Baltic Forum Conference, Jurmala The EU and Russia in 2008: In Search of New Approaches 23-24 May 2008

Dimitri K. SIMES, President of The Nixon center, Member of the Board of the Baltic Forum, USA

Predictions of American decline are slightly premature as were the predictions of lasting Russian decline in the 1990's. Nations develop in cycles, they go up, they go down, but if you look at the fundamentals of American economy, of American military power and of American global appeal, I think it is quite likely that the United States will remain a very significant country and the most important power for decades. Having said that it is quite clear that the United States cannot manage international affairs alone. I think it was very difficult to do it even in 1990's after the collapse of the Soviet Union, of the Warsaw pact, of the old communist system. But there was what I would call a thriumphialist moment of the United States. A lot of people had decided that there was an end of history. Actually the article about the end of history by Francis Fukujama was published in the National Interest - in the magazine, which is now published by the Nixon centre. It was profoundly misleading, because there is no such thing as end of history, an also there was the suggestion that there was one international political system, which was bound to prevail because it was so inherently good, so inherently progressive that it was bound to prevail and everybody would accept it without any kind of resistance.

And now we are talking about the American decline, we are talking about the world without the United States, about the world without the West, and I think it is perfectly understandable response to this exaggeration of American power and wisdom in the 1990's. In my view, we are talking about a situation when the United States is clearly the most important power, but other powers are Russia and China. And there is an unbelievable growth of China in economic, cultural and, I would argue, in military terms. One who was in China during last 20 years, who was in China several times, can be impressed by Chinese progress. I am not aware of any other situation in history when a country was able to grow so quickly, so rapidly and in such a balanced economic, political and military way.

Also we should mention the phenomena of Muslim fundamentalism. We got a strong ideological movement which fortunately, at this point, is not lead by any strong country, but an ambitious ideological movement which is profoundly hostile to the Western civilization, which wants to build an Islamic caliphate - some kind of a global entity, which is very ambitious in nature and which cannot be reconciled with the Western civilization. This is not about the traditional powers, which have the differences but can negotiate and find some kind of agreement. You cannot reach an agreement with Bin Laden and his followers. And if you look at public opinion pools in the Islamic countries, including countries, which are pro-Western, like Indonesia, this point of view -Islamic extremism -, are still very popular. And we have a situation when there is country called Pakistan where situation is very unstable, where Islamic elements are pretty close to the "nuclear button". Good security controls in Pakistan over nuclear weapons - I would like to believe in assurances, but how can you have reliable security procedures if you have nuclear war? In Iran, you also have a very unpredictable situation. You have a very conservative, but fairy responsible supreme leader and people around him and people, as I would disagree, but these are not entirely crazy people. You also have a president and young radicals with a very ambitious worldview and we do not quite understand the purpose of the nuclear programme and very strong suspicions, and rather well documented suspicions that Iran is interested in building nuclear weapons.

We also have a situation in Europe – between Russia and the European Union, between Russia and NATO. I remember some of our discussions in Jurmala years ago, when our Russian friends were told that they have nothing to worry about NATO expansion and the Central and Eastern European nations joining the EU. We were told that it will only make these countries more secure and that they will become a bridge between Russia and the West. It did not quite happen that way. Many of these countries came into NATO with a history, with a consensus, with grievances, and their perspective began to color NATO positions Russia. It is quite clear that the so-called

new Europe has a rather different view of Russia than the traditional old Europe and it has affected NATO's relationship with Russia. On the European Union Russia actually used to believe that there is no problem with the expansion of the European Union as far as Russia was concerned because this was about economics, not about politics and it would only help Russia to become closer to Europe. Well, now we have seen the concept of EU solidarity, where every debate between Russia and its new neighbors the European Union feels obliged to support them. That certainly does not contribute to a more harmonious relationship between Russia and European Union.

We also have a situation, an entirely different situation than we could imagine several years ago, in the territory of Abkhazia and South Osetia, which became the subject of a very serious and potentially explosive territorial dispute between Russia and Georgia. Russia, of course, claims that it respects the territorial integrity of Georgia and has no claims to the Georgian territories, but in fact the majority of citizens of Abkhazia and South Osetia say that they have Russian citizenship. New Russian forces were moved into Abkhazia - and what is interesting is that those were different forces - much better equipped, much better armed and apparently much better motivated than traditional Russian peace keepers in that area. Russia and Georgia are making mutual accusations regarding threat of war. Accusations which I take somewhat seriously, not necessarily literally, but seriously, because if you think about the potential for military conflict, that is the way how it is most likely to happen. I don't believe that Russia would want to attack Tbilisi and it is hard for me to visualize NATO troops coming to the borders of Abkhazia, but I can easily think of several scenarios which could lead to military confrontation in the region, which I believe we will be able to localize, but which would have a devastating impact on the Russian relationship with NATO, with the EU, with the US. There are a lot of things I believe we have to watch very, very carefully.

In 1902, Nicolas I told his advisers that there will not be a war with Japan because he did not want war. And the other side would not dare to challenge Russia. Meanwhile, the Russian military infrastructure was moving to South China, Russian companies were moving to Korea and Russia was doing things, which were changing the geopolitical balance in the area. We know what happened - only several years later, in 1909, Soviets took a Vienna, when the Austro-Hungarian Empire decided to annex Bosnia and managed to do it without real confrontation with Russia, because Russia was too weak to challenge the Austro-Hungarians at that time, because it was still recovering from the devastating First World War pact with Japan and, of course, the first Russian revolution. What Austro-Hungarians did not notice was that there was a very strong backlash in Russia against the Austro-Hungarian activity in Balkans. The Russian Foreign Minister, who was trying to find a balanced position between France and Great Britain on one side and Austro-Hungary and Germany on the other, was humiliated, decided to resign and was replaced by a new Foreign Minister who decided to move much closer to the traditional Russian rival Britain. Several years later we got World War I. People normally do not expect developments like that because who would want to go to a global war or a European war because of Bosnia. Who wants to go to any kind of war because of Sukhumi and Tshinvali. But, unless we are quite careful, we may find a lot of unintended consequences of our actions. There is a debate about this in the United States along the philosophical lines. There are to rather different attitudes toward foreign policy, which are being debated during the current presidential campaign among American specialists.

One attitude, which is represented by neo-conservatives and liberal interventionists, goes back to the 90's. It is a strong belief that the United States not only should remain dominant power, but the United States if you wish should become the custodian of the international order. In this international order, the United States and America's democratic friends cannot be secure as long as major nations like China and Russia do not share fundamental American values. The United States should work hard to build some kind of community of democracy, some kind of league of democracy which would not necessarily support plans of the United Nations, but would be able to act separately on the world arena, including being able to use military force in some crucial situations.

The other point of view represented by realists, and I am one of them, is that while the United States prefer democracies, it should be committed to democratic values inside the United States. The United States are not, however, a global master and should not have a right to engage in global nation building and the United States should be prepared to work with all kinds of states regardless of their political and economical systems. We should be entitle to express our opinions, we should be entitled to use our influence and intervene if there are extreme brutalities like genocide in Rwanda, but basically the United States should respect sovereignty of father nations. In the view of realists, Georgia and Ukraine are entitled to their independence and the United States should protect them against any foreign bulling, but it is not essential in the view of realists to have Ukraine and particularly Georgia in NATO any time soon. And we do take Russian security concerns seriously, not necessarily because we agree on all of them. Russian security concerns are what they are not everybody understands the American security concerns. but we expect these concerns to be taken seriously, simply because they are our American concerns. So, at the end of the day, there will be serious and very specific debate in the United States between senator McCain and senator Obama, but I think that, whoever prevails, there will be debate in the administration, because there are what I would call liberal interventionists and neo-conservatives and realists in both parties and they are likely to find place in both administration and at this point nothing is set about America's future direction.

Let me end with the prediction by one of senator McCain's policy advisors, former Reagan's security advisor. Speaking in Washington at an event sponsored by Nixon centre, and looking straight at Igor Yurgens, he said: If McCain is elected, during his first year the administration would be dominated by neo-conservatives and they would do a number of crazy things and would create artificial confrontation with Russia. Then McCain would fire all of them and we would go back to history and normalcy. It might be optimistic, but I would want to say that history has a way of correcting itself. The important thing is to make sure that history does not correct itself too late. Thank you!