## Transcript



# The Russian Challenge

## Keir Giles

Associate Fellow, International Security Department and Russia and Eurasia Programme, Chatham House; Director, Conflict Studies Research Centre

## Professor Philip Hanson OBE

Associate Fellow, Russia and Eurasia Programme, Chatham House; Professor Emeritus, Centre for Russian and East European Studies, University of Birmingham

## James Nixey

Head, Russia and Eurasia Programme, Chatham House

## James Sherr

Associate Fellow, Russia and Eurasia Programme, Chatham House

## Sir Andrew Wood

Associate Fellow, Russia and Eurasia Programme, Chatham House; UK Ambassador to Russia (1995-00)

## Chair: Bridget Kendall

Diplomatic Correspondent, BBC

5 June 2015

The views expressed in this document are the sole responsibility of the speaker(s) and participants do not necessarily reflect the view of Chatham House, its staff, associates or Council. Chatham House is independent and owes no allegiance to any government or to any political body. It does not take institutional positions on policy issues. This document is issued on the understanding that if any extract is used, the author(s)/ speaker(s) and Chatham House should be credited, preferably with the date of the publication or details of the event. Where this document refers to or reports statements made by speakers at an event every effort has been made to provide a fair representation of their views and opinions. The published text of speeches and presentations may differ from delivery.

Good afternoon, everybody. How lovely to see quite so many of you here – not that I'm surprised. We have a terrific panel here for a very interesting report. This is a deeply fascinating subject and very timely. My name is Bridget Kendall. I'm BBC diplomatic correspondent but I have a strong interest in Russia, so I'm delighted to be chairing this event. It's on the record. It's going to be livestreamed, like so many things from Chatham House nowadays. If you want to comment via Twitter, the hashtag is #CHEvents.

Let me briefly introduced the speakers, who are all but one of the authors of this new report, *The Russia Challenge*. Roderic Lyne, who is one of the authors, unfortunately isn't here today. But otherwise, we have with us Keir Giles – all of them are associate fellows of Chatham House, Russia and Eurasia Programme. Keir Giles is also in the International Security Department and the Conflict Studies Research Centre. He's got broad knowledge of Russia. He's spent a lot of time there in the former Soviet Union and after. He's written widely on Russian military, defence and security issues, Russia's relations with NATO. His chapter in the book is about Russia's toolkit, particularly its military and its semi-military toolkit.

Philip Hanson is also an associate fellow at Chatham House's Russia and Eurasia Programme, but he's for a long time been associated with the Centre for Russian and East European Studies at the University of Birmingham, where he is professor emeritus and one of the country's foremost experts on the Russian economy.

James Nixey is head of the Russia and Eurasia Programme here at Chatham House, so he coordinates all the programmes. But he also has expertise particularly in the relationships between Russia and other post-Soviet states. His chapter in the book is on foreign policy.

James Sherr, former head of the Russia and Eurasia Programme at Chatham House, associate fellow, has a distinguished background from Oxford University, the Conflict Studies Research Centre at the Ministry of Defence, the Royal United Services Institute. He's published extensively on Soviet and Russian affairs, military, security, particularly the Black Sea region and Ukraine. His chapter in the book focuses particularly on the Ukraine crisis.

Sir Andrew Wood is former ambassador to Moscow, but since his retirement has remained very closely involved in Russia, particularly economic prospects there. He's written extensively on it. So that is our panel today.

I'm going to start by asking the panel about the book and their chapters, to give those of you who haven't yet had a chance to read it a taste of it. Then we'll open up to the floor. There should, I hope, be a good 30 to 35 minutes for questions from all of you before we end at 2.15.

I wanted to start with you, James, since you're the head of the programme here – although you insist on telling me that you're not the overall convenor of the book, you're just a mere writer of one chapter. But nonetheless, there is an introduction and an executive summary. What immediately struck me about this is the language in it is very tough. He feels as though you've all collectively decided that the time had come to produce a publication which wasn't a sort of 'on the one hand, on the other', Chatham House, cover all bases, but be quite tough. It almost feels as though – would it be fair to say that you're in dialogue, in a way, with those analysts in the western world who have been saying, well, Russia has a point, doesn't it? And you all come from a point of view of saying, actually, let's just interrogate this a bit more deeply and understand. Among other things, you say that Putin's model is fundamentally at odds with Europe. It's got a different conception of an international order, interests are incompatible, values irreconcilable. That

Putin's model is not sustainable and Russia can't be integrated into the sort of rules-based international order in Europe. In fact, you even say Putin is fundamentally anti-western with a serial disregard for the truth, and so has no credibility. Those are all really tough statements.

#### James Nixey

Tough but fair, I feel. It's a fair challenge. You know as well as I do, Bridget, that there is a spectrum of views on Russia in the London Russianist community. I think it's fair to say that the six of us do argue for a more robust view – not than most, because I think those who are deeply critical of Russia and its descent into authoritarianism undoubtedly form the majority. There are apologists, people who are willing to give Russia the benefit of the doubt, but that's certainly in the minority.

As for the latter part of your question, I think it's fair to say that Russia has indeed torn up the rulebook, the post-Cold War order. If you take the example of selling S-300s to Iran – it was going to, then it stopped, now it's going to again. It effectively seems to want a change to the Helsinki Final Act, to the Paris Charter. Russia has decided, it would appear, according to all of the evidence, that it was weak in the 1990s when the rules were made; now it is strong again, according to itself (that is debatable, of course). Now it will make itself into an independent pole in world politics by virtue of Eurasianism, if you like, which is an ideological glue and something completely different to Asia, to Europe. It will go it alone. It realizes it cannot compete with China and it's decided not to be a part of Europe for the time being.

So I'd say a fair challenge but we are absolutely trying to call a spade, a spade in this report. That is often not what politicians do when they talk about strategic partnerships, a developing relationship, a nation in transit. I think we wanted to get beyond that.

## **Bridget Kendall**

And you all sign up to this tough language?

#### Andrew Wood

I didn't sign up to the language, but I think it's important to draw a distinction between Russia and the Russian regime. It is perfectly possible to be pro-Russian in a general sense or feel sympathy for the Russian people and their dilemma, but regard this regime as described there. I think that's an important distinction.

#### James Sherr

I think we also need to acknowledge that the current Russian regime has a very deeply entrenched attitude of grievance and resentment toward the West. We're dealing with a country which is not only very proud and very ambitious but very resentful and very much alienated. But much of the alienation is based on a very fundamental difference of view and interest about Europe and what makes for a secure Europe, because for many years now – I think really almost from 1992 – the Russians have considered it, even under Yeltsin, only reasonable that they should be in a dominant position over the former Soviet Union and much of central and eastern Europe, and that this was perfectly legitimate, irrespective of the aspirations of those countries, and that the West should recognize that.

One of the other stark things that comes from the introduction is making very strongly the point that Russia is a twofold challenge. We've got to understand that it's not just dangerous to the West because of potential further external aggression but also because it is disastrous to itself, because if this carries on it could lead to internal collapse, chaos, once Mr Putin leaves office (or arguably, even before he does). We can come on a bit later to exactly what might follow Mr Putin, because of the arguments of the report is that the West has got to stop just thinking about tomorrow. It's got to think about the day after tomorrow and where all this could be leading. So we'll come on to that in a minute. But let me just interrogate a bit further this question of Russia internally and how far this might be driving what's happened and how serious the situation is.

That brings us to you, Phil Hanson. Anyone who's been to Phil's presentations here at Chatham House won't find his chapter particularly surprisingly. As usual, it's very thoroughly analysed the different weaknesses that the Russian economy faces. But I find it very useful actually, the way you divided them into immediate problems, the underlying problems, structural things like demography, and then what you call conjunctural, which are things that are happening elsewhere but are pretty terrible for Russia, like the rise of shale gas or lowering oil prices. Then the geopolitical, which is all the Ukraine war and sanctions and so on.

So the question is really, how far has this left Russia a weaker economy? If you compare it to a lot of countries in Europe, it's got these huge reserves. It has a lot of potential. This is a country which has an enormous capacity to withstand difficulties. So how much trouble is it really in?

## Philip Hanson

This is perhaps where I adopt the venerable Chatham House tradition of being rather wishy-washy. I'm not entirely convinced that the present arrangements are unsustainable. But what they do, it seems to me, and I try to set this out in the chapter, is to commit Russia to relatively low rates of growth in the foreseeable future. If we absent all the current problems – magical solutions to the Ukraine crisis, to oil prices and so on – with all of the other things out of the way, there are still these deep structural problems. Partly demography, where the working-age population is going down until 2027. Partly, or in my view predominantly, the system itself, which inhibits competition, innovation and enterprise in general. What we've been seeing is people like Kudrin, for example, former finance minister and now almost a bridge to the opposition – but anyway, a rather curious status in between the authorities and the opposition – saying in the longer term, Russia is doomed to about 1.5 per cent per annum GDP growth unless there are structural reforms, and those structural reforms are deeply threatening to the existing political elite.

So I think what we see is a sustainable system, but sustainable at the cost of a lot of lost ambitions. The country is growing more slowly than the world as a whole. The world as a whole is forecast by the IMF to be growing at about 3 per cent per year. Russia becomes a submerging economy rather than an emerging economy. Its share of world GDP is going down.

## Bridget Kendall

But that's not to say it's going to collapse, is it?

## Philip Hanson

No, that's where I –

## Bridget Kendall

One economist in Moscow said to me recently that he saw an analogy maybe of the 1980s in Latin American countries, sort of bumbling along with disastrous economies but still managing to sustain themselves until a time came when they could somehow pull themselves out of it.

## Philip Hanson

I think that's probably quite fair. In some ways, one could have said the same thing about the old Soviet Union. In the early 1980s, growth was close to zero. I think but for some of the things that happened politically, it probably could have gone on for quite a while.

## Bridget Kendall

So the question really is then, how do you translate from that into an internal challenge which becomes a threat to the West? Because if the economy is painful but is not going to prompt radical reforms, some people argue sanctions are quite a useful scapegoat at the moment. Why should Russia change dramatically in any way? Andrew, what do you think?

## Andrew Wood

It's at increasing risk of changing dramatically, I think, essentially because the ruling regime refuses to make necessary decisions about the economy and about the development of society. How you cope with an emerging civil society, in the first place. And in the second place, because the regime is somehow shrinking in itself. If you look at the effectiveness of its governing institutions, they've become less. If you look at the effectiveness of the Russian people, it's becoming more and more narrowed into an extraordinarily – this is an impolite word, but authoritarian dream, heavily laced with nationalism. And because the actual decision-making chain going up to Putin is itself necessarily flawed. If you look at the number of people who are alleged to have Putin's ear, it's extraordinarily few. So that's a danger, I think, for any regime.

At the same time (especially as you've placed me on the far left), I think it's fair to recognize any country – including this one, when we had troubles – finds it very difficult to face up to the possibility of disruptive change. That's got more and more difficult for Russia. So I think they've imprisoned themselves in an inherently dangerous situation in which sometimes something quite trivial can happen. It was when one person laughed at Ceausescu, that famous meeting. That somehow clicked. That's something that Putin is definitely afraid of.

## Bridget Kendall

So you have a small boy who suddenly realizes the emperor has no clothes.

## Andrew Wood

Absolutely. And he doesn't.

James?

#### James Sherr

Just to underscore that Andrew Wood last year wrote an article called 'The Closing of the Russian Mind'. I think many underestimate just how claustrophobic the Kremlin has become. Putin's first term was quite inclusive. Phil mentioned the role of Alexei Kudrin. Now it's not just over economics that it's claustrophobic and limited, but if you look at the whole gambit in Ukraine, there was no minority report there. This has been a terrible misadventure. Then you consider the whole array of issues in which Russia deals with the West, in this very fraught environment. It's in our interests that they understand the outside world clearly, that there is a discussion there, that there is openness and feedback, and this isn't happening. So I think that is intrinsically dangerous.

## Bridget Kendall

On the other hand, the opinion polls (for what they're worth) do show an extraordinary level of support for the Russian president. There are certain elements of this narrative which, from a Russian point of view, surely make some sense. Coming back to the economy, Phil, import substitution may be a slogan but the idea that Russia should move away from oil and gas to producing more of its goods itself, instead of relying on imports, is surely a good one. That is something that people have welcomed as a rational argument.

## Philip Hanson

It is, in fact, questionable whether a country who has considerable natural advantages, comparative advantages, in a particular sector – namely, oil and gas, in this case – has any business changing its direction from that. It's a question of how the oil and gas revenues are managed. The addiction to misuse of the rents coming from oil and gas is the problem, rather than the specialization in oil and gas.

I think one of the risks that we're talking about is precisely this trade-off between support for the regime and economic prosperity. Prosperity is taking a bit of a hammering already this year. It may well be that there will be some general recovery to a very low rate of growth, but nothing like the 11 per cent rate of growth of real incomes that was happening between 1999 and 2007. So there's a big change for the Russian population.

Support for the president has been – or for Putin in his various incarnations, including when he was prime minister – support has been linked to economic performance. But it appears that somewhere along the way, that linkage strengthened, in around 2011-2012. Now we've got a situation where I think possibly pushing for more adventures and keeping out the rah-rah nationalism is a way of maintaining their support. That is perilous for all of us.

## Bridget Kendall

So would you say that if the price of oil – because the price of oil has gone up a bit, the rouble has gone up a bit. The narrative in Russia can be: okay, we're not looking now at the spectre of going back to the 1990s. It's recovered, as it often does in this country. We're more resilient than we thought.

But if the oil price were to go down again or stay low, are you saying that you think there's an equation there that we should worry that Russia will become more dangerous to the outside world?

#### Philip Hanson

I think then all bets are off. It used to be the view of the liberals in Russia that low oil price meant there would be a window of opportunity for reform. Now I think that is much more problematic. One would like to think that would happen – in fact, this business of the closing of Russian policymaking to a narrower and narrower group of people may just possibly be open to some change currently, as we see Kudrin invited to address the Federation Council, for example. Clearly, the economic crisis is engaging a lot of thought at the top in Russia. But still, I think there is an unfortunate situation where if the economic situation gets worse, the one handy way of maintaining popular support is at least accentuating the existing adventure, and just conceivably starting new adventures.

## Bridget Kendall

Can I bring you in here, Keir, because your focus in this report is on the toolbox. There's the whole array of military tools but there's also the whole question of information tools, devising narratives. That divides into narratives which are devised for Russians internally and the message that's being sent externally. Let's concentrate on the internal at the moment. I wonder what you thought about the impact of the propaganda – Putin himself has called it that word internally – has had on moulding public opinion, how effective it is and how sustainable it is.

## Keir Giles

I think it's been exceptionally effective. They have been working for some considerable time now on what is described in Russian information security doctrine as securing national information space against breaches. It's not a concept that we have, particularly in the age of the internet, but they seek a return to Soviet notions of information security, where you can control what content is available to the population, and they have been remarkably successful. The progressive tightening of the screws on information, both media and social media, the internet, over the last 18 months, or the last six months in particular, has fostered this alternative reality that you now see in Russia. Yes, it is harder now than it has been for a very long time for ordinary Russians to take an interest in what is happening in the outside world and go beyond the Kremlin-approved media and find an alternative voice. That, I think, is dangerous in a number of ways. One of them is because of the way that it is possible to present anything that the UK, the West, NATO does within Russia.

I've been looking at some of the feedback that's been coming out of Russia, various different voices, about this report. One thing that was very indicative for me was the way [in Russian], a Russian newspaper, has highlighted our concern about the possibility of war with Russia in its commentary on the report, but then beneath it there are several hundred user comments added, of which a significant proportion say: hey Brits, don't forget we can wipe you off the face of the earth in 15 minutes. It is both a nice, neat way of proving that actually we've got a point, and also it is indicative of the way this information isolation within Russia – although it is not as hermetic as it was during the days of the Soviet Union – is being used to spool up this narrative of war and even of use of nuclear weapons.

But why is it so effective? Because it isn't a hermetically sealed information space, by any means. Russian newspapers are very critical. There's lots of places you can go on the internet which are not just critical, they're in complete opposition to the Kremlin. In fact, some sites whose purpose is to debunk what is coming out of official propaganda, not just from people inside Russia but from outside. That is available to people. So why, given that this isn't like the Soviet Union, when you could cut the country off from the outside world in information terms, why does it work? Why do people respond to it?

## Keir Giles

Certainly you can go and find this alternative information if you want to. But as I was saying a moment ago, it is harder. It takes effort. You have to deliberately step outside the comfort zone that is provided by Russian domestic television in particular, and actually seek dissident information. That is a very different picture from just a short time ago.

## Bridget Kendall

The use of internet in Russia is rising faster than almost anywhere else in the world. So that's changing.

## Keir Giles

The important point is, for what? Not necessarily for looking at alternative sources of media. Yes, it is rising fast. It had a late start. There's been a rapid takeup. But cute cat syndrome is at work here as well. It is not necessarily the case that people are using the internet as a tool to find something which disagrees with the media line they are being fed by state-controlled media.

## Bridget Kendall

In your chapter, James, which is about the Ukraine, also talk a lot about narratives and the need to recognize that this is a war not just about weapons but a war about narratives, about myths that need debunking. In fact, you go through some of the things which you think people ought to pay attention to. It was interesting, I didn't realize in 2013 that there had been a poll in Crimea about whether or not to join Russia, and 43 per cent – which is actually quite high – said they wanted to join Russia. But that's half of what came out in the crucial referendum, less than half.

So let's talk a bit about Ukraine and what's happening there. Your chapter is interesting. It's partly about the insidious ways that Russia has inserted itself into Ukraine, even before this crisis, during the Yanukovych years in particular, to make clear why it was vulnerable to what happened later. Can you talk a bit about that?

#### James Sherr

Any truthful thing you say about Ukraine immediately asks to be contradicted by another truthful statement. The fundamental problem of Ukraine and its fundamental weakness has been, with some notable exceptions, notoriously bad governance over a period of 20 years. Parallel to that, an increasingly robust and literate civil society that is not fooled by this and that pushes back and that sets agendas. We've seen two – again, a semantic argument, but effectively revolutions in the country.

But the one weakness that hasn't been there is actually the mainstay of Russian propaganda. Ukraine, in the eyes of everyone, has been remarkably tolerant from the perspective of accepting different languages, accepting different ethnicities, accepting different religions. Even the latest UN report of the rapporteur in January this year, who spent a lot of time in eastern Ukraine, said that this is not an issue here. But for Russia it's been the fundamental official issue that Russian speakers are disadvantaged, being discriminated against, are being threatened. To go back to what you said a moment ago about Russian propaganda, there are dozens of people you come across who report these astonishing conversations from their Russian relatives ringing up, saying: are you all right? Do you want to come here? Are you safe, are you sound? Are they burning your house down? All this sort of thing.

So one has to get the strengths and weaknesses of Ukraine right. This is a country with enormous intrinsic strengths and weaknesses. The problem is that many of the people in the West who are appalled by what Russia has done and wish to support Ukraine have somehow absorbed a lot of the Russian narrative about the sort of place that Ukraine is.

## Bridget Kendall

But is it all propaganda? Maybe this is just part of the mythmaking that you're talking about, but I met someone in Moscow recently, an official, who said he had been concerned in previous years about Russian-speaking Ukrainians who were upset that in their passport, instead of being called Mikhail, they had to be called Mykhailo. He said it's a bit like in Northern Ireland, the British government saying everyone who's called Sean would have to be called John. He said: you'd be outraged. That's the sort of thing that – do you not think that there are some instances which could have upset people?

#### James Sherr

There's an extraordinary capacity for a lot of people in the Ukrainian state to score own goals over very petty matters. There is a lot of this silliness. But the point is, in the country it basically doesn't matter. This is an irritation. This is like talking about the drops of water that remain in an empty glass.

But there's another point about Ukraine that I think needs underscoring, because it picks up some of the themes that Keir raises and some of the wider issues confronting Europe. It's because of what's happened in Ukraine that we have focused on using this inadequate term of 'hybrid warfare', because it became absolutely clear that Russia achieved a lot of the fundamental objectives of the war before Ukraine even knew it was in conflict with Russia.

## Bridget Kendall

You're talking about infiltration of the security services, that sort of thing?

#### James Sherr

Not just that but destroying their records, their communications, command and control facilities in the army. The fact that in eastern Ukraine, it was discovered later that law enforcement personnel were having their salaries paid, or at least substantially updated, through the Russian banking network for many months. So what is the issue there? It comes back to governance. They did not know these things in peacetime. So naturally you have to ask, how much does one actually know about the police in Riga and who pays them? These are the sorts of questions that people are raising because we see the way a war has been fought in Ukraine. The deliberate blurring of the internal and external elements – the original

leaders of the separatists, amongst them only one was a Ukrainian citizen. But none of them had any clear serving connection with the Russian state. Its leader, Mr Girkin, was very popular in Russia – Strelkov, as he's called, a former FSB officer.

So there's a whole mode of warfare here which is designed to conceal who the real protagonists are. It's designed to blur the distinctions between an internal and external conflict. We've really seen it operating there with a vengeance.

## Bridget Kendall

Let me bring Keir in here, because you talk about hybrid warfare in your chapter, to make the point that a weak enemy is a more dangerous enemy, that Russia is at its most dangerous when it's weak. If you like, that it's inspired to look for more ingenious tools. In fact, I suppose the message you're saying is that the West is being too complacent in thinking that, in the post-Soviet years, the Russian military degraded, was unable to fund itself, and therefore was less of a threat. But actually, what we have learned now is that because it was forced to look for other ways to pursue its aims, it became more of a threat.

## Keir Giles

That's not quite what I'm saying. Yes, there was a long period during which the Russian military, particularly its conventional side, appeared to be broken and incapable. If you compare the intervention in Grozny in 1994, the intervention in Simferopol in 2014, or even go back just as far as the armed conflict in Georgia in 2008, the Russian military, because of this enormous investment programme and transformation programme, the total reorganization, is completely unrecognizable.

But the point about hybrid warfare – actually, I tried to use 'hybrid warfare' as little as possible. The fact that these two terms, hybrid warfare and Gerasimov doctrine (referring to the chief of general staff, Valery Gerasimov), have become embedded in dogma in NATO and, to some extent, permeating through to national capitals as well, is very unhelpful because it obscures rather than illuminates what exactly this Russian approach to war is. One of the key points is that there is nothing new about it. There are a lot of the old Soviet tools of influence and tools you can use against your neighbours, which have been revamped, upgraded, had money thrown at them. During this long period when Russia felt it was not capable of doing what it wanted to with its military, it was busy thinking about how to fight wars instead of actually doing it. We see the result now.

This has been described in a great deal of detail in Russian open source publications. It is there if you look. But hybrid warfare, unfortunately, is a panic label for applying to something which we do not fully understand. It attempts to place what Russia does within terms of reference that are western, and it just doesn't fit. I would far rather call it simply the Russian approach to war, or if you want to be ambitious, you could call it Russia exercising grand strategy against us simply by combining not just the military tool but also all of the other levers of state power to achieve its objectives.

## Bridget Kendall

I want to go to the floor in a minute, but let's just end looking at Ukraine, President Putin's aims, how the West should respond. I want to come back briefly to you, James. If you're Mr Putin sitting in the Kremlin, isn't it fair enough to think, well, we've been here before with Ukraine, the Orange revolution – we just wait for the current government to implode. The West will lose the political will to shore it up. In the end, there will be a new leader. If I wait long enough – look at Abkhazia, look at Yanukovych – there will be

someone who will come along who is more accommodating. I just need to keep going, make sure the economy doesn't implode but just tighten belts, wait for that moment when the West loses interest and Ukraine comes back into the fold.

#### James Sherr

You're right he's been here before, and what's striking is he doesn't learn anything. Both occasions, he has just totally assumed Ukrainian society doesn't exist. He doesn't even think fundamentally that this is a conflict with Ukraine. In his eyes, this is a conflict with the West. The point of everything he is doing is to make Ukraine unsustainable and force the West to wash its hands of it, and induce or, if you will, pressure Ukraine into accepting a so-called federalization. As ever, these terms used by the Russians in this context have no relationship to what they mean anywhere else, even in Russia. The Ukrainian view of a federalized Ukraine is certainly not applying in Russia.

Basically, his objective is to force Ukraine into submission or collapse, with the assistance of the West, whose resources and whose will and whose patience and whose unity is something none of us in this room can take for granted over the long term.

#### Andrew Wood

One of the virtues and also one of the faults of analysts is that they always come up with a rational explanation for everything. But we need to include a very human and fundamentally irrational element in this, and that element I think is the underlying fear at the moment that Putin now has about the Russian people. A lot of his policies adopted since he came back in 2012 have been concerned to make it impossible for colour revolutions or even disturbances or criticism to happen. That, to my mind, does reflect a fear of the future, not a confidence in it. So while everything that's been said about what he intends to do is logical, and probably correct, there is also an element of strong emotion and almost irrationality in it.

#### Bridget Kendall

But if fear is a factor here, James Nixey, in dealing with Russia, is it really true that interests are irreconcilable and values incompatible? If you look at Mr Putin over the years, he has at times reached out, inviting the NATO secretary-general to Moscow in 1999 after Kosovo. Just recently the annulling of the idea of Novorossia in eastern Ukraine, agreeing to take part in these peace processes, however flawed they are. At the same time we see the Ukrainians are reporting this huge build-up on the border. But doesn't this suggest there is some give and take there, that it isn't quite so stark as 'irreconcilable'?

#### James Nixey

Ten years ago, twelve, I would certainly have agreed with that. You know as well as I do that when asked about NATO accession for Russia, Putin said, 'Why not?', once upon a time. Things haven't always been this way. I suspect the turning point was around about 2003, the Khodorkovsky affair perhaps, but people attribute different turning points.

Irreconcilable differences – yes, we have common interests. Piracy, the fight against drugs, perhaps, certain types of transnational crime. Islamic fundamentalism is an obvious one. So I see no reason why Russia cannot be engaged with on that kind of transactional basis. However, at the moment, I'm sad to say that the fundamental, intractable, irreconcilable differences seem to be outweighing the common

interests. Those are primarily in the area of foreign policy and specifically, with regards to that, whereby Russia demands primacy in the post-Soviet space. It believes that the former Soviet countries are not fully independent. That is the major stumbling block right now, which Ukraine is merely symptomatic rather than a thing itself. Ukraine is a theatre – for war, right now, but in fact it's much wider than that. Russia's demand for privilege – and that's Dmitry Medvedev's and [indiscernible] term – is paramount. Most of the Russian leading elite genuinely cannot understand what the West is doing in those countries at all, and believes it has no right to be there. It does not consider them to have any right to join western clubs or really to decide their own foreign policy orientation. That's the crux of the foreign policy disagreement right now.

## Keir Giles

Seconding those fundamental points that James is making, I would dispute whether the examples you gave are indicators of willingness for give and take. I was thinking instead they are means to indulge in more take and take, particularly if you look at the Minsk ceasefire agreements, especially Minsk II. If you look at the text of it, it is a way of cementing Russian gains while providing for an asymmetry, not only giving Russia everything it wants but also an asymmetry of constraint, because Ukraine will be held to these agreements whereas the other side will not.

## Bridget Kendall

Let's open this up to the floor, I've dominated this for far too long.