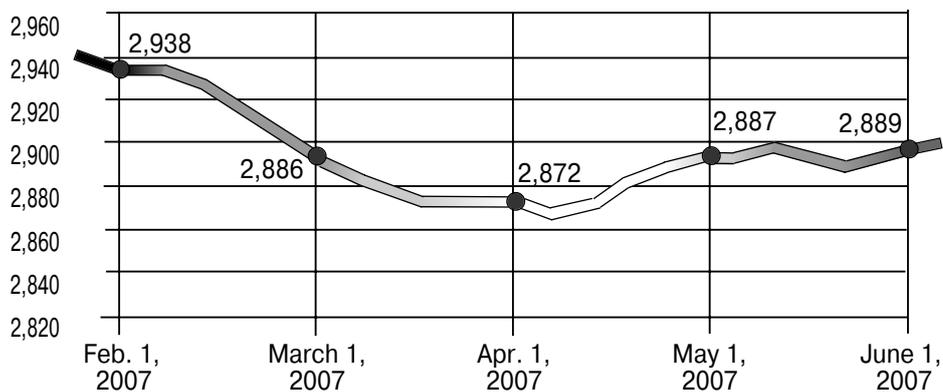


Figure 1. The *iSi* International Security Index (January 2007–May 2007)



➔ **THE INDICATORS OF *ISI* INDEX – A COMPREHENSIVE INTERNATIONAL SECURITY INDEX**

➔ ***Yury Fedorov. A VIEW BY A RUSSIAN LIBERAL: BLOOD AND IRON***

➔ ***Dmitry Evstafiev. A VIEW BY A RUSSIAN CONSERVATIVE: A PREMONITION OF GLOBAL CHANGE***

➔ **Marian Abisheva, Mustafa Alani, Sergio Duarte, Konstantin Eggert, Andrei Kortunov, Harald Mueller, William Potter, Evgeny Satanovsky, and Alexander Saveliev. COMMENTS BY MEMBERS OF THE INTERNATIONAL EXPERT GROUP**





THE INDICATORS OF *iSi* INDEX – A COMPREHENSIVE INTERNATIONAL SECURITY INDEX

As explained in *Security Index* No.1 of 2007, since June 2006 the PIR Center has been developing a project to calculate an International Security Index (*iSi*)—a comprehensive index of the level of international security. The aim of *iSi* is to provide quantitative indicators that reflect the dynamics of international security trends. The *iSi* index is meant to demonstrate the extent to which the international security situation differs from the “ideal” at each point in time. It also indicates how various specific military and nonmilitary factors are affecting international security. *iSi* is determined in accordance with an original method developed by the PIR Center. It indicates the general level of the state of international security in the military, political, economic, and environmental spheres. The “ideal” situation was determined to number **4,210 points**; i.e., the closer *iSi* is to this number, the more secure the world is. Vice versa, the lower, the higher the level of *iSi* insecurity.¹

The PIR Center’s monthly calculation of *iSi* is accompanied by interviews with our **International Expert Group**, which includes representatives from Russia, Kazakhstan, Brazil, India, China, the United States, France, and Saudi Arabia, as well as other countries. The evaluations of these experts in no way influence the calculation of the Index. Nevertheless, they make it possible for us to examine our calculations: do the evaluations of the global security situation in June or April mesh with the dynamics observed in the Index of the last few months? Which events effected the indicators positively and which negatively? Finally, what are the prospective trends of the *iSi* Index figure in the coming months?

In **December 2006**, *iSi* totaled **3,041 points**. In **January 2007** it fell by **103 points** for a total of **2,938 points**. In **February** and **March 2007** the Index continued falling and reached **2,886** and **2,872** points, respectively. In **April 2007** *iSi* started growing and reached **2,887 points**. The *iSi* Index figure for **May 2007** amounts to **2,899 points**. This figure is an increase of **12 points** over April 2007.

Among the main factors influencing the *iSi* dynamics for the period we can outline following:

- ❑ The “cooling off” of Russia’s relations with Western countries (the United States, first and foremost) that we observed in the fall of 2006 only increased over the recent period. The December 2006 U.S. announcement of the possible siting of a U.S. missile defense system in the countries of Eastern Europe was further presented in more detailed form. Further, the discussions in the U.N. Security Council on a Kosovo resolution, on the contents of which Russia and the Western states hold diametrically opposite views, affected the general international security situation in an extremely negative fashion as well. All of this became the reason for several brusque statements by Russian political and military leaders (the “Munich speech” of Russian President Vladimir Putin, the plans for an “asymmetric” response to the U.S. initiative, Russia’s plans to exit the CFE, etc.).
- ❑ The Iranian nuclear problem posed one of the most serious challenges to international security in December 2006-May 2007. During this period, the U.N. Security Council adopted two resolutions on Iran: Resolution 1737 in December 2006, and Resolution 1747 in March 2007. However, Tehran, calling both documents “illegal,” refused to abide by them. Furthermore, in April 2007 Tehran announced the resumption of its uranium enrichment program (and the IAEA has confirmed that this has occurred), as well as its intention to withdraw from the NPT.
- ❑ The elevated level of terrorist activity in Iraq and Afghanistan has already become a “traditional” factor. During this period, bloody terrorist acts occurred nearly every day in these countries. Taliban fighters were active in Afghanistan, both participating in military actions against coalition forces and preparing and undertaking terrorist acts.
- ❑ As for the North Korean nuclear problem, although in the fall of 2006 it had a sharply negative influence on the *iSi* Index (particularly due to the DPRK’s nuclear test), in early

erful and influential states—starting with the United States—were capable of overcoming the inertia of their own political thinking and taking resolute steps towards innovation, which could at the very least discover new and potentially more effective approaches for resolving emerging challenges, if not solve them all together.

Nevertheless, we should not rule out the possibility that the current standstill in world politics is in reality just the calm that precedes the storm, with the Middle East the epicenter of this storm. This region is of crucial importance both to the world economy and to global security. The burning issues in this part of the world are enmeshed together and have become increasingly difficult to tackle, while political and diplomatic efforts seeking to address them are for the most part proving unproductive. Hence, there is a growing probability that in order to stop the geopolitical collapse of the Middle East, force may be used, even though the Iraqi experience shows that military efforts may lead to further political and military destabilization. Finally, if the upcoming months show the failure of the United States to halt the escalation of dangerous trends linked to the Iranian nuclear program and the activity of the Taliban in Afghanistan, the role of the United States as the sole truly global superpower will be called into question.

THE MIDDLE EAST: *BUSINESS AS USUAL*

Throughout the winter of 2006-07, the Middle East remained the source of the major events in international politics, and is likely to preserve this status for a long time. Along with the range of challenges traditional for this region, such as the situation in Iraq, Iran, and Afghanistan, as well as the Israeli-Palestinian standoff, two new potential zones of instability have recently emerged.

The first of them is related to the resignation of Lebanon's five Shi'ite cabinet members allied with Hezbollah, which created a path for a new potential conflict in Lebanon between the country's key political forces, represented primarily by the Fuad Seniora government, and the extremist groups headed by Hezbollah. Quite predictably, Hezbollah refused to comply with the demands of the UN Security Council and disarm its tactical forces. While Hezbollah benefits from Syrian support, the legitimate government enjoys backing from the United States, France, Saudi Arabia, and several other Arab states. If the situation in Lebanon continues to develop in line with existing trends, the country risks turning into another theater of war both between the West and Islamic radical groups, as well as between Sunni and Shi'ite Muslims.

 **Marian Abisheva (Kazakhstan)**, Deputy Director of the Kazakhstan Institute for Strategic Studies under the President of the Republic of Kazakhstan – by phone from **Astana**: *I agree on the general dynamics since the beginning of 2007. These figures adequately reflect the changes in world politics. The most negative events which had a harmful influence on the international security climate in Central Asia were those connected with the political confrontation in Kyrgyzstan. No doubt Kyrgyzstan is the zone of instability in Central Asia. In addition to the situation in Afghanistan, the one in Iran and Iraq is very far from ideal. However, in the nearest months I expect a slight increase in iSi, because I don't see additional troublesome factors.*

Another emerging area of volatility is Turkey. In April 2007, the Turkish parliament chose Abdullah Gul, the minister of foreign affairs and a member of the ruling Islamic Justice and Development Party (AKP), as nominee for the Turkish presidency. Through this candidacy, the Islamic grouping could obtain virtually complete power in the Turkish government. The opposition immediately appealed the vote results, citing the ambiguity of the quorum required for making this type of decision. Later, Turkey's military command intervened, asserting the participation of Turkey's armed forces in the discussion on the country's secular development and their role as "absolute defenders" of this development course. The military's declaration played a crucial role in the decision to hold early general elections to parliament in July 2007.

 **Mustafa Alani (Iraq)**, Senior Advisor and Director for Security and Terrorism Studies, Gulf Research Center – by phone from **Dubai**: *If we sum up the mounting international tension over the Iranian nuclear program, extremely complicated situation in Iraq, and growing tensions in Lebanon and Palestine, we see that the situation in my region is far from improving. And I don't see any improvement in the near future.*

At the same time, it demonstrated that the army was not going to stay away from politics with all that this implies.

Over the past several months, the situation in Afghanistan has not shown any new signs of improvement. At the November 2006 NATO Summit in Riga, it was decided that in 2008 control over the situation in the country would be transferred to Afghanistan's army and security forces, which are currently being formed. By 2008, the Afghani police force is expected to grow from 61,000 to 82,000, and the army from 32,000 to 70,000

troops. In addition, special border control and counternarcotics units will be established. A number of factors cast doubt on the possibility that these plans will be successfully implemented. First of all, several major NATO members, starting with France, Germany, Italy, and Spain, are refusing to send their troops to combat regions in southern and southeastern Afghanistan. As a result, the brunt of the actual fighting with the Taliban lies heavily on U.S., U.K. and, to a lesser degree, Canadian troops. The key argument put forth by the above-mentioned European powers in defense of their policy stance is the excessive role that the United States attributes to military operations. In the opinion of these countries, the proper countermeasures against the Taliban and other extremist forces should be based on encouraging the country's economic development and addressing the most urgent social and economic issues. This approach is probably correct in the long run, but its results would not be seen for at least another several years, whereas the Taliban forces could attempt a major attack in the spring and summer of 2007, which could only be repelled through the use of military force.

Another factor that puts successful improvement of the situation in Afghanistan in danger is the situation in tribal zones and other vast areas along the Afghan-Pakistan border. Pakistani government and international coalition forces have virtually no control over the majority of these areas. U.S. directives for Islamabad to step up its efforts in countering the Taliban and al-Qa'ida activity in this region have spurred growing anger and dissatisfaction among the Islamic groups in the Pakistani establishment, including the army and intelligence agencies. Experts believe that Pakistan's secret service is relatively effective in pursuing and countering al-Qa'ida activities, but provides various types of assistance to the Taliban. The position of General Pervez Musharaf, who is forced to balance between the United States and the Islamic groups, has become ever more challenging, which in the relatively near future may have quite unpleasant consequences both for the current Pakistani leader and for the region as a whole. Finally, the prospects for the Afghani government headed by Hamid Karzai to form an operational army and police force remain quite unclear.

In short, neither the government in Kabul nor the international coalition forces have the necessary military contingent to establish effective control over Afghanistani territory, especially over the country's southern and southeastern parts. Therefore, a rapid stabilization of the situation in Afghanistan (within a year or year and a half at most) is not likely. At the same time, if NATO decides to withdraw its troops from Afghanistan, it is almost certain that Karzai's government will be replaced by the Taliban. If that occurs, it would be a great geopolitical failure for NATO and the Western powers in general. None of the Western leaders is keen on seeing this happen. Hence, operation Enduring Freedom will go on as planned, international coalition forces will keep their troops in Afghanistan, and U.S. troops will maintain their presence in Central Asia, but NATO's ability to effectively provide the necessary security measures outside of its sphere of influence will continue to be called into question.

The developments in the Palestinian territories are also no reason for optimism, despite the February 2007 success of Hamas and Fatah in finally forming a national unity government through Saudi Arabia's mediation. This progress may stabilize the situation in the West Bank and the Gaza Strip to a certain degree, but will be unlikely to lead to a breakthrough in the



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Israeli-Palestinian conflict, since Hamas still refuses to recognize Israel's right to exist. In its turn, Israel, with U.S. support, refuses to recognize the Palestinian unity government as long as it includes Hamas representatives. This policy in Tel Aviv draws frequent criticism from those circles (both in Israel and the West) that believe in the strategy of engaging Hamas, thinking that cooperating with terrorists may pay off better than fighting them. At the same time, disagreements between the moderate, so-called "political," wing of Hamas, and its military units perceived as being extremist are also noteworthy. There is, however, no certainty that the strategy of engaging extremist and terrorist regimes and movements is well-founded. Once again, the question that arises is the following: can mild treatment of such political constituents change their very nature?

All the challenges described above seem relatively insignificant compared to the situation in Iraq and the recent developments around the Iranian nuclear program. The situation in Iraq is growing increasingly complicated. Ethnic and religious clashes are turning into a civil war that spans much of the Iraqi territory, first and foremost cities and provinces where Sunni and Shi'ite Muslims or Arabs and Kurds live in close proximity. The flow of migrants to neighboring countries is reaching unprecedented levels: according to the United Nations, 2 million Iraqi citizens have become refugees and another 1.8 million are listed as displaced persons, having been forced to leave their homes and move to regions where people of similar religious beliefs or ethnic origin are in the majority. These events have created fertile soil for the emergence and spread of extremist sentiments and terrorist movements. Separatist ambitions in the region are growing stronger. Economic challenges are deepening. The prospect of other states intervening in Iraq is becoming increasingly possible.

 Sergio Duarte (Brazil), Ambassador, Chairman of the Non-Proliferation Treaty Review Conference (2005) – by email from Brasilia: *In my region (Latin America) the security situation is permanently influenced by the imbalance between the military might of the USA vis-à-vis the rest of the region. As for recent negative events, I would mention the nationalizations of the Brazilian oil company facilities in Bolivia by the government of Mr. Evo Morales and the potential establishment of a leftist (socialist-populist) axis comprising Venezuela, Bolivia, and Ecuador. A positive influence has been the consistent climate of good will and understanding that exists among all countries in the region, despite transitional differences. The constant exchange of high level visits contributes to the maintenance of this climate. I believe the iSi will not experience major shifts. The Iran question continues to be treated through diplomatic channels and rhetoric between the U.S. and Iran has subsided somewhat. Divergences between Russia and the U.S. on the placement of anti-missile components in Eastern Europe may not escalate due to other interests of both countries.*

For example, Syria is providing support to the remaining Ba'ath party cells in Iraq. Moreover, Syria's territory continues to be used for the transit of foreign militants and Sunni terrorists. Iran, in turn, is financing, arming, and providing logistics to militant units of Shi'ite extremist organizations. Saudi Arabia, Jordan, Kuwait, and Turkey are all trying, among other things, to neutralize the influence of Shi'ite Iran in both Iraq and the region as a whole. In addition, Ankara is concerned with the developments in Iraqi Kurdistan and the prospects for the formation of a *de jure* or *de facto* independent Kurdish state, which would almost inevitably become the center of gravity for the Kurdish population of southeast Turkey. It is no coincidence that in late February 2007, General Yasar Buyukanit made unambiguous threats towards the leadership of Iraqi Kurdistan, threatening a direct military intervention in the event of the country's "break-up," i.e. if Turkey's southeastern provinces join the prospective Kurdish state. Thus, there has been a real possibility of Iraq becoming something of a "black hole" in the Middle East, a sort of "geopolitical funnel" pulling in neighboring states.

The question of whether or not an "engagement strategy" applied to extremist regimes is effective becomes especially relevant in relation to the

actions of the current Iranian leadership, which is stubbornly moving towards developing a nuclear weapon and sabotaging the demands of the UN Security Council in the most provocative way. Predictably, Tehran flagrantly ignored UN Security Council Resolution 1696, adopted on July 31, 2006. Following this, the UN Security Council adopted Resolution 1737 in December 2006. The undeniable advantage of the new resolution is the fact that it denounces the obstructionist policies of Iran; however, it also shows the incapacity of the UN Security Council to develop effective measures that would be capable of bringing leaders in Tehran back to their senses. To a large degree, this is the result of the “double standards” policy of Russia and China, as both countries press to minimize the sanctions against regimes caught developing their own nuclear weapons and thus violating the obligations of the Non-Proliferation Treaty.

UN Security Council Resolution 1737 states that “Iran has not established full and sustained suspension of all enrichment-related and reprocessing activities [...], nor resumed its cooperation with the IAEA under the Additional Protocol, nor taken the other steps required of it by the IAEA Board of Governors, nor complied with the provisions of Security Council resolution 1696 (2006).”² The resolution also notes that the Security Council is acting under Article 41 of Chapter VII of the Charter of the United Nations. In other words, it recognizes that Iran’s actions constitute a threat to global peace, the elimination of which requires international sanctions that do not, however, provide for the use of force.

Based on this information, in December 2006 the Security Council voted that Iran must stop “all enrichment-related and reprocessing activities, including research and development” as well as “work on all heavy water-related projects, including the construction of a research reactor moderated by heavy water.”³ Further on, the Security Council required all states to take the “necessary measures to prevent the supply, sale or transfer directly or indirectly from their territories, or by their nationals or using their flag vessels or aircraft to, or for the use in or benefit of, Iran [...] of all items, materials, equipment, goods and technology which could contribute to Iran’s enrichment-related, reprocessing or heavy water-related activities, or to the development of nuclear weapon delivery systems.”⁴ In other words, the evaluation of Iran’s actions is quite clear, and the requirements of the UN Security Council are fairly explicit.

Yet it has been clear from the start that measures designed by the Security Council to encourage Iran to comply with its demands would be ineffective. Indeed, the resolution simply calls for all states to freeze financial assets and economic resources owned or controlled by Iranian individuals and legal entities who participate in the development of nuclear weapons and their delivery systems. The list of 12 such entities and 12 individuals whose assets are subject to a freeze include the Atomic Energy Organization of Iran (AEOI) and the Defense Industries Organization, as well as, for example, General Yahya Rahim Safavi, commander of the Islamic Revolutionary Guards. As could be expected, these sanctions failed to have any effect on the Iranian nuclear program. Quite possibly, the AEOI and General Safavi do not keep their assets in Western banks, or at least do so under different names and credentials.

UN Security Council Resolution 1747, adopted in late March 2007, does not resolve the Iranian nuclear issue either. As a matter of fact, the only difference from the December 2006 resolution is the more extended list of Iranian entities and individuals who are subject to specific, yet not overly harsh, sanctions.

The developments in the Middle East bring up an ever more pressing question: what is to be done? This question first emerged in the 19th century among the Russian pseudo-liberal *intelligentsia* concerned with their own social vulnerability. Today, this question is a source of growing distress among political elites of the world’s most powerful state.

THE UNITED STATES: BEFORE A CHANGING OF THE GUARD

The November 2006 midterm congressional elections were in a certain sense a referendum on U.S. policies in Iraq, and suggested that a Democrat victory in the approaching 2008 presidential election is nearly inevitable—it could only fail to come to pass if the present adminis-



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tration undertakes some successful and atypical measures that can radically turn the tide either in Iraq, Iran, or Afghanistan.

Harsh criticism of the war in Iraq was the Democrats' key bargaining chip that they successfully used to appeal both to the American public's natural fatigue with the war proper and, more importantly, to their growing conviction of the lack of prospects for the U.S. military presence in Iraq, as the military has not been able to stop either the civil war or the growing wave of terrorism in the country. On the eve of the midterm elections, 61 percent of Americans opposed the war in Iraq, and 56 percent believed that it made the United States more vulnerable to the threat of terrorism.

Nonetheless, the new balance of power between the newly-Democratic Congress and the presidential administration did not spur the formation of a bipartisan foreign policy, particularly on the issue of Iraq. One of the key reasons for this has been the fact that the Democratic Party has virtually no broad-based foreign policy agenda that could obtain the approval of at least the majority of influential party members, if not all of them. In particular, by spring 2007 Democrats had not come up with a unique standpoint on the most pressing challenge of U.S. foreign policy: deployment of U.S. troops in Iraq. Senator Barack Obama—a rising, though somewhat peculiar star of the Democratic Party—insisted on the immediate withdrawal of U.S. troops from Iraq. The experienced politician Senator Joseph Biden advocated the proposal that Iraq be split into three separate and virtually independent entities, each of them becoming home to a distinct ethnic or religious group. Howard Dean, Chairman of the Democratic National Committee spoke in favor of a phased redeployment of the U.S. military contingent in Iraq. Senator Hilary Clinton, the most likely presidential contender from the Democratic Party, on the other hand, voted in favor of the war in Iraq and is now using all means possible to reinforce her relations with the military.

Yet the problem does not lie in disagreements between various Democratic leaders alone. The more important challenge is the Democratic party's understanding that in the event of a highly possible Democratic presidential victory, the task of solving the toughest issues in the Middle East would become their responsibility—and that at a time when neither they, nor any other segment of the U.S. political establishment, possesses any real solution to the problem. Given all of this, the Democrats basically have just one source of leverage over foreign policy, the administration's course of action in Iraq in particular. This leverage is their control over the budget and option to cut expenditures on the relevant budget items. However, if the Congress were to approve budget cuts for the war in Iraq, the Democratic Party would immediately be accused of leaving U.S. soldiers in Iraq without adequate resources.

There is also no clarity on the type of approach that the Democrats may use in the other key area of U.S. foreign policy—the country's relations with China. Many Democratic leaders in Congress have always viewed China with suspicion and openly showed their preference for Taiwan. For instance, influential Congressman Thomas Lantos has often spoken of China as a "troublemaker," and Sherrod Brown, co-founder of the Congressional Taiwan Caucus, has been recently elected Senator. In addition, the seat of the Speaker of the House of Representatives went to Nancy Pelosi, renowned for her critical appraisal of human rights violations in China and distortions in Sino-American trade relations. In general, compared to the Republicans, the Democrats are much more concerned with the rapidly growing U.S. trade deficit vis-a-vis China, which in 2006 exceeded \$180 billion. Hence, if Democrats come to power in 2008, U.S. policy towards China may take on a harsher and more ideological nature. Similar changes may occur in U.S. relations with Russia, as the Democrats are traditionally more sensitive to displays of authoritarian power and human rights violations than their Republican opponents.

Actual U.S. policy in Iraq remained unchanged. Chances are that Donald Rumsfeld's resignation was a tactical move that the administration used to deflect criticism away from the U.S. President George W. Bush for the failure in the Middle East. In any event, his resignation did not initiate a search for a new strategy that would take into consideration lessons drawn from the war in Iraq. On January 10, 2007, Bush announced the enlargement of the U.S. military contingent in Iraq by another 21,000 troops. The Democrats failed to get the Senate's approval for a resolution condemning this policy choice. Along with increasing the U.S. military pres-

 **Konstantin Eggert (Russia)**, Editor-in-Chief of the BBC Russian Service Moscow Bureau – by phone from **Moscow**: *The causes of the slight increase in iSi were due to the fact that the expected Russian-Western confrontation over the Iranian nuclear program didn't happen and, secondly, the political crisis in Ukraine was settled without the use of armed force. The most negative impact I would call the events in Russian-Estonian relations. There was a substantial growth of mistrust in Russia, as a country whose policy towards its neighbors is irrational and is based on the logic of domestic politics.*

ence in Iraq, the administration is trying to transfer the burden of pacifying the warring Iraqi factions to the Iraqi police and army, which are currently being formed. The U.S. military is expected to act as advisors and ensure safety in the relatively more secure areas and certain critical zones, including Baghdad.

Along with reinforcing the U.S. military component in Iraq, there have been efforts to involve Syria and Iran in stabilizing the country. Both states have a major impact on the situation in Iraq. At first glance, the idea deserves consideration. The question, however, is *what* Washington can offer Tehran and Damascus in exchange for their assistance in resolving the crisis in Iraq. The diplomats have initiated some cautious contacts but, predictably, they have not

brought any significant results—the parties simply exchanged mutual recriminations. That is understandable: Tehran is using its Shi'ite supporters in Iraq as one of its key bargaining tools in negotiations with the United States, hoping to force Washington to make concessions on Iran's nuclear program. Washington can hardly find this trade-off acceptable.

Without a doubt, Iraq remained the most painful foreign policy challenge the United States had to face in the winter and spring of 2006-07. That said, U.S. leadership's decision to increase the country's military contingent by 21,000 troops was probably the least appropriate of all possible options. The number of additional troops is too few to have any real influence on the balance of power in Iraq, especially considering the continued cuts in the military contingents of other international coalition members stationed there, including the United Kingdom. At the same time, this decision angers the public both in the United States and its allies. It shows that the White House is prepared neither to withdraw from Iraq nor forcefully to suppress Sunni and Shi'ite extremist groups—either through the use of its own resources or, for example, by partially relying on Kurdish units. At the same time, the United States is neither ready to split Iraq into three separate entities, nor to implement any other radical measures capable of bringing the situation out of deadlock.

Undoubtedly, the withdrawal of U.S. troops from Iraq or the country's split into smaller ethnic or religious entities may lead to a steep escalation of violence both in Iraq and the region as a whole, but in the end it could result in a new and more stable realignment of forces. Notably, Fred C. Iklé, the ideological leader of many current supporters of hard-line defense and security policies and a member of the Pentagon's Defense Policy Board, declared: "Enormous and incredible mistakes in Iraq may end up driving us out, but if we handle the exit correctly it will not make the US more vulnerable, and can be made worse for our jihadist adversaries who are killing each other."⁵ This standpoint has a certain logic, considering that the clashes between radical Sunni and Shi'ite factions are bound to intensify after the international coalition troops withdraw from Iraq. Eventually, the extremists on both sides will exhaust their resources in bloody internecine fights, whereas moderate circles loyal to the United States will see their influence grow and will be able to get ahead.

Nevertheless, this possibility also presents certain risks. The emergence of a *de jure* independent state of Kurdistan will most likely grow into a center of gravity for Kurds living in Turkey and Iran. Consequently, this will lead to major resistance against Turkey, the key U.S. ally in the region. There is much speculation that Iran's influence in the southern part of Iraq, mostly inhabited by Kurds, may grow considerably, which by no means meets U.S. interests. According to the Western media, one of the most powerful opponents of this option, as well as the withdrawal of U.S. troops from Iraq, is the CIA. The agency justifies its views first and foremost by the likely creation in western Iraq of a powerful base for international Islamic terrorism.



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At the same time, it claims that the emergence of a Kurdish state will lead to a steep increase in Iran's presence in a political environment where a military operation against Iran may become a reality. On the other hand, it is also quite possible that Shi'ite leaders in southern Iraq may not wish to turn into Tehran's satraps or marionettes. In that case, they could become a great asset for the United States in its future operations against Iran.

TURKMENISTAN AFTER TURKMENBASHI

The death of Turkmen dictator Saparmurat Niyazov, better known as the "Father of all Turkmen" (that is how the title *Turkmenbashi* is translated), temporarily drew the world's attention to this small gas-rich country lost in the sands of the Karakum desert. The world press, and especially the Russian media, eagerly discussed whether the dictator died of natural causes or was poisoned by members of his inner circle angered by his extravagant escapades. The media enthusiastically argued about who will inherit the billions of dollars that, rumors say, lie in Niyazov's bank accounts in Germany, and speculated over whether it was appropriate to look for similarities between the change of leader in Turkmenistan and the processes that unfolded in the Soviet Union after the death of Stalin. These questions, no matter how interesting they might be for the general public, in reality do not have much significance. Much more important is the fact that the events in Ashgabat demonstrated the strategic importance of Turkmenistan for developments in the Caspian Basin and Central Asia. This strategic importance is defined by two major factors.

The first one is the future *export channels for Turkmen gas*. Russia is extremely interested in obtaining at least the majority of Turkmen gas exports, if not the entire amount, in order to compensate for expected decreases in its own gas production. Europe, in turn, is trying to avoid further dependence on Russian gas exports, and would be interested in using Central Asian gas, and especially gas from Turkmenistan, to diversify its energy supplies. Therefore, the issue of building a Trans-Caspian gas pipeline has a great chance of being in the center of an EU-Russia rivalry. The prospects of finding a solution will largely depend on Ashgabat's standpoint, which, in turn, will be closely tied to foreign policy choices made by the new government. At the same time, if Ashgabat supports the Trans-Caspian pipeline initiative, there will be a real possibility that another pipeline across the Caspian will be built, but this time carrying oil and linking Kazakhstan's offshore platforms in the Kashagan region to oil terminals near Baku.

The second factor leading to the growth of Turkmenistan's importance in Eurasia is the dynamics of its domestic politics. A number of experts suggest that the December 2006 passing of the Turkmen leader and the anticipated change of leadership in Kazakhstan and Uzbekistan will create a power vacuum in these states—a vacuum that will automatically or almost automatically lead to clashes between the competing elite factions and potentially spur a nationwide political or even military crisis. Domestic political processes in Turkmenistan may confirm or invalidate such scenarios, even though in both cases it will be necessary to consider the specific nature of the situation in the country.

After the natural (or criminal) death of Niyazov, power in the country fell into the hands of the National Security Council or, more precisely, in the hands of a "junta" composed of several council members, including the heads of the army, security services, and police, as well as their protégé—newly elected Turkmen president Gurbanguly Berdimukhammedov. It is difficult to chase away the impression that all these people were prepared for Niyazov's death, so quickly and with so much coordination and determination did they act, taking just several hours to imprison the chairman of the National Security Council (*Halk Maslahaty*), who, following the president's death, had the constitutional right to assume power and gain full control over the country. It is even more difficult to dismiss the idea that the new presidential candidate was chosen by the leaders of the national security agencies precisely because he does not have either his own power base or, most likely, a political base, and therefore cannot represent an existing or potential threat to any single member of the junta. At the same time, his election eliminates the possibility for any one of them to be promoted to the top position of power. This arrangement allows the existing political elite to preserve the balance of power in top political

echelons and thereby to avoid a power struggle, at least for the first few months after Niyazov's death. If this model is correct, the future of Turkmenistan will largely depend on whether the junta members succeed in building their mutual relations in such a way as to avoid a cutthroat rivalry over control of the "crown jewels" of the country's economy (its most lucrative branches in the official, shadow, and criminal economy), and whether they manage not to provoke a deep crisis in the country.

It is also important to note another issue: Turkmenistan's long-term stability depends on whether the new government succeeds in incorporating the leaders of several dozen different regional and institutional clans and cliques into the national power structure. These clans for the most part have tribal origins and possess *de facto* control over individual regions, provinces, sectors of the economy, criminal networks (especially drug trafficking and transit through Turkmenistan), or specific sectors of the bureaucratic system, such as the security services and the army. The late ruler of Turkmenistan succeeded in significantly undermining the power of such factions. Their top elements emerged in Soviet times, but have either been subject to political repression, were forced to leave the country, or had to lay low and abandon their claims to power and influence, or at least their open manifestation. The majority of top political offices during the Turkmenbashi era were controlled by natives of the Akhalketin clan, promoted by Niyazov who was an Akhalketin himself, even if these new political leaders were not related to the previous political elites. Possibly the only exception to this rule was Akmurad Rejepov, an extremely powerful Chief of the Presidential Guard and Niyazov's confidant, who belonged to the Ersari tribe (but who has since resigned, leaving the government in May 2007). In other words, the potential opponents of the current ruling junta have found themselves quite weakened. Yet the clan structure of Turkmen society and Turkmenistan's elite has been preserved, and that inevitably leads to the emergence of a new generation of clan leaders who sooner or later (most likely sooner rather than later) may enter the race for power. These realities put the new Turkmen leadership face to face with the following question: should the government

continue the policy of trying to suppress clan elites, or should it instead develop a new form of relations with the clans, inviting their members to participate in checks and balances?

 **Harald Mueller (Germany)**, Director of the Peace Research Institute – by email from **Frankfurt am Main**: *The incipient quarrel between Russia, NATO, and the United States over the missile issue and Kosovo signals a deterioration. In addition to what I mentioned, the deterioration in the situation in Iraq (despite the much heralded U.S. effort to pacify Baghdad) and Afghanistan bodes badly for world security. The Iran situation is equally worrisome. In Europe, the formation of a united government in Northern Ireland and the improvement in the German economy (projecting better growth for all of Europe) positively influenced iSi: rising welfare equals rising security. The iSi might remain equal or improve slightly because of efforts to mend fences between NATO/U.S. and Russia.*

Thus, the stability in Turkmenistan and other Central Asian states during a transfer of power depends on whether the ruling elites succeed in avoiding sharp clashes of interests between various factions, clans, and cliques—clashes that go beyond some accepted limits (though the criteria differ for each individual case). In the meantime, there has been fresh evidence that the newly-elected Turkmen president is distributing political offices to some of the well-known political figures who were in disgrace during the last years of Niyazov's rule. In particular, Tachberdy Tagiyev, a former minister of the oil and gas industry who was forced to resign in 2003, was recently appointed deputy prime minister in the new Turkmen government. It is possible that by inviting such personalities into the official government, Berdimukammedov is trying to

establish his own political base and limit the influence of Turkmenistan's prominent figures over his policies. The potential outcome of this policy course is quite controversial. On the one hand, the boundaries between the real or potential opposition and the ruling elite become eroded. On the other, however, the top circles of power are expanding to incorporate individuals and groups that aspire to obtain specific economic or bureaucratic resources.



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Given this state of affairs, it is difficult to expect any noteworthy changes in Turkmenistan's foreign policy in the coming months. The interests of the country's leaders will be focused on domestic problems, in particular the distribution of the former leader's legacy and the establishment of a new balance of power among the various factions and clans. The ruling junta is unlikely to welcome external interference in these issues, and thus will continue creating an impression that it plans to continue the previous political course and maintain all of its gas exports commitments.

THE KOREAN PENINSULA: CALM AFTER THE STORM

The missile and nuclear tests that the Democratic People's Republic of Korea (DPRK) conducted in summer and fall 2006 presented the international community with yet another serious challenge. The numerous predictions and analyses that appeared after the tests forecast the aggravation of the political and military situation in the northern Pacific. A particular emphasis was on how well the United States would be able to reestablish Japan and South Korea's confidence in the reliability of American extended deterrence and security guarantees in order to prevent these states from creating their own nuclear weapons in response to the North Korean nuclear ambitions. There have been discussions of increasing assistance to Japan (and potentially also to South Korea) in creating effective anti-ballistic missile systems capable of neutralizing North Korea's ballistic missiles. The United States intensified its political and diplomatic relations with China. The Chinese government has been extremely alarmed by Pyongyang's actions, with part of its exasperation caused by the possibility that the DPRK could have a "nuclear domino" effect on the region. For Beijing, such a development would be extremely undesirable. The United Nations and other international organizations continued to exert pressure on North Korea in order to isolate Pyongyang politically and diplomatically and prevent it from transferring its nuclear materials and technologies to extremist groups and regimes. Economic sanctions against North Korea remained in place, including the freeze on bank accounts in Macau's Banco Delta Asia, until after the time period covered in this review.

These developments should have been expected. Yet as recently as mid-winter 2006-07 it was still hard to imagine the possibility of a rapid mitigation of the situation around North Korea and its nuclear program. Nonetheless, on February 13, 2007, during the so-called *third session of the fifth round of the six-party talks*, the participant states reached an agreement on "initial actions for the implementation of the Joint Statement" of September 19, 2005.

It was agreed that during the first phase of implementation of the Joint Statement, which was to last 60 days, the DPRK would shut down and seal "for the purpose of eventual abandonment" the Yongbyon nuclear facility, including the reprocessing facility, and invite back IAEA personnel to conduct all necessary monitoring and verification "as agreed between IAEA and the DPRK." In addition, during this phase the DPRK would discuss with other parties a list of all of its nuclear programs as described in the Joint Statement, including "plutonium extracted from used fuel rods, that would be abandoned pursuant to the Joint Statement." At the same time, the DPRK and the United States must start bilateral talks aimed at resolving pending bilateral issues and moving toward full diplomatic relations. Similar talks must be initiated between the DPRK and Japan with the aim of taking steps to normalize their relations in accordance with the Pyongyang Declaration, "on the basis of the settlement of unfortunate past and outstanding issues of concern." In its turn, the United States will begin the process of removing the designation of the DPRK as a state-sponsor of terrorism and advance the process of terminating the application of the Trading with the Enemy Act with respect to the DPRK. The parties agreed to the provision of emergency energy assistance to the DPRK for the first 60 days, with the initial shipment of emergency energy assistance equivalent to 50,000 tons of heavy fuel oil (HFO). The parties also agreed on the establishment of five working groups in order to carry out these initial actions and for the purpose of full implementation of the Joint Statement.

During the next phase of implementation of the Joint Statement, the DPRK would provide "a complete declaration of all nuclear programs" and "disable all existing nuclear facilities," including graphite-moderated reactors and a reprocessing plant. The DPRK will receive eco-

 **William Potter (United States)**, Director of the Center for Nonproliferation Studies, Monterey Institute of International Studies - by email from **Monterey**: *The news on significant Iranian advancement in uranium enrichment significantly destabilizes regional as well as international security. The proceeding aggravation in Iraq also impacts negatively. It was beneficial for the U.S. secretary of state to interact, if only briefly, with her counterparts from Syria and Iran. The better than anticipated outcome of the NPT Preparatory Committee meeting also was a positive development. There also seems to be a continuing relaxation of tensions in Northeast Asia despite delays in implementing the 6 Party agreement with the DPRK. I anticipate that the iSi index will continue to rise as the U.S./Western line hardens toward Iran in response to news of progress it has made in operation of its centrifuge program.*

conomic, energy, and humanitarian assistance up to the equivalent of 1 million tons of HFO.

At first glance, this agreement seems like a clear success for the North Korean regime. Not only did Pyongyang obtain the economic assistance that it so desperately longed for, but it also succeeded in attaining U.S. consent to pursue official direct negotiations, which constituted one of the key political goals of the North Korean leadership. Moreover, there are talks about potential negotiations on establishing diplomatic relations with North Korea. And the only thing that the DPRK has to do to attain such treatment is to close down its nuclear reactors in Yongbyon (whether all of the reactors or just some of them remains unclear) and put them under IAEA safeguards. Yet there is no guarantee that North Korea will not *unfreeze* its reactors in the future and cut off access to IAEA inspectors, as it already did in the early days of the current nuclear crisis on the Korean Peninsula. One of the most crucial issues—how many nuclear warheads and

explosive devices remain in the DPRK's possession and how and when they will be destroyed—has not been addressed. Moreover, the United States stepped away (temporarily, perhaps) from the fair demand for the complete, verifiable, and irreversible denuclearization of the DPRK. In addition, Pyongyang obtained an opportunity to continue perfecting its nuclear explosive devices. This point is extremely important, as the low yield of the North Korean nuclear explosion carried out in the fall of 2006 was most likely due to the unsatisfactory functioning of complex electronic and other systems. Furthermore, according to expert estimates, North Korea has enough plutonium to build five or six nuclear weapons, and possibly even more.

Nonetheless, there are certain advantages to the current soft U.S. policy towards the DPRK nuclear program. Washington gained an opportunity to concentrate its efforts, as well as its political and military resources, on the Middle East. The United States demonstrated to the world its flexibility and willingness to compromise, which refutes the common opinion of the current U.S. administration as being *unintelligent* conservatives ready to use force with or without a reason and incapable of cunning political play. Finally, having eased the tensions in the Far East, Washington made a very important step towards China, which is very concerned by the possibility of events in its neighborhood spiralling out of control and complicating the modernization of China's economy and the military—the two issues that are of crucial importance for Beijing.

THE RUSSIAN FACTOR

Putin's Munich speech was widely perceived as a modern equivalent of the well-known Churchill discourse in Fulton that triggered the Cold War. Time will tell whether or not the performance of the Russian leader initiates a new round of confrontation. In any event, his speech has already launched a massive anti-Western campaign instigated by both the military authorities and the Russian Ministry of Foreign Affairs.

A number of top Russian military officials called for Russia's withdrawal from the INF Treaty. This is not the first time that this idea has been put forward, but previously its promoters tend-



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ed to be retired generals who no longer had any formal links to the military establishment. Today, by contrast, the call is almost the official platform of Russia's Ministry of Defense. The key argument in favor of leaving the treaty is the perceived threat to Russia's strategic forces of the future U.S. missile defense system being deployed in Europe. This argument raises strong doubts: the antiballistic missile system that the United States is planning to install in Poland is simply incapable of striking intercontinental ballistic missiles (ICBMs) launched from Russia. In order to succeed, they need to possess truly extraordinary performance characteristics that are unachievable in the foreseeable future, starting with speed. The time factor too should not be ignored. The launch of an antiballistic missile can only take place after the detection of a Russian ICBM's launch, and only if the potential margin of error has been eliminated. In addition, it is essential to determine, even in the most general form, the flight trajectory of the missile. Only then can the decision to launch an antiballistic missile be made. All these steps require time, even if it is just a matter of several minutes. These short minutes may make the ICBMs simply unattainable. Finally, it is unclear how in fact ten antiballistic missiles can pose a threat to Russian strategic forces that possess several hundred ground-based intercontinental missiles, especially since the launch sites of many of them are more than a thousand miles away from Poland.

It is certain that Russia's withdrawal from the INF Treaty would solidify NATO and lead to the deployment of U.S. intermediate-range ballistic missiles in Europe. In other words, the world will see a repeat of the missile crisis of the 1970s-1980s. Not only would such a development severely aggravate the political and military situation in Europe, but it would also dramatically damage Russian security. It is important to recall that if the Soviet government had agreed to the "zero" option on INF during the second half of the 1980s, it was not out of ambitions for nuclear disarmament. At the time, the Soviet General Staff had no doubts that U.S. Pershing and cruise missiles deployed in Germany, the Netherlands, and the United Kingdom could deliver several hundred precision nuclear warheads to the major centers of political and military control of the Soviet Union in just 10-15 minutes. For comparison, today such missiles (or their more advanced analogues) can be placed much closer to Russia's borders.

It is possible that having realized the danger of withdrawing from the INF Treaty, Russia responded to the prospects of U.S. deployment of missile defense systems in Poland and the Czech Republic by declaring a "moratorium" on observing the Treaty on Conventional Armed Forces in Europe (CFE). Most likely, this will not spur a harsh reaction from the Western powers, as in many respects, the CFE Treaty in its original form is desperately outdated. At the same time, the moratorium on observing the CFE Treaty cannot possibly obstruct the deployment of missile defense systems in Central Europe. In addition, Moscow's decision once again raises the question: what exactly is Russia trying to achieve in the global arena?

The stance adopted by Russia's military command is understandable. It is in the nature of military defense planners (and not just in Russia) to make decisions based on the perceived capacities of the real or potential opponents rather than their intentions. At the same time, the Russian military has to take into consideration the relentless deterioration of its conventional armed forces. As a result, higher stakes are being placed on nuclear weapons. Finally, the military believes that the more nuclear missiles, submarines, etc. Russia has, the more solid the country's security. This last statement, however, is fundamentally wrong. The Soviet Union lost the Cold War despite the vast stockpiles of nuclear and conventional weapons it possessed.

The view of the Ministry of Foreign Affairs is less clear, even though the ministry closely identifies with the stance of military command. Diplomacy is meant to reveal the intentions of partners, competitors, and opponents, and take them into consideration, bearing in mind a wide range of factors and trying to undertake a deep analysis of international realities instead of assuming the most dangerous alternative (since in the current case, this alternative would be quite unrealistic).

It is true that to achieve this goal, considerable intellectual capabilities are necessary. In the meantime, the MFA-published Survey of Russian Federation Foreign Policy leaves a negative impression. For instance, it notes: "*The chief achievement of recent years is the newly acquired foreign policy independence of Russia.*"⁶ Involuntarily, the question arises: has Russia's fierce opposition to NATO's expansion to the East for most of the past decade been

imposed by factors lying beyond its borders, for example, Washington? It is equally interesting to read the following passage: *“The internal strengthening of Russia makes our foreign policy more purposeful and productive...”*⁷ This statement arouses a natural desire to ask what is meant here. Does this passage allude to the fact that manipulations of gas prices repelled Russia’s only ally, Belorussian president Lukashenko, who frantically started mending relations with the West beginning in early 2007? Does the Russian Ministry of Foreign Affairs really believe that if cities in southern Russia come into the range of Iranian nuclear missiles, this would be in Russia’s national interest? If not, why is Russian diplomacy persistently aimed at blocking UN sanctions against Iran that could effectively encourage Tehran to halt its nuclear program, whereas the diplomats’ exemplary determination is worthy of a better cause?

Perhaps the most interesting theoretical achievement of the Russian MFA is the repetition of an old thesis dating from the Gorbachev era, which makes a reference to a “stable, just, and democratic world order” that could be achieved through active participation in the work of the United Nations. The authors of the Survey are probably unaware that the very notion of “justice” is extremely subjective, and reflects the interests of specific individuals or social groups. Yet this is not the most important issue. Much more significant is the fact that democracy is a type of political power where citizens delegate their power to elected officials, decisions are taken by majority vote, and the rights of minorities are protected by law which is followed to the letter. Knowing that, the course towards forming a just and democratic world order means nothing else, in essence, than the creation of a world government where the majority would belong to developing countries and China. Does Russia’s MFA realize that the call for establishing a democratic world order is pretty much identical to the concept of limited sovereignty, which is perceived as pure heresy by the majority of Russian political elites?

Some practical recommendations are equally illustrative of the fact. For example, sharing their views on resolving the Iraqi issue—possibly the most severe problem of modern world politics, the Survey’s authors write: *“In the work with international partners, advance the Russian approaches to a political settlement of the Iraq problem. [...] demonopolization would give a realistic alternative to the present dead-end situation [...] The ideas of setting up a Contact Group made up of the United Nations Security Council permanent members, all of Iraq’s neighbors and a number of key regional powers and of holding in this composition an international conference on Iraq with the participation of leading Iraqi politicians appear to be productive.”*⁸ The only reasonable observation in this recommendation is probably the one that the situation in Iraq is indeed a deadlock. The suggestion for establishing a Contact Group and holding an international conference on the issue of Iraq resembles a grim Soviet joke: *if we do not gather the harvest, we gather a plenary session*. The Soviet Union saw many such *plenums*, whereas the harvests were not as cheery. Indeed, the entire experience of international politics attests that conferences can only confirm a decision reached during lengthy negotiations. And if no such decision has been achieved, then the conferences, contact groups, and other multilateral diplomatic institutions become nothing other than forums for mutual accusations and squabbles.

Yet the key question is whether the militant rhetoric of Russian diplomats and military officials implies the start of active changes in Russian foreign policy. In this light, a truly significant issue is not so much the possible, even though unlikely, withdrawal of Russia from the INF Treaty, but rather the upcoming vote on the Kosovo issue in the UN Security Council. In the meantime, the Security Council, after admitting the Ahtisaari proposal⁹ to examination, wisely decided not to rush and instead to send a delegation to Kosovo and Serbia. The logic of this decision most likely lies in a desire to reach a certain compromise, acceptable both for Belgrade and Pristina, which to put pressure on Serbia and Kosovo would rely first and foremost on economic mechanisms. In return, Russia is facing a tough choice: it can either offer assistance in resolving the Kosovo issue, or try playing upon the conflict between the Serbs and Kosovars. Choosing the latter option could be quite dangerous for Russia, as the Kosovo issue is too important to Europe for Russia to try manipulating it. It would be unwise to ignore the distressing memory of the Soviet Union losing the Cold War and breaking up at a time when it was much more powerful, both economically and militarily, than today’s Russia, which is rapidly turning into a petrostate.



BISMARCK WAS RIGHT

Global political developments in the fall and winter of 2006-07 confirmed yet again that Judeo-Christian civilization is facing a number of existential challenges. They include a rising tide of Islamic fundamentalism, a proliferation of weapons of mass destruction, an erosion of identity, the imminent depletion of hydrocarbon energy resources, and potentially many others. The civilized world cannot respond to these challenges as long as it remains disunited and weak. Today, as throughout human history, the attributes of power are not limited to force; the power of example and conviction, the art of appealing to common sense and the skill to reach compromises, is equally critical. Such “soft power” is effective given a civilization with key values that include an individual’s identity, rights, and dignity. But those who remain outside of this civilization admit no power other than the power of arms. That is why Prince Otto Eduard Leopold von Bismarck—who believed that it is not by speeches and majority votes that the great questions will be decided, but by blood and iron—was probably right. 

Yury Fedorov



A VIEW BY A RUSSIAN CONSERVATIVE: A PREMONITION OF GLOBAL CHANGE

In the last survey I wrote about a change of historical eras. But history does not exist without economics and technology. And, in the final analysis, global security is a reflection of the sum of the current state of world policy, economics, and the level of development of modern technologies.

During the past few months, which are the subject of my survey, we have been given a lot of reasons to be convinced of this fact. After all, most of the events in global politics and global security have occurred at the intersection of politics, economics, and technology. It is unfortunate that all of the talk in recent years of a “clash of civilizations,” while recognizing a shift in historical eras, fatally fails to remember that economic models and technological platforms are changing as well. And they are what determines the concrete policy measures that states follow.

CATCHING THE TECHNOLOGICAL CHANGES OF AN ERA

Like historical eras, economic models and technological platforms come and go. But they change much more frequently with the advent of new breakthrough technologies, the change of commercial methods and transport corridors, and the movement of centers of production throughout the world. The replacement of economic models is often less noticeable to the average person and less meaningful, but it can lead to the rise and fall of states. It is those states that catch the change of economic eras and incorporate nascent economic processes that become great.

Great Britain caught the change from a sailing fleet to steamships—a seemingly simple technological innovation, but one that consolidated the British Empire’s global hegemony, on which “the sun never set,” for at least a century. Similarly, the United States realized in time the dead end and obsolescence of heavy industry, and boldly stepped into the post-industrial computer world. And in many respects it won the Cold War thanks to this. Further, it based the concept of ground-based air operations on the new technological platforms and used them for new weapons of destruction, which the Soviet Union, with its armadas of tanks, could not counteract.

Fundamental changes in the area of armaments and military technology can only occur on the basis of new technological solutions and through them into new methods to defend the political and economic interests of states, radically changing the structure and very essence of

these interests every once in awhile. It was on the basis of steam and the fleet of steamships, the result of a technological revolution, that the historical era of industrial colonialism, which the notable Russian political scientist Vladimir Ulyanov, also known as Lenin, later called the "era of imperialism," arose.

Russia has almost never managed to catch the change of economic eras. The Russian Empire was late to grasp the steam era and shamefully lost the Crimean War, which it should have won if judging by the correlation of forces and "geopolitical" aspects, as is the current fashion. In the thrill of "detente" and "building socialism," the Soviet Union missed the beginning of the era of energy-saving technologies. And after falling asleep with the price of the oil at \$35, it awoke with it at \$14 to well-known consequences in the form of a systemic crisis.

A first impression: 2007 does not promise a fundamental realignment of the prevailing international trends, a premise confirmed by the new spark of interest in the subject of energy stability, in which Russia has again involved itself. This is understandable: one of the foundations of the current economic model is energy, based on the technological platform involving gas, which replaced coal some time in the first half of the 1980s, having provoked a drop in the price of oil, the acceleration of integration processes in the European Union, the Norwegian economic miracle, and the destruction of the Soviet Union.

But here is the question: don't many recent events testify to the fact that the time is coming when this technological platform too will recede into the background? And isn't it the expectation that this will occur and, further, the attempt to adjust to the new trends that is the cause of many of the events of the past four months? After all, the main idea of late is not only the sad statement that the economy of industrially developed countries will hardly be able to function without Russian gas. It is also the fact that under the present technological paradigm based on energy—with Russian gas or without it—it will be impossible to maintain acceptable rates of global economic growth.

Thus the past few months have been interesting precisely because, through the shroud of diplomatic initiatives and political maneuvers, as well as newly announced military programs—of which there were a strangely large number in the past few months—signs have begun to appear that indicate that a shift in economic models is coming, along with the appearance of new technological platforms.

NATO AND MISSILE DEFENSE: THE REBIRTH OF ATLANTICISM

One of the main themes of late has been the beginning of practical actions to move NATO infrastructure eastwards. This has overturned numerous forecasts that NATO is about to be transformed into a political alliance and its military infrastructure an auxiliary element. NATO arose as a military alliance and will continue to exist in that form. And in order for the alliance to continue to be a significant global force, it must continually undergo some sort of military process. In the second half of the 1990s, this process was the realization of operations outside of traditional areas of responsibility. Today the process that is functionally uniting—although they remain politically disconnected—the NATO states is the stationing of elements of the missile defense system.

However, what did the situation around the stationing of U.S. and NATO missile defense elements in eastern Europe show us about the political sphere? In principle, we did not learn anything new: just that that which our foreign policy liberals stubbornly did not want to take note of became so obvious that they could only shamefully turn away their eyes. The United States indicated long ago that it planned to put missile defense elements in eastern Europe. Its entire line of reasoning was well known, and it is not clear what those in Russia who are now so worked up had been counting on.

That some sort of Russian "spirit of partnership" would make the United States give up its strategic plans? But this spirit has been missing for a long time already; indeed, the U.S.-Russian partnership was actually never so significant and, most importantly, it had far too narrow an economic base to make the United States turn away from a major geopolitical project.



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That European capitals would value future relations with Moscow? But the United States is not placing the missile defense elements in Germany, which really understands the importance of relations with Russia, nor will it do so in France, or even in Italy. It will do this on the territory of eastern European allies that are playing what is already an open role as a *Trojan horse*, under the framework of joint organizations. These states are not just agreeing to missile defense elements. They are ready to give their territory for torture and execution rooms. What do we expect from them?

The issue is even deeper: essentially, under the name of a “missile defense system for a European theater defense” one of the largest and geopolitically significant projects of U.S. foreign policy of the past ten, if not 15, years is being realized. The United States is beautifully and convincingly drawing its European allies into a costly enterprise of unclear—to the European alliance partners first and foremost—geopolitical value.

 Evgeny **Satanovsky (Russia)**, President of the Institute for Middle East Studies – by phone from **Moscow**: *The permanent aggravating factors are the situations in Iran, Northern Africa, and the states of the Horn of Africa. I also foresee that the Iranian problem may be solved with the use of force, because Tehran has not implemented the demands of the UNSC resolution adopted in March 2007. The prevention of the Islamic presidency in Turkey would seem to be critical factor for international security in the near future. I hope that the army will stand for the secular character of the state, as happened before.*

Through this project the United States is introducing a real military element into the European security system—where some naively thought that they could get by without the sharp eye of Uncle Sam—which will be wholly managed, both politically and technologically, from Washington and Washington alone. They will tell the Europeans that the enemy, to whom they have already, since 1991, become unaccustomed, is “at the gates,” and only the United States with its new missile defense technology can defend them. And at the same time they will show them that instead of aimlessly and senselessly “playing” at a “European Defense Identity” they should simply “come home” to NATO, to which they are already accustomed and which is, one must agree, completely effective.

In fact, to some extent a situation is arising that is typologically similar to the deployment of U.S. intermediate-range missiles in Europe in the 1980s, which as though in spite appeared in Europe just when a generation of politicians was coming to power that was in principal prepared to play at geopolitical independence. Of course, the Europeans did not like this; they went to demonstrations that, whatever was said there, were not always inspired in Moscow. However, the European elite understood that the alternative to hosting the missiles—regardless of the real level of the Soviet threat—was the loss of the important centralizing element of the North Atlantic alliance. And our European partners could not allow themselves this then or now. Moreover, the harsher Russia’s “countermeasures” and the louder its rhetoric, the more tightly the timid Europeans will hold fast to their big overseas brother.

Most importantly, no one is afraid of a potential confrontation with Russia over missile defense. It is already understood that in the military sphere, Russia’s industrial complex is only beginning to recover from a crisis, that in a competition with the United States and Europe it will lose, and that if the stationing of missile defense units in Europe leads to confrontation, this will be a competition between defense industries and military technology. So is it worth being drawn into? Maybe it would be more effective to get some control over the construction of the U.S. missile defense system in Europe and make it more transparent?

If one examines the situation closely, here too we find a case of the union of politics and technology against a background of economics. After all, the U.S. game which, I have to say, it played brilliantly, was first to push the threat of the proliferation of missile technologies to the level of an inevitable threat (this is where the grandiose foreign policy PR victory lay—in completely altering the *image of Russia*), and then to frighten both the Americans and the Europeans with the image of missiles arriving from who knows where. Then, on the basis of

new technology (and the new U.S. missile defense technology is probably going to represent a qualitative technological jump, whatever they write in the Russian military newspaper *Krasnaya Zvezda*), they will create a new mechanism for their presence in European politics.

This plan still lacks a new economic model but it seems that it is already clear what it will be based on: on reducing dependence on Russian energy through the development of energy-saving technology and nuclear power. It is noteworthy that even in Germany, the voices supporting the “peaceful atom” are stronger and stronger. So unless something unpleasant happens, a new system of transatlantic relations will be established that will be every bit as durable as the one that existed during the Cold War.

And from this point of view President Vladimir Putin’s speech in Munich, so amicably criticized abroad, actually achieved its goal, if only because it provoked a discussion in European political and academic circles over where Europe is headed, geopolitically, and what the logic of the “captains” of European policy might be.

It is important to understand Moscow’s reason for this address, and why the Russian president emphasized that he was speaking in the format of a “free exchange of opinions.” The reason for the speech was extremely simple: there is little time left for Europe to either prove its geopolitical independence or confirm the fears that a geopolitically independent Europe did not succeed. If the former, then a dialogue on a wide range of issues, including security, is possible, but if the second, then it is pointless, as it would be far simpler and cheaper to arrange bilateral relations with the United States (either on the basis of deterrence or of a renewed partnership), and simultaneously develop our eastward-looking policy. Europe would become a subsidiary foreign policy area, without any particular strategic missions.

Maybe this speech came too late: it is hard to believe that there is anyone in the West today who would be prepared to take conciliatory steps towards Russia, and ideological inertia can play a significant role at times. Maybe it is time to get used to the idea that NATO and the European Union must be viewed without the illusions of the 1990s and the hopes of the early 21st century, but instead in terms of the forgotten paradigm of the 1970s and 1980s?

I would like to make note of one more important detail: for some reason we are not talking about a NATO missile defense or EU missile defense. We speak of a U.S. missile defense system that will cover European territory. And, even more interestingly, Washington is carrying out negotiations over the stationing of the missile defense system not with Brussels, but with individual states. This is, you must agree, quite suggestive, particularly against the background of the splendid festivities in honor of the 50th anniversary of the Treaty of Rome, from which the history of a United Europe began.

Thus, the story of U.S. missile defense in Europe causes us to think: of course, Europe has become a unified, humane space and basically a unified economy (which is, incidentally, vitally interested in Russia remaining within the framework of the current economic model and technological platform). But what about Europe as a geopolitical center of influence? And if Europe has not become—and I emphasize—a single geopolitical center of global significance, then the Russian concept of a “multipolar world” has a dangerous “hole” in it, and multipolarity will revert to bipolarity, where instead of the Soviet Union, China will figure as one of the two poles. This is a completely different picture and set of problems that Russian foreign policy would have to face.

U.S.-RUSSIAN RELATIONS: BALANCING ON THE EDGE OF A COLD WAR

The proclamation that U.S.-Russian relations are edging towards a crisis and that the arrival of a Democratic administration in the United States will lead to an even more unpleasant state of U.S.-Russian relations already seems to be becoming a platitude. Yet it is both true and not true.

It is not true in the sense that the most important problems that will face a new U.S. president—and it remains unclear that the next president will necessarily represent the Democratic Party—will be domestic, since he or she will inherit a split electorate with serious foreign poli-



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cy problems and a growing number of inferiority complexes. And it is unlikely that a new U.S. president will take on the Russian problem *right away*.

It is true, in the sense that the new U.S. president will have to start revising U.S.-Russian relations and what is left of the "U.S.-Russian partnership."

In judging everything that has happened recently in U.S.-Russian relations, we should understand that there is a significant difference between the announcements of some sort of "Freedom House," that exists in order to pressure U.S. competitors, and military planning, which has far more significant consequences. For example, take the principles guiding the stationing of military forces and weapons procurement strategy. So far the United States is balancing on the edge of beginning military planning in expectation of a conflict with Russia, but it has not yet crossed this line.

But facts are facts: a fundamental review of relations with Russia has begun, and the real difference is that to date there is more about rhetoric and image in this "review" than, for instance, the appointment of a significant figure like Robert Gates to be U.S. Secretary of Defense, a patented admirer of our country. However, the actual system of relations based on political constraint, if Washington really does make some cardinal decisions, will be drawn up with more consistency and exactitude.

But we must understand that the U.S. armed force's large-scale military equipment renewal program was practically inevitable for domestic economic reasons: the defense enterprises have been investing large sums in the development of new types of weapons and simply must capitalize on these investments, and this is only possible through industrial production and large-scale purchases of these new weapon types.

Indeed, this process has already begun, as we can see from the transition from "trial" to full-scale purchases of the F-22 *Raptor*, a next-generation fighter plane that is expensive and not particularly necessary from the military point of view. And we should not feed any illusions: the U.S. defense industry has accumulated sufficient capacity to bring the U.S. military machine to a level practically unattainable in the foreseeable future either for Russia or for any other country. And a Democratic President, if history is anything to go by, will be even more inclined to begin military modernization than a Republican, since historically the U.S. Democratic Party is more closely connected to lobbyists for the machining industry, particularly of plants in the military-industrial complex, which, to be honest, were driven off during the era of the Texas oil men.

In the political arena, the worsening of U.S.-Russian relations, which in the past three or four months has gone from the plane of rhetoric to the plane of political actions, has its own logic, which flows from two basic features.

On the one hand, there is the United States' unwillingness to accept a strong Russia with a right to its "sphere of influence." After all, it is not entirely true that the United States does not assume that Russia has its own interests. Already at the end of the 20th century, the United States recognized the inevitability of the appearance of Russian interests that might contradict U.S. interests. What they never recognized was that Russia has a right to its own "sphere of influence," particularly with regard to the states that were formerly part of the Soviet Union, Ukraine especially. Not without reason, the real ideologist of U.S. policy with respect to post-Soviet Russia, Zbigniew Brzezinski, emphasized that were Russia to control Ukraine, it would almost unavoidably become an empire that would inevitably challenge the United States in other regions as well.

On the other hand, bilateral difficulties also flow from the fact that Russia has not proven to the United States to date that it is a good partner. In other words, we have talked a lot about the possibility of some kind of strategic understanding with the United States, but have done nothing practical that would prove to the Americans that it is better to negotiate with Russia than to contain it, to say nothing of confronting it. We have forgotten that the Americans are a practical people, who, as the poet Vladimir Mayakovsky once said, have an "average belief" in theory: dozens of statements that we have a weapon capable of defeating missile defense will not

convince them as much as one successful test, particularly since in the past few years Russia has heavily exaggerated its foreign policy propaganda and virtual projects.

In the final analysis, one must remember that a “sphere of influence” does not appear “by mutual agreement;” spheres of influence are not handed out. A sphere of influence is taken without asking. As a rule, by force; sometimes, by craft; only then do the diplomats get their turn, worrying about how most elegantly to formalize the facts on the ground. So from the beginning, hoping that the United States would give Russia the chance to influence the post-Soviet space, based only on the fact that the country’s economic capacity is starting to approach top Soviet levels, was utterly naive.

Where the future of U.S.-Russian relations is concerned, there is no need to go to extremes. One should attempt to preserve the existing coordination mechanisms, as they could be needed after some time has elapsed. Of course, that is if Russia is able to finish traversing the “period of political transition” without considerable political losses. The entire recent history of relations with the West proves the well-known fact that despite all of the talk about a multipolar world, the only partner with whom one can actually discuss anything in the Western world is the United States. Yes, it’s a difficult partner, with whom our relations will probably deteriorate over the course of the next few years. But it is with this very partner that real problems can be solved and we can ensure our country a worthy place in the foreign policy arena. And we have to preserve the foundations upon which, later, when the dust has settled (in about five years), new U.S.-Russian relations could be built. Whether we like it or not, arms control is just such a foundation.

Incidentally, if we consider the U.S. missile defense system, then the idea, if we skip the hysterics, of obtaining access and monitoring over U.S. facilities, and perhaps agreeing to the siting of some of them in our territory, does not seem so foolish. Although, of course, the idea of a U.S. military facility on Russian territory initially seems preposterous. But if, instead of fighting the inevitable, we think about how we can get the maximum political and economic benefits, then it makes sense. And in the final analysis, however this proposal of cooperation with the United States looks to Russia and the entire civilized world, the United States has no other goals in the development of a missile defense system in Europe other than the fight for global stability against maniacs with intermediate-range missiles.

Or does it?

CHINA ENTERS THE RACE FOR MILITARY TECHNOLOGY

Strictly speaking, the whole story of the interception of a satellite by a Chinese rocket does not have any direct military significance—in order for such significance to arise, China would have to create a group of several dozen such rockets with a shortened preparatory period. The point is that Beijing’s demonstration was meant to show everyone, the United States first and foremost, that it has the ability to overcome a real technological gap in the area of strategic weapons. This gap is one of those factors that has allowed Washington, thus far, to feel relatively comfortable in its relations with the “heavenly kingdom,” in spite of numerous, lengthy conversations about the coming U.S.-Chinese conflict.

This does not at all mean that the PRC is ready for a full-scale arms race. The Chinese economy is based on an industrial model that has already disappeared into history. And the technological platforms upon which this economic model is based—in transport, in energy, and in metallurgy, i.e. the main industrial branches—all use old technologies. Chinese attempts to overcome this technological lag behind the United States in the weapons sphere have to date had only limited results, although one cannot but recognize the progress Beijing has made.

We can no longer consider the Chinese army as a collection of numerous, but very low quality, tanks and aircraft that are two generations behind those of developed countries. Beijing’s actions indicate its readiness to invest significant resources in high-technology weapons. How far Beijing will succeed in this is a big question that will only be answered over the course of time. However, if our Chinese partners have decided to scare Washington via “virtual reality,” then a big disappointment awaits them, and soon. To a virtual arms race initiated by our



Chinese partners, our American partners have an excellent answer: pressuring Beijing through the deep dependence of the Chinese economy on access to the U.S. market, together with the backwardness of its infrastructure. This will continue to be a decisive factor in Chinese geopolitical development, despite all of Beijing's efforts to diversify its economic relationships and forcibly attain a new technological level in the main industrial branches (particularly noticeable in China's efforts in the sphere of nuclear energy). And it is through this very "Achilles heel" that they will beat the United States.

Another problem is that if China and the United States actually begin a technological arms race, Russia may be dragged into serious global troubles "through the back door." After all, it is obvious that Russia's role in its "strategic partnership" with the PRC is to take on the major part of the effort to improve Chinese weapons technology. And it is not certain that the political and economic compensation offered by China for the negative political consequences Russia will incur (and only a child would doubt that there will be such consequences) will be enough to make up for the losses we suffer. Thus, moving further along the path of partnership with our great Eastern neighbor, we should nevertheless periodically ask ourselves: should we put on the brakes?

THE NORTH KOREAN NUCLEAR PROGRAM: CAPITALIZING ON STATUS

As we predicted, after its tough statement about its views, new status, and claims, as usual formulated in a "maximalist" manner, Pyongyang has gradually begun to soften its position, probing the possible depth of concessions it may obtain from the global community.

Cynicism about the situation is not caused by the fact that, in agreeing to Pyongyang's demands for economic compensation in exchange for allegedly shutting down its nuclear program, the mediators are basically agreeing to the principle of nuclear blackmail. And not even by the fact that hardly any of the mediators believe in earnest that the North Korean leadership will allow the true, verified dismantlement of the nuclear program. Instead, it is due to the fact that the universality of the Nuclear Non-Proliferation Treaty (NPT) is being still further destroyed. It turns out that some states (India and Israel) are not allowed to possess nuclear weapons, but can actually have them. But certain others (Iran) are not allowed to and cannot have these weapons under any conditions. While still others have to be paid for giving up their nuclear programs. Moreover, with heavy fuel to date, but just wait and it will be money, especially since the model of squeezing economic concessions out of the global community worked out by Pyongyang is completely effective. An indicator of this is that the very fact that when Pyongyang agreed to the resumption of negotiations it caused badly hidden enthusiasm. And the departure of the North Korean delegation from the negotiations on the paltry grounds of the freezing of accounts in a Macao bank led to badly hidden hysterics.

The unfortunate thing is that in agreeing to end the situation by providing goods, the world community is actually contributing to the preservation of the North Korean regime, rejecting the most minimum requirements for the democratization of society and change of the economic model governing North Korean society. That is, from everything that led to the crisis surrounding North Korea's nuclear program in 1993. No one is talking about this any longer, and I fear that they are not even thinking about it either. It is absolutely senseless to ask who won, and to dispute the viability of the idea of *juche*.

THE MIDDLE EAST: TACTICAL MANEUVERS AGAINST A BACKGROUND OF STRATEGIC WORTHLESSNESS

Despite all of the feverish activity in the Middle East, where in the past four months there have been visits by presidents, secretaries of state, ministers, and mediators, the major issue of Middle Eastern policy—the absence of partners capable of negotiating—has not been resolved. Moreover, recently this problem has been aggravated to the extreme and today it is almost impossible in the entire Middle East to find a political figure, even one who is head of state, who can make general, long-term promises. The only exception, perhaps, is King

 Alexander **Saveliev (Russia)**, Head of the Strategic Studies Department, Center for International Security, Institute of World Economics and International Relations (IMEMO) – by phone from **Moscow**: *The future deployment of the elements of an American missile defense system in Eastern Europe most of all has influenced negatively the situation on the European continent. At the same time, where the Iranian issue is concerned I see that a military option will not be chosen. Over all I would describe the international security situation as in a state of only temporary stability: this year we are waiting for some changes, given the future changes in the Russian and U.S. governments.*

Abdullah of Jordan; however, with due respect, Jordan is not a major player in the Middle East peace process. All of the other political actors in the region are either in extremely precarious political positions, depending on the domestic political situation (Ehud Olmert or his Lebanese colleague Fuad Seniora), or their influence is on the decline (Hosni Mubarak or the Saudi royal family). Given this situation, the concentration of the main forces in the region on internal maneuvering is quite natural. These can take a variety of different forms: from the corruption and sex scandals in Israel, to the armed conflict in the Palestinian Authority. As they say, “according to the specific character of the region.”

Of course, one is justified in noting that the events in the Palestinian Authority were in many respects provoked by Israeli special services, incited by releas-

ing certain Palestinians with others. This is undoubtedly the way things will be, and the Israeli special services are to be congratulated—despite all of the costs, they adequately protected the interests of their country—for carrying out their operation well, providing some time to the country’s political leadership to put its house in order. In the two or three months that Israeli special services gave their politicians, one could actually have done a lot. However, I fear that this period of time—and together with it the life of the Palestinians killed in internecine strife—was spent in vain.

But the situation in the Palestinian Authority and Israel are just one part of the whole picture, although an exceptionally important one. Basically, the Middle East has been seized by a single disease: domestic political instability and growing factionalism. No real strategy or long-term policy can successfully be built in the region. If we look at U.S. actions in recent months, then it is obvious that they are not even trying to do this; in spite of optimistic statements, the U.S. administration has taken on no long-term commitments to its allies in the region. This is evidence of the fact that the United States is not pursuing any long-term positive goals in the Middle East, but mainly looking to solve short-term political problems.

Since the United States understands that until the idea of forming an effective collective security system matures in the region (and this will not occur in the foreseeable future, a fact absolutely clear to all concerned), the only thing one can do is to keep the confrontation under control.

From this point of view Russia, too, should probably worry less about the idea of a “return” to the Middle East. First, let us ask ourselves: to what Middle East is Russia returning? After all, in the 1950s, when the Soviet Union was first interested in this region (by the way, Josef Stalin was always skeptical about the possibility of having serious influence there), the Middle East was seething, recently freed from the domination of the traditional Great Powers, while the oil economy was only just beginning to become a geopolitical factor. But the key is that at that time there were significant actors in the Middle East, who came *in earnest and for a long time*. Now none of this is true, and the most important thing—and here we should recognize the wisdom of the Americans—is that there are no actors with whom to build long-term relationships.

Secondly, another critical question that must be answered is: why should Russia return to the Middle East? For the Soviet Union the answer was predictable, transparent, and understandable. In the mid-1950s the Soviet Union was entering the arena of truly global confrontation with the United States and the West as a whole, and the Middle East as an arena of confrontation was exceptionally attractive. But what will Russia gain from a *return* to this region, where



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the main actors are notorious non-state actors with whom one cannot negotiate through visits, political declarations, and intergovernmental agreements? And most importantly, you have to negotiate with them *outside of the Middle East*.

Of course, let's say six or seven years ago one could negotiate with the Saudi royal family about its refusing to support various types of radical Islamic movements in Russia and some CIS countries. Now this is already almost pointless, since the Saudis have lost control of the monster, which they themselves fostered in many respects. And an understanding with them will no longer be of decisive importance, unlike in the recent past.

Thus the most that we can expect in returning to the Middle East is to solve some tactical missions through out relations with Middle Eastern elites. The important thing is to ensure that the balance of the costs of our Middle East policy and the geopolitical "profits" from it are nevertheless in our favor. And here we must be especially careful.

For example, there is an outwardly very beautiful proposal about the creation of a gas OPEC together with several Arab countries and Iran. It goes without saying that Russia, as one of the initiators of this organization, could obtain significant influence over the formation of the world market for natural gas. However, one should not forget that after joining this organization, Russia will lose a considerable amount of independence both in its pricing policy and in questions of its entry into new markets (for example, selling Russian gas on the Israeli market would become problematic), and on a number of other very significant questions. Most importantly, there is absolutely no guarantee that the other founders of the "gas cartel" will not attempt to use gas as a weapon for purely political purposes at times, and that these purposes will correspond to our national interests. To say nothing of the fact that after becoming the leader of a gas OPEC and after beginning to speak on behalf of the organization of gas producers, Russia will have associated itself with countries that can hardly be considered industrially developed. That is, it will have chosen a very peculiar place for itself—a *peer among strangers, a stranger among its peers*—in the new opposition between the industrially developed in the post-industrial world and the pre-industrial resource economies. Thus, the balance between plusses and minuses is quite complex and ambiguous.

THE UNITED STATES ON THE WAY OUT OF IRAQ

Certainly, one cannot ignore the situation in Iraq and the consequences of the execution of Saddam Hussein. To be honest, I do not feel sorry for Saddam Hussein. He himself played for keeps with the Americans, when he could, at a minimum, have ended the conflict in a draw. He himself created the Iraqi leadership, his entourage that betrayed him at the first opportunity. He himself created the situation whereby Iraqi statehood was essentially held together by force. There are situations where one should not play, not bargain for concessions, but stand to the death. Saddam, whatever the heroic colors some Russian politicians paint him with, was not just a dictator but a wretched, unlucky dictator. You can, of course, speak about the inhumanity of capital punishment as such, but if we look at the situation from the point of view of judicial logic, i.e., from the point of view of the correspondence of the sentence to Iraqi laws, then there should be no claims against the Iraqi authorities vis-à-vis the execution of Saddam Hussein.

But there are several oddities that do not leave us in peace. First, I cannot believe that the execution was carried out against the will of the Americans. Do you really believe that a collection of political nonentities, by the name of the "Iraqi government," whose very survival depends on whether U.S. command will provide a pair of tanks to escort their limousines when they drive around the guarded "green zone," will risk contradicting their masters? In the second place, the execution itself seems a bit strange: the hangmen do not just insult Hussein; on top of that they scream a toast to the well-known radical Shi'ite leader Muktada al-Sadr directly into a camera. Who is not, putting it mildly, just a figure cherished by the "Iraqi leadership" (even taking into account his recent conciliatory statements), but is considered to be one of the most dangerous U.S. enemies in the region—the weakly al-Qa'ida in Iraq cannot be compared to him. But the most important thing to consider is: what was the result of the execution of Hussein? Yes, it was completely predictable: Sunni fighters, the remaining Ba'athists, and

Ahmadinejad as the president of Iran is just an annoying tactical disturbance that the Iranian elite will correct in one way or another. The course of events in the nearest future will provide the answer to this important question.

As to the second question: the zigzags of U.S. policy with regards to Iran—from flirtation to direct confrontation—clearly do not correspond to the development of the country's nuclear program so much as they do to the degree to which ideology directs Iranian foreign policy. Doesn't this indicate that the U.S. priority in the region is not the nonproliferation of nuclear technologies (which were also being developed under President Khatami, a liberal, and President Ahmadinejad just began to "skim off a little propagandistic cream" from the achievements of Iranian, and apparently not only Iranian, nuclear physicists), but Iran's ability to lay claim to the ideological leadership of the Islamic world? One can assume that the United States is proceeding from the idea that a battle of ideologies will become one of the important factors of global development in the very near future. In other words, the United States is treating Iran so severely because it is predicting that there will soon be a sharp rise of Islamism throughout the world, which will be even more dangerous for the United States than the appearance of the al-Qa'ida phantom. And if this rise is accompanied by a nuclear program, which could, in the foreseeable future, lead to nuclear weapons, then the situation will indeed be hopeless.

For Russia, the Iranian situation should be a very serious lesson. It is a lesson indicating the need for an integrated approach to relations with other countries. We should dismiss the talk saying that the Bushehr NPP had to be built to spite the United States; in today's world the construction of NPPs (in contrast to any another industrial, energy, or even military facility) means committing to a particular bilateral relationship. In this relationship, the state constructing the NPP is obliged to ensure the acceptability of the purchasing state's international behavior on behalf of the world community. But this type of obligation can only be undertaken if there is a stable political and economic relationship between the partner states, within the framework of which the NPP is just one element, and by no means a decisive one. However, Russia has never had this degree of influence in Tehran, while Tehran's domestic and foreign policy have never been transparent enough for Russia to undertake such significant foreign policy obligations with respect to the medium-term, to say nothing of the long-term, future of the Iranian nuclear program.

The problem in Russian-Iranian relations is precisely the fact that at some point in time completion of the Bushehr NPP became the main element in these relations. And the Iranians' nearly unconcealed goal became obtaining fuel assemblies for the operation of the plant as quickly as possible. At the same time, Russia proved to have very few practical—economic, mostly—measures it could use in order to show the Iranians the inexpediency of aggravating the situation further. There is not one really major Russian-Iranian economic project that can be named at present. In the political sphere, we are also far from a strategic partnership. Under these circumstances, Iran, the European countries, and, of course, our American partners are all very tempted to use relations with Russia and this major, but nevertheless single, project, as a bargaining chip in more complex political combinations.

But on the other hand, the situation around the Iranian nuclear program is clear evidence of the importance of individuals in contemporary history. Here I am not talking about the fact that the U.S. president periodically speaks to God and the president of Iran considers the Holocaust a Zionist fabrication. The point here is different: it is already utterly obvious that the Iranian president and his entourage are consciously going about the aggravation of relations with the West, the most explicit evidence being the seizure of British marines near the mouth of the Shat al-Arab river. Ignoring the question of whose territory the Britons were found on, you come to the question: why did the Iranian leadership undertake this clearly scandalous, but strategically unnecessary, action? Tehran must have understood that the West's reaction would be severe and that this would only bring the beginning of military operations closer. The insignificant propaganda points Iran obtained by letting the Britons go mean little in the situation that is arising.

About military operations: preparations for a military solution are producing a stranger and stranger impression. The almost total transparency of the plans is striking. There are discussions in the media about what will be bombed, how they will bomb, what actions Iran may take

in answer, and what the end points may be. This can be explained by the realization of the inevitability of the clash and the limited number of possible scenarios. Everyone understands that the use of force will be limited—the United States will probably limit itself to air strikes, as it simply does not have the troops for a ground operation. It is clear that the Iranian nuclear program will, of course, be slowed down, but not stopped. The question is to what extent it will be slowed down. A strategic operation generally seems pointless. It is clear that after this the radicalism of the Iranians will only grow, and it will become practically inevitable that they are drawn into the Iraqi conflict. But then the question arises: why are both sides so persistently driving the situation to the verge of military conflict?

I think that in the behavior of both sides one finds a combination of domestic and foreign policy motives, with domestic policy factors primary. For the Iranian leader, a confrontation with the United States, even if Iran is hit by air strikes, will bring the majority of Iranian society, including the young people, to his side. But most importantly, it will make it possible to “sweep away” the rising members of the opposition, who otherwise may use the economic difficulties, which will inevitably arise thanks to the increasing isolation of the country, as an excuse to get rid of the radical president. Thus, President Ahmadinejad is not afraid of a confrontation with the United States; on the contrary, he is doing everything he can to ensure that a clash with the West happens as soon as possible, while he still has significant political strength.

The United States, for its part, expects that a limited military strike against Iran followed by a long-term economic blockade will force opposition groups to act more decisively. On the other hand, it is clear that for George Bush a confrontation with Iran is not simply one of the elements in a global effort to deter radical Islam, but also a means to put into practice his own model for the development of the Middle East, which the next U.S. president, whoever he or she may be, will be forced to follow. After all, if the idea of stimulating the replacement of the radical president fails, Iran will unavoidably launch a retaliatory strike against the United States in the most predictable place: Iraq. Despite the inevitable losses that would occur in this case, the Americans and President Bush personally will nevertheless be able to solve several important tasks.

On the one hand, the question of the expediency of retaining U.S. troops in Iraq automatically will be removed, and Bush’s whole Middle Eastern strategy will be seen as “correct.” At the very least, no Democratic majority will be able to question keeping U.S. troops in the region and funding them. No one wants to be labeled a “traitor,” especially in an election year. On the other hand, Iran will find itself in a state of nearly total international political isolation, and even former allies, who previously clenched their teeth and endured even the anti-Semitic tirades of the Iranian president, will be forced to turn away.

As a result, a coalition of Arab countries is arising in the Persian Gulf that will not just help the United States contain Iran. Containing Iran, of course, is complicated, but given the export-dependent nature of the Iranian economy and its deep infrastructure problems, as well as the cleavages within the Iranian elite, it is possible. Furthermore, the U.S. operations to contain the Iranians will not be paid for by U.S. taxpayers, but by the oil-producing countries for which the U.S. military will be the only survival guarantee.

Here we must ask the question straight out: what is Russia doing here?

IF YOU TAKE OUT A KNIFE, USE IT!

Russian-Georgian relations are arguably the most painful and unpleasant part of all of Russian foreign policy. This is not just because Russia keeps losing the information war to Tbilisi at every turn. And it’s not because Mikheil Saakashvili is behaving more and more “unfettered,” since he feels the United States is supporting him. The problem is that Russia’s Georgia policy is more about tactics, even more about PR actions, but there is almost no strategy.

The other problem with our Georgia policy is that we have forgotten that global politics is based on the simple rule of the street (whatever that street may be: Sretensky in Moscow, Ligovsky in St. Petersburg, or in Brooklyn in New York City): “If you take out a knife, strike!” But if you do not have the desire or the will to use it, then keep your knife in your pocket. In the Georgia sit-



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uation, we took out a knife and then reconsidered using it. We are the ones who had to take steps backwards while Georgia's leaders, in rays of glory, received congratulations from Western admirers in the United States and the European Union. This should be a significant lesson for us: each PR action has its beginning and its end. The beginning of our most recent PR action with Georgia was, let's say it straight, impressive, but the ending was a failure. That's why our ambassador to Tbilisi had to come home and urgently go to the Prodexpo exhibition in Moscow to give Georgian wines a medal "for high quality." In other words, we had to admit that the attempt to frighten the Georgian leadership had fallen through. We should go still further and recognize that we basically should not frighten the Georgian leadership.

In the end, the events of the recent three-four months have once again proved this with frightening frankness: Russia must clearly decide what it wants from Georgia. If we want Georgia to have a relationship with us that we find acceptable, then we have to understand that both the Georgian leadership and Georgian society have chosen in favor of the United States and NATO, and are only irritated by any reminders of the "historical closeness" between our countries. But their anti-Russian rhetoric is really just a way for them to demonstrate maximum loyalty to their new patrons. And it's not our job to convince them that this choice was correct or not. It is significant, by the way, that even if there is a "pro-Russian party" in Georgia, it basically lives in Moscow. And the reason that attempts at economic pressure do not give the desired result is not just because Georgia is a comparatively small state that the United States and European Union can completely take care of, together with major international philanthropists. The fact is that small difficulties, especially if they concern the poorer members of the public, and not the well-off elite, are nothing in comparison to the colossal dividends that the choice in favor of the West promises. Russia really has almost no tools to put pressure on the Georgian elite, while sanctions essentially fall on the poor segments of the population.

We also must understand that, in principle, there is a way to achieve at least neutral relations with Georgia, but only if Russia "gives up" Southern Ossetia and Abkhazia and returns them to Georgia. The question then is: does this correspond to Russian interests? Maybe it would make more sense to acknowledge the fact that Georgia will, for the foreseeable future, be a state hostile to Russia, while at the same time Russia's status as a country that's a factor in the formation of the international system is confirmed. In other words, we should acknowledge the independence of self-proclaimed states.

Of course, in the short term this sort of step would lead our Western partners to become hysterical. But given the current level of the relations between Russia and the United States and Europe, do we need to fear this so much? There will not be an economic blockade of Russia, though to "cure" our country of the oil and gas "needle" this would not be bad, as fortunately we have a gigantic, though senseless, "stabilization fund." Political relations with the United States and the European Union are at such a low level that lower them still further would be extremely difficult, particularly given the second *Maydan* in the Ukraine and the inevitable repeat of the clash of interests between Russia and the West. But at the end of the day the United States and the European Union are unlikely to have a complete falling out with Moscow, given the maturing conflict in the Persian Gulf and the strategic vagueness on the Korean peninsula. In reality, the risks are not as great as it would appear.

On the other hand, the acknowledgement of the independence of self-proclaimed autonomous states would be a real foreign policy step that could be unexpected for our Western partners, who are used to Moscow just "sending signals" but almost never actually realizing its threats. Maybe then Russia's "final warnings" would be taken more seriously. And Saakashvili's supporters would immediately become far more responsible, since they would become convinced that Moscow's "frightening words" may sometimes be followed by concrete actions.

THE END OF THE ERA OF HYDROCARBONS

The new historical era of resource conflicts could also begin on the basis of old economic models and old technological platforms. Most likely, the first period of the new historical era will be developed with an outside force holding sway. For a while Russia will still be able to con-

tinue relatively comfortably. However, only the initial period will remain unchanged. All of the new global issues and challenges facing the leading world powers will force them to search for new economic models and new technological platforms, and then to adjust their foreign policy priorities to the new technological options (including those in the military sphere) and economic interests.

Gas, and in a broader sense, energy based on hydrocarbons, was one of the foundations of the economic model of the late 20th century. It made it possible for Russia to survive the difficult 1990s and to ensure itself a place on the European gas market, as well as to accumulate the resources to begin the new industrial jump, which for some reason has yet to occur. But it is naive to think that gas will eternally rule as the type of energy powering contemporary technological platforms and that Russia will be able to eternally use the gas factor to resolve foreign policy issues, particularly, to put it mildly, in a not too delicate way, as has been done in recent years.

A way out of the global energy impasse will be found, and the more Russia accentuates its importance and irreplaceability as a source of hydrocarbons, the fewer the chances that it will be able to participate in the formation of the new technological platform that will be the basis of a new economic model. And only by going over to a new economic model will Russia be able to realize those natural geopolitical advantages that will give it the new historical era, which we designated above as the era of resource conflict. This is the only way that Russia will be able to preserve the right to have an active role in global politics.

Of course, the end of hydrocarbons will not be as apocalyptic and sudden as some other Russian writers have described. Oil and gas will not cease to be needed for the functioning of the world economy all at once. No perpetual motion machine will appear. This is not the threat, and it is not even the fact that Russia's bottomless and senseless "stabilization fund" will unexpectedly end. The threat is that Russia will be late replacing its technological platform and economic model, and will be relegated to the periphery of the global economy, which will require a heavy price, including a domestic political price, to get out of, as happened in the 1930s.

By the way, if there are any who do not realize it, today's \$56-60 per barrel of oil are even less than \$35 dollars in 1984. That is, the year when the final sunset of the Soviet economy began, the geopolitical consequences of which are well known. So the margin of safety enjoyed by this energy superpower is not so very great. 



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NOTES

¹ The *iSi* Index is calculated according to the following formula:

$$\text{Comprehensive Security Index} = \sum_i k_{G_i} \times \text{factor} + \sum_i k_{R_i} \times \text{region} + \sum_i k_{L_i} \times \Delta_j \times \text{locality}$$

Where

k_{G_i} = coefficient "weight" of global factors;

k_{R_i} = coefficient "weight" of regional factors;

k_{L_i} = coefficient "weight" of local factors;

Δ_j = coefficient indicating the importance of an individual region.

The reader can learn more about the *iSi* methodology on the PIR Center website at: <http://isi.pir-center.org>.

² UN Security Council Resolution 1737 (2006), adopted at the UNSC 5612th session on December 23, 2006, <http://www.iaea.org/NewsCenter/Focus/laealran/unscl_res1737-2006.pdf>, last accessed June 26, 2007.

³ Ibid.

⁴ Ibid.

⁵ Guy Dinmore, "US hawk judges 'war on terror' a mistake," *Financial Times*, November 24, 2006, p. 8.

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

⁹ Special Envoy of the Secretary-General of the United Nations for the future status of Kosovo Martti Ahtisaari suggests presenting the province with a number of governance attributes and providing it with limited sovereignty under international military and civilian control. His proposal does not mention either the region's independence or Serbia's claims of sovereignty over this territory. The proposal suggests giving Kosovo the right to independently establish diplomatic relations with other states, develop its own constitution, independent judicial system, etc. The plan also foresees the possibility of Kosovo signing international treaties and even joining international organizations.