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THE WAR IN GEORGIA: ASSESSING THE AFTERMATH

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P R O C E D I N G S

MR. BENJAMIN: Well good morning. I'm Daniel Benjamin and I'm the Director of the Center on the United States and Europe here at Brookings. I'm pleased to welcome you here today and to see such a large crowd and such great interest in the subject at hand. Although, quite frankly, our discussion today will focus on a subject that all civilized people must find deeply disturbing – the crisis in the Caucasus.

As we meet here the situation on the ground in Georgia remains unclear. There are commitments to a cease-fire and withdrawal, but there are numerous reports of violations to that cease-fire, extensive violence and the death of hundreds upon hundreds of civilians. As everyone in this auditorium recognizes, the implications of the military conflict in the Caucasus are enormous for the fledgling state of Georgia but also extend far beyond that volatile region. These events have thrown into question some of the most fundamental hopes and assumptions about the post Cold War world, about the nature of the Russian state today and the views of its leaders, and about relations with the United States its Western partners and Russia. This comes at a time, I should add, when innumerable other key issues on the international agenda hang on the relationship with Russia, including the energy security issue, and the confrontation with Iran over its nuclear program. The need for the West to find a common approach for dealing with Russia in the wake of this crisis also threatens to divide the Transatlantic community in a number of different ways.

To examine these vital issues we've gathered a remarkable group of analysts this morning. If they weren't already well known to you before August 8th, I'm sure they are now. But let me briefly introduce them, to my right is Steve Pifer, who will be moderator. He is a visiting fellow, I'm glad to say, at the Brookings Center on the US and Europe. He had a long and distinguished career in the Foreign Service, centering on Europe and the former Soviet Union, and in arms control. Before retiring in 2004, he had been Ambassador to Ukraine, Deputy Assistant Secretary of State, and Special Assistant to the President and Senior Director for Russia, Ukraine, and Eurasia on the National Security Council Staff.

Next to Steve is Cory Welt, who is Associate Director of the Eurasian Strategy Project and an adjunct professor at the Center for Eurasian, Russian, and East European Studies at Georgetown's School of Foreign Service. Previously, Cory was Deputy Director and a fellow at the Russia and Eurasia program at the Center for Strategic and International Studies here in Washington. He is a specialist on Eurasian politics and security, and in particular, on Georgia and the Caucasus. He currently is completing a book on the territorial conflicts in Georgia, and thus is uniquely suited to be on this panel.

Martha Brill Olcott is also known to many of you. She is a Senior Associate next door with the Russia and Eurasia Program at the Carnegie Endowment for International Peace. Martha specializes on the problems of transitions in Central Asia and the Caucasus as well as the security challenges in the Caspian. She has

been following interethnic relations in Russia and the states of the former Soviet Union for more than 25 years. Her latest book is *Central Asia's Second Chance*.

Next to Martha is one of her colleagues from Carnegie, Robert Kagan, who I think is also known to most of you. His most recent book is the *Return to History and the End of Dreams*. His previous books, and he's been publishing at a ferocious rate, include *Dangerous Nation: America's Place in the World from its Earliest Days to the Dawn of the 20th Century*, and the acclaimed *Of Paradise and Power.* He also writes a monthly column for the *Washington Post* and is a contributing editor at both the *Weekly Standard* and *The New Republic*. He has served in the State Department from 1984 to 1988 in a variety of senior positions.

Finally Strobe Talbott is, of course, the President of the Brookings Institution. During his eight years in government he was deeply involved he was deeply involved in shaping the US-Russian relationship, as well as in US relations with all the nations of the post-Soviet space. First, as Ambassador at Large and Special Advisor to the Secretary of State on the new independent states in 1993-94 and then from 1994 to 2001 as Deputy Secretary of State. Strobe had a distinguished career as a journalist at *Time Magazine*, as I'm sure you all know, and his most recent book is *The Great Experiment*, the story of ancient empires, modern states, and the quest for a global nation. I want to thank them for joining us here today, and now I will turn it over to Steve.

MR. PIFER: Thanks very much, Dan.

Let me also welcome you to Brookings today as we try to tackle a very complex situation, not just in terms of what's happened, what's happening now, but what are some of the longer-term ramifications?

As I look back at the six days, I sort of divided my own mind into, really, three stages. Stage one was Friday morning when we all woke up to reports that Georgian forces had moved into South Ossetia and Russian tank columns were moving in from the northern side of South Ossetia. And there was that sort of initial period of what's going on, what's happening, what started this.

I think we then very quickly transitioned into a second stage where there was an increasing appreciation of the speed and the scale of Russian military operations, and it was striking in two ways. First, the speed. Combined arms operations take a lot of time to manage, and the speed with which this operation was launched suggests a lot of preplanning and considerable preparation in advance as if it were simply waiting for a pretext, which may have been provided on Thursday night. Second, it also became evident that the scale of the operations was very large. You saw not only operations in South Ossetia proper but bombing throughout Georgia. The introduction of Russian forces into Abkhazia, deployment of the Black Sea Fleet into the coastal region of Georgia for what appeared to be an undeclared blockade, and then also on Monday Russian forces actually moving out of South Ossetia and Abkhazia into other areas of Georgia. And I think this scale suggests that this is not just about South Ossetia. There is a broader political message here.

Over this period you saw the international critique of Russian (inaudible) and sharpen. You also had an effort by the French and the Fins to mediate a ceasefire, which was then capped by the visit of the French president, Sarkozy, to Moscow and then to Tbilisi on Tuesday. And I think now on stage 3 there appears to be a tenuous although unclear ceasefire, we were just discussing among ourselves the question of whether or not the Russian forces actually have vacated Gori. I think there's very conflicting information on that. But there is an immediate question now as to how do you stabilize this ceasefire? How do you disengage the forces, get back to the status quo ante and then also very quickly I think it's important to get an international presence on the ground in Georgia, Abkhazia, and South Ossetia, because right now, the Georgians and Russians are presenting two very clashing (inaudible) of what's happening, and the international community needs some ground truth.

Looking to the longer term, then the question is how do you start up a process that can begin to resolve these issues of South Ossetia and Abkhazia, which is perhaps more difficult now than it would have been seven days ago but is more necessary because otherwise you have these lingering flash points that could again trigger this sort of conflict.

So, I guess as we're looking at it, we're going to cover a lot of ground here. I hope we will address sort of three sets of questions. First, though, would be really for Cory: What's the impact of the last six days on Georgian internal politics, but also what is the effect on Georgian foreign policy? Second, and I hope Martha will address this: What are the lessons that the United States, the

Europeans, and other former Soviet states bordering Russia to take away from this episode in terms of Russian goals but also the means and the instruments the Russians are prepared to use to pursue those goals? And then for Bob and Strobe, the question would be what is the role for Europe? What is the role for the United States?

There was an announcement this morning that German Chancellor Merkel is going to Sochi to meet with President Medvedev on Friday. But also if we see, as we have, this more ominous Russian policy with regard to the former Soviet, what does that mean for the West relations with Russia, and also the West relations with companies like Georgia and Ukraine.

So, a lot of ground to cover today, and Cory, we look to you to start it off.

MR. WELT: Great. Thank you very much.

If Ambassador Pifer's first stage began on Friday, my first stage begins at the Bolshevik revolution of 1917.

(Laughter)

MR. WELT: Stage two would be the collapse of the Soviet Union, stage three is only about four years ago in the summer of 2004. To understand how this conflict started -- and I think it is important to understand certain details of how this conflict started in order to address some of the questions that Steve had raised -- we have to go back to at least stage three.

We have to discuss the situation in 2004. Otherwise, it's impossible to understand what happened in these very rapid days of conflict and of war. So,

simply put, I want to remind us of the situation in 2004 several months after the Rose Revolution in Georgia, what happened in the summer is that the Georgian government tried, in effect, to prompt some kind of mini-Rose revolution, shall we say, in South Ossetia at the time. For a number of reasons that are entirely unsurprising, that effort was unsuccessful.

But what's important to understand about the period of 2004, those few months, is that it changed facts on the ground very quickly and in a fundamentally different way than we had seen for many years before. Primarily what the summer operations did was they established an entirely legitimate Georgian armed peacekeeping presidents within the boundaries of what we refer to as South Ossetia, and by "entirely legitimate," I mean legitimate in the eyes of the Russians and even in the eyes of the South Ossetians, because as peacekeeping presidents it was based on the same agreements from the ceasefire of 1992 that the Russian uses to establish its peacekeeping presence in the region.

At the same time, the Georgians also established a security control over most if not all the Georgian populated territories in South Ossetia. The population in South Ossetia at the time of the end of Soviet Union was about one-third Georgian populated. The total population was around 100,000. The Russians and the South Ossetians might not have been too pleased that Georgians established control within South Ossetia proper but they accepted it. It was a new status quo. These were the new facts on the ground. In the end, what we had was a very strange situation where the Georgia government was in control

of approximately 30 to 40 percent of the South Ossentian territory with this -- and this was a situation that was accepted by the Russian and South Ossentian sides, and we also had a very precarious situation for the last several years where you had armed opponents -- Georgians and South Ossetians -- Russians and the peacekeeping mission sometimes working together but more often than not, facing off against each other, defending their positions, looking at each other from ridge to ridge, eye to eye. For the last several years, this has been an extremely unstable situation, and it was only through an extraordinary amount of wishful thinking and hope and optimism that nothing would happen.

Now, fortunately, for the last few years, the situation did remain quiet. The Georgian side had been asking, pleading every month for some kind of international -- more than an international presence -- and international peacekeeping presence. There is an international presence in the region, the OSCE, which does it job very well, but it's a small mission and has had limited capabilities. In the last few months, though, the situation became very tense after the declaration of independence of Kosovo when the Russians made it very clear that they were going to drop any pretense of neutral status, neutral peacekeeping status, in South Ossetia and in Abkhazia and were taking both regions under their wing. Obviously, this was a situation that made the Georgians very uneasy, and the Georgians also did not perceive that they had the kind of support that would be required in order to prevent the de facto annexation from occurring.

So, in the last few weeks, the situation in South Ossetia can mainly be described as one in which the South Ossentians and the Georgians were

jockeying for a position, perhaps for a position in order to launch offensives in the future from either side, perhaps just to take precaution in case there was a need to launch an offensive but also simply to defend their villages, to defend the roads that connected the villages. And again, particularly in the last few weeks, I mean, it was very clear that something could happen. We were seeing a replay of the situation in 2004, but this time everyone was much more concerned. Everybody was much more uneasy, much more armed, and much more well prepared for war than they were four or five years ago.

Now, why did I give you all of this information? For two reasons primarily. The first reason is I want to underline the fact that the reason for this conflict is because there was no neutral mediation that could stand between the sides. We had a Russian peacekeeping force, and I can even give some credit to the peacekeepers on the ground. They tried sometimes to divide the sides to investigate claims of illegal fortifications and the like. The Russians were even turned away from a South Ossetian fortification several days before hostilities where the South Ossetians said that they did not want even the Russians to see what it was that they were doing.

They were also trying to facilitate direct discussion between the state minister of Georgia, Temuri Yakobashvili, in charge of negotiations, direct meetings between Yakobashvili and the South Ossetian authorities under Russian supervision but outside of the traditional format of negotiations. The South Ossetians refused day after day after day to enter into these discussions. Yakobashvili was trying to achieve these kinds of talks up until the last hours

before the final attack with Russian assistance, but when the South Ossetians responded that they would not participate in discussions outside of the traditional format, the Russian peacekeepers through up their hands and said we can't help you at all.

The ceasefire that Saakashvili called in the last few hours -- many people have considered that this was a very difficult moment. Obviously there was shelling. People were dying on both sides. And there's question as to why he announced a ceasefire and then launched an attack on Tskhinvali. I think the situation is very simple. He announced the ceasefire in order for passions to cool on both sides in order to pull back and demonstrate the goodwill and say let's get back to the negotiating table, the meeting that we had just agreed upon a few hours ago, and the Georgian explanation of what happened next is that the firing continued, the shelling continued from the Ossentian side. After that, it's anyone's guess as to why the Georgians made the decision to move on Tskhinvali. All I can say is the facts do not support the notion that this was a long-time planned offensive. Of course the plans would be on the book. Of course the fact that it was such a fast operation suggests that the Georgians were well prepared for this in the event that they had to try it. They knew that the Russians were going to get involved, so it's still a real mystery as to why they thought that they could somehow stave off Russian interference, but the event happened in a climate of uncertainty, in a climate of mutual hostility, a situation where every side is to blame and every side is perhaps not to blame. It was a very precarious situation, as I said, primarily because there was no neutral presence in the region.

And my last point is, in terms of going forward what does this mean -- well, realistically because of -- and also because of the very real occupation of the Russian forces inside of Georgian territory, the main concern is to get those Russian forces to stand down and to withdraw. But -- and there is a temptation to say that we must return simply to the status quo and perhaps go beyond the status quo. Saaskashvili screwed up. Those territories are gone. Those should now belong to Russia de facto or otherwise.

What I tried to communicate and explain to you how this conflict erupted is that that is an outrageous solution. The only reason to do that is simply because we feel we have no capacity to do anything more. What must happen if we see any justice in this situation is to return to the status quo positions that Ambassador Pifer mentioned to have a serious international presence there -- again we have the OOCE, but we must have something more -- and then proceed with negotiations. It's going to be a multi-year process. Nobody should be under any illusion of that. The Russians would clearly have a very important role still to play in terms of that mediation process. I don't see how we could do it without Russian involvement but only in South Ossetia and Abkhazia and with an eye towards resolving these conflicts in a way that respects Georgia's territory on (inaudible).

MR. PIFER: Thank you, Corey.

Martha?

MS. OLCOTT: I'd like to talk about what I see as the background of Russia's actions in Georgia and what might come next in the neighborhood.

I'd like to make five points. The first is, I think at least, for Moscow the question of Ossetia -- Southern Ossetia -- is not a Russia-CIS relationship question. It's really a terms-of-divorce question, and that I do want to explain what I mean. I do think in this Russia has expectations that it will be either support or neutrality from its CIS members but that this isn't -- and that have consequence if they don't either support or neutrality on future Russian policies towards them. I think, though, that Russia's reaction was a predetermined policy in search of an appropriate application, that Russia really had -- did not accept the status quo in Southern Ossetia and did not Georgia's plans for reasserting territorial integrity on that area. Russia, I think, anticipated that George would make some sort of renewed claim to South Ossetia, although I don't think they anticipated the scale of the move against it.

I think that that there is a fundamental difference between Russia and the West on the question of what constituted Georgian territorial integrity. In the Russian mind, Karabakh, North Ossetia, Abkhazia, as well as Transdniester -- all the things that we call frozen conflicts where territorial integrity is still to be determined, and so I think, you know, from the very start they don't understand the issue the way the EU and the US understand the issue. These were unresolved boundary issues related to the dissolution of the USSR, and the OSCE involvement in the Russian mind was demonstration, but if not the boundaries at least the status of these populations are still in question. That's the first point.

The second point -- I think the situation in South Ossetia proved a perfect storm for Moscow. There were three critical goals at Russian engagement

in the region -- or three problems that Russian engagement was designed to remedy or address. The first was to gain international respect for what they see as renascent Russian power. I mean, the whole question that the Russians feel that they do not in the international community have the respect that they feel they're entitled to. Respect that they expect from closer neighbors -- and I would argue that the tension in the Georgian-Russian relationship predates Saakashvili, but Saakashvili's coming to power made it worse, but the Russians could never understand why the Georgians who they thought liked Russians didn't like them. You know, that's the first point.

The second point -- and I think this is really critical -- is that Russia was really concerned to secure its position in the North Caucuses. Ossetia -- Northern Ossetia, is a critical region for Russia. It is the loyalist part of the North Caucuses. Northern Ossetia borders on Chechnya, Ingushetia, and, as I said jokingly to somebody yesterday, you just have no idea of the proximity unless you've been there. If you want a hamburger, it's nothing to drive to Ingushetia or Chechnya from Vladikavkaz, the capital of Northern Ossetia. You're really spitting distance in these areas. Ossetia, which as I said, was the loyalist of the regions, could not absorb a huge refugee flow from South Ossetia without it totally changing the balance of relationships between North Ossetia and Ingushetia. Those two peoples are almost at war. The Ossetians are the most pliable pro-Russian. There's no real tension between Christian Ossetians and Muslim Ossetians, and the tension between the Georgians and the Ossetians predates any of this, you know, that it's -- these two people have been spitting at each other

and occasionally shooting each other since the last 1980s. So, the Ossetians have no particular interest in being absorbed in Georgia. That doesn't mean they can't be absorbed into Georgia, but that really is the kind of bridge-building that Saakashvili was trying to do earlier on. So, I'm not arguing that couldn't work, but it really does really bridge-building. So, that's the second of the three in the perfect storm.

And third, of course, is the question of oil and gas, which we can come back to if people want to talk about it.

Okay, I don't want to take too much time. I want to make my third point now. The whole question of what this means for Russia's relationship to the neighborhood. I think that one you open two frozen conflicts -- which they're not open and Russia has declared its answer to them. I don't see Russia moving back to a status quo in which it is not able to behave as a protector, at least, to the Russian citizens in these two regions, especially the Ossetians. I think it's important to note that actually according to Russian law there was no exception made for the Ossetians to gain Russian citizenship. They actually had the right right off, because they -- the right of citizenship was granted to the nationalities of the Russian Federation, and because of North Ossetia the Ossetians were a nationality of the Russian Federation, so they were perfectly in the Soviet -- post-Soviet (inaudible). They had the right to accept what they were offered and other people -- I mean, they had the same right at ethnic Russians to accept Russian citizenship. And in the Washington (inaudible) context, protection of their citizens is a critical issue, so when the mid-(inaudible) may be losing points outside of -- in

the international community broadly, it is really demonstrating very important values to the Russian citizenry. Again, that doesn't defend what they're doing. It just explains it. You know, so that's part of this third point about neighborhoods.

I think if we talk about opening these frozen conflicts -- and I don't want to go on too much longer -- I think it's really important to look at the situation in Azerbaijan, and one of the things I try to do is at least follow some of the press in Azerbaijan on this issue. I mean, I think that Aliev did a very good job of handling this. The country has opened its borders to refugees. They've changed the visa regimes. But at the same time they've not permitted anti-Russian demonstrations. I mean, I think we can come back to this in questions if people want, but I do think the whole question of Karabakh, in which Azerbaijan would be playing the role of Georgia, but, you know, I think it's really critical to note.

The fourth point is really about the border neighborhoods. We've talked about the frozen conflicts in the neighborhood. Okay, I'm not a specialist on Ukraine and I wouldn't presume to talk about what is likely to be the next sets of policies in Ukraine, but I think that certainly one is going to have to watch very closely how Russian-Ukrainian relations evolve. The Ukrainian president has taken an enormous personal, political risk, as well as a risk in terms of the country putting himself right with his NATO member neighbors, because obviously Ukraine doesn't have the protection of being a NATO member, and it also has a very divided polity, which is going to feel different. I mean, which -- it's not implicit that all Ukrainians support Yushchenko casting his rod, and of course there's the question of Crimea.

The other place where I think it's worth watching -- and I'm just going to go to my last question of course -- is Kazakhstan, which is going to chair the OSCA in two years, and I really feel that they have been behaving very much like a future OSCA chairman. They've been very cautious. They've said almost nothing. They're sending humanitarian assistance to both sides. They're not shipping out of Batumi any more, but it looks like that's a third quest of Georgian authorities. So, they have huge foreign direct investment in Georgia. Last year they were the largest foreign investor in Georgia. They hold electricity, and they're going to watch how this turns out. But this has critical implications for Kazakhstan.

Finally, my very last comment. What is the border political message that's coming out of Moscow? Well, I would argue it's still being formed, that we really don't see -- I mean, what Russia is going to settle on if it's final, sort of policy, with this area. I think that what we're seeing is some of the difficulties of dual power. I think when you have a president and a prime minister and the prime minister has as least as much to do with security as the president, and you have a great number of independent actors running around in region, it's not -- and this is my very last point -- it's not clear to me how much that's going on, on the ground in Georgia, is always being orchestrated by Moscow or if what we have on some of these questions -- and (inaudible) of unity being placed by Moscow on top of actions that are not being done in a unified fashion.

Thank you very much.

MR. PIFER: Bob?

MR. KAGAN: Well, since I don't know an eighth or an eight-hundredth of what Martha knows about these issues, I'm going to talk briefly about Europe and leave the rest to Strobe, who knows a great deal more about these things also.

Europe, of course -- the EU was not configured to deal with a problem like this, and it also has not evolved quickly enough into being able to have a coherent foreign policy to address this kind of problem. You know, before this crisis, if you had a conversation with an EU member about when the European Union will be able to speak with one voice on foreign policy issues, they would normally say 10, 15, 20 years. And so what we are seeing therefore is the breakdown of Europe into its component parts and countries now responding according to each of their individual perceptions of their interests, much more than with any kind of pan-European sense. I think it is not surprising that the current EU -- the person holding the current EU foreign minister position, Javier Solana, is virtually invisible at this moment, and what we are seeing are actions by -- statements by individual European leaders.

The EU was divided when the United States went to war in Iraq, which was attributed to devious efforts by Don Rumsfeld to divide Europe, but what we can see now is that any major international crisis, especially if it's in range of US borders, tends to divide Europe. And what -- the big issue right now is what is the role of the new members? I think if you had asked even a year ago in France or in Germany or in most parts of what we would call Western Europe whether -- if they could take back the enlargement of the EU they would. I think

they would all like to take it back. One of the things, for a variety of reasons, including the unwieldiness of the situation, but more importantly they have bought -- the EU has bought a confrontation -- an unavoidable confrontation by taking in these states. And so now what we have, obviously, is an east-west -- a kind of east-west -- it's a little -- I won't -- it's a little bit too simplistic geographically but a kind of east-west split on this issue where the front-line, if we can call them that, front-line states have an entirely different attitude to how to deal with Russia and then say, say France, and what is unknown at this point is so where does the E.U. wind up?

My judgment, and it's really a guess, is that the weight of the East, the weight of the Central and Eastern European and Baltic States within the E.U. councils on an issue like this is going to pull Europe much closer to a more confrontational and suspicious posture toward Russia.

It's one thing when it's all purely theoretical and Russia is dividing Europe and carving it into pieces on energy and other economic issues. It's one thing when Russia is, as Sarkozy once said, throwing its weight around in a kind of brutal fashion, but it's not a military fashion.

It's quite another when, for whatever set of reasons, and I won't even get into the justice or injustice of any of these issues, but the simple fact of Russia being willing to pour this level of troops into a neighboring state is unavoidably going to have a dramatic effect on the way the near neighbors view Russia.

The EU, when it works best internally, trades off interest against interest: You make your cheese here; we'll make our ham there. You care about this; we'll

care about that. We'll all work it out, which is the E.U. negotiating process. Somebody gives something for something else.

The problem is fear is not a tradable commodity. Insofar as the countries that are closer to Russia are now afraid, they're not going to have that same kind of bargain. And so, I feel like that especially now that we see Britain. If you just read the British newspapers by and large and see the comments of the opposition, David Cameron and the current foreign minister, the foreign secretary, you're clearly seeing a shift that I think was always underway in Britain ever since the whole poisoning and the spy episode, but now I think is quite dramatic.

So now you have Britain on that side. You have Carl Bildt of Sweden taking a very strong stand. I think in the pivotal case of Merkel and Germany, I don't think there's any real question about where her sort of moral sympathies lie in this situation. Now there is a German approach to this which is more of in a tradition of we know how to deal with the Russians, but what happened at Bucharest is an interesting lesson and I think a harbinger of where things are going.

I mean the Germans and the French went into Bucharest, saying there will be no membership action plan for Georgia. They resisted some pressures from outside. But at the end of that meeting, Merkel was cornered by a number of presidents from what I would now call front-line states who managed to get her to agree to insert into that final Bucharest statement the extraordinary comment that Georgia and Ukraine will become members of NATO. So we're not giving them a membership action plan, but we will make them members of NATO.

Aside from whatever confusing signals that may have sent to the Russians

and the Georgians, the important point is I think that represents Merkel's inability ultimately to be as coolly realpolitik, if you want, in the face of this Russian action as perhaps the French are capable of being. And so, I just think whatever the near term developments, the larger reality stemming from this is a Europe that in general is in a much more confrontational and suspicious posture toward Russia.

MR. PIFER: Strobe.

MR. TALBOTT: Thanks and thanks to all of you for being willing to join us in a discussion which will include as many of you as possible as soon as possible.

I want to make comments about the past, present and the future.

With regard to the past and building a little bit on what Cory and Martha have said, I want to go back to 1917. As of the last week or so, the place name, Gori, has become a household word very much the way Gorazde and Srebrenica did back in the 1990s. Gori is the birthplace of a fellow named Vasily Dzhugashvili better known as Joseph Stalin.

If you're looking for original sin or original mischief, he is as good a place to start as anywhere. He, after all, was the first commissar of nationalities in the Bolshevik government and had a lot to do with taking a pen to the map in the way he split up different ethnic and cultural groups. Even though under the rubric of republic names that suggested one ethnicity, like a Georgia for the Georgians, an Armenia for the Armenians, a Kazakhstan for the Kazakhs, in fact, he had a whirring blender going, and that was a way of dividing and conquering and ruling from Moscow which has got a lot to do with what's going on.

Flash ahead to a period that Martha talked about when the U.S.S.R. was

breaking up and the top guy in Tbilisi was named Zviad Gamsakhurdia. He said something rather similar on the surface to what John McCain has said in the last week -- we are all Georgians now -— only he meant something very different.

When John McCain said it, he was expressing a noble sentiment which we should all endorse which is that whatever our differences, Americans and Europeans should come together in recognizing who is the victim here and who is the aggressor.

But when Gamsakhurdia said it, he meant everybody living within the territory of Georgia is a Georgian, and we don't recognize Abkhaz and Ossetians and Ajarians, and that has a lot to do with the fuse that has been burning all these years and that has, of course, exploded recently.

Now as to the present, I think the most important thing going on literally today and the next couple of days is the efforts of two Europeans in particular: Foreign Minister Kouchner of France representing the E.U. and Foreign Minister Stubb of Finland representing the OSCE who are trying to work out a deal that will permit OSCE monitors or observers to come into all parts of Georgia and, among other things, establish the facts. You can bet that the Russians are giving them a very hard time on that.

But this is a way of hoisting the Russians on their own petard because they are out there not only claiming to have peacekeepers, and I don't see very many peacekeepers in these news clips that we're seeing. In fact, on the Lehrer show the other night, they interviewed a victim who had lost members of his family and who was speaking through an interpreter. And what language was he speaking?

He was speaking Russian. He was an ethnic Russian who was one of many who have been brutalized by the operation carried out by Moscow.

So one thing that needs to be established is whether these charges of genocide and ethnic cleansing have any validity to them. One way to do that is to get independent, objective OSCE observers and monitors onto the ground, and I think we can assume that that is a very high priority of Dr. Rice when she goes to Georgia herself.

Looking to the future and the implications for U.S.-Russian relations and relations between the West and I would say the international community as a whole. I think I agree with much that has already been said, including by Bob at the end of his comments.

Here is one way to look at it: What is the essence of Russia's motivation in what it has done here? Much has been made about its personal aspect of it. It has to do with the fact that Vladimir Putin really hates Mikheil Saakashvili, as I'm sure he does, and I am sure it is largely reciprocated, particularly now.

But this is beyond personal. The real motivation here from the Russian standpoint is that they regard it as inherently and unacceptably anti-Russian for an independent state –- and by the way, what does CIS stand for? Commonwealth of Independent States. They regard it as unacceptable for an independent state on their borders to want to integrate with Western European international institutions including NATO, including the EU.

Now that, I would suggest, is highly problematic and certainly not something that any other country should accept, but moreover it calls into question the

premise of U.S. policy towards Russia going back at least three administrations: George Herbert Walker Bush, Bill Clinton and the current President. There are more than nuances of differences among all three of those administration and all three of those Presidents, but all three of them have been committed to the proposition that it is in Russia's interest and it is in the world's interest for Russia to rejoin Europe, to join international institutions and, by the way, to partner and maybe someday even be more than just a partner with NATO.

And, if Russia is going to take the position that not only is it not interested in integrating in that fashion, but it's not going to allow its supposedly sovereign and independent neighbors to do so, that calls into doubt the entire premise of U.S., European and Western international relations with Russia and will need to be taken into account by the next President of the United States.

While the two candidates for that office are exaggerating the differences between them and while the press is exaggerating the differences between them for perfectly legitimate and understandable reasons, I don't think there is that much difference between them on this question, and it's going to be a huge challenge for the next administration.

MR. PIFER: Strobe, thanks very much.

Let me offer the panelists just a moment, if there are any comments you want to make. Particularly Cory and Martha, if you have comments on things you heard subsequently. If not, I've got a couple questions to pose.

MS. OLCOTT: You should pose questions.

MR. PIFER: Let me throw out two questions, and then I'll open it up to the

broader audience. The first question is really for Cory and Martha.

Cory, you said, and I think quite properly, that from the Georgian point of view and I think from the point of view of most Western countries, when you're talking about Georgian territorial integrity, we are saying that South Ossetia and Abkhazia are legally now a part of Georgia.

Martha, you also made, I think, a very valid point that Russia sees this in a very different way.

So, given that very conflicting interpretation of territorial integrity, what does that mean in terms of actually getting the process to move forward, because that suggests that there's going to be some real difficulties, and how do we get by those difficulties?

And the second question is for Bob and Strobe.

Bob, you paint a picture where maybe the European Union now, under the influence of I think you called it the front-line states, is prepared to take a stronger position. Perhaps that suggests a closer position between Europe and the United States. But looking at trying to effect the Russians, trying to persuade them in the early days to withdraw forces but then in the longer term persuading the Russians to allow and encourage a real negotiating process, what are the sorts of tools that the West, the United States and Europe together have to effect Russia?

Cory?

MR. WELT: Let me briefly address your first question.

I don't see that Russia has seen the issue of Georgia's territorial integrity in a different way since the collapse of the Soviet Union. They might have desired.

They might have wished for a different situation. They might have thought maybe they could engineer a different situation.

But the line has been consistent up until I'd say practically two days ago or yesterday's interview with Lavrov, that the Russians had consistently and openly recognized Georgia's territorial integrity including South Ossetia and Abkhazia. Things started to change after Kosovo when they believed that they could effect a different situation. So this is a very recent trend, and now it's very clear that the Russian government is using the pretext of the war to now drop that line.

Lavrov, I believe it was yesterday, said, we recognize Georgia's sovereignty.

No country ever recognizes another country's territorial integrity. That is an entirely new statement coming out of the Russian government.

MR. OLCOTT: I don't fully agree with Cory about the status. I think that the question for Russia from the very beginning was the status of the people as well as the definition of the boundaries, that until a few years ago Russia accepted that certainly Southern Ossetia would stay within Georgia.

I'm not sure they ever fully accepted what was going to happen to Abkhazia. They may say that they accepted the territorial integrity, but I think that Abkhazia was always in a separate place for them. But for them, the key was the definition of what was the relationship of these regions to be with Tbilisi.

I think after Kosovo, things began to change. Once the NATO membership got on the table, things also began to change. Once the situation in the North Caucasus began to further deteriorate, and it deteriorates every year, the situation also changed. So it's not that the boundary has to change from the Russian

position, but the status of this region has to be defined in a way that Russia is involved in it.

In that regard, I don't fully agree with Strobe about the NATO membership is the sole statement. It's NATO membership under the current conditions in Georgia because they did take the Baltics. We all said that they weren't going to, that the Baltics admission to NATO was going to create far more problems than it actually did in the U.S.-Russian relationship.

But, yes, I agree that the status quo right now in Georgia, not just the Saakashvili government -- which Moscow understands even if it would like to see disappear, it can't change -- but the whole question of everybody seeing it as completely legitimate for South Ossetia and Abkhazia to be part of Georgia on the West's terms and not on Russia's and its allies' terms as well.

MR. TALBOTT: Could I come in on that?

First, Steve, you're being such an excellent moderator. I hope at some point you'll jump in as somebody who knows a thing or two about Ukraine because I'm going to touch on Ukraine in these remarks.

It's always been my operating assumption that while Georgia is deeply, deeply neuralgic for many, many Russians, a lot of whom, even if they have very Russian names like just say Igor Ivanov, were born in Georgia and have a Georgian mother and so forth and so on. This is, to use a word that Hal Sonnenfeldt once made famous, an organic relationship.

But the Ukrainian relationship is even more so, and I think it goes far beyond current circumstances. I think there is a kind of line in the sand quality here, a

demonstration effect intended to make Ukraine even less likely ever for the public opinion to change in another direction, but I would defer to Steve on that.

I think that what Cory said a moment ago with regard to the significance of the Lavrov statement is of particular importance. As he and others have said, Russia, from the day that it became a new independent state and hammer and sickle came down from over the Kremlin and the Russian tricolor went up, has distinguished itself in a positive way -– and Boris Yeltsin deserves immense credit for this -- by taking the position that the inter-republic boundaries of the old U.S.S.R. were going to be international boundaries.

That took a lot of guts on Yeltsin's part, and it required him to stand up against irredentists, revanchists, whatever you want to call them in the Parliament who wanted to retake Crimea and Ukraine and so forth and so on and, by the way, put Russia and the new independent states of the former Soviet Union into marked contrast with what was going on in where? Yugoslavia. If you had had a Milošević type character in the Kremlin when the U.S.S.R. was breaking up with 11 time zones of territory and 30,000 nuclear weapons, imagine what the 1990s would have been like.

If Russia is, as I think it is and as Cory said, calling into question that point, then we are in a new ballgame.

This business about, well, maybe we'll leave Abkhazia within some kind of dotted lines on the map, but they're going to have the ruble as their currency and Russians can build railroad lines directly into Abkhazia and people can move back and forth and what Martha said about the freedom of movement between North

and South Ossetia. That's de facto changing of borders, and that's big trouble.

By the way, it's big trouble that could come back and bite Russia. There are parts of the Russian Federation that don't like being ruled from Moscow as we were reminded in Chechnya. The fact is Chechnya is quiescent now under an extraordinarily brutal regime doesn't mean it's going to be forever quiescent. The same is true of other parts of the North Caucasus. So we have a goose-gander situation here that the Russians could come to regret.

MS. OLCOTT: Can I throw one thing in before, about what can happen next? I mean one of the things that the OSCE is going to face if it moves towards a peacekeeping mission is are they going to take CIS states in?

The Chairman of the CIS this year is Kyrgyzstan. Kurmanbek Bakiyev is head of the CIS right now. Kazakhstan is going to become chairman of the OSCE in two years. Is this just going to be a European half of the OSCE? Will the E.U. states accept troops, Uzbek troops?

MR. PIFER: That's a good question.

Bob, did you want to?

MR. KAGAN: Well, to try to answer your question, what tools does anyone have, the problem with answering that question is it entirely depends on what Putin is willing to put up with in terms of international criticism, being kicked of organizations. What we don't know is whether Putin, as part of his calculation in doing this, knew that there would be a huge international firestorm and that he would make the best case he could, but his assumption is that eventually everybody will get over it, and they'll learn to deal with it, that he's presented

everybody with a fait accompli.

I think, by the way, on the detail of whether the OSCE is ever going to get into these places, it's a very open question right now because I'm not sure the Russians have any interest in letting that happen. They don't look like they want to let it happen, and nobody can make it happen.

So the obvious tools, unfortunately, don't match the fact that when you have a naked force on the ground, you have force on the ground.

Then the question is do they care if we suspend the NATO Russian council? Do they care if they can't come to the next three meetings of the G-7? Do they care if the E.U. suspends the strategic partnership negotiations and they can't get into the WTO?

I mean Putin wouldn't be the first leader in history and including even recent history to say, I'm willing to pay the price because I've made a much more important, taken a much more important step, and eventually the world will learn to live with it.

In fact, history is I won't say littered but certainly highly populated with leaders who have made that decision and, by the way, frequently it's the wrong decision because the truth is things do change in such a way that they then become the target of everybody's concern.

I think Russia. You know people talk about Saakashvili falling into Putin's trap. I'm not entirely convinced yet that Putin hasn't himself fallen into a trap which may cost Russia dearly over the next decades even.

MR. TALBOTT: Which translates, Bob, into a kind of leverage.

MR. KAGAN: If he is willing to be leveraged by it. Right? I mean that's the question.

I mean it could just simply be that we're in a situation of the classic tragedy where we can do all those things to him, and he has decided he's not going to be moved by it. It does lead to a disastrous situation for Russia, but this is what countries do sometime. Right? They make mistakes like that.

MR. TALBOTT: You know this is the first time that Russian troops have invaded and occupied another country since Afghanistan, which didn't turn out great for the Soviet Union as you may recall. I mean it's worth remembering that we are seeing something that reminds everybody of Budapest in 1956 and Prague in 1968 and Afghanistan in 1979.

But the blowback for Russia, we haven't seen yet. Never in those earlier invasions did anybody say, boy, the Soviet stock market really took a beating as a result of this invasion. That is part of the story now, and that has some meaning.

By the way, we keep talking about Putin, as well as should. Putin came to power largely as it were riding in a tank, and I mean riding successfully in a tank, not like some other people have tried to ride into the presidency, and he is now the prime minister of the country.

Meanwhile, where is the president of the country? He made an appearance yesterday, declaring a day of mourning for the victims and, of course, there have been victims, but this is a Putin operation.

I suspect that in ways that will not be terribly audible or visible, but nonetheless will be significant, there is going to be debate within Russia, which is

a more pluralistic place than it used to be, over whether this was brilliant and how quickly to end it and move on.

MR. PIFER: Strobe, let me just take your offer about a couple of comments on Ukraine. I guess I would make three points.

First of all, I think part of this broader message that the Kremlin was trying to send by this action was very much aimed at Ukraine. If the Russians are unhappy about the Georgian effort to pursue an independent foreign policy, to draw closer to Europe, to draw into NATO, they are just as concerned about Ukraine.

The second point, as Cory mentioned, Foreign Minister Lavrov's new definition that we -–

MR. WELT: It might have been Ivanov by the way.

MR. PIFER: Okay. Well, but that we respect sovereignty and we don't respect territorial integrity, that will be a big point in Kiev.

Strobe, as you remember when we were doing the trilateral statement that got the nuclear weapons out of Ukraine, a big thing for the Ukrainians was having recognition in a document of Ukraine's sovereignty and territorial integrity. It then took a subsequent three years in bilateral negotiations between Moscow and Kiev to work out a bilateral treaty, and one of the big sticking points was Ukraine's insistence that there had to be that sort of recognition of both concepts.

If Russia is now defining its position so it respects sovereignty but not territorial integrity, when you have the complex history of Crimea, that's going to be a message that's going to get a lot of close attention in Kiev.

Then the last point I think is, and we don't know the answer to this, what is

the impact of all that's happened in the last seven days on public opinion in Ukraine?

A thing that's been interesting to me is when I've talked to Ukrainians, and it's still a minority group that favors Ukraine joining NATO, when you ask why do you want to join NATO, the answer is really: Well, we want to be fully in Europe. If you're fully in Europe, you belong to two organizations, the European Union and NATO.

It just so happens it looks like it's a little bit easier to get into NATO now than the European Union, but it's not anti-Russian.

I wonder, though, now what kind of blowback there may actually be as Ukrainians consider what just happened in Georgia and what it could mean there. It may have a very interesting effect on how the broader population thinks about its association with the West.

At this point, let me open it up to questions. I would ask that you first please identify yourself and then also wait for the microphones, which are coming around.

Let's start right here.

SPEAKER: I'd just like to know if you have a consensus amongst you about the difference -- I heard on NPR this morning -- the difference between Kosovo, when they wanted out and we went over there. And they were saying -- they were talking to, I think it was a Russian. It was three o'clock in the morning when I was listening -- and they said, why was it doable in Kosovo for them to -- and now, you know, now not.

How does America -- or what do you think the consensus is on the difference between --

PANELIST: Kosovo was exactly the opposite. 180 degrees opposite.

In Kosovo, the problem was that you had a region, a province, of a sovereign, independent state -- namely Serbia -- where the Belgrade regime had complete run of the place, total writ, over Kosovo, and was using its presence there to carry out mayhem, ethnic cleansing and genocide.

The problem in South Ossetia is that the government of the country of with South Ossetia is a part, had no writ there, and was trying to reassert its ability to govern or control. So completely different.

SPEAKER: (off mike) -- different.

PANELIST: Yes.

SPEAKER: Serbia. I mean, I finished (inaudible) Balkans --

MR. PIFER: Anybody else want to take a crack at this?

MS. OLCOTT: I mean, I would say, though, that even -- I mean, your description is entirely accurate of the situation in Kosovo, but from the point that even Kosovan independence was discussed, Russian policy audiences began talking about the implications for Ossetia and Abkhazia, even as in the West people started talking about Chechnya.

PANELIST: The Russians started talking about Chechnya. The Russians were concerned when we were --

MS. OLCOTT: Yes, they were. They were.

PANELIST: When we were bombing in Serbia that, you know, "Kosovo today, Chechnya tomorrow."

MS. OLCOTT: And it was raising the whole question, I think, about the status of these places.

I don't agree, though, that they didn't feel that that gave them the ability to threaten in Abkhazia and Ossetia. It changed the terms of discussions -- not to invade, but it changed the terms of discussion.

It doesn't have to have been an accurate analogy, but in terms of the amount of time that people spent talking about it there, they certainly were talking about the implications.

PANELIST: But, I mean, you know, if you look at the geopolitical ramifications of it, they're also different. I mean, which power was trying to reassert its control or ability to influence, or even hegemony over Kosovo or over Serbia?

MS. OLCOTT: (off mike)

MR. KAGAN: No, but I'm saying that wasn't the goal of the allied powers that were involved in that effort. That was not part of an overall effort to reestablish -- so, I'm not arguing with you, Martha.

MS. OLCOTT: -- I'm just saying --

MR. KAGAN:: I'm not arguing with you at all.

MS. OLCOTT: No, I'm just saying.

MR. KAGAN:: I wasn't even responding to you.

MS. OLCOTT: Yeah, exactly. But it was --

MR. KAGAN:: I should have started by saying, “Thank you, Martha, I totally agree with you. And now -- ” --

MS. OLCOTT: I just was --

(Laughter)

-- I just report it.

MR. KAGAN: I’m answering the question. I mean, we can’t pretend that there was nothing going on here, other than a dispute over, you know, ethnic boundaries and territories. There was much more going on there, which the panel has discussed.

And so, you know, that is, in my mind, at least as important, and is the difference that Strobe talking about.

MS. OLCOTT: But Kosovo this year, versus Kosovo at the time that the whole problem began, became another place where Russia felt pushed out.

MR. KAGAN: It pushed itself in. I mean --

MS. OLCOTT: What --

MR. KAGAN: -- you know, I’ve never understood how we talk about how Russia got “pushed back” in Kosovo. What is Russia’s interest in Kosovo? What is -- if you took a, you know, just narrow --

MS. OLCOTT: I’m not saying --

MR. KAGAN: I’m not arguing with you. I’m arguing with Russia.

MS. OLCOTT: I know. But Russia’s not sitting here.

MR. KAGAN: Martha, you don’t have to defend Moscow’s position.

MS. OLCOTT: I'm not. I'm just reporting what people say and talk about in the environment, and --

MR. KAGAN: No, but it's an illegitimate -- I just consider that an illegitimate argument, that because the West bullied -- and if you're hearing this everywhere -- I'm not responding to you. We hear this everywhere -- and here, including in the United States, including in Washington -- because the West bullied Russia in Kosovo, that's why Russia could do this.

The West did not bully Russia in Kosovo. Russia made that an issue as part of an effort to assert itself on the basis of some pretext of pan-Slavic unity --

MS. OLCOTT: My question, though, is really -- and I don't have the full answer to it, how the Russian population views it. And I think that the Russian leadership, to some degree, is responding to what it believes are popular actions. Strobes point that these actions scan become unpopular quicky, I think is a really important one.

MR. PIFER: Cory, last comment on this question?

MR. WELT: Just really briefly.

One of the issues around Kosovo that I don't think has even been mentioned -- and I don't quite understand why -- is I would like to think that the independence of Kosovo was the option, was the solution, of last resort; that there was an abiding belief that it was impossible for anyone to broker a solution that would enable Kosovo to live together with Serbia in some kind of single unit.

We are not at that -- we were not at that stage last week by any stretch of the imagination in Georgia. And so we were far from being able, having to consider, a partition as a solution. There were plenty of options still to work out solutions by which South Ossetia, population of 100,000 or less, could live peacefully with Georgia and, though it might be more difficult, also Abkhazia.

GIORGI KVELASHVILI: Thank you. My name is Giorgi Kvelashvili, Yale University and intern with the Brookings.

First of all, there was a question about CIS. Georgia has left the CIS. And one should consider that when comprising troops to send as peacekeepers. There is no more CIS. Of course one could call -- and also we renounced all the treaties that kind of was binding for us with the CIS.

Second point is that, I mean, the Panel has said being very cautious to name -- actually things by their names. It's a war. It's an aggression, of course, and it's a war -- all out war -- in Europe. And it's also against OSCE, of course, standards. Because we both, Russian and Georgia, are OSCE members. It absolutely overhauls the whole European security.

And the third point I want to make -- and I'd like to actually ask your opinion on that -- my father is half Ossetian. And I'm kind of a quarter Ossetian.

In Georgia, Ossetians, we're not only there, but most of them live in other parts of Georgia very peacefully and very nicely. Their language is more retained in Georgia than elsewhere. You mentioned this kind of pro-Russian enclave in the norther Caucasus. But those Ossetians -- so-called Ossetians -- are so friendly with the Russians because they are already Russified. And

Georgian Ossetians still retain their identity, and my father still proudly speaks Ossetian.

Thank you.

MS. OLCOTT: Can I say something?

What I said about the troops was OSCE -- would the OSCE be able to send troops from OSCE member states that are part of the CIS? I know that Georgia left the CIS, but the CIS states are all OSCE members. And my point was whether this would be acceptable in the Georgian context.

In terms of the Ossetians, I'm not implying that Ossetians can't live peacefully in Georgia, but in the context of Northern Ossetia -- that's not implying that at all. But in the context of Northen Ossetia, Ossetians are the most pro-Moscow of any of the North Caucasian peoples.

MR. PIFER: Let's take the woman in the back there and then Ambassador Courtney, on the left, next.

SPEAKER: Yes. Thank you. I do have a question.

I was wondering if there's a lot of fear of returning to a new type of Cold War, and yet there are people who are calling for punitive measures against Russia for this aggression.

I was wondering what your take is on what the future holds for U.S.-Russian relations and, you know, how they can actually move forward so you don't go back to a Cold War era kind of thing. And, you know, what sort of implications would there be for punitive measures against Russia?

Thank you.

MR. TALBOTT: I'll take a stab at that. It's an important question, and it resonates with the discourse in this country over how to respond.

I do not think it is accurate or useful to see this in terms of a new Cold War. The Cold War had very specific characteristics. It was a global, geopolitical, ideological contest or struggle between two armed camps. And we know what they were.

This is a new phenomenon -- although, as we've discussed, it derives a lot from history. And I would describe it as follows.

Russia, I think -- or the powers that be in Russia -- don't want to go back to an autarchic system in which they are squared off against the rest of the world, and have a different system of both government and economics. What they do want to do is join, or rejoin, the world on their terms, and on the basis of their strength -- some of which they are demonstrating in the Caucasus, and much of which is derivative of stuff that they can pump or dig out of the ground.

And what they are basically saying is, "We're back. We're part of the globalized world. You have to accept us on our terms."

And the reply to that needs to be, "We would like to have you back. We want you part of a globalized world. WE need your help in addressing a whole range of global problems. But you have to join the international community on its terms and norms -- " -- one of the most basic of which is respect for territorial integrity and sovereignty. That's the way to look at it, I think.

MR. PIFER: Ambassador Courtney?

AMBASSADOR COURTNEY: Bill Courtney, former U.S. Ambassador to Georgia.

Strobe, you were quite right to point to the historic significance of Yeltsin's acceptance of the borders of the non-Russian republics after the collapse of the Soviet Union. At that time, the new Russia was less authoritarian than now. But we've seen Russia become more authoritarian, and we've seen a number of actions from the cyber attack in Estonia, and now to this, and others.

To what extent do you think what is happening now is fundamentally a result of Russia's becoming more authoritarian? And, if so, what does this portend for the future -- let's say for other potential areas of difficulty, such as the Ukranian demand that the Sevastopol Russian Black Sea fleet withdraw after the lease ends in 2017?

And the second question, to create a stable equilibrium now in the South Caucasus and Central Asia with respect to Russia, is it going to be necessary for there to be an increased Western military presence in the region -- beyond participation in peacekeepers, which the West should have done before, of course. But is there going to need to be a more substantial Western military presence in order to deter Russia from taking this kind of action again?

Thank you.

MR. TALBOTT: I'm sure that my colleagues on the panel will have other thoughts on this, Bill.

One of the themes in history has been that Russia's external behavior, that is its behavior and policies outside its own borders, has been very

much reflective of what kind of regime it has within its borders. The more authoritarian -- not to mention totalitarian -- Russia is, the more it tends to assert itself in an intimidating or aggressive fashion outside of its borders.

Another point has always been, of course, that Russia has tended to define its security -- and the Russian word, by the way, literally means “absence of danger” -- in a zero-sum way. Which is to say it has tended to feel absolutely secure only when everybody else, particularly those around its borders, feel absolutely insecure -- which I think is one reason that its actions now are going to, in fact, increase the incentive of other countries to join NATO, the West, Europe and so forth and so on.

Russia is yet again in a period of some transition. There are two personalities that are obviously prominent in that. We have both seen and talked a lot more about the Prime Minister than the President. I think the more that is said from the West about how we hope the President will prove to be different and better in some ways than the Prime Minister will not do the President of Russia, Mr. Medvedev any good. But since we’re all deeply off the record here --

(Laughter)

-- I certainly hope that, over time, the talk that Medvedev has done about wanting to see Russia get back on course of economic reform, and a rule of law society which includes also, presumably, an international rule-based system, that he’ll be able to walk the walk.

But there’s no question that Prime Minister Putin, depending on how he comes out of all this, is going to have a lot to say in that.

As for the U.S. increasing its military presence and deterrent capability in the region, now that doesn't seem to be on. Among other things, because the United States is deeply involved in two hot wars, which is yet another reason that nobody in the United States -- notably, including our military establishment -- wants a new Cold War. Moreover, we don't have the security relationships in the region which, of course, goes back to the question of why Georgia is banging on the door of NATO. It would like to have had NATO's protection against precisely this.

SPEAKER: Thank you. I had a couple of questions for Strobe.

Number one, to what extent it's applicable to Georgia, or to any of the other Former Soviet Republics, the experience of Finland during the Cold War, whereby a very small state, very much within Russia's sphere of influence, can pursue a very strong relationship with the West, while knowing very clearly at all times that there are certain lines that are not to be crossed -- including joining NATO. That's number one.

Number two is what's the likely effect of what's happened over the past week in the dealings of the international community with Iran -- knowing, as we know, that the presence of Russia in that process is crucial?

Thank you.

MR. TALBOTT: I'm a little bit reluctant to delve too deeply into your invitation to compare Finland, at the northern end of Europe, with Georgia in the historical and geopolitical and geographic situation in which it finds itself. I will simply say the following.

I have great admiration -- as I look backward, I had great admiration at the time that it was happening -- at the way Finland handled its extraordinarily delicate situation with Russia. Finlandization was something of an F-word in some circles for a long time, which is to say it was used critically of Finland, I think. And its balancing act during that period, it turned out pretty well. Finland went on to be not only a member of the EU, and to very ably hold the presidency of the EU, even though it had not -- I hope someday will be -- a member of NATO. It's not a member of NATO. It's been among our best allies, and has really set an example that other countries in lots of parts of the world should follow in managing the uncomfortable relationships of being cuddled up next to the big bear.

But I do not think now is the time -- well, first of all, we have to wait for the fog of war to lift before we'll know what really happened that triggered all of this stuff in the last couple of weeks. And it is certainly not the time to be engaging in Monday morning quarterbacking about what the victim should have done here. We should all be focusing on what Russia has done.

With regard to Iran, maybe my colleagues want to -- maybe Martha or somebody wants to say something on that.

MS. OLCOTT: Well, I think the question of Iran is really a critical one, and I think it's really too soon to know all the potential fallout with regard to Iran. I think much will depend upon how Russia interprets the Western response to what's going on.

One of the things that I'm watching is what's going to happen at the Shanghai Cooperation Organization Summit, which comes August 28th in

Dushanbe. And Iran -- in fact it's the Tajik president has put forward Iran's request to join the Shanghai Cooperation Organization at that summit, and that request was never taken very seriously.

But even right before everything began between Georgia and Russia, the Russians did make a statement that made it clear that wasn't absurd that their membership would be considered.

So now, I think, by August 28th -- I think it's unlikely that they'll gain membership, but it's not unlikely that there will be a very serious discussion about it on Moscow's part to signal that they have choices.

The one thing I have no feel over is China's position on all this, because they're busy with their Olympics. But certainly China is going to watch what kind of response there is in the West to Russia, too.

MR. TALBOTT: Well, China is about as much of a sovereignty and territorial integrity hawk as you will find anywhere on the --

MS. OLCOTT: Well, I understand that.

MR. TALBOTT: -- on the planet, and will not like any suggestions that there's such a thing -- that sovereignty and territorial integrity can be divided.

MS. OLCOTT: But they won't like -- they will watch with interest -- I can't predict what they'll like or not like -- but they'll watch with interest any economic sanctions against Russia for Russia doing something that the West doesn't like, because China still has the capacity to do things we don't like. And I think that that's the trigger point -- not the sovereignty issue, but the sanctions issue, or the punishment issue.

PANELIST: I want to take the opportunity to get back to this NATO issue, if not to explore the whole history of the Finlandization scenario.

But, as was mentioned before, as much as we might like, we might articulate scenarios that we would like to see, we have to recognize the realities of power on the ground -- right? And if we're facing a Russia that is intent on staying put in Abkhazia and South Ossetia, and is not willing to negotiate anything on that issue, then Georgia, Ukraine, the West, most likely, are in deep trouble. We don't know what situation we're going into.

If, however, we're looking at a Russia who perhaps did not entirely want to get into this war, and perhaps, in some very small way, is looking for a way out, then we have to ask ourselves, "What is the issue that the Russians might be willing to negotiate on?"

Unfortunately, that issue is going to bring us back to NATO. And I would not advocate here that Georgia should discard its ambitions to join NATO, but clearly we understand there's going to be a much higher lever of reluctance, at least in Western Europe, to bring Georgia into NATO.

The question is, is there a creative way to think of a parallel to the Finland scenario which does not replicate it entirely. Is there a way to bring the NATO issue into the equation in a way that satisfies the Russians to return to the status quo and to return to negotiations, without fully abdicating the hope of NATO membership for Georgia and other states?

MR. KAGAN: Can I just say that, you know, I worry about the precedent that is set there, because then the policy of NATO will be that w e will

offer NATO membership to countries -- unless they happen to be invaded by someone, in which case we will not offer NATO membership to them.

MR. TALBOTT: I just want to -- I knew that the only difficulty with this otherwise excellent discussion is that we were agreeing too much. And it's a pleasure to associate myself with Bob on this one.

I would strongly hope that both candidates would emphatically support a membership action plan for Georgia, and that the Bush Administration would reaffirm its own determination that -- Bob referred, I think, Bob, it was you, to the Bucharest meeting, which I'm sure all of you remember, had a kind of bizarre outcome, in a way.

The Europeans didn't want to give a membership action plan to Georgia and Ukraine, even though a map is a conditional, it's contingent, it's part of a plan that takes you towards membership, but it has off-ramps. And unable to get a membership action plan for NATO, what they gave them instead at Bucharest was a flat declarative sentence that Ukraine and Georgia will be in NATO someday. And, you know, it's kind of bizarre. What is that the sop rather than something that should give comfort and reassurance?

A membership action plan actually involves concrete operational cooperation with the NATO training capability, and Georgia should have that. And it should have that, particularly after what it has been through.

And if we go down the slippery slope now that we avoided back in the 1990s, of saying, "NATO is open to those countries that don't have any

problems with Russia, and where it won't upset Russia too much," we might as well fold the whole thing up.

PANELIST: Rather than completely agreeing with what Bob and Strobe have just said, let me go back to the Iran point, for a point.

PANELIST: I agree with them, too.

PANELIST: Okay, I'm sorry.

Just on Iran -- and that is, that is my own hope is that as we think through the implications of this incident, or this conflict, for U.S.-Russia relations and West-Russia relations, that we don't get too carried away on the Iran question. Because I think there really are limitations, in terms of what we should be able to expect from the Russians on Iran.

And, first of all, Russia has an array of geopolitical, energy, economic interests in Tehran that they really don't want to put at risk.

And I think, second, Russia looks at Iran in a very different with regards to the potential nuclear threat. First of all, I think the Russians doubt Iranian technical capabilities. They just don't believe that the Iranians can get a nuclear weapon, or a long-range missile in the same timeline that I think we in the West look at.

But, more importantly, for the Russians, it's an undesirable thing for Iran to have a nuclear weapon, but it's not the nightmare scenario that it is in the West. It's probably like Pakistan: bad thing, but we can learn to live with it.

And so I think it's important that as we think about the agenda with Russia, we ant to try to work and want the Russians to be cooperative on Iran, but

there may be some real limits to the kind of cooperation we can secure. So that shouldn't become the be-all-and-end-all of Western engagement with Russia.

MR. PIFER: Question in the third row, now.

MR. EBINGER: Charles Ebinger, director of the Energy Strategic Initiative here at Brookings. I'd like to give a little different slant to some of the discussion.

Clearly we have seen with the events in Georgia a major challenge to what has been longstanding part -- at least in recent years -- of our energy security program, which was to diversify, through the Caucasus, to bring Central Asian oil and gas to the West. And clearly that is now severely in question, and were anything to be provoked in Armenia, it would be severely in question.

But I also wonder if we are thinking quite clearly enough on whether we have a diplomatic opening here. Clearly, the regimes in Central Asia, and particularly the Kazakhs and the Turkomens and the Uzbeks, who have large volumes of oil and gas -- and everybody forgets that Kazakhstan actually has far more coal than its oil and gas reserves combined, on a BTU energy basis -- whether there isn't a way where we and the Chinese, who also have an interest in the region's resources, and perhaps even the Indians, launched a series of initiatives, including things like talking to the U.S. industry about revitalizing -- whether it's Chevron, who now owns Unical -- the old pipeline across Turkmenistan to the subcontinent. Quite honestly, I know with the current conflict in Iran it may seem implausible, but you know the Chinese have longstanding goal to help the Central Asians build a highway and a rail network from Central Asia,

either down through Afghanistan and Pakistan to the port of Gwadar, or the Iranians down to a port on the Arabian Sea -- whether we're not missing some opportunities here, in terms of Iranians, offering them a few carrots. Say we would engage in this with the Chinese, remove our opposition to the longstanding pipeline to India and Pakistan from Iran, which anyone in the energy field feels makes a lot of difference, despite what our current government may say.

And really say to these countries that must feel in danger now with the events in Georgia that we're going to have a new diplomatic initiative involving the Chinese, the Americans and the Indians, and helping the Pakistanis, as well -- because some of this energy would come there, and it's our interest to have energy there to bolster the Pakistani economy -- whether there aren't some new thinking that has to occur, and not see the whole conflict and the opportunities and challenges that emerge from a Western direction, but look east.

MS. OLCOTT: Do you want me to comment?

MR. PIFER: Go right ahead.

MS. OLCOTT: I agree with what you said about Iran as a potential transit corridor for Central Asia. In the long run, it is the only easy way to reach Europe. In the short run, it's impossible for me to believe that U.S. policy will change fast enough to displace the kind of role that Russia plays in Turkmenistan -- right now.

I cannot see any movement for action on the Turkmen leadership part, other than just -- and they've had no statements about what's gone on in Georgia up through yesterday. They've gotten a good price for their gas for next

year. They sell virtually all of it in the current year to Russia. That's the major source of foreign exchange. Promises over what may come in three years, five years, 10 years, is not going to be anything that they can take the bank next year.

Similarly, for Kazakhstan, they have over 12,000 kilometers of border -- that's 6,700 miles -- with Russia. A lot of that coal that you talked about, some of it goes right into Russia. The economic relationship is a functioning and good one. Nazarbayev has achieved a great deal of what he wants, in terms of the international community. That chairmanship is a big deal to Kazakhstan. They want to stand between the various sides. I don't see them in the short run being dragged -- whatever their personal feelings are, and I honestly don't know what their personal feelings are. And I think it would be presumptuous of us to try to guess how they actually felt.

But whatever those personal feelings are, I think that they're going to be as cautious as cautious can be to continue to do what they have done so successfully over the last several years.

MR. PIFER: The gentleman in the back, who's been very patient.

MR. MILLER: Thank you. Ryan Miller, with the Center for European Policy Analysis. Two quick questions.

First, just to zero in on the Iran angle, some in the media have been reporting that the reason the United States didn't do more, or didn't do what we have done sooner, was the perceived need to get Russian assistance in Iran. So, you know, was there anything more the United States could have done, or done sooner? And how big was the Iran factor?

And then, secondly -- just real quick -- is Russia's WTO accession, at least for now, toast? Since, in theory, the Georgians have to sign off on it?

Thanks.

MS. OLCOTT: Strobe take that?

PANELIST: I think WTO for Russia now is not a near-term --

MS. OLCOTT: (Laughs)

PANELIST: I'll take a stab.

On the Iran question, and how it related to the U.S. response, I think more basically, one of the problems that Washington faced on Friday and Saturday was trying to come up with good tools to use to influence the (inaudible). And unfortunately, since 2002, where I think there was a lot of potential for the U.S.-Russia relationship, there's been drift, and then a decline in that bilateral relationship to a fairly low point, in terms of the relations between Moscow and Washington.

And what that meant is that Washington didn't have a lot of leverage that it could pull to affect what was going on, to affect the Kremlin's thinking. I mean, there wasn't a lot of bilateral cooperation that Washington can threaten that the Russians much cared about.

So one of the unfortunate aspects of the decline in the relationship, which I think both Washington and Moscow bear some responsibility for, is when it comes to a crisis like this, the sorts of tools that, you know, my former colleagues at the State Department were being asking to draw upon, the cupboard was fairly bare.

MR. TALBOTT: I might just add, I think that there is a potential linkage with regard to Iran that doesn't have anything to do with the topic of the day, but I will mention it, and that is the missile defense installations in the Czech Republic and Poland. And I'm here going to offer a private and editorial comment.

I do not think that those installations make much sense -- strategically, scientifically or politically. But we shouldn't give them away for nothing, as it were, that is to say the next administration.

And I do think that that presents an opportunity to induce more cooperation from the Russians with regard to Iran, since it's the Iranian missile program that is presumably, or ostensibly, at issue there. And it also might be a way of putting the issue of NATO-Russia missile defense cooperation back on the agenda in a way that could, among other things, over time, perhaps somewhat dilute or diminish Russia's unreasonable and irrational, in many ways, neuralgia about NATO itself. So you could have a kind of three-corner short.

I don't think it would do a whole lot of good for the Georgia issue right away, but it would do good for the Georgia issue, writ large, in that if insofar as Russia is less hung up about the aspirations of countries like Georgia to belong to NATO, that might help.

MR. JONES: Bill Jones, from Executive Intelligence Review.

Just a questions with regard to NATO enlargement. Doesn't the Georgia crisis, indeed, really throw a monkey wrench into the feasibility of NATO enlargement? Obviously, there's going to be immediate demands that Georgia be brought into NATO because of what happened. But at the same time, in Europe in

particular, and I think also in the U.S., there are a lot of people who looked at that and asked themselves, “What if Georgia were in NATO when this crisis erupted? Would we be willing to send our boys over there to support it?” And this, of course, an issue that you will find often in Europe, especially in Old Europe, in France and in Germany, that they wouldn’t be prepared to do that.

And the issue is not simply Georgia. You have many of these countries that are new NATO members, or want to become NATO members, who have a very strong enmity against Russia -- some of it very irrational. And they would like to get back at them for centuries of oppression, as they see it. And these people -- would you really want to go into a situation in which somebody wanted to get back at Russia? We saw this in the Baltic states, small countries who want to throw rocks at Russia, and then would expect to get support from NATO.

That’s a kind of situation it seems to me totally untenable, and it seems to me that the Georgian situation -- in the way that it developed, with Saakashvili’s unilateral actions against Ossetia, also brings a big question mark on whether or not this is the way to go.

MR. KAGAN: Well, I’ll start to answer that, and maybe Strobe will want to answer it, as well.

I mean, I remember I had a conversation with a very, very senior French official -- who will go unnamed in this public forum -- last fall. We were talking about map for Georgia. And he said, we can’t give map for Georgia, because what happens if we do and the Russians send troops into Geogia?

So we didn't give map to Georgia, and the Russians sent troops into Georgia.

And I would argue that we are in this -- we've been in this situation with several countries already. I would hate to see the military planner at this moment who tried to figure out how he would protect Estonia or Lithuania if the Russians were very serious about dealing with that.

But, the fact that they are members of NATO means that Russia knows that even if it could do a quick operation which we couldn't do much about right away, that our treaty commitments would force us to undertake actions that would ultimately not serve Russia's interest. Because at the end of the day, let's not forget: even with our forces in Iraq and Afghanistan, the United States is a much stronger military power than Russia by enormous factors, which I'm sure the Executive Intelligence group would be the first to point out.

If Russia knows that we're committed, it creates an entirely different calculation. And I think that what we did was, in fact, send an amber light or even a green light when we made it clear -- when Europe, despite the funny statement at the end of the document, when we made it clear that we were unwilling to do that, precisely as the French made it clear, because we were afraid of Russian action.

So, you know, this is true all over the world. Our ability to defend Taiwan is problematic. But the fact that we would get involved -- or at least there's a high change that we would get involved -- I think serves as a deterrent to China.

So unless you're prepared to say that we now have to, you know -- we should, under the logic that you're talking about, we might want to renounce our commitments to some of the already existing members of NATO.

But I think that the membership is, in fact, a credible and useful deterrent to Russian action.

MR. TALBOTT: I would, in addition to agreeing totally with Bob, I would only add a note of puzzlement at your comment that the smaller countries, which you did not name, have an "irrational fear of Russia," given fairly recent history and what they experience.

There was always a question -- Bill Perry put it very well back in the '90s -- that one reason for both maintaining and enlarging NATO was a hedge against Russia at some point going back onto the geopolitical offensive. That wasn't then, and I don't think should be now -- and let's hope won't be in the future -- by any means the prime motivation. But it is not a zero factor. And, in fact, it is less of a zero factor now, than it was two weeks ago.

MR. TSERETELI: Mamuka Tsereteli, I'm President of the Georgian Association of the United States, and professor at American University. My question is to the entire panel.

What are the policy options, today, in the United States and Europe? If you are asked by, let's say, the United States government to advise them what to do today, what would be your answer to that question?

Thank you.

MR. TALBOTT: I would say that the United States, in the person of the Secretary of State and the President should fully support the Franco-Finnish initiative now underway, but move as quickly as possible to build upon it -- particularly with regard to an issue I mentioned in my opening comments, which is doing everything possible to get OSCE observers and monitors onto the ground.

But that has got to -- first of all, it's important in its own right for establishing the facts. And, second, it could lay the ground, in due course, for a genuine peacekeeping operation there, as opposed to the sham one that we now have.

MS. OLCOTT: I agree with Strobe. I think it's really important to keep -- to take actions that keep the issue localized, to not try to make it an issue of the U.S.-Russian relationship writ large, but really to focus it on the situation in Ossetia today.

I think getting a real OSCE peacekeeping mission there in place of the Russians is really the best and, I would say, probably the only effective first step to getting the discussion back to where it was a couple years ago, to getting both sides at the table trying to negotiate a status for South Ossetia that both sides will agree to, that keeps it part of Georgia.

MR. TALBOTT: Even August 6th would be all right.

MS. OLCOTT: Yeah -- well, August 6th, I think, is less realistic than a few years back.

PANELIST: But I'm sure the follow-up question ought to be: what do you do when the Russians reject that option? Which I think is highly likely.

MS. OLCOTT: I'm not sure that they would reject -- I can't speak for the Russians --

(Laughter)

-- all I can do is speak for what I read, or the people I meet.

I think that if the OSCE mission includes people from CIS countries, then I think there is some chance of doing it. If the OSCE mission is going to be an EU or a NATO mission under OSCE flag, then I think it's going to be very hard.

MR. TALBOTT: Or it could be CIS-plus.

MS. OLCOTT: Exactly. Exactly. No, I don't mean just CIS. Not at all. I think it has to include people from Russia's Europe and from NATO's Europe. But it's a mess if you do that, because they're part of the CSTO -- the Collective Security Treaty Organization -- those states, and they have other obligations to Russia.

But if it's not broader and international -- no, I don't think Russia will agree.

But they're all OSCE member states.

MR. WELT: And on the agreement, the other thing that I would simply caution is that these kinds of agreement have a tendency to freeze in place, and it's something that the Georgians are very aware of, as most of us are. And there's a concern -- I mean, it's imperative that the Russians withdraw from Georgia. I think that's the most immediate concern. So of course there's an interest in getting a signed document that the Russians will agree with.

But I'm a bit afraid of just returning to the status quo, and we will be having the same exact discussions that we've been having, with a slightly larger international presence in the conflict zones -- if we can even get the Russians to agree to that which, at the moment I still doubt, if we're not able to offer them something else.

So I still think --

MR. TALBOTT: But, Cory, that would still be an improvement.

MR. WELT: It would be -- yes, if we can get them to agree to it.

MR. KAGAN: I would add just a couple of other ideas into this.

One is, both sides have talked about the need for humanitarian assistance. So we ought to challenge both sides, including the Russians, really to open up the areas, Georgia, South Ossetia, to the international community coming in to provide humanitarian assistance. Because that's also a vehicle to get international presence on the ground.

Another idea to be what you can do is how do you reassure Georgia in bilateral channels about its future course with the West? That would be a complicated subject. But I suspect at this point Georgia needs a bit of confidence building.

As we look to the conversations that we're having now -- and I think it's already been touched upon -- but it's probably worth also not talking to just Europeans, talking to the Chinese, talking to the Central Asians. Because I can't think of any country bordering Russia or near Russia that has to be happy about what's happened in the last six days.

Sovereignty and respect for territorial integrity is going to be very important to these countries, and we ought to look at a way to use that -- to use that really, perhaps at some point, as a pressure, if there's a need to generate a push-back on the Russians.

So there are some ideas out there.

MR. PIFER: Back there, in the blue shirt. In the light blue shirt, sitting there.

MR. CHIN: Thank you, Steve. Chao Chin, freelance correspondent.

Dr. Welt, you said that both offense and defense are a longtime plan. Is this your personal perception, or public affair fact? If it's the latter, how come nobody do anything to prevent the current conflict?

And Dr. Kagan said that EU and Russia already in confrontation status. My question is to Dr. Talbott, so who is going to be in a better position to mediate the conflict?

Thank you.

MR. WELT: I missed the first part, about offense and defense, if you could repeat that?

MR. CHIN: Okay. You said that both defense and offense are the plan.

-- or the public aware fact, if it's latter. How come nobody can do anything to prevent the current conflict?

Do you remember what you had been saying?

PANELIST: I think he means that if this thing was foreseeable --

MS. OLCOTT: -- why didn't it get stopped before?

MR. WELT: Two reasons. One, I think, as I had said before, that there was a real hope that this would iron itself out and go away.

But at the same time, I want to underline that the U.S. side was pretty -- was supportive, and increasingly supportive, of changing the format to introduce an international presence, be it peacekeeping or a police presence -- which was the most recent focus -- for quite some time.

And these proposals were encountering resistance on the European side. and I don't want to answer why there was that resistance, but it's fairly clear that the U.S. did not feel either that it was an issue that they wanted to expend more diplomatic effort on, or that they could.

But I also just want to underline again: the tragedy that we're discussing here, now we're talking about the importance of having this international presence there. We could have discussed this months ago. And we could have -- if we believe it will solve this conflict, or help keep things at a low roil, then we should have made that decision long ago. But it took this war, understandably, for us to make these calls.

MR. KAGAN: Can I just add a small footnote to that?

The French and the Germans opposed internationalizing the peacekeeping force because they didn't want to anger Russia.

MR. WELT: Up until the last days.

MR. KAGAN: Yes.

MR. WELT: They reinforced their support for the existing peacekeeping format.

MR. KAGAN: Because they didn't want to antagonize Russia.

MR. TALBOTT: I guess I would just say that, looking backwards, I hope we don't spend -- first of all, we're running out of time, so we won't spend a lot of time -- looking backwards and Monday morning quarterbacking this whole thing.

When we do get around -- it's still Sunday afternoon, and the game is -- a very deadly game -- is underway.

When we do Monday morning quarterbacking, there will be fault to be found in several different quarters, including locally -- which is to say, in this town. But I don't think -- I think that's a distraction at this point. We simply need to see more in the way of facts.

For going forward, I would just reiterate -- and this, I know, doesn't bring either joy or optimism, to Bob, in particularly, but I understand why it doesn't -- I think the con, the quarterbacking, is now very much with the French, as the presidency of the EU, and with the OSCE. And it's too late, frankly, for the U.S. to step into a central role as the mediator. First of all, because it's too late, and we didn't use our unique influence in both Moscow and, particularly, in Tbilisi, to do some defusing before this thing blew up. And now we are seeing too much in Russian eyes as being the patron of the Georgian side on this.

But that still leaves plenty of room for American diplomacy, which is now underway with Dr. Rice and Dan Fried's trip to the region.

MR. PIFER: I think we have time for one more question.

MR. KAGAN: I'm not upset about it.

MR. TALBOTT: Okay. Good. Bob's optimistic.

MR. KAGAN: No, I don't want to say that.

(Laughter)

MR. DUNKERLEY: Craig Dunkerley.

And heeding your call for looking to the future, can I ask you, Strobe, and the rest of the panel, to expand on one of the comments you made earlier about when you referred to the huge challenge that the next administration would face in crafting a strategy, a Russia policy?

Because you've also noted -- and others on the panel -- that there have been significant missed opportunities in the last four to six years. We're at a potentially game-changing moment, but it's not a replay of the Cold War. Presumably, it's going to have to be a policy that allows for actively pushing cooperation in some areas -- such as, perhaps, a new strategic nuclear regime -- even as we're more vigorously pushing back in some areas, such as the Caucasus.

In general terms, we usually don't do nuance particularly well. And at a time when the political debate on such issues tends very much towards oversimplification --

MR. TALBOTT: Yes.

MR. DUNKERLEY: -- what are the prerequisites for the new strategy that we have to take into account?

MR. TALBOTT: Well, we particularly don't do nuance very well in Washington when we're a couple months away from a Presidential election. And we've been in this Presidential election mode for what seems like years.

But in any event, to take your question very seriously, I do think that the larger context here includes a certain lack of cogency or consistency in U.S. policy towards Russia. It's been kind of all over the map -- and also the U.S.-Russian relationship was significantly downgraded at the beginning of this Administration, even before 9/11, and then when it was upgraded, it was upgraded as an alliance in the global war on terror. Then it went from that to disillusionment around the time of the Hutoclovski arrest, and so forth and so on.

So I think that the next -- it will behoove the next administration to do a lot of thinking before coming into office about having a fresh and cogent policy towards Russia. And, by the way, there a lot of sort of Track-Two, which is to say informal -- or "unofficial," I should say -- efforts to make sure that the next administration has some thoughts and some papers to work with. Bob Legvold and others are putting together, or bringing together, a bipartisan group to work on that. Tom Pickering is, and a lot of people known to many of us here, are involved in that. And that's all to the good.

I think you're quite right, Craig, to zero in on what is old business that ought to be new business. And that is the strategic nuclear and strategic military relationship between the United States and Russia, and between Russia and the West -- not least, by the way, because it has implications in the missile defense area for the NATO-Russia relationship.

And I've been, as we all have, paying very close attention to what both Senators McCain and Obama have been saying on this. And it's, once again, an example of how there is probably -- there is more similarity between the two of them than there is between the two of them and the current Administration.

Senator McCain's statement, speech in Denver, I believe suggested really quite a new look at strategic nuclear policy with regard to Russia -- even suggested as somebody who had voted against the Comprehensive Test Ban Treaty in 1999, that he would re-look at that, take the U.S. and Russia back onto a course of genuine strategic nuclear reductions.

And Senator Obama, at Purdue and elsewhere, has made statements which make many of the same themes.

So I"m personally somewhat optimistic that both on the specific issue of the nuclear relationship, and more generally, we will see a stronger and more high priority attention paid to Russia starting next January.

MR. PIFER: Well, with apologies to those who couldn't get their questions in, we're about 10 minutes overtime.

So let me ask everyone to join me in thanking the panelists.

(Applause)

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