

**PREPARED STATEMENT**

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**“U.S.-Russia Relations in the Aftermath of the Georgia Crisis”**

**House Committee on Foreign Affairs**

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Thank you, Mr. Chairman, for inviting me to appear before your Committee. As has become our custom together in recent years, I appear here not out of pleasure, but because of bad news coming out of Russia and the former Soviet Union. The last time I had the honor of appearing before your Committee, my opening remarks were filled with gloom and a sense of opportunity lost regarding Russian democracy and partnership between the United States and Russia. I'm afraid my message today is even gloomier.

Russia's invasion of Georgia last month seriously undermined peace and security in Europe for the first time in years. Russia's military actions and subsequent decision to recognize South Ossetia and Abkhazia as independent states also represent a fundamental challenge to the norms and rules that help to promote order in the international system.

The initial skirmishes between Ossetian and Georgian forces that first sparked this conflict in early August 2008 should have been contained. Had the international community – led by an attentive and proactive American government – engaged both the Russian and Georgian governments in an effort to first stop the violence immediately, and then more ambitiously, to mediate a permanent solution to Georgia's border disputes, this war might have been avoided. It still remains unclear what sequence of events turned skirmishes into war -- an international investigation should be conducted to shed light on this question. Irrespective of who moved first to escalate, the Georgian government's decision to use military force to reassert its sovereignty over South Ossetia, which included sending its forces into the South Ossetian capital, Tskhinvali, was short-sighted and ill-considered. Nonetheless, Georgian military action within its borders can in no way be equated with or cited as an excuse for Russia's invasion and then dismemberment of a sovereign country. Russia's actions were disproportionate and illegal. The tragic loss of life – soldiers and civilians alike – on all sides was regrettable, unnecessary and avoidable.

Because Georgia is a democracy, Georgian voters will someday judge the decisions of their government last month. But let's not confuse that discussion with a clear-headed understanding of Russian motivations. Russia's military actions last month and continued illegal occupation of Georgian territory today were not a mere defensive reaction to Georgian military actions in South Ossetia. On the contrary, the Kremlin's moves represent the latest and boldest moves in a long-term strategy to undermine Georgian sovereignty, cripple the Georgian economy, and ultimately overthrow the democratically-elected government of Georgia. Moreover, Russia's government actions in Georgia constitute just one front of a comprehensive campaign to reassert Russian dominance in the region through both coercive and cooperative instruments. Last week, President Dmitri Medvedev stated clearly that he considers the post-Soviet space to be a "privileged" sphere of interest for Russia. This campaign of asserting Russian hegemony in the region started well before the Russian intervention in Georgia and will continue well beyond. And it is more than coincidence that the emergence of a more

bellicose, anti-American, and anti-Western Russian foreign policy has occurred in parallel to the growing erosion of democracy inside Russia. Developing a sustainable, smart, and multi-dimensional strategy for addressing a resurgent and autocratic Russia has now crystallized as a central 21<sup>st</sup> century foreign policy challenge for the United States and our allies.

Two responses currently being debated among America's foreign policy elite – business as usual and isolation – must be avoided.

This first school of unqualified engagement contends that we need Russia on so many crucial issues, and therefore we cannot risk alienating the current Russian government over minor disputes such as Georgian territorial integrity. For instance, we need Russia to help us on dealing with Iran -- so the argument goes -- so we should not make a big deal about Russian actions in Georgia. This way of thinking misunderstands both the current Russian government and American national interests. On Iran or any other issue in U.S-Russian relations today, Russia's current leaders are going to act based on their calculations about Russia's national interests and not as a favor to the United States. Trying to trade soft statements on Georgia for Russian votes on Iran at the United Nations Security Council will never work. Moreover, the engagement-at-all-costs school overestimates our dependence on Russia for pursuing our security needs while at the same time underplays a core U.S. national interest – peace and stability in Europe. After twenty years of working diligently to make Europe whole and free, we cannot abandon this mission now. Signaling indifference to this objective also will encourage more Russian belligerent behavior.

The second school of isolation or containment, however, moves too far in the opposite direction. Russia's invasion of Georgia did not spark a new Cold War. Thankfully, the battle between communism and capitalism is over and the danger of a proxy conflict between the East and West escalating into a nuclear holocaust has diminished substantially. Compared to the last century, Russia's economy is vastly more integrated into world markets, making it more difficult for Russian leaders to ignore the economic consequences of risky behavior. And even during the Cold War, American leaders always talked to their Soviet counterparts about issues of both agreement and disagreement. While Ronald Reagan was rightly denouncing the Soviet Union as the evil empire, his Secretary of State George Shultz was conducting direct negotiations with his Soviet counterparts (well before Mikhail Gorbachev arrived on the scene) about arms control, regional conflicts, and human rights abuses inside the Soviet Union.

Instead of business as usual or isolation, the United States must navigate a third, more nuanced, more complicated, and more comprehensive strategy that seeks to bolster our allies and partners, check Russian aggression, and at the same time deal directly with the Russian government on issues of mutual interest. The long term goal of fostering democratic change and keeping the door of Western integration open for countries in the region, including Russia, must not be abandoned. American foreign policy leaders have to move beyond tough talk and catchy phrases and instead articulate a smart, sustained

strategy for dealing with this new Russia, a strategy that advances both our interests and values.

The **first** element of a new strategy must be to re-establish unity with our European allies. Divisions between the U.S. and Europe as well as divides among European countries have created opportunities that the Kremlin has easily exploited. There is no doubt that Russia's leaders were emboldened by the unseemly splits on display at the NATO summit in Bucharest last April. They also are encouraged to hear Vice President Cheney make one kind of argument about Western policy while visiting Ukraine and hear another approach articulated by the French Foreign Minister on the same day. This inability to develop a common strategy before it is announced – be it on missile defense or NATO enlargement – must end.

**Second**, NATO members must affirm their Article V commitments that an attack on one country in the alliance is an attack on all. In addition, NATO allies feeling especially worried about future Russian aggression should be given additional defensive assistance.

**Third**, the United States, Europe, and the rest of the international community must stand firm in demanding that Russian soldiers inside Georgia return to their August 7<sup>th</sup> positions and that the world continue to affirm its recognition of the territorial integrity of Georgia. Once the terms of the ceasefire agreement have been met, the United States and our allies must press for the beginning of an internationally-mediated negotiation process that seeks to find a permanent solution to the territorial disputes within Georgia. Eventually, this process must aim to replace Russian forces inside South Ossetia and Abkhazia with an international peacekeeping force. In the interim, a robust OSCE observer mission must be deployed inside Georgia to monitor the ceasefire. A neutral, international organization also must investigate claims from all sides of human rights abuses conducted during the war.

**Fourth**, the United States and Europe must work together to help rebuild Georgia. The conflict has created the conditions for Georgia's economic collapse, an outcome that could lead to the fall of the current government and threaten stability in Eurasia's strategic crossroads. A \$1 billion aid package first proposed by Senators Biden and Obama and now developed by the Bush Administration is an important first step. We must encourage our allies to pledge a similar level of support, and the U.S. must commit to a new assistance package that goes beyond the reallocation of existing funds promised by the Bush Administrations, in order to deliver new money to Georgia. This new assistance will have to go beyond humanitarian and economic aid, and must also include new resources to strengthen Georgian independent media, rule of law, and civil society. The United States and our allies have an interest in preserving both Georgian sovereignty and Georgian democracy, since the overthrow of the democratically government in Tbilisi or the collapse of democracy more generally will send a terrible message to democratic governments and democratic activists throughout the region.

**Fifth**, the United States and Europe must act proactively to deter Russian hostile actions against the other post-Soviet democracy at risk, Ukraine. The deep cuts in the Freedom

Support Act assistance to Ukraine, from \$138.6 million in FY2005 to \$72.4 million in FY2008, must be reversed, as these cuts reflect premature optimism about the stability of Ukrainian democracy. The United States also should expand and intensify training programs for Ukrainian military officers. The United States should coordinate closely with our NATO allies to entertain positively a request from the Ukrainian government to begin a Membership Action Plan (MAP) for NATO, while also emphasizing that such a request must reflect the will of the Ukrainian people and a credible commitment from the Ukrainian government to meet the strenuous guidelines and responsibilities of becoming a stable and reliable NATO member. The current infighting within the Ukrainian government does not instill confidence, but the hope of Western integration can serve as an incentive to Ukraine's leaders to exercise good judgment and rise above narrow partisan politics.

**Sixth**, the United States, Europe and our partners in Eurasia must reaffirm together the permanence of existing borders of all members of the Organization on Security and Cooperation in Europe (OSCE). All international forums, including the UN Security Council, must affirm this principle. Russia of course, would veto a UNSC resolution on this issue, but compelling Russia to demonstrate its isolation is important symbolically. China, as well as several of Russia's closest partners, have communicated their lack of support for Russia's illegal actions in Georgia. Countries that do recognize these Georgian territories as countries must face consequences.

**Seventh**, the United States must work closely with our partners in Europe and Eurasia to reduce their overdependence on Russian energy exports. We must understand that this dependency works both ways; the Russian economy would suffer severely from any sustained attempt by the Kremlin to disrupt energy exports for political purposes. The gradual shift away from Russian oil and gas imports will allow our European allies and Eurasian partners to follow more independent foreign policies. Increasing energy efficiency is the first step, especially in countries that emerged from the Soviet collapse. Developing alternative energy sources is a second step, which of course has the added advantage of slowing climate change. In this quest, several European countries, including Germany in particular, may offer the best set of policies to be emulated rather than the United States. Third, increasing the ways in which energy can be transited through the region – including more pipelines and more LNG ports in Europe – also will reduce Moscow's leverage and increase competition, a benefit for all.

**Eighth**, the United States must coordinate closely with our allies to consider future actions against the Russian government if it refuses to adhere to the ceasefire agreement that it signed. Russia's actions already have helped to trigger the biggest losses on the Russian stock market since August 1998, sparking a real debate among Russian economic elites about the wisdom of this war. Russian diplomatic isolation is also very palpable – only one country, Nicaragua, has joined Russia in recognizing South Ossetia and Abkhazia as independent states – causing some within the Russian foreign policy elite to question the long-term Russian security benefits of these recent actions. And Russian experts on the Caucasus have cautioned about the explosive consequences that recognition of South Ossetia and Abkhazia may have for peace and security on Russia's

southern borders. These initial costs, however, might not be enough to reverse Russian behavior. For the sake of building a common, unified strategy both within the United States and with our European allies, it is premature for academics like me to begin advocating what these other actions might be. But the list of consideration for future actions must include the tabling of the U.S.-Russian civilian nuclear agreement; postponement of Russian membership into the Organization for Economic Cooperation and Development (OECD); targeted sanctions against those companies making profits from their activities in South Ossetia and Abkhazia and new regulations to generate more transparency of actions and motivations of Russian state-owned corporations operating in Europe and the United States; visa restrictions against those individuals most responsible for this attempt to dismember Georgia; and if the crisis prolongs, a reconsideration of holding the 2014 Winter Olympics in Sochi, just dozens of miles from these disputed territories.

**Ninth**, the United States must do more to increase the flow of information and independent news into Russia and the region. The Soviet-style propaganda being broadcast on state controlled television stations today inside Russia is truly shocking, even for someone like me who lived in the Soviet Union. Russians must have access to multiple sources of information. So too must other people in the region who rely heavily on Russian media outlets for their news. To conduct a healthy debate about their government's decisions, Georgians also need more media pluralism and independence. Amazingly, at a time when more independent media and information is needed, the United States government has devoted paltry funds to Radio Free Europe and Radio Liberty (RFE/RL) and Voice of America (VOA) programming for this region, and has reduced funding for independent media development within these countries. While the sum total of all American international broadcasting efforts is roughly \$800 million a year, RFE/RL's total operating budget is about \$82 million, and of that sum only \$9 million is budgeted for Russian Service broadcasts. These figures do not reflect American strategic priorities. To reduce stereotypes and increase understanding, the United States should also devote more resources to encourage exchanges between Americans and Russians.

**Tenth**, the United States must recommit to assisting the flow of democratic ideas throughout the region. Amazingly, at a time when autocracy is on the rise and young democracies are under assault throughout the former Soviet Union, the Bush Administration and the U.S. Congress have worked together to slash funding for the FREEDOM Support Act (FSA). In FY2000, the total FSA budget was \$835.8 million. In FY2008, the total FSA budget was only \$396.5 million, while requested funds for FY2009, as I understand it, are only \$364 million. These numbers either reflect a misunderstanding of the anti-democratic trends in the region or an admission of defeat – a declaration that the United States has given up on the cause of freedom in the former Soviet Union. Withdrawal from this democratic struggle at this moment would be a terrible mistake. Both inside Russia, as well in all the other countries, courageous human rights activists, independent journalists, opposition leaders, businesspeople, and even government officials within authoritarian regimes who are still pushing for the modernization of their political systems and economies. Now more than ever, we need to

demonstrate our solidarity with these individuals and organizations. Ultimately, a more democratic Russia will be a better neighbor to other democracies in the region. In addition to greater FSA funds, the U.S. Congress also must consider increased funding for the National Endowment for Democracy earmarked for Europe and Eurasia, and the passage of the Eurasia Foundation Act (H.R. 2949/S. 3024), which would provide direct funding for this effective enabler of civil society throughout the region.<sup>1</sup>

I cannot endorse more funding to these programs, however, unless the U.S. Congress commissions a serious and comprehensive evaluation of these democracy assistance programs financed by the Freedom Support Act and other U.S. government sources. The American people have a right to know how their money has been spent over the last eight years. Given the change in administration that will occur in Washington next year, the urgency for such a study could not be greater. The General Accounting Office might undertake such a study, but Congress also should consider constituting a bi-partisan, independent commission to undertake such a review. The situation has changed too dramatically and the stakes now are too high to simply proceed with our old strategies and programs without being able to measure their effects.

**Eleventh**, the next president of the United States must move immediately to establish a direct dialogue with President Medvedev to discuss issues of mutual interest. One reason that the United States had such little leverage in deterring Russian aggression last month is because the U.S.-Russian bilateral relationship is largely empty. Even as we pursue the other elements of the strategy outlined above, we can engage directly with the Russian government to reduce the size of our nuclear arsenals; take our nuclear weapons off hair-trigger alert; prevent the spread of nuclear weapons, technology, and materials by securing and dismantling the weapons of mass destruction still remaining from the Soviet era; work cooperatively to prevent Iran from obtaining a nuclear weapon; and develop common strategies for preventing climate change. We also must develop greater dialogue on issues of disagreement including security relationships with countries in the Caucasus and Central Asia, missile defense, energy security, and NATO enlargement. For too long, Russian and American officials have pursued policies unilaterally, without engaging in bilateral diplomacy beforehand. The American and Russian governments must develop multiple lines of communications between our various government bureaucracies to reduce the potential for misunderstandings and increase the possibility for diplomacy during crises, like the one we endured last month. The degree of disconnect between Moscow and Washington today is dangerous as misperceptions can produce bad outcomes for both countries.

To engage in direct diplomacy does not mean that we focus on nurturing friendships with individual leaders or that we check our values at the door. From the very beginning of his presidency, President Bush spent too much time developing a personal bond with then Russian President Vladimir Putin and too little time developing a comprehensive agenda of mutual interest with the Russian government. And too often, President Bush was praising his friend Vladimir at the same time that Putin's government was rolling back democracy at home and taking belligerent actions against American interests abroad. As

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<sup>1</sup> In full disclosure, I served on the board of trustees of the Eurasia Foundation in the past, but do not now.

the next president engages directly with the Russian government, he also must reengage directly with the Russian people.

**Twelfth** and finally, even though the current Russian government is pursuing policies that isolate Russia from Western institutions and the international community more generally, the United States and our allies must continue to embrace Russian integration with the West as a long-term strategic objective. Eventually, the current leadership in Russia may begin to see how the costs of their current actions outweigh the benefits, or a new government might gradually change course. When such signs of change do become evident, the United States and our allies must be ready to act upon them. Full integration of Russia into the West, including even NATO membership of a *democratic* Russia, should remain an aspiration for visionary American and European leaders. Until Russian leaders make the choice to respect international rules and norms and reengage with the project of becoming a responsible member of the international community again, the United States and our allies must be prepared to pursue our interests and values with a different kind of relationship with Russia than we had hoped for in the past.

The components I have sketched here for building a new American strategy for dealing with Russia are deliberately multifaceted. And more could be added. Given the stakes at play, now is not the time to reduce American foreign policy to one-line sound bites or bumper sticker phrases. Nor is it a time to conduct business as usual. Complex new challenges require complex new solutions.