

THE BROOKINGS INSTITUTION

Brookings Cafeteria Podcast:  
What Putin and Russia want

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DEWS: Welcome to the Brookings Cafeteria, a podcast about ideas and the experts who have them. I'm Fred Dews. Russia and its president, Vladimir Putin, continue to loom large in the American imagination and in foreign policy discussions. Who is the Russian president, and what are his ambitions? What are the appropriate policies we need to manage the often challenging U.S.-Russia relationship? On our show today, I have expert Pavel Baev to help address these and other questions about Putin and Russia; and find out at the end of the interview what Baev thinks Putin will do after his third term as president ends in 2018. Also in this episode, Molly Reynolds talks about the recent special elections in Georgia and Kansas, and then what to expect as Congress returns from recess.

And now, on with my interview with Pavel Baev.

Pavel, thanks for joining me in the studio to talk about Russia and Vladimir Putin.

BAEV: My great pleasure.

DEWS: Could you please introduce yourself to our listeners?

BAEV: Of course. I'm Pavel Baev, and originally I'm from Moscow, where I was born nearly sixty years ago and lived until I was thirty-something. And then 24 years ago, I moved to Oslo for a year, stayed for another, and now it's suddenly 24. All these 24 years, I worked at the Peace Research Institute Oslo, PRIO, and since a few years ago I am also a nonresident scholar with Brookings with the Center for U.S. and Europe.

DEWS: So we're going to talk about Vladimir Putin. He's in the news a lot. Why would you say Vladimir Putin sees the United States as Russia's number one enemy?

BAEV: Well, it is a well-established tradition in Russian political thinking, so he's not original here. The whole Russian political class very often refers to the United States as really the center of power in the world—this way or that way, in benign terms, in hostile terms—but the United States is really the main point of reference for Russia, to the degree it's a point of obsession. With Putin it's certainly very particular because with his background in special services, that was something really indoctrinated to his basic instinct from very early years, despite him being a Germanist and related in many ways to Europe. But the United States is really, for him, the power center in the world, and he sees that power center as increasingly hostile to himself personally. And that feeling developed gradually, but it really reached its peak with the demonstrations in Moscow when he decided to come back and become president again, and he expected that the West would kind of embrace him as kind of naturally belonging to that summit of power. The West, on the other hand, wasn't particularly happy that Medvedev's short term turned out to be that short, and the demonstrations in Moscow immediately were seen by Putin as orchestrated by the West—directly sponsored, supported, manipulated—and I think that was a turning point for him. And that stays, and it is becoming reinforced again and again.

DEWS: How much of this is President Putin's and Russia's, even, desire to be seen as sort of an equal power with the United States on the global stage?

BAEV: Oh, that is very much part of the same obsession. If the United States is the main point of reference, that in Russia is seen as very much a counterpart. And the urge to be respected, to have a dialogue as equal, is one of the cornerstones of the whole Russian worldview, and that's why, when President Trump mentions matter-of-

factly about dealing with Russia from the position of strength, that really hurts. That was stepping on a very painful toe, and Russia was thinking in terms of a new confrontation, that all the hopes, all the rosy expectations related to this change of American leadership, are suddenly coming to nothing.

DEWS: Well let's stay on that tack, then. Donald Trump is the United States president, and whether or not Vladimir Putin and the Russians wanted Trump to be president or wanted Hillary Clinton to be president, that's a different conversation. Donald Trump is the United States president, so how does or doesn't Donald Trump as the U.S. president benefit Vladimir Putin and Russia's policy agenda?

BAEV: It is a question which in Moscow they don't have an answer as yet. And when Putin's spokesperson Dmitry Peskov was saying "we are at a loss, we don't have a clue about how the relations are going to develop," I think he's saying—one of those rare occasions when he's saying—the truth. They are really at a loss because, basically, there are two competing approaches to how Russia might benefit from the very unexpected outcome of this election. And one is that the new president is more positively inclined towards Russia, he is more inclined towards making deals, towards bargaining. And that's something Putin understands very well. And another approach is that the new president brings disunity and callous and confusion the Western camp, undermining the unity here, and that's a very different take on the same problem from which there are very different conclusions. For that matter, if you're about deal-making with Trump, you need to give it time. You need to wait until all the dust will settle, until Trump's team will be formed and there will be counterparts to discuss bargaining terms with. If, however, you are looking at more confusion, that's your opportunity now, when

the confusion is at its peak. You need to use this opportunity and you need to move. So one perspective tells you about “wait,” and another perspective tells you about jumping on the opportunity and “move now.” And there’s a conflict, and I don’t think in Moscow they have a clue how to resolve it.

DEWS: If Vladimir Putin and the Kremlin were to move now, as you say, what do you think that would look like in terms of policy action?

BAEV: I think Putin, while liking very much bargaining and deal-making and *Geschäft Machen*, I think the essence of his policy has developed a taste for throwing surprises; playing white, as in chess; for catching the opponents flat-footed; and enjoying confusion and dismay on the other side of the proverbial barricade. That was quite obviously the case since the whole Crimea gamble, which turned out for him, at least, to be quite successful. What kind of surprise he may pull out of his sleeve is difficult to predict. That’s the whole nature of surprise. You know, my point at this moment in time is more that there is a very strong possibility he will decide to go for a surprise, that they will not wait out until the counterpart will be ready to bargain. I think he’s very hurt that he received only one phone call, and for that matter, not very rich in content. While all other things are moving, this direction is blocked. He feels neglected, and that’s not really relations as equals. He feels that there is really a possibility that the U.S. would move towards dealing from the position of strength, particularly with this massive increase in the military budget, and he would want to preempt that.

DEWS: I’m glad you brought up the military budget. We know that President Trump wants to increase the United States military budget significantly, he wants to increase the size of the army, the navy. He’s even said he wants to increase the

number of United States strategic nuclear forces. How do you think President Putin and Moscow would react to that?

BAEV: I think it was interpreted in Moscow as a very strong signal directed to Russia while it wasn't necessarily a signal to Russia, but again, with this obsession with the United States, every statement is interpreted as directed towards Moscow. And the size of the increase, which in essence is about the size of the Russian military budget, was seen as huge. And in Moscow, there is very little understanding of the fact that it's not really the president who controls the purse, it's the Congress, and so the budget might undergo all sorts of changes. That is very much seen as already the done deal, and Moscow isn't really taking into consideration the cuts in other elements of U.S. soft power and particularly the State Department. It's something of far less importance in the Russian view than the increase in the military might.

And how to respond to that? It's very difficult to find a response in kind because Moscow and Russia and the Russian economy is in a situation where Moscow has to cut its defense expenditures. The armament program was hugely ambitious, and it's sort of halfway through, but less than halfway. But now, suddenly, the money is running short and they have to make cuts. So they cannot respond to the U.S. increase with a corresponding increase at all.

DEWS: Let's look at relations between Russia and some of its neighbors closer to Moscow, thinking about NATO. NATO is talking to Montenegro about expansion, accession of Montenegro to NATO, but also we're still seeing conflict in Eastern Ukraine and also we sometimes wonder, what is Russia's policy toward Georgia and the Baltic States? Can you talk about some of those issues?

BAEV: Yes, certainly. If we start thinking about where exactly Putin's surprise might possibly come, and it's guesswork, but we first of all look at this particular region close to Russian borders, within their reach. And situations there are very different. Certainly, Georgia is one possible target, and the Baltic theater is another. And with Georgia, I would think the main attraction for Russia is how easy it is. Russia has already tried that in the year 2008, and all the evidence shows that it can be replayed with very little risk. What sense does it make is a different story. What would be the particular value of this sort of surprise? In the Baltic theater it's a different situation, and I think in Moscow the very strong messages from NATO—sent since the middle of last year, since the Warsaw Summit, that the three Baltic States, Estonia, Latvia, and Lithuania, are off limits, cannot be touched—I think that has registered. That red line, I think, is firmly established, and the risk factor here, I think, for Moscow is prohibitive.

And Ukraine is completely third story. It is not a potentiality, it's something which is happening. People are dying there every day on the so-called ceasefire line. There is no ceasefire, it's continuing artillery duels. It is a very hot conflict. And for that matter, for Moscow, it is a big unresolved issue. What to do with that conflict? Because it is costly and the present configuration makes no sense whatsoever. There's kind of two chunks of two regions of Ukraine which are very heavy to maintain, very high risk because it's an open conflict, and at the same time constitute hardly any asset for Russian policy. So I think proactively in Moscow, where we can possibly move, Ukraine counts probably on the top of the list.

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DEWS: Let's take a short break here for what's happening in Congress, our regular feature, with expert Molly Reynolds explaining what Congress is or isn't up to.

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REYNOLDS: My name is Molly Reynolds, and I am a fellow in the Governance Studies program here at the Brookings Institution. After going out with a bang by confirming Neil Gorsuch to the Supreme Court after invoking the so-called nuclear option in the Senate, Congress has been on a two-week recess. But that doesn't mean all has been quiet. On the flashy, front-page news front have been two special elections for House seats, one in Kansas to replace CIA Director Mike Pompeo, and one to replace Health and Human Services Secretary Tom Price in Georgia. In the case of the former, the Republican, Ron Estes, won the seat, but his seven-point margin of victory was substantially smaller than the 27 points by which Trump carried the district in November. In the case of the latter, Democrat Jon Ossoff drew roughly 48 percent of the vote, not quite enough to avoid a runoff in June, but an impressive showing given that Price had carried the district by 23 percentage points in November before joining Trump's cabinet.

Political science research suggests that Congressional elections generally, and special elections specifically, to the House have become increasingly nationalized. That is, what happens in them is increasingly related to national political circumstances rather than to things like candidate experience. The president's approval rating appears to be particularly important, so given Trump's continually low ratings, the recent special election results are unsurprising. We should be wary, though, of drawing too many major conclusions about Republican and Democratic prospects in 2018 from the results



of just two races, one of which is preliminary. Recent history is littered with examples of special election victories that did and did not correspond with the overall outcomes in the following years' contests. What may matter, though, is what lessons incumbent Republican House members take from these contests. Are there incumbent members from potentially swing districts that would rather retire than fight a long, expensive campaign against a well-funded Democratic opponent with a potentially energized electorate? The coming weeks and months will answer this questions.

Proceeding quietly in the background of the recess, meanwhile, have been negotiations over how to avoid a partial government shutdown. Back in December after the presidential election, Congress had the opportunity to finish its spending work for the current fiscal year but Republicans decided they would be in a more favorable negotiating position this spring with a Republican president in the White House, and adopted a temporary spending bill. That measure expires on April 28th, leaving Congress with just a few days to take action. Because the bill must clear a potential filibuster in the Senate, its content will need to bring at least eight Democratic senators on board. That likely limits its ability to embrace a number of priorities trumpeted by the White House, like substantial explicit funding for a border wall or cuts to funding for so-called sanctuary cities.

In the House, meanwhile, any bill that will get the support of eight Democratic Senators is bound to alienate some House conservatives on top of the group of House Republicans who are likely to abandon the bill out of principled objection to large omnibus spending bills or to the fact that the measure is likely to exceed the spending caps put in place by the Budget Control Act in 2011. This only increases Republicans'

need to attract some number of Democratic votes in the House, bringing Speaker Ryan back to the same place that his predecessor, John Boehner, found himself in despite the shift to Republican unified control of the House, Senate, and the White House.

How that Republican-held White House plays the endgame of its first spending fight is one of several things to watch over the coming days. Are there provisions that are so important to the White House that it will threaten to veto a package that doesn't include them? In addition, pay attention to whether it seems like Congress could get to final resolution before the 28th. It's possible that thanks to Senate rules about the timing of various procedural steps, Congress has relatively little room for error, and an additional short-term bill to buy negotiators a few extra day may be needed. Also watch for whether Ryan and House Republican leaders are able to get a majority of the majority party to vote for the measure. Ryan was successful at clearing the important benchmark the last time he shepherded a major omnibus bill to passage in December of 2015. Finally, keep an eye on whether negotiations signal anything about further spending talks later in the year are likely to go. Remember, this round will only keep the government funded through the end of September, and whether the two sides in Congress and the White House are willing to dig in their heels on various issues may be an important preview of how hard it will be to come to subsequent agreement there.

That's what's happening in Congress.

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DEWS: You can listen to more "What's Happening in Congress?" pieces on our Soundcloud channel. And now, back to my interview with Pavel Baev.

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DEWS: Now, let's think about the Middle East. We've seen significant Russian involvement in the Syria conflict, deployment of many military assets. What do you think Vladimir Putin's ambitions are in that region of the world?

BAEV: I think the Syrian intervention was started on one set of premises and then evolved, and now looks very differently than a year ago, when we were discussing Putin's withdrawal from Syria, for that matter. Now we hardly can speak about any withdrawals. It's more about permanent military bases, and the whole perspective towards the wider Middle East is now kind of, for Moscow, coming from Syria kind of out. It's a huge region, certainly, but Syria has become really the center of attention, the focal point, of all the political intrigue, and the situation in Syria remains very high-risk. The Russian military forces there are not strong enough to defend themselves. They need to depend upon unreliable partners like Hezbollah and Shia militia controlled by Iran. They are hostages, in fact, to these forces; not a very comfortable situation at all. What to do with Syria remains an open question, and very often you cannot resolve a question, you move to another set of issues. And Moscow is moving around the Middle East, building all sorts of quasi-alliances here, dialogues there. It is in the unique position of being able to talk to just about anybody in the Middle East: with Israel and with Hamas, with Iran and with Saudi Arabia. But that capacity for talking with everybody, the other side of the same coin is that nobody really trusts you because they all know that you are talking with everybody else. What you're promising them is a different story, but there is no real resource base for Russian intrigue because Syria remains an entrapment, and there is no real coherence to that intrigue because they are not really mutually reinforcing. They are always clashing. If you want to develop

relations with Israel, what about Iran? If you want to develop relations with Turkey, what about the Kurds? And there are no answers to these stumbling blocks, there is no possibility to cross them.

DEWS: I remember when I was a college student in the 1980s, studying the Soviet Union and the Cold War, we learned about Soviet involvement around the world, including in Central Asia, in Africa, even in the Americas, especially in Cuba and Central America; in addition to, you know, the Iron Curtain countries in the Middle East and so on. And now we're talking mostly about Europe, Russia's immediate neighborhood, and the Middle East. So is there any other place that we're missing that we should know about, in terms of Russian interests in other regions of the globe?

BAEV: Yes, in this sense Russia certainly is not a regional power because it faces to many regions: Europe from north to south, Caucuses, Central Asia, China, the Far East, the Arctic. So the menu of regions with constitute Russia's huge neighborhood is very rich, and in principle Russia can move in many different directions. A different story is that, you know, every move is a commitment. You have started this thing in Eastern Ukraine, you're trapped there; you started an intervention in Syria, you're trapped in Syria; and your resources are not unlimited and shrinking, in fact, because your economy isn't doing very well and there is not much free capacity where to move. So you need to contemplate only easier targets, but at the same time it's one thing what you plan, it's a different story about where events take you, and some of those events are entirely unpredictable—how, for Russia, the Maidan Revolution in Kiev was unpredictable. In terms of unpredictability, probably the top of the list is Central Asia, and Russia doesn't have much military capabilities there, and it's a huge region with a

lot of potential for various conflicts spilling over there from Afghanistan or local. So Russia is not really ready for serious security challenges there, but at the same time very sensitive to possible risk going from there. The Caucasus is always very problematic, and not—I don't mean Caucasian states, but Russia's own North Caucasus—how that interplays with the Middle East, after all. In this regard, I would say many experts, myself included, expected more of a resonance from the conflicts in the Middle East in the North Caucasus, and so far it's not really registered. The region remains relatively stable to the degree it can be stable at all. There are some local clashes, some terrorist attacks, some special operations, but that is not really anything out of the ordinary, so the resonance from Syria, from rise of ISIS for that matter, from the defeat of ISIS which I hope will come very soon, isn't really creating any instabilities there. But for Russia, that remains a high security risk. So it's one thing what you choose, it's a different story whether events might hit you very hard.

As far as choices are concerned, I think one region where Russia enjoys a position of power is the high North, is the Arctic. Russia really has very strong military assets there, and nobody else has them. All Russian immediate neighbors in the North are in fact NATO member states—well, I mean, in the high seas. Finland is not, definitely, a member state.

DEWS: But Norway, yes?

BAEV: But Norway is, yes. And so everybody who is facing the Arctic Ocean is a NATO member state, even Greenland, which is part of Denmark. So in this sense, Russia is not dealing with neighbors one by one, it's still dealing with the alliance. But NATO's northern flank isn't really particularly strong, and comparing with what Russia is

deploying there, how Russia is advancing its modernizations there, you might see that's one region where Russia feels that its position of power is not really translated into some political dividends, and it's always tempting to convert your military strengths into something tangible.

DEWS: Let's switch to the Russian economy. You've mentioned a couple of times that it's not doing so well. What is the basis of Russia's economy, and what's your outlook for how it's going to do in the future?

BAEV: The picture there is both very complex and at the same time quite simple. It's simple because it is essentially a very much energy-dependent state—massive energy producer, energy exporter—but a state which depends very heavily on the petro-revenues coming from these exports. And all the talks about modernizing the economy, diversifying it, giving priority to high-tech sectors which were very much the tone of Medvedev's short-term presidency, it has brought very little result. So that part of the economic situation is in fact very simple, and Russia here is very much dependent upon the oil price. And it was involved in long, delicate negotiations with OPEC about production cuts in order to bring prices a little bit up, and it all disintegrated because in the last couple of weeks, the prices went down, disappointing all the Russian expectations.

So that part of the economic picture is really simple to interpret. It doesn't require 15 economists to make a forecast. There are, however, other parts of the Russian economic situations where it is more difficult to penetrate, and it particularly relates to the fact that during the years of oil boom, Russia accumulated considerable financial resources. So it's not only oil and gas power, but it's also financial power. And these

resources are not just sitting somewhere in the coffers of the Central Bank. They are employed very much for export of corruption, and that part of the Russian export is no less important than export of oil and gas, but far more difficult to trace, to follow, to see where the money is going and what are the returns on this dirty money flow.

DEWS: Here at Brookings, as you know, we like to combine analysis with policy recommendations. So if you had a chance to offer your policy recommendations to the Trump administration, maybe one very specific thing that you wish it would do with respect to U.S. policy toward Russia, what might that be?

BAEV: I think it is essential to normalize dialogue with Russia. It doesn't really take a particular compromise to show some respect, to avoid language like dealing from a position of strength, to show a little bit more civility. In this relation, it doesn't really take much. But at the same time, a normal dialogue needs to be accompanied with a very strong stance on the integrity of the alliances, first of all; on the readiness to oppose any Russian experiment with first a proactive move. So I think some reassurance, preemptive in this regard, would be a reasonable strategy for the Trump administration. But there is also the point that however you conduct your dialogue, however much less you invest in foreign aid and Euro military forces, there is a rational point in following the Russian corruption, in going for Russian dirty money, because that is generally something which is healthy for the Western economies, for the Western societies. This needs to be exterminated.

DEWS: Let's wrap up this conversation by going back to Vladimir Putin himself. He's been either the president or prime minister of Russia since 1999. As far as I

understand it, his six-year term as president is up in 2018. What do you expect he will do next?

BAEV: I don't think he has much of a choice. He has placed himself in such a position that for him there is no retreat. He is a prisoner of the Kremlin, and so his decision to go for yet another term is very much pre-determined, and it's not because he has such a high opinion of himself or is very worried about Russia's future. I do think the underlying factor is that he feels no personal security at all. Whoever comes next would go after him directly because there is too much to answer for.

DEWS: And he's not prohibited from running for another term by the constitution of Russia?

BAEV: No. It is entirely possible for him to go at least for another term, and it's a long term, so I think that next year, about this time, we will be discussing the procedures and the outcomes of the presidential elections in which Putin is set to control them so tightly that the outcome would be in no doubt.

DEWS: Ok, then I hope that at that time we can have you back on the show to talk about that again.

BAEV: Thank you very much.

DEWS: Thanks for your time today.

BAEV: My pleasure.

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DEWS: Hey listeners, want to ask an expert a question? You can, by sending an e-mail to me at [bcp@brookings.edu](mailto:bcp@brookings.edu). If you attach an audio file, I'll play it on the air, and



I'll get an expert to answer and include it in an upcoming episode. Thanks to all of you who have sent in questions already.

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DEWS: And that does it for this edition of The Brookings Cafeteria, brought to you by the Brookings Podcast Network. Follow us on Twitter @policypodcasts. My thanks to audio engineer and producer Gaston Reboredo, with assistance from Mark Hoelscher. Vanessa Sauter is the producer, Bill Finan does the book interviews, and our intern is Kelly Russo. Design and web support comes from Jessica Pavone, Eric Abalahin, and Rebecca Viser; and thanks to David Nassar and Richard Fawal for their support. You can subscribe to the Brookings Cafeteria on iTunes, and listen to it in all the usual places. Visit us online at [brookings.edu](http://brookings.edu). Until next time, I'm Fred Dews.

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