue with a capacity far beyond the needs of the town in peaceful times, and logistics facilities. The Georgian units were driven out from the upper part of the Kodori Gorge, which they entered two years ago.

Moscow's actions therefore also contributed to the "defrosting of the conflict," and the dismantling of the status quo. The advantages from the confrontation with the West are not yet obvious, while the losses are all too clear. International attempts to interfere will step up as security collapses in the Caucasus. The success of the military campaign may create an illusion in Moscow that complex problems can be resolved in stride, without protracted negotiations or complicated procedures. (Was it difficult to convene the Federation Council to legalize the actions of Russian troops?)

Recognizing the independence of Abkhazia and South Ossetia will create a precedent that can be used against Russia. U.S. Republican presidential hopeful John McCain has suggested revising the approaches of Washington and its allies toward the self-determination of Chechnya and republics of the North Caucasus.

SILENT NEIGHBORS

Russia took military actions beyond its territory for the first time in years. After the breakup of the Soviet Union, the Russian military and borderguards took part in containing two civil wars in Tajikistan (1992-1997) and Georgia (1993). Later, the Russian army only fought on its own territory. In 2008, the format of the Russian army's operations abroad differed dramatically from the experience of both the imperial and Soviet periods.

Russian troops did not want to resolve ideological tasks (as was the case with the suppression of the Hungarian uprising in 1849; and during the events in Budapest in 1956 and Czechoslovakia in 1968). The purpose of the operation was not to expand territory, which Tbilisi keeps insisting was Moscow's objective. The action "to compel Georgia toward peace" was meant to ensure in the first place the safety of the North Caucasus. Had Russia kept silent during the attack on South

Ossetia, some forces in the North Caucasus might have tried to replay, for example, "the conflict over North Ossetia's Prigorodny district."

The Kremlin's ineptitude and unwillingness to spell out its national interests (for fear of looking weak and vulnerable) is another matter. In any case, Moscow staked out its role in the post-Soviet terrain in a similar way to the U.S. role in Latin America, the Israeli role in the Middle East, Australia's in Oceania, and France's in the former colonies of "Black Africa." It was an entirely new designation of a zone where Moscow had vital and legitimate interests.

The CIS project apparently failed, which was also one of the most important results of the five-day war. It is not just a matter of Georgia's withdrawal from the CIS and Ukraine's readiness to follow suit. It is a matter of how CIS members feel about this alliance.

Even Kazakhstan, which has a reputation of being Russia's main Eurasian partner, "refrained" from any clear opinion on this issue. Armenia, Russia's other ally, also took a break. Representatives of the Armenian Defense Ministry hastened to state on August 10, 2008 that air raids against Georgian air bases had not been launched from the Russian base in Armenia. Uzbekistan did not say much despite Russia's support during the events in Andijan in 2005, nor did Tajikistan, whose territorial integrity Russia defended in 1992-1997. Kyrgyz President Kurmanbek Bakiyev said that "conflicts such as the one that happened between Russia and Georgia should be resolved solely on the basis of international law and only through political and diplomatic means."

The Council of Defense Ministers of the Collective Security Treaty Organization (CSTO) in Yerevan on August 21, 2008 was unable to come up with a consolidated view of the situation in the South Caucasus. A majority of CIS members have their own "separatist skeletons in the closet," and so fear Russia's excessive strengthening, seeing in it a hypothetic threat to their unity. It follows that the CSTO is no good as an instru-

ment for working out common approaches and common methods of settling conflicts.

Admittedly, GUAM – an alternative to the CIS made up of Georgia, Ukraine, Azerbaijan and Moldova – also failed to show effectiveness and unity in their positions.

Ukraine, through its president, took a pro-Georgian position although opinions within the country differed greatly. A statement by the Azerbaijani Foreign Ministry on August 8, 2008 in support of Georgia's territorial integrity was hailed by Georgian diplomats. It contained general phrases on the conformity of the Georgian operation to "international law," but did not have a follow-up. Baku, unlike Tbilisi, has not built its foreign policy on a tough confrontational basis: rather it views Russia as counterweight to the West, with which Azerbaijan's relations are not as unequivocal as Tbilisi's. Baku is also afraid of being dragged into the Iranian game, in which it would play the role of a runway, or a territory used to accommodate a retaliatory strike by Iran. Hence the drive to appreciate relations with Russia, which are mostly friendly, albeit complicated. The same caution underlies the position of Moldova, which is ready to accept important Russian conditions for the sake of establishing control over the self-proclaimed Dniester Moldovan Republic, such as refusing to join NATO, neutrality and recognition of Russian property in its territory.

A special issue raised by the five-day war is self-determination of the self-proclaimed republics. In the early 1990s, they were viewed as an annoying burden for Russia. But, seeing a correlation between these breakaway regions with security in the North Caucasus, the Kremlin adjusted its positions. Having frozen conflicts in the early 1990s, Russia gave its consent to the existence of these regions as the main result of these conflicts. The "frozen status" envisioned delaying a solution to the conflict until things got better; such as a more advantageous political situation or a compromise between the parties.

In such a situation it would have been unwise to talk about the status of disputed territories. Therefore, the tentative status of the

de-facto states reflected the political reality of the previous decade. The reality implied keeping the status quo and the lack of active military action (however, such attempts were made in Abkhazia in 1998 and 2001, though their scope never matched Tskhinvali-2008). It gave hope that the parties might reach an accord in one form or another.

Mikheil Saakashivili dramatically upped the ante in the "land collecting" game, having forgotten that the cause of Georgia's "territorial castration" was not the territories per se, but the people living there. Self-determination of the unrecognized states henceforth became another instrument of Russian influence, which cannot fail to evoke apprehension in its neighbors.

The territory of the former Soviet Union changed on August 26, 2008 with the creation of a precedent in redrawing the borders of former Soviet republics. The groundwork of the post-Soviet world, functional since December 1991, has collapsed. Two new states have appeared on the map of the former Soviet Union. The argument that only Russia has recognized them essentially does not change anything. The Turkish Republic of Northern Cyprus was only recognized by Turkey back in 1983, yet for 25 years it has been a factor in Black Sea-Mediterranean policy. This de-facto state recognized the independence of the Chechen Republic of Ichkeria, and it was a much tougher opponent than Turkey in 2003 to the U.S. decision to begin its military operation in Iraq.

One might say Dmitry Medvedev's decision to recognize South Ossetia and Abkhazia was too emotional. Admittedly, he might have waited until he had found at least a couple of allies before making his statement. Perhaps Moscow should have taken into account the possible repercussions, such as attempts to turn the Abkhazian-Ossetian precedent against Russia. But Medvedev had little room to maneuver after the "hot August of 2008." He could either show weakness – and provoke political instability in the North Caucasus – or legally fix the new reality and Russia's legitimate interest. The Russian president chose the second option.

Finally, the United States, the countries of Old Europe and the European Union's new members have no consolidated position: the limits of the West's resources to adequately influence the situation are too obvious. They have shown many emotions, and still more ideological and old stereotypes, but not enough pragmatism.

As Russian political scientist Andrei Ryabov rightly said about the different political potentials of the West in the Balkans and the Caucasus: unlike the Balkan policies, "the Western community has ideas regarding the South Caucasus, and these ideas are increasing in number, but their resources – diplomatic, political and economic – are apparently insufficient to influence the opinion of the parties to the conflict and to make them agree with the West's view of the problem." Instead, they have excessive ambitions and inadequate ideas about how we should handle the Caucasus.

In any case, we got an entirely new South Caucasus with a totally new agenda in August 2008. The work to realize this agenda is just beginning.

A New Chance for Leadership

Russia Can Still Lead CIS Reintegration

David Erkomaishvili

Despite the obvious heterogeneity in the evolution of former Soviet republics, the territory of the former Soviet Union is still afloat as a unified political and social association. The formally non-existent post-Soviet political organization is invisibly interlinked by energy and transport corridors, markets, trade and economic relations, which took shape back in the Soviet era. The peculiarities of the administrative and state systems and the propagation of the Russian language are the results of the presence of the Russian empire and the Soviet Union.

This territory is unique. There is hardly anywhere else where one can find such a conglomeration of countries that are linked to each other not only by a common history and culture, but also by a common political geography. The Commonwealth of Independent States has a strategic advantage over similar organizations, such as La Francophonie, which is an international organization of cooperation among French-speaking countries, or the Commonwealth of Nations. These consist of territories scattered around the world because their metropolitan empires were sea powers during the colonial period of their development. In contrast, the countries grouped in the CIS have common borders, which allow for the establishment of a single economic space and a customs union, and free movement of capital, manpower, goods and services.

David Erkomaishvili is a post-graduate student at Metropolitan University Prague, the Czech Republic.

The Commonwealth is the only platform that can serve as a starting point for reintegration projects. The CIS gave rise to the Collective Security Treaty Organization (CSTO) and the Eurasian Economic Community (EurAsEC) – perhaps the two most promising projects in the territory of the former Soviet Union. However, their potential is not being fully tapped.

There are several reasons for this. First, post-Soviet states are not ready for the establishment of supranational institutions due to the heterogeneous development of their political systems. In many of them, corruption and the struggle for power are dominant elements in the functioning of their state systems, and the ruling politicians do not want to share their power with supranational bodies.

European Union countries are also facing certain problems because of the different levels of their economic systems; however, their political development has been reduced to a basic common denominator – that is, democratic norms. But is a democratic model really necessary for launching a serious phase in post-Soviet reintegration? According to the theory of alliances, associations can group any countries: large and small, democracies and authoritarian regimes, monarchies and republics.

Russia links the post-Soviet territory and is a guarantor of its integrity. Having gone through the stage of primary formation, the former Soviet republics are now at a crossroads: they can either evolve toward reintegration on a mutually advantageous economic basis by creating a Eurasian Union patterned after the European Union, or set up new barriers in a bid to become part of other integration structures.

The latter choice will inevitably bring about heightened tensions and a major revamping of the established world system. Both paths have real and equal possibilities.

PREREQUISITES FOR INTEGRATION

Any great power needs a zone of influence of its own to project its national interests. For Moscow, this is the territory of the former Soviet Union where it is the locomotive of integration pro-

cesses. It is a natural buffer, free from the political and military-strategic dominance of the West.

In economic terms, adjacent countries are the starting point for breakthroughs by Russian businesses into world markets, as well as an outpost and a testing ground (in the best sense of these terms) for the success of Russian companies' foreign strategies. The ruble will not become a global reserve currency if it is not accepted as a common currency in the CIS.

Russia's security is inseparably linked with the territory of the former Soviet Union. This does not imply only the military infrastructure and military facilities located on the territory of some countries. The very status of Russia as a great power is inseparable from the former Soviet territory. It is the bulwark of Moscow's real strategic influence in the world, the only existing remainder of the once-powerful Union, and, finally, Russia's chance for global revival. This is why Russia's National Security Concept defines the Commonwealth's territory as a zone of its strategic national interests.

NATO's insistent attempts to expand into the CIS can be explained by its desire to block the Kremlin. The destruction of the territory of the former Soviet Union would be a serious shock for all the participating countries and, above all, for their economies. The security, stability and development of the post-Soviet territory directly depend on the situation in Russia. In previous years, major economic crises quickly crossed the borders of CIS member countries.

Today, when Russia's policy in the post-Soviet territory is slowly turning toward integration, the methods of implementing the foreign policy interests of the West are also undergoing significant changes. First, these changes include the renunciation of the practice of changing political regimes by revolutionary means and of an isolation policy; an active use of double standards, which even Moscow now does not shun; and bold attempts to destroy the Commonwealth by means of a policy of alliances (NATO's enlargement or the creation of alternative unions without Russia's participation).

To retain its positions, Moscow vitally needs to offer an attractive and competitive model for developing a common territory. The paradox of the Kremlin's relations with former compatriots is that, while recognizing the priority of this aspect, Russia is not yet ready to seriously invest in reintegration. Thus, we see numerous misunderstandings and political crises.

In today's world, where the habitual international law system has been destroyed and where events are developing rapidly, Moscow can no longer count on the loyalty of former Soviet republics if it does not back up its expectations with real and, most importantly, mutually advantageous proposals. It is also important to overcome the psychological "Soviet Union complex" and stop viewing post-Soviet states as loyal by default. Building new relations must imply sincere willingness to make serious investments in the economic, political and social systems.

Russia should not involve post-Soviet countries in an ideological confrontation with the West and the more so to force them to support Russia's use of force. Another undesirable development would be the formation of alliances as a counterbalance to NATO or other Euro-Atlantic structures. Such alliances are the first to collapse as they degrade from an effective instrument for solving problems into a senseless union established for the sake of ideological confrontation. CIS countries will not likely find a proposal attractive to establish a structure intended to support confrontation with the West, while participation in this structure would not bring its members any benefits except for good relations with the Kremlin.

Obviously, the task of preserving the territory of the former Soviet Union amid intense pressure from the West is very difficult. Moscow does not yet have a wide range of instruments to exert pressure, except for force. However, the examples of Georgia and Ukraine show that such pressure does not build the confidence required for the successful development of relations, and the more so, it does not help to popularize the idea of deeper cooperation.

The present situation can be described as a reconstructive period. The former approach, based on remnants of the Soviet

structure, is being transformed into a new system of interaction, although it stems from methods that have already been developed. In other words, the CIS has successfully fulfilled its primary mission of preserving the post-Soviet territory in a conflict-free and full format as far as it was possible. This stage is now over. Today, Russia is acquiring real opportunities for transforming the post-Soviet territory into an integrated platform of a new type. Moscow's main goal should be to create a model for cooperation where post-Soviet countries would seek mutual rapprochement, as is happening now in the European Union, without fearing the Kremlin.

The matter at hand is not just bilateral or limited associations, but a Greater CIS. Here one can combine approaches proposed by Belarus and Kazakhstan. Minsk, as the capital of the CIS, stands for integration on a larger scale, including all CIS countries. Astana advocates integration on a smaller scale, but does not object to a larger number of participants in individual integration projects. It is important that a new framework of relations between post-Soviet states guarantee that their interests are balanced.

A MUTUALLY ADVANTAGEOUS ALLIANCE

The Heartland Theory advanced by Halford Mackinder back in 1904 [in which he refers to the continuous landmass of Eurasia – Ed.] is now being uniquely embodied in the territory of the modern CIS. Apparently, alliances will balance interests in this region in the next few years. This form of cooperation does not presuppose aggression by large and strong countries against smaller and weaker ones. The establishment of an alliance would be mutually advantageous as it would enable small states to influence the policies of their strong neighbors.

Participation in an alliance would give small regional leaders a chance to enter the international arena and have an impact on global politics. As for influential countries, an alliance would ensure their stable and constructive presence in the region and actively promote their interests. The framework of an alliance would help to resolve conflicts of interest in the best way, while a

flexible alliance policy would help to involve players that traditionally are not considered to be regional, but which have goals of their own.

In the territory of the former Soviet Union, the policy of forming alliances has its nuances. The fundamental principles here are economic benefits and firm guarantees that each other's interests will be observed. Confidence is based on voluntarism as regards entry to and withdrawal from the alliance. Usually, such an important element as the possibility of withdrawing from an alliance at the initial stages is excluded from fundamental documents or is present only by implication, as until recently was the case with the EU, for example. Two factors will determine the effectiveness of the organization: how influence is distributed among the participants and the level of cohesion and coordination of mechanisms.

The specific development of the system of post-Soviet relations today does not allow an alliance to have no leader or group of leaders. Few doubt that Russia will be the leader and other states are ready to accept its leadership. But the emergence of a new association in former Soviet territory will not mean Moscow's monopoly over it. The EU experience shows that integration does not infringe on a state's right to its own niche in foreign policies if there are strong guarantees that its interests will be respected. Moreover, the instruments and influence of individual countries may increase.

Many post-Soviet states are trying to free themselves from Russia's influence. The creation of an alliance in which CIS countries would have real instruments for interacting with their powerful neighbor, as well as mechanisms for regulating their political closeness to or remoteness from Russia, could help them avoid taking rash actions and could ensure the stability of their development. At the same time, they could integrate into the world community while respecting Moscow's interests. Today, however, any attempt of rapprochement with the West triggers aggressive steps from the Kremlin. Such a system of relationships has exhausted itself.

BALANCING THE INTERESTS

EU countries and the United States certainly are not interested in preserving the integrity of the territory of the former Soviet Union. Conflicts between them and Russia may arise over energy and other issues; and the faster Moscow consolidates its global role, the more probable these conflicts will be. Few people now have any doubts that Russia has regained the status of a world power. At the same time, responsibility for any foreign policy moves is markedly growing, too.

In 1907, the Anglo-Russian Convention defined the two empires' spheres of influence in Central Asia and actually put an end to the Great Game between the two powers for supremacy in the region. I do not advocate, of course, following the example of our predecessors. Yet two things are obvious.

First, the further constructive development of the former Soviet territory requires delimiting the degree and density of the influence of stronger countries, as it is impossible to get rid of such influence.

Second, today, a hundred years after the Convention entered into force, the structure of international relations does not allow for ignoring the interests of former Soviet republics. During the years of confrontation (including the Cold War), small states did not have significant levers of influence over the superpowers, and most of them played the role of minor actors in crowd scenes. A major reason for that was the largely ideological essence of the blocs. Now the situation is different.

The territory of the former Soviet Union has changed after the short war between Georgia and Russia, after Tbilisi withdrew from the CIS, and after Moscow recognized the independence of Abkhazia and South Ossetia. Russia's traditional partners from among its neighbors have taken a noticeably wait-and-see position. Ukraine was actually the only country to express its position promptly and in a clear-cut manner. Members of the Collective Security Treaty Organization failed to express a clear and unified foreign policy line, and this was against the organization's Charter, which binds member-states to provide military and, most impor-

tantly, political support to any of them. Meanwhile, Russia, which engaged in hostilities, needed such support.

The military and economic alliances in post-Soviet territory – CSTO and EurAsEC, respectively – are organizations that are structurally similar and that are driven by Russia. They provide a basis for a new, more powerful integrated entity. However, to develop these structures, it is necessary to unify joint projects and turn them into real areas of common interest and active cooperation, rather than form ideological anti-Western blocs.

Almost all significant economic projects and investment are impossible without firm and stable guarantees for the security of their implementation. A stable system of regional security is also vital for building up the transportation of energy resources, which is an important element in mutually advantageous uses of the transit potential.

The establishment of an international forum (a Eurasian Cooperation Forum) for interaction between Russia, other post-Soviet states and the West could be an interim step in this direction. The forum, which could be opened to other interested parties, can serve as a compromise between Moscow and Western capitals, creating conditions for the constructive development of the post-Soviet territory.

Such a forum would help find solutions, balance conflicting interests and prevent the post-Soviet territory from collapsing. The Shanghai Cooperation Organization can serve as a model here: it has helped Russia and China to delimit their interests in Central Asia and channel contradictions between them into a constructive course, while not forgetting about the interests of Central Asian states themselves, as well as the interests of regional neighbors.

Nuclear proliferation, the drug threat, fundamentalism, terrorism, separatism, the problem of water supply, the Treaty on Conventional Forces in Europe, and NATO's enlargement – all these problems require a solution. The above-mentioned forum could also contribute to the development of the CSTO – not only militarily but also as regards its peacemaking missions, which in the future could be extended beyond CIS boundaries. For now, NATO is in no hurry to interact with the CSTO, although there

are real areas for cooperation, for example, the stabilization of the southern borders of the CIS and joint operations in Afghanistan.

Under no circumstances should Russia be interested in "asymmetric responses" to the West. Such foreign policy moves in the territory of the former Soviet Union would only undermine, once and for all, confidence in Moscow among the ruling politicians of neighboring states. The further development of the post-Soviet territory is impossible without a powerful organizational/integration structure. History is giving Russia a chance – after almost a century – to once again become a center of constructive attraction. But is Moscow ready to give up part of its coercive levers of influence in order to reintegrate the post-Soviet territory?

The present integration processes have predominantly economic and military aspects. At the same time, social cooperation, which implies all spheres of cultural and, most importantly, linguistic interaction, as well as the formation of a friendly attitude toward Russia, is being relegated to the sidelines. Meanwhile, there are very few Russian lobbyists in CIS countries.

Practice shows that the successful promotion by a country of its economic interests is impossible unless it simultaneously works to form a friendly attitude toward itself. For years, the main drawback of Moscow's policy in the territory of the former Soviet Union was that it limited its contacts to the political forces of neighboring states or, even worse, only to certain political leaders and clans which had come to power by accident after the Soviet Union broke up. So, the replacement of regimes in post-Soviet countries could result in their giving up a friendly policy toward Russia. This self-limitation of Russia brought about irreversible consequences. For example, the pronouncedly anti-Russian regimes in Georgia and Ukraine are now real and clear threats of collapse for all the territory of the former Soviet Union.

SEEKING TO FORM RUSSIAN LOBBIES

Until recently, the ways Russia and the West implemented their strategic interests on the territory of the former Soviet Union differed significantly.

The West supported non-governmental organizations, created and actively developed cultural centers, established linguistic and educational ties, and provided grants for education and the development of private enterprise. Thus, it supported oppositional quarters and even helped some countries escape from Moscow's influence.

Russia, in turn, has achieved the opposite result. Of course, there were objective reasons for this: Moscow's setbacks were directly linked with crises and conflicts inside the country, yet this factor cannot serve as a justification for the current state of affairs. Moscow is alarmed by a sharp drop in the number of ethnic Russians and in the Russian-speaking population in countries that were part of the former Soviet Union.

First, the proliferation of the Russian language has been significantly decreasing because there is no longer a great need for Russian in CIS countries. National languages are replacing Russian.

Second, the position of Russian-speaking people – who are not native speakers in non-Russian countries, yet they are not necessarily ethnic Russians – has been complicated by their forced integration into new societies following the breakup of the Soviet Union. These newly independent states now have a new national identity, in which Russian speakers are assigned a minor role compared to the indigenous population.

The erosion of Russian-language self-identification – or even a common Soviet one – in CIS countries stems from Moscow's failed policy in this area. Apart from Russia and Belarus, the Russian-language identity is only somewhat strong in Kazakhstan. This is largely due to the will of the Kazakh leader, to the country's geographical proximity to Russia, and to common strategic projects. But basically, the remnants of this identity in CIS countries rest on splinters of the Soviet past, which has been persistently and hatefully destroyed in the CIS for over 15 years.

Russia has repeatedly emphasized the strategic priority of the post-Soviet vector in its foreign policy, which was further confirmed by the first visit of President Dmitry Medvedev to Kazakhstan and by an earlier informal CIS summit held in

Moscow in February 2008. Addressing the summit, Prime Minister Vladimir Putin personally assured CIS leaders of the continuity of Russia's policy.

In practice, however, very important elements of the strategy are missing. If there were a pro-Western diaspora in some CIS country, which spoke one language and which were a carrier of a kindred culture, it would certainly enjoy serious financial, moral and cultural support. Moreover, its most influential representatives would most likely be involved in state structures and would engage in lobbying the interests of respective countries.

Meanwhile, the pro-Russian diaspora in CIS countries, ignored by the mother country, has actually collapsed – most have emigrated, while those who remained have formed a new Russian-speaking community. It is a complicated, although not unpromising, phenomenon, which requires a special approach, as neither ethnic nor linguistic, or even legal criteria can precisely reflect the essence of this socio-political entity. International experience suggests that a diaspora policy can and must occupy a special place in plans to achieve one's foreign policy goals. Meanwhile, the Kremlin simply has no levers of soft influence over former Soviet countries, while the Russian-language diaspora could serve as such a lever.

The status of the Russian language in former Soviet republics has become a kind of yardstick of the local governments' loyalty to Moscow, while the availability of Russian-language mass media has become a political lever in the hands of the ruling politicians. Kazakhstan has announced the beginning of the preparatory stage, starting in the last quarter of 2008, for implementing plans to replace the Cyrillic script with the Latin alphabet. The switch to Latin is expected to be completed within ten years. Of course, Moscow will seek to delay the changeover, but it will most likely be unable to stop the process.

All five Central Asian countries are intent on adopting the Latin alphabet. One of the arguments in favor of switching to Latin is its use for developing banking, IT and innovation technologies. To a certain extent, Cyrillic impedes their integration

into global economic and information systems and the development of large-scale international projects.

Meanwhile, such an "innocent" thing as an alphabet change is significantly increasing the possibilities of Ankara, which has been seeking to promote its interests in Turkic-speaking regions since the 1990s. Considering the natural gas rivalry, the strategic geographic location of Central Asia, and the role played by Turkey in the West, the possible consequences of these efforts are obvious. So far, all serious attempts by Ankara to break deep into Central Asia in the energy and other sectors have been successfully blocked in the Caucasus by the geographic location of Moscow's ally Armenia. Recently, there has emerged one more obstacle to Turkey's overcoming the Caspian barrier – that is, the development of a military-political entity, namely, the Collective Security Treaty Organization.

Some noticeable changes have taken place recently in Russia's policy of promoting its interests in the territory of the former Soviet Union, such as the beginning of business expansion in the form of telecommunications, banking and energy projects. But this is only a small part of a bigger policy required to form friendly lobbies in the territory of the former Soviet Union. However, the social aspect of this policy, which is vital for success, is nowhere in sight yet.

A Nation-State or a State-Nation?

Ukraine's Policy of National Construction and Its Possible Aftermath

Alexei Miller

U.S. political scientist Alfred Stepan published an article soon after Ukraine's 2004 Orange Revolution in which he analyzed the opportunities for a policy of national construction in Ukraine (Stepan, Alfred. "Ukraine: Improbable Democratic 'Nation-State' But Possible Democratic 'State-Nation'?" *Post Soviet Affairs*, No. 4/2005, pp. 279-308). Although Stepan had never studied Ukraine before the article, he is an acclaimed expert on authoritarian regimes and models of their democratization.

Stepan's analysis of the political situation in Ukraine rests on the opposition between two models. One of them is the very familiar 'nation-state.' An alternative model – the 'state-nation' – has been developed by Stepan in cooperation with his long-time co-author Juan Linz and Indian political scientist Yogendra Yadav, using materials on Belgium, India and Spain.

The policy goal of the nation-state is to impose a powerful united identity of society as a community of members in a nation and citizens in a state. To this end, the government conducts a homogenizing assimilation policy in education, culture and language. In electoral policies, autonomy-minded parties are not considered to be coalition partners, while separatist parties are outlawed or marginalized. Portugal, France, Sweden and Japan

---

Alexei Miller, Doctor of Science (History), is a leading researcher at the Institute of Scientific Information for the Social Sciences at the Russian Academy of Sciences. The full version of this article was published in Russian in the *Politicheskaya Nauka* journal, No. 4, 2008.

provide bold examples of this model. This policy proceeds smoothly if the state mobilizes only one group as a carrier of cultural identity that has political representation. This group sees itself as the only nation in the state.

If a country has two or more mobilized groups of this kind – as was the case in Spain after General Franco's death, in Canada during the creation of its federation in 1867, in Belgium in the middle of the 20th century, or in India when it gained independence – democratic leaders have to choose between the exclusion of nationalistic groups and their integration in society. All these four countries eventually chose a model that can be accurately described as a 'state-nation' rather than the 'nation-state.' They chose to recognize more than one cultural – and even ethnic – identity and give it institutional support. Multiple and complementary identities would rise up in each country. For this, they would set up asymmetric federations, introduce the practice of 'consociative' democracy, and have more than one official language. Autonomy-minded parties were allowed to form governments in some of the provinces and sometimes join coalitions to form central governments. This model pursues the goal of breeding institutional and political loyalty to the state among different "nations" living in the state, although polity does not match the differing cultural demoses.

Countries that have recently gained independence can choose a persistent and energetic but simultaneously peaceful and democratic strategy of building a nation-state if the policies and cultural demos match, the political elite is united in accepting these policies, and the international situation is not hostile to the implementation of this strategy. However, Ukraine's situation did not meet a single of these criteria when it became independent.

Stepan underlines a basic geopolitical difference between Ukraine and the countries that he and his colleagues analyzed in the format of the state-nation model; i.e., India, Belgium, Canada and Spain. None of them had a neighbor posing a real irredentist threat, while Ukraine faces a potential threat from Russia. This assessment should be specified: Stepan spoke of a

potential irredentist threat in 2005 and admitted that neither Russia nor Ukrainian citizens of Russian origin would take it seriously at the time.

Stepan drew up a number of oppositions as he compared the nation-state model to the state-nation one:

- Commitment to a single "cultural civilizational tradition" versus commitment to more than one such tradition; the latter case should not block the opportunities for self-identification with a common state;
- An assimilatory cultural policy versus the recognition and support of more than one cultural identity;
- A unitary state or monoethnic federation versus a federative and often asymmetric system reflecting cultural heterogeneity.

Stepan said in his other works that a presidential republic is more characteristic of nation-states, while a parliamentary republic is more typical of state-nations.

The general theoretic maxima Stepan formulated suggests that the aggressive policies of a nation-state, are dangerous for social stability and the prospects of democratic development if the nation concerned has more than one mobilized ethnic group. He admits that the state-nation principle, if applied in Ukraine, would involve making Russian a second official language. Countries like Belgium, India and Switzerland have more than one official language. Stepan said that Ukraine would have more chances to create a democratic political society if it did not pursue the aggressive strategy of imposing the nation-state model.

He made a stipulation, however, when he said that a soft course toward building a nation-state can ease the emergence of multiple and complementary identities that are vital for state-nations and for democracy in multi-ethnic societies. According to Stepan, Ukraine could be an example of such a situation.

Stepan offered a number of arguments to back up this postulation. He said that the preferred language of communication is not necessarily a mark of ethnic identity in Ukraine, since people who identify themselves as Ukrainians outnumber those who only speak Ukrainian by a factor of two. According to

research, 98 percent of people identifying themselves as Ukrainians – regardless of the language they speak – would like their children to speak fluent Ukrainian. The percentage of people calling themselves Russians and who would like their children to be fluent Ukrainian speakers is also very high – 91 percent in Kyiv and 96 percent in Lviv.

Since the vast majority of Russophone citizens want their children to have a good command of Ukrainian, the state can conduct a policy of imposing the language on non-speakers – in the nation-state spirit – without causing tensions between Russian and Ukrainian speakers. Stepan also indicated that only five percent of respondents in Donetsk (in Eastern Ukraine) and one percent respondents in Lviv (in Western Ukraine) said in 2005 that it would make sense to split Ukraine into two or more countries. At the same time, Russia, a potential irredentist attraction, was waging a bloody war in the Caucasus and this considerably reduced its attractiveness.

UKRAINIAN POLICIES: CHANGING THE MODEL

A total of three years have passed since the publication of Stepan's article. Let us take a look at how the situation in Ukraine has been developing since then and to what degree his forecasts have materialized.

The period from 2005-2007 was quite turbulent in the political sense. It saw a scheduled parliamentary election in 2006 and an early election in 2007. Both elections showed that the electoral base of all the political parties without exception remains strictly bound to one or another macro-region.

The government of Yulia Tymoshenko, which was formed in the follow-up to the 2004 presidential election, was dismissed some six months later. It did not include politicians whom the East and South of the country could perceive as their representatives, and the Yuri Yekhanurov cabinet that came to replace it did not include them either. In turn, the government formed by Victor Yanukovich after the 2006 parliamentary election did not have any

representatives from Western Ukraine. The talk about a possible coalition between the Regions Party and a part of the pro-presidential Our Ukraine was short-lived.

Like the Tymoshenko cabinet, the Yanukovich government gradually found itself drawn into a bitter conflict with Ukrainian President Victor Yushchenko, which paved the way for the unconstitutional dissolution of parliament and early elections in 2007. This conflict was accompanied by a de facto crushing of the Constitution Court that lost the ability to claim an independent role for itself. All the parties to the conflict made a ploy of their "petted" courts of various jurisdictions, thus further undermining the reputation of the judiciary.

Ukraine started 2008 with a new cabinet with Tymoshenko at the helm. The new government soon jumped into a conflict with the weakening president. All leading political forces were unanimous in their sentiment that the Constitution needed to be revised, but all of them had their own vision of both the mechanism of revision and the new model of constitutional power.

Before the Verkhovna Rada, or the Ukrainian parliament, was dissolved in the summer and fall of 2007, the authorities mostly conducted a moderate policy along the nation-state model, the chances of which Stepan had assessed as fairly high. Cautious steps were taken in the East and South to make decisions in the state-nation vein, as a number of regions and municipalities made Russian an official language. However, on the presidential administration's initiative, these decisions were challenged in court and not endorsed by state agencies.

Ukrainization efforts in the areas of culture and language intensified sharply during the 2007 political crisis. The government plans to change the entire higher education system over to Ukrainian in three years, and the authorities have enacted a law mandating that all distribution copies of foreign movies must be dubbed into Ukrainian. Along the same lines is a Yushchenko statement on the dangers emanated by the Russian-speaking mass media – this foreshadows further cuts in Russian-language programs on Ukrainian television.

The topic of the Holodomor – the famine of 1932 and 1933 – as a genocide spearheaded at the Ukrainian people has been fanned sharply. At the very least, this makes Russians living in Ukraine uncomfortable, since talk about genocidal motives goes hand in hand with assertions that migrants from Russia took the place of indigenous Ukrainians who were exterminated. Add to this the people's bitter reaction – everywhere except for Halychyna (Western Ukraine) – to efforts to idolize the Ukrainian Insurgent Army (UPA), along with its notorious commander Roman Shukhevich, and Stepan Bandera, the chieftain of the Organization of Ukrainian Nationalists (OUN).

An unexpected surge in efforts in late 2007 to bring Ukraine into NATO played a highly provocative role in both domestic policy and in Ukrainian-Russian relations. Moscow responded to this in the spring of 2008 with statements that stirred up irredentist elements in its policy toward Ukraine in general and the Crimea in particular. The claims have so far come from nonofficial "spokespeople" for the Russian political establishment – Moscow Mayor Yuri Luzhkov and State Duma Deputy Konstantin Zatulin. However, statements of concern over the position of ethnic Russians in Ukraine have come from the Russian Foreign Ministry, too.

The threat of irredentism, which Stepan described as hypothetical in 2005, is now taking increasingly clearer contours. Moscow's activity has so far been reticent in this area, but now it seems to be willing to generate controllable tensions in the Crimea so as to amplify doubts among the leaders of many NATO countries about the feasibility of granting NATO membership to Ukraine.

Unfortunately, the Russian-Georgian conflict and the reaction it produced in some sections of the Ukrainian leadership may lead to an escalation of all the above-mentioned conflicts and Moscow may find itself bogged down even deeper in Ukraine's domestic policy problems.

THE PROSPECTS FOR A RUSSIAN PARTY

One of the most crucial issues of modern Ukrainian policy is the nature of identity, or rather the identities of people living in the

eastern and southern regions. The crux of the matter is that any discussion of the Eastern Ukrainian identity includes both people who consider themselves to be Ukrainians by birth, but who use the Russian language to communicate, and those who associate themselves with the Russian nation (the 2001 census showed that 17 percent of the country's population, or 8.3 million people, belong to this category).

Nobody knows what might happen if Ukrainian policy continues to develop along the nation-state course. It is quite possible that a sizable part of Russophone Ukrainians will accept it with a larger or smaller degree of enthusiasm.

But has state policy in the area of language not stepped over the boundary beyond, which Ukrainization begins to play a mobilizing role for the more than eight million people who consider themselves to be Russians? The important thing for them is not the change to Ukrainian identity, but the loss of living comfortably in case they maintain their Russian identity.

Opinion polls taken at the beginning of 2005 showed that only 17 percent of ethnic Russians living in Ukraine believed that the Orange Revolution would bring anything good for them, as against 58 percent of ethnic Ukrainians. Without the risk of making too big of a mistake, one can state that ethnic Russians proceeded from the assumption that relations with Russia would deteriorate further and Ukrainization would intensify.

It is difficult to forecast how the mood among Ukrainian citizens who are ethnic Russians will change now that many of their past apprehensions have been proven true and Russia has begun to play the irredentist card.

Grave problems in the Ukrainian economy will most likely continue to spread in the mid-term, as the country will have to live through a sharp rise in energy prices, the financial loan crises, a steep rise in inflation, endless postponing of structural reforms and their further deferment amid conditions of political instability and preparations for yet another election. The economic situation in Ukraine in 2008 resembles the spring and summer in Russia in 1998.

The permanently growing gap between Ukraine and Russia in terms of people's incomes will soon have a dangerous impact on the political situation in Ukraine. Add to this the removal of the factor that repelled the Ukrainians with Russian identity – the war in Chechnya – and the reduction of military service in Russia to twelve months.

In spring 2007, on the eve of another deterioration of the political crisis which occurred in the wake of the dissolution of parliament and the ensuing upswing in nationalistic policies, the Razumkov Opinion Research Center in Kyiv did some important research that unveils the moods that existed at the time among Russian-speaking Ukrainians and other specific population groups.

The researchers singled out four groups:

- 'The Russians' – i.e., Ukrainian citizens who are ethnic Russians and who speak Russian as their native language, associate themselves with the Russian cultural tradition and use Russian in everyday communication;
- 'The Ukrainians' – i.e., Ukrainian citizens who are ethnic Ukrainians and who speak Ukrainian as their native language, associate themselves with the Ukrainian cultural tradition and use their native language in everyday communication;
- 'Russian-speaking Ukrainians' – i.e., people ascribing themselves to the Ukrainian ethnos; and bilingual Ukrainians – i.e. ethnic Ukrainians who speak Ukrainian as their native language;
- 'Bilingual Ukrainians of the Ukrainian cultural tradition' – i.e., people who say that they are ethnic Ukrainians, speak Ukrainian as their native language and belong to the Ukrainian cultural tradition.

The authors of the research say quite correctly that this approach reveals clearly that the so-called 'Russian-speaking citizens' are not an "imagined community" – in the sense implied by Benedict Anderson – they are a real group sharing a common identity. As an 'imagined community,' they exist only in the minds of researchers.

The last three categories of respondents – i.e., ethnic Ukrainians who use Russian in everyday communication – gave

practically identical answers to the question on whether they regard themselves to be Ukrainian patriots. Among those polled, 37 to 42 percent gave an assured "yes" answer, 41 to 45 percent said "probably yes," 6 to 11 percent offered a "probably no" answer, 3 percent or less gave a definitive "no," and 6 to 7 percent were undecided. In all, 80 percent of the respondents in this group offered positive answers, which almost equals the number of positive answers among 'the Ukrainians.'

The responses of 'the Russians' produced a different picture, as only 20.4 percent of them gave an assured "yes" and 29 percent answered "probably yes." This means that less than half of the respondents viewed themselves as patriots. A total of 14 percent of the Russians said overtly they did not consider themselves to be patriots of Ukraine, 27 percent said "probably no," and 9 percent declined to give any answer.

The difference is still greater in terms of expectations for the development of the language and cultural situation. A mere four percent of 'Russians' think that Ukrainian should be the only official language in the country. Another 13 percent would be satisfied if Russian were made an official language in some regions, and 70 percent said it must be the second official language. Furthermore, 10 percent of the respondents believe that Russian should be the only official language in Ukraine. 'The Ukrainians' produced a practically mirror-like picture. 'The Russian-speaking Ukrainians' were very close to 'the Russians' in that aspect, as 49 percent of the respondents in those groups said they were in favor of two official languages. A difference could be seen in the group of Russian-speakers who have a command of Ukrainian, as only 20 percent of them showed a readiness to give Russian the status of the second official language.

When asked the question "Which cultural tradition should prevail in Ukraine?" a mere six percent of 'Russians' were prepared to reconcile themselves to the absolute dominance of Ukrainian culture. Another 50 percent agreed that different cultural traditions would prevail in different regions, and 24 percent said the Russian tradition would prevail. In the groups who speak

Ukrainian, a majority of respondents invariably agree to the dominance of Ukrainian culture, although they make up the absolute majority (59 percent) only among 'Ukrainians.'

Remarkably, in answering a question about the most preferable definition of the Ukrainian nation, most people in all groups preferred "a civil nation embracing all Ukrainian citizens" ('the Russians' and 'Russian-speaking Ukrainians' showed 43 percent and 42 percent respectively, and other groups, 35 percent each). However, the aggregate number of all other answers accentuating – in some way or another – the ethnic character of the nation was bigger in the 'Ukrainian' groups than the percentage of answers accentuating the civil principle.

On the whole, this data confirms that 'Russian-speaking Ukrainians' would like to see the Russian language and culture have an equal status with Ukrainian, but they are ready to tolerate nation-state policies, while the 'Russians' resolutely reject such policies. It would be quite logical to suppose that a feeling of discomfort and the potential for irredentist mobilization has grown in the latter group over the past twelve months.

Let us also pinpoint an evident disillusionment with the policies of the Regions Party among those voters who attach significance to the status of the Russian language and culture. The party has not been persistent enough in implementing its own promises in this area and it is now losing electoral support. Thus, a niche emerges for a new political force that may position itself as a Russian party. As 'the Russians' make up 17 percent of Ukraine's population, a party like that can hope that they could form a faction in the Verkhovna Rada even if the parliamentary qualification barrier is higher than the current three percent.

THE POTENTIAL FOR INSTABILITY

The intensification of nation-state policy in Ukraine and Russia's moves to exploit the irredentist theme have heightened the risks in relations between the two countries over the three years that have passed since the publication of Stepan's article. Chronologically, the whipping-up of nation-state policies by Kyiv preceded the

intensification of the irredentist factor in Russia's policy, greased the conditions for it and partially served as its trigger (which, however, does not pardon Russia).

President Victor Yushchenko emanates the strongest destabilizing impulses, as all the steps described above were initiated either by him personally or by the small parties he still relies on. Yushchenko is the main promulgator of the 'memory revitalization policy.' He goes as far as to press the Rada to adopt a version of the law on the Holodomor that would include criminal responsibility for denying that the Holodomor was genocide. He tries to launch the discussion of the topic at international organizations – the UN, the Council of Europe, and the Organization for Security and Cooperation in Europe. Yushchenko personally initiated an application to NATO for getting the Membership Action Plan (MAP), and he ardently tried to push it through at home and abroad on the eve of the NATO summit in Bucharest. In the wake of the August war in Georgia, the topic of the external (Russian) threat may move center stage in Ukrainian policy.

Yushchenko does not have a majority in parliament and he rules with the aid of decrees, many of which run counter to the Constitution. As a person who has squandered his popularity and who is struggling to stay in power, he was behind all of the destabilizing moves in the institutional sector. The list includes – over the past twelve months alone – the unconstitutional dissolution of parliament, an attempt to steamroll his own version of the new Constitution (one that vastly broadens the presidential powers) by way of a referendum and bypassing parliament, a discrediting of the Constitution Court that still does not have a full panel of judges, and permanent incursions into areas of governmental prerogatives.

It may look that the two largest political forces – the Yulia Tymoshenko Bloc (BYT) and the Regions Party (RP) – show an understanding of the mechanisms that Stepan and his coauthors highlighted in the state-nation model. Both advocate the parliamentary (or parliamentary/presidential) republic.

However, whereas the RP speaks against the buildup of a rapport with NATO, the BYT does not show any special activity in the field and does not emphasize the problems of the Holodomor or the Insurgent Army. The RP objects to the Insurgent Army's rehabilitation and to the politicizing of the 1930s famine. Neither force has engaged in nation-state rhetoric so far. The RP supports the idea of a sizable expansion of the powers of regions, and it has even called for federalization during past crises, which the Orange forces regard as a manifestation of separatism. Still, there is every reason to believe that the idea of a federation has situational rather than fundamental importance for the Regions Party.

All of this testifies to a realistic possibility for reformatting the entire Ukrainian political scene that would help put a brake on the dangerous tendencies of 2007, yet the tough political standoff and the deep political mistrust existing between various political forces increase the chances for the further deepening of the political crisis, and the international situation is conducive to this.

Another important destabilizing factor is the specific career of Yushchenko's main opponent, Yulia Tymoshenko. It is impossible for anyone to guarantee that she will observe democratic methods of policymaking if she gets full power. Such apprehensions were validated once again in March 2008 when the BYT succeeded in removing Kyiv Mayor Leonid Chernovetsky from office with glaring encroachments on democratic procedures. The BYT has a general tactic of undermining the positions of mayors of the largest cities if they are not its allies.

Meanwhile, Stepan says that when chances are weak for federalization due to the irredentist factor, Ukraine could use the experience of Scandinavian countries where the absence of federation is made up for by very broad rights for municipalities. However, the new mayoral election in Kyiv that reinstalled Chernovetsky in office dealt a painful blow to the BYT.

The RP's democratic conduct is also a cause for doubt. Strictly speaking, Ukraine does not have any major political force that could guarantee its commitment to democracy today.

All political forces struggling around mechanisms for adopting a new Constitution and establishing its principles are mostly driven by political considerations at the moment. Remarkably, debates on the preferable form of state structure ignore the question of a possible type of federation, and neither BYT nor RP talk about state-nation motives when discussing the advantages of a parliamentary republic.

Thus we can see that many of Stepan's forecasts and warnings have come true over the three years that have elapsed since the publication of his article. However, two important notes should be added to his analysis.

First, Stepan did not take enough account of the heterogeneity of the population in Ukraine's eastern and southern regions as regards their self-identity (although compared to other researchers, he paid more attention to the differences in positions of the 'Russian-speaking Ukrainians' and 'Russians').

Second, it has proven difficult to remain moderate in the Ukrainization policy. Stepan recommended a moderate policy in the nation-state spirit as he described a possible successful strategy for Ukraine. He believed that the construction of a nation-state is impossible, while the choice of a state-nation model is compounded by foreign policy factors. This political construct worked fairly well in conditions of a relatively centralized system during the presidencies of Leonid Kravchuk and Leonid Kuchma, but it turned out to be rather fragile. Amid an escalating struggle for power, Yushchenko's weakening presidential power sacrificed this moderate course.

If the political mobilization of Ukraine's ethnic Russians evolves into the emergence of a Russian party, Kyiv will face a difficult problem: meeting demands to increase the status of the Russian language and other measures in the state-nation vein will highly impede the process of the soft Ukrainization of Russian-speaking Ukrainians that has been going on quite successfully until now. On the other hand, continued Ukrainization in the nation-state mode will increase the feeling of discomfort among more than eight million Russians, thus facilitating the growth of irredentism.

The situation brings two problems to the foreground.

First, how and when will the crisis of power be eliminated and which configuration of political forces will arise in its wake? There is no doubt that the nation-state policy will be maintained, but it is not clear whether the new ruling coalition will continue to intensify it or if they will try to revert to the previous moderate course. For the time being, there seems to be little chance that Ukraine will see an early end to the political crisis.

Second, will it be possible to revert to the previous policies by the time the crisis ends? Or has the political breakdown of 2007 and 2008 launched processes that will write off Stepan's strategy as a missed opportunity? No one can answer these questions with assuredness today.

Index of Articles Published in 2008

EDITORIAL BOARD