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PUTIN'S WORLD

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P R O C E E D I N G S

MR. WRIGHT: Good afternoon. My name is Tom Wright, I'm director of the Center on the United States and Europe here at Brookings, and I'm delighted to welcome you to today's discussion of Putin's World.

Today's discussion is inspired by a new book by Dr. Angela Stent, entitled "Putin's World: Russia against the West and With the Rest". Here it is, available on Amazon and more importantly outside with our book shop. And Angela will be signing copies afterwards. I had the pleasure of reading this book over the past few weeks and I could not recommend it highly enough. It is the magisterial account of Russian foreign policy throughout the Putin era and follows on from Angela's last book on Russian foreign policy. In addition to providing a great analysis of major developments and events of our time, Angela has I think in the final section the best account I've seen of I guess the Putin doctrine, outlining seven key sort of pillars of his foreign policy thought that guide his decision-making process. So I really recommend this to you all.

Angela, I think, needs no introduction, but I will give her one anyway. She is a friend and a colleague here, a nonresident senior fellow with the Brookings Institution, as well as the co-chair of our Ed A. Hewett Forum on former Soviet affairs. She is also the director of the Center for Eurasian, Russian, East European Studies and a professor of government and foreign service at Georgetown University. And she previously served as the national intelligence officer for Russia and Eurasia and in the State Department Policy Planning Office.

And we're very pleased to have her here today to launch her book here at Brookings.

Several members of the Hewett Forum are with us here today, including Nancy Hewett, and we'd just like to recognize her and say thank you for joining us.

In a minute Angela will discuss the key themes of this book from the podium. She will then be joined on stage for a conversation on Putin's Russia and the

world. And the other members of the panel are Dr. Alina Polyakova, my colleague here at Brookings who is the David M. Rubenstein fellow with the Center on the United States and Europe, and Angela's co-chair of the Hewett Forum.

Keir Giles, who is the senior consulting fellow with the Russia and Eurasia Programme at Chatham House and author of "Moscow Rules: What Drives Russia to Confront the West", which is here and also available for sale outside, published recently by Brookings Institution Press and Chatham House. I've not yet read this book, but I'm looking forward to doing that over the next couple of weeks. I just learned before we came in here too that Keir is a former pilot and aviation expert. So if any of you have questions on other topics (laughter) of the day I'm sure he'd be pleased to deal with him. But we're very pleased to have him here to join us on this important discussion on Russian foreign policy. I know we've been keen to have him here for a while.

And Strobe Talbott, who is the former president of course at Brookings Institution, a former deputy secretary of state, and now a distinguished fellow in Residence with the Brookings Foreign Policy program, and a dear friend. Strobe will moderate the discussion with Angela, Keir, and Alina.

You may have seen the books, they're just for sale right outside the door, and Angela will be signing copies of her book after the event.

Today's discussion is part of the Brookings Robert Bosch Foundation Transatlantic Initiative, or BBTI as we call it here. This Initiative aims to build up and expand resilient networks and Transatlantic activities to analyze and work on issues concerning Transatlantic relations and social cohesion in Europe and the United States. And I would like to thank the Bosch Foundation for their generous support.

We are on the record here and webcasting. And you are allowed to use your phone as long as you are tweeting, and we encourage you to tweet using #USEurope and #BBTI.

And, with that, I would like to welcome Angela to the podium. Thank you

very much. (Applause)

MS. STENT: Thank you very much, Tom. Good afternoon, ladies and gentlemen. Thank you all for coming. I'm delighted to be here. So I will spend about 10 minutes just going over some of the main themes of my book and then we will have the discussion.

So I set out to answer three questions in this book. First of all, why was the West so wrong in the 1990s in believing that once the Soviet Union collapsed post-Soviet Russia would want to move towards the West, towards a Western style political and economic system. And why were we also wrong in assuming that if we, say, had closer economic relations with Russia, we encourage Russia's economic integration globally, that that would somehow have a beneficial effect on the political relationship between Russia and the West.

Second question was how was Russia, a country with a GDP less than that of Italy, how was it able so successfully under Vladimir Putin to reinsert itself on the world stage to play again the role of a great power and to go back into areas which it had left after the Soviet Union collapsed. And in fact in an area like the Middle East, almost on the point of replacing the United States as a go to power in the different disputes that we see in the Middle East. And, also, how was Russia then able, despite the deteriorating relationship with the West, particularly since 2014 with annexation of Crimea and the launch of a war in Southeastern Ukraine, how was it able to do that while still building relationships with a large number of other countries in the world -- China, but many others -- and where we get to the point where much of the rest of the world regards Russia as a large authoritarian power with which it can do business.

And then the final question, and the most difficult one, is how should we interact with Russia going forward, how can we build maybe a more workable relationship with the Russia that we have, recognizing that relations with Russia, at least from the Western point of view, are not going to improve measurably any time soon.

So I won't spend too much time discussing history, I spend more discussing history in my book, but this answers the question about why Russia didn't really want to move towards the West in the way that we thought it might after the Soviet collapse. And I talk about the historical Russian conception, Russia's conception of itself as a unique civilization, a unique Eurasian civilization, which is superior to that of the West, that relies on communal ties as opposed to just focusing on the individual. And Putin has very much propagated this idea since he's been in power. And Russia obviously today defines itself in opposition to the West. We've heard a lot of that. We know that Vladimir Putin has said that the collapse of the Soviet Union was a great geopolitical catastrophe of the 20th century, and he's been determined to restore Russia's rightful place in the world since that happened.

And the other thing that I go into in the historical section -- and, again, not to get too carried away -- is Russia's sense of itself in terms of place and space, you know, a country in the Eurasian land mass, the Eurasian heartland with really very few natural frontiers. And we know that there is no history, path or historical path in Russia of Russia accepting permanently the loss of territory. And over the centuries we've seen Russia expand and contract, but always expand again.

And I go back to the Catherin the Great, of course, the German princess who became Tsarina and under whom the lands in which Crimea and Southeastern Ukraine, for instance, were acquired, and she said there was only one way to defend Russia's fluid borders. She said that which stops growing begins to rot. I have to expand my borders to keep my country secure. So beat that in mind. We have this constant history really of expansion and then retreat and then expansion again. And whereas Russians often see themselves as the victims of incursions from other countries historically and now from the U.S., whatever. Russia's neighbors, of course, see it completely differently. They see Russia as invading them, as expanding at their expense, and they see themselves as victims. And you see very much this narrative even there today.

So security for Russia means defensive expansion and Russia today

defines its security perimeter not as the borders of the Russian Federation, but as the borders of the post-Soviet space. And Putin has on numerous occasions reminded Americans that we have two neighbors, Canada and Mexico, with whom we enjoy pretty good relations and that's it, and of course Russia has historically been in a very different position and that is part of the self-perception.

Now, a question number two, how was Putin able to play a weak hand so successfully. And there are two answers to that. One of them is that I do believe that he did have a plan when he came to power in 2000 to restore Russia's greatness. He believes that the '90s had been a time of humiliation, a time of chaos in Russia, and it was his mission, again, to restore Russia to its rightful role. So he did have a strategy, he had a plan. It maybe wasn't all worked out, but it was definitely there.

And I think the second part of it is that Vladimir Putin has been very savvy in his ability to exploit differences in the West, to benefit from the West's own distraction. You know, you can argue has the United States really had a plan in place, a strategy in place since the Soviet collapse in the way that Putin has. And I think the answer to that would be no. And so Putin has been in power, as we know, for 19 years and he has been able to jump in where the West has been distracted, where it has been divided, and to take advantage of these Western divisions.

And one thing I do go into a little bit in the book is we do know that President Putin's sport is judo. I have an article from the *Leningrad Evening News* from the early 1970s announcing when he first became the judo champion. And just not to take the analogy too far, but obviously in judo even if you're physically weaker than your opponent, if you pay attention and if you understand their own weaknesses and distraction, you can still prevail. And I think these skills have really stood him in good stead as he tries to re-litigate the Cold War.

Now, in my book I go into two of what I think are the major successes of Putin's foreign policy since he's been in power. Again, I won't go into too much detail. One

of them is the relationship with China and the other one is Russia's return to the Middle East. We have to remember that 50 years ago today, almost literally, the Russians and China -- the Soviets and Chinese were shooting at each other across the border. Today they enjoy close relations. It's not an alliance, it's not a symmetrical relationship, but I think those that dismiss it do so at their peril. Both Russia and China feel that the current international system, which has been dominated by the U.S., both political and financial, hasn't taken their interests into account, and they're both dedicated to moving to what they call a post-West world, although I think the Chinese and Russian conceptions of what that means are somewhat different. They both support each other domestically, they're both allergic to Western attempts to promote democracy and free markets and the rule of law and anti-corruption -- they support each other there. And they both feel their legitimate interests have not been acknowledged by the West and so they're sort of united in that.

And China has really enabled Russia to avoid the isolation that the West wanted to impose on Russia after the annexation of Crimea by concluding economic deals -- by now we've even seen having joint military maneuvers with Russia last year.

Russia remains the junior partner in this relationship, but when I talk to Russians about this, they say, yeah, they've accepted it. So we can talk about what will happen in the long run, but right now President Xi Jinping calls President Putin "my best friend". I have a picture in the book of the two leaders making blini, Russian pancakes together. Or, that is to say, President Xi Jinping is being taught by President Putin to do that. And that's just before they had these joint military maneuvers.

So the other success I would say is Russia's return to the Middle East. And unlike in the Soviet times, Russia's role in the Middle East is very pragmatic. Russia hasn't chosen sides ideologically. It's the only major power that talks to Iran and different Shia groups, to all of the Sunni states, and to Israel. Indeed, you know, Russia's relations with both Saudi Arabia and Israel, two of the U.S.'s closest allies, have become much closer in the last few years. In the Saudi case, the driving force there is oil and Russia's arrangement

with Saudi Arabia and the OPEC countries now to restrict production, and that arrangement is continuing. With Israel it obviously has to do with the war in Syria, with Russia's influence over Iran, and with the 1.3 million Israeli citizens who hail from the former Soviet Union.

But Russia is seen by many countries in the area as an honest broker, a country to whom they can talk. I think both Saudi Arabia and Israel overestimate Russia's influence over Iran and its ability to temper Iranian ambitions, but they still need to talk to Russia bout this. Russia won't replace the United States in the Middle East, but it is a major player there.

Just a couple of words now about the U.S.-Russian relationship. As you are all aware, we are in a very strange situation here where, of course, Russia is such a toxic issue domestically in a way that it's really never been before -- maybe at least since the McCarthy times. And for those people who don't like President Trump, Trump and Russia are sort of synonymous. And therefore it's made it very difficult for President Trump to pursue a more forward looking policy, which he clearly signaled he wanted to do when he first came into office. He's been hamstrung by it. And we know that we have all of these investigations going on now, which I think we may discuss later.

It seems to me that the U.S. right now has two policies or two aspects of a policy towards Russia. One of them is sanctions and more sanctions and more sanctions, and maybe we can talk about how effective they've been. And the other one is a skepticism about one of the traditional pillars of U.S.-Russian relations, which of course is arms control. So the United States has now pulled out of the treaty on intermediate range nuclear forces, the Russians have too, and there's a question mark about whether there is a U.S. interest in prolonging the New START agreement, which expires in 2021.

And I will just say that if that isn't prolonged, then this will be the first time since 1972 that we have no treaties governing nuclear relations between Russia and the United States, which I think is a fairly dim prospect. Of course, China needs to be included in some of this, but this is still -- we're coming up to an interesting juncture now.

And we have few channels of communication open. Obviously our militaries are coordinating with the Russian militaries in Syria, we know that the Chief of General Staff, General Dunford, has met with General Gerasimov on numerous occasions, including quite recently, but we don't really have much more. President Putin still says that he wants better relations with the United States and he never criticizes President Trump personally, although he certainly criticizes the United States. On the other hand, when Russia has been given an opportunity to maybe make things a little better, for instance, was suggested to Russia by both the United States and Europe, but in December there was a Christmas good will gesture, humanitarian gesture, Russia might have released the sailors that it captured in the incident in the Sea of Azov, and it didn't do that. So there's very little sign that there's a Russia willingness to move towards that.

But I would also say I'm not sure what the U.S. agenda toward Russia is. I'm not sure that we have a very coherent idea of what it is we want from Russia, and that's often been a problem, at least historically.

So the final question is what's to be done, and that's always the hardest question. Russia is increasingly turning in on itself. For those of you who are following this, the Russians now are really trying to -- the Kremlin is trying to control the internet in a way that it has not done before, and that could have serious longer-term ramifications, both domestically and internationally. Interestingly, we see that President Putin's popularity ratings have fallen significantly since his reelection last year -- 65 percent is still not bad, obviously, compared to what American presidents and European leaders get. But the majority of Russians now in public opinion polling say that they favor change over stability, and that is a difference from what happened before. So even though President Putin has just been reelected, you get the sense that there are obviously things going on beneath the surface that we maybe don't understand enough, but could possibly cause some changes.

So, what are the conclusions? Well, one conclusion is obviously that we have to accept the Russia that exists, not the one that we would like Russia to be or that we

maybe hoped Russia would be in the 1990s, really based on the misunderstanding of what was happening there, that we have to realistic in our policy toward Russia. We shouldn't be trying any more resets. My previous book was about that because the resets inevitably end in disappointment and neutral recriminations. We need pushback where necessary, and we need strategic patience, which is obviously a phrase that many of our leaders have used before. We have to be flexible and really our ambassador in Russia, Ambassador Huntsman, has said I think very well, that we have to engage the Russians on issues of mutual interest, what we think we can move forward, not try and engage them on issues where we really don't have mutual interests, and be flexible enough to moderate what we do depending on the response that we get from the Russians.

And the final point is an important one too. We have to remember that the Kremlin doesn't speak for all Russians and that we have to, to the extent possible, maintain our contacts with broader Russian society, with Russian civil society, but there are no quick fixes, there are no magic solutions. This is going to remain a challenging relationship for the West for the rest of the duration of President Putin's time in office, and I would argue beyond that.

And so I think I'll stop now and we'll go to discussion. (Applause)

MR. TALBOTT: Terrific. So let me just start with small kudos for a very good book. I remember reading when you were having it in manuscript about the judo. I guess he was the teacher and Putin was a young sprout and the coach said you people out here are going to hear a lot more about this guy in the future. I've never seen that anecdote before.

Would you give us a little bit of a sense on how your thesis in this book is being read in Moscow and other parts of Russia?

MS. STENT: I don't want to jinx it. I mean I've given the book to Russian friends of mine and they like it, but that may be because they're my friends.

I can tell you that the day after the book came out, literally the day after

publication, I got a Google alert. And I was directed to a Russian website where they'd already downloaded the whole book and were offering it to people for free. (Laughter) So I don't know whether that's a positive or a negative sign. Otherwise, I'm still -- I mean since it's come out I've had an offer of a Russian publisher. We'll see what happens there, but I'm still waiting. I think you're going to hear more about Russian reaction to his book.

MR. TALBOTT: Why don't we have our colleagues here react a little bit to you and also put some of your thoughts on the table?

MR. GILES: Certainly, yes. It's something of a relief to me sitting on the stage here because although I'm notionally in the middle of a tour promoting my own book published by Brookings, on this occasion in Brookings itself I don't need to stand up and summarize the key themes because Angela has actually done it all for me.

Just before we came in here we recorded a podcast for Brookings where we were going over the content of our two books. And it very quickly became clear that in large part we'd actually written the same book at the same time (laughter). Mercifully, Angela's wasn't one of the three coming out simultaneously, all called "Moscow Rules", like mine is. But in any case, I think we probably need to apologize to Brookings. It's not a terribly exciting podcast because we spend the whole time violently agreeing with each other. (Laughter)

Nevertheless, rather than just saying everything Angela said, which I agree with violently, let me pick up one of the underlying themes, one of the messages that Angela hinted at from her own book, but one which I try to ram home relentlessly in my own one, which is arguing for abandoning the practice of allowing optimism to triumph over evidence and experience, which to my mind lies at the root of some of the key questions that Angela has asked.

Why did we get it so wrong, why do we continue to get it so wrong when hoping for change in Russia when that change never actually materializes? And also, in repeating the same policy approaches to Russia time after time while hoping for different

results. There's a well-known definition for that, which I think we both succeeded in avoiding actually including in the book itself, but the point is the same repetitive cycle in the relationship between the West as a whole and individual countries and Russia repeats over and over again because Western countries try the same methods over and over again, not learning not only from their own recent experience, but also from the continuity that you observe in Russian reactions to external stimuli over decades and over centuries.

Now, that optimism, as I see it, has four key negative policy implications. It has pernicious effect on the public discourse on what is likely or what is even possible when you are dealing with Russia. The first is an assumption that the problem in the Russian relationship is in the person of Vladimir Putin. And if he goes, suddenly everything will get better, instead of in fact Vladimir Putin enacting rather than inventing these long-standing Russian security concerns and long standing ideas about how you deal with them, whether it's dealing with other states or dealing with your own citizens. So I agree absolutely that the Putin system will continue long after he has gone.

That also leads to an overstatement of the viability and the desirability of anybody that stands in opposition to Putin. We hope that there must be an option for change, which is better, and therefore we assume that anything that replaces Putin is actually going to be an improvement, forgetting that throughout history we see that change in Russia is not always change, and it is most certainly not always for the better, because Vladimir Putin is far from the worst leader that Russia could actually have, and has had in the past. Now, I'm as upset as anybody about the current drift towards authoritarianism that we see in Russia, but let's not forget that in relative terms, we are still in a period of unprecedented liberalism in Russia that has never been seen throughout the rest of its history.

Take the most basic criteria, Russia is not at the moment imprisoning and murdering its own citizens and those of occupied territories on an industrial scale. That's something quite novel, and I think it's something which is worth preserving.

Secondly, the implications of change also mean that there is an assumption that relations must get better. If you improve your policy towards Russia, if you treat Russia in a different way, then by default they will improve. But that does not seem to be the case. You spoke at the end, Angela, about the basic fact that Russia sees itself to be in conflict with us. So it doesn't matter what your policy is toward somebody that actually thinks they're at war with you already and has very little to lose. Again, it is optimism and the assumption that things ought by default to be better than they are now that leads us into policy traps again and again, misreading exactly how Russia sees the outside world and its relationship with the United States.

And that really is the key argument at the end of my book, and it's something which is not emphasized quite as strongly in yours I think, Angela, but recurs throughout the book, which is that the basis for a more stable and predictable and less dangerous relationship with Russia, paradoxically, has to be that recognition that we are in a state of conflict and confrontation. Russia becomes increasingly frustrated when its anger at the West is not recognized and its offensive gestures toward the West are not understood, because the message is received but makes no sense in our notion of international cooperation.

If instead you proceed from the basis that there are these fundamental conflicts of interest, conflicts on geostrategic priorities, even conflicts of how you view international relations, and take it as a basis that we are not going to agree on some of those fundamental points where we differ, then my argument is that is a much more stable and reliable basis for finding those points of interest where Russia and the United States, Russia and the West as a whole can actually meet common challenges if it can find them, and also have a stable and far less fraught relationship.

MR. TALBOTT: Alina, you are a daughter of the motherland.

MS. POLYAKOVA: You could say that.

MR. TALBOTT: Transplanted. Give us your take. And you might also give

us a little sense on the ongoing crisis with Ukraine.

MS. POLYAKOVA: Well, you know, first of all, just congratulations to my colleagues and their fantastic contributions to the big Russia question. I also don't want to just sit here and say what Angela said or Keir said, but unfortunately for our panel, I tend to agree with what you already said, meaning panels are always more fun when you disagree. But I wanted to kind of fill in a little bit. And Ukraine is actually a part of what I want to talk about, so thank you for that question, Strobe.

You know, my first thought, Angela, in hearing you talk about the book versus when I read the book is that the impression you might have just listening to you is that Putin is really winning. And of course the two primary examples are the pivot to China, which will I think over time deliver more and more benefits for Russia, even if it may not be doing that at this particular moment, and, two, the Middle East policy. And I agree that those have been, from the Kremlin's perspective, very, very successful foreign policy ventures that Putin sees as part of his own legacy. But, of course, they've also been failures. And this is something you do obviously talk about in the book, and I just want to highlight some of those things because I don't want to leave with a too rosy picture that, you know, Russia is riding high and all we can do at this point is try to accept it and accept some sort of I guess subpar equilibrium vis a vis Russia under Putin, or maybe Russia under Putinism, even if it is without Putin himself.

I think Ukraine, obviously, has been a very mixed bag and to was a huge risk from the Russian perspective to invade and occupy Crimea, which was very different from what Moscow had done previously in the Caucuses, in Georgia, in Moldova, and elsewhere with the so called frozen conflict strategy. And it was also a risk to then invade Eastern Ukraine. And I think what the consequences of that have been have been very negative for Russia. You know, in terms of where Ukraine is headed, it's very, very clear now -- and it wasn't clear before 2014 -- the Ukraine is going down the path of Euro Atlantic integration. You see this in opinion polls, you see this in every statement by Ukrainian

politicians. If you're a Ukrainian politician today, you know, Ukraine has elections coming out, no matter what you might think of all the candidates involved, none of the -- none of them are suggesting a return to Russia. And that is a profound change and it is the direct result of Russia's foreign policy and aggression towards Ukraine.

So Russia has lost Ukraine in terms of it has lost the hearts and minds of the Ukrainian people. But what it has achieved, of course, is this very, very minimum desire to keep Ukraine in the so called gray zone by starting these kinds of burning conflicts that prevent Ukraine from fully integrating into NATO or the EU. But that's not a great accomplishment really because ideally you'd want, you know, to use some soft power to keep your "sphere of influence", your near abroad, your former Soviet holdings in place versus having to use force.

I also think that if we look at Russian foreign policy sort of below conventional military threats, as in Ukraine, you know, the operations against the United States, against other western democracies, the information warfare, that I know Keir has written quite a bit about as well, cyber-attacks, all of these asymmetric threats that comprise the tool kit of political warfare, they have also had a backlash. You know, you mentioned of course our President and the investigations and all of this, and we don't have to go into the details of that unless we want to, but I think what has clearly emerged is that you haven't had a U.S. emerge under Trump that is very friendly to Russia. You could argue about another president that could have taken a different view, but certainly the U.S. sanctions policy, U.S. increased military support for Ukraine, U.S. increased military spending in general, the U.S. desire to stop the Nord Stream 2 pipeline, of great importance to Moscow. These are not the kinds of things I think Putin would have liked to see from President Trump. Despite what the President himself may think, that the U.S. policy has not been a positive for Putin, again, now we see Russia is much more isolated from the West in a way that I don't think was desirable from Moscow's perspective.

So I think when we're thinking about where Russia has positioned itself, I

think its greatest blunder has been its loss of Ukraine, because from the Russian perspective this Ukraine is so deeply important for so many different reasons, and that's no longer an option for them.

So I think I'll just stop there and we can have conversation.

MS. STENT: So thank you for your remarks. I'm going to push back a little bit and say how do we think the Kremlin defines success? Now you're quite right about Ukraine. I mean they've lost the hearts and minds. But, as you yourself said, if the basic minimum goal was to make sure that Ukraine doesn't move into Euro-Atlantic structures and we can question about whether they were ever on offer, by doing what it's done, and by showing that the West wasn't willing to respond militarily to what Russia did, essentially we've said nice things and we are helping the Ukrainians, but obviously we -- you know, under President Obama -- and it's the same now, the decision was that this is an existential question for Russia, not for the U.S.

So in that sense, and by disrupting everything in Ukraine, they've achieved at least a minimum goal, although I agree they've lost the hearts and minds. And I would say the same of the election interference. So, on the one hand, I agree they must be having buyer's remorse. If they did indeed help President Trump win, they're not getting the policies they want, but the polarization that's here and that they were able to exploit, that still exists. And we know that they're still interfering, they apparently were interfering until the day before the midterm elections. So in that sense, again, if your goal is disruption and making it harder for other countries and things to function, then they have achieved that.

MR. TALBOTT: Maybe all three of you to come to this one, because our President has come into the conversation already, do you think that even though a lot of problems are being pushed on them, that is the Russians, by the United States government, do you think that Putin made a good bet when he voted for Mr. Trump? (Laughter)

MS. STENT: Shall I start with that?

MS. POLYAKOVA: Go ahead.

MS. STENT: So, you know, what would Hillary Clinton's policy toward Russia have been? And I think you obviously know that very well. I mean I think they understood with her, and they of course thought she was going to win, like many people in this country, it clearly would have been a tough policy. On the other hand, paradoxically it wouldn't have had the edge that it has now that has come with the knowledge of Russian interference and the knowledge of people who don't like Trump that the Russians somehow supported him.

So I mean if she had won, it's not that we would have had a rapprochement, but I don't think Russia would have been such a toxic issue here as it is now. And therefore, from their point of view, again, that must give them some pause for thought.

MR. GILES: We discussed among the panelists before we came on here that I would not be commenting on U.S. domestic politics because I'm a guest in your country and I would like to remain one. (Laughter)

So let me bring you back a bit and look instead at a pattern of behavior that we observe in President Putin where he consistently places great weight on developing personal relationships with individuals he sees as strong leaders of institutions, of organizations, of countries, of super national organizations -- we take the example of Barroso -- and then is consistently is disappointed when he finds that they are subject to democratic checks and balances and cannot operate as autocrats and make things happen in order to bend countries or institutions to President Putin's will.

We see this happen time and again. And whatever it is that you -- however you describe the break on the actions of those individuals, whether it is democracy, whether it's rule of law, whether it is the deep state, time and again we see President Putin having his convictions being reinforced, that actually there is a huge conspiracy against him and he's being prevented from reaching a closer relationship with other organizations simply on a one to one personal basis.

MS. POLYAKOVA: And if you watch some of the Russian media narratives

in the Russian language of the U.S. President, it's evolved over time. At one point it was very positive. Some of us remember champagne bottles being popped in the Duma when the election results were announced in the United States. But that has changed, you know, with every success of policy that was not in the Russian interest. That narrative has now shifted and I think what now we find in the Russian state media discourse is the notion that it reflects what I think Keir was just describing, that the U.S. President is weak because he can't get ahead of his own intelligence community because he has to deal with domestic because he has this congress -- you know, what's congress? I mean Duma is just a rubber stamp parliament, so why can't you just ram through whatever you want to do. There's a profound misunderstanding I think of the nature of the democratic process in countries like the United States or elsewhere from the Russian side, and I think that's been inherent for a very long time.

And so now the narrative is very different, it's that the U.S. President may want a better relationship, perhaps another reset with Russia, but he can't achieve it because he's mired in his own domestic politics and he's too weak to get out of it, which I think in itself is dangerous in a sense because I think one thing that Putin has been very good at, as you also said, Angela, is assessing other leaders' personalities, and I think knowing very well what they're willing and not willing to do. I think you read Obama correctly, and his assessment was confirmed I think in Obama's Syria policy. And I think he is now looking at Trump in very different ways. And I think when Putin sees weakness -- maybe this goes back to judo -- I'm not sure where that goes back to -- he sees opportunities. And my concern is that we're giving him more and more opportunities by presenting an image of weakness.

MR. TALBOTT: Let me just come back to something that Keir said about institutions. I can't imagine that Putin wouldn't be thrilled to have a president of the United States who was not an enthusiast for the EU and NATO.

MR. GILES: You know, I think that I couldn't possibly comment. (Laughter)

MR. TALBOTT: But that is a big win for him.

MS. STENT: Definitely. And I think if you read things that Trump had said before about NATO, probably about the EU, although I didn't really follow that, I mean he's been fairly consistent. It's not if he woke up in 2016 and decided that the U.S. is paying too much for NATO. So you're right, there's some actions that he has taken which in a way go beyond the Kremlin's fondest dreams. And I mean anyone who was at the Munich Security Conference a few weeks ago saw that in action. It's essentially Europe, Germany, whatever, between Trump and Putin and how do they possibly manage both of those challenges. And it was interesting with Foreign Minister Lavrov at the Munich Security Conference, he was the one who said we support multi polarity and consulting with everyone. And then, you know, you have a U.S. Vice President who is berating the Europeans for what they were doing with Iran.

So I think in that sense you're right, this probably is more than anyone in the Kremlin could have hoped for, particularly the tensions within NATO and the way that our allies have been treated by the United States.

MR. TALBOTT: Did Lavrov use again his motto that we're now in a post West world?

MS. STENT: I don't think he said that this time. I don't recall that he said that before.

MR. TALBOTT: A couple of things that are I assume of concern to Putin. One is polls, the economy, and the demographics, particularly in Siberia.

MS. POLYAKOVA: I mean in terms of domestic issues, again this is a question of how much is Putin winning, and as a result of his policies how much is Russia winning, which are two different things. As Angela pointed out, we do need to distinguish between the regime and the Russian people. I mean these are two different things. When we say Russia as a shorthand, obviously we're talking a Russian government policy. And I think when you look at Russian society -- and again I think we're losing some of that

connection to what's going on, on the ground because we're losing the kind of people to people connections and exchanges that -- or actually even more prominently the Cold War years -- you know, you see an economy that has very little potential to become more dynamic, to grow, and to not be dependent on oil and gas exports, which of course remains the Russian dependency and the Russian state's dependency. And in this way nothing has changed from the Soviet period.

So in all of the initiatives the government has tried to start in developing the Russian tech sector, the Russian AI sector, all of these different things. Skolkovo, which was supposed to be this answer to Silicon Valley -- this was the Russian Silicon Valley, but of course Silicon Valley was a bottom up process of two decades and the Russian version was pretty much a disaster. You didn't have this proliferation entrepreneurship, because why -- there's very few opportunities for talented people who are still graduating from very strong mathematical backgrounds, tech backgrounds in Russia. They maintain the education, but where do those people go? Well, they go to the real Silicon Valley, they go West, they go where their skills can get them the kinds of opportunities they want. In various ways the economic situation for Russia looks very bleak, it looks quite stagnant. I don't think it means that we're going to see a collapse because of economic crisis anytime soon because these kinds of regimes can muddle through a relatively stagnant economy for a very long time, but it doesn't look good.

And, of course, the demographic problem -- you know, Russia is still the largest country in Europe, it still has a large population, but it's relatively small for its size. I think it's 110 million now, if I'm not mistaken -- it's 130, something like this?

MR. GILES: 140, 139, 138.

MS. POLYAKOVA: Yeah, but rapidly declining with various shifts. And part of that is also that the people that are leaving Russia may not be a huge number yet, but they're losing their best and brightest. And that also spells serious problems for the long-term economic development. So I think that's also perhaps a reflection in the polls now, that

Russians is at the end of the day like everybody, just want opportunities, they want to know that their kids will have better lives and they're not being provided those opportunities.

And just as a quick note, as an example of that, the only time that -- well, not the only time -- but the last time that the Russian government tried to impose some economic reforms, which they desperately need, by increasing the pension age and raising the VAT tax, there were protests on the street. You could say well, you know, in France there's protests on the streets for the same reason, but I think that really speaks to kind of the nature of the relationship between the people and the regime. And there is a point in which Russians will not accept continue deprivation.

MR. GILES: And, of course, Russia has historically been extremely bad, even worse than us, at predicting when that tipping point comes and the population has had enough. After all, as this country that spent itself into state collapse two or three times during the 20th century, depending on how you count 1905, in precisely the same kind of trajectory as we see now.

I think that disconnect, and a complete difference between elite interests and national interests that Alina was pointing to, may be one of the key reasons for the state of denial in Russia as to the real challenges that Russia actually faces. Yes, the failure to overhaul and modernize the economy, which means it has a very limited shelf life. The demographic -- I was about to say crisis, but that's not strong enough a word -- the demographic hold that will turn Russia into a very different country in a very short space of time from now, economically and socially and politically, possibly even geographically.

Another challenge that we haven't mentioned yet, and is not mentioned in Russia, China. The future state of the relationship with China, which is completely absent from Russia's strategic planning documents because you don't own up to the problem, you pretend it doesn't exist.

All of these things are storing up trouble and they're storing up trouble, I repeat, in the short term as we see it. This is not more than 20-30 years out from here.

But the other point you mentioned, of course, is the polls. And that is one area where we do in fact see Russia starting to take steps to protect itself against the fallout from this state of denial. The establishment of Rosgvardia, the national guard, notionally an internal security force, but in fact equipped to inflict mass causalities on Russia's own population, or in fact as one of its missions, on the populations of newly occupied territories, speaks to the fact that there is a perception that, yes, mass unrest is a realistic possibility and, therefore, there needs to be a loyal force which is fully equipped to suppress it. If we see that force called up to actually be exercised, then we are seeing a return to the worst, darkest, and bloodiest days of Russian history.

MS. STENT: Can I just put a slight dissenting note?

MR. TALBOTT: Yeah, sure.

MS. STENT: So for those of us who've been doing this for some time, you do these scenarios about Russia, and particularly since the Soviet collapse, and you look at the fundamentals and we know that they're bad, you know, demography, the declining population. Also the only part of the population that's reproducing itself well is the North Caucuses, the Muslim population of Russia, and so that the ethnic balance is changing quite rapidly. And that's another factor to take into account.

You look at that, you look at the crumbling infrastructure, you look at everything and you say it can't go on like this, something is going to happen -- labor shortages, military shortages. But, as we know, Russians are also historically very resilient and they do go on like this. Occasionally there is state collapse. Obviously we know that that happens. So I would caution against saying even if you look objectively at the numbers and you think something really bad is going to happen and yes, you have the national guard to protect against a mass uprising, I see very little evidence, even though there's more discontent, of a potential for mass uprising. And I see the ability -- the Russians have tightened their belt, they've adjusted to the sanctions, the counter sanctions against the European countries have stimulated the Russian agricultural sector. They're now producing

more grain than they have for a very long time. We can all talk about Russian parmesan and mascarpone and things like that, but they're producing things they didn't before. And they are importing. They are importing Central Asian labor and the Central Asians can now also -- some of them serve in the army.

So I think you have to be cautious about predicting some kind of imminent decline and fall. I agree that in the long run China is clearly a challenge. And if you look at the Russian Far East, you have a rapidly diminishing population -- what, 6 million people now -- and on the other side of the border you have 110 million Chinese. So in the long run you have to ask what this all means. But it's not going to happen that quickly.

MR. GILES: This is all true, but the key thing to avoid is assessing Russian durability and resilience, whether it's political or social or economic by Western criteria, because by those criteria those people that have predicted imminent collapse over the last 5-10 years. And each time the collapse doesn't happen they find a new reason to say it's happening next year. They would be right, but we're dealing with Russia here and, as Alina has said, they can muddle through for some considerable time. But, again, it's when the patience is finally exhausted that it is very hard to sell. It is going to be further ahead than those who predict imminent demise of President Putin and his regime would like to think, but, again, this is a byproduct of the optimism that I argue strongly against. One of my colleagues describes my métier as being the crusher of hope, which I try to do whenever possible when dealing with Russia.

MS. POLYAKOVA: Just to comment on this, you know, I think Angela is right and I agree with that analysis. If you look again at Russian history over the centuries, change doesn't tend to happen from the bottom up in Russia, it tends to happen from the top down. We've seen this in the collapse of the Soviet Union, we saw in the Bolshevik Revolution. This is the tendency. It doesn't mean it will always be like this, but if we kind of take Putin as returning Russia to its historical roots, if you will, we talked about the expansion and contraction patterns that have been part of Russian identity and Russian

history for so long, this could go on for a very, very long time. And I think if we're thinking about what to do, as you said, Angela, I do think the more prudent strategy is to accept what's happening and try to manage a Russia that will stay this way with or without Putin for a significant amount of time.

But of course we should have contingency plans because, again, Russian history can also be very unpredictable. You know, I don't think the Russian monarchy was prepared for what happened in October 1917. I don't think that Gorbachev was prepared for the collapse. So thinks could shift very, very quickly, but I think the reality is that we need to plan for all of these contingencies.

MR. TALBOTT: Let's look ahead and speculate a little bit about succession. Putin is the most powerful Kremlin leader since Stalin, largely -- at least that's my view -- because he doesn't have a Politburo. When you go to Moscow and elsewhere, do people talk about this, do they have theories, do they have hopes and fears?

MS. POLYAKOVA: I personally haven't been to Russia in a couple of years, so I will leave it to my colleagues.

MS. STENT: Maybe I'll start off. So I think he is a very powerful leader. He's not all powerful, but he's obviously the most powerful individual and this is the most personalistic system in Russia, well for at least a century. Because there are no -- I mean -- well, I mean Stalin was personalistic, but I guess there was a Politburo. Anyway, there are some Russians who believe that President Putin will never leave the Kremlin until the end comes. People who believe that there will be no succession because it's sort of impossible to manage, it's impossible to manage a succession where the interests not only of President Putin himself but of the people who support him, the groups around him, where those can be protected in the way that Putin protected the interests of the Yeltsin -- or ensured that the interests of the Yeltsin family and the people around them were protected.

So that's one theory. And then the question is, is there some contingency plan if he's there until the end. How do they manage succession? I mean they've managed

sort of in a couple of Central Asian states that we can talk about, but that's not Russia. I mean the other alternative is clearly a managed succession where President Putin does step down in 2024 and has a handpicked successor, which I guess would be the Yeltsin-Putin model. And it could be one of these younger governors that he has recently put in office. Some people -- what name did I hear recently -- you know, Sobyanin, the mayor of Moscow. I don't know. There are various other potential candidates, but even that will be quite tricky to manage, although I suppose not impossible.

MR. GILES: I think it would be very odd if President Putin does not already have a succession plan, although obviously he's not going to name the successor until the process is imminent and he knows that it will be manageable. Because, after all, even if he himself --

MR. TALBOTT: A person or a system to do it?

MR. GILES: The system will persist, whatever happens. The system will not change. But, yes, he can appoint an individual as long as he has the insurance policies that Angela was hinting at in place, if he can ensure that it is an orderly and stable succession which protects the interests of him, if he's still alive, of his family and his fortune if he is not, it would be odd not to have that already in place.

But the speculation on who it is going to be will continue to swirl, just as it always has done. Lots of names will come out of the hat, few of them will be convincing, but we do know, I think, based on past performance, that it will be clearly signaled who the anointed one is to be at an appropriate period before it actually happens.

So think back, for example, to the Putin-Medvedev swaps. Again, so much speculation about who exactly would be sitting in the hot seat, but if you looked at the consistent pattern of what the Russian population were told on state media, setting up an individual as a reliable and responsible safe pair of hands in which you could place important projects and the management of the country. I'm sure that we will see the same thing again preparing public opinion for that managed orderly succession when it comes.

MS. POLYAKOVA: So I'm very skeptical about the Yeltsin-Putin model being a potential model for Putin X, mainly because when Yeltsin was leaving he was already in a position of weakness. And, yes, he had been able to secure some resources for himself and his extended family that Putin did protect. Putin has been in power now for almost 20 years. He's made no doubt a lot of enemies, he's no doubt made a lot of money, and it's very difficult to see how even a handpicked successor who is younger could be sort of a stand in, would actually be able to protect him from the various factions and very powerful individuals who right now owe their position and their power and their wealth to Putin directly. But once Putin is gone, even if he is still in the background, that introduces some instability and a potential for a sort of bloodless or maybe a bloody palace coup.

So I think this is we're business of speculation right now. I'm very, very skeptical that this kind of succession model could work in a way that it worked previously for Yeltsin because I don't -- I wouldn't want to be that person. And I don't think anybody in Russia will probably want to be that person that has to guarantee Putin's own security.

But you mentioned this prepping that we often see the Kremlin doing in the media, kind of prepare the population to also kind of gauge what could be acceptable. And this is why I think it is useful to sometimes pay attention to Russian state media.

So one thing that has been floating around a little bit is this notion that a new position could be created in some sort of new merger between Belarus and Russia where Putin will become some sort of supreme leader of this new entity. And, of course, there will still be a president of Russia and there will still be a president of Belarus, but Putin will sort of sit above both of them. This seems to be something that's being discussed. Again, I think the prospects of that with Lukashenko still in power in Belarus, are -- I'm skeptical about. But I would not be surprised if we see something like this model emerge.

MR. TALBOTT: I'm going to ask for the audience to come into the conversation, but I would ask to the two ladies, the red coats (laughter), to conjecture a little bit about a secret here in Washington, and that is the Mueller investigation. (Laughter) And

you know why Keir is going to take a pass on this one.

MS. STENT: Well, obviously we don't know what's going to emerge. All we know is we know the kind of people who've been working with Mr. Mueller, we know that he has a number of experts on money laundering and financial crimes working for him, and we can only -- again, if we look at the indictments so far, clearly part of this is going to have to do with potential financial crimes and money laundering and links between people in the Trump campaign or the family or whatever with Russian individuals or entities. I don't know -- I mean, first of all, we don't -- even if the report is released whenever, we may not know very much about what's in it because, as we now understand, the Department of Justice is under no obligation to release these findings to the general public. The congress obviously will ask for them -- certainly, the democratic House will.

MR. TALBOTT: We'll get it, we'll get it. The public. Believe me. (Laughter)

MS. STENT: But I don't know -- I think it's impossible to know whether collusion -- whatever that actually means -- whether that will be proven as part of this report. But I may be completely wrong.

MS. POLYAKOVA: So I have again a more skeptical view on this where whatever is in that report I think is irrelevant for what Russian intentions are for us because the Russian view will not change, no matter what is in that report, in terms of its desire to continue to see itself as adversarial to the West, adversarial to the United States, and the zero sum of international relations more broadly.

So, yes, the Mueller report has been an obsession of this town. If we see it, there will probably be some juicy tidbits in there that we're all going to obsess about for a long time. I'm skeptical that we'll see proof, you know, smoking gun proof of collusion, again whatever that means, because it's not actually a crime. I mean you a conspiracy against the United States is. But in reality it doesn't change the dynamic and asymmetries in the U.S.-Russia relationship at all, no matter who the U.S. president is, frankly.

So I think the pragmatic view is that Russia will continue to do what Russia

does, regardless of what happens in the Mueller investigation, regardless of what happens with the U.S. President.

MR. TALBOTT: Okay. Yes, sir. And please give your name and a quick question.

QUESTIONER: Okay. My name is (inaudible) and thank you for allowing us to --

MS. POLYAKOVA: Can you take the microphone please?

QUESTIONER: Okay, thank you. Hello, my name is (inaudible) and thank you very much for letting me speak. I have a suggestion actually. The United States has to transform the current military confrontation. Instead of this brute force we have to use mental strategy to win the hearts and minds of not only the Russians but also the Muslim world. And also we have to work on this like -- educate all the world that we are dealing with --

MR. TALBOTT: Talking about arms control and that kind of thing, is that right?

QUESTIONER: Right. I'm talking about like dictator like Putin is almost like Stalin. But that's true but the world doesn't know that. We have to educate the world that we have to work on mental -- you know, to the hearts and minds of those people instead of just using military confrontation.

MR. TALBOTT: We'll have a go at that.

MS. POLYAKOVA: Well, I'll just quickly say that I think of course diplomacy and soft power is really important in -- I wouldn't say bettering our relationship with Russia, but at least trying to work where we may have some common interests, which at this point there's very few of those. It seems smaller and smaller. Terrorism was often discussed and the fight against ISIS especially as a potential point of cooperation, but the Russians don't define terrorist cells in the same way we define terrorist cells, to say the least.

So I think those opportunities are getting narrower and narrower and I think

this is exactly why. As you just pointed out, Strobe, arms control negotiations are so critical to maintaining some connection in the relationship because this is in the mutual interests of the United States and Russia.

MR. TALBOTT: There as a lady right there, and then the gentleman over there, and we'll do it in that order.

QUESTIONER: Thank you. (Inaudible), Voice of America. Thank you for a very interesting discussion and congratulations on the book.

So my question is what exactly the Western policy towards Russia should be then, including sanctions, and it would have a pragmatic view toward Russia to what extent we should accept Russia the way it is today.

Thank you.

MS. STENT: I can start off with that. I'm rather skeptical about a lot of the sanctions policy. They've imposed some economic pain on Russia, certainly, but so far I don't see any change in what Russia is doing, either in Ukraine or really anywhere else. Now, we don't know whether maybe Russia might have done something different had there not been the sanctions, but I think to have a U.S. policy that's so heavily geared toward sanctions, I'm not sure how productive that is. And we're now at the point where the congress may or may not impose more sanctions where we will take action against our European allies. It will affect their business, it will affect some of our business.

So I think you have to ask what's the point because with most of the sanctions, excluding the Ukraine sanctions, but the ones since then, there's no quid pro quo. They're just imposed by congress, it takes forever to lift them, and the sanctions aren't saying if you do X, then we may reconsider the sanctions. It's just a very blunt instrument.

So I'll say that.

I think we have to find different tools. I mean I do think -- and I said that -- we do have to -- we shouldn't abandon arms control negotiations with the Russians. We should try at some point to include the Chinese in this, because obviously this is a major

issue, but we shouldn't just abandon this. And we do have to -- I think we need to open more channels of communication on issues which are important to us. Counterterrorism is one of them. We don't always define a terrorist the same way, but there are some instances where we have worked together. So you have to have a mixture obviously of channels of engagement with Russia. And then you, as I think we've all said, you also have to have very good defenses and you have to resist some of the things that the Russians are trying to do. And we have to have better -- particularly on some of the cyber and social media things, we just have to have better defenses.

MR. TALBOTT: The gentleman there and then Toby Gati.

MR. KATZ: Thank you very much. Mark Katz from George Mason University.

I'd like to return to the Russian-Chinese relationship. I'm intrigued by your comments that Putin seems to regard China -- Xi Jinping as a good friend, that they don't perceive any kind of threat. And I'm just wondering as to why that is. I can think of three possibilities. One is that he's so focused on the U.S. threat that he simply doesn't have time to worry about the Chinese threat. Another is that in fact maybe he has simply a racist viewpoint that the Chinese cannot possibly be a threat to Russia. And the third is that maybe there's a calculation that in fact China really is a threat to Russia, but by the time it becomes an all-powerful one it will also be a threat to the U.S. and therefore despite everything in U.S.-Russia relations, the U.S. will have to work with Russia against China because it will be in America's interest to do so.

And I'm just curious, also you mentioned that a lot of Russians you speak to seem to simply accept the idea that Russia is a junior partner for China. If they accept this idea I'm wondering if we should too. That if Russia is China's junior partner, is the way to deal with Russia to somehow make a deal with China?

Oh, and by the way, I intend to assign your book next fall to my class. As you know, that means I get my copy for free. (Laughter)

MS. STENT: As you well should. Thank you, Mark. I've obviously learned a lot from what you write on Russia and the Middle East.

So I'm tempted to say somehow a little bit all of the above. One of the things I meant to say is I also think that current U.S. policy of the Trump Administration where you have more and more sanctions on Russia and a trade war with China has driven Russia and China also closer together.

So Keir already said this, I mean the potential Chinese danger is something that you dare not mention its name. There is very little public discussion of this, even though I'm sure that in the long run -- and I know Russians who think about this and understand that in the long run, again, if you look at the demographic situation in the Far East, if you look at China as a rising political power, nuclear power now too -- and we didn't even talk about the Belt Road Initiative and China becoming a much stronger power in Central Asia, in Russia's backyard. I mean these are all things that in the longer run should give the Russians pause.

But for the moment, if Putin is indeed as obsessed as we think he is with thinking that the United States wants regime change in Russia, that we're trying to undermine him, that we're threatening Russia, the Chinese were -- again, from the Russian point of view now, China represents zero danger in terms of wanting regime change, wanting a more democratic Russia. So if the main goal of the people in the Kremlin is regime survival and their own personal survival, then China supports all of that and the West doesn't.

And you may also be right that sort of in the longer run they understand that China is going to be a threat to the United States too. It may overtake the United States economically and that changes the picture. But for now the famous U.S.-Russia-China triangle, I mean the Chinese hold most of the cards, but right now -- and maybe it's short-term thinking -- I don't think the Russians see a danger from it.

I don't know if you agree Keir.

MR. GILES: Well, as always, when dealing with Russia, there is a paradox.

It is simultaneously zero danger to the regime, but also the potential for great danger. And this I think is the reason why we see from Russia the behavior of keeping your friends closer, pretending that there is no possible bone of contention in the relationship and no possible future problems in that relationship, despite the fact that Siberia is a resource rich population vacuum next to a resource hungry population generator just across the border. No, everything is absolutely fine.

The reason being, Russia can castigate the West and the United States and NATO and criticize them as much as you like, beat them with the rhetorical stick days on end. But the moment you hint that anything is wrong with China, you suffer the kind of political and diplomatic and economic pain which the West is not in a position to inflict. Hence, I think this conspiracy of silence among not only Russian strategic documentation but also the leaders, making the pretense at a strategic partnership with China that NATO pretended at with Russia throughout most of the early part of this decade.

That I think is the reason behind it, making sure that there is no trigger for any kind of damaging action by China, because it will be highly damaging. Not only now, but especially in the future where Russia risks coming into a state of Finlandization with regard to China, being subservient to it, having its sovereignty limited in order not offend its biggest client.

MS. STENT: You remind me of the old Soviet joke, right, talks on this Fino-Chinese border are continuing. (Laughter)

MS. POLYAKOVA: I just wanted to throw a little bit of skepticism on the notion that most Russians accept the position of being a junior partner to China. Again, this is kind of anecdotal, but if you look at the narratives being thrown out by the Russian media, one thing you notice is that Putin has sort of put out this notion of blending together the Eurasian economic union with China's One Belt One Road project, because these two projects are being integrated, have to be integrate to some extent, Central Asia especially. And the way that's being presented is of course, meaning for the Russian domestic

audience, is not we had to do this because otherwise we'd face competition with China and Central Asia, we don't want that, and we have to take the back seat and be the junior partner, it's very much being presented as Russia is taking the leadership here, it is Mr. Putin that is guiding the relationship with China. So we are the strategic partner here and China is following of us in terms of strategic thinking for the region and for the partnership.

And I did see a friend who is a professor at the High School of Economics in Russia and she told me she teaches her big lectures and she talks about the fact that though in fact Russia is a subservient partner, is a secondary player in the relationship with China, that the students refuse to believe her and they say, no, no, no, we're guiding that relationship, China is following us. How could the Chinese guide us? So there is some I think tension there and less of a desire -- which I think is also signaled in what you were saying about the absence of this in the strategic documents, that I don't think the Russian population would be very happy to accept it for the most part. And that's not what the regime is trying to put out there.

MR. TALBOTT: Toby.

MS. GATI: Thank you. Angela, you have made a huge contribution to our understanding Russia and U.S.-Russia relations. Thank you. I think we all owe you a debt of gratitude for that.

My question is to continue in the line of reexamining assumptions, and we mainly talked about political. I'd like to talk about an economic one, that Russia wanted integration into the international system because it couldn't do many things on its own, from investment to get technology. And, in fact, this is the basis of sanctions -- that the Russians need this so much that eventually something is going to give.

What if -- and I've heard some Russians say this -- our assumption is wrong and the new Russian economic strategy is to minimize links, to bring back money, to cut some of the links to the dollar, which we see, not count on foreign investment. And certainly the arrest of Michael Calvey doesn't make you feel warm and fuzzy about going there.

Medvedev, if you remember, a couple of months ago said that the U.S. had declared an economic war against Russia. And my question to you, which may be a little bit provocative, but I just thought -- I've just come back two days ago -- will this one day be seen as the equivalent of Putin's Munich Speech?

MS. STENT: Yeah, I mean it's a great question. And for those of you who maybe don't follow it, what Toby just referred to is the arrest a couple of weeks ago of Michael Calvey, who is an American businessman, a hedge fund investor, very bullish on Russia, lived in Russia for decades, has a Russian wife, was always a believer in doing business in Russia and investing in Russia. And because of a shareholder dispute with some Russians this didn't go into the civil courts as one would expect it would, but it's now a criminal matter and he's sitting in prison now and one doesn't know what the outcome is. And President Putin has gone on record of saying that he agrees with what they've done with the arrest of Michael Calvey, even though just days beforehand President Putin has said well, you know, people ought to reassess the way they deal with business disputes.

So certainly we've seen -- I'm not -- is it a result of the sanctions or the sanctions have played in to Putin's policy of people bringing back the deoffshorization, Russian wealthy people bringing back their money to Russia. And what we've also seen is increasing state control of the economy in Russia. For those of you who followed the case with Oleg Deripaska, the aluminum magnate and the sanctions that were imposed on him by the U.S., and the U.S. has now walked back some of them because of the international repercussions, but he's an example of someone who if he was more independent, is much more dependent on the state.

So I think that there is still a group of Russian business people who do favor integration with the West, who are international, who want to be more part of the West, but I think the tendency in Russia now is both domestically for more state control of the economy. And also I think the Kremlin is certainly not encouraging this kind of international integration, which at least in the 1990s and for let's say the first half of the 2000s, the did.

MR. TALBOTT: Keir, do you have a comment?

MR. GILES: I agree with you and I think it's a symptom of a broader pattern that we can observe not only in the economy but also across other domains as well.

So the actions that Russia has taken in response to sanctions have been self-protective action. Sanction proofing the economy, reducing the exposure to risk of what happens, whether as a result of the actions of your adversaries or as the fallout from actions that you take yourself. And that I think we need to see as part of the broader pattern of Russian activity in terms of preparation for conflict. State and social mobilization, building up of mobilization reserves, the massive and massively expensive program of rearmament, military transformation, reorganization that has now been running for over a decade. And we've already mentioned during this session the preparations for cutting Russia off from the internet, which as I see it -- although it has many different motivating factors, one of them is protecting yourself from any damages that you might do through cyber or physical activity to the internet elsewhere.

In all of these things we see the underlying factor being the Russian perception that the conflict is already underway and there is a race to put in place measure that you can withstand that conflict and, if possible, prevail in it.

And, again, this is a perception which is so well developed in Russia, and has been for far longer than it has been recognized outside the country. It may take two to tango, unfortunately it doesn't take two to actually start a war.

MR. TALBOTT: The lady over here.

QUESTIONER: Hi, my name is Catherine. I am from Indiana University.

I would just like to touch on another subject, which is Russia's movements in the arctic. What do you think is Putin or Russia's strategy in the arctic as other northern nations scramble to claim ocean space and trade route opportunities?

Thank you.

MR. GILES: Okay.

MS. STENT: You take it.

MR. GILES: Okay.

MS. POLYAKOVA: Go ahead.

MR. GILES: Again, the defining feature is exactly what I've been talking about, Russia recognizing a problem far earlier than other countries. So if you think back to the high profile incident that everybody thinks of as defining the beginning of Russian policy in the arctic, the planting of a Russian flag on the seabed at the North Pole. In exactly the same way as Putin's Munich Speech in 2007, this wasn't the beginning, this was simply the point at which everybody started to take notice of what Russia had been saying with increasing insistence over preceding years.

So, again, there is a position where Russia has been not only developing its own ideas about how a particular conflict or a particular confrontation with the West should run, but also preparing itself for it. So we've seen a recognition in Russia really from the earliest days of oil and energy revenues -- meaning that they could start to spend money on the armed force again -- meaning that they needed to be prepared for melting ice caps at which point -- if you read the National Security Strategy, the Military Doctrine, the writings of the chiefs of general staff, et cetera -- at which point there will be a resource conflict. Because if you take the Russian view that actually the arctic is their backyard and also it has been argued rightful compensation for giving up voluntarily Eastern Europe, so it is a territorial claim that is based on an entirely specious moral argument, but that doesn't stop Russia acting on it. Again, Russia sees itself in a conflict that is already developing long, long before other countries realize that they are actually in that confrontation status with the country.

MR. TALBOTT: I think this is going to have to be the last one. Yes, sir?

QUESTIONER: (Inaudible). I have a brief question on -- you didn't mention it in the book, but Russia's foray into Central African Republic, is this part of moving into their multi polar world view that Putin has? Could you explain the motivations behind it?

MS. STENT: Sure. So I think I alluded to it at the beginning, Russia returning to parts of the world where the Soviet Union was. And certainly the Soviet Union was active in a number of African countries. And where it was kind of -- it was absent after the Soviet collapse because it just didn't have the resources.

And the interesting thing about the Central African Republic is it's the case where in this new kind of Putin strategy, which some people call hybrid warfare or hybrid way of dealing with things, the people who are active there are mercenaries, are these private military companies. In the case of the Central African Republic it's called Wagner, and it's owned by a man who's very versatile.

He's I think called Putin's chef because he owns restaurants and he's actually cooked for President Putin and other foreign dignitaries. He is also the man who apparently is in charge of the internet research agency, which is the one responsible for the social media interference in the United States and Wagner, which is group of mercenaries and they fought in a number of places in Ukraine, in Syria, where they came to direct blows with the U.S.

So in the case, again, of Central African Republic, you have these forces there, and of course we had the incident with some Russian journalists who were trying to cover this and who were killed. And so I think I would expect Russia to continue, to the extent that it can, to go back, seize opportunities in different countries, like say in Africa where there's conflict, where the Russians can play a role. And, again, not send regular Russian army troops, but employ the services of these various mercenaries.

I don't know if you have something on that.

MR. GILES: Wagner and the other less high-profile PMCs, make an absolutely fascinating case study for how Russia sees that conflict in sub threshold domains, in the gray zone, hybrid warfare -- if you like to call it that, which we don't - anything which will not actually trigger a military response from more powerful partners.

The PMCs are being used as the deniable and expendable front-line troops

in pushing the boundaries of what is acceptable action for Russia. And we see a very clear-cut case of that, for example, in the confrontation with U.S. troops in Syria, Deir ez-Zor.

It's not just Central African Republic, it is a number of countries across Sub-Saharan African, in Latin America, other places around the world where Russia sees an opportunity, often as a result of a Western lack of attention to political changes in a particular area. Russia always exploits a vacuum, whether it is a vacuum of military power or political will or signs of cohesion, where possible they will move in.

Now the motivations for that, which I think might have landed at the root of your question, as always it is impossible to divide and say there is one particular driving factor because with this blend of business and crime and politics that guides Russian actions, you can never quite tell where state interests end and personal enrichment begins. After all, we've seen Wagner and other companies undertaking operations in other countries for a share of the profits if they take control of energy resources.

Who's to say that it's not a private initiative which just has a spin off, a collateral benefit for the Russian state as a whole, in part because of the very simple numbers game. Plucking up the support from third countries around the world, that was lost in that spectacular collapse of Russian diplomacy abroad that Angela referred to during the '90s, which when, again, ever since they started to receive the funds and the capabilities to restore it. They've been working very hard at bringing back that influence that was lost. It's just now we see many more tools and capabilities that they can exert in order to do so, including private military companies.

MS. POLYAKOVA: Just a quick comment on that. I mean to go beyond the specific case example, I mean the tools that you mentioned, that both of you mentioned, including these mercenary groups, the I think the bigger point here is that these are relatively low cost and high impact kinds of tools the Russians try and develop.

What I mean by that is of course Russia is not the Soviet Union, it doesn't have the same kinds of financial resources, it doesn't have the soft power capabilities, it doesn't

have the same military capabilities the Soviet Union had. And so what it's forced to be reliant upon are things like mercenary groups, are things like trolls, on line trolls and bots and cyberattacks, et cetera, these asymmetric tools of warfare which can have a high impact and still relatively low cost and maintain plausible deniability as a part of Russian strategy.

And, again, you see over and over again this popping up, not just in terms of Wagner, but we were talking earlier about Russian surveillance technologies.

For example, they're being exported to various countries across the world to be used there. Not necessarily Chinese surveillance technologies because, again, Chinese tech requires a great deal of skill often, human capital, and just labor power. So the kinds of surveillance the Chinese have been able to implement at home, Russia has not been able to implement at home. But what they are doing very effectively is exporting these kind of tools, not just to its near abroad, but globally.

And what's unfortunate again is that we're not paying attention, and so it results in ceding ground to a country that is relatively weak, but is playing that weak hand incredibly well.

MR. TALBOTT: I'm going to close the evening, but I do want to say thank you for all that have come here this evening and this afternoon.

I hope that you've heard so much wisdom from this troika up here (laughter) that you will at least leave the building with two books and come on back when Alina is ready for hers. (Laughter) (Applause)

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