

Brussels Forum

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Early Bird Session: Russia, Ukraine, and the Future of Europe

Female Announcer: Ladies and Gentlemen, please welcome Executive Director of the Brussels Office at The German Marshal Fund, Dr. Ian Lesser.

Ms. Jill Dougherty: All right.

Dr. Ian Lesser: Good morning. Good morning, everyone. You can tell we really didn't want you to sleep very much this weekend, but thank you very much for joining us at this early bird session.

And let me also say a warm welcome to our young professionals who are joining us here today, as well.

We started out our Brussels Forum with a discussion on geopolitics and security, and, in-fact, we're going to continue that and return to that theme this morning with a discussion on Russia, Ukraine and the future of Europe. And we're really delighted to have Jill Dougherty of CNN with us to moderate that discussion. So, Jill, over to you.

Ms. Jill Dougherty: Okay. Thank you so much. I have to get used to these microphones. They're--we decided that it's kind of like Lady Gaga type of thing. But in any case, I'm amazed that there are so many people here. It's really fantastic and we have, I think, an amazingly high-level--well, everything here is, but this is a particularly good group of people, all of whom have been actively involved in exactly what we are going to be talking about.

So let me just move over here a little bit, get out of the camera. And, you know, the subject, obviously, that you want to hear about, and it's a subject that we are going to be discussing, is Russia, Ukraine and the future of Europe. But as I went through some of the meetings and the discussions yesterday, I was thinking there are these overall broader things that we're discussing. And as we all know, a world beyond disorder is the main theme of this entire forum.

So if we look at where does that disorder come from, or at least a perception of disorder, I think you'd have to say that it begins with Russia's actions in Ukraine. At least in the western interpretation of that. In the western interpretation, President Putin, Russia, challenged the security order of Europe and the security structures of Europe post-Cold War.

Now, there are different interpretations. There are different views and certainly you could argue there are different values. The west would say that President Putin is unreliable. The west does not know what he is going to do next. Look at some of the reports that came out about Syria and President Putin deciding to pull out some of his troops from Syria and many of the headlines were, what will he do next, Putin's

surprise. Now from the Russian perspective, they say they also know that the motivation for the west is to damage Russia, hurt Russia and in some cases I've heard in Moscow people saying destroy Russia and take over its natural resources.

But, in any case, right now what our mission this morning is, is to get into some of these very difficult issues and try to figure out, is there a positive thing that we can move forward to? Is there some type of productive engagement possible?

And briefly, you know who is on stage but just to make sure that we have everybody identified we have Igor Sergeivich Ivanov, from the left, my old friend, in fact, very good friend, the former Russian Foreign Minister and now he's the President of the Russian International Affairs Council leading think-tank in Moscow.

We have Pavlo Klimkin who is the Foreign Minister of Ukraine. Michael Turner, member of the U.S. Congress, representative from Ohio and we have Witold Waszczykowski, the Foreign Minister of Poland.

So let's begin, Igor Ivanovich, I would like to begin with you. Getting back to that issue, that question of what will Putin do next or maybe put it this way, what does Putin want? Is it fair to say that President Putin wants to destroy the security structure and the way things have been done post-Cold War in Europe? Is that a fair question? Does he want, as some people would say, a new Yalta? What would you say?

Dr. Igor Ivanov: Thank you for inviting me to speak today. Jill, you mentioned several times President Putin. We are not in Presidential campaign, that's why I don't think that I will concentrate my remarks on one very important political figure here or in Europe or in the United States. You have campaign. You know, we don't speak about your campaign, about the future of foreign policy of United States. I think that we have topics which organizers mentioned in, you know, the program, Russia, Ukraine and Europe and I will try to give my vision about where we are--why we are in this situation and where we are going because I think that it's clear that for more than two years dramatic development in and around Ukraine remained the focal point of the European politics.

Even the bloody conflict in Syria and the immigration crisis in Europe couldn't put Ukraine on the back burner. It would be not exaggeration to say that the Ukrainian crisis and its final resolution will have a profound impact not only on the relations between Russia and Europe but also on the European project at large.

Having said that, I would like to challenge a widespread opinion that Ukraine was the main cause of the crisis in European relations with Russia. In my view, the Ukrainian crisis turned out to be a catalyst that exposed in the most dramatic way all the problems in the relations between Russia and the west that we

preferred to hide or to downplay. As a result, we now run the risk of a new division of Europe. I'd like to bring your attention to the Euro-Atlantic Security Initiative of 2013. It was before Ukrainian crisis. We had the important group of former politicians and the military people. That group was co-chaired by Senator Nunn, by Lord Brown, (inaudible) and myself and in our report which we presented to the presidents of our countries in Washington it was Senator Nunn who presented to the administration, in Moscow I presented to our leaders, in Europe our members of group presented and in that report of 2013, we wrote Euro-Atlantic security must be improved or the existing risks will grow. The window for building trust, confidence, and security will not remain open indefinitely. Unfortunately, we were right. That window of opportunities for building mutual security in the Euro-Atlantic region was closed by the Ukrainian crisis. The situation for all of us, however, is not about who is to blame.

It's very simple, as some people are doing, to blame President Putin. Unfortunately, simple answer is not the simple solution for the problem. The problem is more complicated and if we start to blame each other it will be very interesting maybe story for mass media but without any result.

What we have to do is to analyze where we are and what can we do in this situation, which was created for many circumstances. (Inaudible) from my point of view, neither Europe nor Russia was anything to gain from Ukrainian became a failed state in the center of European continent.

On the contrary, such a development would create a whole range of fundamental threats and challenges to everybody in Europe. The Ukrainian crisis demonstrated the current European institutional deficit. We are speaking also here in Brussels about European Union, about NATO and other European structures.

Many European and Euro-Atlantic organizations and mechanisms were specifically designed to prevent or to resolve such a crisis. Please, see again the declaration which we signed, not we signed, we prepared as Ministers but our leaders, head of states of NATO and Russia signed in Rome in May 2002. Why we created Russian NATO council, the second paragraph specifically speaking that it was created to maintain permanent dialog to avoid conflicts and, in the case of conflict, to continue such a dialog to resolve that conflicts. What Russia NATO council is doing, what was doing before the Ukrainian crisis, during the Ukrainian crisis, nothing.

Where should we go from here, where we are now? First, we have to admit that the paths of Europe and Russia are seriously diverging and will remain so for a long time, not for months or for years but probably for decades to come. This continental shift, the drifting apart of the two European geopolitical plates will have a huge and lasting impact on both Europe and the world. There will be no return to the autumn of 2013 even if the situation in Ukraine is, by some miracle, brought back to normal.

The challenge taking place before our eyes are not only radical but also irreversible, putting an end to some political projects and opening an opportunity for the other projects. When I say about previous project, as you remember, many of us, we were speaking about greater Europe, about common Euro-Atlantic security space, about common humanitarian and economic space from Vladivostok to Lisbon. I think that beautiful plans we have to forget. We are in new reality and we have to start to think in that new realities. In the imagined new geopolitical reality, Russia is no longer the eastern flank of the failed greater Europe and is becoming the western flank of the emerging greater Eurasia. The shift of strategic essence means that Moscow should invest considerable political capital in developing the mechanism of Eurasian economic union, (inaudible) organizations and other multi-lateral structures of great Eurasia.

This doesn't mean that Russia should turn its back on Europe, renounce an interaction with European institutions and partners. Unfortunately, we don't have institutions which can, today, play a crucial role in the assuring security and stability in Euro-Atlantic region.

Russia and how I see today and maybe later we can speak with more details that Russia and the west appear to have entered a new phase of the arm race.

Ms. Jill Dougherty: Arms race?

Dr. Igor Ivanov: Yeah, arms race, in which Europe has become the center stage. It can be assured that once the U.S. deploys its missile defense system in Poland, for example, Russia would respond by deploying its own Iskandar, I don't know, I am not military expert, missiles defense system in Kaliningrad region, for example.

If the development take this direction, we may face a situation similar to the missile crisis in Europe back in mid-'80s. You remember that crisis. But the big difference, big difference between two situations, is that at that moment, at '80s, we had the full scale of mechanisms of dialogue or negotiations of contacts on the highest level, on the level of military people, and with all problems we managed that crisis. Today, all that mechanisms are blocked or destroyed and the risk of confrontation with the use of nuclear weapon today in Europe is higher than it was in '80s and this is the paradox.

Today we have less nuclear warheads and the risk of them to be used are growing and this is the dangerous situation for all of us. This is why...

Ms. Jill Dougherty: Mr. Ivanovich, excuse me please, but I just...

Dr. Igor Ivanov: Yeah.

Ms. Jill Dougherty: ...in the interest of time I wanted to keep things moving pretty quickly and I can see that you have a lot of things that you want to address. You've painted a pretty dire scenario and I want to get some of the other people obviously on the panel to talk about this. You mentioned a failed...

Dr. Igor Ivanov: I wanted to suggest how to resolve Ukrainian crisis but I can tell you later. Okay, I will put aside.

Ms. Jill Dougherty: I think the world would be very interested...

Dr. Igor Ivanov: I want it for concluding my speech I wanted to do something positive but if you want to put it aside I will...

Ms. Jill Dougherty: I'm very sorry to interrupt.

Dr. Igor Ivanov: No problem. No problem.

Ms. Jill Dougherty: I apologize but I wanted to just keep things moving...

Dr. Igor Ivanov: Okay. Okay, no problem.

Ms. Jill Dougherty: ...because we don't have a lot of time. But I think it's a very, very interesting (speaking foreign language 00:13:58) at the beginning. So let's continue. Speaking of the Ukrainian crisis, Minister Klimkin, Minsk II agreements peace accord is stalled and in these very halls I've been hearing from several people from both sides saying it's Russia's fault, it's Ukraine's fault, it's, you know, whose fault. Why is it stalled? Is Ukraine doing enough? Is it that Russia simply won't allow some type of ceasefire? Why are we in this predicament that it continues to fester?

The Hon. Pavlo Klimkin: Good morning, everyone. It's great to have such a great crowd to focus on Ukraine. Actually, yesterday we had a very sad anniversary, the second anniversary of the forced occupation of the Crimea and after two years, the Russian goal remained completely the same and this goal is to kill off any possibility for united democratic and European Ukraine to success. Of course we can discuss geopolitics. I personally believe that Russia has been trading with security like commodity on the stock exchange, creating instabilities here and there, trying to buy and sell the stability, creating problems and telling the European Union and others, "Look we have problems and it's only with Russia. We can sort out these problems."

But the point about Ukraine is not just about geopolitics. It's about us Ukrainians. It's about Ukrainian people. And my personal choice is to live in a free democratic and European Ukraine. I don't want to live in an unfree country, like Russia for example. And it's the same choice for Ukrainians, for the absolute majority of Ukrainians. And because of that we had our (inaudible). Because of that we've been fighting all these three years against Russian aggression.

The whole idea about what was going on in Donbas is about trying to establish a mafia-style enclave by Russia and to push it back into Ukraine as a sort of Trojan horse to destabilize Ukraine internally. So the idea about missed agreements is simple, and for me it's very easy to implement. If you would like this, what should you do? You stop selling. You let the OEC to control what is going on, on the ground. You disengage forces. You let the OEC monitor what was going on along the Russian-Ukrainian border. And we've been having continuous in flow of everything into Ukraine.

Imagine in Donbas we have now around 1,500 tents and damaged vehicles. We have any kind of sophisticated weapons including anti-air missiles and other weapons. We have continuous in flow of mercenaries, munitions and Russian regular troops, you know, thousands of regular troops. It's not about 200 to 500 people. It's putting a Russian regular officer in every military unit there to the level of platoon, because otherwise the whole system couldn't be guided in any way. And the idea is to try to exhaust Ukrainian resources.

Because now we have to allocate five percent of our GDP to security and defense staying on the IMF program. Why? Because we lost because of the occupation of Crimea and Donbas, 20 percent of our industrial output. But we still have to allocate this five percent of GDP. And we will keep doing so, because after two years we have a real army. We have our military forces able and capable to defend the Ukraine.

And the idea of Minsk is to go through security through the gateway of elections, maybe not ideal elections, but still free and fair elections under international control to the OEC standards. Russia kept saying for a year there were no OEC standards, so I showed the Russian leadership the famous decision of the OEC Copenhagen summit, 1990. And Russia was all for the OEC standards. What are the OEC standards?

It's to let political parties participate in free elections. Seems fair. To let the media to participate in the pre-electoral and electoral process. To let the internally displaced people, though I hate this bit of terminology, to participate in the elections. We have, just imagine in Ukraine in the center of Europe 1.5 million internally displaced people, and they also have the right to define the fate of Donbas. But it's not only about Donbas.

If you have political will to sort out the situation in Donbas, it could be done in months. Security, free and fair elections and renovation of Donbas. But the idea to destabilize Donbas and so Donbas to destabilize Ukraine is there on top of the Russian agenda, because the Russian leadership wants us to push from the European cause and to create a weak and fragmented Ukraine. We would be easier to deal with and to present Ukraine as a felled state. No way. But it's not only about Donbas.

From the first of January we have our free trade area with the European Union. And we got from Russia our punishment for that. Again imagine just three years ago our economic turnout with Russia was 37 percent, last year 11. For the country with 45 million people, this year it could be four or five percent. It's practically negligible. We have the coupling of our economists. Russia introduced most famous (inaudible), embargos, any kind of prohibition of transit. Now we have not been buying any Russian gas for the first time actually, last year and this year. So we are in a completely different environment.

But in the sense of commitment of the Ukrainian people, there will be no stop in trying to build up Ukraine how we understand it, and we understand our Ukraine as a united, democratic and European country which could be the core scenario of course for Russia in the sense of Ukraine succeeding in this exercise. But generally it's about us Ukrainians to define what we could do and what we should do in the future in the sense of how to build our country, in the sense of our foreign policy orientation. And there could be no deals in this sense, because the whole model was the result of a real push to the future Ukraine. So it's not about geopolitics. Of course we can discuss geopolitics for hours now, but it's about Ukraine and Ukrainians. And it's about our drive, how we understand Ukrainians.

Ms. Jill Dougherty: Thank you very much, Mr. Klimkin. I wanted to get into another question, and this would go to Congressman Turner. You know last night we were talking about the word deterrents, which I'm sure everybody in this audience has some reaction to. It's back. Deterrents seems to be back. We have the United States now in the budget that President Obama proposed for 2017 any increase to 3.4 billion dollars for the European Reassurance Initiative.

You and I were discussing last night maybe we're headed in the direction of having more, and that raises the issue of what Europe would do to respond. So remember (inaudible) talked about nuclear weapons. I mean we're into some very serious discussions about security. Could you pick up from there deterrents, is that what we're talking about? Is that a cold war style deterrent? And what should the United States, what should Europe do?

The Hon. Michael Turner: I appreciate that. We're not in a cold war situation. We're in a hot war situation. They're shooting weapons. That's a hot war. I think in perspective of all this, we have to look at what is Russia doing and what is Russia saying. Now what are they doing? Well they've invaded Georgia. They're violating the IMF treaty by developing a nuclear weapon that has capabilities that they had in that treaty agreed not to pursue. They violated the Budapest Agreement, violating the sovereign territory of Ukraine that was an exchange of their giving up their nuclear weapons. They're violating the Minsk Agreements. They've openly stated that they looked to, you know, that they have a right place nuclear weapons in Crimea, an area that Ukraine had declared as a non-nuclear weapon zone. They're continuing to conduct

military exercises, snapped exercises and massive military exercises that General Breedlove says threatens both the Baltics or they type of exercises from which they initiated their invasion of Ukraine.

And what are they saying? Well Putin has said that one of the greatest tragedies was the fall of the Soviet Union. They openly now have said that NATO is a threat to the Soviet Union, a defensive alliance, excuse me Russia. And they've openly said that in their military doctrine they use the use of military weapons as a de-escalatory effect. We believe that they're an escalatory effect. In all of this, you know we have to look at both dialogue and deterrent. And dialogue obviously we need to continue to be an exchange with Russia about how we see their actions and how they see their actions.

But you can't exchange a portion of dialogue for a portion of deterrents. Now my Russian counterpart just said that they're in an arms race. Well we haven't been in an arms race. We haven't looked at what we need to do to deter Russia. NATO is a defensive alliance, and you know a missile defense shield is a defensive military piece of equipment. It's actually directed to Iran not Russia at all. But when we look at what they're doing and we look at what we need to do, we made a miscalculation. We believed Russia was a strategic partner. They have looked at NATO and their European counterparts as a threat and the disintegration of the Soviet Union as a tragedy.

And because of that they have destabilized the national security and international security structure. What we need to do is both through NATO and the United States to reinvest. The secretary general of NATO said yesterday that it's less expensive to prevent a war than it is to conduct a conflict, and that certainly is what we need to do.

We need to make certain that Russia understands that we have military capability to deter them, that there would be a price. You know, Russia has an economy the size of Italy but currently today is fueling a military that can threaten the security of Europe. We need to make certain that we reinvest. The president has taken a first step. We need to make certain that Europe is our partner and that we once again look to what is it going to take to ensure that Russia honors its international agreements and does not invade its neighbors.

Ms. Jill Dougherty: Let's turn now to Poland. And Minister Waszczykowski, what I'm hearing, and actually it surprises me I must say personally. I think this is a very sharp discussion. And I don't mean that in a positive sense. I mean what we're looking at right now is a very stark explanation of how both sides look at this. Now Poland has a unique perspective.

You've been listening to what everyone has been saying. Do you have any overall comments? And I do want to keep it brief, because I want to get to the audience. I know people really wanted to ask questions,



but what is your perspective on this? Is this irreversible? Are we now in a completely different world which is more let's say closer to the understanding that we had during the cold war? What do you think?

The Hon. Witold Waszczykowski: Very good morning. And you ask me to even sharpen the discussion I understand. It's not sharp enough. Well let me start with clarifying our opinion. There is no Ukrainian crisis. Attempts of a sovereign country to rebuild the economy, to create a country which is based on the rule of law, attempts to democratize the country and bring the country closer to Europe and the European Union, this is not the crisis. This is a normal choice of the politicians who run the sovereign country.

The crisis started when the neighbor attacked them and that territory supported the rebels. So let's be brief and let's be specific about the situation. And you asked the question at the very beginning what Mr. Putin is up to and you haven't got the answer. So Mr. Putin is up to recreation of a Soviet-style empire.

According to the most ambitious plan, he would like to recreate Russia, which is equal to the United States. That's the ambition program. He would like to create some kind of a 19th century situation where Russia is among the leading European powers. He's running something which used to be called in the 19th century a consult of powers. That's the simple answer. And that means that they are trying to create some kind of an undemocratic system that was clearly mentioned months ago during the Munich security conference when Mr. Povarov submitted a claim that we're supposed to recreate the new international order.

It was already mentioned the first time in 2008 in such a--something which was called (inaudible) Plan. So, the next question you ask about deterrents. Well, I think that it's better to use the word prevention. We have to secure ourselves. We have to reassure ourselves to prevent any kind of a scenario they have the strength to implement against us. That's why from our point of view, from my point of view for Poland, we need to secure something which is called the eastern flank of NATO by military presence of NATO troops, and by building defense installation. That's the simple answer. Doesn't mean to create any kind of a basis for military aggression against Russia. Absolutely not. But it means to create a kind of a security devices to protect the eastern flank, which is right now a little bit neglected, I would say, after 1999 enlargement of NATO. That's the simple answer.

Ms. Jill Dougherty: That is a simple answer, but I'm sure we're going to make it more complicated with some questions.

So, plenty of questions. We have microphones, right? Could we start there, please?

Unidentified Male: Thank you for very interesting debate. (Inaudible) Sciences.

Mr. Jill Dougherty: Thank you.

Unidentified Male: I've got a question to Minister Klimkin. You spoke about the sequence of steps that could lead to the implementation of the Minsk Agreements. But I do see that there is much deeper debate in the Ukrainian society and the Ukrainian experts circles on now the Ukraine actually needs the Minsk political program as it is set in the agreements, that it's in the interest of Ukraine to implement it as it is set in the document.

So, what's your vision? Do you think that if we have this prerequisite of a more calm situation we have this prerequisite of international control by the OAC, in this case the Ukrainian society would be ready to accept this level of semi-autonomous Donbas and to go this way of constitutional amendments? Do you think that this is still in the interest of Ukraine? This would be in the interest of Ukraine if this prerequisites are met?

The Hon. Pavlo Klimkin: Since it's important two, two points from me. The real concern within the Ukraine in society is not about Minsk itself. And not about Minsk logic. But about Russian unwillingness to deliver on anything on Minsk in trying to push forward as sort of special unique Russian reading of Minsk. Exactly in the sense what you've just said.

We understand Minsk as a way from the escalation and again, it's about stopping shelling. It's about disengagement. It's about letting the OAC to control the situation on the ground and the Ukrainian/Russian border. And to deliver on pre-electoral security. After that, you organize free and fair elections. And to let the people of Donbas not the people who have been put by Russia into the fake elections in November, 2014 in power, but the real people of Donbas, to decide what they're going to do. What they want to do with Donbas.

And the way for them to create Donbas would be to have the possibility to organize life on the ground how they want it, in the sense of economic activity. In the sense of the language to be spoke in every community. And it could be Russian. It could be Ukrainian. It could be Greek, for example. There is an important Greek community in Donbas. So it should be up to the people to decide.

But it should not be any sort of semi-autonomous or any kind of region which would be a president. And we would lead to a sort of Russian-led or quasi-Russian-led mafia-style enclave to disrupt Ukraine into the destabilize Ukraine from within in this completely different reason. So the idea of implement in Minsk is easier if you have political will to implement that.

The whole possibility how Donbas could be retained under the present situation is about Russian (inaudible) and persistent assistance to Donbas. To keep Donbas as it is. And our vision is to try to (inaudible) to integrate Donbas. And the idea about constitutional changes, the idea about specificities of local governance, is to reach the people. Because the people, I know, have been tried, have been suffering

there under Russian propaganda for two years. And we need to reach them. We need to explain to them it's up to them to decide how to live in Donbas.

But not create the kind of enclave in our (inaudible) to try to fragment Ukraine and try to weaken Ukraine further.

Ms. Jill Dougherty: There's a question over here. Do we have a microphone? This lady would like to ask a question. Thank you.

Unidentified Female: Thank you very much. (Inaudible), I'm from the Center for European Policy Studies here in Brussels, one of the biggest think tank. I've listened carefully to all of you, and to me, it seems that while we have listened to Dr. Ivanov, and like (inaudible), yeah, I heard you. So, I would be interested because I think you were stopped when you said, "okay, but let's come to potential solutions based on the crisis that we have." As there are three representatives of the belief that we have or what we hear every day, I would be very interested to listen to you tell me what you would suggest in the current situation, because I hear about missiles being deployed in Poland, et cetera, deterrents, and having grown up in the Cold War, I'm very interested to potentially not entering into it. Thank you.

Dr. Igor Ivanov: I'm a retired minister but my privilege is and was that I was minister during the period when we signed a lot of important documents with our western partners. Today, some people very easily-- we are partners or we're enemies.

In '97, we signed found an act Russian NATO. But all leaders, American president, European presidents, was saying NATO and Russian don't concede to each other as adversaries. We are partners. In 2002, the other paper, Russian NATO Council, again, we're partners. It means it was not the--you cannot today say partners, tomorrow not partners, even having differences.

We have to be serious when we really want to construct our relations on solid bases. Yes we have differences. We have differences. We signed the partners after NATO aggression in Yugoslavia. We signed the papers with the NATO enlargement. We signed the papers when the United States decided to leave antiballistic missiles treaty. We had problems. We had differences. We had a lot of discussions. I discussed last night with three American administrations. But we have all differences, we can see that it was important to go ahead and to create real partnership after the Cold War.

We started the limitation of nuclear weapons, limitations of conventional weapons. In 1990s, the (inaudible) personally signed the adopted agreement on conventional weapons. We ratified Europe NATO countries, and the United States didn't ratify. We never violated that treaty on conventional weapons. Now we don't have such a treaty. We don't have conventional, we don't have--in treaty we cannot control. Now you ask me about (inaudible). But we don't have treaty. We don't have obligation as

they all decide to inform each other about such a maneuverings, because we destroyed, not Russia, that treaty.

Now what to do? I will tell you from my experience how we started after the Cold War. Because this is what sometimes I hear, not here, but in many other places. Okay. We will protect our borders. Okay. What does it mean? To put more and more weapons, to put more and more military budget. We know it's not easy to read the history. We go up with arms after that where there will be the moment when we'll have to go down.

I remember how difficult it was to destroy a huge number of weapons after our agreement on conventional weapons, and how it was difficult after the nuclear missile crisis in '80 to destroy small and medium range missiles. This is recent history. This is not the past. That's why we have to understand this is no other way. Okay. You will go growing with your weapons. Weapon today--weapons can protect you today. I don't think so. This is the other history. That's why what to do.

I will tell you my opinion. First of all, to restore dialogue with all differences in family, between countries, or between other, it's necessary that dialogue. If you really want to find solution, without dialogue impossible to find solution. I'm a diplomat with 40 years of experience. I don't know any example when the solution accepted for both sides was elaborated.

Second, we need dialogue between not only politicians and diplomats, but also between military people. When we created in 2002 Russian NATO council, the first step was to send our military people to headquarter of NATO. Because to give them to military people a chance to speak among them and to think, and to understand better, military doctrine strategies and other things. We cannot--I have my good friend, Ambassador (Inaudible) here. I know that some NATO people think we want selective partnership with Russia. It means we are ready, as Margareena said about European Union. We will work with Russia where we see our interests. This is partnership? You think about the interest of the other side? I don't think that this is a real partnership. That's why dialogue with all differences trying to resolve, creating a mechanism, legal mechanisms to resolve them, looking where we have strategic interests.

I'm sure that we demonstrated with (inaudible) problem that it is possible to work together. Now we are trying to demonstrate this also in Syria. When my colleague ministers speak about trying to demonstrate that Ukrainian problem is only bilateral but (inaudible) is with France and Germany. Why you never even mentioned the rule and the position of France and Germany?

The Hon. Pavlov Klimkin: Germany did not invade Ukraine. And France didn't invade Ukraine.

(crosstalk)

Dr. Igor Ivanov: My dear friend, my dear friend. We are not joking here. We are not joking here. I suppose that we have some people from France and from Germany. There they participate in the--they signed, two presidents they signed in Minsk, Minsk Agreements. Not only Russia (inaudible) Putin. You have four signatures. And you also you have to say, what is their position? This is not bilateral.

You intentionally want to put it only on bilateral level. This is not--I will tell you more. When I wanted to close my previous statement. I think that after--when we finish I suppose positively Minsk Agreements, the crisis will continue in Ukraine. This is my opinion. I don't interfere in domestic issues of Ukraine. And we will need to enlarge the (inaudible) group. And here we have, we discussed date of the conference and date of agreement. I think that the United States, they have to participate in new (inaudible) group about European Union. As European Union, they have to participate. Maybe Poland and Russia as border countries. We need to create international contact group with real intention to help the Ukraine to resolve conflicts. If you think that the conflict is only between Russian and Ukraine, I don't think so. But even if it's so, it's your interest to have broader international contact group to find solution for problems which are there.

And you mentioned the sometimes mafia. The mafia's group coming, creating the sense coming from Russia. Maybe we have. I'm not expert in mafia and I'm not from police. And maybe we have. But I can assure we don't export our--

The Hon. Michael Turner: Let me ask a question.

Dr. Igor Ivanov: --mafia. You have your mafias, and I think that you know them quite well. That's why, please, don't try to put all problems to Russia. Let us divide. Maybe we have our problems.

Ms. Jill Dougherty: Okay. Let's move on. One question, yes sir.

Al Scott: Al Scott from the Center for European Reform in London. We haven't talked about what's happening in Ukraine itself so my question is for Mr. Klimkin. Don't you think, Mr. Klimkin, the political class in your country is doing Putin's work for him? Aren't you unwittingly helping Putin? Because you blew the Orange Revolution in 2004 because of the inability of the political leaders to work together, the awful corruption, and since the resignation of your Reforming Economy Minister a few months ago, Mr. Abramavickisi, you haven't had a proper government.

It seems to me whatever the GO political situation that we've been talking about, unless the political elite in your country can reduce the corruption, work together constructively, Putin doesn't need to invade you again, you're doing your work for him. So can you reassure us that the political class will do something?

Dr. Igor Ivanov: That he invaded the country. Please, remember he invaded them.

Al Scott: Yes, I know he did, but he doesn't need to invade them again if the political class can't make that country work.

The Hon. Michael Turner: Right, and if I could jump in just before he answers, you know, Georgia and Ukraine represent no threat to Russia. They didn't invade Russia. You can't look to a nation and say your own internal conflict is a justification for your neighbor to invade you and that's, you know, that would be the excuse that Russia would give us. The--neither of these countries represents a threat. Russia should withdraw from both. They've invaded two sovereign nations and that should be the beginning of the dialogue.

The Hon. Pavlo Klimkin: Two points on that. Firstly, Ukraine is indeed in a unique situation because we have to deliver on our efforts on the Russian aggression. It is the first time someone has been trying to pull off reforms in such a situation. Second, I can't agree more because we have some representative including political representative who have been trying to put more accent on power than on the whole cost for Ukraine, but it's not about mainstream. And the point, how to deliver old reforms and I personally believe that what we have done in this two years is definitely more than what Ukraine--comparing to what Ukraine actually did in the last 20 plus years, in the sense of transforming Soviet Ukraine and now (inaudible) Ukraine in completely different country.

Also in--I personally believe that now we have actually three key priorities and this year will be decisive in the sense of delivering on these priorities. One is tackling corruption because the institution structure for tackling corruption is there and (inaudible) on tackling corruption have been getting pace. Secondly, is about complete reshuffle of Ukrainian Justice System because Ukrainian Courts was endemically corrupt, but Ukraine Police was endemically corrupt.

And now we have the National Police in completely different from the time a couple of years ago. Now let's take Ukrainian Traffic Police. There was an old joke, you know, about Traffic Police getting bribes anywhere and an old joke about do you have a left turn here? Yes, but you have to pay for it. Now in the last two years there are no bribes all around, so we have a really success stories. And the third point for me, really, is about the evolution, it's about getting power from clearly centralized situation to the regions. The idea of creating (inaudible) communities and the process is underway.

On this basis we can deliver on any economic reforms, but the real big (inaudible) on reforms is about if our ability to deliver on these three points. And last but not least, because of the Russian aggression it should not be an excuse not to deliver on reforms. Actually, I believe it's the other way around because now we must be that reforms, you know, that you completely transform Ukraine from the (inaudible) reality.

Ms. Jill Dougherty: Okay, thank you.

Dr. Igor Ivanov: Small remark. Georgia was mentioned here twice in the case of Ukraine. I want to say I'm half Georgian, that's why when--I'm so sensible when I hear something about Georgia. Don't compare Georgia with Ukraine, first point. Second, I participated personally in all the period of transition--political transition in Georgia and if somebody has interest I can tell you all the history, nothing to comparing with Ukraine. The third, you have the report of (inaudible) that the military operation on a city is started by the troops of (inaudible). That's why don't compare one and the other. And speaking about Ukraine, interesting story--

Ms. Jill Dougherty: Minister, I think we have to keep moving.

Dr. Igor Ivanov: Yeah? Okay, a lot of interesting stories.

Ms. Jill Dougherty: I'm sorry. I'm sorry, but there are a lot of questions. Yes, David.

David Kramer: David Kramer with the McCain Institute. Mr. Ivanov, first of all it would be good if Russia left Georgia. It still occupies 20 percent of its territory and if it fulfilled the agreement in 2008 that would be a good step. Second, back to Ukraine, it's not a complicated story. It's very simple. Your country invaded Ukraine wholly unprovoked. You annexed Crimea illegally. No country in the world has recognized that annexation. You then moved into the Donbas area. Which Conditions under the Minsk Agreement has Russia fulfilled? It seems to me none including, by the way, the return of prisoners including Nadia Savchenko who was kidnapped from Ukrainian territory. When will she be returned and when will your country live up to the obligations under the Minsk Agreement? Thank you.

Dr. Igor Ivanov: Excuse me, you are from where?

David Kramer: Kramer with the McCain Institute in Washington, D.C. (inaudible).

Dr. Igor Ivanov: Okay, thank you. We have delegations working permanently in Minsk--on Minsk Agreement. Professionally, I don't think that it's good to interfere in their job. We have President Kuchma, other high-level people discussing the agreement and the implementation of that agreements and this is their job, but when you profession--professionally use terminology you have to be responsible. Invasion? What does it mean invasion? For me, invasion was the invasion of the United States in Iraq. It was invasion. For me invasion was the invasion of NATO in Yugoslavia. It was invasion. In Crimea it was not invasion. I can tell you the history. And when I start--they stopped me to tell you, but in '99--

The Hon. Pavlo Klimkin: What about Russian troops (inaudible)?

Dr. Igor Ivanov: Maybe--well, I will tell you. No. If you want, I can tell you. It was in '99 when you were not Minister. I was Minister. In Donbas I presented the agreement between Russia and Ukraine ratifying--

recognizing the territorial integrity. And I can assure you--give me one example, one example only, when on official level Russia side put on the question the Crimenea--Crimea is part of Ukraine--of Ukraine. Never. Never.

The Hon. Michael Turner: I'm confused. I'm confused.

Dr. Igor Ivanov: No. Don't--if you don't--

The Hon. Michael Turner: Russia has annexed Crimea.

Dr. Igor Ivanov: Look--

The Hon. Michael Turner: I mean, you occupied it and took it as part of your own nation and you're doing the same in Georgia.

Dr. Igor Ivanov: No. No. If--maybe--

The Hon. Michael Turner: What part of that is--

Dr. Igor Ivanov: I--maybe my English is not good, but I can repeat you. Maybe I can repeat you. What I am saying is that till February 14 never on official level. We had a lot of discussions about fleet, about this and that, never the problem of Crimea was discussed on official level between our two governments. I worked with Kuchma, Yanukovych, with Poroshenko we were ministers together, with (inaudible) we were ministers together. Ask them if you don't believe me. What happened in Crimea--

The Hon. Michael Turner: I'm confused. Are you trying to say it was part of Russia before you had a referendum because I don't know why you'd have referendum if it was always a part of Russia?

Dr. Igor Ivanov: No. What I--no. What I am saying--what happened in Crimea, this is direct consequences what happened in Maidan--in Kiev. This is what I am trying to explain you. It was not--

Unidentified Male: Question about Minsk (inaudible)?

Dr. Igor Ivanov: I repeat about Minsk. You may not be people who participate in dialogue. I am not a member of Russian or Ukrainian delegations in Minsk. This is what I'm trying to explain you.

Ms. Jill Dougherty: Okay. Well, this is a good example of what's happening unfortunately, but let's move to another question. Sir, yes?

Unidentified Male: (Inaudible) Georgia. Uh, definitely Georgia is different from Ukraine, but what is similar in Georgia and Ukraine is that Russia is trying to undermine the democratic processes and integrational processes in those both countries with the European and Euro-Atlantic structures. And Russia is using military force to undermine that process is effective. And now what we've heard from you, sir--



Dr. Igor Ivanov: Yeah.

Unidentified Male: --the distilled message is that the only way to normalize relations between the west and Russia is for the west to recognize the spheres of influence that you claim using that hybrid warfare type of tools to pressure politically, economically, and militarily your neighbors. So my question is, is it possible that in this 21st Century the sovereign nations territorial integrity and internationally recognized borders could be undermined by its neighbor and the western free democratic society can ever live with that and ever even indirectly legitimize that? Thank you.

Dr. Igor Ivanov: Uh, you are from Georgia?

Unidentified Male: Yes, sir.

Dr. Igor Ivanov: Okay. Do you remember the transition in Georgia from (inaudible) to Saakashvili?

Unidentified Male: Very well, sir, yes.

Dr. Igor Ivanov: Do you remember that I was personally there? Do you remember that we personally, Russia helped the peaceful transition from one--

Unidentified Male: That I don't remember.

Dr. Igor Ivanov: Don't--you don't--this is why--that's why you remember what you want to remember. This is--you are laughing. Do you know--maybe you know that that personally I negotiated with Saakashvili with a (inaudible) of military bases--Russian Military Bases from Georgia. Do you know?

Unidentified Male: (Inaudible)

Dr. Igor Ivanov: No, okay. Do you know that we helped to Georgians--many Georgians to come to Gali--to Abkhazia, refugees? Do you know? Uh, yeah this is the problem. If you don't the history and you start the history from today, this is very difficult to understand what is happening. Russia was trying--the first question I can tell you the first question of Saakashvili after taking power and you may ask him, he's in Odessa now, not in Georgia, but you may call him. The first question was Igor, help us to restore the territorial integrity. And I said yes we will--we are ready to help you. We are ready to help.

Unidentified Male: (Inaudible)

Dr. Igor Ivanov: Look, we are not in the theatre; if you want to applaud, maybe in the other play. I am telling how it was. If you want to know, it's okay. And we said yes, but restoration of territorial integrity is the job or authority of Georgia. We are ready to help you and we were doing this a lot. We are doing a lot, but instead of this--what happened in (inaudible)? They eliminated the authority of (inaudible), bad example for (inaudible) and for (inaudible).

Unidentified Male: (Inaudible).

Ms. Jill Dougherty: Okay. I think maybe we've got to--

Dr. Igor Ivanov: Okay.

Ms. Jill Dougherty: We'll leave Georgia for a second, please. Yes, sir?

Kristoff: Kristoff (inaudible). First of all, I would like the (inaudible) Grant important point is not forgotten. Ukraine is a difficult partner for the west and it's not living up to our expectations and to the challenge (inaudible) the country. But my main point is Russia and all our Russian guests, whether it's Brussels, whether it's Munich, for years now we hear always the same speeches about west not living up to the partnership and all your complaints.

And I would like that Russia takes its own warnings finally serious since your partnership is unraveling, that maybe we go to an arms race and I ask myself why the Russians are not taking these warnings serious. If I look at the situation, Russian behavior has consequences and you can see it in my country, Germany. We had a very friendly--Russia friendly public opinion years ago. That's over.

Today, 80 percent of the Germans say Russia is not a trustworthy partner and majority of my fellows say--country fellows say that we need to increase the German defense budget. I haven't (inaudible) for my whole life. So if you want to have an arms race or if you won against an arms race now good luck, that worked very well for the Soviet Union in the 1980s. And--

Ms. Jill Dougherty: Do you have a question?

Kristoff: Yes, I do have--I would like to know when Russian--our Russian guests understand that this kind of warnings fall on deaf ears for good reasons and that we finally should ask ourselves how Russia has to change behavior in order to come back to real partnership. With oil prices of today, you can't go with three percent of world GDP against the whole west with 45 percent of world GDP. It just does not work.

Ms. Jill Dougherty: Can I jump in? Minister Waszczykowski, we have not heard as much as I would like to hear from you. Could I defer--you got to (inaudible) could you just weigh in on that?

Unidentified Male: If he answer, would be pleasure.

Ms. Jill Dougherty: I'm sorry. But I think it's worth hearing something from you on this.

The Hon. Witold Waszczykowski: Yeah, yeah. I think that Russia is not going to help us because we start to--we're afraid of this. But I just wondering, because Mr. Minister (inaudible) is a retired minister, retired diplomat, so maybe you have a little bit more space, more margin to be less diplomatic and answer the

simple question. What will satisfy Russia? What kind of a position will satisfy you? You are the member of a security council as a permanent member. You are the member of a G20. You have a privileged relationship with European Union and NATO. You're part of every original structures, Middle East Quartet, talks on Iran, talks on North Korea, whatever, on Arctic. You are part of Normandy Formula, Minsk Formula. What else? What else will satisfy you and what else will give you the right to cooperate with us and stop claiming that we are threatening you?

Ms. Jill Dougherty: Okay. Then--then our--

Dr. Igor Ivanov: (Inaudible) answer a question.

Ms. Jill Dougherty: Please. Please. If you could briefly--no, I mean, do you want to answer? Should we move to another session?

Dr. Igor Ivanov: No, no. I will start with the job of--

Ms. Jill Dougherty: But if you could keep it brief, we have literally five minutes.

Dr. Igor Ivanov: Brief. Well--

Ms. Jill Dougherty: Thank you.

Dr. Igor Ivanov: Very brief. I think that you asked about partnership. Partnership is marriage, is family. It has to be to both directions. This is the big problem. I will--and the problems, as I tried to explain before, not started only with Ukraine, it started before. In our context, with NATO, with European Union, they were growing problems. And the way--the gap between west and what, in real life, we saw was growing and I can give you a lot of example. I don't have time.

That's why Ukrainian Crisis demonstrated how partnership was failing, our partnership, real partnership. That's why now ask me if we are interested. We are interested in partnership because we are living in the global world and we perfectly understand that, economically, politically, security, we need to cooperate. But the cooperation has not been unilateral. It can be only bilateral, understanding each other. We demonstrated that it was possible.

After September 11, Russia was the first country who said, "We are ready to work with you against terrorism." And we worked together, participated in the operation in Afghanistan and in other places. And that's why partnership is in our interested. In the interest of our economy, interest of our security.

But unfortunately, what is happening in Germany, the same thing is happening in my country. Young people, now they don't have so big interest to European projects that it will be--after--when Soviet Union disintegrated, young people thinking about European project as the project which was the best for them.

Today it's not so. It's not so. And this is bad, not for my generation but for young generation. That's why what we need to try to change the direction of development. And what--

The Hon. Michael Turner: If I could, a minute. If I could a minute? He was saying, you know, partnership is the issue of understanding each other. And I think, in understanding each other, we've made a mistake. We believed that we were undertaking the project of peace and prosperity together. You know, if you put up a picture of the people who are with, their own hands, taking down the Berlin Wall, we see the accomplishment of the human spirit. We see liberty and freedom.

We believed that we had done that together. When we talk about the Cold War being won, we believe that Russian and the west did it together and the end of the Cold War was the end of oppression of people.

But the reality is, is that Russia didn't help us take down the Berlin Wall, they merely didn't shoot people who were doing it. And today, they have leadership that, when they see that picture of the Berlin Wall, see tragedy.

We see it as an accomplishment that we should be able to walk together in. Until we can return to that, until the leadership of Russia actually sees freedom as a partner and the lack of oppression of other people as a partner, and sees its neighbors not as a threat but as neighbors, we'll be able to--we'll have difficulty in having that partnership.

The Hon. Pavlo Klimkin: And the point, we even can't agree on the whole definition of partnership with Russia because for me, partnership is about trust and partnership is about playing by the rules. And for Russia, it's about living in Russia old world. And Igor is probably, sorry for this point, the most moderate in the Russian reality. And so we see that as (inaudible) definitely.

(crosstalk)

Ms. Jill Dougherty: Well, actually, on that note, it is--I would like to continue this for another hour but we can't. So I wanted to thank everyone.

You know, the one thing that did disturb me, however (inaudible) is that you talked about a failed greater Europe. And I hope you're not right. I hope that there is some type of greater Europe that can include Russia and not fail, but succeed. But that's for another discussion and another day, or maybe more today. So thank you very much. I'd like you to thank our wonderful panel.