

MR. FLY: Welcome everyone. Thanks for coming. I'm glad we have such good turnout here today even though our event has nothing to do with Gen. McChrystal or Stephen Strasburg. And I'm glad to see so many people interested in Russia prior to President Medvedev's meeting with President Obama tomorrow.

I'm Jamie Fly from The Foreign Policy Initiative. I just wanted to say a little bit first about The Foreign Policy Initiative for those of you who aren't familiar with our organization. We are a non-profit, non-partisan organization dedicated to the promotion of U.S. international engagement. And we do that through holding conferences such as this one on various foreign policy topics. We also provide a daily news summary that we send out every morning. And we also have various information and briefing papers on our website.

I do want to draw your attention to one policy document in your folders on your chairs. Yesterday we released an FPI analysis of the Russia "reset". And I think if you're interested in this event, you'll also find that document worthwhile.

As President Medvedev has his meeting with President Obama, we thought this was a good opportunity to take a step back and evaluate the Obama Administration's reset. And to do that we have a distinguished panel of experts here today.

I must say up front that I want to thank Senator Jim DeMint and his office for sponsoring this event and for helping

us get this room. And Senator Jim DeMint will be joining us in an hour to deliver some keynote remarks after the panel speaks.

So I'll turn it now over to Eric Edelman who is a former Under Secretary of Defense for Policy and a recently added board member of The Foreign Policy Initiative. And Eric I think will get us started.

MR. EDELMAN: Jamie, thank you for that. When the Obama Administration came into office, one of the first policy initiatives it undertook was announced by Vice President Biden at the Vercunda Conference, which was the requirement to reset relations with Russia. And Vice President Biden was followed by Secretary Clinton who went to Moscow in March of 2009 where she and Foreign Minister Lavrov had an interesting exchange about whether or not reset was (speaking in Russian). But the theory of the case appeared to be that the U.S.-Russia relationship in January 2009 was drifting if not turning decidedly sour from the time of the 2007 Putin Vercunda speech and certainly punctuated as some administration officials say by the Russian invasion of Georgia in the summer of 2008.

But the Administration's view was that failure to cooperate in the areas of mutual interest was sufficiently challenging to the Obama Administration's agenda which included key items like the Non-Proliferation Treaty Review Conference that has just been concluded, dealing with Iran, North Korea and

Afghanistan, that an effort to develop a more cooperative relationship with Russia was essential for the President's policy.

And there seemed to be a corollary which was that removing some of the policies implemented by the previous administration, which the Russians found obnoxious or said they found obnoxious, would lead to a smoother course towards collaboration.

And so over the last 18 months President Obama and President Medvedev have met six times. They will now be meeting for their seventh meeting. And as Jamie said, FPI believed this was a good time to take stock of where we are in the reset, what's the score card if you will, how have we done on arms control, on the NPT, on Iran, on Afghanistan, North Korea. But also more broadly as some administration officials have suggested in the last day or two in preparation for this meeting, more broadly against an agenda that includes economic issues, human rights, civil society in Russia. And we have really an expert panel today to discuss that.

Let me briefly introduce them and then I will turn to them to speak for about 5 to 7 minutes. I will try and be ruthless with the time. And then we will later, of course, hear after taking some Q's and A's from Senator DeMint.

First on my right, and that's purely a geographical

location, David Kramer, who is a Senior Transatlantic Fellow at the German Marshall Fund. David came to the German Marshall fund after eight years in government at the State Department in a variety of capacities, as Deputy Assistant Secretary for European Affairs with responsibility for Russia and Assistant Secretary for Democracy, Human Rights and Labor. He has also been Executive Director of the U.S. Advisory Commission on Public Diplomacy.

Steve Rademaker on my left, again purely a geographic location, is now the Senior Counsel at Barber, Rogers, Griffith, and he came to that after a career both in the State Department where he was Assistant Secretary and had responsibility for arms control but also as majority counsel for the House International Relations Committee. And he brings, of course, a wealth of experience to that.

And our final panelist, Professor Charles Kupchan at the School of Foreign Service and Government at Georgetown University here in town, also has a distinguished record in government. He was a Director on the National Security Council in the Clinton Administration. Before that served in the Policy Planning Staff. He is a prodigious author. He is an author among other things "A Vulnerability of Empire," and "The End of the American Era," and most recently his new book "How Enemies Become Friends," which I would say is the sort of text for

engagement as a policy, and it's published just recently by Princeton University Press where Professor Kupchan was at one time a Professor of Government.

So that's our panel. And by prior agreement I'm going to start, and we'll go from my right to my left, your left to right. David.

MR. KRAMER: Eric, thanks very much. And thanks also to Jamie and FPI for inviting me to be here today. We have very limited time each of us, but I've been asked to talk about the "reset" and its impact on Russia's and the EU's neighbors and also the human rights concerns that we have.

But I have to start by reading two quotes. One is from an interview that Russian Ambassador to the U.S. Sergei Kislyak gave to Rossiyskaya Gazeta on June 21st. And this quote and the one I'll read after this I think sum up Russia's views toward the "reset". And Kislyak said, "I do not think that our attitude," meaning Russia's attitude, "toward America changed greatly from what we were prepared to do for it in the past. I'd say that the Americans finally saw the error of their ways and began working on amelioration of our relations."

The second quote is from Russian Foreign Minister Sergei Lavrov in an interview with Kommersant on June 11th and he offers similar comments. He said, "And we took it as the understanding of the administration of Obama that the previous

policy pursued by his predecessors must be ended. In this sense we note that the administration's leadership has precisely reset itself." And it goes on to say, "Under Bush, the personal relationship was also good with Putin, but this atmosphere somehow failed to be passed on to other floors of the administration," apparently to the floor Eric and Steve and I were on serving in the previous administration.

I cite those because I think it does offer a sense of the mindset that Russia brings to the table when we talk about the "reset" and when we talk about the relations between the two countries. And speaking about the neighbors, this is a particularly timely subject this week given events between Russia and Belarus where Russia once again has shut off or reduced, in this case, the flow of gas to a neighboring state because it claims that Belarus owes it close to \$200 million in unpaid debt for energy consumption.

Belarus has responded by saying actually Russia owes it close to \$260 million in unpaid transit fees. It seems that there is a dispute over who owes whom how much. And it is particularly interesting I think that this reduction in supply when Dimitri Medvedev arrives in the United States. This is a reminder, as we saw in 2006 with the shutoff of gas to the Ukraine, 2008 with the shutoff of oil to Belarus and 2009 with a shutoff of gas again to Ukraine where Russia has used energy as a

political tool against its neighbors to pressure them either to obtain additional money or to acquire assets and infrastructure in their neighboring states. And this is a common theme, I would argue, that Russia has in approaching its neighboring states.

We have seen obviously since August 2008 a situation where Russia has not been shy in crossing another country's borders sending in forces, it would argue, in self defense for the Russian peacekeepers and Russian citizens who are living in South Ossetia. But nevertheless, it marked the first invasion of a country following the end of the Soviet Union.

Since then, relations at the end of the Bush Administration certainly deteriorated. And the Obama Administration came into office, as Eric suggested, intent on trying to reset relations and to try to put these problem areas to the side.

I would argue that the Obama Administration has gone a little overboard in this, and it has focused too much on trying to reset or repair relations with Russia and despite clear messages that President Obama himself delivered in Moscow when he went there in July of 2009 that repairing relations with Russia would not come at the expense of good relations between the United States and the neighboring states. I think that, in fact, is what has happened.

It seems to me no coincidence that two weeks after the

President went to Moscow July of last year, the Vice President went to Ukraine and Georgia. Now we're going to have a situation where a week after President Medvedev comes to Washington, Secretary of State Clinton is going to travel to Ukraine and the three caucuses states. This is, I think, the administration's effort to try to allay the concerns that exist in these countries and in the region that the United States is so focused on Russia that it isn't paying enough attention to the neighbors. And I think we've seen examples of this, not least the message that President Obama sent up with the resubmission of the 123, which is a nuclear cooperation agreement with Russia, in which he said the situation in Georgia need no longer be viewed as an obstacle to moving forward with this agreement. I think we've seen this with the U.S. decision not to participate in the EU monitoring mission in Georgia, a decision that was made last year.

We've seen this in Ukraine where Secretary Clinton described, what has been a clear tilt by President Yanukovich toward Russia, as a balancing act. It isn't a balancing act; it is a clear shift and tilt in one direction. And I think we've seen this in Kyrgyzstan where I have to say the U.S. was sound asleep when events unfolded in April that led to the removal of President Bakiyev and we're still playing catch-up there.

And the last example I would cite is the failure to think of inviting Azerbaijan President Aliyev to the Nuclear

Security Summit, really the only leader who wasn't invited who actually should have been there given that Azerbaijan has played an important role in security and non-proliferation issues.

In Kyrgyzstan, we also have to remember that the Russians last year, early last year, in fact within weeks of the President's inauguration tried to kick us out of Manas Air Base. Now the current administration line is that we've gotten past those problems. We'll have to see how this unfolds. Kyrgyzstan is now being cited as a case where the U.S. and Russia closely cooperating. I think the jury is still out on that.

In the interest of time, let me quickly move on to the human rights issues with two minutes left and note that the situation is bad and getting worse. And this has been the case since Medvedev became President a little over two years ago with continued murders of human rights activists and journalists, of critics of the government, of violent crackdowns against protestors of the government which we saw on May 31st just days after there was the U.S.-Russia Civil Society Working Group meeting which I think is not a good idea because the head of the Russian side is Vladislav Surkov, who is the one who came up with the notion of sovereign democracy in Russia. I think it's like putting the fox in charge of the chicken coop.

We have seen efforts to advance and expand the powers of the FSB, and President Medvedev has not come out and said this

is a bad idea.

Meanwhile, the authorities seize pamphlets, and this is mentioned in the note that Jamie sent around describing recent events, authored by Boris Nemtsov and Vladimir Milov that talks about Putin. They seized this because they said they were concerned it may contain extremist themes and extremist wording.

Russian prosecutors meanwhile are seeking to put in jail for three years the organizers of a controversial art exhibit that appeared three years ago. These are the things that the authorities are going after. Meanwhile, FSB officials -- sorry, Ministry of Interior officials who were involved in the Sergei Magnitsky case, the lawyer from Hermitage capital who died in prison as a result of neglect of proper medical care -- three Ministry of Interior officials have been promoted who were involved in that case and nothing has been done about them.

There is no accountability. There is little rule of law in Russia. President Medvedev is on this visit to the United States promoting his economic modernization campaign. It seems to me that the United States should be pressing for a political modernization campaign before the U.S. as a government at least endorses his economic modernization campaign. Thanks.

MR. EDELMAN: David, thank you. Steve, over to you.

MR. RADEMAKER: Thank you. I've been asked to talk about the arms control dimension of the reset button and, in

particular, the New START Treaty, the so called New START Treaty, that was negotiated and signed this past spring.

This arms control negotiation is interesting because it is seen -- I think it's considered to be both a driver of the reset, something that was creating the reset. It was a manifestation of the reset. And now that it's been signed, it's pointed to as one of the leading examples of the success of the reset. And I think, in particular, that second point is subject to dispute. But it is, when you have a discussion about the reset, one of the first areas that the conversation always turns to.

To put it in perspective, we did need to have a negotiation with Russia here at the beginning of the Obama Administration simply because the previous arms control treaty under which verification of arms control took place -- this was the START Treaty which dates to the early 1990s -- that treaty was expiring on December 5th of last year and with it would expire all verification.

Now there was another arms control agreement, the Moscow Treaty, negotiated during the Bush Administration that imposed continuing ceilings on the nuclear deployments of the United States and Russia but it contained no verification provisions.

So President Obama enters office in a scenario within

about 10 months existing arms control verification would expire. And so the immediate imperative was to do something about that. And the simple thing to do about it would have been to begin a negotiation on extending verification. The Obama Administration chose not to do that, however. Instead, they decided to be more ambitious.

I think this was part of the reset concept. Let's not just extend verification but let's also do further nuclear reductions. That was an attractive idea to them first because it would be supportive of a completely separate signature initiative of the Obama Administration which is this commitment to what they call the Global Zero but -- the idea of ultimately abolishing all nuclear weapons. So a negotiated significant reduction in U.S. and Russian nuclear force levels would be early progress and early down payment on this Global Zero idea.

But secondly, and I think more importantly for the reset, the Obama Administration conceived of negotiating further reductions with Russia as a gesture to Russia that would generate a lot of goodwill. And the reason for this is really quite simple. The START Treaty imposed an upper -- I'm sorry, the Moscow Treaty, the most recent strategic arms control treaty between the United States and Russia, imposed an upper ceiling of 2200 deployed strategic nuclear weapons on each side. Russia's level today, and for the last several years, has been

substantially below 2200. The U.S. level has been fairly close to 2200. So the U.S. has more nuclear weapons deployed than Russia does.

The idea that the Obama Administration had was well let's negotiate a required reduction where we basically have to come down to the Russian level. How can -- that has to be a well-received gesture by Russia, a demonstration of America's goodwill, our benign intentions toward Russia. And so when they took on this idea of negotiating further reductions, it was essentially to give Russia something that Russia would appreciate.

And the -- obviously it would be more in Russia's interest to get the United States to legally bind itself to come down to Russia's level than it is in the interest of the United States. Maybe the United States wants to do this but we don't have a national security requirement to do it. It's -- the benefits of this arrangement accrue much more to Russia than the United States.

But it was Obama's initiative and it was Obama's reset. And so the psychology of this negotiation was the complete opposite of what you would expect. You would have expected the psychology of this negotiation to be that the United States was essentially giving something to Russia and so the United States could impose the terms under which it would give this thing to

Russia. But because of the psychology that emerged, really it was Obama who had to deliver. This was a test of the success of his policy, a test of his leadership whether he could reach this agreement.

And so as this negotiation unfolded over a period of almost a year and a half, Russia did not react as those in the Obama Administration expected it to. Instead of graciously accepting what the United States was offering, Russia haggled. Russia used its leverage, the political leverage it had to drive a harder bargain. And you could imagine the frustration this created on the American side because, of course, here they are trying to give someone a gift and the proposed recipient of the gift is saying no, I won't take it unless you give me more. This was a little bit disconcerting to the Obama people. They didn't anticipate this as they entered into the negotiation.

But Russia engaged in traditional hard-nosed negotiating tactics. They took a chapter out of the old Cold War arms negotiation manual. And they used deadlines to their advantage. The first deadline was December 5th. That was the date on which the existing verification was expiring along with the START Treaty. That was an important date. Russia tried to use that deadline to compel the United States to make additional concessions. The Obama Administration did not go along.

The worst thing the international community ever did to

this negotiation was to decide to give President Obama the Nobel Peace Prize because that created another deadline and the Russians used that deadline to again try to demand additional concessions. And I think the Obama team did not want to go to Oslo and have the President answer again the question what had he done to deserve this medal. He wanted to be able to say well, I've signed this great arms control treaty.

Russia appreciated that, so the price went up in the negotiations at that stage, and really I think postponed their ability to close the deal. Russia used the political leverage they had in this negotiation in a variety of areas to dictate an outcome favorable to their interests. They did everything they could to degrade verification below the existing level that we had under the START Treaty.

They insisted that the Treaty would not touch in any way tactical nuclear weapons, which is an area where Russia has about a 10 to 1 advantage over the United States in deployed tactical weapons.

They pressed the United States to reduce launchers to a much lower level than the United States wanted to go to. That has implications for strategic stability because if you have a lot of warheads but not many launchers, you have to put more warheads on the launchers you have, and most experts consider that an unhealthy thing. Probably most importantly, Russia tried

to extract concessions on missile defense and on conventional strategic systems, something called Prompt Global Strike.

Those really became the main sticking points toward the end of the negotiation where Russia was trying to get the United States to make commitments that would limit missile defense deployments.

Russia succeeded, to a remarkable degree, in achieving its objectives in this negotiation. We owe a lot to the United States Senate. I think it was the prospect that the Senate might defeat the Treaty, force the Obama Administration to say no to some of the more over reaching Russian demands that were made in the negotiation.

Did it create goodwill? As I said, it recreated the Cold War arms control dynamic. For the Russians, this negotiation was essentially Christmas Day over and over again. They kept asking for more. They kept getting more. The more they said no, the more concessions they got.

As I said, the Obama team became exasperated. In the short term, it certainly did not create goodwill. It created a sense of suspicion, especially on the U.S. side of what Russia's motivations were.

I'm being told I am out of time. I'll just use one run on sentence here to say what did the United States actually get out of this?

Iran is often pointed to as an area where we received some concessions from Russia that we would not have otherwise received, particularly in this fourth Security Council's sanctions resolution on Iran.

I think there is absolutely nothing about that arrangement with respect to Iran that can be pointed to as success of either this arms control negotiation or of the reset. It was really repetition of the last three sanctions resolutions in the way they played out.

MR. EDELMAN: Charles?

MR. KUPCHAN: Thank you, Eric. Before I turn to some of the specifics of the so-called reset in U.S.-Russian negotiations, let me make three introductory comments that would essentially take the form of stepping back from the day to day policy debate. I think the U.S.-Russia equation is part of a broader set of issues that are on the table.

One is simply the merits of engagement. I think that one of the most distinctive and perhaps controversial aspects of the Obama Administration foreign policy is the willingness to engage unfriendly regimes. That was one of the big fights between McCain and Obama, with McCain essentially saying engagement is appeasement and Obama saying no, under the right circumstances, engagement is good diplomacy.

I would simply say, partly based upon the book I have

just written, that engagement does not always work and there are certain kinds of regimes that you do not want to engage, like a Nazi Germany or an Al-Qaeda, but I would not say Russia is even close to being in the category of an ideologically extremist, maximalist, predatory state that is not in the swim in terms of the kinds of countries that one can engage.

When I look back at history, I see Nixon going to China. I see Sadat going to Jerusalem. These are the kinds of key diplomatic breakthroughs that have transformed America's relations or others' relations with rivals. I think that is the sort of broader debate we are having. Out of all the countries that I think Obama is trying to engage, I would say that Russia is the most likely to reciprocate.

The second point, one of the issues that I think is an obstacle in American efforts to talk to unfriendly regimes is the whole question of regime type and the degree to which the United States should hold its nose and do business with non-democracies and those that violate human rights or turn its back and say we are not going to do business with these countries on the basis of their domestic institutions and governance.

I would simply say, again on the basis of the book, I was quite surprised that non-democracies/ autocracies can be very reliable partners in peace. When I look around the world, I see the United States having very close strategic relationships today

with some of the least liberal countries on the face of the planet, like Qatar, like Bahrain, like UAE, like Saudi Arabia.

I am not endorsing the way they govern. I'm simply saying let's be very careful about judging other countries as strategic partners on the basis of their domestic institutions rather than asking whether they are willing to be partners in an effort to move from rivalry to engagement.

The third introductory remark, I think we have made somewhat of a grand strategic error since 1989 and the early 1990s in proceeding with the construction of a Euro Atlantic order in which Russia is an outsider. I think Russia is in many respects the prize at the end of the Cold War, that what we know from the peace of 1815, from the peace of 1945, the mistake we made in 1919 was you have to get the great power into the post-war settlement.

I fear we have proceeded, over the last two decades, in constructing a very stable post-Cold War order but one that hasn't been sufficiently open to the prospect of making Russia a stakeholder in that order.

Russia is not today in the Euro Atlantic order largely because of its own decisions, its own mistakes. If we end up in the year 2020 with Russia as an outsider, let it be because of their mistakes, and not because we Americans and West Europeans didn't have the vision to throw the door open and to make them

feel like they belong in the Euro Atlantic community.

Let me end just by touching on a few of the issues that my colleagues alluded to. One, this is sort of, is the glass half full or half empty. I think we would all agree that what the Russians have given thus far constitutes slim pickings.

Engagement takes time, oftentimes, five to ten years. When I see an engagement with Russia that's been going for about a year and a half and I see a START Treaty, I see 257 over flights to Afghanistan. I see more help on Iran. I don't see a country that is basically turning its back. I see a country that is in the midst of feeling its way forward in a new relationship with the United States.

Let's give it time. Let's see if we can't build on the success that we have had thus far, recognizing that there are powerful domestic obstacles on both sides, that in this country, a residual Russia phobia makes it hard to reach out, and in Russia, anti-Americanism continues to make it hard for elites to reciprocate Obama's overtures, even if they want to.

Has there been success on the domestic front? Let me just use a couple of examples from a recent opinion poll. Forty percent of Russians now have a favorable view of NATO compared with 24 percent at the beginning of 2009. Today, 57 percent of Russians view the United States favorably; in 2008, 22 percent.

You may say so what, international relations is not a

game of popularity. Well, in this game of engagement, domestic politics matters a lot. If you have 57 to 60 percent of Russians feeling warm and fuzzy about the United States, it is going to be much easier moving forward for Russian elites to do things that the United States wants from them.

The final point, I really don't believe the argument that the United States has sold out Central Europe to pursue the reset with Russia holds any water whatsoever. I think what has happened is Central Europe enjoyed a pride and place in American policy for the last two decades, and that what is happening is Central Europe is turning into normal allies.

Central Europe, Poland, the Czech Republic are becoming Spain and Portugal. They don't necessarily like that because they would prefer to be the apple in the eye of America's strategic engagement in Europe. I think the idea that somehow we are eroding security in Central Europe by reaching out to Russia is simply barking up the wrong tree. At the end of the day, there is no region in this world that will find itself more secure if Russia reset works than Central Europe.

Ultimately, Central Europe will be a safe neighborhood if there is a solid relationship between the West and Russia. Central Europe will be an uncomfortable neighborhood if Russia remains estranged from the Euro Atlantic community.

Thank you.

MR. EDELMAN: Charlie, thank you for that. A great set of opening comments. Let me take the prerogative of being in the moderator's position and ask all three panelists this question:

Certainly in at least partial response to some of the public opinion data that Charlie has just talked about, but also in general the increased standing the President has had in Europe with GMF and what is called the "Obama Bounce," you have seen some effort on the part of the Russian policy making elite to re-attack the sort of approach they have been taking and certainly took in the late Bush Administration.

You have seen over the last few months a border demarcation agreement with Norway, efforts to improve relations with Poland. There is a public -- it wasn't meant to be public or maybe not meant to be public -- there is at least some government expression of this in the memorandum from Foreign Minister Lavrov to President Medvedev that appears on the Russian Newsweek website for anyone who is interested, which suggests in some sense, perhaps not to David Kramer, but to some people have suggested a kinder, gentler Russian approach.

At the same time, in February, there was a new Russian military doctrine propounded, which is a fairly harsh document, that clearly sees NATO and the United States as the enemy, notwithstanding the one year of Obama Administration engagement. What we are to make of all this? Let me maybe start in reverse

order from the way we spoke.

Charlie?

MR. KUPCHAN: I think Russia is in an interim phase in finding its place. And I think the document you referred to in Newsweek I take to see in a positive light. That is to say, a desire to move away from an economy solely dependent upon energy rents and orientation that is more Euro Atlantic than Eurasian, a country that is in the midst of a difficult transition, and it could go either way.

I am someone who is a strong backer of engagement with eyes wide open because I accept that anything could happen in Russia. But from my perspective of the trend lines, they are positive ones. The more we can do to have a blinking green light that says come this way, build your future in the Euro Atlantic community, I think we can at least purchase some influence on the projectory of Russian society and politics.

MR. EDELMAN: Charlie, just to push you a little bit on that, what connection, if any, do you see between kind of the rough memo which you see as a positive and the military doctrine? Is there any connection at all or should we be worried about one and not the other?

MR. KUPCHAN: I'll let David comment. He knows more about the internal movements of Russia than I do. But I see it, to some extent, as a sign of division within the Russian elite,

particularly a national security bureaucracy and a security bureaucracy that tends to be more backward oriented versus a younger civilian elite, perhaps represented by Medvedev, that has a different vision of where Russia should head and is more open to the idea of a Western orientation.

MR. EDELMAN: Steve?

MR. RADEMAKER: David and Charlie have studied and written on these two documents much more than I have, so I'll defer to them to discuss the two strategy documents.

Let me just comment more broadly that I think, Charlie, you have erected something of a straw man here. I don't think either David or I would agree with the suggestion that we are opposed to engagement with Russia. In fact, the comment you made that engagement is more likely -- Russia is more likely to reciprocate U.S. engagement than some of the other countries with which President Obama has proposed to engage, I would say that's damning Russia with faint praise to say they are more likely to respond than Iran or North Korea.

The United States, even during the darkest days of the Cold War, engaged with Russia and certainly for the entire Bush Administration engaged with Russia. The last strategic arms control agreement with Russia was negotiated in 2002. There absolutely must be and should be engagement between the United States and Russia. There should have been arms control

negotiations between the United States and Russia at the outset of the Obama Administration to deal with the expiration of the START Treaty.

I think you are misframing the issue when you say it's a question of engagement or no engagement. I think for David and myself it is really a question of how do we engage, what does on offer. I think when you said we had made mistakes going back to 1989 or 1992, or the end of the Cold War, I disagree with that. I think Russia has had plenty of opportunities to integrate itself into Euro Atlantic institutions and it well could have had political evolution in Russia going in a different direction than we have seen it go.

I think the fair characterization is Russia has excluded itself from those institutions through decisions that it has made and a conception of itself and the role it wants to play in the world that is profoundly unsettling to some of Russia's neighbors, which leads them to want to join the NATO Alliance and want to escape Russia's orbit.

I think ultimately what is required with Russia is a psychological evolution to become more of a normal great power rather than psychologically the super power that dominates its quarter of the globe. This is based on my experience in dealing with Russians as an official of the Administration, the Bush Administration.

The Russians are contemptuous of weakness. I think when they perceive weakness -- I think this is the problem with the arms control negotiation that the Obama Administration had. When they perceive weakness, their reaction is not one of gratitude, it's not one of we can work things out as friends, it is how do we take advantage of this weakness. It gives rise to overreaching and behaviors that we really don't want to see.

I don't even object to the idea that there was to be a reset. I think relations were on a bad trajectory and something needed to be done to change that trajectory. The way the reset has been carried out, I fear, has reinforced some of the least desirable impulses that we know of in Russian approaches to international security.

MR. EDELMAN: David?

MR. KRAMER: Often forgotten is that in early April 2008, George Bush went met with Vladimir Putin. If you hold up the framework declaration that emerged from that meeting --

(Interruption to audio.)

MR. KRAMER: -- Russia invaded Georgia that created a bit of a problem and caused the deterioration of relations with Russia.

On the so-called leaked foreign policy document and the military doctrine, let's be crystal clear about this. The military doctrine is an official document. It was issued by the

Kremlin, signed by President Medvedev. This leaked foreign policy document was clearly intentionally leaked in Russian Newsweek, so that we would have discussions here in Washington wondering what does it all mean.

I would urge people in this room, read the thing. It is a better product than the military doctrine. It is not as blunt. It is not as crude. The ultimate aims and objectives to me are very much the same. I wrote on this, as Eric mentioned yesterday, and I cite passages from it that scare me. If I were living in some of Russia's neighbors, I would be very worried by what is represented in this so-called foreign policy document.

Finally, on the Russian regime and how it sees us, I think Steve is absolutely right. They are viewing a weakness on the side of the United States. Their eyes are getting bigger and bigger. Their appetite becomes insatiable. They want more.

As I said, in citing those two quotes at the beginning from Kilsyak and Lavrov, they feel the onus is on us to fix the mistake that the three of us made in the previous Administration, that the United States has the burden to repair this relationship.

A year ago when Lavrov was here in May 2009, he was asked at the Carnegie Endowment, what is it that Russia would reset. It was as if he had never thought about this. He basically said nothing. He said "I'll think about that when I

retire." They don't think they have anything to fix. They don't think they have anything to reset. It's all on us.

However -- last point -- they also do depend on the perpetuation of a sense of threat because the sense of a threat enables them to justify their way of governing. If you look at Putin's speech in 2004, if you look at his speech in Munich, and you were there, I think, Eric, for that, in 2007, he cites these threats that just don't exist.

They have much more confidence, "they" the Russian leadership, that NATO is going to enlarge to include Ukraine and Georgia than frankly NATO does, notwithstanding the Bucharest Communicae. They see it as their number one military danger, not threat, military danger, NATO's enlargement and expansion of its role.

There is a bit of a conflicting mindset in Moscow in which it sees weakness and wants to take advantage of the weakness as Steve was saying, but it also does need to perpetuate the sense that there are threats out there because those threats can become awfully handy when they have to justify their anti-democratic and increasingly authoritarian way of governing.

MR. EDELMAN: Let's throw it open to the audience.

I would just ask when you are recognized, we have a microphone, but please introduce yourself as you ask your

question and please, given the shortness of time, I'd ask for questions rather than long statements.

QUESTION: I just want to get back to the issue of Georgia. What do you think should be the United States' position towards the issue? Do you really think Georgia is not an obstacle any more in U.S.-Russia relations? That's my first question. Do you have any recommendations for Georgia right now?

Another question is how do you see the U.S.-Russia relationship let's say in 10 or 15 years? Do you really think that right now what we are observing is a basic change of Russia's strategic culture, for instance? Do you really think that Russia will become just an economic power and kind of says no to its militaristic strategic culture?

Thank you very much.

Kupchan: I will just start off quickly. I don't think that the Obama Administration's position on Georgia is, well, let's just sweep it under the carpet. I think there is a view that one has to stagger issues and try to move off the center page those issues where we are simply not going to agree for now. That would include Georgia, the status of Kosovo, the prospect of Georgia getting into NATO.

Let's just put them here for now and see if we can reach agreement on the START treaty, on the issue of Iran, on Afghanistan, maybe on missile defense. There is a symbolism to

some of these deals, coming back to something Steve was saying, that goes beyond the substance. There is the arms control deal itself and the numbers and what it means, but there is also the degree to which an agreement like that can create a floor to help reduce mutual mistrust and then if that continues, if you accumulate, maybe in 2014 we can deal with the Georgia issue.

Just one other quick comment on this perception of weakness. I think it's dangerous to always assume the Russians only understand strength, that the Iraqi's only understand strength. It's the only way to do business in the international system. One of the things that is key to rapprochement is sending a signal of benign intent to the other side. I would not mix up or mistake benign intent for weakness. It is not the same thing.

I think sometimes when you get to yes in negotiations, you are not telling the other side you are weak. You are telling the other side you are prepared to do business with them and you are prepared to make compromises in the service of finding common ground.

Kramer: The Administration when it first came into office viewed Russia in instrumental terms, which is to say they wanted to repair the relationship with Russia in order to get Russia on board with us on Iran, on North Korea, on Afghanistan, on non-proliferation. My concern is that the Administration has

shifted and the U.S.-Russia relationship has become the end rather than the means to an end. It has become the goal. It has become the focus. It is touted as one of the major foreign policy successes in the Administration's foreign policy.

I think that sends the wrong message to Moscow. It gives them the impression that we need them more than they need us. As Steve was saying, I am for engagement. I want better relations between the U.S. and Russia, but I do want it on a basis of principle. I want to make sure we protect our interests. I want to make sure we protect our allies' interests.

I do worry that the messages that have been sent on Georgia have been the wrong messages, the wrong signals, including not just the message on the 1-2-3 Agreement but when Saakashvili was here in April for the nuclear security summit, he couldn't get a full and bilateral meeting. The President met with everybody except Saakashvili. That is a message that gets read not only in Tbilisi, but it gets read in Moscow as well, and I think it sends the wrong signal.

I understand the criticism of the Georgian President, and I am not here to defend his case. What I do worry about is the future of Georgia the country. An Administration official last night in a briefing for journalists made the argument that Georgia is more secure and safer now than it was two years ago. There were more Russian troops in South Ossetia and Abkhazia now

than there were in July 2008. There are no indications that Russian forces are pulling out of those two separatist regions.

Lastly, Administration officials, I think they have changed their message. They realized it was not helpful to say this, but in Moscow, have said we don't have a strategy for solving the problem with Georgia. That is also not a good talking point to have.

I have no idea what U.S.-Russia relations are going to look like in 10 or 15 years. I think if you asked us 10 or 15 years ago what U.S.-Russia relations would look now, I'm sure we'd all be regretting our words, so I don't know.

QUESTION: (Inaudible) My question is in regard to the recent appearance of Mykola Azarov, as Prime Minister of Ukraine. I would like to hear your opinion on his statement yesterday on the fact that the gas pipelines that (inaudible) The fact that Mr. Azarov was born in Russia, educated in Russia and certainly has a very typical Russian mindset, what does this mean not only for the domestic political environment in Ukraine selling major pieces of infrastructure and gas pipelines but also for the neighbors such as Belarus that the only chance to come out of the gloom that they are in is to build these transit pipelines and maybe someday hope for a better deal.

PANELIST: I think rather than personalize Ukrainian politics and decision making, I think the problem the Ukrainian

Government made was they opened the door to Russia and the Russians just came charging in and the Ukrainians now aren't quite clear how to close the door.

Sometimes they reopen it wider, as I think Azarov's comments would suggest yesterday, and the Russians will just keep charging through. The Ukraine should stay out of the Russia-Belarus dispute in my view. They should let the two countries sort this out. The international community in my view should weigh in as we did even when Russia cut off oil to Belarus.

As you know, U.S.- Belarusian relations aren't the best. I was involved in sanctions policy toward Belarus in 2006 to 2008. I have no love for the regime in Minsk, but Russia shouldn't cut off or reduce the flow of gas to Belarus. We issued a statement in 2008 when Russia did this to Belarus and condemned it, because it's the principle. You just don't do this. You don't use energy as a political tool against countries.

I think the Ukraine should not gum things up by offering Russia a solution to its Belarusian problem. Russia also needs to pay its bills, too. The Ukraine in 2009 wasn't paying its energy debts to Russia. Russia should be paying its debts to its neighboring states, too.

QUESTION: Joe Gambino, Georgetown University. My

question deals with missile defense. I guess this is to Steve Rademaker, and Ambassador Edelman if you want to chime in as well, that will be welcome.

I was at the Senate Armed Services Committee last week listening to Secretary Gates and Secretary Clinton testify on the START Treaty. From what I can gather, nobody really seems to have an idea what the Russians think regarding the missile defense, supposed constraints or non-constraints in the Treaty. I was wondering about your thoughts on that, whether they exist or not, what your thoughts are on any missile defense in Eastern Europe and the prospects for a ratification of the START Treaty.

MR. RADEMAKER: As I noted in my remarks, I think we owe a lot to the Senate and the role of the Senate as having created an obstacle to concessions by the Obama Administration in the area of missile defense.

What you find in the new START Treaty is not a lot explicitly in the text limiting missile defense. There is a preparatory statement acknowledging there is a relationship between the two, that is between missile defense and strategic arms reductions, and then there is one specific provision that says we can't convert formerly ICBM silos into missile defense silos or SLBMs.

Apart from that, you find nothing in the Treaty. There was a Russian unilateral statement upon signature which made

clear as a political matter their intention, basically they tend to pull out of this Treaty if we deploy missile defense in a manner they consider de-stabilizing. They have made pretty clear they consider the plans of the Obama Administration with respect to missile defense in Central Europe to be de-stabilizing.

I think there can be no doubt that the Russian game plan with this Treaty is to create a dynamic in the years ahead whereby they threaten to pull out of the Treaty, threaten to collapse the structure of strategic arms control unless the Obama Administration backs down on the policy it itself has declared for the region.

I think that will be a consideration for the Senate as it considers the Treaty, whether it wants to enter into that sort of dynamic over the years ahead, and it may have some views about that it would express in one way or another, I think.

PANELIST: In the interest of time and since I will be testifying before the Senate Foreign Relations Committee on the Treaty tomorrow, let me just say I agree with what Secretary Kissinger has testified to the SFRC already on this subject, which is in the best of all possible worlds, I don't think there should have been even the constraint that Steve Rademaker just described in the Treaty.

QUESTION: I'd like to ask if you could speak about Russia 1-2-3 and Congress' role in validating the agreement and

the effect it would have on U.S.-Russia relations.

Rademaker: I just want to make sure I understand the question. You're asking for our advice to Congress on what to do with the 1-2-3 Agreement or just our thoughts about --

QUESTION: How you see this Agreement being validated or not, and the effect of that on U.S.-Russia relations.

Rademaker: I think it's clear the 1-2-3 Agreement is an agreement that will permit nuclear cooperation, civil nuclear cooperation between the United States and Russia. It is a type of agreement we have with many other countries around the world. This agreement is very important to Russia. They think civil nuclear energy is one industry where Russian industry is actually competitive. There aren't many industries where Russia really can compete in the world market.

They believe they can in the area of civil nuclear energy and they see this agreement as opening the door to U.S.-Russia cooperation in the area. I think more importantly they see it as a Good Housekeeping Seal of Approval for their civil nuclear industry and they see it as opening doors for them around the world.

The Bush Administration negotiated the 1-2-3 Agreement and actually submitted it to Congress prior to the Georgia military intervention, at which point the Bush

Administration pulled it back.

When I commented in my opening remarks that it's hard to see where the arms control negotiation with Russia led to much change in Russia's approach at the U.N. on the question of sanctions on Iran, the 1-2-3 Agreement was part of what I had in mind.

I think it's pretty clear that the 1-2-3 Agreement was put forward by the Obama Administration as an inducement to Russia, as a package of inducements to Russia to be cooperative on the Iran issue at the Security Council. I think Congress will look closely at what leverage this agreement gives in trying to encourage further cooperation by Russia in other areas of interest.

For instance, the question of Russian arms sales to Iran. Russia very carefully negotiated the U.N. Security Council resolution to exempt the S-300 air defense system, which is something they contracted to sell to Iran. They haven't consummated the transaction. They carefully protected that, protected their ability as a matter of international law to make that sale.

I think Congress is very concerned that such a sale might take place. I wouldn't be surprised to see efforts in Congress to use the leverage that this agreement gives it. Congress has to let the agreement come into effect and they can

block it if they have problems with it.

It gives Congress leverage to try and press Russia on issues like arms sales to Iran. If it's a disapproval, Congress would have to enact a law disapproving it, and there's a calendar roughly of six months that applies, at the end of which it takes effect automatically unless Congress has disapproved.

EDELMAN: I think it's fair to say, at least in my recollection, David, correct me if I'm wrong, in the Bush Administration, the reason we withdrew the 1-2-3 was actually the concern it would be defeated.

MR. KRAMER: Yes.

EDELMAN: And we wouldn't be able to use it with Russia later on when circumstances we hoped would change and we would be able to deal with different circumstances.

QUESTION: In the context of the Administration's end of getting to zero nuclear weapons, what should be the next step? Will it be tactical nuclear weapons, will it be multilateral agreements?

MR. EDELMAN: Let me say I think this is going to be the last question because I understand Senator DeMint is on his way. Steve?

MR. RADEMAKER: I can be fairly brief. I don't think there is a next step, at least between the United States and Russia. It's the Obama Administration that has embraced both as

a talking point and also I think as a matter of its philosophy the notion of global zero. There is absolutely no evidence that Russia wants to abolish nuclear weapons from the face of the earth. Quite the contrary. Every indication is they perceive themselves as being in a situation of increasing conventional weakness, facing increasing threats from China, the Middle East, from NATO, in their perception, and the solution in the view of their military planners is increased reliance on nuclear weapons.

The idea that this is a step one with steps two, three and four ahead of us between the United States and Russia in negotiating progressively toward zero nuclear weapons, Russia just hasn't bought into that. They like the idea of bringing us down to their level, and us legally obligating ourselves to having no more nuclear weapons than they have today.

The idea of forcing themselves to go lower, particularly if it would touch on the issue of tactical nuclear weapons, which they like having the 10-1 advantage, and their military doctrine actually conceives of the use of these weapons potentially even on their own soil, in the case of an attack from China or something.

You hear Administration officials talking very ambitiously about what comes next. I spent a lot of time talking with and negotiating with the Russians on these issues. This first agreement, yes, it serves Russia's interest, they are in

favor of it, but an agreement that restricts tactical nuclear weapons and an agreement that forces them to go even lower, an agreement that brings their nuclear holdings down to China's level, if you were Russia, why would you want to do that. I'm not optimistic at all there's another arms control reduction agreement prospect.

MR. EDELMAN: I'd like to thank all three of our panelists and remind everybody that Professor Kupchan's book is just out for those who want to read more about engagement, but to thank David, Steve and Charlie for a very illuminating discussion this afternoon.

Thank you all.