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BROOKINGS HOSTS VICE PRESIDENT JOE BIDEN
FOR REMARKS ON THE RUSSIA-UKRAINE CONFLICT

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Introductory Remarks:

STROBE TALBOTT
President
The Brookings Institution

Keynote Remarks:

THE HONORABLE JOE BIDEN
Vice President of the United States of America

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P R O C E E D I N G S

MODERATOR: Ladies and gentlemen, please welcome the President of the Brookings Institution, Strobe Talbott, and the Vice President of the United States, Joe Biden. (Applause)

MR. TALBOTT: Mr. Vice President, on behalf of all of us here, particularly the International Advisory Council, the Brookings Institution, we welcome you here to Brookings today. We know that you are going to be addressing us on one of the most consequential issues of our time, the Russia-Ukraine conflict. The Vice President has been a friend of this institution and a friend of many of us here for many years. Welcome back, Mr. Vice President.

VICE PRESIDENT BIDEN: Delighted to be here. Thank you, Strobe. Well, folks, let me begin by -- as I walked in the room here it reminded me of a story they tell about Calvin Coolidge. He was in a whistle stop tour coming west to east heading back home and every town they'd get in he'd step on back in the caboose, and make a speech to those assembled on the track. And this one stop they made somewhere in Ohio he walked out and stood in the back of the caboose with the flag draped on the stairs, and he walked back in and his staff said what's the matter, Mr. President? And he said well the audience is too big for a conversation and too small for an oration. (Laughter) And I think we're in that place. I'll try to do neither. I'll try to find something in between here.

Strobe, let me begin by thanking you not only for your friendship but for your advice over all these years, particularly on this subject. I have tried to keep close contact with Strobe because I find him to be one of the most knowledgeable people in the world on issues that I have a great interest in and are unfortunately very much center stage these days. And I want to thank you especially when you and Steve Pifer came

over to my home to do a deep dive with me to be my reality check on the issue that I'm going to speak about today -- Ukraine. And, Martin, it's always good to you, man. I'm not sure you should have accepted the Vice Presidency (laughter) but you have been a great, great asset. I hope you have as much access as I do. (Laughter) Sometimes I wish I didn't have all that access.

You know, it's now been 14 months since Russian aggression in Ukraine last spring. And it has literally transformed the landscape of European security. Everybody wants this conflict to end as soon as possible. The question is on whose terms and how will it end. Because it's not a remote conflict between neighbors arguing over who gets what, what's happening in Ukraine is about much, much, much more than that. It's about the rights of nations on the frontier of Europe to choose their own futures; it's about the future of NATO, our collective self defense, and our unity, our strength, our ability to deter aggression together. I think it's that fundamental, it's that basic. It's about the future of Russia itself I would argue, because if the Kremlin is able to establish its own fiefdom in Eastern Ukraine it will only fan the flames of ambitions in the region. And believe me helping Ukraine in its defense and deterrence against Russian aggression is critical, is critical to checking further aggression down the road. As I keep saying and the president reminds me, it's either pay me now or pay me later, but there's a price tag here.

What happened in Ukraine and how the west and the world respond has I think consequential implications for the nature of international order in the years to come. In particular the bedrock principles of security, territorial integrity, and the inviolability of borders. China and many other nations are watching very closely how the world responds. They'll learn from this conflict regardless of how it plays out in my view.

Before I turn to today's crisis I want to take a moment to speak about our broader policy, the Obama-Biden administration broader policy with regard to Russia. I

don't think anyone can legitimately accuse our administration of failing to explore in good faith, in good faith, the prospect of establishing a constructive relationship with Russia. Six years ago in the first speech of our administration, and I believe you were there, Mr. Secretary, at the Munich Security Conference, I announced our position. I called for a reset to "Revisit the many areas where we can and should be working together with Russia." And where Russia indicated they wanted to work with us as well. But even then I made clear, I made it crystal clear, that "We will not recognize any nation having a sphere of influence. It will remain our view that sovereign states have the right to make their own decisions and choose their own alliances." I meant it then and we mean it now.

In 2009 when we came into office President Medvedev was in power and he spoke about the need for Russia's economic modernization. And he talked about the need to combat Russia's what he called legal nihilism, to strengthen the rule of law. Without being naïve we decided to test the prospect that Russia would strengthen the rule of law and gradually embrace the path of economic modernization and greater integration of the world economy in concrete actions which could over time help integrate Russia into the world of responsible nations. And it was in that same spirit over several administrations the United States supported Russia's membership in countless international organizations, the NATO-Russia Council to the Council of Europe, to the World Trade Organization. We also welcomed Medvedev's political reforms like direct election of governors in Russia and decriminalization of libel. And from 2009 to 2012 we achieved a great deal together, a great deal of cooperation with Russia to advance our mutual interests, Russia and ours. A New START Treaty that reduced strategic nuclear arsenals by one-third, a vital supply route for coalition troops in Afghanistan, at the UN Security Council, resolutions that pressured both North Korea as well as Iran, and brought the world within reach of a historic deal with Tehran, yet to be determined but

we're optimistic.

But when Prime Minister Putin returned to the Kremlin in 2012 as President Putin he set Russia on a very different course almost immediately, recriminalizing libel, calling off direct elections for governors, and making it harder for political parties to register, aggressive repression at home including silencing of the mothers of soldiers deployed in Ukraine, contempt, contempt for the sovereignty and territorial integrity of Russia's neighbor, Ukraine, but also Georgia and Moldova, disregard for Russia's own commitments made at Helsinki, Paris, and Budapest. And so the world looks different today than it did before he became -- reassumed the Presidency. And President Putin must understand as he has changed so has our focus. That's why at this year's Security Conference in Munich I spoke the need to reassert the fundamental bedrock principles of a Europe whole and free, no inviolable borders, no spheres of influence, and sovereign right to choose our own allies, and particularly inviolable borders.

At the center of Russia's fundamental choice over what type of path it will ultimately pursue is the conflict in Ukraine in my view. I have now visited Ukraine three times since the current conflict began, and it's hard to fathom unless you go there, and many of you have, how much they've accomplished for themselves under enormous pressure since the Maidan. Correlating people power to rally against corruption, defending their country against brutal Russian aggression with the odds against them, staying unified, putting patriotism before personal ambition, and holding in the fairest and freest and most widely modern elections in Ukrainian history. Of course painstaking work lies ahead. Transitions are hard, as you all know in this international group. Transitions are hard under any circumstance. It's even harder when a powerful neighbor is actively undermining everything you do. President Poroshenko is right to speak about the

necessity and urgency of Ukraine to act on what he calls the 4 Ds, deregulation, debureaucratization -- it's hard to even say the phrase -- deoligarchization and decentralization. But that's what he harps on. That's what they're working on. To succeed the Ukraine needs to use the new laws on the books to investigate and prosecute corruption on all levels. I speak with Yatsenyuk and Poroshenko probably on average once a week if you average it out over the last year. They passed laws; now they have to in fact implement the laws that they passed.

Ukraine needs to use all the tools at its disposal to limit the ability of the oligarchs to abuse their market positions or exert pressure on government officials. And by the way there is a long history of that. We all know since the revolution it's never been on the level in terms of the influence of oligarchs in corruption, but they're trying. But it needs to keep working toward constitutionally informed decentralization to ensure the local government is really represented and accountable. And above all it needs to keep listening to its people and to Ukraine's civil society. Every time I've met I've spent extensive time with civil society.

So long as Ukraine's leaders keep faith with the project of reform, the United State will continue to stand with them. In total we have provided over \$470 million in economic assistance since the start of the crisis. In addition a \$1 billion loan guaranty last year, another \$1 billion loan guaranty signed this month, and potentially a further \$1 billion at the end of this year if Ukraine continues with the path of reform. And that \$470 million includes nearly \$200 million the armed forces, National Guard, and border services. Much of the debate in Washington has been focused on whether we should provide additional defensive lethal weapons to Ukraine. That's a debate worth having and continues. And my views are somewhat known on that. But let's not lose sight of the fact Ukraine also needs basic military equipment and training which we're also

providing on the ground. And our allies, our NATO allies, have contributed to a Ukraine trust fund established at the Wales Summit, the NATO Summit of Wales. But more is needed to be done. And the President and I spoke about this yesterday with NATO Secretary General Stoltenberg and it's on NATO's agenda in Warsaw. Finally, our assistance has been and will continue to be directly addressing the humanitarian tragedy created by Russian aggression. It is profoundly in our self interest, and I would argue the self interest of the world, that this new Ukraine emerges as a prosperous, democratic, independent, reform-oriented country that cannot be bribed, coerced, or intimidated. That's what the Ukrainian people are devoting their lives to, giving their lives for. And one day it will serve as an example for Russians across the border who will see what's possible when a country embarks on real reform. The conflict over Ukraine I think is a test for the West, a test for the EU, a test for NATO, a test for us. President Putin is wagering that he has greater staying power than all the parties I just mentioned have. In Ukraine he's betting that he can outlast the current reformist pro-European government and undermine it economically. President Putin is also trying to scare our allies and partners with the threat of a new and aggressive Russia. Terms we haven't heard in a long time in terms of terms relating to nuclear power, nuclear arms. And as it tries to rattle the cage, the Kremlin is working hard to buy off and co-opt European political forces, funding both right wing and left wing anti systemic parties throughout Europe. President Putin sees such political force as forces as useful tools to be manipulated, to create cracks in the European body politic which he can then exploit. As a sideline, I remember we were working -- which I'll speak to in a moment about European energy security -- I found it fascinating that Russia is funding green parties. Their newfound environmental concern has really impressed me. But these actions are abetted by a hyper aggressive, state sponsored, Russian propaganda machine that actively spreads

disinformation and does it very well I might add. But on the whole European unity has held. Europe has hung together. European leaders last met on March the 25th and they spoke clearly. And we have also made our position clear. The United States' sanctions on Russia must and will remain in place until the Minsk Agreement is fully implemented. It is my hope and expectation that when European leaders may meet again at the end of June, they will renew existing sanctions until Minsk is fully implemented. There's no way to know that until the end of the year. And we'll continue to expose the truth about Russia's actions to the world, and coordinate closely with our partners and allies to ensure that further agreement on Russia's part is met with further costs if Russia again moves beyond the line of contact. This is essential to our strategy. Taken together it's clear; Russia is taking actions to weaken and undermine its European neighbors and reassert its hegemonic ambitions. And we need to be able to respond. It's not just Ukraine. Critical to this effort is advancing affirmative vision to strengthen the Transatlantic Cooperation in Europe itself, to be able to resist Russian coercion and leave no daylight in the tactics of divide and conquer. Ukraine is integral to that, but the acts of Russian opportunism and aggression require us to also address more broadly and systematically European points of vulnerability, reinvigorating and retooling NATO to be able to respond to new hybrid warfare threats that we're seeing today, finally getting serious about Europe's energy security. So we take away Russia's ability to use energy as a political weapon and promoting Europe's economic growth and economic security. It starts with NATO though. Reinforcing our alliance and honing the tools that are at our disposal to counter the various asymmetric threats that we now face. The steps we are taking to make clear to our allies that Article 5 of the NATO Treaty represents a sacred commitment on our part and every other NATO member. NATO's readiness action plan is an important start, allowing us to step up our military presence in the air and sea and

on the land, from the Baltics and Poland to Romania and Bulgaria. And we're pleased that some of our NATO allies have made similar contributions. But at this time of crisis too many of our allies are still failing to meet their commitment they made at the Wales Summit, to spend two percent of their GDP on defense. This situation is not sustainable. Collected defense must be a shared responsibility, not just in rhetoric, but in resources as well.

When it comes to energy we need to work across the Atlantic to deny Russia the ability to use resources as a political weapon against their neighbors. As I said on several occasions before, it's time to make energy security the next chapter in the European project of integration and market expansion. It's time to replace country by country strategies with a coherent, collective effort focused on diversifying fuel types, supply sources, and routes, improving efficiency, making investments in market reforms, including greater flexibility of infrastructure to transport natural gas. We have provided all our experts available here to our European friends at their disposal to help them work through these various elements. We've already made some significant progress. In the face of Russian cut off of gas supplies to Ukraine last year we supported the EU's efforts to mediate a gas deal. We worked with Ukraine's neighbors to increase reverse flows of gas shipments to Ukraine. We support Lithuania as it inaugurated the first LNG terminal, ending the Baltic region's complete dependence on Russia imports of gas. And we worked closely with the European Union to help advance critical energy infrastructure projects that will help foster competition in Europe rather than perpetuate the dominance of one supplier. We applaud and encourage Europe's efforts to take a more regional approach because a more stable European supply of energy means a more secure world. And we're ready to do our part as our European friends know.

And finally we need to rebuild, and in some places build for the first time,

the economic foundations of the European security. In that spirit we support European efforts to create jobs and boost domestic demand, to emerge as we have from the great recession that began at the end of the last decade. The good news is that we now know the types of policies that efficiently spur economic growth and boost employment. Investing in infrastructure and human capital, lowering barriers to trade and investment, making reforms to improve the business climate, and a regulatory process. We're pursuing the Transatlantic Investment Partnership to create growth and jobs and strengthen this global trading system. And we've especially focused on fighting corruption. Corruption is the new tool of foreign policy. It's never been as handy and as useful in the hands of nations who want to disrupt and oligarchs that respond to them. It's like the kryptonite of a functioning democracy. It siphons away resources, it destroys trust in government, it hollows out militaries, and it affronts the people's dignity in the countries where it is rampant. And the stakes are strategic as well as economic because Russia and others are using corruption and oligarchs as tools of coercion. And we need to help some of the newer EU nations and those aspiring to join them, to shore up their institutions, to put in place the mechanism required to avoid becoming vulnerable to this new foreign policy weapon. When you take these developments together it's clear in my view that we've reached another moment in the history of the transatlantic relationship that calls out for leadership, the kind our parents' and grandparents' generation delivered. I think it's that basic, I think it's similar. I believe the terrain though is fundamentally in our favor, not because of the inevitability of any kind of trajectory toward unification or integration or democratic freedoms. Every generation has its demagogues and revisionists, and transitions are full of peril that provides them with many, many opportunities. What makes me optimistic is that President Putin's vision has very little to offer the people of Europe, or for that matter the people of Russia, other than myths and

illusions, the false promise of returning to a past when examined was not too good a past to begin with. A sleight of hand that presents the bullying of civil societies, dissidents, and gays as substitutes for strong leadership and functioning institutions. The propaganda that conflates aggression with strength.

It's not easy for governors to provide for people in the 21st century, we all know that. You know that in your own countries, we know it in ours. But it's also no secret what works, what the basic elements are. It's like physics these days. You need political and economic openness, respect for law, strong functioning institutions and markets. Without all those in place economic growth does not occur and will not occur. And if together we the United States and Europe can reassert and stick to our principles, deliver on our commitments, and help make Ukraine and Europe keep doing what works, then I have every confidence that we will leave the transatlantic relationship stronger than we found it. And Europe even more secure and free.

I thank you for your indulgence in listening to me and it's been a great pleasure to be with you. Thank you. (Applause)

Thank you. I've been instructed by Strobe, who's been instructing me for a long time, to make myself available for some questions. You may have to write a note excusing me from a meeting with the President (laughter), but I'm sure he'll understand if I spend a little bit of time and take a few questions if you have any.

MR. TALBOTT: Just two or three very short ones. Javier, do you want to start?

VICE PRESIDENT BIDEN: Good to see you, Javier. He didn't want to start (laughter). Great to be with you, man.

MR. SOLANA: Thank you very much for your candid talk. You gave certain very well the debate and what I think is that we are in the same boat, the

Europeans and Americans. And in particular what you have said and underlined very much, the Minsk Agreement has to be respected. And it's true that we will not know if they are respecting that until the end of the year because the border is what has to be really recuperated by Ukraine. And I think we keep on working together and we will win this battle.

VICE PRESIDENT BIDEN: I think so too. And the other thing I think by the way is that I've spent so much time with Ukrainian leadership, they are prepared to make genuine concessions on decentralization. They are prepared to make genuine commitments to local control in the obelisk in the east, but it's kind of difficult to do this. The one part about the Minsk Agreement is that it's awful hard to hold free elections on the other side of the line of control when you don't control the border. And that is something that I'm hoping that us and our European colleagues are going to be able to work out because there has to be -- part of the deal is free elections in the east and that's going to be difficult.

QUESTIONER: Mr. Vice President, thank you for coming to Brookings. Why isn't it obvious that the United States should be exporting energy, particularly liquefied natural gas to Europe, particularly Eastern Europe?

VICE PRESIDENT BIDEN: Well, it is obvious and we are supportive of that. The problem is under our system the way it works is is that companies contract to get these opportunities to have access to the natural gas that is exportable. And under our law we cannot direct a particular company to send the gas to a particular place. Now there has been some discussion in many quarters, probably here at Brookings, about whether or not there should be some exception made as to being able to directly direct it, but under our system all the Europeans and the countries in question are able to contract with the folks that -- I think -- I forget how many contract now -- I think it was 13 or

something -- anyway, all of the contracts that have been made for access to that natural gas. But what happens is, you know, it's at market prices and so -- but it is the thing I have the hardest time explaining in Europe because under their systems, most of them, it says well the President decides where we will -- a policy we're going export X trillion, you know, units of gas to such and such a country. It's not -- legally we can't do that.

MR. TALBOTT: Mr. Vice President, I don't want you to get in trouble with the President.

VICE PRESIDENT BIDEN: I'm happy to take another one if you want.

MR. TALBOTT: Okay. Well, I'm going to be in trouble with your staff.

(Laughter)

VICE PRESIDENT BIDEN: All right.

MR. TALBOTT: Which is really serious.

VICE PRESIDENT BIDEN: Don't worry about my staff. (Laughter)

QUESTIONER: Mr. Vice President, how worried are you about the three Baltic republics with a large Russian minorities?

VICE PRESIDENT BIDEN: That's what I was referencing by the asymmetry I'm talking about. And that is something that is going to be a major topic in Warsaw at the next NATO meeting. But it's already entrained in some of the actions we've taken relative to the rotation of forces and so on. But it is a concern, it is a concern using the false assertion that, you know, there's a Russian minority or in some places close to a plurality that is being persecuted and I, Vladimir Putin have the obligation to present their interests. It is a difficult situation, but we're resolved to stand with the Baltic States as that occurs. But that planning is entrained and has been as we speak, but it is a concern. I'd be lying to you if I said it wasn't.

Martin, did you have a question? I can't leave without taking a Vice

President's question. (Laughter)

MR. INDYK: Thank you, Mr. Vice President. And I just want you to know that you're my role model. (Laughter)

VICE PRESIDENT BIDEN: I can't think of any office you aspire to, but go ahead. (Laughter)

MR. INDYK: No, I do. The speech that you just gave is a very tough one, admirably tough. At the same time as you were standing up to Mr. Putin in the way that you've been described, we're also cooperating with him on what you call global issues, non proliferation, counter terrorism, even potentially in a place like Syria. How do you handle that kind of tension between cooperation and competition?

VICE PRESIDENT BIDEN: Just that way. Look, human nature is human nature. It doesn't change based upon whether or not you're reading the motives and actions of a head of state or you're brother or your partner in your enterprise. And that's life. The cooperation where -- the one thing I'm counting on with President Putin, who I've had occasion to spend some significant amount of time with, is that at his core he is practical. At his core he will push as far as he can in my view until he reaches a resistance that in fact says there's a big price to pay. And he may then make a mistake and continue, but it's a calculation I believe he will -- presumptuous of me to read another man's mind -- but I think if you look at his behavior over his career he's a practical guy. And it seems to me that it has been the history of successful American foreign policy going back 100 years that it makes sense to cooperate where there is a clear mutual interest as long as you're not being asked to back off matters of principle that matter to the security and well-being in your country and your allies and your friends. So quite frankly I see it being overwhelmingly in our interest to continue to cooperate in Iran. I would argue that if -- let me choose my words a little bit here -- there has been a lot

written by some very bright people here and at other think tanks around the world, that Putin would like very much to respond in a negative way and raise the cost for the United States for being the leader of imposing sanctions on him. And there are a lot who speculated that one of the things he would do right off the bat was pull out of the negotiations with Iran. Well, it's overwhelmingly in his interest not to do that. It's overwhelmingly in his interests and it would be increasingly obvious to both he and Tehran that absent some kind of negotiated settlement relative to Bashar Assad, they are reaping a whirlwind as we are. So I always count on self interest being a motivating factor for -- in my personal relationships -- you've heard me say, Martin, all politics is personal. And I mean that not you have to like one another, but you have to be able to understand what the other guy is looking for or the other woman is looking for, what they perceive to be their interest. And it's clearly in the interest of the United States as well as Russia, that to exaggerate the point that you don't end up with Daesh or ISIL controlling all of Syria. It's clearly within the interest of Russia, and I would argue China, that Iran not become a nuclear power. And there are other things that are of mutual interest. So it seems to me that if you're a rational and tough American leader or President you would look to those thing which were clearly in your benefit as long as you do not have to make a concession on something that is a matter of principle and value to you. And thus far we have not reached that point. There has been no discussion of we will not stay -- this is hypothetical press -- there has been no discussion of we will continue to be part of the P5+1 and going along with the consensus, but you have to -- only if you do the following. So these are two mature nations, two tough leaders who know what the interests -- one clearly knows what the interests of country is, President Obama, and the other is trying to find out. And I would argue, Martin, that there is no -- that President Putin didn't start off with a broad strategy as to how he was going to respond or deal with Russia or Eastern

European states. I think he started off with the strategy that he was determined to build up Russian military from the place he found it, but I think it was more opportunism than any strategy. And we continue to look for what we say, the phrase used, "off ramps" for President Putin. We're not looking to embarrass him, we're not looking for regime change, we're not looking for any fundamental alteration of the circumstances inside of Russia. We're looking for him to in our view act more rationally. And if he does not we will continue to confront what I characterize as pure aggression.

Thank you all so much for listening.

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CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

(Signature and Seal on File)

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